

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-1

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*Counsel to Cleveland International Fund – NRP
West Edge, Ltd.*

In re:

CBRM Realty Inc., et al.,

Debtors.¹

Chapter 11

Case No. 25-15343 (MBK)
(Jointly Administered)

**DECLARATION OF STEPHEN STRNISHA IN SUPPORT OF THE OBJECTION
OF CLEVELAND INTERNATIONAL FUND – NRP WEST EDGE, LTD. TO THE
DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE DEBTORS
TO OBTAIN POSTPETITION FINANCING, (II) GRANTING LIENS AND
SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS, (III) MODIFYING THE
AUTOMATIC STAY, AND (IV) GRANTING RELATED RELIEF**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: CBRM Realty Inc. (2420), Crown Capital Holdings LLC (1411), Kelly Hamilton Apts LLC (1115), Kelly Hamilton Apts MM LLC (0765), RH Chenault Creek LLC (8987), RH Copper Creek LLC (0874), RH Lakewind East LLC (6963), RH Windrun LLC (0122), RH New Orleans Holdings LLC (7528), and RH New Orleans Holdings MM LLC (1951). The location of the Debtors' service CBRM Realty Inc., et al., c/o White & Case LLP, 1221 Avenue of the Ar



1. I am the Chief Executive Officer of Cleveland International Fund which manages Cleveland International Fund – NRP West Edge Ltd. (“CIF”). In that capacity, I have personal knowledge of, and familiarity with, the matters addressed herein and, if called upon to do so, I could testify competently to these matters.

2. Attached to this declaration are true and correct copies of the following documents:

a. Exhibit A – Credit Agreement, dated April 25, 2023, between CIF and Laguna Reserve Apts Investor LLC;

b. Exhibit B – Organizational chart showing ownership structure RH Lakewind East LLC and its direct and indirect parent companies since April 2023;

c. Exhibit C – Operating Agreement of Laguna Reserve Apts Investor LLC, dated April 25, 2023;

d. Exhibit D – Amended and Restated Operating Agreement of RH Lakewind East LLC, dated April 25, 2023;

e. Exhibit E – Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated December 11, 2024, in favor of CIF;

f. Exhibit F – Composite of (a) Multiple Indebtedness Mortgage, Pledge of Leases and Rents and Security Agreement, dated July 8, 2024, in favor of CKD Funding LLC, and (b) Multiple Indebtedness Mortgage, Pledge of Leases and Rents and Security Agreement, dated August 16, 2024, in favor of CKD Investors Penn LLC;

g. Exhibit G – Letter, dated April 8, 2025, from FisherBroyles LLP to CKD Funding LLC;

h. Exhibit H – Letter, dated April 16, 2025, from ArentFox Schiff LLP to FisherBroyles LLP; and

i. Exhibit I – Composite balance sheets of Laguna Reserve and Lakewind for the periods from October 2024 to April 2025.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: June 18, 2025
Cleveland Heights, Ohio

By: 

Name: Stephen Strnisha

Title: Chief Executive Officer

Exhibit A

CREDIT AGREEMENT

CLEVELAND INTERNATIONAL FUND –

NRP WEST EDGE, LTD.

an Ohio limited liability company

AND

LAGUNA RESERVE APTS INVESTOR LLC

a Delaware limited liability company

\$5,000,000.00

April 25, 2023

CREDIT AGREEMENT

This Credit Agreement (“Agreement”), dated April 25, 2023, is by and between LAGUNA RESERVE APTS INVESTOR LLC, a Delaware limited liability company (“Borrower”), and CLEVELAND INTERNATIONAL FUND – NRP WEST EDGE, LTD., an Ohio limited liability company (together with its successors and assigns, “Lender” or “CIF”).

RECITALS:

- A. CIF is a member of Borrower, holding the single Class B Unit issued by Borrower;
- B. Borrower is the sole member of RH Lakewind East LLC, a member-managed Delaware limited liability company (“Lakewind”);
- C. Lakewind is the sole owner of Laguna Reserve Apartments, a 348-unit apartment complex located at 5131 Bundy Road, New Orleans, Louisiana 70127 (the “Project”);
- D. Guarantor is the sole beneficial owner of Borrower;
- E. Borrower has requested a loan from CIF in the amount of up to Five Million Dollars (\$5,000,000.00) (the “Loan”) to allow for distribution of equity from the Project to Guarantor; and
- G. CIF is willing to provide the Loan to Borrower, subject to the terms and conditions contained in this Agreement.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

1.1. DEFINED TERMS. The following capitalized terms generally used in this Agreement will have the meanings defined or referenced below. Certain other capitalized terms used only in specific sections of this Agreement are defined in such sections.

“ADA” means the Americans with Disabilities Act, 42 U.S.C. §§ 12101, et seq. as now or hereafter amended or modified.

“Affiliate” means, with respect to any Person, (a) in the case of any such Person which is a partnership or limited liability company, any partner or member in such partnership or limited liability company, respectively, (b) any other Person which is directly or indirectly Controlled by, Controls or is under common Control with such Person or one or more of the Persons referred to in the preceding clause (a), (c) any other Person who is an officer, director, trustee or employee of, or partner in, such Person or any Person referred to in the preceding clauses (a) and (b), (d) any other Person who is a member of the immediate family of such Person or of any Person referred to in the preceding clauses (a) through (c), and (e) any other Person that is a trust solely for the benefit of one or more Persons referred to in clause (d) and of which such Person is sole trustee;

provided, however, in no event will Lender or any of its affiliates be an Affiliate of Borrower. The Affiliates of a Person will include any officer or director of such Person.

“Agreement” has the meaning ascribed to such term in the preamble hereto.

“Bankruptcy Code” means the Bankruptcy Reform Act of 1978 (11 U.S.C. § 101-1330) as now or hereafter amended or recodified.

“Borrower” means Laguna Reserve Apts Investor LLC, a Delaware limited liability company.

“Business Day” means a day of the week (but not a Saturday, Sunday, or holiday) on which the offices of national banks in Cleveland, Ohio are open to the public for carrying on substantially all business. Unless specifically referenced in this Agreement as a Business Day, all references to “days” will be to calendar days.

“Closing” means the date on which CIF funds the Loan to Borrower.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or by contract or otherwise.

“Default” has the meaning ascribed to such term in Section 9.1.

“Disbursement” means any delivery of funds from Lender to or for the benefit of Borrower pursuant to the terms of this Agreement.

“EB-5 Program” means the immigrant investor program created by Section 610 of Public Law 102-395 (October 6, 1992), as amended.

“Environmental Site Assessment” means, collectively, each Phase I and Phase II, if any, environmental assessment issued to Lakewind or any Lakewind Lender with respect to the Project.

“Guarantor” means Mark Silber, an individual, together with any other Person now or hereafter executing the Guaranty.

“Hazardous Materials” has the meaning ascribed to such term in Section 6.1(a).

“Hazardous Materials Claims” will have the meaning ascribed to it in Section 6.1(c).

“Hazardous Materials Laws” will have the meaning ascribed to such term in Section 6.1(b).

“Indemnified Parties” will have the meaning given in Section 11.1.

“Indemnitor” means Borrower and any other Person or entity who (or which) in any manner is or becomes obligated to Lender under any indemnity now or hereafter executed in connection with the Loan (collectively or severally as the context thereof may suggest or require).

“Lakewind Lender” means a creditor with respect to debt evidenced by a note or similar instrument executed by Lakewind or secured by a lien or security interest in Lakewind or the Project.

“Lakewind Loan Documents” means any documents executed in favor of a Lakewind Lender by Borrower, Lakewind, Guarantor, or any Affiliate of any of the foregoing.

“Lender” means Cleveland International Fund – NRP West Edge, Ltd., an Ohio limited liability company.

“Loan” will have the meaning given in Recital D hereof.

“Loan Amount” means an amount that is (a) absent the existence of a Default or Potential Default, will initially not be less than Four Million Five Hundred Thousand Dollars (\$4,500,000.00), and (b) no greater than Five Million and 00/100 Dollars (\$5,000,000.00).

“Loan Documents” means those documents, as hereafter amended, restated, supplemented, replaced, or otherwise modified from time to time, listed in Exhibit A as Loan Documents and any other documents or instruments executed in connection herewith as deemed necessary by Lender.

“Material Adverse Change” means a material adverse change in (a) the business, operations, condition (financial or otherwise), or prospects of the Borrower or the Project; (b) the ability of the Borrower to perform any of its payment or other obligations under this Agreement or any other Loan Document to which it is a party; (c) the legality, validity, or enforceability of the obligations of Borrower under this Agreement or any other Loan Document to which it is a party; or (d) Lender’s ability to exercise its rights and remedies with respect to, or otherwise realize upon, is rights under Borrower’s Organizational Documents or any other security for the Loan.

“Material Adverse Effect” means, with respect to any Person other than Lender, a material adverse effect on its business, operations, condition (financial or otherwise), or prospects, its ability to perform any of its payment or other obligations under this Agreement or any other Loan Document to which it is a party, the legality, validity, or enforceability of its obligations under this Agreement or any other Loan Document to which it is a party, or Lender’s ability to exercise its rights and remedies with respect to, or otherwise realize upon, its rights under Borrower’s Organizational Documents or any other security for the Loan.

“Maturity Date” means, absent Default and acceleration, the third anniversary of Closing.

“Note” means that certain Promissory Note dated as of the date hereof in a principal amount equal to the Loan Amount, executed by Borrower and payable to the order of Lender, as the same may be amended, restated supplemented, replaced, or otherwise modified from time to time.

“Organizational Documents” means, for any entity, its constituent or organizational documents, including: (a) in the case of any partnership, trust or other form of business entity, the partnership, or other applicable agreement of formation and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation with the secretary of state or other department in the state of its formation, in each case as amended from time to time; (b) in the case of any limited liability company, the articles or certificate of formation and its operating agreement or limited liability company agreement; and (c) in the case of a corporation, the certificate or articles of incorporation and its bylaws.

“Other Related Documents” means those documents, as hereafter amended, restated, supplemented, replaced, or otherwise modified from time to time, listed in Exhibit A as Other Related Documents.

“Participant” will have the meaning ascribed to such term in Section 11.10.

“Permitted Liens” means any ad valorem real estate taxes and assessments which are a lien on the Project but are not then due and payable, any mortgages or other instruments filed against the Project to secure a Permitted Loan, any easements, covenants, restrictions and other instruments of record which have been recorded against the Project prior to the date hereof, any liens which are being contested by Borrower or Lakewind in good faith pursuant to appropriate legal proceedings, and any other matters that would be shown on a title report or title commitment for the Project.

“Permitted Loan” means (a) any indebtedness of Borrower or Lakewind existing prior to Closing that is evidenced by a note and disclosed to Lender prior to Closing, (b) a first mortgage loan to Lakewind from a recognized commercial lender reasonably acceptable to Lender (with Lender’s approval of such lender not to be unreasonably withheld, conditioned or delayed) made after Closing that (i) is in a principal amount not to exceed eighty percent (80%) of the value of the Project when made as determined by an independent, MAI certified appraiser acceptable to such lender, (ii) does not have a Material Adverse Effect on Borrower’s ability to make its payment obligations under the Loan Documents, (iii) is evidenced by Lakewind Loan Documents which, (A) absent a default under such Lakewind Loan Documents which continues beyond the expiration of any applicable grace and/or notice and cure period, do not prohibit Lakewind from making distributions to Borrower in amounts sufficient to allow Borrower to make payment under the Loan Documents, (B) do not include a general repayment guaranty from Guarantor (as opposed to a customary non-recourse carveout guaranty) or prohibit Lender from receiving payment from Guarantor, (C) exclude a Default under the Loan Documents as an event of default, (D) exclude Lender’s exercise of any rights under Borrower’s or Lakewind’s Organizational Documents as an event of default, and (E) contain single purpose entity covenants that are customary or otherwise reasonable for a commercial mortgage loan on a multi-family residential property, and (iv) is incurred when no Default exists under the Loan Documents, or (c) any other mortgage loan to Lakewind from a recognized commercial lender reasonably acceptable to Lender, the terms of which are approved by Lender (with Lender’s approval of each of such lender and the terms of such loan not to be unreasonably withheld, conditioned or delayed).

“Person” means an individual, corporation, partnership, trust, association, company, limited liability company, partnership, governmental agency, or any other entity.

“Potential Default” means a Default that would exist but for the passage of time.

“Prohibited Property Transfer” will have the meaning ascribed to such term in Section 10.1.

“Project” has the meaning ascribed to such term in Recital C.

“Transfer” means any sale, installment sale, exchange, mortgage, pledge, hypothecation, assignment, encumbrance, or other transfer, conveyance, or disposition, whether voluntarily,

involuntarily, or by operation of law or otherwise, and includes any change in Control of a Person owning the subject property.

“USCIS” means the U.S. Citizenship and Immigration Services, or any successor governmental agency.

1.2. EXHIBITS INCORPORATED. All exhibits, schedules, and other items attached hereto are incorporated into this Agreement by such attachment for all purposes.

ARTICLE 2. THE LOAN

2.1. LOAN. By and subject to the terms of this Agreement, Lender agrees to lend to Borrower, and Borrower agrees to borrow from Lender, the Loan Amount as evidenced by the Note. Lender’s initial Loan disbursement following Closing will be not less than Four Million Five Hundred Thousand and 00/100 Dollars (\$4,500,000.00). In the event that Lender’s initial disbursement of proceeds of the Loan be less than Five Million and 00/100 Dollars (\$5,000,000.00), then from and after the date of Closing, Lender may, upon written notice to Borrower, make additional distributions of proceeds of the Loan to Borrower in amounts not to exceed Five Hundred Thousand and 00/100 Dollars (\$500,000.00) in the aggregate. Borrower will use the proceeds of the Loan to fund a distribution of Guarantor’s equity to Guarantor.

2.2. INTEREST.

(a) Current Interest. Absent the existence of any Default, the current rate of interest (the “Current Interest Rate”) will be equal to seven percent (7.00%) per annum. The Current Interest Rate will accrue monthly in arrears against so much of the principal balance of the Loan as may then be outstanding. Interest accruing at the Current Interest Rate will be computed based on a 365-day year and the actual number of days the applicable principal balance is outstanding. Consecutive monthly installments of all unpaid interest accrued at the Current Interest Rate (“Current Interest”) will be payable on the first day of each calendar month without presentment, demand, protest, or notice of any kind, all of which Borrower expressly waives, commencing on the first day of the calendar month immediately following the calendar month in which the Closing Date occurs (provided that if such date is not a Business Day, payment will be due on the next Business Day).

(b) Deferred Interest. In addition to Current Interest, the outstanding principal balance of the Loan will accrue interest from the date of issuance of the Note at the rate of three percent (3.00%) per annum (the “Deferred Interest Rate”), which Deferred Interest Rate will accrue monthly in arrears against so much of the principal balance of the Loan as may then be outstanding (as accrued, the “Deferred Interest”). Interest accruing at the Deferred Interest Rate will be computed based on a 365-day year and the actual number of days the applicable principal balance is outstanding. If accrued Deferred Interest is not paid on the first day of the month following the month for which such Deferred Interest accrues, such Deferred Interest will be capitalized and added to the outstanding principal balance of the Loan and thereafter accrue interest as provided in this Section 2.2. Notwithstanding the foregoing, Borrower will be required to pay Deferred Interest to Lender monthly in arrears unless and until Lakewind becomes obligated to make

concurrent payments against a Permitted Loan representing not less than sixty percent (60%) of the value of the Project incurred after Closing.

(c) Default Interest. So long as a Default has occurred and is continuing, at the election of Lender the Current Interest Rate will increase by the lesser of (i) four percent (4.00%) per annum, or (ii) the maximum amount permitted under applicable law (the "Default Rate").

2.3. REPAYMENT. The outstanding principal balance of the Loan together with all accrued but unpaid Current Interest and fees then outstanding under this Agreement, the Note, and the Loan Documents will be payable in full on the Maturity Date, whether by the passage of time or Default and acceleration.

2.4. LOAN FEE. Waived by Lender.

2.5. LOAN DOCUMENTS. Concurrently with the delivery of this Agreement, Borrower will execute and deliver to Lender each of the documents described in Exhibit A.

2.6. PREPAYMENT. Borrower may not prepay any principal or interest prior to the passage of twenty-four (24) months following Closing without Lender's consent, which consent Lender may withhold for any reason or no reason, in Lender's sole discretion. Beginning on the date that is twenty-four (24) months following the date on which Closing occurs, Borrower may prepay all of the Loan Amount then outstanding or a portion equal to the lesser of (a) Five Hundred Thousand Dollars (\$500,000.0) or (b) the outstanding principal balance of the Loan, provided that Borrower first (x) pays any Current Interest then accrued and outstanding, (y) gives Lender written notice of the prepayment, and (z) pays Lender a prepayment fee equal to two percent (2.00%) of the principal amount prepaid concurrently with any prepayment (the "Prepayment Fee").

2.7. CREDIT FOR PAYMENTS. Any payment received by Lender will be credited as of the Business Day received, provided such payment is received by Lender no later than 3:00 PM in Cleveland, Ohio, and constitutes immediately available funds. Any payment received after 3:00 PM or which does not constitute immediately available funds will be credited to the next Business Day when such funds become unconditionally and immediately available to Lender.

2.8. LOAN ACCOUNT. Lender will maintain, in accordance with its customary procedures, a loan account ("Loan Account") in the name of Borrower in which Lender will record, among other things, the date and amount of each Disbursement made by Lender and the date and amount of each payment in respect thereof; provided, however, the failure by Lender to record the date and amount of any Disbursement will not adversely affect Lender's rights under the Loan Documents. Lender's Loan Account will be deemed accurate absent manifest error.

ARTICLE 3. CONDITIONS PRECEDENT TO CLOSING

Lender will not be obligated to close the Loan unless and until the following conditions have been satisfied or waived by Lender:

3.1. LOAN DOCUMENTS. Borrower will have executed and delivered the Loan Documents to Lender.

3.2. CLOSING COSTS. Borrower will have paid all closing costs payable to Lender under this Agreement as generally described in Section 7.1 hereof.

3.3. FINANCIAL STATEMENTS. Lender will have received current financial statements for Borrower and Guarantor. Said financial statements must be certified by Borrower or Guarantor, as applicable, to be true, correct and complete in all material respects.

3.4. PROJECT OCCUPANCY. Lender will have received reasonably satisfactory evidence that the Project had an occupancy rate of seventy percent (70%) or better during the preceding three (3) calendar months.

3.5. ORGANIZATIONAL DOCUMENTS.

(a) Lakewind's LLC agreement will be in a form reasonably acceptable to Lender, providing that, among other things, Borrower in its capacity as Lakewind's sole member will have the exclusive authority to manage Lakewind's affairs; and

(b) Borrower's LLC agreement will be in a form reasonably acceptable to Lender, providing for, among other things:

(i) a separate class of membership to be held solely by Lender ("Lender's Membership Interest") with the right to take certain actions with respect to Borrower's management during the continuance of a Default, including but not limited to the right to cause Borrower to, among other things:

(A) sell some or all of Borrower's assets and use the proceeds to repay the Loan;

(B) cause Lakewind to sell some or all of its assets and make distribution of the proceeds to Borrower to repay the Loan; and

(C) cause Lakewind to replace the Project's management or otherwise take steps deemed commercially reasonable by Lender to cure the Default;

(ii) a requirement that Borrower cause Lakewind to make periodic distributions of cash net of Project operating expenses and debt service payments scheduled in any Lakewind Loan Documents sufficient to allow Borrower to satisfy its scheduled and anticipated obligations and expenses;

(iii) a requirement that Borrower obtain Lender's consent before:

(A) executing any loan documents or amendments thereto, making any payment except as required under such loan documents, or incurring of any additional indebtedness; provided, however, that Lender shall not unreasonably withhold, condition or delay such consent in connection with the execution of any such loan documents or the incurring of any such additional indebtedness in connection with a loan that satisfies the

conditions set forth in subparagraphs (a) or (b) of the definition of Permitted Loan;

(B) initiating any material litigation, admitting insolvency, granting a judgment, or filing a petition of bankruptcy or any other similar action related to protection from creditors;

(C) admitting any additional members (except that Borrower may admit additional members so long as, following such admission, Guarantor continues to own at least fifty-one percent (51%) of the direct or indirect ownership interests in Borrower and Control Borrower) or amending its Organizational Documents;

(D) selling or transferring any of its assets outside the ordinary course of business (except in connection with a sale of the Project pursuant to which the Loan is repaid in full) or granting a lien upon or security interest in such assets; provided, however, that Lender shall not unreasonably withhold, condition or delay such consent in connection with the granting of any lien upon or security interest in the assets of Lakewind in connection with a loan that satisfies the conditions set forth in subparagraphs (a) or (b) of the definition of Permitted Loan; or

(E) permitting Lakewind to do any of the foregoing, provided that Borrower may permit Lakewind to (1) initiate litigation to enforce Lakewind's rights against tenants of the Project (including the right to evict), and (2) incur unsecured trade and operational debt incurred by Lakewind with trade creditors in the ordinary course of its business in such amounts as are normal and reasonable under the circumstances, provided that such debt is not evidenced by a note and is paid when due;

3.6. ORGANIZATIONAL DOCUMENTS. Lender will have received a copy of the Organizational Documents for Borrower, Lakewind, CBRM Realty Inc., and Crown Capital Holdings LLC and evidence of authority to sign with respect to each Person executing this Agreement, the other Loan Documents, and the Other Related Documents, all reasonably satisfactory to Lender in form and substance.

3.7. ENVIRONMENTAL REPORT. Lender will have received a copy of each Environmental Report issued to Borrower, Lakewind, or any Lakewind Lender with respect to the Project in form, substance, and conclusion reasonably acceptable to Lender.

ARTICLE 4. INSURANCE

So long as any obligation of Borrower under any of the Loan Documents remains outstanding, Borrower will (a) keep all its insurable properties and properties in which Borrower has an interest insured against the hazards of fire, flood, sprinkler leakage, those hazards covered by extended coverage insurance and such other hazards, and for such amounts, as is customary in the case of companies engaged in businesses similar to Borrower, (b) maintain insurance against

claims for personal injury, death or property damage suffered by others, and (c) maintain all such worker's compensation or similar insurance as may be required under the laws of any state or jurisdiction in which Borrower is engaged in business. Upon request, Borrower will furnish Lender appropriate loss payable and additional insured endorsements in form and substance reasonably satisfactory to Lender, naming Lender as an additional insured and lender loss payee as its interests may appear. Borrower will provide copies of all such insurance policies to Lender (including the appropriate lender loss payee and additional insured endorsements) within thirty (30) days after Borrower's request, however, only certificates of such insurance will be required at Closing. All insurance policies will be issued and maintained by insurers approved to do business in the state of Louisiana and must have an A.M. Best Company financial rating of B+ or better.

In addition to the foregoing, Borrower will cause Lakewind to maintain insurance against such insurable hazards which at the time are commonly insured against for property similar to the Project in or around the region in which the Project is located in such amounts as Borrower may from time to time reasonably determine or, if greater, as a Lakewind Lender may require. Such coverage requirements may include but are not limited to coverage for property loss, liability, flood hazard (if applicable), earthquake (if applicable), acts of terrorism, business income, delayed business income, rental loss, sink hole, soft costs, tenant improvement, environmental, and workers' compensation insurance for all contractors and subcontractors working on the Project. Borrower will cause Lakewind to provide copies of all such insurance policies to Lender (including any appropriate lender loss payee and additional insured endorsements) within thirty (30) days after Lender's written request.

ARTICLE 5. REPRESENTATIONS AND WARRANTIES

As a material inducement to Lender's entry into this Agreement, Borrower represents and warrants to Lender as of Closing that:

5.1. AUTHORITY/ENFORCEABILITY. Borrower and Lakewind are each in material compliance with all laws and regulations applicable to its organization, existence, and transaction of business and has all necessary rights and powers to own and operate its business as contemplated by the Loan Documents.

5.2. BINDING OBLIGATIONS. Borrower is authorized to execute, deliver, and perform its obligations under the Loan Documents, and such obligations will be valid and binding obligations of Borrower, subject to general principles of equity and bankruptcy, insolvency and other laws generally applicable to creditors' rights and the enforcement of debtors' obligations.

5.3. FORMATION AND ORGANIZATIONAL DOCUMENTS. Borrower has delivered to Lender all Organizational Documents of Borrower, Lakewind, CBRM Realty Inc., and Crown Capital Holdings LLC and such Organizational Documents remain in full force and effect and have not been amended or modified since they were delivered to Lender.

5.4. NO VIOLATION. Borrower's execution, delivery, and performance under the Loan Documents do not:

(a) require any consent or approval not heretofore obtained under Borrower's Organizational Documents or other document;

(b) violate any governmental requirement applicable to Borrower or any other statute, law, regulation, or ordinance or any order or ruling of any court or governmental entity by which Borrower is bound; or

(c) conflict with, constitute a breach or default under, or permit the acceleration of obligations under any agreement, contract, lease, or other document by which Borrower or Lakewind is bound or regulated.

5.5. COMPLIANCE WITH LAWS; USE. To Borrower's actual knowledge, all permits, licenses, exemptions, and approvals necessary to construct, occupy, and operate the Project have been acquired or issued or will be acquired or issued at such time as is necessary to cause the Project to be constructed in compliance with all governmental requirements, and the Project will at all times remain in compliance in all material respects with all governmental requirements applicable to the Project and all other applicable statutes, laws, regulations, and ordinances necessary for the operation of the Project for its intended purpose as contemplated herein. The Project is comprised of legal parcels lawfully created in full compliance with all subdivision laws and ordinances and is properly zoned for its intended use.

5.6. LITIGATION. Except as disclosed to Lender in writing, there are no claims, actions, suits, or proceedings pending or, to Borrower's knowledge, threatened against the Project or Borrower, Lakewind, or Guarantor.

5.7. FINANCIAL CONDITION. All financial statements and information heretofore and hereafter delivered to Lender by Borrower, if any, including, without limitation, information relating to the financial condition of Borrower, Lakewind, the Project, and Guarantor fairly and accurately represent the financial condition of the subject thereof in all material respects. Borrower acknowledges and agrees that Lender may request and obtain additional information from third parties regarding any of the above, including, without limitation, credit reports.

5.8. NO MATERIAL ADVERSE CHANGE. To Borrower's actual knowledge, there has been no Material Adverse Change, including without limitation a Material Adverse Change with respect to Borrower's, Lakewind's, or Guarantor's financial condition, since the dates of the latest financial statements, if any, furnished to Lender and, except as otherwise disclosed to Lender in writing, none of Borrower, Lakewind or Guarantor have entered into any material transaction which is not disclosed in such financial statements and would have a Material Adverse Effect on Borrower, Lakewind or Guarantor.

5.9. ACCURACY. All reports, documents, instruments, information, and forms of evidence delivered to Lender concerning the Loan or required by the Loan Documents are, in all material respects, accurate, correct, and sufficiently complete to give Lender true and accurate knowledge of their subject matter, and, to Borrower's actual knowledge, do not contain any material misrepresentation or omission.

5.10. TAX LIABILITY. Each of Borrower, Lakewind, and Guarantor have filed any and all required federal, state, county, and municipal tax returns and has paid all taxes and assessments

which would be deemed delinquent absent such payment, and Borrower has no knowledge of any basis for any additional payment with respect to any such taxes and assessments.

5.11. UTILITIES. To Borrower's actual knowledge, all utility services, including, without limitation, gas, water, sewage, electrical, and telephone, necessary for the development, occupancy, and Lakewind's current and any anticipated future use of the Project are or will be available at or within the boundaries of the Project.

5.12. COMPLIANCE. To Borrower's actual knowledge, Lakewind is in compliance in all material respects with all governmental requirements for the Project and the Project will at all times conform to and comply with all governmental requirements in all material respects.

5.13. LAKEWIND STATUS. Subject to the rights of Lender pursuant to Lender's Membership Interest as set forth in Borrower's Organizational Documents, (i) Borrower has Control and sole ownership of Lakewind, and (ii) Lakewind is member managed. There are no options or other rights to obtain a membership interest in Lakewind issued or outstanding. To Borrower's actual knowledge, (x) Lakewind and Borrower are each in compliance in all material respects with all laws and regulations applicable to its organization, existence, and transaction of business, and (y) Lakewind has all necessary rights and powers to own, develop, and operate the Project as contemplated by the Loan Documents.

5.14. AMERICANS WITH DISABILITIES ACT COMPLIANCE. To Borrower's actual knowledge, the Project was constructed and is operated in strict accordance and full compliance with all of the requirements of the Americans with Disabilities Act, of July 26, 1990, Pub. L. No. 101-336, 104 Stat. 327, 42 U.S.C. § 12101, et seq., as amended from time to time.

5.15. BUSINESS LOAN. The Loan is a business loan transaction in the stated amount solely for the purpose of carrying on the business of Borrower and none of the proceeds of the Loan will be used for the personal, family, or agricultural purposes of Borrower or any of its members.

ARTICLE 6. HAZARDOUS MATERIALS

6.1. SPECIAL REPRESENTATIONS AND WARRANTIES. Without in any way limiting the other representations and warranties set forth in this Agreement, and after reasonable investigation and inquiry, Borrower hereby represents and warrants to the actual knowledge of Borrower as of the date of this Agreement as follows:

(a) Hazardous Materials. Except as disclosed in the Environmental Site Assessments, to Borrower's actual knowledge, the Project is not and has not been a site for the use, generation, manufacture, storage, treatment, release, threatened release, discharge, disposal, transportation, or presence of any petroleum substance, flammable explosives, asbestos, urea formaldehyde insulation, mold, toxic mold, radioactive materials, hazardous wastes, toxic, or contaminated substances or similar materials, including, without limitation, any substances which are "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "wastes," "regulated substances," "industrial solid wastes," or "pollutants" under the Hazardous Materials Laws, as described below,

and/or other applicable environmental laws, ordinances, and regulations (collectively, the “Hazardous Materials”);

(b) Hazardous Materials Laws. To Borrower’s actual knowledge, the Project is in compliance in all material respects with all laws, ordinances, and regulations relating to Hazardous Materials (“Hazardous Materials Laws”), including, without limitation: the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environment Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986, “CERCLA”), 42 U.S.C. Section 9601 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651, the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; all comparable state and local laws, laws of other jurisdictions or orders and regulations; and

(c) Hazardous Materials Claims. There are no claims or actions (“Hazardous Materials Claims”) pending or, to Borrower’s knowledge, threatened against Borrower, Lakewind, or any of their Affiliates or the Project by any governmental entity or agency or by any other person or entity relating to Hazardous Materials or pursuant to the Hazardous Materials Laws.

ARTICLE 7. COVENANTS OF BORROWER

As a material inducement to Lender’s entry into this Agreement, Borrower covenants with Lender that:

7.1. EXPENSES. Borrower will immediately pay Lender upon demand all reasonable and documented costs and expenses actually incurred by Lender in connection with: (a) Lender’s out-of-pocket expenses for the preparation of this Agreement, all other Loan Documents, and Other Related Documents contemplated hereby, including reasonable legal fees of outside counsel; and (b) the enforcement or satisfaction by Lender of any of Borrower’s obligations under this Agreement, the other Loan Documents, or the Other Related Documents. For all purposes of this Agreement, Lender’s out-of-pocket and actually incurred costs and expenses will include, without limitation, all appraisal fees, cost engineering and inspection fees, reasonable legal fees and expenses of outside counsel, accounting fees, environmental consultant fees, auditor fees, UCC filing fees, flood certification vendor fees, tax service vendor fees, and the cost to Lender of any title insurance premiums, title surveys, reconveyance fees, and notary fees. Borrower recognizes and agrees that formal written appraisals of the Project by a licensed independent appraiser may be required by Lender’s internal procedures on an annual or specialized basis (but not more often than annually) and that Lender may, at its option, require inspection of the Project by an independent supervising architect or cost engineering specialist upon completion of the Project.

7.2. ERISA COMPLIANCE. Borrower will at all times comply, and will cause Lakewind to comply, with the provisions of ERISA with respect to any retirement or other employee benefit plan to which it is a party as employer, if any, and as soon as reasonably possible after Borrower knows, or has reason to know, that any Reportable Event (as defined in ERISA) with respect to any such plan has occurred, it will furnish to Lender a written statement setting forth details as to such Reportable Event and the action, if any, which Borrower proposes to take with respect thereto, together with a copy of the notice of such Reportable Event furnished to the Pension Benefit Guaranty Corporation.

7.3. SINGLE PURPOSE ENTITY PROVISIONS. Without the prior written consent of Lender, which consent Lender will not unreasonably withhold, condition or delay, Borrower will not, and will not permit Lakewind to:

(a) engage in any business or activity other than, (i) in the case of Borrower, the acquisition, ownership and management of Lakewind, and activities incidental thereto, and (ii) in the case of Lakewind, the acquisition, development, ownership, operation, and maintenance of the Project, and activities incidental thereto;

(b) acquire or own any material asset other than (i) in the case of Lakewind, the Project; or (ii) in the case of Borrower, its membership interest in Lakewind;

(c) merge into or consolidate with any person or entity, dissolve, terminate, liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets (except as otherwise permitted pursuant to the terms of the Loan Documents), or change its legal structure;

(d) fail to preserve its existence as an entity duly organized, validly existing, and in good standing under the Laws of the jurisdiction of its organization or formation;

(e) amend, modify, terminate, or fail to comply with the material provisions of its Organizational Documents required pursuant to Section 3.5 hereof;

(f) directly or beneficially own any subsidiary (other than with respect to Borrower's ownership of the membership interests in Lakewind) or make any investment in or acquire the obligations or securities of any other person or entity except as expressly contemplated in this Section 7.3;

(g) commingle its assets with the assets of any of its partners, members, principals, shareholders, equity holders, owners, or Affiliates, or of any other person or entity, or transfer any assets to any such person or entity, other than the transfer of the Loan proceeds from Borrower to Lakewind and distributions from Lakewind to Borrower on account of Borrower's ownership of Lakewind permitted hereunder and properly accounted for;

(h) incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than any Permitted Loan and, in the case of Lakewind, unsecured trade and operational debt incurred by Lakewind with trade creditors in the

ordinary course of its business in such amounts as are normal and reasonable under the circumstances, provided that such debt is not evidenced by a note and is paid when due;

(i) allow any other person or entity to pay its debts and liabilities or fail to pay its debts and liabilities solely from its own assets; provided, however, that notwithstanding anything set forth herein to the contrary, in no event shall this subsection (i) require any constituent member of either Borrower or Lakewind to make any additional capital contribution to either Borrower or Lakewind to satisfy this subsection (i);

(j) fail to maintain its records, books of account, and bank accounts separate and apart from those of its partners, members, principals, shareholders, owners, equity holders, and Affiliates, the Affiliates of its partners, members, principals, shareholders, owners, and equity holders, and any other person or entity;

(k) fail to prepare and maintain its own financial statements in accordance with generally accepted accounting and susceptible to audit, or if such financial statements are consolidated, fail to cause such financial statements to contain footnotes disclosing that the Project is actually owned by Lakewind; provided, however, that notwithstanding the foregoing to the contrary, each of Borrower and Lakewind may maintain consolidated financial statements with its Affiliates, so long as any such consolidated financial statement contains a note indicating that Borrower's and/or Lakewind's, as applicable, separate assets and credit are not available to pay the debts of such Affiliate and that Borrower's and/or Lakewind's, as applicable, liabilities do not constitute obligations of the consolidated entity;

(l) enter into any contract or agreement with any partner, member, principal, shareholder, owner, equity holder, or Affiliate, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's-length basis with third parties other than any partner, member, principal, shareholder, owner, equity holder, or Affiliate, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof;

(m) seek dissolution or winding up, in whole or in part;

(n) fail to correct any known material misunderstandings regarding the separate identity of each of Borrower and Lakewind;

(o) hold itself out to be responsible or pledge its assets or credit worthiness for the debts of another person or entity, or allow any person or entity to hold itself out to be responsible or pledge its assets or credit worthiness for the debts of Borrower (except for Guarantor);

(p) make any loans or advances to any third party, including any partner, member, principal, shareholder, owner, equity holder, or Affiliate of Borrower, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof;

(q) fail to file its own tax returns or to use its own name for all of its contracts, purchase orders, stationery, invoices, and checks;

(r) fail either to hold itself out to the public as a legal entity separate and distinct from any other entity or person or to conduct its business solely in its own name in order not (i) to mislead others as to the entity with which such other party is transacting business, or (ii) to suggest that it is responsible for the debts of any third party (including any partner, member, principal, shareholder, owner, equity holder, or Affiliate, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof);

(s) fail to fairly and reasonably allocate any overhead for common employees, shared office space, or other overhead and administrative expenses, if any;

(t) allow any person or entity to pay the salaries of its employees, if any, or fail to maintain a sufficient number of employees for its contemplated business operations, if any are contemplated;

(u) fail to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations, as applicable, so long as there is sufficient cash flow from the operation of the Project to do so, and provided, however, that nothing in this subsection (u) shall require any direct or indirect equity owner of either Borrower or Lakewind to contribute additional capital to either Borrower or Lakewind, as applicable, in order to satisfy the obligations set forth in this subsection (u);

(v) except in all respects to the extent required by Lender during the continuance of a Default, file a voluntary petition or otherwise initiate proceedings to have it or any general partner, manager, or managing member of it adjudicated bankrupt or insolvent, or consent to the institution of bankruptcy or insolvency proceedings against it or any general partner, manager, or managing member of it, or file a petition seeking or consenting to reorganization or relief of it or any general partner, manager, or managing member of it as debtor under any applicable federal or state law relating to bankruptcy, insolvency, or other relief for debtors with respect to it or any general partner, manager, or managing member of it; or seek or consent to the appointment of any trustee, receiver, conservator, assignee, sequester, custodian, liquidator (or other similar official) of it or any general partner, manager, or managing member of it or of all or any substantial part of the properties and assets of it or any general partner, manager, or managing member of it; or make any general assignment for the benefit of creditors of it or any general partner, manager, or managing member of it, or admit in writing the inability of it or any general partner, manager, or managing member of it to pay its debts generally as they become due; or declare or effect a moratorium on it or any general partner, manager, or managing member of it; or take any action in furtherance of any of the foregoing;

(w) share any common logo with, or hold itself out as, or be considered as a department or division of, (i) any partner, member, principal, shareholder, owner, equity holder, or Affiliate, (ii) any Affiliate of a partner, member, principal, shareholder, owner,

equity holder, or Affiliate, or (iii) any other person or entity, or allow any person or entity to identify it as a department or division of that person or entity; or

(x) conceal assets from any creditor, or enter into any transaction with the intent to hinder the rights of any creditor.

Notwithstanding anything set forth herein to the contrary, in the event that the terms of this Section 7.3 conflict with any single purpose entity provisions contained in any loan documents executed in connection with any Permitted Loan (collectively, the “Permitted Loan Documents”), then, with respect to Lakewind only, the terms of such Permitted Loan Documents shall govern and control.

7.4. FURTHER ASSURANCES. Upon Lender’s request and at Borrower’s sole cost and expense, Borrower will execute, acknowledge and deliver any other instruments and perform any other acts necessary, as reasonably determined by Lender, to carry out the purposes of this Agreement and the other Loan Documents or to perfect and preserve any liens created by the Loan Documents.

7.5. LIMITATIONS ON DISTRIBUTIONS, ETC. Unless expressly consented to by Lender in writing (which consent Lender may withhold in Lender’s sole discretion), so long as a Default or Potential Default exists and is uncured, Borrower will not, and will prohibit and not permit Lakewind to, (i) make any distribution to any member (except as may be necessary to make payment against the Loan), (ii) repay any principal or interest on any loan or other advance other than payment pursuant to the terms of any Lakewind Loan Documents, or (iii) make any loan or advance to any of its members.

7.6. ASSIGNMENT. Without the prior written consent of Lender, Borrower will not assign Borrower’s interest under any of the Loan Documents or in any monies due or to become due thereunder.

7.7. EB-5 COMPLIANCE. Borrower agrees to comply with all reasonable written requests of Lender necessary to cause Borrower, Lender, and the Project to comply with USCIS regulations applicable to the EB-5 program.

ARTICLE 8. REPORTING COVENANTS

As a material inducement to Lender’s entry into this Agreement, Borrower covenants with Lender that:

8.1. FINANCIAL STATEMENTS. Borrower will deliver or cause to be delivered to Lender:

(a) within ninety (90) days after the end of each fiscal year, Borrower’s and Lakewind’s financial statements, including a balance sheet, income statement, owner’s equity, and cash flows for such fiscal year, all in reasonable detail and prepared by Borrower’s (or Borrower’s constituent owner’s) president, chief financial officer, or other officer or person reasonably acceptable to Lender;

(b) within forty-five (45) days after the end of each fiscal quarter of each fiscal year, Lakewind's rent roll and Borrower's and Lakewind's financial statements, including a balance sheet, income statement, owner's equity, and cash flows for such quarter then ended, all in reasonable detail and prepared by Borrower's (or Borrower's constituent owner's) president, chief financial officer, or other officer or person reasonably acceptable to Lender;

(c) within ninety (90) days after the end of each calendar year, a signed personal financial statement with respect to each Guarantor prepared by a certified public accountant and certified true and accurate in all material respects by such Guarantor; and

(d) concurrently with submission thereof, any financial statement, rent roll or the like submitted by Borrower, Lakewind, or any Guarantor to any Lakewind Lender.

8.2. OTHER INFORMATION. Borrower will deliver (or cause to be delivered) to Lender the following in form and detail reasonably satisfactory to Lender:

(a) promptly upon Lender's request, copies of any detailed audit reports, management letters, or recommendations submitted to and actually received by Borrower, Lakewind, or Guarantor by independent accountants in connection with the accounts or books of Borrower, Lakewind or Guarantor;

(b) Lakewind's form of residential lease upon adoption of the form or any amendment thereto;

(c) promptly upon execution, any management agreement entered into by Lakewind or its affiliate with respect to the residential portion of the Project;

(d) promptly upon receipt, all building and other governmental permits obtained with respect to the Project;

(e) promptly upon issuance or receipt, any notice or correspondence from or to Borrower or Lakewind with respect to any Lakewind Lender; and

(f) promptly upon Lender's request, such additional information regarding the business, financial, or corporate affairs of Borrower, Lakewind, or Guarantor, or compliance with the terms of the Loan Documents, as Lender may from time to time reasonably request; provided that neither Borrower nor Guarantor will be required to provide any documentation or information (i) if such disclosure to Lender is then prohibited by law or any arms-length agreement with unaffiliated third parties binding on the disclosing party, (ii) that is subject to attorney-client privilege or constitutes attorney work product, or (iii) absent the existence of a Default, to the extent Lender makes a request therefore more than four (4) times in any calendar year.

8.3. NOTICES. Borrower will promptly notify Lender of the following:

(a) the occurrence of any Default or Potential Default with respect to the Loan, or of the occurrence of any default with respect to a Lakewind Loan or any other financing

secured by the Project which continues beyond the expiration of any grace and/or notice and cure period;

(b) any material modification of any of Lakewind Loan Documents, including but not limited to acceleration or extension of the maturity of any Lakewind Loan (provided that Borrower will not agree to, and will prevent Lakewind from agreeing to, any extension of the maturity of any Lakewind Loan beyond the initial maturity date as evidenced in Lakewind Loan Documents provided to Lender without Lender's written consent);

(c) any matter that has resulted or is reasonably likely to result in a Material Adverse Effect, including without limitation (i) breach or non-performance of, or any default under, a contractual obligation of Borrower, Lakewind, or any Guarantor; (ii) any dispute, litigation, investigation, or proceeding between Borrower, Lakewind, or any Guarantor and any Governmental Authority which has a Material Adverse Effect; or (ii) the commencement of, or any material development in, any litigation or proceeding affecting Borrower, Lakewind, any Guarantor, or the Project, including any litigation or proceeding pursuant to any applicable Environmental Laws, except in connection with any eviction or other action to enforce any rights of Lakewind or Borrower against any resident of the Project; and

(d) the occurrence of any Reportable Event (as defined under ERISA).

Each notice pursuant to this Section will be accompanied by a statement of a responsible officer of Borrower, Lakewind, or any Guarantor, as applicable, setting forth details of the occurrence referred to therein and stating what action Borrower, Lakewind, or any Guarantor, as applicable, has taken or will take and thereafter proposes to take with respect thereto; provided that the disclosing party will not be required to provide any information (i) in respect of which disclosure is then prohibited by law, or (ii) is subject to attorney-client privilege or constitutes attorney work product. Each notice pursuant to Section 8.3(a) will describe the default or potential default with particularity and reference to the provision(s) of the applicable loan documents that have been breached.

8.4. BOOKS AND RECORDS. Borrower will maintain complete books of account and records, and will require Lakewind to maintain complete books of account and records (including books and records for the disbursement and use of the proceeds of the Loan), and Borrower will make the same available (or cause the same to be made available) for inspection and copying by Lender upon reasonable prior written notice and during normal business hours.

ARTICLE 9. DEFAULTS AND REMEDIES

9.1. DEFAULT. Subject to any specified periods of notice and cure, the occurrence of any one or more of the following will constitute a "Default" under this Agreement and the Loan Documents:

(a) Monetary. Borrower's failure to pay any amount payable under any of the Loan Documents within five (5) days following the date on which the same becomes due.

(b) Performance of Obligations. Borrower's failure to timely perform any obligation, covenant, or condition under this Agreement or any of the other Loan Documents not otherwise addressed in this Section 9.1, and such failure is not cured within thirty (30) days after written notice thereof is given by Lender to Borrower; provided, however, if any such failure is susceptible to cure and cannot reasonably be cured within thirty (30) days, Borrower will have an additional ninety (90) day period to cure such failure, so long as Borrower commences such cure within the initial thirty (30) day period and diligently and in good faith pursues such cure to completion within one hundred twenty (120) days from the date of Borrower's receipt of Lender's original written notice.

(c) Liens, Attachment; Condemnation. (i) The recording of any claim of lien other than a Permitted Lien against the Project and the continuance of such claim of lien for sixty (60) days without discharge, satisfaction or provision for payment being made in a manner reasonably satisfactory to Lender, except to the extent Borrower and/or Lakewind contests such lien in accordance with applicable legal requirements and such contest suspends the obligation to pay the same or the same is bonded over by Borrower; or (ii) the condemnation, seizure, or appropriation of, or occurrence of an uninsured casualty with respect to any material portion of the Project; provided, however, that no Default shall occur with respect to any uninsured casualty to the extent Borrower otherwise has complied with Article 4 hereof in all respects; or (iii) the sequestration or attachment of, or any levy or execution upon, any of the Project, any other collateral provided by Borrower under any of the Loan Documents, or any substantial portion of the other assets of Borrower or any Guarantor, which sequestration, attachment, levy, or execution is not released, expunged, or dismissed prior to the earlier of sixty (60) days or the sale of the assets affected thereby;

(d) Representations and Warranties. (i) If any representation of Borrower was false or incorrect in any material respect when made; or (ii) the failure of any warranty of Borrower in any of the Loan Documents and the continuation of such failure for more than twenty (20) days after written notice to Borrower from Lender requesting that Borrower cure such failure;

(e) Voluntary Bankruptcy; Insolvency; Dissolution. In any event, Borrower's or Lakewind's (i) filing of a petition for relief under the Bankruptcy Code, or under any other present or future state or federal law regarding bankruptcy, reorganization, or other debtor relief law; (ii) filing of any pleading or an answer in any involuntary proceeding under the Bankruptcy Code or other debtor relief law which admits the jurisdiction of the court or the petition's material allegations regarding Borrower's insolvency; (iii) filing a general assignment for the benefit of creditors; or (iv) applying for, or the appointment of, a receiver, custodian, or liquidator for it or any of Borrower's or Lakewind's property;

(f) Involuntary Bankruptcy; Foreclosure; Receivership. (i) the filing of a petition or complaint under the Bankruptcy Code or under any other debtor relief law that in any way seeks to restrain or limit Borrower or Lakewind with respect to the Loan, the Project or any collateral pledged to Lender and Borrower fails to effect a full dismissal thereof prior to the earlier of the entry of any court order granting relief sought in such petition or complaint or ninety (90) days after the date of filing, (ii) the filing of any complaint seeking foreclosure or similar judicial sale with respect to the Project or any

property subject to a lien in favor of Lender and the same is not dismissed prior to the earlier of the entry of any court order granting relief sought in such petition or complaint or ninety (90) days after the date of filing, or (iii) the filing of any complaint or other action seeking appointment of a receiver with respect to Borrower, Lakewind, the Project, or any property subject to a lien in favor of Lender, and the same is not dismissed prior to the earlier of the entry of any court order granting relief sought in such petition or complaint or ninety (90) days after the date of filing;

(g) Guarantor. The occurrence of any of the events specified in Section 9.1(e) or Section 9.1(f) above as to Guarantor;

(h) Intentionally Omitted;

(i) Death or Incapacity of Guarantor. The death or incapacity of any Guarantor that is a natural person, if any, unless Borrower provides a substitute or replacement Guarantor reasonably acceptable to Lender within ninety (90) days after the occurrence of any such death or incapacity and such substitute or replacement Guarantor executes a Guaranty on the same form as executed by the initial Guarantor in connection with the Closing; Lender hereby acknowledges that a trust or other family entity of such Guarantor will be a sufficient replacement for such Guarantor so long as such trust or entity will have at least the same financial wherewithal as the applicable Guarantor as of the date hereof;

(j) Change in Management or Control; Dispute. The occurrence of any change in the management of Borrower or Lakewind except as permitted or required under the operating agreement of Borrower or Lakewind, respectively, or as otherwise permitted or required pursuant to the terms of this Agreement;

(k) Intentionally Omitted;

(l) Transfer of Assets. The sale, assignment, pledge, hypothecation, mortgage, or transfer of all or a substantial portion of the assets of Borrower, Lakewind, or any Guarantor, other than (i) Permitted Liens, (ii) the sale or transfer of assets (other than the Project) for value in the ordinary course of business, and (iii) any Permitted Transfer;

(m) Default Under Guaranty. The occurrence of a default under any Guaranty, including without limitation the failure of the Guarantor thereunder to perform any covenant, condition, or obligation thereunder, which default continues beyond any applicable notice, cure or grace period; or

(n) Default Under Other Indebtedness. If a default occurs and is continuing beyond any applicable cure or grace period for a Lakewind Loan or any indebtedness secured by a lien on the Project and the effect of such default is to permit acceleration of the repayment of such indebtedness.

9.2. ACCELERATION UPON DEFAULT; REMEDIES. Upon the occurrence and during the continuance of any Default specified in this Article 9, Lender may, at its sole option, declare all sums owing to Lender under the Note, this Agreement, and the other Loan Documents immediately due and payable. Upon such acceleration, Lender may, in addition to all other

remedies permitted under this Agreement and the other Loan Documents and at law or equity, apply any sums Lender holds or receives on account of Borrower and any sums in the Interest Account to the sums owing under the Loan Documents and any and all obligations of Lender will have no further obligation to fund further Disbursements.

9.3. DISBURSEMENTS TO THIRD PARTIES. Upon the occurrence and during the continuance of a Default occasioned by Borrower's or Lakewind's failure to pay money to a third party as required by this Agreement, if any, Lender, upon not less than five (5) days prior written notice to Borrower or Lakewind, as applicable, may (but will not be obligated to) make such payment on Borrower's or Lakewind's behalf. If Lender makes such payment, Borrower will repay such funds within ten (10) days after written demand from Lender and the Default with respect to which any such payment has been made by Lender will not be deemed cured until Borrower has repaid Lender as required under this Section.

9.4. MEMBERSHIP RIGHTS. In addition to any rights under this Agreement, so long as Lender holds Borrower's Class B Unit, Lender will be entitled to exercise all of Lender's rights under Borrower's Organizational Documents.

9.5. REPAYMENT OF FUNDS EXPENDED. Any funds reasonably expended by Lender in the exercise of its rights or remedies under this Agreement and the other Loan Documents will be payable to Lender within ten (10) days after written demand therefor, together with interest at the then-applicable rate of interest from the date the funds were expended until paid.

9.6. DEFAULT INTEREST. Should a monetary Default exist and continue beyond any right for Borrower to cure, Borrower will, at Lender's demand, pay Lender interest on such outstanding amount at the Default Rate. Borrower acknowledges that the Default Rate fairly compensates Lender for increased risk and expense related to the Loan being in Default, is not a penalty, and the imposition of the Default Rate is in addition to, and does not limit, Lender's other rights and remedies under this Agreement or the Loan Documents.

9.7. RIGHTS CUMULATIVE, NO WAIVER. All Lender's rights and remedies provided in this Agreement and the other Loan Documents, together with those granted by law or at equity, are cumulative and may be exercised by Lender at any time upon the occurrence and during the continuance of any Default. Lender's exercise of any right or remedy will not constitute a cure of any Default unless all sums then due and payable to Lender under the Loan Documents are repaid and Borrower has cured all other Defaults. No waiver will be implied from any failure of Lender to take, or any delay by Lender in taking, action concerning any Default or failure of condition under the Loan Documents, or from any previous waiver of any similar or unrelated Default or failure of condition. Any waiver or approval under any of the Loan Documents must be in writing and will be limited to its specific terms.

ARTICLE 10. DUE ON SALE/ENCUMBRANCE

10.1. PROPERTY TRANSFERS.

(a) **Prohibited Property Transfers.** Borrower will not cause or permit any Transfer of all or any part of Borrower's direct membership interest in Lakewind and will not cause or permit

Lakewind to Transfer all or any part of Lakewind's direct ownership interest in the Project (collectively, a "Prohibited Property Transfer"), including, without limitation, (i) a Lease of all or substantially all of the Project; and (ii) the Transfer of all or any part of Borrower's right, title, and interest in and to any Lease or lease payments, except pursuant to any Lakewind Loan Documents.

(b) Permitted Property Transfers. Notwithstanding the foregoing to the contrary, none of the following Transfers will be deemed to be a Prohibited Property Transfer (each a "Permitted Transfer"): (i) a Transfer which is expressly permitted under this Agreement; (ii) residential leases of apartments at market rates; (iii) commercial leases of commercial space at market rates; and (iv) the granting of any Permitted Lien; (v) any Transfer of the Project where the Loan is repaid in full together with all accrued interest and any applicable Prepayment Fee; and (vi) a Transfer of any direct or indirect ownership interest in Borrower, provided that Guarantor maintains Control of Borrower and Borrower continues to own one hundred percent (100%) of and Control Lakewind.

10.2. CERTIFICATES OF OWNERSHIP. Borrower will deliver to Lender, at any time and from time to time, not more than five (5) days after Lender's written request therefor, a certificate, in form reasonably acceptable to Lender, signed and dated by Borrower, listing the names of all Persons holding direct ownership interest in Borrower, Lakewind, or the Project and the type and amount of each such interest.

ARTICLE 11. MISCELLANEOUS PROVISIONS

11.1. INDEMNITY. BORROWER HEREBY AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS LENDER AND ITS DIRECTORS, MEMBERS, OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES (EXCLUDING CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES), LIABILITIES, CLAIMS, ACTIONS, JUDGMENTS, COURT COSTS, AND REASONABLE LEGAL OR OTHER EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES OF OUTSIDE COUNSEL) WHICH INDEMNIFIED PARTIES MAY INCUR AS A DIRECT OR INDIRECT CONSEQUENCE OF: (A) THE FAILURE OF BORROWER TO PERFORM ANY OBLIGATIONS AS AND WHEN REQUIRED BY THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS; OR (B) ANY FAILURE AT ANY TIME OF ANY OF BORROWER'S REPRESENTATIONS OR WARRANTIES TO BE TRUE AND CORRECT IN ANY MATERIAL RESPECT WHEN MADE OR GIVEN. BORROWER WILL PROMPTLY PAY TO INDEMNIFIED PARTIES UPON DEMAND ANY AMOUNTS OWING UNDER THIS INDEMNITY. BORROWER'S DUTY AND OBLIGATIONS TO DEFEND, INDEMNIFY, AND HOLD HARMLESS INDEMNIFIED PARTIES WILL SURVIVE REPAYMENT OF THE LOAN AND CANCELLATION OF THE NOTE. NOTWITHSTANDING ANYTHING SET FORTH HEREIN TO THE CONTRARY, BORROWER SHALL HAVE NO INDEMNIFICATION OBLIGATION UNDER THIS SECTION 11.1 TO THE EXTENT OF ANY INDEMNIFIED PARTY'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT, FRAUD, ILLEGAL ACTS OR BREACH OF THIS AGREEMENT.

11.2. NO THIRD PARTIES BENEFITED. No person other than Lender and Borrower and their permitted successors and assigns will have any right of action under any of the Loan Documents.

11.3. NOTICES. All notices, demands, or other communications under this Agreement and the other Loan Documents will be in writing and will be delivered to the appropriate party at the address set forth on the signature page of this Agreement (subject to change from time to time by written notice to all other parties to this Agreement). All communications will be deemed delivered (i) if hand delivered or if sent by electronic transmission with verification of delivery, effective upon receipt, or (ii) if delivered by overnight courier service, effective upon receipt, or (iii) if mailed by United States registered or certified mail, postage prepaid, return receipt requested, effective upon receipt, or rejection or refusal.

11.4. ACTIONS. Borrower agrees that Lender, in enforcing its' rights under the Loan Documents during the continuance of a Default, may commence, appear in, or defend any action or proceeding purporting to affect the Project, or the Loan Documents and Borrower will immediately reimburse Lender upon demand for all such reasonable expenses so incurred or paid by Lender, including, without limitation, attorneys' fees and expenses and court costs.

11.5. RIGHT OF CONTEST. Borrower or its Affiliate may contest in good faith any claim, demand, levy, or assessment by any person other than Lender which would constitute a Default if: (a) Borrower pursues the contest diligently, in a manner which does not impair the rights of Lender under any of the Loan Documents; and (b) Borrower deposits with Lender any funds or other forms of assurance which Lender in good faith reasonably determines from time to time appropriate to protect Lender from the consequences of the contest being unsuccessful. Borrower's compliance with this Section will operate to prevent such claim, demand, levy, or assessment from becoming a Default.

11.6. RELATIONSHIP OF PARTIES. The relationship of Borrower and Lender under the Loan Documents is, and will at all times remain, solely that of a borrower and a lender, and Lender neither undertakes nor assumes any responsibility or duty to Borrower or to any third party with respect to Lakewind or the Project, except as expressly provided in this Agreement, the other Loan Documents or Borrower's Organizational Documents.

11.7. ATTORNEYS' FEES AND EXPENSES; ENFORCEMENT. If any attorney is engaged by Lender to enforce or defend any provision of this Agreement, any of the other Loan Documents or Other Related Documents, if any, or as a consequence of any Default under the Loan Documents, with or without the filing of any legal action or proceeding, and including, without limitation, any reasonable fees and expenses incurred in any bankruptcy proceeding of the Borrower, then Borrower will immediately pay to Lender, upon demand, the amount of all reasonable attorneys' fees and expenses of outside counsel and all reasonable and documented out-of-pocket costs actually incurred by Lender in connection therewith, together with interest thereon from the date of such demand until paid at the rate of interest applicable to the principal balance of the Note as specified therein.

11.8. IMMEDIATELY AVAILABLE FUNDS. Unless otherwise expressly provided for in this Agreement, all amounts payable by Borrower to Lender will be payable only in United States currency, immediately available funds.

11.9. LENDER'S CONSENT. Except as otherwise provided herein, wherever in this Agreement there is a requirement for Lender's approval or consent and/or a document to be provided or an action taken "to the satisfaction of Lender," it is understood by such phrase that Lender will give or withhold its approval or exercise its consent, right, or judgment, if at all, in a reasonable and timely manner given the specific facts and circumstance applicable at the time.

11.10. LOAN SALES AND PARTICIPATIONS; DISCLOSURE OF INFORMATION. Borrower agrees that Lender may elect, at any time and at no additional cost to Borrower, to sell, assign, or grant participations in all or any portion of its rights and obligations under the Loan Documents, and that any such sale, assignment, or participation may be to one or more financial institutions, private investors, and/or other entities, at Lender's sole discretion ("Participant"). Borrower further agrees that Lender may disseminate to any such actual or potential purchaser(s), assignee(s), or participant(s) all documents and information (including, without limitation, all financial information) which has been or is hereafter provided to or known to Lender with respect to: (a) the Project and its operation; (b) any party connected with the Loan (including, without limitation, the Borrower and any Guarantor); and/or (c) any lending relationship other than the Loan which Lender may have with any party connected with the Loan; provided, however, that Lender shall require that each such Participant maintains the confidentiality of any such documents or information and does not disseminate any of the same to any other recipient. In the event of any such sale, assignment or participation, Lender and the parties to such transaction will share in the rights and obligations of Lender as set forth in the Loan Documents only as and to the extent they agree among themselves. In connection with any such sale, assignment, or participation, Borrower further agrees that the Loan Documents will be sufficient evidence of the obligations of Borrower to each purchaser, assignee, or participant, and upon written request by Lender, Borrower will enter into such amendments or modifications to the Loan Documents as may be reasonably required in order to evidence any such sale, assignment, or participation, provided that no such amendment or modification materially increases Borrower's or Lakewind's obligations or liabilities under the Loan Documents, or materially reduces Borrower's or Lakewind's rights or remedies under the Loan Documents. The indemnity obligations of Borrower under the Loan Documents will also apply with respect to any purchaser, assignee, or participant.

11.11. LENDER'S AGENT. Lender may designate an agent or independent contractor to exercise any of Lender's rights under this Agreement and any of the other Loan Documents, and Lender shall deliver written notice to Borrower of any such designation promptly following the occurrence thereof. Any reference to Lender in any of the Loan Documents will include Lender's agent or independent contractor, to the extent designated by Lender. Borrower will pay the reasonable costs of such agent or independent contractor either directly to such person or to Lender in reimbursement of such costs, as applicable.

11.12. WAIVER OF RIGHT TO TRIAL BY JURY. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (a) ARISING UNDER THIS AGREEMENT OR ANY

OTHER LOAN DOCUMENT, INCLUDING, WITHOUT LIMITATION, ANY PRESENT OR FUTURE MODIFICATION HEREOF OR THEREOF OR (b) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF BORROWER AND LENDER OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (AS NOW OR HEREAFTER MODIFIED) OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IS NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND BORROWER HEREBY AGREES AND CONSENTS THAT LENDER MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF BORROWER TO THE WAIVER OF ANY RIGHT BORROWER MIGHT OTHERWISE HAVE TO TRIAL BY JURY. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO ENTER INTO THE FINANCING TRANSACTION. IT WILL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND, OR MODIFY LENDER'S ABILITY TO PURSUE ITS REMEDIES.

11.13. SEVERABILITY. If any provision or obligation under this Agreement and the other Loan Documents will be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision will be deemed severed from the Loan Documents and the validity, legality, and enforceability of the remaining provisions or obligations will remain in full force as though the invalid, illegal, or unenforceable provision had never been a part of the Loan Documents, provided, however, that, except in connection with any interest owed in excess of the Maximum Rate (as defined in the Note) which shall be governed by the terms of the Note, if any amount payable under the Note or this Agreement or any other Loan Document, or the right of collectability therefor, is declared to be or become invalid, illegal, or unenforceable, Lender's obligations to make Disbursements under the Loan Documents will not be enforceable by Borrower.

11.14. SUCCESSORS AND ASSIGNS. Except as otherwise expressly provided under the terms and conditions of this Agreement, the terms of the Loan Documents will bind and inure to the benefit of the permitted successors and assigns of the parties. Nothing in this Section will be deemed to permit Borrower to assign any of its rights under this Agreement without Lender's express written consent, which consent Lender may grant or withhold at Lender's sole discretion.

11.15. TIME. Time is of the essence of each and every term of this Agreement.

11.16. HEADINGS. All articles, sections, or other headings appearing in this Agreement and any of the other Loan Documents are for convenience of reference only and will be disregarded in construing this Agreement and any of the other Loan Documents.

11.17. GOVERNING LAW; FORUM SELECTION. This Agreement will be governed by, and construed and enforced in accordance with the laws of the State of Ohio, except to the extent preempted by federal laws. Borrower and all persons and entities in any manner obligated to Lender under the Loan Documents consent to the jurisdiction of any federal or state court within the State of Ohio having proper venue and also consent to service of process by any means

authorized by Ohio or federal law. Any dispute related to this Agreement or the Loan Documents will be litigated in a state or federal court that is situated in Cuyahoga County, Ohio.

11.18. INTEGRATION; INTERPRETATION. The Loan Documents contain or expressly incorporate by reference the entire agreement of the parties with respect to the matters contemplated therein and supersede all prior negotiations or agreements, written or oral. The Loan Documents will not be modified except by written instrument executed by all parties. Any reference to the Loan Documents includes any amendments, renewals, or extensions now or hereafter approved by Lender in writing.

11.19. JOINT AND SEVERAL LIABILITY. The liability of all persons and entities obligated in any manner under this Agreement and any of the Loan Documents will be joint and several unless otherwise indicated.

11.20. COUNTERPARTS. To facilitate execution, this document may be executed in as many counterparts as may be convenient or required. It will not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts will collectively constitute a single document. It will not be necessary in making proof of this document to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

11.21. INCORPORATION OF RECITALS. The Recitals portion of the Agreement is incorporated in this Agreement as if fully restated herein.


[Signature Pages Follow]

IN WITNESS WHEREOF, Borrower and Lender have executed this Agreement as of the date appearing on the first page of this Agreement.

“LENDER”

CLEVELAND INTERNATIONAL FUND –
NRP WEST EDGE, LTD.
an Ohio limited liability company

By: CLEVELAND INTERNATIONAL FUND, LTD.
an Ohio limited liability company, its Manager


By: 
Stephen J. Strmisha, CEO

Lender's Address:

12434 Cedar Road, Suite 15
Cleveland Heights, Ohio 44106

“BORROWER”

LAGUNA RESERVE APTS INVESTOR LLC
a Delaware limited liability company

By:  _____
Name: Mark Silber
Its: Authorized Signatory

Borrower's Address:

46 Main Street, Suite 339
Monsey, New York 10952

EXHIBIT A - LOAN DOCUMENTS

Exhibit C to CREDIT AGREEMENT between Laguna Reserve Apts Investor LLC, an Ohio limited liability company as “Borrower”, and Cleveland International Fund – NRP West Edge, Ltd., an Ohio limited liability company, as “Lender”, dated April 25, 2023.

1. Loan Documents. The documents listed below and any amendments, restatements, modifications, and supplements thereto which have received the prior written consent of Lender, are collectively referred to herein as the Loan Documents.
 - 1.1 This Agreement.
 - 1.2 Note of even date herewith in the form of Exhibit D hereto with all blanks filled executed by Borrower in favor of Lender.
2. Other Related Documents. The documents listed below and any amendments, restatements, modifications, and supplements thereto which have received the prior written consent of Lender, are collectively referred to herein as the Other Related Documents.
 - 2.1 Guaranty executed by Guarantor.
 - 2.2 Hazardous Materials Indemnity Agreement executed by Borrower and Guarantor.
 - 2.3 Operating Agreement of Borrower executed by Borrower and Lender for Class B Unit issued by Borrower and acquired by Lender.

EXHIBIT B – FORM OF NOTE

Exhibit B to CREDIT AGREEMENT between Laguna Reserve Apts Investor LLC, an Ohio limited liability company as “Borrower”, and Cleveland International Fund – NRP West Edge, Ltd., an Ohio limited liability company, as “Lender”, dated April 25, 2023.

PROMISSORY NOTE

\$5,000,000.00

Cleveland, Ohio
April __, 2023

FOR VALUE RECEIVED, LAGUNA RESERVE APTS INVESTOR LLC, a Delaware limited liability company having a principal place of business at 46 Main Street, Suite 339, Monsey, New York 10952 (hereinafter referred to as “Maker”), promises to pay to the order of CLEVELAND INTERNATIONAL FUND – NRP WEST EDGE, LTD., an Ohio limited liability company, having offices at 12434 Cedar Road, Suite 15, Cleveland Heights, Ohio 44106 (hereinafter referred to as “Lender”), the principal sum of up to Five Million Dollars and 00/100 Dollars (\$5,000,000.00), or such lesser principal amount as may be outstanding hereunder on April __, 2026 (the “Maturity Date”), together with interest in arrears from the date hereof on the unpaid principal balance from time to time outstanding at the rate or rates per annum specified in Section 2.2 of the Credit Agreement (as defined below).

This Promissory Note (this “Note”) is the Note referred to in that certain Credit Agreement of even date herewith (the “Credit Agreement”) by and among Maker, as “Borrower”, and Lender, as “Lender”, and is in all respects subject to the provisions of the Credit Agreement. Any capitalized terms used in this Note and not otherwise defined in this Note will have the same meaning as set forth in the Credit Agreement. In the event of any inconsistency between the terms and conditions of this Note and the terms and conditions of the Credit Agreement, the terms and conditions of the Credit Agreement will govern. All proceeds of this Note are advanced in accordance with the provisions of the Credit Agreement.

Current Interest hereunder will be payable in accordance with the terms of Section 2.2(a) of the Credit Agreement. Deferred Interest hereunder will be payable in accordance with the terms of Section 2.2(b) of the Credit Agreement.

As provided in Section 2.2(c) of the Credit Agreement, upon and after the occurrence and during the continuance of a Default, interest will be payable hereunder at an interest rate per annum equal to the Default Rate. In the event that any payment required under this Note remains unpaid for more than five (5) business days, a “late charge” of 5% of the overdue amount will become immediately due and payable without presentment or demand, and the unpaid amount will bear interest at the Default Rate until paid.

All sums payable hereunder are payable in lawful money of the United States of America and in immediately available funds by electronic transfer to Lender or as Lender or its successors or assigns may direct.

This Note may be prepaid only in accordance with the terms and conditions set forth in Section 2.6 of the Credit Agreement.

Whenever a day on which payment of interest or principal required to be made hereunder falls on a Saturday, Sunday or public holiday, such payment will be due on the next following normal Business Day, and where time is extended for the payment of principal by virtue of the due date thereof falling on a Saturday, Sunday or public holiday, such extended time will be included in the computation of interest.

At any time during the continuance of any Default, this Note, at the option of Lender, will become immediately due and payable upon demand. Failure to exercise such option by Lender will not constitute a waiver of the right to exercise it at any other time.

No renewal or extension granted, or any indulgence shown to, or any release of (except for any explicit release of the obligations of Maker under this Note that is executed by Lender), or any

dealings between Lender and any other Person now or hereafter interested in this Note or in any collateral securing this Note, whether as owner, encumbrancer, grantor, or otherwise, will discharge or in any way affect the obligations of Maker hereunder.

Maker will remain primarily liable on this Note and the Loan Documents given to secure the same until full payment, unaffected by any alienation of all or any part of any collateral securing this Note, by any agreement or transaction between any holder of this Note and any alienee as to payment of principal, interest or other monies, by any forbearance or extension of time, guaranty or assumption by others, or by any other matter, as to all of which notice is hereby waived by Maker.

All provisions of this Note, the Credit Agreement and the Loan Documents are expressly subject to the condition that in no event, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, will the amount paid or agreed to be paid to Lender hereunder and deemed interest under applicable law exceed the Maximum Rate. If from any circumstances whatsoever fulfillment of any provision hereof or any of such other agreements will cause the amount paid to exceed the Maximum Rate, then, *ipso facto*, the amount paid to Lender will be reduced to the Maximum Rate, and if from any such circumstances Lender will ever receive interest which exceeds the Maximum Rate, such amount which would be excessive interest will be applied to the reduction of the principal of this Note and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal of this Note, such excess will be refunded to Maker. All sums paid or agreed to be paid to Lender for the use, forbearance or detention of the indebtedness of Maker to Lender will, to the extent permitted by applicable law, (i) be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full, so that the actual rate of interest on account of such indebtedness does not exceed the Maximum Rate throughout the term thereof; (ii) be characterized as a fee, expense or charge

other than interest; and (iii) exclude any voluntary prepayments and the effects thereof. The terms and provisions of this paragraph will control and supersede every other provision of all agreements between Lender and Maker.

This Note is secured by the Loan Documents.

This Note may not be modified or terminated orally.

This Note for all purposes will be enforced and construed in accordance with the substantive law of the State of Ohio, without resort to that state's conflict of laws rules.

MAKER ACKNOWLEDGES AND AGREES THAT THERE MAY BE A CONSTITUTIONAL RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM, DISPUTE OR LAWSUIT ARISING BETWEEN OR AMONG MAKER AND LENDER, BUT THAT SUCH RIGHT MAY BE WAIVED. ACCORDINGLY, MAKER AGREES THAT, NOTWITHSTANDING SUCH CONSTITUTIONAL RIGHT, IN THIS COMMERCIAL MATTER MAKER BELIEVES AND AGREES THAT IT WILL BE IN MAKER'S BEST INTEREST TO WAIVE SUCH RIGHT, AND, ACCORDINGLY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, MAKER HEREBY WAIVES SUCH RIGHT TO A JURY TRIAL, AND FURTHER AGREES THAT THE BEST FORUM FOR HEARING ANY CLAIM, DISPUTE, OR LAWSUIT, IF ANY, ARISING IN CONNECTION WITH THIS NOTE, THE LOAN DOCUMENTS, OR THE RELATIONSHIP AMONG MAKER AND LENDER, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, OR WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE, WILL BE A COURT OF COMPETENT JURISDICTION SITTING WITHOUT A JURY. IN THE EVENT OF A DISPUTE UNDER THIS NOTE, MAKER HEREBY AGREES THAT EXCLUSIVE JURISDICTION AND VENUE LIES IN A COURT OF COMPETENT JURISDICTION IN CUYAHOGA COUNTY, OHIO. THESE PROVISIONS WILL NOT BE DEEMED TO HAVE

BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY MAKER OR LENDER EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY BOTH OF THEM.

IN THE EVENT OF NON-PAYMENT BY MAKER OF ANY AMOUNTS DUE HEREUNDER, WHICH NON-PAYMENT CONSTITUTES A DEFAULT (AS DEFINED IN THE CREDIT AGREEMENT), THE ENTIRE BALANCE OF PRINCIPAL THEN REMAINING UNPAID, WITH ACCRUED INTEREST THEREON (INCLUSIVE OF CURRENT INTEREST AT THE DEFAULT RATE AND DEFERRED INTEREST) WILL AT ONCE BECOME DUE AND PAYABLE AT THE OPTION OF THE HOLDER HEREOF, ON DEMAND.

Maker hereby waives notice of non-payment, demand, presentment, protest and notice thereof with respect to any and all instruments, notice of acceptance hereof, notice of loans or advances made, credit extended, collateral received or delivered, or any other action taken in reliance hereon, and all other demands and notices of any description, except such as are expressly provided for herein or in any of the other Loan Documents. No delay or omission on Lender's part in exercising any right, remedy or option will operate as a waiver of such or any other right, remedy or option or of any Default.

Any provision of this Note which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or effecting the validity or enforceability of such provisions in any other jurisdiction or proceeding.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Maker has caused this Note to be executed as an instrument under seal by the officer named below, hereunto duly authorized as of the date first above written.

LAGUNA RESERVE APTS INVESTOR
LLC, a Delaware limited liability company

By: _____
Name:
Its:

Exhibit B

Laguna Reserve Apartments
Organization Flow Chart



Exhibit C

OPERATING AGREEMENT
OF
LAGUNA RESERVE APTS INVESTOR LLC
(A DELAWARE LIMITED LIABILITY COMPANY)

APRIL 25, 2023

THE INTERESTS CREATED BY THIS AGREEMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH THE SECURITIES AUTHORITIES OF ANY STATE UNDER ANY STATE SECURITIES LAWS. AS A CONSEQUENCE, THE INTERESTS MAY NOT BE SOLD, ASSIGNED, CONVEYED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED BY A HOLDER THEREOF EXCEPT: (1) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT REGISTERING THE INTERESTS UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS, OR (2) PURSUANT TO AN OPINION OF COUNSEL WHICH HAS BEEN OBTAINED BY SUCH HOLDER AND WHICH IS SATISFACTORY TO THE MANAGING MEMBER, OR PURSUANT TO SUCH OTHER EVIDENCE WHICH HAS BEEN OBTAINED BY THE HOLDER AND WHICH IS SATISFACTORY TO THE MANAGER THAT SUCH REGISTRATION UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED FOR SUCH HOLDER TO LAWFULLY EFFECT SUCH SUBSEQUENT SALE, ASSIGNMENT, CONVEYANCE, PLEDGE, HYPOTHECATION OR OTHER TRANSFER. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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OPERATING AGREEMENT
OF
LAGUNA RESERVE APTS INVESTOR LLC

THIS OPERATING AGREEMENT (“Agreement”) of **LAGUNA RESERVE APTS INVESTOR LLC**, a Delaware limited liability company (the “Company”) formed pursuant to the Delaware Limited Liability Company Act (the “Act”), is entered into as of April 25, 2023 (the “Effective Date”), by and among those Persons identified as Members on **Exhibit A** attached hereto, as amended from time to time, and executing this Agreement (collectively referred to as the “Members” and individually as a “Member”), such execution to evidence the mutual agreement of the Members to implement limited liability company agreement under the provisions of the Act, for the purposes and upon the terms and conditions hereinafter set forth. Reference to an Article, Section, or Paragraph means an Article, Section, or Paragraph of this Agreement, unless otherwise specified.

PRELIMINARY STATEMENT

A. The Company was formed pursuant to a Certificate of Formation filed in the Office of the Delaware Secretary of State on January 12, 2023 (the “Certificate of Formation”), by an Authorized Representative of the Company (the “Authorized Representative”). Pursuant to this Agreement, the Authorized Representative hereby admits those persons identified as Members on **Exhibit A** attached hereto, as the initial Members of the Company.

B. As of the Effective Date, pursuant to this Agreement, the Units of the Company are divided initially into Class A Units and Class B Units. The Class A Units are initially issued to Crown Capital Holdings LLC, a Delaware limited liability company, to reflect its initial capital contribution to the Company as set forth in this Agreement. The Class B Unit is issued to the International Fund Lender in consideration of its agreement to make a loan to the Company, with such Class B Unit having only those rights, including the right to approve certain Major Decisions, expressly set forth herein. Other differences in the rights and obligations of each class of Units are as otherwise set forth in this Agreement.

C. The composition of the membership of the Company is a material consideration to each of the Member’s agreements herein. Formation and operation of the Company is based on the individual qualities of the Members, and the covenants, duties, and responsibilities set forth herein are personal to the Members and not assignable except as provided herein.

ARTICLE I -- ORGANIZATION

SECTION 1.1 - NAME.

The name of the Company is LAGUNA RESERVE APTS INVESTOR LLC.

SECTION 1.2 - PURPOSES OF BUSINESS.

The Company has been formed for the purpose of engaging in any lawful act or activities for which limited liability companies may be formed under the Act and engaging in any and all activities necessary or incidental to the foregoing.

SECTION 1.3 - PLACE OF BUSINESS.

The location of the principal place of business of the Company shall be 46 Main Street, Suite 339, Monsey, New York 10952, or at such other substituted or additional places of business as may be designated by the Manager.

SECTION 1.4 - EFFECTIVE DATE AND TERM.

This Agreement shall be effective as of the date hereof, and the Company shall continue for a perpetual term, unless earlier dissolved and terminated pursuant to the Act or any other provisions of this Agreement. The Manager shall cause the Company to file such documents as may be required to permit the Company to carry on its business in the State of Delaware and any other jurisdiction in which the Company desires to conduct business.

SECTION 1.5 - NAMES, ADDRESSES, CAPITAL CONTRIBUTIONS, UNITS, AND PERCENTAGE INTERESTS OF MEMBERS.

The names, addresses, Capital Contributions, Units, and Percentage Interests of the Members shall be as set forth on **Exhibit A** attached hereto and made a part hereof. **Exhibit A** attached hereto shall be amended as may be necessary or appropriate by the Manager to reflect Transfers of Membership Interests or issuances of additional Membership Interests or other changes in the Members or their Capital Contributions, Units, or otherwise in their Membership Interests as permitted herein.

SECTION 1.6 - NAME AND ADDRESS OF REGISTERED AGENT.

The Company's agent for service of process shall be Vcorp Services, LLC, and the address of its registered office in the State of Delaware is c/o Vcorp Services, LLC, 108 W. 13th Street, Suite 100, Wilmington, Delaware 19801.

SECTION 1.7 - DEFINITIONS.

For purposes of this Agreement, the terms and phrases listed below shall be defined as follows:

(a) “Act” means Delaware Limited Liability Company Act, as amended from time to time.

(b) “Affiliate” means, when used with reference to a specified Person, (i) any Person who directly or indirectly, controls or is controlled by, or is under common control with the specified Person; (ii) any Person who is an officer, director, employee, trustee of, or serves in a similar capacity with respect to the specified Person, or of which the specified Person is an officer, director, employee, trustee, or with respect to which the specified Person serves in a similar capacity; (iii) any Person who, directly or indirectly, is the beneficial owner of ten percent (10%) or more of any class of equity securities or partnership or limited liability company interests of, or otherwise has a substantial beneficial interest in, the specified Person as of the date of this Agreement or of which the specified Person is directly or indirectly the owner of ten percent (10%) or more of any class of equity securities or partnership or limited liability company interests or in which the specified Person has a substantial beneficial interest; and (iv) any relative of the specified Person (and for this purpose, a relative means a Person’s spouse, lineal descendants, ancestors, siblings, sons-in-law or daughters-in-law). For purposes of this definition, control means possessing, directly or indirectly, the power for any reason whatsoever to direct or cause the direction of the management and policies of the Person.

(c) “Agreement” means this Operating Agreement as amended, modified, supplemented, or restated from time to time, and includes all Appendices and Exhibits attached hereto.

(d) “Business” has the meaning set forth in Section 1.2.

(e) “Capital Account” means an individual account maintained by the Company for each Member, which shall be established and maintained by the Company in accordance with the Regulations under Code Section 704(b). No interest shall be paid on or charged against the balance in such account. A Member’s Capital Account shall initially be equal to the amount of such Member’s Capital Contribution.

(f) “Capital Contribution” means the total amount of cash and the net fair market value of property actually contributed to the Company by a Member (and the predecessor holders of such Membership Interests). For purposes of this Agreement, the phrase “net fair market value of property” means the gross fair market value of property, reduced by liabilities assumed by the Company or to which such property is subject.

(g) “Capital Transaction” means any of the following: (i) a sale, exchange, transfer, assignment, or other disposition of all or a portion of any Company asset, including, without limitation, the Company’s indirect ownership interest in the Project (but not including sales, rents, or other transactions in the ordinary course of business and not capital in nature); (ii) any financing or refinancing of, or with respect to, any Company asset, including, without limitation, the

Company's indirect ownership interest in the Project; or (iii) any other transactions which, under generally accepted accounting principles, would be capital in nature, and specifically including, but not limited to, the distribution to the Members of Company property other than cash.

(h) "Certificate of Formation" has the meaning set forth in Paragraph "A" of the Preliminary Statement of this Agreement.

(i) "Class A Member" means a Member in the capacity of owning a Class A Unit (or any fraction thereof) as identified on **Exhibit A** attached hereto.

(j) "Class A Unit" means a Unit (or any fraction thereof) identified on **Exhibit A** attached hereto as a Class A Unit (or any fraction thereof) and having the rights, privileges, and restrictions set forth herein.

(k) "Class B Loan" means a loan from the Class B Member to the Company in an amount not to exceed Five Million Dollars (\$5,000,000) as evidenced by the Class B Loan Documents.

(l) "Class B Loan Documents" means the loan agreement, note, and such other documents as may be entered into between the Company and the Class B Member to evidence the Class B Loan, as the same may be amended from time to time.

(m) "Class B Member" means a Member in the capacity of owning the Class B Unit as identified on **Exhibit A** attached hereto.

(n) "Class B Unit" means the indivisible single Unit identified on **Exhibit A** attached hereto as the Class B Unit and having the rights, privileges, and restrictions set forth herein.

(o) "Code" means the United States Internal Revenue Code of 1986, as amended.

(p) "Company Affiliate" means an Affiliate of the Company.

(q) "Company Representative" has the meaning set forth in Section 4.6(a).

(r) "Confidential Information" has the meaning set forth in Section 10.1(a).

(s) "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or by contract or otherwise.

(t) "Deadline" has the meaning set forth in Section 2.1(b)(ii).

(u) "Disability" means an individual's inability to perform his or her usual services to the Company or a Company Affiliate for a period of six (6) consecutive months or for any six (6) months in a twelve-month period, because of mental or physical illness or injury, which inability to perform will be determined by a physician of not less than ten years' experience selected by the Members who are not the individual or an Affiliate of the individual to which the determination is being made.

(v) “Electronic Transmission” means any form of communication, not directly involving the physical transmission of paper that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process. For purposes of this Agreement, any communication sent by Electronic Transmission shall be treated as being in writing.

(w) “Event of Resignation” means an event described in Section 18-603 of the Act (or if such Act is amended, then the successor provision of the Act).

(x) “Family Member” means, when used with reference to a specified Person, such Person’s spouse, ancestors, or lineal descendants. In addition, when the specified Person is a corporation, partnership, limited liability company, or trust, a Family Member shall be deemed to include Persons who are shareholders, partners, members, or beneficiaries of the specified Person as of the date such specified Person first became subject to this Agreement or a spouse, ancestor, or lineal descendant of such shareholder, partner, member, or beneficiary.

(y) “Indemnified Persons” has the meaning set forth in Section 5.2(c).

(z) “Initial Capital Contributions” has the meaning set forth in Section 2.1(a).

(aa) “International Fund Lender” means Cleveland International Fund–NRP West Edge, Ltd., an Ohio limited liability company.

(bb) “Liquidation” means the event and/or act which occurs on the earlier of: (i) the date upon which the Company is terminated under Code Section 708(b)(1)(A), or (ii) the date upon which the Company ceases to be a going concern.

(cc) “Liquidation Proceeds” means the proceeds and assets available for distribution to creditors and Members upon or pursuant to the termination and liquidation of the Company, including the proceeds available from the sale of all or a portion of the Company’s assets in connection with a liquidation of the Company.

(dd) “Majority in Interest” shall mean those Members owning Units of the class or classes entitled to vote on such matter equaling more than fifty percent (50%) of the Units of the class or classes entitled to vote on such matter.

(ee) “Manager” is a Person designated as a Manager pursuant to the terms herein and who is responsible for managing or participating in the management of the Company, and any successor of a Manager who is appointed as a Manager in accordance with the provisions of this Agreement. A Manager need not be a Member.

(ff) “Member” means a Person who is named in this Agreement as a Member owning a Membership Interest, and any Person who later owns a Membership Interest pursuant to the provisions of this Agreement.

(gg) “Membership Interest” or “Interest” shall mean a Member’s Capital Account, share of Profits, Losses and cash distributions, other economic rights, and voting and other rights in the Company in the capacity of a Member.

(hh) “Net Capital Contribution” of any Member shall be equal to the excess of the aggregate Capital Contributions of such Member over the aggregate distributions to such Member pursuant to Section 3.1(c)(v).

(ii) “Net Cash Receipts” means the cash from all operations of the Company (but not including Capital Contributions) after the payment of all expenses and other disbursements, except that (i) amounts expended or reserved for capital improvements, reasonable working capital needs, contingent or unforeseen liabilities, replacement of equipment, fixtures and personalty, amounts paid into replacement reserves, and sinking funds, all as determined by the Manager, shall be reserved and deducted; and (ii) expenses paid out of a reserve, to the extent previously deducted under clause (i), shall not be deducted.

(jj) “Non-Paying Member” has the meaning set forth in Section 2.1(e).

(kk) “Partnership Audit Provisions” means Subchapter C of Chapter 63 of the Code, as modified by Section 1101 of the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and any successor statutes thereto and any Regulations promulgated thereunder or official guidance issued thereunder.

(ll) “Percentage Interest” is the percentage determined from time to time by dividing the number of Class A Units that a Member owns by the total number of outstanding Class A Units held by all Members as set forth on **Exhibit A** attached hereto, as amended from time to time. The Managers shall amend **Exhibit A** attached hereto pursuant to Section 7.1(b) to reflect any adjustment to the outstanding Units of the Company.

(mm) “Person” means any individual, partnership, limited liability company, corporation, trust, estate, or other entity, as the context may require.

(nn) “Prohibited Member Transfer” has the meaning set forth in Section 6.3.

(oo) “Prohibited Transfer” has the meaning set forth in Section 6.3.

(pp) “Project” means that certain real property located at 5131 Bundy Road, New Orleans, Louisiana 70127.

(qq) “Regulations” means those regulations promulgated under the Code, including the regulations promulgated under Section 704(b) of the Code (regarding partners’ distributive shares of partnership tax items), as currently in effect, and as modified and clarified by amendment or successor regulation.

(rr) “Securities Acts” has the meaning set forth in Section 11.3(a).

(ss) “Service” has the meaning set forth in Section 4.6(a).

(tt) “Stipulated Rate” means three percent (3%) over the rate of interest reported from time to time in *The Wall Street Journal* as being the “prime rate” then in effect, changing as such rate changes effective as of the date such change in rate is reported in *The Wall Street Journal*. In the event the “prime rate” shall for any reason cease to be reported in *The Wall Street Journal*, the Prime Rate shall thereafter mean the rate announced from time to time by Huntington National Bank, as being its “prime rate” for commercial banking customers, changing as such rate changes effective as of the date such change in rate is publicly announced by Huntington National Bank.

(uu) “Transfer” means sell, transfer, assign, pledge, or otherwise directly or indirectly dispose of or encumber, voluntarily or involuntarily (including, without limitation, disposition by way of intestacy, will, gift, bankruptcy, execution, hypothecation, seizure or sale of legal process, operation of law or otherwise).

(vv) “Transferee Entity” has the meaning set forth in Section 6.1(b).

(ww) “Trustee-in-Liquidation” means the Person who is appointed under Section 9.1(c) to wind up the affairs of the Company in the absence of a Manager.

(xx) “Unit” means a unit of ownership in the Company having such rights and preferences as provided herein for such class of Units. The currently-outstanding Units of the Company shall be set forth on **Exhibit A** attached hereto, as amended. Unless otherwise specifically agreed to by the transferor-Member and transferee, any Transfer of a Unit shall be deemed to include a proportionate share of such transferor-Member’s economic rights in such Class of Units being transferred (e.g., Capital Account balance, etc.) equal to the percentage of the transferor-Member’s Units of such class being transferred.

(yy) “Withdrawn Member” has the meaning set forth in Section 6.4.

ARTICLE II -- CAPITAL CONTRIBUTIONS AND CAPITAL ACCOUNTS

SECTION 2.1 - REQUIRED CAPITAL CONTRIBUTIONS.

(a) Capital Contributions. The Class A Member’s initial Capital Contributions to the Company are specified on **Exhibit A** attached hereto and made a part hereof (such initial Capital Contributions collectively, the “Initial Capital Contributions”). The Class A Member agrees to satisfy such Member’s initial Capital Contribution in immediately available funds (i) immediately upon the execution of this Agreement or (ii) at such other time as the Manager may determine in its sole and absolute discretion. As of the Effective Date, the Class A Member is the only Member making an Initial Capital Contribution. No Member will be obligated to make an additional Capital Contribution to the Company to restore a deficit Capital Account balance or otherwise. No Member will be personally liable for the debts and liabilities of the Company, except such debts or liabilities as may be specifically agreed to by such Members.

(b) Additional Funds.

(1) If in addition to the prior Capital Contributions of the Members, additional funds are required to acquire, own, develop, operate, or manage the Business, the Manager,

in its sole discretion but subject to Section 4.1(d), may cause the Company to: (i) borrow funds from such Persons (including, but not limited to, one or more Members) and on such terms as the Manager may determine in its discretion; and/or (ii) offer for sale, in the first instance to the Class A Member, newly-issued additional Units of an existing or newly established class of Units (other than Class B Units) having such economic rights and preferences and other terms as the Manager may determine in its discretion. The amount and sale price of Units to be issued for such additional Capital Contributions shall be based upon the Manager's determination, in its discretion, of the value of each Unit to be issued for such additional Capital Contributions.

(2) Upon determining that additional Units will be sold to raise additional funds, the Manager shall first send written notice to each Class A Member stating: (A) the number and class of Units being offered for such additional Capital Contributions and the purchase price for each Unit being offered; (B) the percentage of the additional Units that the Class A Member may acquire, which percentage shall equal each such Class A Member's respective percentage of the aggregate Class A Units owned by all Class A Members; and (C) a time deadline ("Deadline") for such additional Units to be acquired by the Class A Member.

(3) No creditor of the Company shall be entitled to request the Members to make additional Capital Contributions, and a Member's failure to make any requested additional Capital Contributions shall not confer any rights on any creditor to require any Member to make a Capital Contribution.

(c) Failure to Acquire Additional Units. If a Class A Member fails to acquire the Class A Member's share of additional Units as requested pursuant to Section 2.1(b)(ii) by the Deadline, any one or more of the other Class A Members may advance the amount to have been paid for such Units in proportion to each such advancing Member's respective Percentage Interest (or as they may otherwise agree among themselves), and treat such advance as used to purchase the amount of the additional Units that such funds will purchase based on the price of such additional Units. In order to make up for any capital shortfall that remains after the operation of the above provisions, the Manager, in its sole discretion subject to Section 4.1(d), may sell additional Units (other than Class B) to other Persons (and admit such Persons as Members, subject to Section 6.3) or obtain loans from one or more Persons. Subject to Section 4.1(d) the Manager shall determine in its sole discretion whether to sell additional Units, or approve one or more loans, or a combination of both, to make up for any such shortfall, as well as the Persons from whom such sales or loans are accepted.

(d) Restatement of Interest. The Members' collective Percentage Interests shall be adjusted to reflect the issuance and sale of Units pursuant to Section 2.1(b) or Section 2.1(c).

SECTION 2.2 - CAPITAL ACCOUNTS.

(a) A single capital account (a "Capital Account") shall be established, determined and maintained for each Member (other than the Class B Member) on the books and records of the Company in accordance with the provisions of the Regulations governing the

determination and maintenance of partnership capital accounts, including the following rules of determination and maintenance:

(i) Such account shall be credited with (A) the amounts of such Member's paid-in cash Capital Contribution and the amount of any other money contributed by such Member to the Company in accordance with the terms of this Agreement (including the amount of any Company liabilities assumed by such Member, other than liabilities described in the parenthetical language of clause (ii)(B) of this Section 2.2(a)), (B) the fair market value of any property contributed by such Member to the Company in accordance with the terms of this Agreement (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Section 752 of the Code), and (C) such Member's distributive share of Profits (or items thereof); and

(ii) Such account shall be debited with (A) the amount of money distributed to such Member (including the amount of such Member's liabilities assumed by the Company, other than liabilities described in the parenthetical language of clause (i)(B) of this Section 2.2(a)), (B) the fair market value of any property distributed to such Member (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code), and (C) such Member's distributive share of Losses (or items thereof).

(b) Each such Capital Account shall reflect all Membership Interests owned by such Member. Upon a Transfer of all or a part of a Membership Interest, the transferee shall succeed to the Capital Account of the transferor to the extent that such Capital Account relates to the transferred Interest (or portion thereof). Any reference in this Agreement to a Capital Contribution of, or distribution or allocation to, a Member that has succeeded any other Member shall include any Capital Contribution, distributions or allocations previously made by or to the former Member on account of the Membership Interest of such former Member transferred to such successor Member.

(c) The property of the Company shall be revalued on the books of the Company in any case in which such revaluation is required by the Regulations and may be revalued in any case in which such revaluation is permitted by the Regulations and such revaluation is determined to be appropriate by the Manager. In the event that any Company property is revalued on the books of the Company in accordance with the Regulations, the aggregate adjustment shall be taken into account in determining Profits and Losses in the same manner as if the Company had recognized gain or loss equal to the amount of such aggregate adjustment. In the event that the property of the Company is revalued on the books of the Company, all Company property shall be valued for such purpose at its fair market value, as determined by the Manager.

(d) The provisions of this Section 2.2 are intended to comply with the Regulations and shall be interpreted in a manner consistent with such regulations. If any of the provisions of this Agreement relating directly or indirectly to Capital Account determination and maintenance at any time conflict with the Regulations, such Regulations shall govern Capital Account determination and maintenance.

SECTION 2.3 - RETURN OF CONTRIBUTIONS; DISSOLUTION OF THE COMPANY.

No Member shall be entitled to a return of any portion of any Capital Contribution or Capital Account balance except as specifically provided in this Agreement. Except as provided herein, no Member shall, in such Member's capacity as a Member, have the right or authority to cause the dissolution of the Company.

ARTICLE III -- ALLOCATION OF PROFITS, LOSSES, AND DISTRIBUTIONS

SECTION 3.1 - CASH DISTRIBUTIONS.

(a) Distributions of Net Cash Receipts. Subject to Sections 3.1(b) and 4.1(d), Net Cash Receipts for each fiscal year of the Company (or fractional portion thereof), if any, which the Manager determines in the Manager's sole discretion to distribute shall be distributed at the times determined by the Manager in the Manager's sole discretion. No Member shall be entitled to make withdrawals from such Member's Capital Account or from the Company's capital, except to the extent of distributions made pursuant to this Section 3.1 and Section 9.2. Except as provided in this Agreement or as agreed to by the Manager in conformity with Section 4.1(d), no Member shall receive compensation for services rendered to the Company. All distributions of the Net Cash Receipts shall be made among the Members *pro rata* in proportion to their respective Percentage Interests; provided that no distribution shall be made to a Member pursuant to this Section 3.1(a) to the extent that such distribution would create or increase a deficit Capital Account balance for such Member (unless every other Member has a zero, or deficit, Capital Account balance at such time).

(b) Distribution of Capital Transaction Proceeds. The proceeds from any Capital Transaction, other than Liquidation Proceeds, which are distributed to the Company following payment of any Project-level debts and/or operating expenses shall be distributed in the following order and priority:

- (1) First, to the payment and discharge of the Class B Loan;
- (2) Second, to the payment of Company debts, including fees, compensation, debt service, and other Company expenditures deemed by the Manager in their sole and absolute discretion, to be necessary or appropriate;
- (3) Third, to the establishment of any reserves deemed by the Manager to be necessary or appropriate in the efficient conduct of the Company's business; and
- (4) Thereafter, to the Members, *pro rata* in proportion to their respective Percentage Interests;

provided that no distribution shall be made to a Member pursuant to this Section 3.1(c) to the extent that such distribution would create or increase a deficit Capital Account balance for such Member (unless every other Member has a zero, or deficit, Capital Account balance at such time).

(c) Distribution of Liquidation Proceeds. Liquidation Proceeds shall be distributed in accordance with Section 9.2.

SECTION 3.2- ALLOCATION OF PROFITS AND LOSSES.

Profits and Losses, and any other items of Company income, gain, deduction, loss or credit, shall be allocated among the Members (other than the Class B Member) in accordance with each Member's Percentage Interest.

SECTION 3.3 - ACCOUNTING AND REPORTS.

The Company books and accounting for all purposes shall be kept on a cash basis or on such other basis as the Manager may otherwise determine. The taxable and fiscal year of the Company shall be the calendar year, or as otherwise determined by the Manager. On a timely basis following the end of the Company's taxable year, the Manager shall use its reasonable efforts to provide the Members: (a) such information as is necessary for the preparation by the Members of their federal income tax return and State income or other tax returns; and (b) annual financial statements and such other information as, in the judgment of the Manager, is reasonably necessary to advise the Members of the results of the operation of the Company. On a timely basis following the end of each calendar year quarter, the Manager shall provide the Members with a summary of the financial performance of the Project. Notwithstanding anything set forth in this Agreement to the contrary, the Company shall be treated as a disregarded entity for income tax purposes, shall not file its own tax return, and the Class A member shall report all activity of the Company on its own tax return inasmuch as the Class B member is not treated as a "partner" for income tax purposes

ARTICLE IV -- MANAGEMENT OF COMPANY

SECTION 4.1 - MANAGEMENT OF COMPANY.

(a) Designation of Manager. Except as provided in Section 4.1(d), as otherwise expressly required by this Agreement, or as required by the Act, all powers and authority of the Company shall be exercised by or under the direction of one (1) or more managers (the "Manager" or "Managers"). The Class A Member shall appoint the Manager(s), and the Class A Member hereby designates Mark Silber to serve as the initial, sole Manager of the Company.

(b) Powers of Manager. The Manager is vested with the power to manage, control, and make all decisions affecting the business and assets of the Company or any Company Affiliate, including, without limitation, the power to:

- (1) employ such Persons for the operation of and conduct of the business of the Company;
- (2) admit additional Members to the Company;
- (3) sell any of the Company's assets or business, or the assets or business of any subsidiary of the Company;

(4) acquire in the name of the Company, by purchase, lease, or otherwise, any real or personal property that may be necessary, convenient, or incidental to the accomplishment of the purposes of the Company, including, without limitation, any direct or indirect ownership interest in the Project;

(5) engage in any kind of activity and perform and carry out contracts of any kind necessary to, in connection with, or incidental to the accomplishment of the purposes of the Company and any subsidiary of the Company so long as such activities and contracts may be lawfully carried on or performed by a limited liability company under the Act;

(6) negotiate, execute, and perform all agreements, contracts, leases, loan documents, and other instruments and exercise all rights and remedies of the Company in connection with the foregoing; and

(7) make any other decision or action that would materially affect the Company or the Company's assets or operations, including but not limited to: (A) assign the property of the Company in trust for creditors or on the assignee's promise to pay the debts of the Company; (B) dispose of the goodwill of the Company; (C) do any other act to allow the Company to carry on the ordinary business of the Company; (D) confess a judgment; (E) submit a claim for liability of the Company to arbitration or reference; and (F) make any decision as a shareholder, partner, or member of any subsidiary owned by the Company in part or in whole.

Any Manager may singularly execute, acknowledge, and deliver any and all instruments to effectuate any of the foregoing, provided that such actions have been duly approved and authorized by the Managers pursuant to this Agreement.

(c) Decisions of Managers. Except as otherwise provided in this Agreement, decisions of the Managers, if more than one (1), shall require the affirmative vote of the Managers holding a majority of the votes of the Managers then in office. For this purpose, each Manager shall have one (1) vote on all Company matters before the Managers.

(d) Major Decisions. Notwithstanding anything in this Agreement to the contrary, neither the Company nor the Manager(s) may take any action set forth in **Schedule 4.1(d)** to this Agreement (or refrain from taking any action necessary to cause the Company to comply with Schedule 4.1(d)) absent the prior written consent of the Class B Member, and any such action set forth in **Schedule 4.1(d)** hereof taken by the Company or the Manager without the Class B Member's prior written consent in violation of Schedule 4.1(d) will be null and void.

(e) Term of Office; Resignations. Each Manager shall hold office until such Manager's successor is appointed or until such Manager's earlier resignation, removal from office, Disability, or death. Subject to Schedule 4.1(d), any Manager may resign at any time by written statement to that effect delivered to the Company, such resignation to take effect immediately or at such later time as the Manager may specify. The Class A Member may remove any Manager with or without cause, at any time. In the event of any vacancy of a Manager position, however caused, the vacancy shall be filled by one or more new Managers selected by the Class A Member.

(f) Regular Meetings. Upon notice duly given, regular meetings of the Managers, if more than one (1), may be held at such times and places within or without the State of Delaware (or through use of telephone or other communications equipment if all persons participating can hear each other) as may be agreed upon by the Managers. Unless otherwise indicated in the notice of a regular meeting, any business may be transacted at that regular meeting.

(g) Special Meetings. Special meetings of the Managers may be held at any time within or without the State of Delaware (or through use of telephone or other communications equipment if all persons participating can hear each other) upon call by any Manager.

(h) Notice of Meeting and Waiver of Notice. Written notice of the time and place of each regular or special meeting shall be given to each Manager either by personal delivery (which, for purposes of this Section 4.1(h), includes notice by facsimile transmission of a written notice) or by mail, e-mail, or otherwise by Electronic Transmission, at least forty-eight (48) hours before the meeting. The notice need not specify the purposes of the meeting. The attendance of any Manager at any meeting (and participation in a meeting employing telephone or other communications equipment) without, prior to or at the commencement of the meeting, protesting the lack of proper notice shall be deemed to be a waiver by the Manager of notice of the meeting. Further, notice of a meeting may be waived in writing, either before or after the holding of the meeting, by any Manager, which writing shall be filed with or entered upon the records of the Company. Unless otherwise indicated in the notice of a meeting, any business may be transacted at that meeting.

(i) Action Without a Meeting. Any action that may be authorized or taken at a meeting of the Managers may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by the same number of Managers otherwise required to grant their consent for such action at a meeting, which writing or writings shall be filed with or entered upon the records of the Company; provided, however, that written notice of any such proposed action without a meeting be provided to all Managers prior to the taking of any such action without a meeting.

SECTION 4.2 - OFFICERS AND OTHER MATTERS.

(a) Election and Designation of Officers. The Manager may elect such officers as the Manager may deem necessary. Any two (2) or more offices may be held by the same person, but no officer shall execute, acknowledge, or verify any instrument in more than one (1) capacity if the instrument is required to be executed, acknowledged, or verified by two (2) or more officers.

(b) Term of Office; Vacancies. Each officer of the Company shall hold office until the officer's successor is elected or until the officer's earlier resignation, removal from office, or death. The Manager may remove any officer at any time with or without cause. Any vacancy in any office shall be filled by the Manager.

(c) Delegation of Authority and Duties. The Manager is authorized to delegate the authority and duties of any officer to any other officer and generally to control the actions of the officers and to require the performance of duties in addition to those mentioned herein.

SECTION 4.3- MEETINGS OF MEMBERS.

The Manager may from time to time call meetings of the Members. The Manager shall send written notice to each Member of each such meeting at least fifteen (15) days, but not longer than forty-five (45) days, prior to such meeting. All such meetings shall be held within the continental United States. The Members shall be entitled to attend and discuss issues on the agenda for such meetings. The Manager shall endeavor to provide an agenda for each such meeting, and such agenda may include a review of the financial results of the Company. The Members may act without a meeting if such action is approved in writing by the number of Members otherwise required to approve such action at a meeting. If there is no Manager, a Majority in Interest of the Members may call a meeting of the Members by complying with the provisions set forth above for meetings called by Manager. Members may participate in a meeting of the Members by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this sentence shall constitute presence in person at the meeting.

SECTION 4.4 - VOTING RIGHTS OF MEMBERS.

The Units are divided into Voting Units and Nonvoting Units. The Class A Units shall at all times be Voting Units, and the Class B Units shall only constitute Voting Units with respect to any major decisions identified on Schedule 4.1(d) attached hereto. The Class B Units shall have no voting rights, and shall constitute Nonvoting Units, with respect to any matter not identified on Schedule 4.1(d) attached hereto. Voting Units and Nonvoting Units have the same rights and privileges except that Nonvoting Units shall have no voting rights unless otherwise expressly set forth herein. Except as otherwise provided in this Agreement, the major decisions identified on Schedule 4.1(d) shall require the consent of each of the Class A Members and the Class B Member and decisions of the Members as to any other matter shall require the consent of a Majority in Interest of the Class A Members (with no consent required from the Class B Member), voting on a collective basis as one group. Persons entitled to vote Units or to act with respect to Units may vote or act in person or by proxy. The Person appointed as proxy need not be a Member. Unless the writing appointing a proxy otherwise provides, the presence at a meeting of the Person who appointed a proxy shall not automatically operate to revoke the appointment. Notice to the Company, in writing or in open meeting, of the revocation of the appointment of a proxy shall not affect any vote or act previously taken or authorized.

SECTION 4.5 - CHECKING OR SAVINGS ACCOUNTS.

The funds of the Company shall be deposited in its name in such checking accounts, savings accounts, brokerage accounts, bank accounts or money market funds or other suitable accounts or investments as shall be designated by the Manager. All withdrawals from such accounts or investments shall be made upon checks, drafts, or withdrawal forms signed by the Manager, or any officer or other agent of the Company who is designated by the Manager to sign checks, drafts, or other such instruments.

SECTION 4.6 - APPOINTMENT OF COMPANY REPRESENTATIVE.

(a) Designation. The Class A Member shall be the initial “partnership representative,” within the meaning of section 6223 of the Partnership Audit Provisions (collectively, the “Company Representative”). Each Member hereby consents to such designation and agrees that upon the request of the Company Representative, such Member will execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. For each year that the Class A Member is designated as the Company Representative, the Company shall appoint the individual selected by the Class A Member as the individual through whom the Class A Member will act as the Company Representative. The Company Representative is responsible for acting as the liaison between the Company and the Internal Revenue Service (“Service”) and as the coordinator of the Company’s actions pursuant to a Service tax audit of the Company. The Company Representative shall continue to serve as Company Representative until the earliest to occur of the following events:

- (i) The Company Representative is no longer willing or able to serve;
- (ii) The Company Representative no longer owns a Membership Interest in the Company; or
- (iii) The Managers remove the appointed Company Representative and designate a new Company Representative.

Upon the occurrence of (i) or (ii) above, the Managers shall select a new Company Representative.

(b) The Company Representative is authorized and required to represent the Company (at the Company’s expense) in connection with all examinations of the Company’s affairs by any federal, state or local tax authorities (each, a “Tax Audit”) and any resulting administrative and judicial proceedings (each, a “Tax Proceeding”), and to expend Company funds for professional services and costs associated therewith. The Company Representative shall perform all acts required in such Person’s role as the Company Representative. Each Member (and each Person who was a Member during the reviewed taxable year) shall provide such information to the Company as the Company Representative may reasonably request to reduce the amount of any imputed underpayment, penalty, addition to tax, or additional adjustment amount imposed by a taxing authority and shall take such actions as the Company Representative may reasonably request (including the filing of amended tax returns) in order to assist the Company Representative in complying with the Partnership Audit Procedures or the applicable law of other taxing authorities.

(c) The Company Representative may cause the Company to make any election available to it under the Partnership Audit Procedures, including an election under Section 6226 of the Partnership Audit Procedures to have Members in respect of the reviewed taxable year take tax adjustments on their own tax returns. In the event that the Company is required to pay any imputed underpayment, penalty, addition to tax, or other adjustment amount pursuant to the Partnership Audit Procedures, then (subject to any valid election of the Company under Section 6226 of the Code) each Person that was a Member in the applicable reviewed taxable year, within

the meaning of Section 6225(d)(1) of the Code, shall make a payment to the Company in an amount equal to the portion of such adjustment amount allocable to such Person (as determined by the Manager in its sole discretion), taking into account any modifications of the adjustment amount under Section 6225(c) of the Code; provided, however, that if such Person is also a Member at the time the Company pays such adjustment amount, the Company instead may withhold from amounts due to such Member from the Company such Member's allocable share of the adjustment amount and any such amount withheld shall be treated as having been distributed by the Company to such Member and then paid by such Member to the Company; and provided further that no payment by or withholding from a Person shall be required if such Person complied with the provisions of Section 6225(c)(2)(A) or (B) of the Code. If the Manager exercises its option to require a current or former Member, as the case may be, to reimburse the Company for any such taxes, and such current or former Member does not reimburse the Company for such amounts within ten (10) business days of receiving a written demand from the Company to do so, interest will be charged on the average daily balance of such outstanding obligation, at a rate equal to the lesser of (x) the Stipulated Rate and (y) the maximum amount permitted to be charged by law. For the avoidance of doubt, no payment made to the Company pursuant to this Section 4.6(c) shall be treated as a Capital Contribution. In the event that the Company receives a tax refund or tax benefit pursuant to the Partnership Audit Procedures, the Company may make special allocations and payments as necessary to account for the portion of such adjustment allocable to each Person who was a Member during the reviewed taxable year. Notwithstanding anything in this Agreement to the contrary, all rights and obligations of a Member under this Section 4.6 shall survive both the Member's ceasing to be a partner of the Company for federal income tax purposes and the dissolution of the Company. Each Person's obligation to repay the Company under this Section 4.6 shall apply to such Person's successors in interest.

(d) Reimbursement. The Company Representative shall be reimbursed by the Company for all expenses, costs, and liabilities expended or incurred by the Company Representative in furtherance of the duties of the Company Representative described in this Agreement.

(e) Indemnification. Neither the Company Representative (including any officers, agents and employees of the Company Representative) nor any designated individual shall be liable to the Company, the Members, former Members or their successors in interest for any action such Person takes or fails to take in connection with any judicial or administrative proceeding, including the agreement to or failure to agree to a settlement or the extension of or failure to extend the relevant statutes of limitations, unless such action or failure constitutes willful misconduct, fraud or gross negligence. The Company shall indemnify and reimburse the Company Representative for all expenses, including legal and accounting fees, claims, liabilities, losses, and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members pertaining to the Company. The payment of all such expenses shall be made before any distributions are made by the Company to the Members. No Member shall have any obligation to provide funds for such purpose. The taking of any action and the incurring of any expense by the Company Representative in connection with any such proceeding, except to the extent required by law, is a matter in the sole discretion of the Company Representative and the provisions on limitations of liability of Members and indemnification set forth in this Agreement shall be fully applicable to the Company Representative in its capacity as such.

**ARTICLE V-- DUTIES, LIABILITIES, AND COMPENSATION
OF THE MANAGERS AND MEMBERS**

SECTION 5.1 - DUTIES OF MANAGER.

(a) Participation in Business and other Ventures. The Manager shall manage or cause to be managed the affairs of the Company in a prudent and businesslike manner and shall devote such part of its time to Company affairs as is reasonably necessary for the conduct of such affairs; provided, however, that it is expressly understood and agreed that no Manager shall be required to devote such Manager's entire time or attention to the business of the Company. Except as otherwise specifically provided in this Agreement, no Member in its capacity as a Member nor an Affiliate shall be restricted from participating in other businesses or activities that are competitive with the business of the Company.

(b) Maintenance of Records. In carrying out their obligations, the Manager shall:

(1) maintain complete and accurate records of all property (real and personal) owned or leased by the Company and complete and accurate books of account (containing such information as shall be necessary to record allocations and distributions);

(2) cause to be prepared and timely filed the tax returns of the Company;

(3) cause to be timely filed such other documents and timely take such other acts as may be required by law to qualify and maintain the Company as a limited liability company under the laws of the State of Delaware;

(4) maintain at the principal office of the Company all of the following:

(A) a current list of the name and last business or residence address of each Member;

(B) a copy of the Certificate of Formation and all amendments thereto, if any;

(C) a copy of this Agreement, all amendments thereto, if any, and executed copies of any written powers of attorney pursuant to which this Agreement and any amendments thereto have been executed;

(D) copies of the Company's federal, state, and local income tax returns and reports, if any, for the three (3) most recent tax years; and

(E) copies of any financial statements of the Company for the three (3) most recent years.

(c) Inspection of Records. All records required to be kept pursuant to Section 5.1(b) shall be subject to audit, inspection, and copying by any Member or such Member's duly

authorized representative, at the reasonable request and expense of any such Member during ordinary business hours.

SECTION 5.2 - LIABILITIES AND INDEMNIFICATION OF THE MANAGERS AND MEMBERS.

(a) Liability of Manager. In carrying out their duties hereunder, no Manager shall be liable to the Company or any other Member for any actions taken in good faith and reasonably believed to be in the best interests of the Company, or for errors of judgment, but shall be liable to the Company only if such Manager shall be adjudicated by a court of competent jurisdiction that such Manager's action or failure to act involved fraud, willful misconduct, gross negligence, or material breach of that Manager's obligations under this Agreement or other material breach of that Manager's fiduciary duties.

(b) Return of Capital. Except as provided in Section 5.2(a) hereof, no Manager shall be liable for the return of the Capital Contributions of any Member, nor for a loss of investment or loss from the operation of the Company.

(c) Indemnification. The Company shall and does hereby agree, to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Company's Managers, officers, and Members and their respective shareholders, partners, members, directors, officers, employees and agents (the "Indemnified Persons"), from and against any and all liability, cost, expense, or damage incurred or sustained by reason of any act or omission in the conduct of the business of the Company, regardless of whether acting pursuant to their discretionary or explicit authority hereunder; provided, however, the Company shall not indemnify an Indemnified Person or hold such Indemnified Person harmless with respect to any of the foregoing incurred in connection with such an Indemnified Person's fraud, willful misconduct, or material breach of such Indemnified Person's obligations under this Agreement or other material breach of such Indemnified Person's fiduciary duties. In particular, and without limitation of the foregoing, an Indemnified Person shall be entitled to indemnification by the Company against the reasonable expenses, including attorneys' fees and costs through any and all trial and appellate levels, actually and necessarily incurred in connection with the defense of any suit or action to which such Indemnified Person is a party by reason of the Indemnified Person's position as an officer of the Company, Manager, or a Member (or a shareholder, partner, member, director, officer, employee or agent thereof), to the fullest extent permitted under law. Any expenses or other amounts incurred or to be incurred by an Indemnified Person in connection with a proceeding as to which indemnification is, or may be, applicable under this Section 5.2(c) may be paid by the Company in advance of the final disposition of the proceedings upon receipt of a binding written agreement to repay said expenses or other amounts in the event it is finally determined that such indemnification is not proper. If repayment is required, then all such sums advanced and to be repaid shall bear interest at the Stipulated Rate from the date of disbursement, and the paying party shall pay all collection costs of the Company, if any, including attorneys' fees and costs.

SECTION 5.3 - RELIANCE ON ACTS OF MANAGER.

Subject to Manager's compliance with Section 4.1(d) of this Agreement, no financial institutions or any other Person dealing with the Manager shall be required to ascertain whether

the Manager is acting in accordance with this Agreement, and such financial institution or such other Person shall be protected in relying solely upon the deed, transfer or assurance of, and the execution of such instrument or instruments by such Manager.

SECTION 5.4 – INTENTIONALLY OMITTED.

SECTION 5.5- COMPANY EXPENSES.

(a) Organizational Expenses. The Company shall pay (or reimburse the Manager or an Affiliate of the Manager) for third-party expenses incurred in connection with the organization and startup of the Company and the offer and sale of Membership Interests including, but not limited to, legal, accounting, securities filing, capital raising, placement agent, and other organizational expenses

(b) Operating Expenses. The Company shall pay all third-party costs and expenses associated with the ongoing operation of the Company including, but not limited to, legal expenses, accounting expenses (including, without limitation, auditing expenses), consulting expenses, Member meeting expenses, and insurance expenses.

ARTICLE VI -- TRANSFER OF INTEREST AND WITHDRAWAL OF A MEMBER

SECTION 6.1 - TRANSFER BY MEMBER.

(a) Restriction on Transfer. Except as otherwise specifically provided in this Article VI, a Member shall not Transfer a Membership Interest to any Person and any attempted Transfer shall be ineffective to Transfer any such Interest, unless the Manager consents to the Transfer and the Transfer is permitted pursuant to Section 4.1(d). Except as provided in this Article VI, the transferee of a Membership Interest shall not become a Member, without the consent of the Manager.

(b) Intentionally Omitted.

(c) Status of Transferee. A transferee who has not been admitted to the Company as a Member, shall have only the right to receive the share of Profits, Losses, cash distributions, Capital Account, and Liquidation Proceeds attributable to the transferred Membership Interests, but shall not have the right to vote on any matter, bind the Company to any agreement, participate in management, review the Company's books and records, or have any other right.

SECTION 6.2 - RESIGNATION OF MEMBERS.

No Member shall be entitled to receive any payment or distribution from the Company in connection with such Member's resignation from the Company, except as specifically set forth in this Agreement.

SECTION 6.3 - PROHIBITED TRANSFERS.

Notwithstanding any other provision of this Agreement, no Transfer may be made of a Member's Interest or any portion thereof or any issuance of a Membership Interest to the extent that any such Transfer or issuance: (a) would result in the termination of the Company for federal income tax purposes (*except* with the consent of the Manager); (b) would violate any federal or state securities laws; (c) is made to a Person who does not agree to be subject to the terms of this Agreement, and in the case of a Person that is an entity, such owners of the entity do not agree to be subject to the terms of this Agreement; (d) is made to a Person who does not agree to execute such documents as the Manager may reasonably require to reflect the Person agreeing to be subject to the terms of this Agreement; (e) would cause a default under the terms of any indebtedness of the Company or would otherwise violate the terms of any agreement between the Company and another party; or (f) is made to a minor or to a Person who is incompetent or insane; and any attempted assignment in violation hereof shall be ineffective to transfer any such Interest. Any Transfer of a Member's Interest in the Company or issuance of an Interest in contravention of this Agreement (a "Prohibited Transfer") shall be null and void and if a Member attempts to make a Prohibited Transfer, then the Manager shall be entitled to take any and all action which may be necessary or appropriate to defeat or prevent the Prohibited Transfer. Additionally, notwithstanding any other provision of this Agreement, no ownership interest in a Member of the Company may be Transferred without the consent of the Manager that would result in the termination of the Company for federal income tax purposes. Any Transfer of an interest in a Member of the Company in contravention of this Agreement (a "Prohibited Member Transfer") shall be null and void. If a Person attempts to make a Prohibited Member Transfer, then the Manager shall be entitled to take any and all action which may be necessary or appropriate to defeat or prevent the Prohibited Member Transfer.

SECTION 6.4 - DEATH, BANKRUPTCY, INCOMPETENCY OF A MEMBER.

Notwithstanding Section 6.1(a), but subject to Section 6.3, upon the death, termination, bankruptcy, dissolution, adjudication of incompetency or insanity, or occurrence of an Event of Resignation (except a voluntary resignation) of a Member, the Interest owned by the deceased, terminated, bankrupt, dissolved, incompetent, or insane Member (the "Withdrawn Member") shall be transferred to or devolve upon the heirs, devisees, representatives, beneficiaries, successors, assigns, or estate of the Withdrawn Member (as may be appropriate). Any Person succeeding to the Interest of a Withdrawn Member shall promptly notify the Manager of such Person's name, mailing address, federal tax identification number, and the date of acquisition or transfer of the applicable Membership Interest. However, no Person succeeding to the Interest of a Member upon the events specified in this Section 6.4 shall become a Member without the consent of the Manager. An Event of Resignation of a Member shall not terminate the Company, but the Company shall continue in existence until it is dissolved, terminated, and liquidated under Article IX or as otherwise provided herein or as required by law.

ARTICLE VII -- AMENDMENTS

SECTION 7.1 - AUTHORITY TO AMEND.

(a) Generally. Except as otherwise specifically provided elsewhere in this Agreement (including Section 4.1(d)) or by law, amendments to this Agreement shall require the consent of the Class A Member. However, except as specifically provided in this Agreement, no amendment hereto that would change a Member's Membership Interest, or increase the personal liability of any Member for the debts of the Company, shall be effective unless and until such Member approves of the amendment in writing. All amendments approved by the Members shall be distributed to them in writing and shall be attached to this Agreement.

(b) Clarifying Amendments. Notwithstanding the provisions set forth in Section 7.1(a), the Manager may amend this Agreement without the consent of the Members:

(1) if such amendment is solely for the purpose of clarification or otherwise does not change the substantive rights or obligations of the Members;

(2) if such amendment is, in the reasonable judgment of the Manager, necessary or appropriate to satisfy requirements of the Code or Regulations with respect to the Company or of any federal or state securities laws or regulations. In this respect, and notwithstanding any other provision of this Agreement, the Manager may allocate Profits and/or Losses, or items thereof, among the Members in any manner which may be necessary or appropriate to satisfy the requirements of the Code and the Regulations thereunder;

(3) if such amendment is to reflect the Transfer of Membership Interests or issuance of additional Membership Interests or other changes in the Members or their Interests as permitted herein, including, but not limited to, the admission of additional Members to the Company as permitted herein; or

(4) if such amendment is to change the Company's name or statutory agent or the state in which the Company is organized.

ARTICLE VIII -- POWER OF ATTORNEY

SECTION 8.1 - POWER OF ATTORNEY.

Each of the Members irrevocably constitutes and appoints the Manager such Member's true and lawful attorney in such Member's name, place and stead to make, execute, aver, acknowledge, deliver and file:

(a) any certificates or other instruments that may be required to be filed by the Company under the laws of the State of Delaware, or in any jurisdiction in which the Manager shall deem it advisable to file;

(b) any documents, certificates or other instruments, including, without limiting the generality of the foregoing, any and all amendments and modifications of this Agreement that have been approved pursuant to the terms of this Agreement, and by way of extension, and not in limitation, to do all such other things as shall be necessary to continue and to carry on the business of the Company, including, to the extent permitted by law, the power to ratify the execution and delivery of notes or instruments authorizing the confession of judgment against the Company; and

(c) all documents, certificates or other instruments which may be required to effectuate the dissolution and termination of the Company.

The power of attorney hereby granted shall not constitute a waiver of, or be used to avoid, the rights of the Members to approve certain amendments to this Agreement pursuant to Article VII hereof or be used in any other manner inconsistent with the status of the Company as a limited liability company.

SECTION 8.2 - SURVIVAL OF POWER.

It is expressly intended by the Members, that the foregoing power of attorney is coupled with an interest, is irrevocable, and shall survive the death, bankruptcy or dissolution of a Member. The foregoing power of attorney shall survive the delivery of an assignment by any Member of such Member's entire Interest in the Company, except that where an assignee of such entire Interest has become a Member, then the foregoing power of attorney of the assignor Member shall survive the delivery of such assignment for the sole purpose of enabling those persons designated in Section 8.1 hereof to execute, acknowledge and file any and all instruments necessary to effectuate such substitution.

ARTICLE IX -- TERMINATION OF THE COMPANY

SECTION 9.1 - ELECTION TO TERMINATE AND DISSOLVE.

(a) Events Causing Dissolution. The Company shall be dissolved, terminated, and liquidated, and its affairs wound-up, upon the first to occur of the following events:

(1) the sale of all, or substantially all, of the assets of the Company; and

(2) Subject to Section 4.1(d), the decision of the Manager to dissolve, terminate, and liquidate the Company.

(b) Sale of Assets. Upon the occurrence of an event that causes the dissolution, termination and liquidation of the Company under Section 9.1(a), the Manager shall proceed with the winding up and liquidation of the Company. The Manager shall liquidate the Company's assets and distribute them in the manner and in accordance with the priorities set forth in Section 9.2. If the Manager determines that an immediate sale would cause undue loss to the Company (because the sale price is too low or the terms of sale are inadequate or for any other reason), then in order to avoid such loss, the Manager may, to the extent not prohibited by the Act and after giving notice to all Members, either defer liquidation of and withhold from distribution any assets of the Company except those necessary to satisfy the Company's debts, obligations and operating

expenses or distribute the assets to the Members in kind. The Company shall not terminate until the Company assets have been distributed in the manner set forth in Section 9.2 and the certificate of cancellation has been filed with the Delaware Secretary of State. Prior to the termination of the Company, its business and the rights, duties, and interests of the Company shall continue to be governed by this Agreement. If the Company is to be dissolved, terminated, and liquidated because of the occurrence of an Event of Resignation of a Member, the Withdrawing Member shall have no vote with respect to any Company matter, and shall not participate in any management decisions arising after the occurrence of an Event of Resignation. Rather, the power to render such decisions and govern the Company shall be vested in the Trustee-in-Liquidation, pursuant to Section 9.1(c).

(c) Absence of Manager. If for any reason there is no Manager, or if the Manager refuses to serve, or is incapable of or prevented by this Agreement from serving, a Majority in Interest of the Members may appoint a Trustee-in-Liquidation who shall serve to wind up the affairs of and liquidate the Company.

SECTION 9.2 - PROCEEDS OF LIQUIDATION.

Upon the dissolution, termination, and Liquidation of the Company, the Liquidation Proceeds shall be applied and distributed in the following order of priority:

(a) Debts. To the payment of the debts and liabilities of the Company (including any and all fees and loans payable to one or more Members) in the order of priority as provided by law, and the expense of liquidation;

(b) Reserves. To establish reserves that the Manager (or the Trustee-in-Liquidation) may deem reasonably necessary for any contingent, foreseen or unforeseen liabilities or obligations of the Company; and

(c) Capital Accounts. The remaining balance, if any, shall then be distributed to the Members in an amount equal to and in satisfaction of the positive balance of each Member's Capital Account on the date of the Company's termination, after giving effect to all Capital Contributions, distributions, allocations, and all other adjustments to all Members' Capital Account balances for all periods.

SECTION 9.3 - FAIR MARKET VALUE DISTRIBUTIONS.

If the assets are to be distributed in kind to one or more of the Members (in connection with the liquidation of the Company or otherwise), the value of such assets shall be adjusted pursuant to the Regulations under Code Section 704(b) and such assets shall be distributed at their respective fair market values, as determined by the Manager. Furthermore, each Member's Capital Account shall be adjusted to reflect what such Member's Capital Account would be if the Company were to sell all of such assets at their respective fair market values and allocated the Profits or Losses (and other items of income, gain, loss, deduction and credit) among the Members in accordance with the provisions of this Agreement.

SECTION 9.4 - FINAL ACCOUNTING.

Each Member shall be furnished with a statement reviewed by the Company's accountants, which shall set forth the Profits and/or Losses generated upon the sale or exchange of the Company's properties; the allocation of such Profits and Losses among the Members; the Company's proceeds received from the sale or exchange of its properties; any revaluations of Company property; the assets and liabilities of the Company; and the amount distributed or distributable to each Member, as of the date of the Liquidation. Upon compliance with the foregoing distribution plan, the Members shall cease to be such, and the Manager and/or the Trustee-in-Liquidation if no Manager serves, shall execute and cause to be filed a certificate of cancellation of the Company and any and all other documents necessary with respect to the termination and cancellation of the Company.

ARTICLE X -- PROTECTIVE COVENANTS

SECTION 10.1 - NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.

(a) Confidentiality. As a consequence of each Member's association with the Company and its Affiliates, such Member may or will receive and deal with information and business methods that are the exclusive property of the Company and its Affiliates, including, but not limited to, such entity's respective innovative proprietary technology, processes, designs, concepts, programs, records, reports, financial data, tax information, reviews of analyses of potential or actual investments (including, without limitation, the Project), market data, marketing plans, unique business practices, pricing techniques, tenants, customers, contractors, and suppliers, and other information relating to such entities' operations (collectively, the "Confidential Information"). Each Member further acknowledges that the Confidential Information received or dealt with by such Member is of such a value and nature as to make it reasonable and necessary for the protection of the Company that such Member not during the term of this Agreement or thereafter use or disclose any such Confidential Information (except in furtherance of the Company's or an Affiliate's operations), and that the Company will be irreparably injured if any Member or a Member's Affiliates were to use or disclose (except in furtherance of the Company's or an Affiliate's operations), any of the Confidential Information that such Member has or will acquire. Accordingly, each Member agrees not to use or disclose, or permit such Member's Affiliates to use or disclose, any of the Confidential Information (except in furtherance of the Company's or its Affiliate's operations) at any time. Upon demand by the Company, each Member will surrender to the Company all Confidential Information and all other original and facsimile records, documents and data in such Member's possession or under such Member's control pertaining to the Company or a Company Affiliate.

(b) Exceptions. Notwithstanding the foregoing, the provisions of Section 10.1(a) do not apply, and a Member may disclose Confidential Information in order to (i) enforce any contract or agreement between the Member and the Company, or (ii) comply with: (A) a subpoena issued by a court having jurisdiction over the Member or (B) a written request made by any regulatory authority or taxing authority having authority over such Member; provided, however, that prior to compliance with such request, such Member shall give notice to the Company to allow the

Company to attempt to quash or limit such subpoena or request. Confidential Information shall not be deemed to include information that:

(1) is disclosed publicly (disclosures to employees, tenants, customers, suppliers or other persons conducting business with the Company or a Company Affiliate shall not be considered public disclosure) by a Member in the proper performance of such Member's duties for the Company;

(2) at the time of disclosure, is properly in the public domain or thereafter properly becomes part of the public domain by publication or otherwise through no fault or act of a Member; or

(3) is required to be disclosed by court order or arbitration or, in the reasonable judgment of such Member, by the provisions of any law, regulation, or order that is binding upon or applicable to it.

SECTION 10.2 - ENFORCEMENT.

(a) Reasonableness of Restrictions. Each Member acknowledges that the terms and conditions contained in this Article X are reasonable and necessary for the protection of the Company, and that the Company may not be adequately compensated with monetary damages for any violation by such Member of any of the provisions of this Article X. Accordingly, each Member agrees and consents that if such Member violates any of the provisions contained in this Article X, the Company will be entitled to apply for an injunction, to be issued by any court of competent jurisdiction, restraining such Member from committing or continuing any violation of this Article X, and that any such remedy sought or obtained by the Company will not be considered a waiver of the rights of the Company to assert any other remedies it may have at law or in equity.

(b) Independent Significance. The covenants set forth in this Article X on the part of the Members are of the essence of this Agreement and will be construed as independent of any other of the provisions of this Agreement, and the existence of any claim or cause of action of a Member against the Company, whether predicated on this Agreement or otherwise, will not constitute a defense to the enforcement by the Company of any of said covenants.

(c) Severability. Each Member agrees that each of the covenants set forth in this Article X is a separate and distinct covenant, independent of others and any other provision of this Agreement, and that the illegality or invalidity of any one or more of them or any part of one or more of them will not render the others illegal or invalid. Each Member further agrees that if the invalidity or unenforceability is due to the unreasonableness of the time or geographical area covered by said covenants and restrictions, said covenants and restrictions will nevertheless be enforced to the maximum extent permitted by law and effective for such period of time and for such area as may be determined to be reasonable by a court of competent jurisdiction, and the Member hereby consents and agrees that such scope may be judicially modified, accordingly, in any proceeding brought to enforce such covenants and restrictions.

(d) Cost of Enforcement. Each Member covenants and agrees to indemnify, defend and hold harmless the Company from, against and in respect of any loss, cost, damage or expense

(including reasonable attorneys' fees) incurred by the Company in enforcing the provisions of this Article X against such Member; provided, that each Member shall not be required to indemnify the Company if the Company is not the prevailing party in any such enforcement action. The Company shall have the right to offset the amount of any loss, cost, damage or expense (including reasonable attorneys' fees) incurred by it from and against any other payments due Member hereunder. The Company covenants and agrees to indemnify, defend and hold harmless each Member from, against and in respect of any loss, cost, damage or expense (including reasonable attorneys' fees) incurred by a Member in defending an action brought by the Company to enforce the provisions of this Article X; provided, that the Company shall not be required to indemnify any Member if the Member is not a prevailing party in any such enforcement action.

ARTICLE XI- MISCELLANEOUS

SECTION 11.1- GOVERNING LAW.

The Company and this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the State of Delaware.

SECTION 11.2 - COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one agreement, and the signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart. A signed copy of this Agreement delivered by facsimile, email or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Signatures provided by Electronic Transmission shall be treated as originals and shall be legally binding.

SECTION 11.3 - INVESTMENT REPRESENTATIONS.

(a) The undersigned Members understand (i) that the Membership Interests evidenced by this Agreement have not been registered under the Securities Act of 1933 or any state securities laws (the "Securities Acts") because the Company is issuing these Membership Interests in reliance upon the exemptions from the registrations requirements of the Securities Acts providing for issuance of securities not involving a public offering, (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment, and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

(b) Accordingly, each Member hereby confirms to the Company that such Member is acquiring the Membership Interests for such own Member's account, for investment and not with a view to the resale or distribution thereof. Each Member agrees not to transfer, sell or offer for sale any portion of the Membership Interests unless there is an effective registration or other qualification relating thereto under the Securities Act of 1933 and under any applicable state securities laws or unless the holder of Membership Interests delivers to the Company an opinion

of counsel, satisfactory to the Company, that such registration or other qualification under such Act and applicable state securities laws is not required in connection with such transfer, offer or sale. Each Member understands that the Company is under no obligation to register the Membership Interests or to assist such Member in complying with any exemptions from registration under the Securities Acts if such Member should at a later date wish to dispose of the Membership Interest. Furthermore, each Member realizes that the Membership Interests are unlikely to qualify for disposition under Rule 144 of the Securities Act of 1933 unless such Member is not an “affiliate” of the Company and the Membership Interest has been beneficially owned and fully paid for by such Member for at least one year.

(c) Each Member further represents and warrants to each other Member and the Company that (i) such Member has been given access to all information concerning the Company and the terms and conditions of the Membership Interest such Member is purchasing hereby; (ii) such Member and such Member’s separate legal counsel have had the opportunity to fully negotiate the terms and conditions of this Agreement; (iii) such Member understands and acknowledges that the Membership Interest such Member is purchasing hereby is a speculative security and involves a high degree of risk and that no federal or state agency has made any finding or determination as to the fairness for public or private investment in, nor any recommendations or endorsement of, such Membership Interest as an investment; (iv) such Member has such knowledge and experience in business and financial matters that such Member is capable of evaluating the merits and risks of an investment in such Membership Interest; and (v) such Member’s financial situation is such that such Member can afford the risks of an investment in such Membership Interest.

SECTION 11.4 - AGREEMENT FOR FURTHER EXECUTION.

At any time or times upon the request of the Manager, the Members agree to sign or acknowledge the Certificate of Formation, this Agreement, and/or amendments thereto or hereto, whenever such amendment or cancellation is required by law, to sign or acknowledge similar certificates or affidavits or certificates of fictitious firm name, trade name or the like (and any amendments or cancellations thereof) required by the laws of Delaware or any other jurisdiction in which the Company does, or proposes to do, business, and cause the filing of any of the same for record wherever such filing shall be required by law. This Section 11.4 shall not prejudice or affect the rights of Members to approve certain amendments to the Agreement pursuant to Article VII hereof.

SECTION 11.5 - ENTIRE AGREEMENT.

This Agreement together with Schedule 4.1(d) and the Tax Addendum contains the entire understanding among the parties and supersedes any prior understanding and agreements between them respecting the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein or in the Certificate of Formation.

SECTION 11.6 - SEVERABILITY.

This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations of the jurisdictions in which the Company does business. If any provisions of this Agreement or the application thereto to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

SECTION 11.7 - NOTICE.

All notices, consents, waivers, and other communications under this Agreement must be: (i) in writing and (ii) delivered by hand delivery, U.S. Mail (certified or registered), Federal Express, UPS, or other nationally recognized delivery service, or e-mail, facsimile or other means of Electronic Transmission. Absent fraud or manifest error, a receipt signed by the addressee or such addressee's authorized representative, a certified or registered mail receipt, a signed delivery service confirmation or a facsimile or e-mail confirmation of transmission will constitute proof of delivery. The actual receipt by the addressee of any notice will constitute delivery notwithstanding the failure to have complied with any provisions of this section.

A notice delivered by regular or certified U.S. Mail will be deemed to have been received, delivered and given on the third business day after the post-mark, if affixed by the U.S. Postal Service. Any other notice will be deemed to have been received, delivered and given on the date and time of the signed receipt or confirmation of delivery or transmission thereof, unless that receipt or confirmation date and time is not a business day or is after 5:00 p.m. local time on a business day, in which case such notice will be deemed to have been received, delivered and given on the next succeeding business day. Notices to Members or to the Company shall be addressed as set forth in this Agreement, or as set forth in any notice subsequently given in writing by the addressee to the Company or the addressor:

To the Members:	See Exhibit A attached hereto.
To the Company:	LAGUNA RESERVE APTS INVESTORS LLC 46 Main Street, Suite 339 Monsey, New York 10952 Attn: Jonathan Weiss
with a copy to:	Honigman LLP 39400 Woodward Avenue, Suite 101 Bloomfield Hills, Michigan 48304-5151 Attn: Elias de Wit, Esq.

SECTION 11.8 - CAPTION.

Any paragraph titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context of this Agreement.

SECTION 11.9 - NUMBER AND GENDER.

All of the terms and words used in this Agreement regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any paragraph or clause herein may require, the same as if such words had been fully and properly written in such number and gender.

SECTION 11.10 - BINDING EFFECT.

The parties hereto hereby agree that the obligations entered into herein shall be valid and binding upon their respective representatives, successors and assigns (where permitted).

SECTION 11.11 - INCORPORATION BY REFERENCE.

The recitals, Preliminary Statement, and all exhibits to this Agreement are hereby incorporated as if rewritten in their entirety.

SECTION 11.12 - NO STATE LAW PARTNERSHIP.

The Members intend that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member, for any purposes other than federal and state tax purposes, and that this Agreement not be construed to suggest otherwise.

SECTION 11.13 - NO LIABILITY TO THIRD PARTIES.

No Member shall be liable as such for the liabilities of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Members for liabilities of the Company.

SECTION 11.14 - RIGHTS OF CREDITORS AND THIRD PARTIES UNDER AGREEMENT.

This Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and assignees. The Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. Except and only to the extent provided by applicable statute, no creditor or third party shall have any rights

under this Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

ARTICLE XII – CLASS B UNIT PROVISIONS

SECTION 12.1 – CONTROLLING PROVISIONS.

Notwithstanding anything to the contrary in this Agreement, the provisions of this Article 12 will control so long as the Class B Member is a Member of the Company.

SECTION 12.2 – CLASS B UNIT.

In consideration of its agreement to make the Class B Loan to the Company, the Manager will cause the Company to issue its single Class B Unit to International Fund Lender. The Manager may redeem the Class B Unit upon written notice to International Fund Lender and International Fund Lender will thereafter cease to be a Member of the Company if (a) International Fund Lender is no longer obligated to make advances under the Class B Loan, (b) the Company is no longer obligated to accept advances of the Class B Loan, (c) no default then exists or is continuing under any of the Class B Loan Documents beyond the expiration of any applicable grace and/or notice and cure period set forth therein, and (d) the Company has repaid the Class B Loan pursuant to its terms.

SECTION 12.3 – CLASS B LOAN.

In consideration of the Company's agreement to issue its Class B Unit to the Class B Member, the Class B Member agrees to make the Class B Loan to the Company upon such terms as the Class B Member and the Manager may agree. Unless the Class B Member defaults on its obligation to make the Class B Loan to the Company, no other Member will have the right to participate in the Class B Loan or make additional loans to the Company. The Class B Loan will not be deemed to be a capital contribution by the Class B Member and the Class B Member will not have a Capital Account.

SECTION 12.4 – MANAGEMENT OF COMPANY DURING DEFAULT.

In addition to any other rights conferred on the Class B Member as a Member under this Agreement, at any time a default exists and is continuing under any of the Class B Loan Documents beyond any applicable grace and/or notice and cure period thereunder, the Class B Member may, but is not obligated to, remove any Manager with or without cause and appoint one or more new Managers selected by the Class B Member. For purposes of determining liability or indemnification under Section 5.2 of this Agreement, the cure of any default under the Class B Loan Documents and the repayment of the Class B Loan will each be deemed to be in the best interest of the Company and consistent with the fiduciary duties of the Class B Member. Upon the cure of all existing defaults under the Class B Loan Documents or repayment of the Class B Loan pursuant to its terms, the Class A Member may remove the Manager appointed by the Class B Member and appoint a Manager selected by the Class A Member pursuant to Section 4.2 of this Agreement. The rights contained in this section will not be extinguished by the exercise thereof

and may be exercised each and every time a default exists and is continuing under any of the Class B Loan Documents beyond any applicable grace and/or notice and cure period.

{Members' Counterpart Signature Pages Follow}

**OPERATING AGREEMENT OF
LAGUNA RESERVE APTS INVESTOR LLC**


Counterpart Signature Page

IN WITNESS WHEREOF, each of the Members hereby executes this Agreement as of the Effective Date.

CLASS A MEMBER:

CROWN CAPITAL HOLDINGS LLC,
a Delaware limited liability company

By: CBRM Realty Inc.,
a New York corporation,
its sole member

By: 
Name: Mark Silber
Its: President

CLASS B MEMBER:

**CLEVELAND INTERNATIONAL FUND –
NRP WEST EDGE, LTD.,** an Ohio limited liability
company

By: CLEVELAND INTERNATIONAL FUND,
LTD., an Ohio limited liability company, its
Manager

By: _____
Name: Stephen J. Strnisha
Its: CEO

**OPERATING AGREEMENT OF
LAGUNA RESERVE APTS INVESTOR LLC**

Counterpart Signature Page

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Its: President

CLASS B MEMBER:

**CLEVELAND INTERNATIONAL FUND –
NRP WEST EDGE, LTD.,** an Ohio limited liability
company

By: CLEVELAND INTERNATIONAL FUND,
LTD., an Ohio limited liability company, its
Manager


By:  _____
Name: Stephen J. Stnisha
Its: CEO

Exhibit A

Members' Names, Addresses, Units, Initial Capital Contributions, and Percentage Interests

<u>Member Name and Address</u>	<u>Class A Units</u>	<u>Class B Units</u>	<u>Total Units</u>	<u>Initial Capital Contribution</u>	<u>Percentage Interest</u>
Class A Member: Crown Capital Holdings LLC 46 Main Street, Suite 339 Monsey, New York 10952 Attn: Jonathan Weiss	100	0	100	\$100.00	100%
Class B Member: Cleveland International Fund – One University Circle Apartments, Ltd.	0	1	1	N/A	N/A
<u>Total:</u>					100.00%

SCHEDULE 4.1(d)

Major Decisions Requiring Consent of Class B Member

So long as the Class B Unit is issued and outstanding, the Company may not, and the Company's Manager(s) and Class A Members will not permit the Company to, take any of the following actions without the express written consent of the Class B Member:

- (a) execute any loan documents or amendments thereto, make any payment except as required under such loan documents, or incur of any additional indebtedness;
- (b) initiate any material litigation, admit insolvency, grant a judgment, or file a petition of bankruptcy or any other similar action related to protection from creditors;
- (c) amend its organizational documents;
- (d) sell or transfer any of its assets outside the ordinary course of business (except in connection with a sale of the Project pursuant to which the Class B Loan is repaid in full) or grant a lien upon or security interest in such assets;
- (e) permit its subsidiary to admit any additional members or do any of the foregoing; provided, however, that notwithstanding the foregoing to the contrary, the Company may permit Lakewind (as defined below) to (i) initiate litigation to enforce its rights against tenants of the Project (including the right to evict), and (ii) incur unsecured trade and operational debt incurred by Lakewind with trade creditors in the ordinary course of its business in such amounts as are normal and reasonable under the circumstances, provided that such debt is not evidenced by a note and is paid when due; and provided further that the Class B Member will not unreasonably withhold, delay, or condition its consent to the Company permitting its subsidiary to execute loan documents conforming to the conditions set forth in the Class B Loan Documents and grant liens against the Project securing the indebtedness evidenced by such Class B Loan Documents.

In addition to the foregoing, so long as the Class B Unit is issued and outstanding, without the prior written consent of the Class B Member, which consent the Class B Member will not unreasonably withhold, condition or delay, the Company will not, and will not permit RH Lakewind East LLC, a Delaware limited liability company ("Lakewind"), its wholly owned subsidiary, to:

- (1) engage in any business or activity other than, (i) in the case of the Company, the acquisition, ownership and management of Lakewind, and activities incidental thereto, and (ii) in the case of Lakewind, the acquisition, development, ownership, operation, and maintenance of the Project, and activities incidental thereto;
- (2) acquire or own any material asset other than (i) in the case of the Company, its membership interest in Lakewind, and (ii) in the case of Lakewind, the Project;

(3) merge into or consolidate with any person or entity, dissolve, terminate, liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets (except as otherwise permitted pursuant to the terms of the Class B Loan Documents), or change its legal structure;

(4) fail to preserve its existence as an entity duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization or formation;

(5) amend, modify, terminate, or fail to comply with the material provisions of its Organizational Documents;

(6) except for the Company's ownership interest in Lakewind, directly or beneficially own any subsidiary or make any investment in or acquire the obligations or securities of any other person or entity;

(7) commingle its assets with the assets of any of its partners, members, principals, shareholders, equity holders, owners, or Affiliates, or of any other person or entity, or transfer any assets to any such person or entity, other than the transfer of the proceeds of the Class B Loan from the Company to Lakewind and distributions from Lakewind to the Company on account of the Company's ownership of Lakewind permitted hereunder and properly accounted for;

(8) incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than, in the case of Lakewind, unsecured trade and operational debt incurred by Lakewind with trade creditors in the ordinary course of its business in such amounts as are normal and reasonable under the circumstances, provided that such debt is not evidenced by a note and is paid when due;

(9) allow any other person or entity to pay its debts and liabilities or fail to pay its debts and liabilities solely from its own assets; provided, however, that notwithstanding anything set forth herein to the contrary, in no event shall this subsection (9) require any constituent member of either the Company or Lakewind to make any additional capital contribution to either the Company or Lakewind to satisfy this subsection (9);

(10) fail to maintain its records, books of account, and bank accounts separate and apart from those of its partners, members, principals, shareholders, owners, equity holders, and Affiliates, the Affiliates of its partners, members, principals, shareholders, owners, and equity holders, and any other person or entity;

(11) fail to prepare and maintain its own financial statements in accordance with generally accepted accounting and susceptible to audit, or if such financial statements are consolidated, fail to cause such financial statements to contain footnotes disclosing that the Project is actually owned by Lakewind; provided, however, that notwithstanding the foregoing to the contrary, each of the Company and Lakewind may maintain consolidated financial statements with its Affiliates, so long as any such consolidated financial statement contains a note indicating that the Company's and/or Lakewind's separate assets and credit are not available to pay the debts of such Affiliate and that the Company's and/or Lakewind's, as applicable, liabilities do not constitute obligations of the consolidated entity;

(12) enter into any contract or agreement with any partner, member, principal, shareholder, owner, equity holder, or Affiliate, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's-length basis with third parties other than any partner, member, principal, shareholder, owner, equity holder, or Affiliate, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof;

(13) seek dissolution or winding up, in whole or in part;

(14) fail to correct any known material misunderstandings regarding the separate identity of each of the Company and Lakewind;

(15) hold itself out to be responsible or pledge its assets or credit worthiness for the debts of another person or entity, or allow any person or entity to hold itself out to be responsible or pledge its assets or credit worthiness for the debts of the Company (except as expressly provided in the Class B Loan Documents);

(16) make any loans or advances to any third party, including any partner, member, principal, shareholder, owner, equity holder, or Affiliate of the Company, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof;

(17) fail to file its own tax returns or to use its own name for all of its contracts, purchase orders, stationery, invoices, and checks;

(18) fail either to hold itself out to the public as a legal entity separate and distinct from any other entity or person or to conduct its business solely in its own name in order not (i) to mislead others as to the entity with which such other party is transacting business, or (ii) to suggest that it is responsible for the debts of any third party (including any partner, member, principal, shareholder, owner, equity holder, or Affiliate, or any partner, member, principal, shareholder, owner, equity holder, or Affiliate thereof);

(19) fail to fairly and reasonably allocate any overhead for common employees, shared office space, or other overhead and administrative expenses, if any;

(20) allow any person or entity to pay the salaries of its employees, if any, or fail to maintain a sufficient number of employees for its contemplated business operations, if any are contemplated;

(21) fail to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations, as applicable, so long as there is sufficient cash flow from the operation of the Project to do so, and provided, however, that nothing in this subsection (u) shall require any direct or indirect equity owner of either the Company or Lakewind to contribute additional capital to either the Company or Lakewind, as applicable, in order to satisfy the obligations set forth in this subsection (u);

(22) except in all respects to the extent required by the Class B Member during the continuance of a Default (as defined in the Class B Loan Documents), file a voluntary petition or otherwise initiate proceedings to have it or any general partner, manager, or managing member of

it adjudicated bankrupt or insolvent, or consent to the institution of bankruptcy or insolvency proceedings against it or any general partner, manager, or managing member of it, or file a petition seeking or consenting to reorganization or relief of it or any general partner, manager, or managing member of it as debtor under any applicable federal or state law relating to bankruptcy, insolvency, or other relief for debtors with respect to it or any general partner, manager, or managing member of it; or seek or consent to the appointment of any trustee, receiver, conservator, assignee, sequester, custodian, liquidator (or other similar official) of it or any general partner, manager, or managing member of it or of all or any substantial part of the properties and assets of it or any general partner, manager, or managing member of it; or make any general assignment for the benefit of creditors of it or any general partner, manager, or managing member of it, or admit in writing the inability of it or any general partner, manager, or managing member of it to pay its debts generally as they become due; or declare or effect a moratorium on it or any general partner, manager, or managing member of it; or take any action in furtherance of any of the foregoing;

(23) share any common logo with, or hold itself out as, or be considered as a department or division of, (i) any partner, member, principal, shareholder, owner, equity holder, or Affiliate, (ii) any Affiliate of a partner, member, principal, shareholder, owner, equity holder, or Affiliate, or (iii) any other person or entity, or allow any person or entity to identify it as a department or division of that person or entity; or

(24) conceal assets from any creditor, or enter into any transaction with the intent to hinder the rights of any creditor.

Any capitalized terms used in this Schedule 4.1(d) but not defined in this Schedule 4.1(d) shall have the meanings ascribed thereto in the Class B Loan Documents.

Notwithstanding anything set forth in this Schedule 4.1(d) to the contrary, in the event that the terms of this Schedule 4.1(d) conflict with any single purpose entity provisions contained in any loan documents executed in connection with any Permitted Loan (as defined in the Class B Loan Documents) (collectively, the “Permitted Loan Documents”), then, with respect to Lakewind only, the terms of such Permitted Loan Documents shall govern and control.

Exhibit D

AMENDED AND RESTATED OPERATING AGREEMENT

OF

RH LAKEWIND EAST LLC

THIS AMENDED AND RESTATED OPERATING AGREEMENT (this “Agreement”) of RH Lakewind East LLC, a Delaware limited liability company (the “Company”), is entered into effective as of April 25, 2023 (“Effective Date”) by Laguna Reserve Apts Investor LLC, a Delaware limited liability company (the “Member”), as the sole member of the Company.

RECITALS:

WHEREAS, the Company was formed as a limited liability company upon the filing of a Certificate of Formation with the Secretary of State of the State of Delaware (the “Delaware Secretary”) on October 26, 2017.

WHEREAS, the predecessor-in-interest of the Member, RH New Orleans Holdings LLC, a Delaware limited liability company (the “Original Member”), entered into that certain Operating Agreement of the Company on December __, 2017 (the “Original Agreement”).

WHEREAS, concurrently with the execution of this Agreement, Original Member has assigned one hundred percent (100%) of the membership interests in the Company to the Member.

WHEREAS, the Member desires to amend, restate and replace the Original Agreement in its entirety pursuant to this Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Member hereby amends, restates and replaces the Original Agreement in its entirety as follows:

1. Name. The name of the limited liability company shall be RH Lakewind East LLC.
2. Office. The principal office of the Company is 46 Main Street, Suite 339, Monsey, New York 10952, or such other place or places as the Member shall determine.
3. Term. The term of the Company shall commence as of the date of filing of the Certificate of Formation of the Company with the Department of State of the State of Delaware and the Company shall be dissolved and its affairs wound up as provided in said Certificate, in this Agreement or as otherwise provided in the Act.
4. Purpose. The Company is formed for the purpose of engaging in any lawful act or activities for which limited liability companies may be formed under the Act and engaging in any and all activities necessary or incidental to the foregoing.

5. Member. The name of the Member and its membership interest (its “Interest”) in the Company is as follows:

<u>Name</u>	<u>Interest</u>
LAGUNA RESERVE APTS INVESTOR LLC	100%

6. Management Powers. The business and affairs of the Company shall be managed exclusively by the Member, and no other person or entity shall have any managerial authority or other right to control any aspect of the operations or activities of the Company. The Member is authorized to execute any and all documents on behalf of the Company necessary or appropriate in connection with the acquisition, financing, operation, management or development of the business and any property of the Company.

7. Capital Contributions. The initial capitalization of the Company shall consist of \$100 contributed entirely by the Member. .

8. Additional Contributions. The Member is not required to make any additional capital contribution to the Company, provided however, that additional capital contributions may be made at such time and in such amounts as the Member shall determine.

9. Allocation of Profits and Losses. The Company’s profits and losses shall be allocated to the Member.

10. Distributions. All profits realized by the company, net of any operating expenses of the Company and any debt service payments owed by the Company to any lender of the Company, shall be distributed to the Member.

11. Assignments. So long as the Member is the sole member of the Company, the Member may assign or transfer in whole or in part its interest in the Company in its sole discretion. In the event the Member is at any time not the sole member of the Company, then no member may assign or transfer in whole or in part its interest in the Company without the consent of the Member.

12. Withdrawal of Members; Termination of the Company. So long as it is the only member, the Member may withdraw from the Company, provided that such withdrawal from the Company shall result in the constructive termination of the Company. If there is more than one member, then no members shall be permitted to withdraw from the Company or demand a return or payment of his capital contribution without the prior written consent of the Member.

13. Admission of Additional Members. So long as the Member is the sole member of the Company, the Member may cause the Company to admit one or more additional members to the Company in the Member’s sole discretion. In the event the Member is at any time not the sole member of the Company, then, except in connection with an assignment of a member’s interest in accordance with Section 11 hereof, no member may cause the Company to admit one or more additional members to the Company without consent of all other members.

14. Liability of Members. The Member shall not have any liability for the obligation or liabilities of the Company except to the extent provided in the Act.

15. Governing Law. This Agreement shall be governed by, and constructed under, the laws of the State of Delaware, all rights and remedies being governed by said laws.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Amended and Restated Operating Agreement as of the Effective Date.

MEMBER:

LAGUNA RESERVE APTS INVESTOR LLC,
a Delaware limited liability company

By: Crown Capital Holdings LLC,
a Delaware limited liability company,
its sole member

By: CBRM Realty Inc.,
a New York corporation,
its sole member


By: 
Name: Mark Silber
Its: President

Exhibit E

Return after recording to:
Cleveland International Fund, Ltd.
12434 Cedar Road, Suite 15
Cleveland Heights, Ohio 44106

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

BE IT KNOWN on the 11th day of December, 2024;

BEFORE ME, the undersigned notary public in the presence of the undersigned competent witnesses,

PERSONALLY CAME AND APPEARED:

RH Lakewind East LLC, a Delaware limited liability company, whose mailing address is 46 Main Street, Suite 339, Monsey, New York 10952, appearing herein by and through Laguna Reserve APTS Investor LLC, a Delaware limited liability company, its sole member ("Borrower"), by and through Stephen Strnisha, its Manager;

WHO DECLARED THAT:

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING ("Mortgage") is made as of December 11, 2024, by RH Lakewind East LLC, a Delaware limited liability company, whose mailing address is 46 Main Street, Suite 339, Monsey, New York 10952 (hereinafter referred to as "Mortgagor"), in favor of CLEVELAND INTERNATIONAL FUND – NRP WEST EDGE, LTD., an Ohio limited liability company, having a principal office at 12434 Cedar Road, Suite 15, Cleveland Heights, Ohio 44106 (hereinafter referred to as "Mortgagee").

Recitals

Mortgagor's sole member, Laguna Reserve APTS Investor LLC, a Delaware limited liability company ("Borrower"), and Mortgagee entered into that certain credit agreement dated April 25, 2023 (as the same may be amended, modified, supplemented, replaced or otherwise modified from time to time, the "Credit Agreement") pursuant to which Mortgagee made a loan to Borrower in the original principal amount of \$5,000,000.00 (the "Loan"). The Loan is

INST #: 2024-37105
TYPE: M
MIN: 1450255
12/13/2024 04:49:01 PM
Chelsey Richard Napoleon
CLERK OF CIVIL DISTRICT COURT

ELECTRONICALLY RECORDED

evidenced by a note dated April 25, 2023 in such principal amount (as the same may be amended, modified, restated, severed, consolidated, renewed, replaced, or supplemented from time to time, the "Note"). Capitalized terms used herein without definition are used as defined in the Credit Agreement.

Borrower has failed to perform pursuant to the terms of the Credit Agreement and has asked Mortgagee to forbear from exercising certain of its rights under the Credit Agreement. As a condition precedent to agreeing to forbear certain of its rights under the Credit Agreement, Mortgagor requires that Borrower cause Mortgagor deliver this Mortgage to secure the payment of the Note and all sums which may or shall become due thereunder or under any of the other documents evidencing, securing or executed in connection with the Loan (the Note, this Mortgage, the Credit Agreement and such other documents, as any of the same may, from time to time, be modified, amended or supplemented, being hereinafter collectively referred to as the "**Loan Documents**"), including (i) the payment of interest and other amounts which would accrue and become due but for the filing of a petition in bankruptcy (whether or not a claim is allowed against Mortgagor for such interest or other amounts in any such bankruptcy proceeding) or the operation of the automatic stay under Section 362(a) of Title 11 of the United States Code (as the same may be amended from time to time, the "**Bankruptcy Code**"), and (ii) the unpaid Principal, all interest accrued and unpaid thereon, and any late fees and all other sums due to Mortgagee in respect of the Loan under any Loan Document (all such sums being hereinafter collectively referred to as the "**Debt**").

GRANT OF MORTGAGE

Mortgagor hereby MORTGAGES, GRANTS, PLEDGES, HYPOTHECATES, ASSIGNS, COLLATERALLY ASSIGNS and WARRANTS to Mortgagee, and grants a continuing security interest in favor of Mortgagee in, the real estate in Orleans Parish, in the State of Louisiana, described more particularly on Exhibit A attached hereto and incorporated herein for all purposes (hereinafter referred to as the "Real Estate"), together with all rights, title and interests of Mortgagor, now existing or hereafter arising, in and to the following:

(a) All rights, privileges, interests, tenements, hereditaments, easements and appurtenances in any way now or hereafter benefiting, belonging or appertaining to all or any of the Real Estate (including without limitation, all land lying within any roadway and strips of land adjoining all or any part of the Real Estate, all minerals, oil, gas and other hydrocarbon substances thereon or therein and all air rights and water rights) (collectively, "Appurtenances");

(b) All buildings, structures and other improvements of every kind and description now or hereafter erected, constructed or placed on the Real Estate, together with all goods, inventory, equipment, furnishings, fixtures and articles of personalty and chattel personal property which now or hereafter constitute a part of, or are used in connection with, the development, construction or operation of the Real Estate, together with replacements thereof and all increases and additions thereto (collectively, "Improvements");

(c) All extensions, improvements, betterments, substitutes, replacements, renewals, additions and appurtenances of or to the Appurtenances or the Improvements (collectively, "Additions");

(d) All rents, royalties, income, proceeds and/or profits from the operation of the Real Estate, the Appurtenances and the Improvements (collectively, "Rents");

(e) All leases, ground leases, tenancies, occupancy rights, occupancy agreements and agreements for the sale, lease or granting of interests in the Real Estate, the Appurtenances or the Improvements, or any part thereof (collectively, "Leases");

(f) All governmental licenses, approvals, qualifications, variances, permissive uses, franchises, accreditations, certificates, certifications, consents, permits and other authorizations now or hereafter obtained and relating to the development, construction or operation of the Real Estate or the Improvements, or any part thereof (including without limitation, building permits, subdivision and plat approvals and subdivision and plot plans), and all applications therefor (collectively, "Permits");

(g) All contracts and agreements with any party relating to the development, construction, or operation of the Real Estate and the Improvements, or any part thereof (including without limitation, all contracts and agreements now or hereafter entered into with any party for architectural, engineering, management, maintenance, brokerage, promotional, marketing or consulting services rendered, or to be rendered, with respect to the planning, design, inspection, development, construction, operation, management, maintenance, marketing, promotion, leasing, occupancy or sale of the Real Estate or the Improvements, or any part thereof, and all other agreements relating to the operation of the Real Estate or the Improvements or the provision of services thereon), and all contract rights, warranties and representations, now or hereafter issued by, entered into with, or made by, any governmental authority or other third party (collectively, "Contracts");

(h) All of the plans, specifications and drawings heretofore or hereafter prepared by any architect, engineer or other contractor with respect to the Real Estate or the Improvements, or any part thereof (including without limitation, subdivision and plot plans, foundation plans, utilities facilities plans, floor plans, elevations, framing plans, cross-sections of walls, mechanical plans, electrical plans and architectural and engineering plans and specifications and architectural and engineering studies and analyses) (collectively, "Plans");

(i) All assets of Mortgagor, wherever located, including, without limitation all Fixtures, Goods (including, without limitation, Consumer Goods,

Inventory, Equipment, and Farm Products), Accounts, Chattel Paper (including without limitation, Electronic Chattel Paper and Tangible Chattel Paper), Instruments, General Intangibles (Including without limitation, Payment Intangibles and Software), Letters of Credit, Letter-of-Credit Rights, Documents, As Extracted Collateral, Money and Deposit Accounts of every kind, and other articles of personal property and all additions and accessions thereto, all replacements and renewals of any part thereof, and the proceeds of any of such items ("Personal Property");

(j) Any completion bond, performance bond, labor and material payment bond and any other bond (and the proceeds therefrom) relating to the Real Estate or the Improvements, or any part thereof, or to any contract providing for development, construction or operation of any of the Real Estate or the Improvements, or any part thereof;

(k) All of the books and records pertaining to the Real Estate and the Improvements, or any part thereof, or to the development, construction or operation of the Real Estate and the Improvements, or any part thereof;

(l) All of the accounts and accounts receivable of Mortgagor (including without limitation, checking and savings accounts and accounts receivable from the operation of the Real Estate and the Improvements and the provision of services thereon);

(m) To the extent permitted by any such commitment, any commitment (and the proceeds therefrom) issued by any lender or investor to finance or invest in the Real Estate or the Improvements, or any part thereof, or in Mortgagor;

(n) All rights or awards due to Mortgagor arising out of any eminent domain proceedings for the taking, or for loss of value of, the Real Estate or the Improvements, or any part thereof; and

(o) All additions and accessions to any of the foregoing, all replacements and renewals of all or any part of the foregoing, and the proceeds of any of the foregoing (including without limitation, insurance and tort claims and payments with respect to any of the foregoing).

Except as otherwise expressly provided in this Mortgage, all terms in this Mortgage relating to the Mortgaged Property and the grant of the foregoing security interest which are defined in the Louisiana Uniform Commercial Code ("UCC") shall have the meanings assigned to them in Chapter 9 (or, absent definition in Chapter 9, in any other Chapter) of the UCC as enacted in the State of Louisiana, as those meanings may be amended, revised or replaced from time to time. Notwithstanding the foregoing, the parties intend that the terms used herein which are defined in the UCC have, at all times, the broadest and most inclusive meanings possible. Accordingly, if the UCC shall in the future be amended or held by a court to define any term used

herein more broadly or inclusively than the UCC in effect on the date of this Mortgage, then such term, as used herein, shall be given such broadened meaning. If the UCC shall in the future be amended or held by a court to define any term used herein more narrowly, or less inclusively, than the UCC in effect on the date of this Mortgage, such amendment or holding shall be disregarded in defining such term used in this Mortgage.

Hereinafter, the Real Estate, the Appurtenances, the Improvements, the Additions, the Rents, the Leases, the Permits, the Contracts, the Plans, the Personal Property and the remainder of the foregoing are referred to collectively as the "Mortgaged Property."

This Mortgage is given to secure performance by Mortgagor of the covenants and agreements contained in this Mortgage and to secure payment and performance by Mortgagor of the following:

(a) All obligations, liabilities and indebtedness of Mortgagor to Mortgagee, and all renewals and extensions thereof, now or hereafter arising under, by virtue of, pursuant to, or in connection with the Credit Agreement or the Note, together with all interest accruing thereon, and all fees, charges and other amounts payable thereunder, whether such indebtedness, obligations and liabilities are direct, indirect, fixed, contingent, liquidated, unliquidated, joint, several or joint and several (collectively, "Note Obligations");

(b) All of the obligations, indebtedness and liabilities of Mortgagor to Mortgagee, now existing or hereafter arising under, by virtue of, pursuant to, or in connection with, the terms of any and all security agreements, pledge agreements, assignments of collateral, mortgages or other security documents (as the same may be amended, restated, modified, renewed and/or extended from time to time and at any time) now or hereafter securing all or any part of the Note Obligations, whether such indebtedness, obligations and liabilities are direct, indirect, fixed, contingent, liquidated, unliquidated, joint, several or joint and several;

(c) Payment of all costs of collection and of all costs and reasonable attorneys' fees incurred by Mortgagee in the enforcement of this Mortgage and any and all expenses and costs incurred by Mortgagee in connection with environmental clean-up, remediation, or other action as may be required under applicable federal, state or local environmental laws, statutes, ordinances, rules and regulations or as may be deemed necessary by Mortgagee to protect the value of the Mortgaged Property;

(d) Any and all modifications, renewals and extensions of the Credit Agreement or the Note, the indebtedness, liabilities, obligations and the other documents and instruments secured hereby (including without limitation, (i) modifications of the required principal payment dates or interest payment dates, deferring or accelerating payment dates wholly or in part, and (ii) modifications, extensions or renewals at a different rate of interest, whether or not, in the case of

a promissory note or contract, the modification, extension or renewal is evidenced by a new or additional promissory note or other contract);

(e) Payment of all other indebtedness, obligations and liabilities of Mortgagor to Mortgagee, now existing or hereafter arising, direct or indirect, absolute or contingent, primary or secondary, joint, several, or joint and several and whether or not related to the Note Obligations;

(f) All Guaranty Obligations (as such term is defined in the Guaranty, as the same may be amended from time to time) executed by Guarantor in favor of Mortgagee pursuant to which Guarantor guarantees all obligations of Mortgagor to Mortgagee as further described therein, as the same may be amended, modified, supplemented, and/or restated from time to time and at any time); and

(g) All costs, expenses and reasonable attorneys' fees incurred by the Mortgagee in the enforcement or collection of the Obligations and/or any of the Guaranty Obligations.

Hereafter, all of the indebtedness, liabilities and obligations secured by this Mortgage, including the indebtedness, liabilities and obligations described above and also all future advances, are referred to collectively as the "Indebtedness." Terms defined in the Credit Agreement and not otherwise defined in this Mortgage shall have the same meanings in this Mortgage as ascribed to them in the Credit Agreement.

All parties who have, or may acquire, an interest in the Mortgaged Property shall be deemed to have notice of, and shall be bound by, the terms of the Note, the Credit Agreement, this Mortgage, and any other instruments or documents secured hereby and the terms of the Indebtedness (including without limitation, notice that the rate of interest on some or all of the Indebtedness may vary from time to time).

Notwithstanding anything to the contrary, the maximum amount of the Indebtedness secured by this Mortgage, including the mortgage granted herein and the pledge granted in any leases and rents, at any one time in all events shall not exceed \$7,500,000.00 (the "Maximum Amount"). Without the prior written consent of Mortgagee, which Mortgagee may grant or withhold in its sole discretion, Mortgagor shall not file for record any notice limiting the Maximum Amount that may be secured by this Mortgage to a sum less than the Maximum Amount set forth in this paragraph. This Mortgage has been executed by Mortgagor pursuant to La. Civ. Code art. 3298 and is intended to secure the Indebtedness, whether now existing or arising at any time hereafter, with the preferences and priorities provided under applicable Louisiana law. The pledge of any leases and rents herein is given to the fullest extent allowed under La. Civ. Code arts. 3168 *et seq.* and La. R.S. §§ 9:4401 *et seq.*

Mortgagor hereby further covenants and agrees as follows:

1. Payment and Performance. Mortgagor promptly shall pay as and when due the Indebtedness, all without relief from valuation and appraisal laws and with reasonable attorneys' fees and costs of collection. Mortgagor waives demand, presentment for payment, notice of protest and notice of nonpayment or dishonor of the Note and of the other Indebtedness. Subject to any applicable cure periods, Mortgagor promptly shall perform as and when due all other obligations under this Mortgage, under the Note and under all of the other Loan Documents.

2. Warranties, Covenants, Taxes.

(a) Mortgagor represents, warrants and covenants to, and agrees with, Mortgagee that:

(i) Mortgagor is, and will continue to be, the lawful owner of the Mortgaged Property, with full right to mortgage, pledge, sell, lease, assign and transfer the same and to grant security interests in the same. Except for the mortgage lien and security interests granted to Mortgagee (A) neither the Mortgaged Property nor any interest therein is, or will be, mortgaged, pledged, sold, leased, assigned or transferred to any party or otherwise encumbered, (B) no security interest will be granted in the same, and (C) Mortgagor will defend the same against the claims and demands of others.

(ii) Mortgagor (A) has good and marketable title to the Mortgaged Property, free and clear of all liens, claims, security interests, encumbrances and restrictions, and (B) will at all times keep the Mortgaged Property free from any and all liens, security interests or encumbrances.

(iii) No financing statement covering all or any portion of the Mortgaged Property is on file in any public office.

(iv) The present development and uses of the Real Estate comply in all respects with all applicable zoning and other ordinances, laws and legal restrictions regulating development and use of the Real Estate.

(v) No approval or consent of any regulatory or administrative commission or authority, of any other governmental body or of any other third party (other than that which has already been obtained) is necessary to authorize the execution, delivery or recording of this Mortgage or to authorize the observance and performance by Mortgagor of the covenants and agreements contained in this Mortgage.

(vi) All information contained in written statements furnished or to be furnished to Mortgagee by or on behalf of Mortgagor in connection

with the Indebtedness is and will be, to the best knowledge of Mortgagor, complete and accurate in all material respects.

(b) Care and Condition of Mortgaged Property. Mortgagor shall (i) promptly repair, restore or rebuild or cause to be repaired, restored or rebuilt, any part of the Mortgaged Property which may become damaged or be destroyed if such damage or destruction adversely affects the value of the Mortgaged Property; (ii) keep or cause to be kept the Mortgaged Property in good condition and repair, without waste, and free from encroachments and mechanic's or materialman's lien or claims for lien not expressly subordinated to the lien of this Mortgage; (iii) pay any indebtedness when due which may be secured by a lien or charge on the Mortgaged Property, whether or not superior, equal or junior to the lien of this Mortgage; (iv) complete, or cause to be completed, within a reasonable time and in a good and workmanlike manner, any Improvements now or at any time hereafter in the process of erection, construction or installation; (v) comply, and cause any lessees and sublessees of the Mortgaged Property to comply with all requirements of law, municipal ordinances, restrictions of record or insurance covenants with respect to the Mortgaged Property and its use; (vi) permit no removal or demolition of the Mortgaged Property without the prior written consent of Mortgagee (other than items of the Mortgaged Property which have become obsolete or are being replaced); (vii) observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including without limitation all uses), privileges, franchises and concessions which are applicable to any part of the Mortgaged Property or which have been granted to or contracted for by Mortgagor in connection with any existing or contemplated use of any part of the Mortgaged Property; (viii) permit Mortgagee to enter upon and inspect the Mortgaged Property at all reasonable times and from time to time; and (ix) promptly notify Mortgagee of the assertion of any claim, or the filing of any action or proceeding affecting the Mortgaged Property, of the occurrence of any damage to the Mortgaged Property, or of any act or default under any material contract, mortgage, lease, license or federal, state or local law or regulation in connection with or affecting in any material and adverse way, the Mortgaged Property.

(c) Taxes. Mortgagor will pay and discharge or cause to be paid and discharged when due, and before any penalty attaches, all taxes of every kind and nature (including real and personal property taxes), general and special assessments, water rates and sewer rents, and all other governmental, municipal and public dues, charges, fines and impositions whether of a like or different nature, imposed upon or assessed against Mortgagor or the Mortgaged Property or arising in respect of the occupancy, use or possession thereof. Upon Mortgagee's request, Mortgagor will deliver to Mortgagee, not later than 30 days after the delinquency date, duplicate receipts evidencing the payment of all such taxes, charges and assessments.

3. Insurance.

(a) Mortgagor, at its sole cost and expense, shall obtain or cause to be obtained and keep in full force and effect such policies of insurance as Mortgagee shall from time to time require in such amounts and covering such risks as is industry norm in the same general area in which the Mortgaged Property is located, including, without limitation, the following:

(i) To the extent there are improvements on the Real Estate, Insurance against loss or damage to any of the Mortgaged Property by fire and any of the risks covered by insurance commonly known as "fire and extended coverage" and, if consistent with industry norm in the general area in which the Mortgaged Property is located, against loss or damage by flood;

(ii) Comprehensive public liability insurance, including, without limitation, against claims for personal injury, bodily injury, death or property damage occurring on, in or about the Mortgaged Property and the adjoining streets, sidewalks and passageways; and

(iii) During the course of all construction or repair, (A) workers' compensation insurance (including employer's liability insurance) for all persons engaged on or with respect to the Mortgaged Property in such amounts as are reasonably satisfactory to Mortgagee or, if such limits are established by law, in such amounts, and (B) builder's completed value risk insurance (special coverage) against "all risks of physical loss" during construction, covering the total value of work performed and equipment, supplies and materials furnished.

(b) All insurance required to be obtained and maintained by Mortgagor by the terms of this Mortgage (the "Required Insurance") shall be provided by policies written in terms, amounts and by companies satisfactory to the Mortgagee. Mortgagee shall be named as an additional insured on all liability policies; and losses under all policies other than liability policies shall be payable to Mortgagee pursuant to a standard mortgagee endorsement satisfactory to Mortgagee. Mortgagor shall deliver to Mortgagee certificates for all policies of insurance (including but not limited to all policies of Required Insurance) acquired by Mortgagor to insure against any loss or damage to the Mortgaged Property.

(c) Mortgagor hereby authorizes Mortgagee to obtain and/or maintain in effect any and all policies of Required Insurance in the event Mortgagor fails to do so after notice from Mortgagee, and Mortgagor agrees to reimburse Mortgagee for any premiums or other costs associated with obtaining Required Insurance which Mortgagee may pay.

(d) At least thirty (30) days prior to the expiration of each policy of Required Insurance, Mortgagor shall furnish Mortgagee with evidence satisfactory to Mortgagee of the issuance of a renewal or replacement policy continuing such insurance in force as required by this Mortgage. All policies of Required Insurance shall contain a provision that such policies may not be canceled or amended (including any reduction of the scope or limits of coverage) without at least thirty (30) days' prior written notice to Mortgagee. Upon Mortgagee's request, Mortgagor shall cause all bills, statements or other documents relating to the Required Insurance to be sent or mailed directly to Mortgagee.

(e) In the event of a foreclosure sale of all or any part of the Mortgaged Property pursuant to the enforcement of this Mortgage, the purchaser of the Mortgaged Property shall succeed to all rights of Mortgagor, including any rights to the proceeds of insurance and to unearned premiums, in and to all of the policies of Required Insurance. In the event of foreclosure sale, Mortgagee is hereby authorized, without the further consent of Mortgagor, to assign any and all policies of Required Insurance to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of such policies.

(f) Mortgagor shall give Mortgagee prompt notice of any loss or damage covered by any Required Insurance, and:

(i) In the event such loss or damage does not constitute a "Major Loss" (as hereinafter defined) and provided that no Event of Default (as hereinafter defined) shall then exist, Mortgagor shall have the right to adjust such loss or damage and receive any monies paid for such loss or damage under any of the Required Insurance. Any such monies received by Mortgagor shall be used only for the purpose of restoring and/or replacing the Mortgaged Property which has been lost, damaged or destroyed.

(ii) In the event such loss or damage constitutes a Major Loss (as hereinafter defined), Mortgagor may adjust such loss or damage, but only with the written consent of Mortgagee. If a Major Loss has occurred and Mortgagee has consented to allow Mortgagor to adjust such loss or damage, any monies paid for such loss or damage under any of the Required Insurance shall be paid jointly to Mortgagor and Mortgagee and shall be used for the sole purpose of restoring and/or replacing the Mortgaged Property which has been lost, damaged or destroyed, provided, however, that no Event of Default shall have occurred and be continuing.

(iii) In the event such loss or damage shall occur at the time an Event of Default has occurred and is continuing: (a) Mortgagee shall have the right to adjust such loss or damage and to execute and deliver on behalf of Mortgagor all proofs of loss, receipts, vouchers and acquittances in

connection therewith and Mortgagor agrees to execute all of the foregoing on demand made by Mortgagee; and (b) any monies received as payment of any loss under any of the Required Insurance paid over to Mortgagee, at the option of the Mortgagee, may be applied either to the prepayment of any portion, as Mortgagee may select, of the Indebtedness or to the reimbursement of Mortgagor for expenses incurred by Mortgagor in the restoration, repair or replacement of the Mortgaged Property which has been lost, damaged or destroyed or held by Mortgagee as additional collateral. If such proceeds are applied to the Indebtedness, Mortgagor is not obligated to restore, repair or rebuild. Each insuring company concerned is hereby authorized and directed to make payment for any such loss directly to Mortgagee rather than jointly to Mortgagee and any other party or parties. Such rights shall also apply if: (i) replacement property is not acquired or repair of the Mortgaged Property is not commenced within ninety (90) days after receipt of the proceeds of Required Insurance; (ii) any Event of Default occurs after such loss or damage but before replacement or completion of repairs; or (iii) any requisite consent has not been obtained from Mortgagee. No such application of insurance proceeds described herein shall have the effect of reducing or otherwise affecting the obligation of Mortgagor to make any payments as and when the same become due and payable in accordance with the terms of the Note, until payment in full of all of the Indebtedness. Any balance of such proceeds remaining after payment in full of said charges and expenses, and of the Indebtedness shall be paid by Mortgagee to Mortgagor. Application of all or any portion of such proceeds, or the release thereof, shall not cure or waive any Event of Default or notice thereof or invalidate any acts done pursuant to such notice.

In no event shall proceeds of the Required Insurance paid or payable to Mortgagor fail to be applied to restoration of the Mortgaged Property which has been lost, damaged or destroyed in such fashion as Mortgagee reasonably may require and in no event shall Mortgagor do or permit any action with respect to the Mortgaged Property which will increase the risk of hazard to the Mortgaged Property without first causing such increased risk to be fully insured. As used in this Mortgage, the term "Major Loss" shall mean any casualty loss or damage to any of the Mortgaged Property the repair, replacement or restoration of which will cost Twenty-Five Thousand Dollars (\$25,000.00) or more.

4. Condemnation Proceeds. Mortgagor shall cause all awards of damages and all other compensation payable directly or indirectly by reason of a condemnation for public or private use affecting any interest in the Mortgaged Property to be paid to Mortgagee. Mortgagee shall hold such proceeds from condemnation and make the same available for acquisition of property in replacement of the portion of the Mortgaged Property which was taken or for the repair or rebuilding of the portion of the Mortgaged Property which suffered damage or loss, as the case may be, provided each and all of the following conditions are met: (i) there shall exist no Event of Default under this Mortgage, and no event shall have occurred which with notice or passage of time or both could or might become an Event of Default hereunder; (ii) Mortgagee shall have

approved, in writing, the acquisition of any such replacement property (as being similar to and having at least equal value as the property being replaced and at least equal utility to Mortgagor) or if a Major Loss, shall have approved the use of such proceeds by Mortgagor for repair or restoration; and (iii) this Mortgage (or, at Mortgagee's option, another mortgage upon like terms and conditions) shall constitute a lien upon such replacement property, subject to no other liens or encumbrances and Mortgagee shall have received, at Mortgagor's expense, one or more policies of title insurance covering such replacement property in amounts satisfactory to Mortgagee and insuring that such lien is subject only to such exceptions as Mortgagee may accept. If such replacement property is not acquired, or if such repair or rebuilding of damaged Mortgaged Property is not begun within ninety (90) days after the receipt of the amount of such award, as the case may be, or if any of the foregoing conditions are not met at the time when such condemnation proceeds are to be applied to pay the price of such replacement property or of such repair or rebuilding, then Mortgagee shall have the option, exercisable in its absolute discretion and without regard to the adequacy of the security hereunder, to apply the amount of such proceeds or any portion thereof, after deducting Mortgagee's charges and expenses, on account of principal and accrued and unpaid interest under the Note and payment of the other Indebtedness or to hold such amount as additional collateral. No such application shall have the effect of reducing or otherwise affecting the obligation of Mortgagor to make any payments as and when the same become due and payable in accordance with the terms of the Note, until payment in full of all of the Indebtedness. Any balance of such proceeds remaining after payment in full of said charges and expenses, and of the Indebtedness shall be paid by Mortgagee to Mortgagor. Application of all or any portion of such proceeds, or the release thereof, shall not cure or waive any Event of Default or notice thereof or invalidate any acts done pursuant to such notice.

5. Protection of Security by Mortgagee. Each and every covenant in this Mortgage shall be performed and kept by Mortgagor solely at Mortgagor's expense. At its option, but without any duty or obligation to do so and without in any way waiving or relieving any default by Mortgagor under this Mortgage, Mortgagee may make any payment and perform any obligation required of Mortgagor to be performed under this Mortgage, in the event Mortgagor fails to make such payment when due or timely perform any such obligation (including without limitation, (a) payment of insurance premiums, taxes, charges and assessments, (b) payment of prior encumbrances and (c) purchase, discharge, compromise or settlement of any tax lien or other lien or title, prior to or on a parity with, the lien of this Mortgage). As between Mortgagor and Mortgagee, all such liens and taxes shall be deemed valid. All amounts so paid and all expenses incurred in connection therewith (including without limitation, reasonable attorney fees) and any other amounts advanced and costs and expenses incurred by Mortgagee to protect the Mortgaged Property, and the security intended to be given by this Mortgage (including without limitation, all costs, expenses and reasonable attorney fees incurred by Mortgagee in respect of any and all legal or equitable proceedings which relate to this Mortgage or to the Mortgaged Property) shall (a) constitute Indebtedness secured by this Mortgage and (b) be immediately due and payable by Mortgagor, without notice and with interest thereon at a per annum rate equal to the Default Rate.

6. Transfer of Mortgaged Property. Mortgagor shall not without the prior written consent of Mortgagee, directly or indirectly (whether voluntarily, involuntarily or by operation of law) sell (whether outright or by land contract, conditional sales contract or any other

such agreement), lease, convey, transfer or in any way further encumber, mortgage, pledge or assign the Mortgaged Property or any of Mortgagor's rights, title or interests therein or grant a security interest therein (each of such actions or events being hereinafter called a "Transfer"), except to the extent expressly permitted by the Credit Agreement.

7. Security Agreement-Financing Statement.

(a) This Mortgage is intended to be a security agreement pursuant to the UCC for (i) any and all items of personal property specified above as part of the Mortgaged Property which, under applicable law, may be subject to a security interest pursuant to the UCC and which are not herein effectively made part of the real property, and (ii) any and all items of property specified above as part of the Mortgaged Property which, under applicable law, constitute fixtures and may be subject to a security interest under Chapter 9 of the UCC, and Mortgagor hereby grants Mortgagee a security interest in said property, and in all additions thereto, substitutions therefor and proceeds thereof, for the purpose of securing all Indebtedness now or hereafter secured by this Mortgage. Mortgagor hereby authorizes Mortgagee to file financing statements and continuation statements to perfect Mortgagee's security interest in said property. Mortgagor shall pay (i) all costs of filing such statements and renewals and releases thereof and (ii) all costs and expenses of any record searches for financing statements Mortgagee may reasonably require. Upon the occurrence and during the continuance of any Event of Default under this Mortgage, Mortgagee shall have the rights and remedies of a secured party under the UCC, as well as all other rights and remedies available at law or in equity, and, at Mortgagee's option, Mortgagee may also invoke the rights and remedies provided elsewhere in this Mortgage as to such property.

(b) This Mortgage constitutes a "fixture filing" under the UCC in the real estate records of the county in which the Mortgaged Property is located with respect to any and all fixtures included within the term "Mortgaged Property" and with respect to any goods or other personal property that may now be or hereafter become such a fixture. A statement describing the portion of the Mortgaged Property comprising the fixtures secured is set forth in the definition of "Mortgaged Property" on page 4 of this Mortgage.

(c) For purposes of the UCC, Mortgagor is the "Debtor" and Mortgagee is the "Secured Party" and their names and mailing addresses are set forth in the first paragraph on page 1 of this Mortgage.

(d) The information provided in this Section 7 is provided so that this Mortgage shall comply with the requirements of the UCC for a mortgage instrument to be filed as a financing statement. Mortgagor represents and warrants to Mortgagee that Mortgagor is the record owner of the Mortgaged Property.

8. Default and Acceleration. The occurrence of each of the following shall constitute an "Event of Default" for purposes of this Mortgage:

(a) Any representation or warranty made in this Mortgage or in any other Loan Document that is false in any material respect at the time made or deemed to be made or any failure of Mortgagor to comply with or perform any covenant or other provision of this Mortgage;

(b) Any Transfer not expressly permitted by the Credit Agreement is made without the prior written consent of Mortgagee or any failure to maintain the Required Insurance or to pay the premiums for any such policy, as the same become payable;

(c) Any Event of Default under the Credit Agreement;

(d) The condemnation, seizure, taking or appropriation of, or the occurrence of uninsured loss, damage, destruction or casualty with respect to, any material portion of the Mortgaged Property, as determined by Mortgagee;

(e) The actual or threatened alteration, demolition or removal of any of the Improvements or the Additions which materially and adversely affects, or may reasonably be expected to materially and adversely affect, the Mortgaged Property or the Mortgagor's business, operations or financial condition, except as expressly permitted by the terms and conditions of this Mortgage or the other Loan Documents;

(f) The liquidation or the sale, conveyance, transfer, encumbrance, pledge, or assignment of substantial assets of Mortgagor or any guarantor of any of the Indebtedness (each, a "Guarantor");

(g) Mortgagor or any Guarantor (i) institutes or consents to any proceedings in insolvency or bankruptcy, or for the adjustment, liquidation, extension or composition, or arrangement of debts; or for any other relief; under any bankruptcy or insolvency law, statute, ordinance, rule or regulation relating to the relief or reorganization of debtors, (ii) is adjudicated a bankrupt, files an answer admitting bankruptcy or insolvency, or in any manner is adjudged insolvent, (iii) makes an assignment for the benefit of creditors, or (iv) admits in writing an inability to pay debts as they become due;

(h) Any proceeding (i) in insolvency or bankruptcy, (ii) for the adjustment, liquidation, extension or composition, or arrangement of debts, or (iii) for any other relief, under any bankruptcy or insolvency law, statute, ordinance, rule or regulation relating to the relief or reorganization of debtors, is instituted against Mortgagor or any Guarantor, and such proceeding is not discharged or dismissed within sixty (60) days after the proceeding is commenced;

(i) Any portion of the Mortgaged Property, or any substantial portion of the other property or assets of Mortgagor or any Guarantor, is placed in the hands of any receiver, trustee, or other officer or representative of any court, or Mortgagor or any Guarantor consents, agrees, or acquiesces to the appointment of any such receiver or trustee, and such proceeding or appointment is not discharged or dismissed within the earlier to occur of (i) sixty (60) days after such property or assets are placed in the hands of such receiver, trustee, or other officer or (ii) sixty (60) days from Mortgagor's or any Guarantor's consent to the appointment of such receiver or trustee;

(j) Mortgagor's title to the Mortgaged Property, or any material portion thereof, becomes the subject matter of litigation which, as determined by Mortgagee (with due consideration of any policy or policies of title insurance insuring the same) will result in substantial impairment or loss of the security intended to be provided by the lien of this Mortgage; or

(k) Mortgagor shall assign or delegate any of its rights or obligations hereunder or under any other Loan Document.

9. Remedies. Mortgagor expressly agrees that time is of the essence of this Mortgage. If there is an Event of Default, then, at any time thereafter:

(a) At the option of Mortgagee, (i) all principal of, and interest on, the Indebtedness; and (ii) any fee, charge, and other amount owed to Mortgagee hereunder or under the Note or any other Loan Document; immediately shall become due and payable, without any notice, presentment for payment, demand, notice of demand and dishonor, or protest and notice of protest and nonpayment, all of which expressly are waived by Mortgagor; provided that, if an event described in subsection 8(g) or subsection 8(h) occurs, then: (i) all principal of, and interest on, the Indebtedness; and (ii) any fee, charge, and other amount owed to Mortgagee hereunder or under the Note or any other Loan Document; immediately shall become due and payable;

(b) Mortgagee immediately shall have the right (and such right shall be exercisable until the Event of Default is cured) to (i) foreclose the lien of this Mortgage against all or any part of the Mortgaged Property; (ii) enforce in whole or in part every security interest granted by this Mortgage and any other Loan Document; (iii) subsequently foreclose the lien of this Mortgage against all or any part of the remaining Mortgaged Property; (iv) enforce in whole or in part any remaining security interest granted by this Mortgage or any other Loan Document; (v) institute any proceeding that Mortgagee may deem to be necessary or appropriate for the protection of its interests (including, without limitation, a proceeding for injunction or for specific performance with respect to the terms and conditions of this Mortgage and any other Loan Document); (vi) withhold any

further disbursements of the proceeds of the loans; (vii) cure the Event of Default for the account of Mortgagor (including, without limitation, paying any delinquent taxes, assessments, and premiums for the policies of insurance required to be maintained by Mortgagor under the Note or the other Loan Documents including this Mortgage); and/or (viii) exercise any other right or remedy granted under any of the other Loan Documents;

(c) In addition, during the continuance of any Event of Default, to the full extent necessary to satisfy the Indebtedness, Mortgagee shall have all the remedies of a secured party under the UCC and as otherwise provided by applicable law, including but not limited to the following: Mortgagee may take possession of the Personal Property and may use it after having done so. For purposes of taking possession, Mortgagee may enter upon any premises on which the Personal Property may be situated without legal process and remove the Personal Property. Mortgagor releases Mortgagee from any claims arising from such removal and shall hold Mortgagee harmless from any liability resulting therefrom. Mortgagee may require Mortgagor to assemble the Personal Property and make it available at a place to be designated by Mortgagee which is reasonably convenient to all parties. Unless the Personal Property is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least ten (10) days' prior written notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. Mortgagor agrees that such notice constitutes a "reasonable time" within the meaning of Section 9-612(a) of the UCC. Upon any such sale Mortgagee shall have the right to deliver, assign and transfer to the purchaser thereof the Personal Property so sold. Each purchaser at any such sale shall hold the Personal Property so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of Mortgagor which may be waived, and Mortgagor, to the extent permitted by law, hereby specifically waives all rights of redemption, stay or appraisal which it has or may have under any law now existing or hereafter adopted. The notice (if any) of such sale shall (1) in case of a public sale, state the time and place fixed for such sale, (2) in the case of a private sale, state the day after which such sale may be consummated, and (3) contain any such other information as Mortgagee deems necessary to comply with the requirements of Section 9-613 of the UCC, including without limitation (a) a description of Mortgagor and Mortgagee, (b) a description of the Personal Property that is to be so sold, (c) method of intended disposition, and (d) a statement that Mortgagor is entitled to an accounting. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as Mortgagee may fix in the notice of such sale. At any such sale the Personal Property may be sold in one lot as an entirety or in separate parcels, as Mortgagee may determine. Mortgagee shall not be obligated to make any such sale pursuant to any such notice. Mortgagee may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made

at any time or place to which the same may be so adjourned. In case of any sale of all or any part of the Personal Property on credit or for future delivery, the Personal Property so sold may be retained by Mortgagee until the selling price is paid by the purchaser thereof, but Mortgagee shall not incur any liability in case of the failure of such purchaser to take up and pay for the Personal Property so sold and, in case of any such failure, such Personal Property may again be sold upon like notice. Mortgagee, instead of exercising the power of sale herein conferred upon it, may proceed by a suit or suits at law or in equity to foreclose its security interests and sell the Personal Property, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction. The expenses of retaking, holding, preparing for sale, selling and the like, and reasonable attorneys' fees and expenses incurred by Mortgagee, may be paid from the proceeds of the disposition. Mortgagee may obtain the appointment of a receiver respecting the Personal Property upon such notice as may be required by applicable law and without notice if permitted by such law, and may obtain immediate possession thereof in replevin. Insofar as Personal Property shall consist of Accounts, insurance policies, instruments, chattel paper, choses in action or the like, Mortgagee may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose or realize upon Personal Property, whether or not then due, and as Mortgagee may determine, for the purpose of realizing Mortgagee's rights therein, Mortgagee may receive, open and dispose of mail addressed to Mortgagor and endorse notes, checks, drafts, money orders, documents of title or other evidences of payment, shipment or storage or any form of Personal Property on behalf of and in the name of Mortgagor, as its attorney in fact. All remedies of Mortgagee shall be cumulative to the full extent provided by law. Pursuit by Mortgagee of certain judicial or other remedies shall not abate nor bar resort to other remedies with respect to the Personal Property, and pursuit of certain remedies with respect to all or some of the Personal Property shall not bar other remedies with respect to the Indebtedness or to other portions of the Personal Property. Mortgagee may exercise its rights to the Personal Property without resorting or regard to other collateral or sources of security or reimbursement for the Indebtedness; and

(d) To the extent the laws of the State of Louisiana limit (i) the availability of the exercise of any of the remedies set forth in this Mortgage, including without limitation, the remedies involving a power of sale on the part of the Mortgagee and the right of the Mortgagee to exercise self-help in connection with the enforcement of the terms of this Mortgage, or (ii) the enforcement of waivers and indemnities made by Mortgagor, such remedies, waivers, or indemnities shall be exercisable or enforceable, any provisions in this Mortgage to the contrary notwithstanding, if, and to the extent, permitted by the laws in force at the time of the exercise of such remedies or the enforcement of such waivers or indemnities without regard to the enforceability of such remedies, waivers or indemnities at the time of the execution and delivery of this Mortgage.

(e) All costs and expenses incurred by Mortgagee in exercising or enforcing any of its rights or remedies hereunder shall: (i) be paid by Mortgagee upon demand by Mortgagee, together with interest thereon from the date of demand until payment in full at the Default Rate and (ii) constitute a part of the Indebtedness.

10. Possession of Mortgaged Property During Default.

(a) During the continuance of any Event of Default, Mortgagee (or any person, firm or corporation designated to act on behalf of Mortgagee), with the irrevocable consent of Mortgagor herein given, (i) may enter into and upon all or any part of the Mortgaged Property, may exclude Mortgagor therefrom and may hold, use, administer, operate, manage and control the Mortgaged Property, exercise all rights, privileges and powers of Mortgagor with respect thereto and conduct the business thereof, all to the same extent Mortgagor could do so, and (ii) at the expense of Mortgagor and from time to time, may maintain and restore or complete the Improvements and in the course of completion may make such reasonable changes in the Improvements as Mortgagee deems necessary. Mortgagee shall be entitled to collect and receive all the Rents, and at the option of Mortgagee (without any obligation to do so) to deduct therefrom the reasonable expenses of operating and conducting the business of the Mortgaged Property and of all reasonable maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and prior or other proper charges upon the Mortgaged Property, as well as reasonable compensation for the services of Mortgagee.

(b) Any Expenses (as defined in Section 11 below) of operating and conducting the business of the Mortgaged Property or as are otherwise incurred by Mortgagee pursuant to the provisions of this Section 10 which remain unpaid after application of such Rents shall constitute Indebtedness secured by this Mortgage and shall be immediately due and payable by Mortgagor, without notice and with interest thereon at the Default Rate. If Mortgagee shall exercise its rights as stated in this Section 10, Mortgagee shall apply the net amounts received or collected by it, after payment of Expenses as aforesaid, to the payment of the Indebtedness in accordance with the terms and conditions of the Credit Agreement.

11. Expenses. All reasonable costs, expenses and other liabilities (including without limitation, reasonable attorneys' fees) which Mortgagee may incur ("Expenses") (a) in enforcing, defending, construing or administering this Mortgage (or its priority), (b) for any inspection, evaluation, appraisal, survey or other service in connection with any of the Mortgaged Property, (c) for any title examination or title insurance policy relating to the title to any of the Mortgaged Property, (d) in connection with any environmental cleanup or decontamination, or any other cost, expense, fines, penalties or other liability incurred by Mortgagee with respect to the Mortgaged Property under or pursuant to any state or federal environmental law, statute, ordinance, rule or regulation or in an attempt to comply with the same or (e) in the exercise by

Mortgagee of any rights or remedies granted by this Mortgage, in any and every such case, all Expenses shall be paid by Mortgagor upon demand by Mortgagee, together with interest thereon, from the date of demand until payment in full, at the Default Rate and shall constitute a part of the Indebtedness secured by this Mortgage.

12. Foreclosure Proceedings and Receiver.

(a) Immediately upon receiving actual notice of the commencement of any action, suit or other legal proceeding by Mortgagee to obtain judgment for any part of the Indebtedness or of any other nature in aid of the enforcement of the Loan Documents or this Mortgage, Mortgagor will waive the issuance and service of process and enter its voluntary appearance in such action, suit or proceeding, and hereby (i) agrees and consents to the appointment of a receiver or receivers of the Mortgaged Property in any such action, suit or legal proceeding and (b) covenants that, at Mortgagee's request, Mortgagor will execute a written consent or agreed order to be filed in such action, suit or legal proceeding for the purpose of obtaining the appointment of a receiver or receivers. Subject to the rights of tenants or occupants in possession, upon (a) the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof or (ii) the commencement of any other judicial proceeding to enforce any right of Mortgagee, Mortgagee shall be entitled forthwith, as a matter of right, if it shall so elect, without the giving of notice to any other party, without regard to the adequacy or inadequacy of any security for the Indebtedness and without the requirement of any bond, to the appointment of such a receiver or receivers. To the extent it lawfully may do so, Mortgagor will not at any time insist upon, plead or in any other manner whatever claim or take any benefit or advantage of any valuation or appraisal law now or hereafter in force, or of any exemption from execution or sale of the Mortgaged Property now or at any time hereafter in force. Mortgagor hereby expressly waives, to the extent allowed by law, all right to have the Mortgaged Property marshaled upon any foreclosure of this Mortgage. Mortgagee shall be entitled to recover judgment as aforesaid either before, after or during the pendency of any proceedings for the enforcement of this Mortgage. The right of Mortgagee to recover such judgment shall not be affected by (a) any entry or sale hereunder, (b) the exercise of any other right, power or remedy for the enforcement of this Mortgage or (c) the foreclosure of the lien of this Mortgage. Upon any sale made under or by virtue of this Mortgage, Mortgagee may bid for and acquire the Mortgaged Property, or any part thereof, and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting the net sales price upon the Indebtedness.

(b) Louisiana Remedies

(i) Seizure and Sale of Mortgaged Property. In the event that Mortgagee elects to commence appropriate Louisiana foreclosure proceedings under this Mortgage, Mortgagee may cause the Mortgaged Property, or any part or parts thereof, to be immediately seized and sold, whether in term of court or in vacation, under ordinary or executory process, in accordance with applicable Louisiana law, to the highest bidder for cash, with or without appraisal, and without the necessity of making additional demand upon or notifying Mortgagor or placing Mortgagor in default, all of which are expressly waived.

(ii) **Confession of Judgment.** For purposes of foreclosure under Louisiana executory process procedures, Mortgagor confesses judgment and acknowledges to be indebted to Mortgagee, up to the full amount of the Indebtedness in principal, interest, costs, expenses, reasonable attorneys' fees and other fees and charges. Mortgagor further confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee in the amount of all additional advances that Mortgagee may make on Mortgagor's behalf pursuant to this Mortgage, together with interest thereon. To the extent permitted under applicable Louisiana law, Mortgagor additionally waives: (1) the benefit of appraisal as provided in Articles 2332, 2336, 2723, and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (2) the notice of seizure as provided under Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (3) the three (3) days' delay provided under Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; and (4) all other benefits provided under Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure and all other Articles not specifically mentioned above. Mortgagor further agrees that any declaration of fact made by authentic act before a Notary Public and two witnesses, by a person declaring that such facts are within his or her knowledge, shall constitute authentic evidence of such facts for purposes of foreclosure under applicable Louisiana law and for purposes of La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, to the extent applicable.

(iii) **Keeper.** Should any or all of the Mortgaged Property be seized as an incident to an action for the recognition or enforcement of this Mortgage, by executory process, sequestration, attachment, writ of fieri facias or otherwise, Mortgagor hereby agrees that the court issuing any such order shall, if requested by Mortgagee, appoint Mortgagee, or any agent designated by Mortgagee or any person or entity named by Mortgagee at the time such seizure is requested, or any time thereafter, as Keeper of the Mortgaged Property as provided under La. R.S. 9:5136, et seq. Such a Keeper shall be entitled to reasonable compensation. Mortgagor agrees to pay the reasonable fees of such Keeper, which compensation to the Keeper shall also be secured by this Mortgage in the form of an additional advance as provided in this Mortgage.

(iv) **Declaration of Fact.** Should it become necessary for Mortgagee to foreclose under this Mortgage, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504(D)(6) and La. R.S. 10:9 629, where applicable.

(v) **Specific Performance.** Mortgagee may, in addition to or in lieu of the foregoing remedies, in Mortgagee's sole discretion, commence an appropriate action against Mortgagor seeking specific performance of any covenant contained in this Mortgage or in aid of the execution or enforcement of any power in this Mortgage granted.

13. **No Exclusive Remedy.** Each and every right, power and remedy herein conferred upon, or reserved to, Mortgagee (a) is cumulative and is not intended to be exclusive of any other remedy or remedies and (b) shall be in addition to every other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Mortgagee in the exercise of any right, power or remedy or any other right, power or remedy

then or thereafter existing, shall constitute or shall be construed to be a waiver of any Event of Default or any acquiescence therein, and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time as often as and in such order as may be deemed expedient by Mortgagee.

14. Assignment of Leases and Rents.

(a) To secure payment and performance by Mortgagor of the Indebtedness, Mortgagor hereby grants, transfers and pledges to Mortgagee all of Mortgagor's rights, title and interests in, to and under all Leases now existing or hereafter entered into, and all Rents (including without limitation, all rentals reserved in any of the Leases now or hereafter due and any amendments, modifications, extensions and renewals thereof). This assignment is given to the fullest extent allowed by La. Civ. Code arts. 3168 *et seq.* and La. R.S. 9:4401 *et seq.* to secure the Indebtedness up to the Maximum Amount.

(b) Until the occurrence of an Event of Default, Mortgagor shall have the right to collect and receive, upon but not prior to accrual, all Rents with respect to the Mortgaged Property. Subject to applicable law and the rights of tenants and occupants in possession, upon or at any time after the occurrence of an Event of Default and during the continuance, Mortgagee, at its option and without notice or demand, may (i) enter upon, take possession of and operate the Mortgaged Property, as lessor, (ii) enforce, amend, modify, change, renew, extend, cancel, terminate, release and accept the surrender of any or all of the Leases, (iii) obtain orders of eviction and evict any of the tenants or occupants, (iv) fix or modify rents, (v) do any acts which Mortgagee reasonably deems proper to protect the security hereof, and (vi) in its own name, sue for or otherwise collect and receive all Rents (including without limitation, those past due and unpaid). Such rights may be exercised by Mortgagee without regard to other security, if any, for payment of the Indebtedness and without releasing Mortgagor or any Guarantor. Mortgagor hereby irrevocably appoints and constitutes Mortgagee as its true and lawful attorney-in-fact with full power of substitution for and on behalf of Mortgagor to, from and after the occurrence and during the continuance of any Event of Default, (i) request, demand, enforce payment of, collect and receive the Rent, (ii) amend, modify, change, renew, extend, cancel, terminate and release any of the Leases or any of the terms or conditions thereof (including without limitation, the Rents thereunder), (iii) endorse any checks, drafts or orders evidencing payment of Rents and (iv) do and perform any acts which Mortgagor might do for and on Mortgagor's own behalf.

(c) All Rents collected by Mortgagee or a receiver pursuant to this Section 14 shall be applied, in such amounts and in such order as Mortgagee shall determine in its sole discretion, against the outstanding Indebtedness secured hereby, and if Mortgagee so elects (without any obligation to do so), against the costs of taking control of, and managing and operating, the Mortgaged Property

and collecting the Rents (including without limitation, reasonable attorney fees, receiver's fees, premiums on receiver's bonds, costs of repairs to the Mortgaged Property, premiums on insurance policies, taxes, assessments and other charges on the Mortgaged Property, and the costs of discharging any obligation or liability of Mortgagor as lessor or landlord of the Mortgaged Property) ("Operating Expenses"). Any and all Rents applied against Operating Expenses shall not reduce, or be deemed to reduce, the amount of outstanding Indebtedness secured hereby. Mortgagee shall (i) have access to the books and records used in the operation and maintenance of the Mortgaged Property and (ii) be liable to account only for those Rents actually received. Mortgagee shall not be liable to anyone claiming under or through Mortgagor or anyone having an interest in the Mortgaged Property by reason of any act or omission by Mortgagee under the assignment made by this Section 14, excepting for Mortgagee's gross negligence or willful, wanton or reckless misconduct.

(d) If the Rents collected by Mortgagor are not sufficient to meet the costs of taking control of, and managing, the Mortgaged Property and collecting the Rents in the event Mortgagee elects to take such action, (i) any funds expended by Mortgagee for such purposes shall become Indebtedness of Mortgagor to Mortgagee secured by this Mortgage, and (ii) such amounts shall be payable upon notice from Mortgagee to Mortgagor requesting payment thereof and shall bear interest from the date of such notice until repaid at the Default Rate.

(e) The entering upon, and taking and maintaining of control of, the Mortgaged Property by Mortgagee or a receiver and the application of Rents as provided herein shall not cure or waive any Event of Default or invalidate any other right or remedy of Mortgagee hereunder or under any other Loan Document.

(f) Mortgagor hereby covenants and warrants to Mortgagee that (i) Mortgagor is and will remain the lawful owner of the Leases and the Rents and has not made any prior assignment of Mortgagor's right, title and interest in, to and under any of the Leases or the Rents, (ii) Mortgagor has not accepted any advance payments of Rents other than one month's advance rentals and security deposits, (iii) Mortgagor has not executed or granted, and will not execute or grant, any modification or amendment of any of the Leases, and (iv) Mortgagor has not done, and will not do, anything which impairs the validity or security of this assignment.

(g) The assignment made in this Section 14 shall not operate to release or relieve Mortgagor, as lessor under the Leases, from the full performance of all of Mortgagor's obligations, covenants and agreements under the Leases. Mortgagor shall (i) faithfully abide by, perform and discharge each and every material obligation, covenant and agreement to be performed by Mortgagor under the Leases, (ii) give prompt notice to Mortgagee of any notice of default on the part of Mortgagor given or made by any tenant or occupant under any of the Leases, and (iii) at the sole cost and expense of Mortgagor, enforce, short of cancellation or

termination of the Leases, or secure the performance of, each and every material obligation, covenant, condition and agreement to be performed by the tenants and occupants under the Leases. Mortgagor shall not further encumber its rights, title and interest in and to the Leases or the Rents. Mortgagor shall not (i) anticipate Rents under the Leases or (ii) waive, excuse, condone or in any manner release or discharge any tenant or occupant of or from the material obligations, covenants, conditions and agreements to be performed by such tenant or occupant (including without limitation, the obligation to pay Rents in the manner and at the place and time specified in the Leases).

(h) Mortgagor shall, at Mortgagor's sole cost and expense, (i) appear in and defend any action or proceeding arising under, growing out of, or in any manner connected with, the Leases, the Rents or the obligations, duties or liabilities of Mortgagor or the tenants or occupants under the Leases and (ii) pay all costs and expenses, with interest thereon at the Default Rate (including without limitation, reasonable attorney fees incurred by Mortgagee in any such action or proceeding in which Mortgagee may appear), all such expenses being Indebtedness secured by this Mortgage.

(i) Upon an Event of Default that is continuing, Mortgagee, at its option but without the assumption of any of Mortgagor's obligations as lessor and without notice to, or demand on, Mortgagor, and without releasing Mortgagor from any obligation under the Leases or this Mortgage, may perform any obligation of Mortgagor under any of the Leases. In the exercise of such power, Mortgagee shall be entitled to reimbursement by Mortgagor for all of Mortgagee's costs and expenses (including without limitations, reasonable attorney fees), and the same shall be (i) payable upon demand, with interest thereon from the date paid or incurred at the Default Rate, and (ii) Indebtedness secured by this Mortgage.

(j) Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability of Mortgagor under the Leases or otherwise. Mortgagee shall not be liable for any loss sustained by the Mortgagor resulting from Mortgagee's failure to let the Mortgaged Property after any Event of Default or from any other act or omission of the Mortgagee in taking, maintaining control of, or managing the Mortgaged Property after any Event of Default, unless such loss is caused by the gross negligence or the willful, wanton or reckless misconduct and bad faith of Mortgagee. Mortgagor agrees to indemnify Mortgagee against and hold it harmless from any and all liability, loss or damage which it may or might incur (i) under the Leases, (ii) under or by reason of this assignment and (iii) of and from any and all claims and demands whatsoever which may be asserted against Mortgagee by reason of any alleged obligation or undertaking on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases. In the event Mortgagee incurs any such liability, loss or damage, the amount thereof (including without limitation, costs, expenses and reasonable attorney fees), together with

interest at the Default Rate, shall be (i) payable by Mortgagor upon demand, with interest thereon from the date paid or incurred at the Default Rate, and (ii) is Indebtedness secured by this Mortgage. This assignment shall not operate to place responsibility for the control, care, management or repair of the Mortgaged Property or any improvements thereon upon Mortgagee, nor shall it operate to make the Mortgagee responsible or liable for any waste committed on the Mortgaged Property or for any dangerous or defective condition of the property, unless and until Mortgagee, in person or by agent, assumes actual possession of the Mortgaged Property.

(k) Mortgagor hereby authorizes and directs each and every tenant and occupant of the Mortgaged Property, or any part thereof, to (i) pay directly to Mortgagee all Rents upon receipt by such tenant or occupant from Mortgagee of a written notice which states that an Event of Default exists under this Mortgage ("Default Notice") and (ii) continue to pay all Rents directly to Mortgagee after receipt of such Default Notice, until otherwise notified by the Mortgagee. Mortgagor agrees to facilitate in all reasonable ways Mortgagee's collection of the Rents, and upon request, will execute a written notice to each tenant and occupant directing payment to the Mortgagee. Mortgagor hereby agrees to indemnify and hold harmless each and every tenant and occupant of the Mortgaged Property from any and all claims and actions of any party to any Rents paid by such tenants and occupants to Mortgagee after receipt of a Default Notice, and Mortgagor hereby waives any and all claims against such tenants and occupants for any such Rents paid to Mortgagee after receipt of a Default Notice. If Mortgagor cures the Event of Default to Mortgagee's satisfaction, Mortgagee shall notify tenants and occupants that the Default Notice has been rescinded.

(l) Upon the payment in full of all of the Indebtedness secured hereby and the termination of all commitments of Mortgagee to Mortgagor, the assignment made in this Section 14 shall terminate.

15. General Authority. Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney-in-fact, with full power of substitution, in the name of Mortgagor, Mortgagee or otherwise, for the sole use and benefit of Mortgagee, but at Mortgagor's expense, to the extent permitted by law, to exercise, at any time and from time to time while an Event of Default has occurred and is continuing, all or any of the following powers with respect to all or any of the Mortgaged Property:

(a) To demand, sue for, collect, receive and give acquittance for any and all monies due or to become due thereon or by virtue thereof;

(b) To settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto;

(c) To sell, transfer, assign or otherwise deal in or with the Mortgaged Property or the proceeds or avails thereof, as fully and effectively as if Mortgagee were the absolute owner thereof;

(d) To extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto; and

(e) To make all necessary or appropriate transfers of all or any part of the Mortgaged Property in connection with any sale, lease or other disposition thereof pursuant to this Mortgage, and to execute and deliver any documents necessary or appropriate to effect, evidence or facilitate such sale, lease or other disposition.

16. Provisions Severable. In the event any one or more of the terms or conditions of this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of Mortgagee, not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. The invalidity of any provision of this Mortgage in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

17. Further Assurances and Fees. Mortgagor will, at the cost of Mortgagor and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further act, deed, conveyance, mortgage, security agreement, assignment, notice of assignment, transfer and assurance as Mortgagee shall from time to time reasonably require, for (a) the better assuring, conveying, assigning, transferring, securing and confirming unto Mortgagee the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Mortgagor may be, or may hereafter become, bound to convey or assign to Mortgagee, (b) carrying out the intention or facilitating the performance of the terms and conditions of this Mortgage or (c) filing, registering or recording this Mortgage. Mortgagor shall pay for (a) filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any financing statement and continuation statement and any instrument of further assurance, and (b) all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of, or in connection with, the execution and delivery of this Mortgage, any mortgage supplemental hereto, or any instrument of further assurance. Such amounts shall be (i) payable upon demand, with interest thereon from the date of the demand at the Default Rate, and (ii) Indebtedness secured by this Mortgage.

18. Defense of Claims. Mortgagor promptly shall (a) notify Mortgagee in writing of the commencement, or threat of institution, of any legal proceedings affecting, or which may affect, Mortgagee's interest in the Mortgaged Property, or any part thereof, and (b) take such action, employing attorneys satisfactory to Mortgagee, as may be necessary to fully preserve, protect and defend Mortgagor's and Mortgagee's rights affected thereby. Upon notice to Mortgagor, Mortgagee may take such independent action in connection therewith as Mortgagee in its reasonable discretion may deem proper. Mortgagor shall indemnify and save Mortgagee

harmless from any loss, damage, cost, expense or reasonable attorneys' fees which may be incurred by Mortgagee by reason of any suit or proceeding to which Mortgagee is made a party on account of this Mortgage, and any loss, damage, expense or attorney fees so incurred by Mortgagee shall be a part of the Indebtedness secured by this Mortgage and shall be immediately due and payable by Mortgagor, without notice and with interest thereon at the Default Rate. In the event Mortgagee pays, discharges or satisfies, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property, or any part thereof, Mortgagee shall be subrogated to the rights of the holder of such lien as fully as if such lien had been assigned to Mortgagee.

19. Applicable Law. This Mortgage shall be governed by the substantive laws of the State of Louisiana without resort to its conflicts of law rules or principles. In the event that any provision of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage which can be given effect without the conflicting provisions, and to this end the provisions of this Mortgage are declared to be servable.

20. Successors and Assigns. The grants, terms and conditions of this Mortgage shall (a) run with the land, (b) apply and extend to, be binding upon, and inure to the benefit of, Mortgagor and its successors and assigns and all parties claiming under or through Mortgagor, with the word "Mortgagor," when used herein, including all such parties, and (c) apply and extend to, be binding upon, and inure to the benefit of, Mortgagee and its successors and assigns, with the word "Mortgagee," when used herein, including the successors and assigns of Mortgagee.

21. Waiver of Right to Trial by Jury. MORTGAGOR AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATED (A) IN THE STATE COURTS LOCATED IN THE COUNTY WHERE THE REAL ESTATE IS LOCATED, OR THE FEDERAL COURTS WITH VENUE WHICH INCLUDES THE COUNTY WHERE THE REAL ESTATE IS LOCATED, OR (B) AT THE SOLE OPTION OF MORTGAGEE, IN ANY OTHER COURT IN WHICH MORTGAGEE SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. MORTGAGOR AND MORTGAGEE WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY AND ANY RIGHT MORTGAGOR OR MORTGAGEE MAY HAVE TO ASSERT THE DOCTRINE OF "FORUM NON CONVENIENS" OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH.

22. Miscellaneous. The captions used in this Mortgage are for convenience only and are not to be construed as defining or limiting the provisions of this Mortgage. Any and all covenants and agreements in this Mortgage from time to time may by instrument in writing signed by Mortgagee be waived to such extent and in such manner as Mortgagee may desire, but no such waiver shall affect or impair Mortgagee's rights hereunder, except to the extent specifically stated in such written instrument. No waiver by Mortgagee of any Event of Default shall constitute a waiver of, or consent to, any subsequent Event of Default. All changes to, or amendments or modifications of, this Mortgage must be in writing signed by Mortgagee and Mortgagor and, if this Mortgage is recorded, shall not be effective until being recorded. Wherever used, the singular

number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession of the Mortgaged Property in the absence of a taking of actual possession of the Mortgaged Property by Mortgagee. In the exercise of the powers herein granted Mortgagee, no liability shall be asserted or enforced against Mortgagee by Mortgagor, all such liability and claims of liability being expressly waived and released by Mortgagor, excepting for liability due to Mortgagee's gross negligence or willful, wanton or reckless misconduct. All notices given pursuant to this Mortgage shall be given in accordance with the Credit Agreement.

23. Louisiana Terms. As used in this Mortgage, the following definitions shall apply, unless the context requires otherwise: the terms "real property" and "real estate" shall be deemed to include immovable property and the component parts thereof; the term "fee estate" shall include full ownership; the term "personal property" shall be deemed to include movable property; the term "tangible property" shall be deemed to include corporeal property; the term "intangible property" shall be deemed to include incorporeal property; the term "easements" shall be deemed to include servitudes; the term "buildings" shall be deemed to include other constructions; the phrase "covenant running with the land" and other words of similar import shall be deemed to include a real right or a recorded lease of immovable property; the term "county" shall be deemed to mean parish; the term "joint and several liability" shall be deemed to include in solido liability; the terms "deed in lieu of foreclosure", "conveyance in lieu of foreclosure" and words of similar import shall include a "dation en paiement; references to a "receiver" or words of similar import shall include a keeper appointed pursuant to La. R.S. 9:§§ 5136 et seq.

24. Paraph. Mortgagor acknowledges that no promissory note or other instrument has been presented to the undersigned Notary Public to be paraphed for identification herewith.

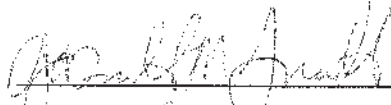
25. Acceptance by Mortgagee. In accordance with the provisions of Louisiana Civil Code Article 3289, Mortgagee has accepted the benefits of the Mortgage without the necessity of execution by Mortgagee.

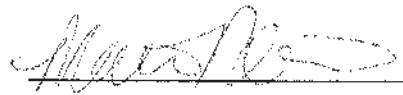
26. Future Advances Mortgage. This Mortgage is intended to secure the Indebtedness, whether now existing or arising at any time hereafter. As to all Indebtedness, whether now existing or arising at any time hereafter, this Mortgage has effect between the parties from the time the Mortgage is established and as to third parties from the time the Mortgage is filed for registry, all as provided by Louisiana Civil Code article 3298.

[SIGNATURE PAGE FOLLOWS]

THUS DONE AND PASSED in Surf City, Pender County, North Carolina, on the date first set forth above, in the presence of the undersigned competent witnesses, who hereunto sign this instrument with the Mortgagor and me, Notary, after due reading of the whole.

WITNESSES:


Print Name: Gabrielle M. Toppino

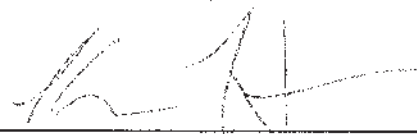

Print Name: Marissa McEwen

MORTGAGOR:

RH Lakewind East LLC, a Delaware limited liability company

By: Laguna Reserve APTS Investor LLC, its sole member,

By: 
Stephen Stratis, Manager



Notary Public

Printed Name: Kelsey Henning

My Commission Expires: 9/18/2029

Notary/Bar Roll No.: 202420300058

[SEAL]



Exhibit A

Real Estate Legal Description

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans, State of Louisiana. Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKratt Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978, and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows: Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28°00'20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31°9'41"W, a distance of 171.56 feet to a point; thence N61°59'40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29°05'35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76°18'19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; then S85°54'04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning. NOTE: Being Parcel No. 39W016237, of the City of New Orleans, Parish of Orleans.

1340 Poydras Street, 4th Floor
New Orleans, Louisiana 70112



Land Records Division
Telephone (504) 407-0005

Chelsey Richard Napoleon
Clerk of Court and Ex-Officio Recorder
Parish of Orleans

DOCUMENT RECORDATION INFORMATION

Instrument Number: 2024-37105

Recording Date: 12/13/2024 04:49:02 PM

Document Type: MORTGAGE

Addtl Titles Doc Types:

Mortgage Instrument Number: 1450255

Filed by: SIMPLIFILE / CHICAGO TITLE CLEVELAND NBU - 1111 SUPERIOR AVE STE 600
OH 44114
1111 SUPERIOR AVE, STE 600
CLEVELAND OH 44114

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Exhibit F

**MULTIPLE INDEBTEDNESS MORTGAGE, PLEDGE OF LEASES AND RENTS
AND SECURITY AGREEMENT**

BE IT KNOWN, that on the 8th day of July, 2024, before the undersigned notary public, duly commissioned and qualified as set forth below, and in the presence of the undersigned competent witnesses, personally came and appeared (individually, collectively and interchangeably, "Mortgagor", whether one or more):

RH LAKEWIND EAST LLC (TIN: ##-###6963), a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with its permanent mailing address at 46 Main Street, Suite 339, Monsey, New York, 10952, represented herein by and appearing through its authorized representative, duly authorized pursuant to a Certificate of Authority, a copy of which is attached hereto and made part hereof;

who declared and acknowledged as follows:

INDEBTEDNESS. The term "Indebtedness" as used in this multiple indebtedness mortgage, pledge of leases and rents and security agreement (as the same may be modified or amended from time to time, this "Mortgage") means individually, collectively and interchangeably any and all present and future loans, advances, and/or other extensions of credit obtained and/or to be obtained by Mortgagor, RH Copper Creek LLC, RH Windrun LLC or RH Chenault Creek LLC, and each of their respective successors and assigns (each, a "Borrower" and collectively, the "Borrowers"; Borrowers and Mortgagor may sometimes be individually, collectively, and interchangeably referred to herein as "Obligor" or "Obligors") from CKD Funding LLC, a Delaware limited liability company, its successors and assigns ("Mortgagee"), from time to time, one or more times, now and in the future, under any and all promissory notes evidencing such present and/or future loans, advances, and/or other extensions of credit, executed by Mortgagor in favor of Mortgagee, together with any renewal, extension, amendment, modification, substitution, or replacement of any thereof, and together with interest on the indebtedness evidenced by any promissory notes at the rate or rates specified therein, and all attorneys' fees and collection costs and to secure the payment of insurance premiums, taxes, keeper's fees, and the performance of all obligations of Mortgagor under this Mortgage, any promissory notes and any other documents or instruments executed in or delivered in connection therewith, and also including the payment and performance of all agreements with respect to any swap, forward, future, or derivative transaction or option or similar agreement involving, or settled by reference to, one or more interest rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measure of economic, financial or pricing risk or value, and also including, any and all other obligations, including, without limitation, Mortgagor's covenants and agreements in any present or future loan or credit agreement or any other agreement, document or instrument executed by Mortgagor and liabilities that Mortgagor may now and/or in the future owe to and/or incur in favor of Mortgagee, whether direct or indirect, or by way of assignment or purchase of a participation interest, and whether related or unrelated, or whether committed or purely discretionary, and whether absolute or contingent, liquidated or unliquidated, voluntary or involuntary, determined or undetermined, due or to become due, and whether now existing or hereafter arising, or otherwise secured or unsecured, whether Mortgagor is obligated alone or with others on a "solidary" or "joint and several" basis, as a principal obligor or as a surety, guarantor, or endorser, of every nature and kind whatsoever, whether or not any such Indebtedness may be barred under any statute of limitations or prescriptive period or may be or become otherwise unenforceable or voidable for any reason whatsoever. **Notwithstanding any other provision of this Mortgage, the maximum amount of Indebtedness secured hereby shall be limited to \$10,000,000.00.**

INST #: 2024-20297
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MIN: 1440475
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07/09/2024 04:37:09 PM

ELECTRONICALLY RECORDED

Chelsey Richard Napoleon
CLERK OF CIVIL DISTRICT COURT

ARTICLE 1
MULTIPLE INDEBTEDNESS MORTGAGE

Section 1.1 Granting of Mortgage. And now, in order to secure the prompt and punctual payment and satisfaction of the Indebtedness, in principal, interest, costs, expenses, attorneys' fees and other fees and charges, and additionally to secure repayment of any and all amounts that Mortgagee may advance on Mortgagor's behalf as set forth herein (individually, collectively, and interchangeably, "Additional Advances"), together with interest thereon, Mortgagor does by these presents specially mortgage, affect, hypothecate, grant a security interest, and insofar as Leases and Rents (as such terms are defined below) and those Incorporeal Rights (as such term is defined below) that are subject to La. R.S. 9:5386 are concerned, grant a pledge, unto and in favor of Mortgagee, in any and all of Mortgagor's present and future rights, title and interest in and to the following described property located in Orleans Parish, State of Louisiana (**individually, collectively and interchangeably, the "Mortgaged Property"**):

(a) The immovable (real) property specifically described on Exhibit A attached to this Mortgage and made a part of this Mortgage as if fully set forth herein, which describes the immovable (real) property securing this Mortgage (the "Land").

(b) Together with any and all present and future buildings, constructions, component parts, improvements, attachments, appurtenances, fixtures, rights, ways, privileges, advantages, batture, and batture rights, servitudes and easements of every type and description, now and/or in the future relating to the Land, and any and all items and fixtures attached to and/or forming integral or component parts of the Land in accordance with the Louisiana Civil Code (individually, collectively, and interchangeably, the "Improvements").

(c) Together with all present and future rents, fruits, revenues, income, issues, profits, bonuses, cash collateral, and other benefits accruing, from, derived from, or to be derived from, the use, possession, occupancy or lease of all or any part of the Land and the Improvements and from Mortgagor's operation thereof including, without limitation, rights to rents, royalties, rentals, shut in payments and other payments which are rents or rentals attributable to Mortgagor's sale, lease or other disposition of his right to explore or develop oil, gas and mineral interests in the Land and the Improvements (collectively, the "Rents"), and all present and future leases of all or any part of the Land and the Improvements ("Leases").

(d) Together with all incorporeal rights incidental or accessory to the Land and the Improvements or its use (the "Incorporeal Rights"), including, without limitation (i) the right to receive proceeds and awards from the sale, transfer or other conveyance, lease, insurance loss, claims for damages, or condemnation, expropriation or other taking of all or any part of the Land or the Improvements (the "Proceeds"); (ii) rights under service, maintenance, or warranty contracts relating to the Land and the Improvements, and (iii) rights under trade names, patents, or copyrights that are subject to use in connection with the Land and the Improvements or Mortgagor's business or other activities conducted thereon.

(e) Together with any and all present and future deposits or other security or advance payments, including rental payments, made by or on behalf of Mortgagor to others, with respect to (1) utility service regarding the Mortgaged Property, (2) cleaning, maintenance, repair, or similar services regarding the Mortgaged Property, (3) refuse removal or sewer service regarding the Mortgaged Property, (4) rentals of equipment, if any, used in the operation by or on behalf of Mortgagor regarding the Mortgaged Property, and/or (5) parking or similar services or rights regarding the Mortgaged Property.

(f) Together with any and all rights, title and interest and other claims or demands that Mortgagor now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Mortgaged Property, including without limitation, damages arising or resulting from any defect in or with respect to the design or construction of all or any portion of the Mortgaged Property, or arising from any default under any construction, architectural or engineering contract or agreement relating to the Mortgaged Property.

(g) Together with any and all books, records, computer programs, tapes, discs, "software," and other like records and information, relating to Mortgagor's business operations as well as in any way relating to the foregoing rights and/or the Mortgaged Property subject to this Mortgage.

(h) Together with all machinery, equipment and goods and all of the Mortgagor's present and future rights, title and interest in and to all building plans, construction or architectural contracts or plans, all building and construction materials and equipment, all general intangibles, whether money, unearned insurance premiums and insurance, proceeds (including all proceeds paid for any damage or loss to the Mortgaged Property or any part thereof, all awards, including interest, in connection with any condemnation or other taking of the Mortgaged Property, or any part thereof, whether by conversions, voluntary or involuntary, of any of the foregoing into cash or liquidated claims or otherwise), accounts, contracts, subcontracts, trademarks, all refundable, returnable or reimbursable fees, deposits or other funds or credits associated with the Land, the Improvements, the Leases and the Rents, and all of Mortgagor's rights, title and interest to all other assets and personal property of every kind, description and nature whatsoever, now or hereafter located in or upon or affixed to the Land or the Improvements, or any part thereof, or now or hereafter used or to be used in connection with any present or future operation thereof or construction thereon, and now owned or hereafter acquired by Mortgagor; it being understood and agreed that all such fixtures, machinery, apparatus, equipment and other assets and personal property (collectively, "Personal Property") are a part of and are declared to be a portion of the security for the Indebtedness, whether physically attached to such Improvements or not. However, should the Mortgaged Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

(i) Together with any and all renewals, replacements, accessions or additions of or to any of the above or substitutions therefor and all cash products and all proceeds of or to any or all of the foregoing.

Section 1.2 Mortgage Securing Future Indebtedness. This Mortgage has been executed by Mortgagor pursuant to Article 3298 of the Louisiana Civil Code for the purpose of securing Mortgagor's Indebtedness that may now be existing or that may arise in the future as provided herein, with the preferences and priorities provided under applicable Louisiana law. However, nothing under this Mortgage shall be construed as limiting the duration of this Mortgage or the purpose or purposes for which Mortgagor's Indebtedness may be requested or extended. Mortgagor's additional loans will automatically be secured by this Mortgage without the necessity that Mortgagor agrees or consents to such a result at the time additional loans are made and that the note or notes evidencing such additional loans reference the fact that such notes are secured by this Mortgage. Mortgagor understands that Mortgagor may not subsequently have a change of mind and insist that Mortgagor's additional loans not be secured by this Mortgage unless Mortgagee specifically agrees to such a request in writing.

Section 1.3 Duration of Mortgage. This Mortgage will remain in effect until (A) all of the Indebtedness is fully paid and satisfied and there is no agreement or commitment to advance any additional Indebtedness; and (B) Mortgagor cancels this Mortgage by filing a written cancellation instrument signed by Mortgagee. When all of the Indebtedness is fully paid and satisfied and there is no agreement or commitment to advance any additional indebtedness, Mortgagor may request in writing Mortgagee to sign such a written cancellation instrument. Mortgagee may delay providing Mortgagor with such a mortgage cancellation instrument for a period of five (5) days following receipt of Mortgagor's written request, or such longer time as may be necessary for Mortgagee to verify that all conditions precedent for cancellation of this Mortgage have been satisfied.

Section 1.4 Prohibitions Regarding Mortgaged Property. So long as this Mortgage remains in effect, Mortgagor shall not, without the prior written consent of Mortgagee, sell, transfer, forego, assign, pledge, do anything or permit anything to be done that may in any way affect Mortgagee's security interests and rights in and to the Mortgaged Property, or create or permit to exist any Encumbrance in or against any of the Mortgaged Property, in favor of any person other than Mortgagee. For purposes of this Mortgage, the term "Encumbrance" shall mean individually, collectively and interchangeably, any and all present and future mortgages, liens, privileges and any and all other security interests and rights, of any kind or nature, that may affect the Mortgaged Property, or any part thereof.

Section 1.5 Encumbrances.

(a) **Prior Encumbrances.** Mortgagor shall pay all indebtedness secured by any other mortgage, security agreement or other document or instrument creating a senior and prior lien (if any) or junior and subordinate lien (if any) on the whole or any part of the Mortgaged Property and perform all covenants, terms and conditions contained in any such mortgage, security agreement or other document or instrument on the part of Mortgagor to be performed and observed, all within the periods provided for payment, performance and observance in any such document, thereby preventing an event of default from occurring thereunder. Mortgagor shall further not modify or extend any of the terms of any prior Encumbrance or any indebtedness secured thereby, or request or obtain any additional loans or other extensions of credit from any third party creditor or creditors whenever such additional loan advances or other extensions of credit may be directly or indirectly secured, whether by cross-collateralization or otherwise, by the Mortgaged Property, or any part or parts thereof, with possible preference and priority over the lien of this Mortgage.

(b) **Future Encumbrances.** Mortgagor shall not, without the prior written consent of Mortgagee, grant any Encumbrance that may affect the Mortgaged Property, or any part or parts thereof, nor shall Mortgagor permit or consent to any Encumbrance attaching to or being filed against any of the Mortgaged Property in favor of anyone other than Mortgagee.

Section 1.6 Additional Advances For Specific Purposes. Mortgagee shall have the right, within Mortgagee's sole option and discretion, and without any obligation to do so, to make Additional Advances on Mortgagor's behalf in the event that Mortgagor (1) defaults in its obligations as lessor of a lease of the Mortgaged Property; (2) fails to maintain insurance on the Mortgaged Property as required under this Mortgage, (including Additional Advances for insurance which protects only Mortgagee's interests in the Mortgaged Property); (3) fails to pay taxes, assessments and governmental and other charges as required under this Mortgage; (4) fails to make all necessary repairs to the Mortgaged Property as required by this Mortgage; or (5) permits or allows any Encumbrance to be filed against or attach to the Mortgaged Property.

(a) **Other Advances.** Mortgagee may further make Additional Advances on Mortgagor's behalf and take such other action or actions as Mortgagee may deem to be necessary and proper, within Mortgagee's sole discretion, to cure and rectify any actions or inactions on Mortgagor's part, as are required under this Mortgage, that are not listed immediately above.

(b) **No Obligations.** Nothing under this Mortgage shall obligate Mortgagee to make any such Additional Advances or to take any of the above actions on Mortgagor's behalf, or as making Mortgagee in any way responsible or liable for any loss, damage or injury to Mortgagor, or to any other person or persons, resulting from Mortgagee's election not to advance such additional sums or to take such action or actions. In addition, Mortgagee's election to make Additional Advances and/or to take the above actions on Mortgagor's behalf shall not constitute a waiver or forbearance by Mortgagee of any Event of Default under this Mortgage.

(c) **Obligation To Repay Additional Advances; Interest.** Mortgagor unconditionally agrees to repay any and all Additional Advances that Mortgagee may elect to make on Mortgagor's behalf, together with interest as provided herein, immediately upon demand by Mortgagee. Mortgagor further agrees to pay Mortgagee interest on the amount of such Additional Advances at the rate of interest provided in any promissory notes or at the legal rate of interest provided under applicable law, whichever is greater from the date of each such Additional Advance until all such Advances are repaid in full. Mortgagor's obligations to repay Additional Advances to Mortgagee, together with interest thereon, shall be secured by this Mortgage.

ARTICLE 2

PLEDGE OF LEASES AND RENTS

Section 2.1 The pledge of Leases and the Rents provided for herein shall secure all Indebtedness, all liabilities and obligations for which any promissory notes have been given as security, and all other obligations of Obligor to Mortgagee, now existing or hereafter arising, **up to the maximum amount of \$10,000,000.00**. Mortgagee shall have full subrogation to Mortgagor's rights to all Leases and Rents. Mortgagor shall administer the Leases, Rents and Incorporeal Rights in a fiduciary capacity for the benefit of Mortgagee. Mortgagor shall be entitled to collect the Rents until the occurrence of an Event of Default (as defined below) or until Mortgagee sends written notice to Mortgagor at Mortgagor's address set forth above, whereupon Mortgagee shall have the right to receive and collect the Rents. All Proceeds shall be paid directly to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its agent and attorney-in-fact (coupled with an interest), to demand, sue for, collect, receive, and receipt for the Rents and Proceeds, and to exercise all the rights and privileges of Mortgagor under any of the Leases or Incorporeal Rights affecting the Mortgaged Property, including without limitation, the right to fix or modify the amount of the Rents, to evict any lessee, tenant or occupant (each a "Lessee") from the Mortgaged Property, to relet such Mortgaged Property and to do all such things as Mortgagee may deem necessary.

Section 2.2 Mortgagor hereby irrevocably consents that all Lessees of the Mortgaged Property shall be authorized to pay the Rents directly to Mortgagee without liability for the determination of the actual existence of any Event of Default, the lessees being hereby expressly relieved of any obligation to Mortgagor with respect to Rents paid to Mortgagee. All Rents and Proceeds collected under this Mortgage shall be applied, after payment of all costs and charges, as a credit against the Indebtedness. Mortgagee shall have no legal or contractual responsibility for the condition of the Mortgaged Property, for any obligation to perform leases affecting the Mortgaged Property, or for any dangerous or defective condition of the Mortgaged Property. Mortgagor indemnifies and shall defend the Mortgagee and its agents,

employees, successors, and assigns (the “Indemnified Parties”) and hold the Indemnified Parties harmless from any cost, expense, liability, loss, or damage, including, without limitation, reasonable attorneys' fees, which may or might be incurred by them by reason of the pledge of the Rents and Leases and the security interest in the Incorporeal Rights. The obligation set forth herein to indemnify, defend, and hold the Indemnified Parties harmless shall be secured by this Mortgage and shall survive the termination of this Mortgage and the payment of the Indebtedness. All rights and remedies of Louisiana Civil Code article 3141 et seq., as supplemented by La. R.S. 9:4401 et seq., shall inure to the benefit of Mortgagee.

ARTICLE 3 **SECURITY AGREEMENT**

Section 3.1 Security Agreement. It is the intent of Mortgagor and Mortgagee that, in addition to being a mortgage of immovable (real) property, this instrument shall also constitute a security agreement within the meaning of the Uniform Commercial Code (as from time to time in effect in the State of Louisiana, the “Code”) with respect to all fixtures and personal (movable) property described herein and all replacements thereof, substitutions therefor, additions thereto and proceeds thereof (said property being sometimes hereinafter referred to as the “Collateral”), and that a security interest shall attach thereto for the benefit of Mortgagee to secure the Indebtedness and all other obligations secured by this Mortgage, and all other sums and charges which may become due hereunder or thereunder.

Section 3.2 With respect to the Collateral, Mortgagor represents, warrants and covenants as follows:

(a) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office, other than financing statements with respect to the security interest granted hereby; and except for the security interest granted hereby Mortgagor is, or upon acquiring rights in any of the Collateral will be, the owner of the Collateral free from any other lien, security interest or encumbrance; and Mortgagor shall defend the security interest of Mortgagee in the Collateral against claims and demands of all persons at any time claiming the same or any interest therein; and

(b) Mortgagor hereby authorizes Mortgagee to from time to time file such financing and continuation statements and amendments thereto pursuant to the Code in form satisfactory to Mortgagee and shall pay the costs of filing or recording the same in all public offices wherever filing or recording is deemed by Mortgagee to be necessary or desirable, and Mortgagor hereby further authorizes Mortgagee to sign such financing and continuation statements and amendments on behalf of the Mortgagor if Mortgagor’s signature is required by applicable law (Mortgagee being for such purposes by this instrument duly and irrevocably appointed as the Mortgagor’s agent and attorney-in-fact, coupled with an interest and with full power of substitution, delegation and revocation).

Section 3.3 Upon the occurrence of an Event of Default under this Mortgage, Mortgagee, pursuant to the Code, shall have the right, at Mortgagee’s option:

(a) To proceed as to both the Mortgaged Property and the Collateral in accordance with Mortgagee’s rights and remedies in respect of the Mortgaged Property, in which event (i) the provisions of the Code otherwise applicable to sale of the Collateral shall not apply, and (ii) the sale of the Collateral in conjunction with and as one parcel with the Land and the Improvements (or any portion thereof) shall be deemed to be a commercially reasonable manner of sale; or

(b) To proceed as to the Collateral separately from the Land and the Improvements, in which event the requirement of reasonable notice shall be met by mailing notice of the sale, postage prepaid, to the Mortgagor or any other person entitled thereto at least ten (10) days before the time of the sale or other disposition of any of the Collateral. The Collateral shall be kept at the Land referred to on Exhibit A attached hereto, and until installed will be suitably and safely stored thereon. The Mortgagor shall not remove or permit to be removed from the Land referred to on Exhibit A attached hereto any of the Collateral without the prior written consent of Mortgagee.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

Section 4.1 Ownership and Encumbrances. Except as previously disclosed to Mortgagee in writing, Mortgagor represents and warrants that: (A) Mortgagor is and will continue to be the lawful owner of, has good title to, and is possessed of, the Mortgaged Property; (B) Mortgagor has the right to mortgage the Mortgaged Property to Mortgagee; (C) as of the time this Mortgage is recorded, there are no Encumbrances affecting the Mortgaged Property; (D) the security rights and interest granted under this Mortgage will at no time become subordinate or junior to any security rights, interests, liens, or claims of, or in favor of, any person, firm, corporation, or other entity, including, without limitation, the United States, or any department, agency or instrumentality thereof, or any state, county, parish, city, or local governmental agency; (E) Mortgagor will forever warrant and defend title to the Mortgaged Property against the claims of all persons; and (F) this Mortgage is binding upon Mortgagor as well as Mortgagor's heirs, successors, legatees, administrators, executors, representatives and assigns, and is legally enforceable in accordance with its terms. The above representations and warranties, and all other representations and warranties contained in this Mortgage, are and will be continuing in nature and will remain in full force and effect until such time as this Mortgage is cancelled in the manner provided above.

Section 4.2 Taxes and Liens. Mortgagor shall promptly pay or cause to be paid when due, all taxes, local and special assessments, and governmental and other charges, as well as all public and/or private utility charges, of every type and description, that may from time to time be imposed, assessed and levied against the Mortgaged Property or against Mortgagor. Mortgagor shall pay, when the same shall become due and payable, all lawful claims and demands of mechanics, materialmen, laborers and all others which, if unpaid, might result in or permit the creation of a lien on the Mortgaged Property or any part thereof.

Section 4.3 Use of Mortgaged Property. Mortgagor shall not use the Mortgaged Property and shall not permit others to use the Mortgaged Property, for any purpose or purposes other than those previously disclosed to Mortgagee in writing, and in no event shall any of the Mortgaged Property be used in any manner that would damage, depreciate, or diminish its value, or that may result in a cancellation or termination of insurance coverage. Mortgagor additionally agrees not to do or to suffer to be done anything which may increase the risk of fire or other hazard to the Mortgaged Property or any part or parts thereof. Mortgagor shall not suffer or permit the Mortgaged Property, or any portion thereof, to be used by the public and others as such, without restriction or in such manner as might impair Mortgagor's title to the Mortgaged Property or any portion thereof, or in such manner as may make possible a claim or claims of adverse usage, easement, servitude, right of way or habitation, or adverse possession by the public and others, or any implied, tacit or other dedication of the Mortgaged Property.

Section 4.4 Repairs and Maintenance. Mortgagor shall keep and maintain, and/or cause others to keep and maintain, the Mortgaged Property and the sidewalks and curbs adjoining the Mortgaged Property, in sound condition and in a first-class state of decoration and repair. Mortgagor shall further

make and/or cause all necessary repairs to be made to the Mortgaged Property (including the repair and restoration of any portion of the Mortgaged Property that may have been damaged, lost or destroyed). Such necessary repairs shall include, but are not limited to, any structural and/or non-structural repairs to the interior and/or exterior of the Mortgaged Property in order to keep the Mortgaged Property in proper condition for its intended use.

Section 4.5 Compliance with Applicable Laws and Regulations. Mortgagor shall not permit any waste, impairment, damage or deterioration of the Mortgaged Property; permit the violation of any and all present and future laws, ordinances or governmental regulations affecting the Mortgaged Property or use thereof; permit any conditions to exist which would wholly or partially invalidate any insurance on the Mortgaged Property; or permit anything to be done to the Mortgaged Property that might diminish the value thereof.

Section 4.6 Alterations. Mortgagor shall not without the prior written consent of Mortgagee: (1) remove or demolish any of the Improvements, or any fixtures, located on the Land; (2) make changes or alterations to the Improvements located on the Land which would change their general character or size; (3) alter the design or structural character of the Improvements located on the Land; (4) make any other material alteration or addition thereto; (5) do or permit anything to be done to the Improvements located on the Land that might diminish the value thereof; (6) permit any drilling or exploration for or excavation, removal or production of any minerals from the surface or subsurface of the Land; or (7) remove or permit the removal of any standing timber located on the Land, sand, gravel or topsoil, or engage in borrow pit operations, or use or permit the use of the Mortgaged Property as a land fill or dump, or store, burn or bury or permit the storage, burning or burying of any material or product which may result in contamination of the Mortgaged Property or the groundwater or which may require the issuance of a permit by the Environmental Protection Agency or any state or local government agency governing the issuance of hazardous or toxic waste permits, or request or permit a change in zoning or land use classification.

Section 4.7 Compliance With Leases, Etc. Mortgagor shall promptly and fully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements imposed upon or assumed by Mortgagor as landlord, licensor or Mortgagor under any lease, sublease, license, concession, occupancy and other tenancy agreement now or hereafter in effect (including any amendments or supplements thereto) covering any part of the Mortgaged Property or any other Mortgaged Property owned or controlled by Mortgagor that is affected by the terms, provisions, covenants, conditions and agreements imposed upon or assumed by Mortgagor in such lease, sublease, license, concession, occupancy or other tenancy agreement and Mortgagor shall not do, or permit to be done, or omit or refrain from doing, any act or thing the doing or omission of which will give any tenant, sub-tenant, licensee, concessionaire or occupant a right to terminate any such lease, license, concession, occupancy or other tenancy agreement or to abate the rental or other payments due thereunder.

Section 4.8 Leases. Mortgagor shall further immediately notify Mortgagee in writing of any default, cancellation, or notice of cancellation under any such leases, subleases or other agreements. Mortgagor will not, without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld: (1) cancel, terminate, or accept a surrender or permit any substitution, cancellation, termination, or surrender of any lease or sublease of the Mortgaged Property; (2) modify any lease, sublease or other agreement as to reduce the term thereof, or the payments thereunder, or change any renewal provision contained therein; or (3) commence any summary proceeding or other action to recover possession of any of the leased Mortgaged Property, other than a proceeding brought in good faith resulting from a default by the lessee or sublessee under the terms and conditions of the lease or sublease.

Section 4.9 Operation. Mortgagor shall continuously operate the improvements located on the Mortgaged Property in an efficient manner and in compliance with all applicable laws, ordinances, rules, regulations and directions of governmental authorities having jurisdiction over the Mortgaged Property, and also in compliance with the requirements of all policies of insurance on the Mortgaged Property. Mortgagor shall follow good and approved forestry practices for any timber located on the Mortgaged Property, Mortgagor shall also procure, pay for, maintain and comply with all permits, licenses and other authorizations needed for the operation of the improvements located on the Mortgaged Property. Mortgagor shall not, nor shall Mortgagor permit others to abandon, commit waste, or destroy the Mortgaged Property, or any part or parts thereof.

Section 4.10 Books and Records. Mortgagor shall keep proper and separate books of account, in accordance with generally accepted accounting principles, and make, or cause to be made, full and true entries of all dealings and transactions of every kind relating to the Mortgaged Property, which books and records shall be open to inspection by Mortgagee, Mortgagee's agents and accountants and representatives, at all reasonable times.

Section 4.11 Financial Reports: Mortgagor covenants and agrees that, as long as the Indebtedness or any part thereof is outstanding, Mortgagor shall promptly provide to Mortgagee true and correct current financial statements and such other information regarding the financial condition, business and properties of Mortgagor as Mortgagee may request from time to time, all in form, substance and detail satisfactory to the Mortgagee. The financial statements shall include, among other things, a balance sheet, a statement of cash flow and an income statement, in such form and reasonable detail as the Mortgagee may request setting forth the financial condition of the Mortgagor in a manner consistent with any prior financial statement, and with detailed information regarding (i) any entities, such as corporations, partnerships, or limited liability companies of which the Mortgagor is the majority owner and (ii) any other entities or persons for which Mortgagor is directly or contingently liable on debts or obligations of any kind incurred by those entities.

Within forty-five (45) days after the end of each quarter in each of the Mortgagor's fiscal years, Mortgagor shall promptly provide to Mortgagee a "rent roll", so called, dated as of the end of such fiscal quarter and stating with respect to each portion of the improvements located on the Mortgaged Property the name of each tenant, licensee, concessionaire or other occupant thereof, the rent and other charges paid by such tenant, licensee, concessionaire or other occupant, the date to which such rent and other charges are paid, the date on which the interest of such tenant, licensee, concessionaire or other occupant in the Mortgaged Property terminates and the amount held by the Mortgagor by way of security deposit from each such tenant, licensee, concessionaire or other occupant; such financial statements, variance reports and rent rolls shall be certified as accurate by the chief financial officer of the Mortgagor.

All financial statements or records submitted to Mortgagee via electronic means, including, without limitation by facsimile, open internet communications or other telephonic or electronic methods, including, without limitation, documents in Tagged Image Format Files ("TIFF") or Portable Document Format ("PDF") shall be treated as originals, fully binding and with full legal force and effect and the parties waive any rights they may have to object to such treatment. Mortgagee may rely on all such records in good faith as complete and accurate records produced or maintained by or on behalf of the party submitting such records.

ARTICLE 5
INSURANCE

Section 5.1 Policies. Mortgagor shall procure and maintain for the benefit of Mortgagee original paid-up insurance policies from companies having an A.M. Best rating of A or better or otherwise satisfactory to Mortgagee, in amounts, in form and substance, and with expiration dates acceptable to Mortgagee and containing a noncontributory standard mortgagee clause or its equivalent in a form satisfactory to Mortgagee, or the statutory mortgagee clause, if any, required in the state where the Mortgaged Property is located, or a lender loss payable endorsement, in favor of Mortgagee providing the following types of insurance on the Mortgaged Property:

(a) **Multi-Peril Hazard Insurance.** Multi-peril hazard insurance, in each case affording insurance against loss or damage by fire, lightning, explosion, earthquake, collapse, theft, sprinkler leakage, vandalism and malicious mischief and such other perils as are included in so-called "all-risks" or "extended coverage" and against such other insurable perils as, under good insurance practices, from time to time are insured against for properties of similar character and location; such insurance to be not less than 100% of the full replacement cost of the Improvements without deduction for depreciation and shall also include rental loss or business interruption insurance for at least a 12-month period. The said policy shall contain replacement costs and stipulated value endorsements and shall name Mortgagee as first mortgagee.

(b) **Flood Insurance.** If the Mortgaged Property is located in a special flood hazard zone, insurance against flood; such insurance to be not less than 100% of the full replacement cost of all Improvements or the maximum amount available, whichever is less.

(c) **Comprehensive General Liability Insurance.** Comprehensive public liability insurance with respect to the Mortgaged Property and the operations related thereto, whether conducted on or off the Mortgaged Property, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$1,000,000.00 combined single limit bodily injury and property damage per occurrence and \$2,000,000.00 in the aggregate, or such other amounts that are otherwise satisfactory to Mortgagee, in its sole discretion. The said comprehensive public liability insurance to be on a per occurrence basis and to specifically include but not be limited to water damage liability, products liability, motor vehicle liability for all owned and non-owned vehicles, including rented and leased vehicles, and further containing a broad form contractual liability endorsement covering Mortgagor's obligations to indemnify Mortgagee as provided hereunder and naming Mortgagee as additional insured.

(d) **Workers' Compensation and General Liability.** Workers' compensation and general liability insurance against loss, damage or injury to employees, agents or representatives of Mortgagor or of any contractor and subcontractor, or insurance against loss, damage or injury caused by any employees, agents or representatives of Mortgagor or of any contractor or subcontractor.

(e) **Other Insurance.** Such other insurance on the Mortgaged Property or any replacements or substitutions therefor and in such amounts as may from time to time be reasonably required by Mortgagee against other insurable casualties which at the time are commonly insured against in the case of premises similarly situated, due regard being given to the height and type of the improvements on the Mortgaged Property, its construction, location, use and occupancy, or any replacements or substitutions therefor.

Section 5.2 All of the foregoing policies shall contain an agreement by the insurer not to cancel or amend the policies without giving Mortgagee at least thirty (30) days' prior written notice of its intention to do so.

Section 5.3 Contemporaneously with the execution of this Mortgage, Mortgagor shall deliver original binders evidencing the insurance and within 15 days of this Mortgage the original or certified copies of the foregoing policies to Mortgagee, Mortgagor shall deliver original or certified renewal policies with satisfactory evidence of payment not less than fifteen (15) days in advance of the expiration date of the existing policy or policies. In the event Mortgagor should, for any reason whatsoever, fail to keep the Mortgaged Property or any part thereof so insured, or to keep said policies so payable, or fail to deliver to Mortgagee the original or certified policies of insurance and the renewals thereof upon demand, then Mortgagee, if it so elects, may itself have such insurance effected in such amounts and in such companies as it may deem proper and may pay the premiums therefor. Mortgagor shall reimburse Mortgagee upon demand for the amount of premium paid, together with interest thereon at 15% percent per annum from date until paid.

Section 5.4 Mortgagor agrees to notify Mortgagee immediately in writing of any material fire or other casualty to or accident involving the Mortgaged Property, whether or not such fire, casualty or accident is covered by insurance. Mortgagor further agrees to notify promptly Mortgagor's insurance company and to submit an appropriate claim and proof of claim to the insurance company if the Mortgaged Property is damaged or destroyed by fire or other casualty. Mortgagee is hereby authorized and empowered, at its option, to collect and receive the proceeds from any policy or policies of insurance, and each insurance company is hereby authorized and directed to make payment of all such losses directly to Mortgagee instead of to Mortgagor and Mortgagee jointly. Mortgagee shall apply the net proceeds thereof, in accordance with following subsections (a), (b) and (c) hereof:

(a) If there is a fire or casualty loss which damages a portion (but not all) of the Improvements on the Mortgaged Property and as long as no Event of Default has occurred and is continuing, then the proceeds of the insurance shall be deposited into a cash collateral account and such proceeds will be applied to the payment of the cost of restoration of the Improvements upon such terms and conditions as Mortgagee may deem necessary or appropriate in its reasonable discretion; provided, however, that (i) such insurance proceeds must be adequate to cover the cost of restoration of the Improvements, or if the proceeds are insufficient, then Mortgagor shall give Mortgagee such adequate protection and assurance as Mortgagee may, in its reasonable discretion require, that additional funds will be provided by Mortgagor in order to complete the restoration of the Improvements and that Mortgagor has sufficient funds on hand to pay interest and principal on any promissory notes included in the Indebtedness during the restoration period; (ii) the first priority of this Mortgage and all collateral documents in the Mortgaged Property is not impaired; (iii) Mortgagor shall provide Mortgagee on a monthly basis with a detailed cost breakdown showing by line item all costs projected for such restoration and a revised and updated cost breakdown; (iv) funds shall be disbursed from the account in accordance with Mortgagee's standard practices and procedures for construction loans; (v) there is no ongoing and continuing Event of Default; and (vi) in the case of an ongoing and continuing Event of Default, Mortgagee shall have the right, in its sole discretion, to apply some or all of the insurance proceeds to the payment of any promissory notes included in the Indebtedness and the Indebtedness.

(b) If there is a fire or casualty loss which constitutes a total loss or a constructive total loss of the Mortgaged Property, or if not all of the conditions set forth in subclause (i) through (iii) of Subsection (a) above are satisfied, then the insurance proceeds shall be applied to the payment of the

Indebtedness. If such insurance proceeds are not sufficient to pay the Indebtedness in full, Mortgagee shall have a right to accelerate the maturity of the Indebtedness and proceed against the Mortgagor and/or the remainder of the Mortgaged Property; and if the proceeds exceed the amount necessary to pay the Indebtedness in full, then such excess shall be paid to Mortgagor.

(c) Upon demand of Mortgagee, Mortgagor shall pay to Mortgagee, together with, at the same time as and in addition to the payments of principal and/or interest due on the any promissory notes included in the Indebtedness, a pro rata portion of the property taxes, assessments, governmental charges, levies and insurance premiums relating to the Mortgaged Property next to become due, as estimated by Mortgagee, so that Mortgagee will have sufficient funds on hand to pay such taxes, assessments, governmental charges, levies and premiums not less than thirty (30) days prior to the due date thereof. All such amounts shall be held by Mortgagee (not in trust) without interest as further security for the Indebtedness. Mortgagee may apply all or a portion of the amounts so paid at such time and in such order as Mortgagee, in its absolute discretion shall determine, to the payment of the taxes, assessments, governmental charges, levies and insurance premiums, as the case may be.

ARTICLE 6

COMPLIANCE WITH ENVIRONMENTAL MATTERS; INDEMNIFICATION

Section 6.1 Mortgagor represents and warrants to Mortgagee that Mortgagor: (a) has not stored or disposed of, and shall not store or dispose of, any Hazardous Substances (as defined below) on the Mortgaged Property except in compliance with Environmental Laws (as defined below), (b) has not failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (c) is not, nor has Mortgagor become, subject to any Environmental Liability (as defined below), (d) has not received any notice of any claim with respect to any Environmental Liability, or (e) knows of no basis for any Environmental Liability.

Section 6.2 Mortgagor covenants and agrees to: (a) at all times maintain the Mortgaged Property in compliance with all applicable Environmental Laws and free of any Hazardous Substances except in compliance with all applicable Environmental Laws; (b) comply with all laws, rules, regulations and requirements of any governmental authority applicable to its business and properties, including without limitation, all Environmental Laws, ERISA, and the Occupational Safety and Health Act of 1970, as amended; (c) pay, perform or otherwise satisfy any fine, charge, penalty, fee, damage, order, judgment, decree or imposition related thereto which, if unpaid, would constitute a lien on the Mortgaged Property, unless (i) the validity thereof shall be contested diligently and in good faith by appropriate proceedings and with counsel reasonably satisfactory to Mortgagee and (ii) so long as Mortgagor shall at all times have deposited with Mortgagee, or posted a bond satisfactory to Mortgagee in, a sum equal to the amount necessary (in the reasonable discretion of Mortgagee) to comply with such order or directive (including, but not limited to, the amount of any fine, penalty, interest or cost that may become due thereon by reason of or during such contest); provided, however, that Mortgagee shall be subrogated to the rights of the payee of such amount upon payment in full with respect to such fine, charge, or any portion thereof; (d) take all appropriate response actions, including any removal or remedial actions, in the event of a release, emission, discharge, or disposal of any Hazardous Substances in, on, under or from the Mortgaged Property necessary in order for the Mortgaged Property to be or remain in compliance with all Environmental Laws; (e) upon request of Mortgagee, to permit Mortgagee, including its officers, agents, employees, contractors and representatives, to enter and inspect the Mortgaged Property for purposes of conducting an environmental assessment; and (f) upon the request of Mortgagee, and at Mortgagor's expense, to cause to be prepared for

the Mortgaged Property such site assessment reports, including, without limitation, engineering studies, historical reviews and testing, as may be reasonably requested from time to time by Mortgagee.

Section 6.3 Mortgagor agrees to furnish to Mortgagee prompt written notice of the following: (a) any change in the nature or extent of Hazardous Substances maintained on or with respect to the Mortgaged Property; or (b) the occurrence of any event or any other development by which Mortgagor (i) fails to comply with any Environmental Law, (ii) fails to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (iii) becomes subject to any Environmental Liability, (iv) receives notice of any claim with respect to any Environmental Liability, or (v) becomes aware of any basis for any Environmental Liability.

Section 6.4 In addition to any other indemnifications herein or pursuant to any other agreement with Mortgagee, the Mortgagor shall indemnify Mortgagee, its parent, subsidiaries and its affiliates, as well as their respective shareholders, directors, officers, employees, agents, successors and assigns or (each such person or entity being called an "Indemnatee") against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities, penalties, fines, costs and expenses of any kind or nature (including the fees, charges and disbursements of any counsel for any Indemnatee and all fees and time charges and disbursements for attorneys who may be employees of any Indemnatee) incurred by any Indemnatee or asserted against any Indemnatee by any third party or by Mortgagor arising out of, in connection with, or as a result of (i) any actual or alleged presence or release of Hazardous Substances on or from, or migrating to or from, the Mortgaged Property, or any actual or alleged Environmental Liability related in any way to Mortgagor, the Mortgaged Property or any other collateral securing the Indebtedness, (ii) any breach of any representation, warranty or covenant contained herein, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, all whether based on contract, tort or any other theory, whether brought by a third party or by Mortgagor, and regardless of whether any Indemnatee is a party thereto, provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee.

Section 6.5 The terms "Environmental Laws", "Environmental Liability" and "Hazardous Substances" as used herein shall have the following meanings:

(a) "Environmental Laws" shall mean any and all federal, state and local laws, statutes, ordinances, rules, regulations, permits, licenses, approvals, rules of common law and orders of courts or any governmental authority, relating to the protection of human health or occupational safety or the environment, now or hereafter in effect and in each case as amended from time to time, including, without limitation, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Substances, including, without limitation, the following federal laws: the Resource Conservation Recovery Act, the Comprehensive Environmental Response Compensation and Liability Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, the Clean Air Act, and the Clean Water Act;

(b) "Environmental Liability" shall mean any liability, contingent or otherwise (including any liability for damages, costs of environmental investigation and remediation, costs of administrative oversight, fines, natural resource damages, penalties or indemnities) directly or indirectly resulting from or based upon (i) any actual or alleged violation of any Environmental Law, (ii) the

generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Substances, (iii) any actual or alleged exposure to any Hazardous Substances, (iv) the release or threatened release of any Hazardous Substances or (v) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing; and

(c) “Hazardous Substances” shall mean any substances or materials (i) that are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants or toxic substances under any applicable Environmental Law, (ii) that are defined by any applicable Environmental Law as toxic, explosive, corrosive, ignitable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous (iii) the presence of which require investigation, removal, remediation or any other response of any kind under any applicable Environmental Law or causes or threatens to cause a nuisance upon any property of Mortgagor or to any adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about any such property, (iv) that consist of underground or aboveground storage tanks, whether empty, filled or partially filled with any substance, or (v) that contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or wastes, crude oil, nuclear fuel, natural gas, synthetic gas, radon gas, radioactive materials, or isotopes.

Section 6.6 The provisions of this Mortgage respecting compliance with environmental matters and the indemnification set forth above are in addition to and supplement any other representations, warranties, covenants, indemnifications and other provisions contained in this Mortgage or any other Related Documents (as defined below).

ARTICLE 7 **CONDEMNATION**

Section 7.1 Notice of Proceedings. Promptly upon the receipt by Mortgagor of notice of the initiation of any proceeding or negotiations for the taking of the Mortgaged Property, or any part thereof, in expropriation, condemnation or by the exercise of the power of eminent domain, Mortgagor shall give notice thereof to Mortgagee. Mortgagee may appear in any such proceeding and participate in any such negotiations and may be represented therein by counsel of Mortgagee’s choice, all at Mortgagor’s cost and expense, and whether or not Mortgagee shall become a party to any such proceeding or negotiations, Mortgagor shall promptly give to Mortgagee copies of all notices, pleadings, judgments, determinations and other papers received by Mortgagor therein. Mortgagor shall not enter into any agreement consenting to or acquiescing in the taking of the Mortgaged Property, or any part thereof, by any governmental agency or instrumentality, or other person or legal entity authorized to acquire the same in expropriation, condemnation or by eminent domain unless Mortgagee shall have first consented thereto in writing.

Section 7.2 Condemnation Awards and Proceeds. Any award whether paid as a result of a negotiated settlement or judgment, shall be paid to Mortgagee (Mortgagor hereby assigning such award to Mortgagee), and Mortgagee is hereby irrevocably constituted and appointed the true and lawful attorney in fact, coupled with an interest and with full power of substitution, delegation, and revocation, of Mortgagor for such purpose and as such is duly authorized and empowered to collect and receive the total amount of such award, including interest, and to give proper receipts and acquittances therefor. All awards payable to Mortgagee as a result of such taking shall, at the option of Mortgagee, be applied to the payment and discharge of the Indebtedness in such order as Mortgagee shall so elect or to the repair, restoration and alteration of the Mortgaged Property as Mortgagee shall from time to time determine. In the event that Mortgagee elects to apply such award to the repair, restoration and alteration of the Mortgaged Property,

Mortgagor shall promptly, at Mortgagor's own expense, repair, restore and alter the Mortgaged Property to the extent required as a result of such taking, or any damage occasioned thereby, so that the Mortgaged Property shall thereafter constitute a complete architectural unit.

Section 7.3 Collateral Assignment as Additional Security. As additional collateral security for the payment of the Indebtedness, Mortgagor hereby assigns, pledges and grants a security interest in any and all of Mortgagor's present and future rights, title and interest in and to the proceeds of any award or claim for direct or consequential damages relating to any condemnation, expropriation, conveyance, or other taking of all or any part of the Mortgaged Property by any governmental authority, including, without limitation, any awards resulting from a change or grade of streets and award for severance damages, and further including the right to receive such condemnation proceeds directly from such a governmental authority and, where applicable, to enforce any rights that Mortgagor may have to collect such condemnation proceeds as provided herein.

ARTICLE 8

EVENTS OF DEFAULT

Section 8.1 Events of Default. The occurrence of any of the following shall constitute an event of default (individually, collectively and interchangeably, an "Event of Default") under this Mortgage:

(a) the failure of any Mortgagor, Obligor or Borrower to pay in accordance under the Indebtedness or under any other obligation to Mortgagee under this Mortgage, or under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee, if such failure to pay continues for ten (10) days following written notice from Mortgagee to Mortgagor (individually, collectively and interchangeably, the "Related Documents");

(b) the failure of any Obligor to observe or perform promptly when due any covenant, agreement or obligation due to Mortgagee under this Mortgage or under the Related Documents, if such failure to pay continues for thirty (30) days following written notice from Mortgagee to Obligor;

(c) the material inaccuracy at any time of any warranty, representation or statement made to Mortgagee by any Obligor under this Mortgage or under any Related Document;

(d) any judgment, garnishment, seizure, tax lien, levy or other Encumbrance against any assets of any Obligor that remains in effect for more than thirty (30) days after such Obligor obtains knowledge thereof;

(e) any material adverse change in the financial condition of Obligor, or any material discrepancy between the financial statements submitted by Obligor and the actual factual condition of Obligor;

(f) any discontinuance or termination by guarantor of any guaranty of all or any portion of the Indebtedness;

(g) the insolvency, or the execution of an assignment for the benefit of creditors, the appointment of a receiver of any property of any Obligor, or the filing of a petition in bankruptcy by or

against any Obligor, or the commencement of any proceeding in bankruptcy, or otherwise relating to the relief of debtors or the relief, postponement or adjustment of any indebtedness of any Obligor through reorganization, composition, extension or otherwise, unless the proceeding is terminated within 20 days of its commencement;

(h) should any Mortgagor, Obligor or Borrower fail to pay, perform, or satisfy any indebtedness or obligation owed to Mortgagee under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee;

(i) the failure of any Mortgagor, Obligor or Borrower to observe or perform promptly when due any covenant, agreement or obligation due to Mortgagee under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee; or

(j) should any Obligor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of the Mortgaged Property or ability to repay the Indebtedness or perform such Obligor's obligations under this Mortgage or any of the Related Documents.

In addition to the Events of Default provided above, the death of any guarantor of the Indebtedness shall be an Event of Default if Mortgagee, in its reasonable discretion, determines that such death, the succession proceedings, or the disposition of the estate of the deceased guarantor (including rights in trust) may have a material adverse effect on the repayment of the Indebtedness, the enforceability or collectability of any of the collateral documents securing all or any portion of the Indebtedness or the deceased guarantor's guaranty obligation.

Section 8.2 Mortgagee's Rights Upon an Event of Default. Should one or more Event of Default occur or exist under this Mortgage, as provided above, Mortgagee, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights and remedies provided by law:

(a) **Acceleration; Foreclosure.** Mortgagee shall have the right, at its sole option, to accelerate the maturity and demand immediate payment in full of any and all of the Indebtedness. Mortgagee shall then have the right to commence appropriate foreclosure proceedings against the Mortgaged Property and against Mortgagor's Rights as provided in this Mortgage.

(b) **Seizure and Sale of Mortgaged Property.** In the event that Mortgagee elects to commence appropriate Louisiana foreclosure proceedings under this Mortgage, Mortgagee may cause the Mortgaged Property, or any part or parts thereof, to be immediately seized and sold, whether in term of court or in vacation, under ordinary or executory process, in accordance with applicable Louisiana law, to the highest bidder for cash, with or without appraisal, and without the necessity of making additional demand upon or notifying Mortgagor or placing Mortgagor in default, all of which are expressly waived.

(c) **Executory Process.** For purposes of foreclosure under Louisiana executory process procedures, Mortgagor confesses judgment and acknowledges to be indebted to Mortgagee, up to the full amount of the Indebtedness in principal, interest, costs, expenses, reasonable attorneys' fees and

other fees and charges. Mortgagor further confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee in the amount of all Additional Advances that Mortgagee may make on Mortgagor's behalf pursuant to this Mortgage, together with interest thereon. To the extent permitted under applicable Louisiana law, Mortgagor additionally waives the following: (1) the benefit of appraisal as provided in Articles 2332, 2336, 2723, and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (2) the notice of seizure as provided under Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (3) the three (3) days' delay provided under Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; (4) all other benefits provided under Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure; and (5) all other rights to notices, demands, appraisements and delays in Articles or laws not specifically mentioned above. Mortgagor further agrees that any declaration of fact made by authentic act before a Notary Public and two witnesses, by a person declaring that such facts are within his or her knowledge, shall constitute authentic evidence of such facts for purposes of foreclosure under applicable Louisiana law and for purposes of La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, to the extent applicable.

(d) **Keeper.** Should any or all of the Mortgaged Property be seized as an incident to an action for the recognition or enforcement of this Mortgage, by executory process, sequestration, attachment, writ of fieri facias or otherwise, Mortgagor hereby agrees that the court issuing any such order shall, if requested by Mortgagee, appoint Mortgagee, or any agent designated by Mortgagee or any person or entity named by Mortgagee at the time such seizure is requested, or any time thereafter, as Keeper of the Mortgaged Property as provided under La. R.S. 9:5136, et seq. Such a Keeper shall be entitled to reasonable compensation. Mortgagor agrees to pay the reasonable fees of such Keeper, which are hereby fixed at \$250.00 per hour, which compensation to the Keeper shall also be secured by this Mortgage in the form of an Additional Advance as provided in this Mortgage.

(e) **Declaration of Fact.** Should it become necessary for Mortgagee to foreclose under this Mortgage, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, as applicable.

(f) **Specific Performance.** Mortgagee may, in addition to or in lieu of the foregoing remedies, in Mortgagee's sole discretion, commence an appropriate action against Mortgagor seeking specific performance of any covenant contained in this Mortgage or in aid of the execution or enforcement of any power in this Mortgage granted.

(g) **Election of Remedies.** Except as may be prohibited by applicable law, all of Mortgagee's rights and remedies, whether evidenced by this Mortgage or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Mortgagee to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Mortgagor under this Mortgage, after Mortgagor's failure to perform, shall not affect Mortgagee's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Mortgagee following an Event of Default, or in any way to limit or restrict the rights and ability of Mortgagee to proceed directly against Mortgagor and/or against any other co-maker, guarantor, surety or endorser of the Indebtedness, and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

ARTICLE 9
INDEMNITY

Section 9.1 IN ADDITION TO ALL OTHER INDEMNIFICATIONS HEREIN, MORTGAGOR SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS MORTGAGEE, THEIR PARENTS, SUBSIDIARIES, AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, SHAREHOLDERS, REPRESENTATIVES, AGENTS, INSURERS, ATTORNEYS, SUCCESSORS, AND ASSIGNS FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST, OR EXPENSE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES), ACTION, CAUSE OF ACTION, PROCEEDING, CLAIM OR DISPUTE INCURRED OR SUFFERED BY MORTGAGEE OR TRUSTEE, WHETHER VOLUNTARILY OR INVOLUNTARILY INCURRED OR SUFFERED, IN RESPECT OF THE FOLLOWING:

(a) ANY LITIGATION CONCERNING THIS MORTGAGE, THE INDEBTEDNESS, THE RELATED DOCUMENTS OR THE MORTGAGED PROPERTY, OR ANY INTEREST OF MORTGAGOR OR MORTGAGEE THEREIN, OR THE RIGHT OF OCCUPANCY THEREOF BY MORTGAGOR OR MORTGAGEE, WHETHER OR NOT ANY SUCH LITIGATION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

(b) ANY DISPUTE, INCLUDING DISPUTES AS TO THE DISBURSEMENT OF PROCEEDS OF ANY INDEBTEDNESS NOT YET DISBURSED, AMONG OR BETWEEN ANY OF THE CONSTITUENT PARTIES OR OTHER PARTNERS OR VENTURERS OF MORTGAGOR IF MORTGAGOR IS A GENERAL OR LIMITED PARTNERSHIP, OR AMONG OR BETWEEN ANY EMPLOYEES, OFFICERS, DIRECTORS OR SHAREHOLDERS OF MORTGAGOR IF MORTGAGOR IS A CORPORATION, OR AMONG OR BETWEEN ANY MEMBERS, TRUSTEES OR OTHER RESPONSIBLE PARTIES IF MORTGAGOR IS A LIMITED LIABILITY COMPANY, ASSOCIATION, TRUST OR OTHER ENTITY;

(c) ANY ACTION TAKEN OR NOT TAKEN BY MORTGAGEE WHICH IS ALLOWED OR PERMITTED UNDER THIS MORTGAGE OR ANY OF THE RELATED DOCUMENTS RELATING TO MORTGAGOR, THE MORTGAGED PROPERTY, ANY CONSTITUENT PARTIES OR OTHERWISE IN CONNECTION WITH THE RELATED DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE PROTECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST, ASSIGNMENT AND/OR ENFORCEMENT OF THE PLEDGE OF LEASES AND RENTS, OR OTHER RIGHT, REMEDY OR RECOURSE CREATED OR AFFORDED BY THIS MORTGAGE, OR THE RELATED DOCUMENTS;

(d) THE USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE OF A HAZARDOUS SUBSTANCE ON, UNDER OR ABOUT THE MORTGAGED PROPERTY, WHETHER KNOWN OR UNKNOWN AT THE TIME OF THE EXECUTION HEREOF, INCLUDING WITHOUT LIMITATION (i) ALL FORESEEABLE CONSEQUENTIAL DAMAGES OF ANY SUCH USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE, AND (ii) THE COSTS OF ANY REQUIRED OR NECESSARY ENVIRONMENTAL INVESTIGATION OR MONITORING, ANY REPAIR, CLEANUP, OR DETOXIFICATION OF

THE MORTGAGED PROPERTY, AND THE PREPARATION AND IMPLEMENTATION OF ANY CLOSURE, REMEDIAL, OR OTHER REQUIRED PLANS;

(e) THE EXERCISE OF THE RIGHTS OR REMEDIES HEREUNDER, AND FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER WHICH MAY BE ASSERTED AGAINST THE MORTGAGEE BY REASON OF ANY ALLEGED OBLIGATIONS OR UNDERTAKINGS ON ITS PART TO PERFORM OR DISCHARGE ANY OF THE TERMS, COVENANTS, OR AGREEMENTS CONTAINED IN ANY LEASE; AND

(f) ANY ACTION BROUGHT BY MORTGAGEE AGAINST MORTGAGOR UNDER THIS MORTGAGE, OR THE RELATED DOCUMENTS, WHETHER OR NOT SUCH ACTION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT.

Section 9.2 MORTGAGEE MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTECT OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS MORTGAGE, AND THE RELATED DOCUMENTS, AND TO ADVISE AND DEFEND MORTGAGEE WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. MORTGAGOR SHALL REIMBURSE MORTGAGEE FOR ITS ATTORNEYS' FEES AND EXPENSES (INCLUDING EXPENSES AND COSTS FOR EXPERTS) IMMEDIATELY UPON RECEIPT OF A WRITTEN DEMAND THEREFOR, WHETHER ON A MONTHLY OR OTHER TIME INTERVAL, AND WHETHER OR NOT AN ACTION IS ACTUALLY COMMENCED OR CONCLUDED. ALL OTHER REIMBURSEMENT AND INDEMNITY OBLIGATIONS HEREUNDER SHALL BECOME DUE AND PAYABLE WHEN ACTUALLY INCURRED BY MORTGAGEE. ANY PAYMENTS NOT MADE WITHIN FIVE (5) DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE RATE OR RATES PROVIDED IN ANY PROMISSORY NOTES INCLUDED IN THE INDEBTEDNESS FROM THE DATE OF SUCH DEMAND UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE OBLIGATIONS SECURED HEREBY, THE RELEASE OF THE LIEN OF THIS MORTGAGE, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE) AND THE EXERCISE BY MORTGAGEE OF ANY AND ALL REMEDIES SET FORTH HEREIN OR IN ANY PROMISSORY NOTES INCLUDED IN THE INDEBTEDNESS OR THE RELATED DOCUMENTS.

ARTICLE 10

ADDITIONAL REPRESENTATIONS AND WARRANTIES

Mortgagor further represents, warrants and covenants that:

Section 10.1 Organization. Mortgagor is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Louisiana. Mortgagor is duly authorized to transact business in all other states in which Mortgagor is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Mortgagor is doing business. Specifically, Mortgagor is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Mortgagor has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Mortgagor maintains an office at 601 Belle Terre Blvd. LaPlace, LA 70068. Unless Mortgagor has

designated otherwise in writing, the principal office is the office at which Mortgagor keeps its books and records including its records concerning the Collateral. Mortgagor will notify Mortgagee prior to any change in the location of Mortgagor's state of organization or any change in Mortgagor's name. Mortgagor shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Mortgagor and Mortgagor's business activities.

Section 10.2 Authorization. Mortgagor's execution, delivery, and performance of this Mortgage and all the Related Documents have been duly authorized by all necessary action by Mortgagor, do not require the consent or approval of any other person, regulatory authority, or governmental body, and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Mortgagor's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Mortgagor or (2) any law, governmental regulation, court decree, or order applicable to Mortgagor or to Mortgagor's properties. Mortgagor has the power and authority to enter into the Related Documents and to grant collateral as security for the Indebtedness. Mortgagor has the further power and authority to own and to hold all of Mortgagor's assets and properties, and to carry on Mortgagor's business as presently conducted.

Section 10.3 Consents and Approvals. If notice to or the consent or approval of any governmental body or authority, or any third party (including without limitation, any other creditor of Mortgagor) is now or any time hereafter required in connection with the execution, delivery and performance by Mortgagor of this Mortgage, then (1) with respect to all currently applicable requirements, such notice has been given and consent or approval obtained by Mortgagor prior to the execution hereof and written evidence thereof has been concurrently herewith delivered to Mortgagee, and (2) with respect to such requirements that shall at any time hereafter be imposed or become applicable, such notice will be given and such consent or approval will be obtained by Mortgagor prior to the time such failure to do so will constitute a violation of law or result in any breach, default or failure by Mortgagor under any contract or instrument, and written evidence thereof will at such time be delivered to Mortgagee.

Section 10.4 Perfection of Security Interests. Except for the recordation of this Mortgage, no filing or recording of this Mortgage, or with respect to Mortgagee's security interest granted hereunder, is necessary or advisable in any jurisdiction, or before, or with any governmental or private regulatory body, in order to establish and perfect Mortgagee's security rights and interest in the Mortgaged Property or the Rights of Mortgagor collaterally assigned and pledged hereunder, with respect to Mortgagor or any of Mortgagor's present and future creditors, or any other third party or parties whatsoever.

Section 10.5 Additional Assurances; Legal Opinions and Certificates. Mortgagor further agrees to deliver to Mortgagee such other documents, including without limitation, such legal opinions and other certificates as Mortgagee may reasonably request to show Mortgagor's compliance with the foregoing and/or with the other representations, warranties and covenants of Mortgagor contained herein.

ARTICLE 11

GENERAL PROVISIONS

Section 11.1 Execution of Additional Documents. Mortgagor agrees to execute all additional documents, instruments and agreements that Mortgagee may deem to be necessary and proper, within its sole discretion, in form and substance satisfactory to Mortgagee, to keep this Mortgage in effect, to better

reflect the true intent of this Mortgage, and to consummate fully all of the transactions contemplated hereby and by any other agreement, instrument or document heretofore, now or at any time or times hereafter executed by Mortgagor and delivered to Mortgagee.

Section 11.2 Estoppel Certificate. Within ten (10) calendar days after being requested to do so by Mortgagee, Mortgagor will execute and deliver to Mortgagee an estoppel certificate identifying this Mortgage and the Indebtedness secured hereby, and all documents and instruments executed in connection herewith and therewith, and acknowledging the status of this Mortgage, and further acknowledging and agreeing to such notice provisions and other matters as may be reasonably required by Mortgagee.

Section 11.3 Inspection of Mortgaged Property. Mortgagee and Mortgagee's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Mortgaged Property wherever located.

Section 11.4 Audits. Mortgagee and its agents may also periodically conduct audits of Mortgagor's books and records that in any way pertain to the Mortgaged Property, the foregoing Rights and any part or parts thereof.

Section 11.5 Application of Payments. Mortgagor agrees that all payments and other sums and amounts received by Mortgagee under the Indebtedness or under this Mortgage, including, but not limited to, the net proceeds of any judicial or other sale, of any charter, management or other use of the Mortgaged Property by Mortgagee, of any claim for damages to the Mortgaged Property and of any insurance proceeds received by Mortgagee (except to the extent that such insurance proceeds are to be paid to Mortgagor pursuant to any other provisions of this Mortgage) shall be held and applied by Mortgagee from time to time in accordance with the terms of the any promissory notes included in the Indebtedness.

Section 11.6 Taxation. In the event that there should be any change in law with regard to taxation of mortgages or the debts they secure, Mortgagor agrees to pay any taxes, assessments or charges that may be imposed upon Mortgagee as a result of this Mortgage. Mortgagor further agrees to promptly pay when due, or if, at Mortgagee's option, Mortgagee has paid them on Mortgagor's behalf, to promptly reimburse Mortgagee for, all sales, use, excise, stamp, personal Mortgaged Property and other taxes, assessments and governmental charges, however designated, any amounts in lieu of such taxes, assessments and charges, and any penalties and interest on any of the foregoing, imposed, levied or based upon or in connection with (A) the purchase, ownership, use, or financing of any of the Mortgaged Property or Mortgagor's collaterally assigned and pledged Rights, (B) receipts by Mortgagee with respect to the Indebtedness, or (C) this Mortgage or any instrument or instruments evidencing the Indebtedness, or the filing or recording of any thereof, whether the same may be payable by or assessed to Mortgagee or Mortgagor and whether assessed during or after the expiration of this Mortgage (excluding, however, any tax on or measured by Mortgagee's net income), and Mortgagor shall hold and save Mortgagee free and harmless therefrom.

Section 11.7 Additional Waivers. In granting this Mortgage, Mortgagor waives any and all homestead exemptions and other rights and all other exemptions from seizure or sale with regard to the Mortgaged Property to which Mortgagor may be entitled under the laws of the State of Louisiana. Mortgagor is also waiving the production of Mortgage, Conveyance and any and all other Certificates and relieves and releases the Notary Public before whom this Mortgage was passed from all responsibility and liability in connection therewith.

Section 11.8 Amendments. No amendment, modification, consent or waiver of any provision of this Mortgage, and no consent to any departure by Mortgagor therefrom, shall be effective unless the same shall be in writing signed by a duly authorized officer of Mortgagee, and then shall be effective only as to the specific instance and for the specific purpose for which given.

Section 11.9 Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Section 11.10 Effect of Waivers. Any failure or delay on the part of the Mortgagee to exercise any of the rights and remedies granted under this Mortgage or under any other agreement or agreements by and between Mortgagor and Mortgagee, shall not have the effect of waiving any of Mortgagee's rights and remedies. Any partial exercise of any rights and remedies granted to Mortgagee shall furthermore not constitute a waiver of any of Mortgagee's other rights and remedies; it being Mortgagor's intent and agreement that all of Mortgagee's rights and remedies shall be cumulative in nature. Furthermore, any failure on the part of Mortgagee at any time or times hereafter to require strict performance by Mortgagor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document or instrument now or hereafter executed by Mortgagor and delivered to Mortgagee, shall not waive, affect, or diminish the rights of Mortgagee to thereafter demand strict compliance and performance therewith and with respect to all other provisions, warranties, terms and conditions contained herein or therein. None of the warranties, conditions, provisions and terms contained in this Mortgage or any other agreement, document, or instrument now or hereafter executed by Mortgagor and delivered to Mortgagee, shall be deemed to have been waived by any act or knowledge of Mortgagee, its agents, directors, officers or employees; but only by an instrument in writing specifying such waiver, signed by a duly authorized officer of Mortgagee and delivered to Mortgagor. A waiver or forbearance on the part of Mortgagee as to one Event of Default shall not constitute a waiver or forbearance as to any other or subsequent default.

Section 11.11 Final Agreement. This Mortgage represents the final, entire agreement between the parties with respect to the subject matter hereof. No course of dealing, course of performance, usage of trade or evidence of any prior, contemporaneous or subsequent oral agreements or discussions or other extrinsic evidence of any nature shall be used to contradict, vary, supplement or modify any term of this Mortgage. There are no oral agreements between the parties. The provisions hereof may be amended or waived only by an instrument in writing signed by Mortgagor and Mortgagee.

Section 11.12 Successors and Assigns Bound; Solidary Liability. Mortgagor's obligations and agreements under this Mortgage shall be binding upon Mortgagor's successors, heirs, legatees, devisees, administrators, executors and assigns. In the event that there is more than one Mortgagor under this Mortgage, all of the agreements and obligations made and/or incurred by Mortgagors under this Mortgage shall be on a "solidary" or "joint and several" basis.

Section 11.13 Governing Law. This Mortgage will be governed by federal law applicable to Mortgagee and, to the extent not preempted by federal law, the laws of the State of Louisiana without regard to its conflicts of law provisions. This Mortgage has been accepted by Mortgagee in the State of Louisiana.

Section 11.14 SUBMISSION TO JURISDICTION. MORTGAGOR HEREBY IRREVOCABLY SUBMITS AND CONSENTS TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT IN LOUISIANA LOCATED IN THE SAME JUDICIAL DISTRICT AS THE MORTGAGED PROPERTY, AND AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH,

OUT OF, RELATED TO OR FROM THIS MORTGAGE SHALL BE LITIGATED ONLY IN ONE OF THE FOREGOING DESCRIBED COURTS. MORTGAGOR, FOR ITSELF, ITS HEIRS, SUCCESSORS AND ASSIGNS AND ANY PERSON CLAIMING UNDER OR THROUGH ANY OF THEM, HEREBY KNOWINGLY WAIVES ANY AND ALL RIGHTS TO HAVE THE JURISDICTION AND VENUE OF, AND ANY LITIGATION ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH, OUT OF, OR RELATED TO OR FROM THIS MORTGAGE IN ANY OTHER COURT, AND MORTGAGOR HEREBY KNOWINGLY WAIVES ANY AND ALL RIGHTS OR TO TRANSFER, DISMISS, OR CHANGE VENUE TO, TO REMOVE AN ACTION TO, OR TO TRANSFER, DISMISS, OR CHANGE VENUE TO ANY OTHER COURT. MORTGAGOR FURTHER ACKNOWLEDGES AND AGREES THAT NEITHER MORTGAGEE NOR ANY PERSON ACTING ON BEHALF OF MORTGAGEE HAS IN ANY WAY AGREED WITH OR REPRESENTED TO MORTGAGOR THAT THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN WAIVED OR WILL NOT BE FULLY ENFORCED BY MORTGAGEE.

Section 11.15 WAIVER OF JURY TRIAL. MORTGAGOR KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS MORTGAGOR MAY HAVE TO TRIAL BY JURY IN ANY LEGAL PROCEEDING BASED ON, ARISING OUT OF, OR IN ANY WAY RELATED TO: THIS MORTGAGE; THE INDEBTEDNESS; ANY NOTES, LOAN AGREEMENTS, OR ANY OTHER RELATED DOCUMENTS OR AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH ANY OF THE INDEBTEDNESS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THIS JURY WAIVER ALSO APPLIES TO ANY CLAIM OR, COUNTERCLAIM, CAUSE OF ACTION OR DEMAND ARISING FROM OR RELATED TO (I) ANY COURSE OF CONDUCT, COURSE OF DEALING, OR RELATIONSHIP OF MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON WITH MORTGAGEE OR ANY EMPLOYEE, OFFICER, DIRECTOR OR ASSIGNEE OF MORTGAGEE IN CONNECTION WITH THE INDEBTEDNESS WITH MORTGAGEE; OR (II) ANY STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PERSON BY OR ON BEHALF OF MORTGAGEE TO MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON IN CONNECTION WITH THE INDEBTEDNESS OR MORTGAGEE REGARDLESS OF WHETHER SUCH CAUSE OF ACTION ARISES BY CONTRACT, TORT OR OTHERWISE. MORTGAGOR ACKNOWLEDGES THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO THE MORTGAGEE IN EXTENDING CREDIT TO THE MORTGAGOR, THAT THE MORTGAGEE WOULD NOT HAVE EXTENDED SUCH CREDIT WITHOUT THIS JURY TRIAL WAIVER, AND THAT MORTGAGOR HAS BEEN REPRESENTED BY AN ATTORNEY OR HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY IN CONNECTION WITH THIS JURY TRIAL WAIVER AND UNDERSTANDS THE LEGAL EFFECT OF THIS WAIVER. MORTGAGOR FURTHER CERTIFIES THAT NO PERSON HAS REPRESENTED TO IT, EXPRESSLY OR OTHERWISE, THAT MORTGAGEE OR ANY OTHER PERSON WOULD NOT, IN THE EVENT OF A LEGAL PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER.

Section 11.16 Severability. If any provision of this Mortgage is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable. This Mortgage shall be construed and enforceable as if the illegal, invalid or unenforceable provision had never comprised a part of it, and the remaining provisions of this Mortgage shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its

severance herefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Mortgage, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and legal, valid and enforceable.

Section 11.17 Notices. To give Mortgagor any notice required under this Mortgage, Mortgagee may hand deliver or mail the notice to Mortgagor at Mortgagor's last address in Mortgagee's records. If there is more than one Mortgagor under this Mortgage, notice to a single Mortgagor shall be considered as notice to all Mortgagors. To give Mortgagee any notice under this Mortgage, Mortgagor (or any Mortgagor) shall mail the notice to Mortgagee by registered or certified mail at the following address: _____ Attn: _____, or at any other address that Mortgagee may have given to Mortgagor (or any Mortgagor) by written notice as provided in this section. All notices required or permitted under this Mortgage must be in writing and will be considered as given on the day it is delivered by hand or deposited in the U.S. Mail as provided herein.

Section 11.18 Sole Discretion of Mortgagee. Whenever Mortgagee's consent or approval is required under this Mortgage, the decision as to whether or not to consent or approve shall be in the sole and exclusive discretion of Mortgagee and Mortgagee's decision shall be final and conclusive.

Section 11.19 Waiver of Certificates. The parties to this Mortgage hereby waive the production of mortgage, conveyance, tax, paving, chattel mortgage, assignment of accounts, and all other certificates and relieve and release the Notary before whom this Mortgage was passed from all responsibilities and liabilities in connection therewith.

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THUS DONE AND PASSED, on the date hereinabove first written in the presence of the undersigned Notary and the undersigned competent witnesses, who hereunto sign their names with Mortgagor after reading of the whole.

WITNESSES:

Print Name: Shirley

Print Name: Solomon Swimer

MORTGAGOR:

RH LAKEWIND EAST LLC

By: [Signature]

Mark Silber

Title: Authorized Representative

Eli Glassman

Notary Public, State of New York

Reg. No. 01GL6383773

Qualified in Rockland County

Commission Expires 11/26/2026

[Signature]
NOTARY PUBLIC

Print Name: _____

Notary ID/Bar Roll No: _____

My Commission expires: _____

EXHIBIT "A"
LEGAL DESCRIPTION OF THE IMMOVABLE (REAL) PROPERTY

The Land is described as follows:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans State of Louisiana.

Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKratt Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978, and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows:

Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28 degrees 00' 20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31 degrees 9' 41"W, a distance of 171.56 feet to a point, thence N61 degrees 59' 40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29 degrees 05' 35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76 degrees 18' 19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; thence S85 degrees 54' 04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning.

Being the same property acquired by RH Lakewind East LLC, a Delaware limited liability company by Deed recorded 12/22/2017, of record in Deed Instrument No. 2017-49038, in the Office of the Recorder of Parish of Orleans, Louisiana.

**CERTIFICATE OF AUTHORITY OF
RH LAKEWIND EAST LLC**

The undersigned Sole Member of **RH LAKEWIND EAST LLC**, a Delaware limited liability company (the “Company”) does hereby certify that **Mark Silber**, as Authorized Representative of the Company, (the “Authorized Representative”), is hereby individually, acting alone, authorized and empowered in the name and on behalf of the Company to execute and deliver any and all documents, agreements and other instruments necessary or required with respect to the Company’s encumbrance of certain immovable (real) properties owned by the Company and located in the Parish of Orleans, State of Louisiana and more particularly described on Exhibit A attached hereto (the “Property”) to secure any and all indebtedness and other obligations of the Company to CKD Funding, LLC (“Lender”), whether direct or indirect, absolute or contingent, or now existing or hereafter arising or acquired, by granting to Lender a lien and/or security interest upon such assets of the Company as may be agreed upon between any Authorized Representative, acting alone, and Lender and in connection therewith to execute in Company’s name and on Company’s behalf in favor of Lender from time to time one or more pledge agreements, assignment agreements, mortgages, collateral mortgages, subordination and intercreditor agreement, multiple indebtedness mortgages, pledges of leases and rents, security agreements and other agreements, instruments and documents of any kind, covering all or any part of the Company’s property including without limitation the Property, which documents shall be in such form and contain such terms and conditions as may be required by Lender, including, without limitation, provisions for confession of judgment, waiver of appraisalment, waiver of demand and all delays, and authorization of executory process proceedings, all of which are expressly consented to by the Company, and/or deemed acceptable or agreeable by any Authorized Representative, acting alone in the sole discretion of such Authorized Representative, all of which are expressly consented to by the Company, any Authorized Representative’s acceptance and agreement to such terms and conditions to be conclusively evidenced by the Authorized Representative’s execution and delivery of any such documents on behalf of Company. Without limiting the foregoing, Authorized Representative is expressly authorized and directed to execute any and all agreements, instruments and documents of any kind, regarding the subordination of any existing mortgage, lien, security interest or pledge affecting the Property to the priority of any mortgage, lien, security interest or pledge affecting the Property in favor of Lender.

The undersigned does further certify, represent and warrant that the Authorized Representative, acting alone, is authorized by, and on behalf of, the Company to:

- (i) sign any and all acts and documents that may be necessary to carry out the purposes of this Certificate of Authority; and to do and perform each and every other act and thing that may be necessary to carry out these purposes; and
- (ii) execute any and all documents, agreements, instruments or other writings incidental to the authority granted herein, as she may, in her sole and exclusive discretion, deem appropriate, and to do everything that she may deem necessary or proper to the consummation of this mandate, all lawful acts done and performed being hereby ratified and confirmed.

Third parties may rely on this certification of the Sole Member of the Company that Mark Silber, as Authorized Representative, acting alone, has the full authority to act for the Company in connection with the transactions described above, and that the necessary consent to said action has been obtained, and that said action is authorized, and in compliance with the Certificate of Organization and the Operating Agreement of the Company.

[SIGNATURE PAGE FOLLOWS]

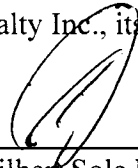
IN WITNESS WHEREOF, the undersigned has, in the undersigned's capacity as Sole Member of RH Lakewind East LLC and not in the undersigned's individual capacity, duly executed this Certificate of Authority effective as of July 8, 2024.

SOLE MEMBER:

Laguna Reserve Apts Investor LLC

By: Crown Capital Holdings LLC, its sole member

By: CBRM Realty Inc., its sole member

By: 
Mark Silber, Sole Member

SWORN TO AND SUBSCRIBED before me at SUFFERN N.Y., on this 5th day of JULY, 2024.

Eli Glasman

Notary Public, State of New York
Reg. No. 01GL6383773
Qualified in Rockland County
Commission Expires 11/26/2026



Notary Public

Printed Name: _____

Bar Roll or Notary No. _____

My Commission is for _____

[SIGNATURE PAGE TO CERTIFICATE OF AUTHORITY]

EXHIBIT "A"
TO
CERTIFICATE OF AUTHORITY OF

PROPERTY DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans State of Louisiana.

Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKratt Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978, and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows:

Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28 degrees 00' 20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31 degrees 9' 41"W, a distance of 171.56 feet to a point, thence N61 degrees 59' 40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29 degrees 05' 35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76 degrees 18' 19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; thence S85 degrees 54' 04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning.

Being the same property acquired by RH Lakewind East LLC, a Delaware limited liability company by Deed recorded 12/22/2017, of record in Deed Instrument No. 2017-49038, in the Office of the Recorder of Parish of Orleans, Louisiana.

1340 Poydras Street, 4th Floor
New Orleans, Louisiana 70112



Land Records Division
Telephone (504) 407-0005

Chelsey Richard Napoleon
Clerk of Court and Ex-Officio Recorder
Parish of Orleans

DOCUMENT RECORDATION INFORMATION

Instrument Number: 2024-20297

Recording Date: 7/9/2024 04:37:11 PM

Document Type: MULTIPLE INDEBTEDNESS MORTGAGE

Addtl Titles Doc Types:

Mortgage Instrument Number: 1440475

Filed by: CSC GLOBAL / BREAZEALE, SACHSE & WILSON, LLP
301 MAIN ST STE 2300
BATON ROUGE LA 70801--0027

This document was electronically recorded.

**THIS PAGE IS RECORDED AS PART OF YOUR DOCUMENT AND
SHOULD BE RETAINED WITH ANY COPIES.**

**MULTIPLE INDEBTEDNESS MORTGAGE, PLEDGE OF LEASES AND RENTS
AND SECURITY AGREEMENT**

BE IT KNOWN, that on the 16th day of August, 2024, before the undersigned notary public, duly commissioned and qualified as set forth below, and in the presence of the undersigned competent witnesses, personally came and appeared (individually, collectively and interchangeably, "Mortgagor", whether one or more):

RH WINDRUN LLC (TIN: ##-###0122), a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with its permanent mailing address at 46 Main Street, Suite 339, Monsey, New York, 10952, represented herein by and appearing through its authorized representative, duly authorized pursuant to a Certificate of Authority, a copy of which is attached hereto and made part hereof;

RH LAKEWIND EAST LLC (TIN: ##-###6963), a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with its permanent mailing address at 46 Main Street, Suite 339, Monsey, New York, 10952, represented herein by and appearing through its authorized representative, duly authorized pursuant to a Certificate of Authority, a copy of which is attached hereto and made part hereof;

RH COPPER CREEK LLC (TIN: ##-###0874), a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with its permanent mailing address at 46 Main Street, Suite 339, Monsey, New York, 10952, represented herein by and appearing through its authorized representative, duly authorized pursuant to a Certificate of Authority, a copy of which is attached hereto and made part hereof; and

RH CHENAULT CREEK LLC (TIN: ##-###8987), a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with its permanent mailing address at 46 Main Street, Suite 339, Monsey, New York, 10952, represented herein by and appearing through its authorized representative, duly authorized pursuant to a Certificate of Authority, a copy of which is attached hereto and made part hereof;

who declared and acknowledged as follows:

INDEBTEDNESS. The term "Indebtedness" as used in this multiple indebtedness mortgage, pledge of leases and rents and security agreement (as the same may be modified or amended from time to time, this "Mortgage") means individually, collectively and interchangeably any and all present and future loans, advances, and/or other extensions of credit obtained and/or to be obtained by Bedcliff Apts LLC, a Delaware limited liability company, Bethesda Wilkinsburg Apts LLC, a Delaware limited liability company, Bethome Apts LLC, a Delaware limited liability company, Central Hill Apts LLC, a Delaware limited liability company, Elhome Apts LLC, a Delaware limited liability company, Hill Com I Apts LLC, a Delaware limited liability company, Hill Com II Apts LLC, a Delaware limited liability company, and Tribroad Apts LLC, a Delaware limited liability company, and each of their respective successors and assigns (each, a "Borrower" and collectively, the "Borrowers"; Borrowers and Mortgagor may sometimes be

individually, collectively, and interchangeably referred to herein as "Obligor" or "Obligors") from or guaranteed by including without limitation, any guaranty of the obligations of the Obligors by CKD Investors Penn LLC, a New York limited liability company, its successors and assigns ("Mortgagee"), from time to time, one or more times, now and in the future, under any and all promissory notes evidencing such present and/or future loans, advances, and/or other extensions of credit, executed by any Obligor in favor of Mortgagee, together with any renewal, extension, amendment, modification, substitution, or replacement of any thereof, and together with interest on the indebtedness evidenced by any promissory notes at the rate or rates specified therein, and all attorneys' fees and collection costs and to secure the payment of insurance premiums, taxes, keeper's fees, and the performance of all obligations of the Obligors under this Mortgage, any promissory notes and any other documents or instruments executed in or delivered in connection therewith, and also including the payment and performance of all agreements with respect to any swap, forward, future, or derivative transaction or option or similar agreement involving, or settled by reference to, one or more interest rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measure of economic, financial or pricing risk or value, and also including, any and all other obligations, including, without limitation, each Obligor's covenants and agreements in any present or future loan or credit agreement or any other agreement, document or instrument executed by any Obligor and liabilities that any Obligor may now and/or in the future owe to and/or incur in favor of Mortgagee, whether direct or indirect, or by way of assignment or purchase of a participation interest, and whether related or unrelated, or whether committed or purely discretionary, and whether absolute or contingent, liquidated or unliquidated, voluntary or involuntary, determined or undetermined, due or to become due, and whether now existing or hereafter arising, or otherwise secured or unsecured, whether any Obligor is obligated alone or with others on a "solidary" or "joint and several" basis, as a principal obligor or as a surety, guarantor, or endorser, of every nature and kind whatsoever, whether or not any such Indebtedness may be barred under any statute of limitations or prescriptive period or may be or become otherwise unenforceable or voidable for any reason whatsoever. **Notwithstanding any other provision of this Mortgage, the maximum amount of Indebtedness secured hereby shall be limited to \$50,000,000.00.**

ARTICLE 1

MULTIPLE INDEBTEDNESS MORTGAGE

Section 1.1 Granting of Mortgage. And now, in order to secure the prompt and punctual payment and satisfaction of the Indebtedness, in principal, interest, costs, expenses, attorneys' fees and other fees and charges, and additionally to secure repayment of any and all amounts that Mortgagee may advance on any Obligor's behalf as set forth herein (individually, collectively, and interchangeably, "Additional Advances"), together with interest thereon, Mortgagor does by these presents specially mortgage, affect, hypothecate, grant a security interest, and insofar as Leases and Rents (as such terms are defined below) and those Incorporeal Rights (as such term is defined below) that are subject to La. R.S. 9:5386 are concerned, grant a pledge, unto and in favor of Mortgagee, in any and all of Mortgagor's present and future rights, title and interest in and to the following described property located in Orleans Parish, State of Louisiana (individually, collectively and interchangeably, the "Mortgaged Property"):

(a) The immovable (real) property specifically described on Exhibits A-1 through A-4 attached to this Mortgage and made a part of this Mortgage as if fully set forth herein, which describes the immovable (real) property securing this Mortgage (the "Land").

(b) Together with any and all present and future buildings, constructions, component parts, improvements, attachments, appurtenances, fixtures, rights, ways, privileges, advantages, batture,

and bature rights, servitudes and easements of every type and description, now and/or in the future relating to the Land, and any and all items and fixtures attached to and/or forming integral or component parts of the Land in accordance with the Louisiana Civil Code (individually, collectively, and interchangeably, the "Improvements").

(c) Together with all present and future rents, fruits, revenues, income, issues, profits, bonuses, cash collateral, and other benefits accruing, from, derived from, or to be derived from, the use, possession, occupancy or lease of all or any part of the Land and the Improvements and from Mortgagor's operation thereof including, without limitation, rights to rents, royalties, rentals, shut in payments and other payments which are rents or rentals attributable to Mortgagor's sale, lease or other disposition of his right to explore or develop oil, gas and mineral interests in the Land and the Improvements (collectively, the "Rents"), and all present and future leases of all or any part of the Land and the Improvements ("Leases").

(d) Together with all incorporeal rights incidental or accessory to the Land and the Improvements or its use (the "Incorporeal Rights"), including, without limitation (i) the right to receive proceeds and awards from the sale, transfer or other conveyance, lease, insurance loss, claims for damages, or condemnation, expropriation or other taking of all or any part of the Land or the Improvements (the "Proceeds"); (ii) rights under service, maintenance, or warranty contracts relating to the Land and the Improvements, and (iii) rights under trade names, patents, or copyrights that are subject to use in connection with the Land and the Improvements or Mortgagor's business or other activities conducted thereon.

(e) Together with any and all present and future deposits or other security or advance payments, including rental payments, made by or on behalf of Mortgagor to others, with respect to (1) utility service regarding the Mortgaged Property, (2) cleaning, maintenance, repair, or similar services regarding the Mortgaged Property, (3) refuse removal or sewer service regarding the Mortgaged Property, (4) rentals of equipment, if any, used in the operation by or on behalf of Mortgagor regarding the Mortgaged Property, and/or (5) parking or similar services or rights regarding the Mortgaged Property.

(f) Together with any and all rights, title and interest and other claims or demands that Mortgagor now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Mortgaged Property, including without limitation, damages arising or resulting from any defect in or with respect to the design or construction of all or any portion of the Mortgaged Property, or arising from any default under any construction, architectural or engineering contract or agreement relating to the Mortgaged Property.

(g) Together with any and all books, records, computer programs, tapes, discs, "software," and other like records and information, relating to Mortgagor's business operations as well as in any way relating to the foregoing rights and/or the Mortgaged Property subject to this Mortgage.

(h) Together with all machinery, equipment and goods and all of the Mortgagor's present and future rights, title and interest in and to all building plans, construction or architectural contracts or plans, all building and construction materials and equipment, all general intangibles, whether money, unearned insurance premiums and insurance, proceeds (including all proceeds paid for any damage or loss to the Mortgaged Property or any part thereof, all awards, including interest, in connection with any condemnation or other taking of the Mortgaged Property, or any part thereof, whether by conversions, voluntary or involuntary, of any of the foregoing into cash or liquidated claims or otherwise), accounts, contracts, subcontracts, trademarks, all refundable, returnable or reimbursable fees, deposits or other funds or credits associated with the Land, the Improvements, the Leases and the Rents, and all of Mortgagor's

rights, title and interest to all other assets and personal property of every kind, description and nature whatsoever, now or hereafter located in or upon or affixed to the Land or the Improvements, or any part thereof, or now or hereafter used or to be used in connection with any present or future operation thereof or construction thereon, and now owned or hereafter acquired by Mortgagor; it being understood and agreed that all such fixtures, machinery, apparatus, equipment and other assets and personal property (collectively, "Personal Property") are a part of and are declared to be a portion of the security for the Indebtedness, whether physically attached to such Improvements or not. However, should the Mortgaged Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

(i) Together with any and all renewals, replacements, accessions or additions of or to any of the above or substitutions therefor and all cash products and all proceeds of or to any or all of the foregoing.

Section 1.2 Mortgage Securing Future Indebtedness. This Mortgage has been executed by Mortgagor pursuant to Article 3298 of the Louisiana Civil Code for the purpose of securing each and every Obligor's Indebtedness that may now be existing or that may arise in the future as provided herein, with the preferences and priorities provided under applicable Louisiana law. However, nothing under this Mortgage shall be construed as limiting the duration of this Mortgage or the purpose or purposes for which Obligors' Indebtedness may be requested or extended. Obligors' additional loans will automatically be secured by this Mortgage without the necessity that any Obligor or Mortgagor agrees or consents to such a result at the time additional loans are made and that the note or notes evidencing such additional loans reference the fact that such notes are secured by this Mortgage. Mortgagor understands that Mortgagor may not subsequently have a change of mind and insist that Obligors' additional loans not be secured by this Mortgage unless Mortgagee specifically agrees to such a request in writing.

Section 1.3 Duration of Mortgage. This Mortgage will remain in effect until (A) all of the Indebtedness is fully paid and satisfied and there is no agreement or commitment to advance any additional Indebtedness; and (B) Mortgagor cancels this Mortgage by filing a written cancellation instrument signed by Mortgagee. When all of the Indebtedness is fully paid and satisfied and there is no agreement or commitment to advance any additional indebtedness, Mortgagor may request in writing Mortgagee to sign such a written cancellation instrument. Mortgagee may delay providing Mortgagor with such a mortgage cancellation instrument for a period of five (5) days following receipt of Mortgagor's written request, or such longer time as may be necessary for Mortgagee to verify that all conditions precedent for cancellation of this Mortgage have been satisfied.

Section 1.4 Prohibitions Regarding Mortgaged Property. So long as this Mortgage remains in effect, Mortgagor shall not, without the prior written consent of Mortgagee, sell, transfer, forego, assign, pledge, do anything or permit anything to be done that may in any way affect Mortgagee's security interests and rights in and to the Mortgaged Property, or create or permit to exist any Encumbrance in or against any of the Mortgaged Property, in favor of any person other than Mortgagee. For purposes of this Mortgage, the term "Encumbrance" shall mean individually, collectively and interchangeably, any and all present and future mortgages, liens, privileges and any and all other security interests and rights, of any kind or nature, that may affect the Mortgaged Property, or any part thereof.

Section 1.5 Encumbrances.

(a) **Prior Encumbrances.** Mortgagor shall pay all indebtedness secured by any other mortgage, security agreement or other document or instrument creating a senior and prior lien (if any) or junior and subordinate lien (if any) on the whole or any part of the Mortgaged Property, other than: (i) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded July 9, 2024 as Instrument Number 2024-20296, MIN #1440474 with the Clerk of Civil District Court of Orleans Parish, Louisiana; (ii) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded July 9, 2024 as Instrument Number 2024-20297, MIN #1440475 with the Clerk of Civil District Court of Orleans Parish, Louisiana; (iii) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded July 9, 2024 as Instrument Number 2024-20298, MIN #1440476 with the Clerk of Civil District Court of Orleans Parish, Louisiana; and (iv) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded April 5, 2024 as Instrument Number 2024-09758, MIN #1434606 with the Clerk of Civil District Court of Orleans Parish, Louisiana, and perform all covenants, terms and conditions contained in any such mortgage, security agreement or other document or instrument on the part of Mortgagor to be performed and observed, all within the periods provided for payment, performance and observance in any such document, thereby preventing an event of default from occurring thereunder. Mortgagor shall further not modify or extend any of the terms of any prior Encumbrance or any indebtedness secured thereby, or request or obtain any additional loans or other extensions of credit from any third party creditor or creditors whenever such additional loan advances or other extensions of credit may be directly or indirectly secured, whether by cross-collateralization or otherwise, by the Mortgaged Property, or any part or parts thereof, with possible preference and priority over the lien of this Mortgage.

(b) **Future Encumbrances.** Mortgagor shall not, without the prior written consent of Mortgagee, grant any Encumbrance that may affect the Mortgaged Property, or any part or parts thereof, nor shall Mortgagor permit or consent to any Encumbrance attaching to or being filed against any of the Mortgaged Property in favor of anyone other than Mortgagee.

Section 1.6 Additional Advances For Specific Purposes. Mortgagee shall have the right, within Mortgagee's sole option and discretion, and without any obligation to do so, to make Additional Advances on any Obligor's behalf in the event that any Obligor (1) defaults in its obligations as lessor of a lease of the Mortgaged Property; (2) fails to maintain insurance on the Mortgaged Property as required under this Mortgage, (including Additional Advances for insurance which protects only Mortgagee's interests in the Mortgaged Property); (3) fails to pay taxes, assessments and governmental and other charges as required under this Mortgage; (4) fails to make all necessary repairs to the Mortgaged Property as required by this Mortgage; or (5) permits or allows any Encumbrance to be filed against or attach to the Mortgaged Property.

(a) **Other Advances.** Mortgagee may further make Additional Advances on any Obligor's behalf and take such other action or actions as Mortgagee may deem to be necessary and proper, within Mortgagee's sole discretion, to cure and rectify any actions or inactions on Mortgagor's part, as are required under this Mortgage, that are not listed immediately above.

(b) **No Obligations.** Nothing under this Mortgage shall obligate Mortgagee to make any such Additional Advances or to take any of the above actions on any Obligor's behalf, or as making Mortgagee in any way responsible or liable for any loss, damage or injury to any Obligor, or to any other person or persons, resulting from Mortgagee's election not to advance such additional sums or to take such action or actions. In addition, Mortgagee's election to make Additional Advances and/or to take the above

actions on an Obligor's behalf shall not constitute a waiver or forbearance by Mortgagee of any Event of Default under this Mortgage.

(c) **Obligation To Repay Additional Advances; Interest.** Mortgagor unconditionally agrees to repay any and all Additional Advances that Mortgagee may elect to make on any Obligor's behalf, together with interest as provided herein, immediately upon demand by Mortgagee. Mortgagor further agrees to pay Mortgagee interest on the amount of such Additional Advances at the rate of interest provided in any promissory notes or at the legal rate of interest provided under applicable law, whichever is greater from the date of each such Additional Advance until all such Advances are repaid in full. Mortgagor's obligations to repay Additional Advances to Mortgagee, together with interest thereon, shall be secured by this Mortgage.

ARTICLE 2

PLEDGE OF LEASES AND RENTS

Section 2.1 The pledge of Leases and the Rents provided for herein shall secure all Indebtedness, all liabilities and obligations for which any promissory notes have been given as security, and all other obligations of Obligor to Mortgagee, now existing or hereafter arising, **up to the maximum amount of \$50,000,000.00.** Mortgagee shall have full subrogation to Mortgagor's rights to all Leases and Rents. Mortgagor shall administer the Leases, Rents and Incorporeal Rights in a fiduciary capacity for the benefit of Mortgagee. Mortgagor shall be entitled to collect the Rents until the occurrence of an Event of Default (as defined below) or until Mortgagee sends written notice to Mortgagor at Mortgagor's address set forth above, whereupon Mortgagee shall have the right to receive and collect the Rents. All Proceeds shall be paid directly to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its agent and attorney-in-fact (coupled with an interest), to demand, sue for, collect, receive, and receipt for the Rents and Proceeds, and to exercise all the rights and privileges of Mortgagor under any of the Leases or Incorporeal Rights affecting the Mortgaged Property, including without limitation, the right to fix or modify the amount of the Rents, to evict any lessee, tenant or occupant (each a "Lessee") from the Mortgaged Property, to relet such Mortgaged Property and to do all such things as Mortgagee may deem necessary.

Section 2.2 Mortgagor hereby irrevocably consents that all Lessees of the Mortgaged Property shall be authorized to pay the Rents directly to Mortgagee without liability for the determination of the actual existence of any Event of Default, the lessees being hereby expressly relieved of any obligation to Mortgagor with respect to Rents paid to Mortgagee. All Rents and Proceeds collected under this Mortgage shall be applied, after payment of all costs and charges, as a credit against the Indebtedness. Mortgagee shall have no legal or contractual responsibility for the condition of the Mortgaged Property, for any obligation to perform leases affecting the Mortgaged Property, or for any dangerous or defective condition of the Mortgaged Property. Mortgagor indemnifies and shall defend the Mortgagee and its agents, employees, successors, and assigns (the "Indemnified Parties") and hold the Indemnified Parties harmless from any cost, expense, liability, loss, or damage, including, without limitation, reasonable attorneys' fees, which may or might be incurred by them by reason of the pledge of the Rents and Leases and the security interest in the Incorporeal Rights. The obligation set forth herein to indemnify, defend, and hold the Indemnified Parties harmless shall be secured by this Mortgage and shall survive the termination of this Mortgage and the payment of the Indebtedness. All rights and remedies of Louisiana Civil Code article 3141 et seq., as supplemented by La. R.S. 9:4401 et seq., shall inure to the benefit of Mortgagee.

ARTICLE 3
SECURITY AGREEMENT

Section 3.1 Security Agreement. It is the intent of Mortgagor and Mortgagee that, in addition to being a mortgage of immovable (real) property, this instrument shall also constitute a security agreement within the meaning of the Uniform Commercial Code (as from time to time in effect in the State of Louisiana, the "Code") with respect to all fixtures and personal (movable) property described herein and all replacements thereof, substitutions therefor, additions thereto and proceeds thereof (said property being sometimes hereinafter referred to as the "Collateral"), and that a security interest shall attach thereto for the benefit of Mortgagee to secure the Indebtedness and all other obligations secured by this Mortgage, and all other sums and charges which may become due hereunder or thereunder.

Section 3.2 With respect to the Collateral, Mortgagor represents, warrants and covenants as follows:

(a) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office, other than financing statements with respect to the security interest granted hereby; and except for the security interest granted hereby Mortgagor is, or upon acquiring rights in any of the Collateral will be, the owner of the Collateral free from any other lien, security interest or encumbrance; and Mortgagor shall defend the security interest of Mortgagee in the Collateral against claims and demands of all persons at any time claiming the same or any interest therein; and

(b) Mortgagor hereby authorizes Mortgagee to from time to time file such financing and continuation statements and amendments thereto pursuant to the Code in form satisfactory to Mortgagee and shall pay the costs of filing or recording the same in all public offices wherever filing or recording is deemed by Mortgagee to be necessary or desirable, and Mortgagor hereby further authorizes Mortgagee to sign such financing and continuation statements and amendments on behalf of the Mortgagor if Mortgagor's signature is required by applicable law (Mortgagee being for such purposes by this instrument duly and irrevocably appointed as the Mortgagor's agent and attorney-in-fact, coupled with an interest and with full power of substitution, delegation and revocation).

Section 3.3 Upon the occurrence of an Event of Default under this Mortgage, Mortgagee, pursuant to the Code, shall have the right, at Mortgagee's option:

(a) To proceed as to both the Mortgaged Property and the Collateral in accordance with Mortgagee's rights and remedies in respect of the Mortgaged Property, in which event (i) the provisions of the Code otherwise applicable to sale of the Collateral shall not apply, and (ii) the sale of the Collateral in conjunction with and as one parcel with the Land and the Improvements (or any portion thereof) shall be deemed to be a commercially reasonable manner of sale; or

(b) To proceed as to the Collateral separately from the Land and the Improvements, in which event the requirement of reasonable notice shall be met by mailing notice of the sale, postage prepaid, to the Mortgagor or any other person entitled thereto at least ten (10) days before the time of the sale or other disposition of any of the Collateral. The Collateral shall be kept at the Land referred to on Exhibits A-1 through A-4 attached hereto, and until installed will be suitably and safely stored thereon. The Mortgagor shall not remove or permit to be removed from the Land referred to on Exhibits A-1 through A-4 attached hereto any of the Collateral without the prior written consent of Mortgagee.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

Section 4.1 Ownership and Encumbrances. Except as previously disclosed to Mortgagee in writing, Mortgagor represents and warrants that: (A) Mortgagor is and will continue to be the lawful owner of, has good title to, and is possessed of, the Mortgaged Property; (B) Mortgagor has the right to mortgage the Mortgaged Property to Mortgagee; (C) as of the time this Mortgage is recorded, there are no Encumbrances affecting the Mortgaged Property other than: (i) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded July 9, 2024 as Instrument Number 2024-20296, MIN #1440474 with the Clerk of Civil District Court of Orleans Parish, Louisiana, (ii) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded July 9, 2024 as Instrument Number 2024-20296, MIN #1440474 with the Clerk of Civil District Court of Orleans Parish, Louisiana; (iii) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded July 9, 2024 as Instrument Number 2024-20296, MIN #1440474 with the Clerk of Civil District Court of Orleans Parish, Louisiana; and (iv) the Multiple Indebtedness Mortgage, Pledge of Leases and Rents And Security Agreement recorded April 5, 2024 as Instrument Number 2024-09758, MIN #1434606 with the Clerk of Civil District Court of Orleans Parish, Louisiana; (D) the security rights and interest granted under this Mortgage will at no time become subordinate or junior to any security rights, interests, liens, or claims of, or in favor of, any person, firm, corporation, or other entity, including, without limitation, the United States, or any department, agency or instrumentality thereof, or any state, county, parish, city, or local governmental agency; (E) Mortgagor will forever warrant and defend title to the Mortgaged Property against the claims of all persons; and (F) this Mortgage is binding upon Mortgagor as well as Mortgagor's heirs, successors, legatees, administrators, executors, representatives and assigns, and is legally enforceable in accordance with its terms. The above representations and warranties, and all other representations and warranties contained in this Mortgage, are and will be continuing in nature and will remain in full force and effect until such time as this Mortgage is cancelled in the manner provided above.

Section 4.2 Taxes and Liens. Mortgagor shall promptly pay or cause to be paid when due, all taxes, local and special assessments, and governmental and other charges, as well as all public and/or private utility charges, of every type and description, that may from time to time be imposed, assessed and levied against the Mortgaged Property or against Mortgagor. Mortgagor shall pay, when the same shall become due and payable, all lawful claims and demands of mechanics, materialmen, laborers and all others which, if unpaid, might result in or permit the creation of a lien on the Mortgaged Property or any part thereof.

Section 4.3 Use of Mortgaged Property. Mortgagor shall not use the Mortgaged Property and shall not permit others to use the Mortgaged Property, for any purpose or purposes other than those previously disclosed to Mortgagee in writing, and in no event shall any of the Mortgaged Property be used in any manner that would damage, depreciate, or diminish its value, or that may result in a cancellation or termination of insurance coverage. Mortgagor additionally agrees not to do or to suffer to be done anything which may increase the risk of fire or other hazard to the Mortgaged Property or any part or parts thereof. Mortgagor shall not suffer or permit the Mortgaged Property, or any portion thereof, to be used by the public and others as such, without restriction or in such manner as might impair Mortgagor's title to the Mortgaged Property or any portion thereof, or in such manner as may make possible a claim or claims of adverse usage, easement, servitude, right of way or habitation, or adverse possession by the public and others, or any implied, tacit or other dedication of the Mortgaged Property.

Section 4.4 Repairs and Maintenance. Mortgagor shall keep and maintain, and/or cause others to keep and maintain, the Mortgaged Property and the sidewalks and curbs adjoining the Mortgaged

Property, in sound condition and in a first-class state of decoration and repair. Mortgagor shall further make and/or cause all necessary repairs to be made to the Mortgaged Property (including the repair and restoration of any portion of the Mortgaged Property that may have been damaged, lost or destroyed). Such necessary repairs shall include, but are not limited to, any structural and/or non-structural repairs to the interior and/or exterior of the Mortgaged Property in order to keep the Mortgaged Property in proper condition for its intended use.

Section 4.5 Compliance with Applicable Laws and Regulations. Mortgagor shall not permit any waste, impairment, damage or deterioration of the Mortgaged Property; permit the violation of any and all present and future laws, ordinances or governmental regulations affecting the Mortgaged Property or use thereof; permit any conditions to exist which would wholly or partially invalidate any insurance on the Mortgaged Property; or permit anything to be done to the Mortgaged Property that might diminish the value thereof.

Section 4.6 Alterations. Mortgagor shall not without the prior written consent of Mortgagee: (1) remove or demolish any of the Improvements, or any fixtures, located on the Land; (2) make changes or alterations to the Improvements located on the Land which would change their general character or size; (3) alter the design or structural character of the Improvements located on the Land; (4) make any other material alteration or addition thereto; (5) do or permit anything to be done to the Improvements located on the Land that might diminish the value thereof; (6) permit any drilling or exploration for or excavation, removal or production of any minerals from the surface or subsurface of the Land; or (7) remove or permit the removal of any standing timber located on the Land, sand, gravel or topsoil, or engage in borrow pit operations, or use or permit the use of the Mortgaged Property as a land fill or dump, or store, burn or bury or permit the storage, burning or burying of any material or product which may result in contamination of the Mortgaged Property or the groundwater or which may require the issuance of a permit by the Environmental Protection Agency or any state or local government agency governing the issuance of hazardous or toxic waste permits, or request or permit a change in zoning or land use classification.

Section 4.7 Compliance With Leases, Etc. Mortgagor shall promptly and fully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements imposed upon or assumed by Mortgagor as landlord, licensor or Mortgagor under any lease, sublease, license, concession, occupancy and other tenancy agreement now or hereafter in effect (including any amendments or supplements thereto) covering any part of the Mortgaged Property or any other Mortgaged Property owned or controlled by Mortgagor that is affected by the terms, provisions, covenants, conditions and agreements imposed upon or assumed by Mortgagor in such lease, sublease, license, concession, occupancy or other tenancy agreement and Mortgagor shall not do, or permit to be done, or omit or refrain from doing, any act or thing the doing or omission of which will give any tenant, sub-tenant, licensee, concessionaire or occupant a right to terminate any such lease, license, concession, occupancy or other tenancy agreement or to abate the rental or other payments due thereunder.

Section 4.8 Leases. Mortgagor shall further immediately notify Mortgagee in writing of any default, cancellation, or notice of cancellation under any such leases, subleases or other agreements. Mortgagor will not, without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld: (1) cancel, terminate, or accept a surrender or permit any substitution, cancellation, termination, or surrender of any lease or sublease of the Mortgaged Property; (2) modify any lease, sublease or other agreement as to reduce the term thereof, or the payments thereunder, or change any renewal provision contained therein; or (3) commence any summary proceeding or other action to recover

possession of any of the leased Mortgaged Property, other than a proceeding brought in good faith resulting from a default by the lessee or sublessee under the terms and conditions of the lease or sublease.

Section 4.9 Operation. Mortgagor shall continuously operate the improvements located on the Mortgaged Property in an efficient manner and in compliance with all applicable laws, ordinances, rules, regulations and directions of governmental authorities having jurisdiction over the Mortgaged Property, and also in compliance with the requirements of all policies of insurance on the Mortgaged Property. Mortgagor shall follow good and approved forestry practices for any timber located on the Mortgaged Property; Mortgagor shall also procure, pay for, maintain and comply with all permits, licenses and other authorizations needed for the operation of the improvements located on the Mortgaged Property. Mortgagor shall not, nor shall Mortgagor permit others to abandon, commit waste, or destroy the Mortgaged Property, or any part or parts thereof.

Section 4.10 Books and Records. Mortgagor shall keep proper and separate books of account, in accordance with generally accepted accounting principles, and make, or cause to be made, full and true entries of all dealings and transactions of every kind relating to the Mortgaged Property, which books and records shall be open to inspection by Mortgagee, Mortgagee's agents and accountants and representatives, at all reasonable times.

Section 4.11 Financial Reports: Mortgagor covenants and agrees that, as long as the Indebtedness or any part thereof is outstanding, Mortgagor shall promptly provide to Mortgagee true and correct current financial statements and such other information regarding the financial condition, business and properties of Mortgagor as Mortgagee may request from time to time, all in form, substance and detail satisfactory to the Mortgagee. The financial statements shall include, among other things, a balance sheet, a statement of cash flow and an income statement, in such form and reasonable detail as the Mortgagee may request setting forth the financial condition of the Mortgagor in a manner consistent with any prior financial statement, and with detailed information regarding (i) any entities, such as corporations, partnerships, or limited liability companies of which the Mortgagor is the majority owner and (ii) any other entities or persons for which Mortgagor is directly or contingently liable on debts or obligations of any kind incurred by those entities.

Within forty-five (45) days after the end of each quarter in each of the Mortgagor's fiscal years, Mortgagor shall promptly provide to Mortgagee a "rent roll", so called, dated as of the end of such fiscal quarter and stating with respect to each portion of the improvements located on the Mortgaged Property the name of each tenant, licensee, concessionaire or other occupant thereof, the rent and other charges paid by such tenant, licensee, concessionaire or other occupant, the date to which such rent and other charges are paid, the date on which the interest of such tenant, licensee, concessionaire or other occupant in the Mortgaged Property terminates and the amount held by the Mortgagor by way of security deposit from each such tenant, licensee, concessionaire or other occupant; such financial statements, variance reports and rent rolls shall be certified as accurate by the chief financial officer of the Mortgagor.

All financial statements or records submitted to Mortgagee via electronic means, including, without limitation by facsimile, open internet communications or other telephonic or electronic methods, including, without limitation, documents in Tagged Image Format Files ("TIFF") or Portable Document Format ("PDF") shall be treated as originals, fully binding and with full legal force and effect and the parties waive any rights they may have to object to such treatment. Mortgagee may rely on all such records in good faith as complete and accurate records produced or maintained by or on behalf of the party submitting such records.

ARTICLE 5
INSURANCE

Section 5.1 Policies. Mortgagor shall procure and maintain for the benefit of Mortgagee original paid-up insurance policies from companies having an A.M. Best rating of A or better or otherwise satisfactory to Mortgagee, in amounts, in form and substance, and with expiration dates acceptable to Mortgagee and containing a noncontributory standard mortgagee clause or its equivalent in a form satisfactory to Mortgagee, or the statutory mortgagee clause, if any, required in the state where the Mortgaged Property is located, or a lender loss payable endorsement, in favor of Mortgagee providing the following types of insurance on the Mortgaged Property:

(a) **Multi-Peril Hazard Insurance.** Multi-peril hazard insurance, in each case affording insurance against loss or damage by fire, lightning, explosion, earthquake, collapse, theft, sprinkler leakage, vandalism and malicious mischief and such other perils as are included in so-called "all-risks" or "extended coverage" and against such other insurable perils as, under good insurance practices, from time to time are insured against for properties of similar character and location; such insurance to be not less than 100% of the full replacement cost of the Improvements without deduction for depreciation and shall also include rental loss or business interruption insurance for at least a 12-month period. The said policy shall contain replacement costs and stipulated value endorsements and shall name Mortgagee as a mortgagee.

(b) **Flood Insurance.** If the Mortgaged Property is located in a special flood hazard zone, insurance against flood; such insurance to be not less than 100% of the full replacement cost of all Improvements or the maximum amount available, whichever is less.

(c) **Comprehensive General Liability Insurance.** Comprehensive public liability insurance with respect to the Mortgaged Property and the operations related thereto, whether conducted on or off the Mortgaged Property, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$1,000,000.00 combined single limit bodily injury and property damage per occurrence and \$2,000,000.00 in the aggregate, or such other amounts that are otherwise satisfactory to Mortgagee, in its sole discretion. The said comprehensive public liability insurance to be on a per occurrence basis and to specifically include but not be limited to water damage liability, products liability, motor vehicle liability for all owned and non-owned vehicles, including rented and leased vehicles, and further containing a broad form contractual liability endorsement covering Mortgagor's obligations to indemnify Mortgagee as provided hereunder and naming Mortgagee as additional insured.

(d) **Workers' Compensation and General Liability.** Workers' compensation and general liability insurance against loss, damage or injury to employees, agents or representatives of Mortgagor or of any contractor and subcontractor, or insurance against loss, damage or injury caused by any employees, agents or representatives of Mortgagor or of any contractor or subcontractor.

(e) **Other Insurance.** Such other insurance on the Mortgaged Property or any replacements or substitutions therefor and in such amounts as may from time to time be reasonably required by Mortgagee against other insurable casualties which at the time are commonly insured against in the case of premises similarly situated, due regard being given to the height and type of the improvements on the Mortgaged Property, its construction, location, use and occupancy, or any replacements or substitutions therefor.

Section 5.2 All of the foregoing policies shall contain an agreement by the insurer not to cancel or amend the policies without giving Mortgagee at least thirty (30) days' prior written notice of its intention to do so.

Section 5.3 Contemporaneously with the execution of this Mortgage, Mortgagor shall deliver original binders evidencing the insurance and within 15 days of this Mortgage the original or certified copies of the foregoing policies to Mortgagee, Mortgagor shall deliver original or certified renewal policies with satisfactory evidence of payment not less than fifteen (15) days in advance of the expiration date of the existing policy or policies. In the event Mortgagor should, for any reason whatsoever, fail to keep the Mortgaged Property or any part thereof so insured, or to keep said policies so payable, or fail to deliver to Mortgagee the original or certified policies of insurance and the renewals thereof upon demand, then Mortgagee, if it so elects, may itself have such insurance effected in such amounts and in such companies as it may deem proper and may pay the premiums therefor. Mortgagor shall reimburse Mortgagee upon demand for the amount of premium paid, together with interest thereon at 15% percent per annum from date until paid.

Section 5.4 Mortgagor agrees to notify Mortgagee immediately in writing of any material fire or other casualty to or accident involving the Mortgaged Property, whether or not such fire, casualty or accident is covered by insurance. Mortgagor further agrees to notify promptly Mortgagee's insurance company and to submit an appropriate claim and proof of claim to the insurance company if the Mortgaged Property is damaged or destroyed by fire or other casualty. Mortgagee is hereby authorized and empowered, at its option, to collect and receive the proceeds from any policy or policies of insurance, and each insurance company is hereby authorized and directed to make payment of all such losses directly to Mortgagee instead of to Mortgagor and Mortgagee jointly. Mortgagee shall apply the net proceeds thereof, in accordance with following subsections (a), (b) and (c) hereof:

(a) If there is a fire or casualty loss which damages a portion (but not all) of the Improvements on the Mortgaged Property and as long as no Event of Default has occurred and is continuing, then the proceeds of the insurance shall be deposited into a cash collateral account and such proceeds will be applied to the payment of the cost of restoration of the Improvements upon such terms and conditions as Mortgagee may deem necessary or appropriate in its reasonable discretion; provided, however, that (i) such insurance proceeds must be adequate to cover the cost of restoration of the Improvements, or if the proceeds are insufficient, then Mortgagor shall give Mortgagee such adequate protection and assurance as Mortgagee may, in its reasonable discretion require, that additional funds will be provided by Mortgagor in order to complete the restoration of the Improvements and that Mortgagor has sufficient funds on hand to pay interest and principal on any promissory notes included in the Indebtedness during the restoration period; (ii) the priority of this Mortgage and all collateral documents in the Mortgaged Property is not impaired; (iii) Mortgagor shall provide Mortgagee on a monthly basis with a detailed cost breakdown showing by line item all costs projected for such restoration and a revised and updated cost breakdown; (iv) funds shall be disbursed from the account in accordance with Mortgagee's standard practices and procedures for construction loans; (v) there is no ongoing and continuing Event of Default; and (vi) in the case of an ongoing and continuing Event of Default, Mortgagee shall have the right, in its sole discretion, to apply some or all of the insurance proceeds to the payment of any promissory notes included in the Indebtedness and the Indebtedness.

(b) If there is a fire or casualty loss which constitutes a total loss or a constructive total loss of the Mortgaged Property, or if not all of the conditions set forth in subclause (i) through (iii) of Subsection (a) above are satisfied, then the insurance proceeds shall be applied to the payment of the

Indebtedness. If such insurance proceeds are not sufficient to pay the Indebtedness in full, Mortgagee shall have a right to accelerate the maturity of the Indebtedness and proceed against the Mortgagor and/or the remainder of the Mortgaged Property; and if the proceeds exceed the amount necessary to pay the Indebtedness in full, then such excess shall be paid to Mortgagor.

(c) Upon demand of Mortgagee, Mortgagor shall pay to Mortgagee, together with, at the same time as and in addition to the payments of principal and/or interest due on the any promissory notes included in the Indebtedness, a pro rata portion of the property taxes, assessments, governmental charges, levies and insurance premiums relating to the Mortgaged Property next to become due, as estimated by Mortgagee, so that Mortgagee will have sufficient funds on hand to pay such taxes, assessments, governmental charges, levies and premiums not less than thirty (30) days prior to the due date thereof. All such amounts shall be held by Mortgagee (not in trust) without interest as further security for the Indebtedness. Mortgagee may apply all or a portion of the amounts so paid at such time and in such order as Mortgagee, in its absolute discretion shall determine, to the payment of the taxes, assessments, governmental charges, levies and insurance premiums, as the case may be.

ARTICLE 6

COMPLIANCE WITH ENVIRONMENTAL MATTERS; INDEMNIFICATION

Section 6.1 Mortgagor represents and warrants to Mortgagee that Mortgagor: (a) has not stored or disposed of, and shall not store or dispose of, any Hazardous Substances (as defined below) on the Mortgaged Property except in compliance with Environmental Laws (as defined below), (b) has not failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (c) is not, nor has Mortgagor become, subject to any Environmental Liability (as defined below), (d) has not received any notice of any claim with respect to any Environmental Liability, or (e) knows of no basis for any Environmental Liability.

Section 6.2 Mortgagor covenants and agrees to: (a) at all times maintain the Mortgaged Property in compliance with all applicable Environmental Laws and free of any Hazardous Substances except in compliance with all applicable Environmental Laws; (b) comply with all laws, rules, regulations and requirements of any governmental authority applicable to its business and properties, including without limitation, all Environmental Laws, ERISA, and the Occupational Safety and Health Act of 1970, as amended; (c) pay, perform or otherwise satisfy any fine, charge, penalty, fee, damage, order, judgment, decree or imposition related thereto which, if unpaid, would constitute a lien on the Mortgaged Property, unless (i) the validity thereof shall be contested diligently and in good faith by appropriate proceedings and with counsel reasonably satisfactory to Mortgagee and (ii) so long as Mortgagor shall at all times have deposited with Mortgagee, or posted a bond satisfactory to Mortgagee in, a sum equal to the amount necessary (in the reasonable discretion of Mortgagee) to comply with such order or directive (including, but not limited to, the amount of any fine, penalty, interest or cost that may become due thereon by reason of or during such contest); provided, however, that Mortgagee shall be subrogated to the rights of the payee of such amount upon payment in full with respect to such fine, charge, or any portion thereof; (d) take all appropriate response actions, including any removal or remedial actions, in the event of a release, emission, discharge, or disposal of any Hazardous Substances in, on, under or from the Mortgaged Property necessary in order for the Mortgaged Property to be or remain in compliance with all Environmental Laws; (e) upon request of Mortgagee, to permit Mortgagee, including its officers, agents, employees, contractors and representatives, to enter and inspect the Mortgaged Property for purposes of conducting an environmental assessment; and (f) upon the request of Mortgagee, and at Mortgagor's expense, to cause to be prepared for

the Mortgaged Property such site assessment reports, including, without limitation, engineering studies; historical reviews and testing, as may be reasonably requested from time to time by Mortgagee.

Section 6.3 Mortgagee agrees to furnish to Mortgagee prompt written notice of the following: (a) any change in the nature or extent of Hazardous Substances maintained on or with respect to the Mortgaged Property; or (b) the occurrence of any event or any other development by which Mortgagee (i) fails to comply with any Environmental Law, (ii) fails to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (iii) becomes subject to any Environmental Liability, (iv) receives notice of any claim with respect to any Environmental Liability, or (v) becomes aware of any basis for any Environmental Liability.

Section 6.4 In addition to any other indemnifications herein or pursuant to any other agreement with Mortgagee, the Mortgagee shall indemnify Mortgagee, its parent, subsidiaries and its affiliates, as well as their respective shareholders, directors, officers, employees, agents, successors and assigns or (each such person or entity being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, penalties, fines, costs and expenses of any kind or nature (including the fees, charges and disbursements of any counsel for any Indemnitee and all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee) incurred by any Indemnitee or asserted against any Indemnitee by any third party or by Mortgagee arising out of, in connection with, or as a result of (i) any actual or alleged presence or release of Hazardous Substances on or from, or migrating to or from, the Mortgaged Property, or any actual or alleged Environmental Liability related in any way to Mortgagee, the Mortgaged Property or any other collateral securing the Indebtedness, (ii) any breach of any representation, warranty or covenant contained herein, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, all whether based on contract, tort or any other theory, whether brought by a third party or by Mortgagee, and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

Section 6.5 The terms "Environmental Laws", "Environmental Liability" and "Hazardous Substances" as used herein shall have the following meanings:

(a) "Environmental Laws" shall mean any and all federal, state and local laws, statutes, ordinances, rules, regulations, permits, licenses, approvals, rules of common law and orders of courts or any governmental authority, relating to the protection of human health or occupational safety or the environment, now or hereafter in effect and in each case as amended from time to time, including, without limitation, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Substances, including, without limitation, the following federal laws: the Resource Conservation Recovery Act, the Comprehensive Environmental Response Compensation and Liability Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, the Clean Air Act, and the Clean Water Act;

(b) "Environmental Liability" shall mean any liability, contingent or otherwise (including any liability for damages, costs of environmental investigation and remediation, costs of administrative oversight, fines, natural resource damages, penalties or indemnities) directly or indirectly resulting from or based upon (i) any actual or alleged violation of any Environmental Law, (ii) the

generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Substances, (iii) any actual or alleged exposure to any Hazardous Substances, (iv) the release or threatened release of any Hazardous Substances or (v) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing; and

(c) "Hazardous Substances" shall mean any substances or materials (i) that are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants or toxic substances under any applicable Environmental Law, (ii) that are defined by any applicable Environmental Law as toxic, explosive, corrosive, ignitable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous (iii) the presence of which require investigation, removal, remediation or any other response of any kind under any applicable Environmental Law or causes or threatens to cause a nuisance upon any property of Mortgagor or to any adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about any such property, (iv) that consist of underground or aboveground storage tanks, whether empty, filled or partially filled with any substance, or (v) that contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or wastes, crude oil, nuclear fuel, natural gas, synthetic gas, radon gas, radioactive materials, or isotopes.

Section 6.6 The provisions of this Mortgage respecting compliance with environmental matters and the indemnification set forth above are in addition to and supplement any other representations, warranties, covenants, indemnifications and other provisions contained in this Mortgage or any other Related Documents (as defined below).

ARTICLE 7

CONDEMNATION

Section 7.1 Notice of Proceedings. Promptly upon the receipt by Mortgagor of notice of the initiation of any proceeding or negotiations for the taking of the Mortgaged Property, or any part thereof, in expropriation, condemnation or by the exercise of the power of eminent domain, Mortgagor shall give notice thereof to Mortgagee. Mortgagee may appear in any such proceeding and participate in any such negotiations and may be represented therein by counsel of Mortgagee's choice, all at Mortgagor's cost and expense, and whether or not Mortgagee shall become a party to any such proceeding or negotiations, Mortgagor shall promptly give to Mortgagee copies of all notices, pleadings, judgments, determinations and other papers received by Mortgagor therein. Mortgagor shall not enter into any agreement consenting to or acquiescing in the taking of the Mortgaged Property, or any part thereof, by any governmental agency or instrumentality, or other person or legal entity authorized to acquire the same in expropriation, condemnation or by eminent domain unless Mortgagee shall have first consented thereto in writing.

Section 7.2 Condemnation Awards and Proceeds. Any award whether paid as a result of a negotiated settlement or judgment, shall be paid to Mortgagee (Mortgagor hereby assigning such award to Mortgagee), and Mortgagee is hereby irrevocably constituted and appointed the true and lawful attorney in fact, coupled with an interest and with full power of substitution, delegation, and revocation, of Mortgagor for such purpose and as such is duly authorized and empowered to collect and receive the total amount of such award, including interest, and to give proper receipts and acquittances therefor. All awards payable to Mortgagee as a result of such taking shall, at the option of Mortgagee, be applied to the payment and discharge of the Indebtedness in such order as Mortgagee shall so elect or to the repair, restoration and alteration of the Mortgaged Property as Mortgagee shall from time to time determine. In the event that Mortgagee elects to apply such award to the repair, restoration and alteration of the Mortgaged Property,

Mortgagor shall promptly, at Mortgagor's own expense, repair, restore and alter the Mortgaged Property to the extent required as a result of such taking, or any damage occasioned thereby, so that the Mortgaged Property shall thereafter constitute a complete architectural unit.

Section 7.3 Collateral Assignment as Additional Security. As additional collateral security for the payment of the Indebtedness, Mortgagor hereby assigns, pledges and grants a security interest in any and all of Mortgagor's present and future rights, title and interest in and to the proceeds of any award or claim for direct or consequential damages relating to any condemnation, expropriation, conveyance, or other taking of all or any part of the Mortgaged Property by any governmental authority, including, without limitation, any awards resulting from a change or grade of streets and award for severance damages, and further including the right to receive such condemnation proceeds directly from such a governmental authority and, where applicable, to enforce any rights that Mortgagor may have to collect such condemnation proceeds as provided herein.

ARTICLE 8 EVENTS OF DEFAULT

Section 8.1 Events of Default. The occurrence of any of the following shall constitute an event of default (individually, collectively and interchangeably, an "Event of Default") under this Mortgage:

- (a) the failure of any Mortgagor, Obligor or Borrower to pay in accordance under the Indebtedness or under any other obligation to Mortgagee under this Mortgage, or under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee, if such failure to pay continues for ten (10) days following written notice from Mortgagee to Mortgagor (individually, collectively and interchangeably, the "Related Documents");
- (b) the failure of any Obligor to observe or perform promptly when due any covenant, agreement or obligation due to Mortgagee under this Mortgage or under the Related Documents, if such failure to pay continues for thirty (30) days following written notice from Mortgagee to Obligor;
- (c) the material inaccuracy at any time of any warranty, representation or statement made to Mortgagee by any Obligor under this Mortgage or under any Related Document;
- (d) any judgment, garnishment, seizure, tax lien, levy or other Encumbrance against any assets of any Obligor that remains in effect for more than thirty (30) days after such Obligor obtains knowledge thereof;
- (e) any material adverse change in the financial condition of Obligor, or any material discrepancy between the financial statements submitted by Obligor and the actual factual condition of Obligor;
- (f) any discontinuance or termination by guarantor of any guaranty of all or any portion of the Indebtedness;
- (g) the insolvency, or the execution of an assignment for the benefit of creditors, the appointment of a receiver of any property of any Obligor, or the filing of a petition in bankruptcy by or

against any Obligor, or the commencement of any proceeding in bankruptcy, or otherwise relating to the relief of debtors or the relief, postponement or adjustment of any indebtedness of any Obligor through reorganization, composition, extension or otherwise, unless the proceeding is terminated within 20 days of its commencement;

(h) should any Mortgagor, Obligor or Borrower fail to pay, perform, or satisfy any indebtedness or obligation owed to Mortgagee under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee;

(i) the failure of any Mortgagor, Obligor or Borrower to observe or perform promptly when due any covenant, agreement or obligation due to Mortgagee under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee; or

(j) should any Obligor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of the Mortgaged Property or ability to repay the Indebtedness or perform such Obligor's obligations under this Mortgage or any of the Related Documents.

In addition to the Events of Default provided above, the death of any guarantor of the Indebtedness shall be an Event of Default if Mortgagee, in its reasonable discretion, determines that such death, the succession proceedings, or the disposition of the estate of the deceased guarantor (including rights in trust) may have a material adverse effect on the repayment of the Indebtedness, the enforceability or collectability of any of the collateral documents securing all or any portion of the Indebtedness or the deceased guarantor's guaranty obligation.

Section 8.2 Mortgage's Rights Upon an Event of Default. Should one or more Event of Default occur or exist under this Mortgage, as provided above, Mortgagee, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights and remedies provided by law:

(a) **Acceleration; Foreclosure.** Mortgagee shall have the right, at its sole option, to accelerate the maturity and demand immediate payment in full of any and all of the Indebtedness. Mortgagee shall then have the right to commence appropriate foreclosure proceedings against the Mortgaged Property and against Mortgagor's Rights as provided in this Mortgage.

(b) **Seizure and Sale of Mortgaged Property.** In the event that Mortgagee elects to commence appropriate Louisiana foreclosure proceedings under this Mortgage, Mortgagee may cause the Mortgaged Property, or any part or parts thereof, to be immediately seized and sold, whether in term of court or in vacation, under ordinary or executory process, in accordance with applicable Louisiana law, to the highest bidder for cash, with or without appraisal, and without the necessity of making additional demand upon or notifying Mortgagor or placing Mortgagor in default, all of which are expressly waived.

(c) **Executory Process.** For purposes of foreclosure under Louisiana executory process procedures, Mortgagor confesses judgment and acknowledges to be indebted to Mortgagee, up to the full amount of the Indebtedness in principal, interest, costs, expenses, reasonable attorneys' fees and

other fees and charges. Mortgagor further confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee in the amount of all Additional Advances that Mortgagee may make on Mortgagor's behalf pursuant to this Mortgage, together with interest thereon. To the extent permitted under applicable Louisiana law, Mortgagor additionally waives the following: (1) the benefit of appraisal as provided in Articles 2332, 2336, 2723, and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (2) the notice of seizure as provided under Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (3) the three (3) days' delay provided under Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; (4) all other benefits provided under Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure; and (5) all other rights to notices, demands, appraisements and delays in Articles or laws not specifically mentioned above. Mortgagor further agrees that any declaration of fact made by authentic act before a Notary Public and two witnesses, by a person declaring that such facts are within his or her knowledge, shall constitute authentic evidence of such facts for purposes of foreclosure under applicable Louisiana law and for purposes of La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, to the extent applicable.

(d) **Keeper.** Should any or all of the Mortgaged Property be seized as an incident to an action for the recognition or enforcement of this Mortgage, by executory process, sequestration, attachment, writ of fieri facias or otherwise, Mortgagor hereby agrees that the court issuing any such order shall, if requested by Mortgagee, appoint Mortgagee, or any agent designated by Mortgagee or any person or entity named by Mortgagee at the time such seizure is requested, or any time thereafter, as Keeper of the Mortgaged Property as provided under La. R.S. 9:5136, et seq. Such a Keeper shall be entitled to reasonable compensation. Mortgagor agrees to pay the reasonable fees of such Keeper, which are hereby fixed at \$250.00 per hour, which compensation to the Keeper shall also be secured by this Mortgage in the form of an Additional Advance as provided in this Mortgage.

(e) **Declaration of Fact.** Should it become necessary for Mortgagee to foreclose under this Mortgage, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, as applicable.

(f) **Specific Performance.** Mortgagee may, in addition to or in lieu of the foregoing remedies, in Mortgagee's sole discretion, commence an appropriate action against Mortgagor seeking specific performance of any covenant contained in this Mortgage or in aid of the execution or enforcement of any power in this Mortgage granted.

(g) **Election of Remedies.** Except as may be prohibited by applicable law, all of Mortgagee's rights and remedies, whether evidenced by this Mortgage or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Mortgagee to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Mortgagor under this Mortgage, after Mortgagor's failure to perform, shall not affect Mortgagee's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Mortgagee following an Event of Default, or in any way to limit or restrict the rights and ability of Mortgagee to proceed directly against Mortgagor and/or against any other co-maker, guarantor, surety or endorser of the Indebtedness, and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

ARTICLE 9
INDEMNITY

Section 9.1 IN ADDITION TO ALL OTHER INDEMNIFICATIONS HEREIN, MORTGAGOR SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS MORTGAGEE, THEIR PARENTS, SUBSIDIARIES, AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, SHAREHOLDERS, REPRESENTATIVES, AGENTS, INSURERS, ATTORNEYS, SUCCESSORS, AND ASSIGNS FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST, OR EXPENSE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES), ACTION, CAUSE OF ACTION, PROCEEDING, CLAIM OR DISPUTE INCURRED OR SUFFERED BY MORTGAGEE OR TRUSTEE, WHETHER VOLUNTARILY OR INVOLUNTARILY INCURRED OR SUFFERED, IN RESPECT OF THE FOLLOWING:

(a) ANY LITIGATION CONCERNING THIS MORTGAGE, THE INDEBTEDNESS, THE RELATED DOCUMENTS OR THE MORTGAGED PROPERTY, OR ANY INTEREST OF MORTGAGOR OR MORTGAGEE THEREIN, OR THE RIGHT OF OCCUPANCY THEREOF BY MORTGAGOR OR MORTGAGEE, WHETHER OR NOT ANY SUCH LITIGATION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

(b) ANY DISPUTE, INCLUDING DISPUTES AS TO THE DISBURSEMENT OF PROCEEDS OF ANY INDEBTEDNESS NOT YET DISBURSED, AMONG OR BETWEEN ANY OF THE CONSTITUENT PARTIES OR OTHER PARTNERS OR VENTURERS OF MORTGAGOR IF MORTGAGOR IS A GENERAL OR LIMITED PARTNERSHIP, OR AMONG OR BETWEEN ANY EMPLOYEES, OFFICERS, DIRECTORS OR SHAREHOLDERS OF MORTGAGOR IF MORTGAGOR IS A CORPORATION, OR AMONG OR BETWEEN ANY MEMBERS, TRUSTEES OR OTHER RESPONSIBLE PARTIES IF MORTGAGOR IS A LIMITED LIABILITY COMPANY, ASSOCIATION, TRUST OR OTHER ENTITY;

(c) ANY ACTION TAKEN OR NOT TAKEN BY MORTGAGEE WHICH IS ALLOWED OR PERMITTED UNDER THIS MORTGAGE OR ANY OF THE RELATED DOCUMENTS RELATING TO MORTGAGOR, THE MORTGAGED PROPERTY, ANY CONSTITUENT PARTIES OR OTHERWISE IN CONNECTION WITH THE RELATED DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE PROTECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST, ASSIGNMENT AND/OR ENFORCEMENT OF THE PLEDGE OF LEASES AND RENTS, OR OTHER RIGHT, REMEDY OR RECOURSE CREATED OR AFFORDED BY THIS MORTGAGE, OR THE RELATED DOCUMENTS;

(d) THE USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE OF A HAZARDOUS SUBSTANCE ON, UNDER OR ABOUT THE MORTGAGED PROPERTY, WHETHER KNOWN OR UNKNOWN AT THE TIME OF THE EXECUTION HEREOF, INCLUDING WITHOUT LIMITATION (i) ALL FORESEEABLE CONSEQUENTIAL DAMAGES OF ANY SUCH USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE, AND (ii) THE COSTS OF ANY REQUIRED OR NECESSARY ENVIRONMENTAL INVESTIGATION OR MONITORING, ANY REPAIR, CLEANUP, OR DETOXIFICATION OF

THE MORTGAGED PROPERTY, AND THE PREPARATION AND IMPLEMENTATION OF ANY CLOSURE, REMEDIAL, OR OTHER REQUIRED PLANS;

(e) THE EXERCISE OF THE RIGHTS OR REMEDIES HEREUNDER, AND FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER WHICH MAY BE ASSERTED AGAINST THE MORTGAGEE BY REASON OF ANY ALLEGED OBLIGATIONS OR UNDERTAKINGS ON ITS PART TO PERFORM OR DISCHARGE ANY OF THE TERMS, COVENANTS, OR AGREEMENTS CONTAINED IN ANY LEASE; AND

(f) ANY ACTION BROUGHT BY MORTGAGEE AGAINST MORTGAGOR UNDER THIS MORTGAGE, OR THE RELATED DOCUMENTS, WHETHER OR NOT SUCH ACTION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT.

Section 9.2 MORTGAGEE MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTECT OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS MORTGAGE, AND THE RELATED DOCUMENTS, AND TO ADVISE AND DEFEND MORTGAGEE WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. MORTGAGOR SHALL REIMBURSE MORTGAGEE FOR ITS ATTORNEYS' FEES AND EXPENSES (INCLUDING EXPENSES AND COSTS FOR EXPERTS) IMMEDIATELY UPON RECEIPT OF A WRITTEN DEMAND THEREFOR, WHETHER ON A MONTHLY OR OTHER TIME INTERVAL, AND WHETHER OR NOT AN ACTION IS ACTUALLY COMMENCED OR CONCLUDED. ALL OTHER REIMBURSEMENT AND INDEMNITY OBLIGATIONS HEREUNDER SHALL BECOME DUE AND PAYABLE WHEN ACTUALLY INCURRED BY MORTGAGEE. ANY PAYMENTS NOT MADE WITHIN FIVE (5) DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE RATE OR RATES PROVIDED IN ANY PROMISSORY NOTES INCLUDED IN THE INDEBTEDNESS FROM THE DATE OF SUCH DEMAND UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE OBLIGATIONS SECURED HEREBY, THE RELEASE OF THE LIEN OF THIS MORTGAGE, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE) AND THE EXERCISE BY MORTGAGEE OF ANY AND ALL REMEDIES SET FORTH HEREIN OR IN ANY PROMISSORY NOTES INCLUDED IN THE INDEBTEDNESS OR THE RELATED DOCUMENTS.

ARTICLE 10 ADDITIONAL REPRESENTATIONS AND WARRANTIES

Mortgagor further represents, warrants and covenants that:

Section 10.1 Organization. Mortgagor is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Louisiana. Mortgagor is duly authorized to transact business in all other states in which Mortgagor is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Mortgagor is doing business. Specifically, Mortgagor is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Mortgagor has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Mortgagor maintains an office at 601 Belle Terre Blvd. LaPlace, LA 70068. Unless Mortgagor has

designated otherwise in writing, the principal office is the office at which Mortgagor keeps its books and records including its records concerning the Collateral. Mortgagor will notify Mortgagee prior to any change in the location of Mortgagor's state of organization or any change in Mortgagor's name. Mortgagor shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Mortgagor and Mortgagor's business activities.

Section 10.2 Authorization. Mortgagor's execution, delivery, and performance of this Mortgage and all the Related Documents have been duly authorized by all necessary action by Mortgagor, do not require the consent or approval of any other person, regulatory authority, or governmental body, and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Mortgagor's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Mortgagor or (2) any law, governmental regulation, court decree, or order applicable to Mortgagor or to Mortgagor's properties. Mortgagor has the power and authority to enter into the Related Documents and to grant collateral as security for the Indebtedness. Mortgagor has the further power and authority to own and to hold all of Mortgagor's assets and properties, and to carry on Mortgagor's business as presently conducted.

Section 10.3 Consents and Approvals. If notice to or the consent or approval of any governmental body or authority, or any third party (including without limitation, any other creditor of Mortgagor) is now or any time hereafter required in connection with the execution, delivery and performance by Mortgagor of this Mortgage, then (1) with respect to all currently applicable requirements, such notice has been given and consent or approval obtained by Mortgagor prior to the execution hereof and written evidence thereof has been concurrently herewith delivered to Mortgagee, and (2) with respect to such requirements that shall at any time hereafter be imposed or become applicable, such notice will be given and such consent or approval will be obtained by Mortgagor prior to the time such failure to do so will constitute a violation of law or result in any breach, default or failure by Mortgagor under any contract or instrument, and written evidence thereof will at such time be delivered to Mortgagee.

Section 10.4 Perfection of Security Interests. Except for the recordation of this Mortgage, no filing or recording of this Mortgage, or with respect to Mortgagee's security interest granted hereunder, is necessary or advisable in any jurisdiction, or before, or with any governmental or private regulatory body, in order to establish and perfect Mortgagee's security rights and interest in the Mortgaged Property or the Rights of Mortgagor collaterally assigned and pledged hereunder, with respect to Mortgagor or any of Mortgagor's present and future creditors, or any other third party or parties whatsoever.

Section 10.5 Additional Assurances; Legal Opinions and Certificates. Mortgagor further agrees to deliver to Mortgagee such other documents, including without limitation, such legal opinions and other certificates as Mortgagee may reasonably request to show Mortgagor's compliance with the foregoing and/or with the other representations, warranties and covenants of Mortgagor contained herein.

ARTICLE 11

GENERAL PROVISIONS

Section 11.1 Execution of Additional Documents. Mortgagor agrees to execute all additional documents, instruments and agreements that Mortgagee may deem to be necessary and proper, within its sole discretion, in form and substance satisfactory to Mortgagee, to keep this Mortgage in effect, to better

reflect the true intent of this Mortgage, and to consummate fully all of the transactions contemplated hereby and by any other agreement, instrument or document heretofore, now or at any time or times hereafter executed by Mortgagor and delivered to Mortgagee.

Section 11.2 Estoppel Certificate. Within ten (10) calendar days after being requested to do so by Mortgagee, Mortgagor will execute and deliver to Mortgagee an estoppel certificate identifying this Mortgage and the Indebtedness secured hereby, and all documents and instruments executed in connection herewith and therewith, and acknowledging the status of this Mortgage, and further acknowledging and agreeing to such notice provisions and other matters as may be reasonably required by Mortgagee.

Section 11.3 Inspection of Mortgaged Property. Mortgagee and Mortgagee's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Mortgaged Property wherever located.

Section 11.4 Audits. Mortgagee and its agents may also periodically conduct audits of Mortgagor's books and records that in any way pertain to the Mortgaged Property, the foregoing Rights and any part or parts thereof.

Section 11.5 Application of Payments. Mortgagor agrees that all payments and other sums and amounts received by Mortgagee under the Indebtedness or under this Mortgage, including, but not limited to, the net proceeds of any judicial or other sale, of any charter, management or other use of the Mortgaged Property by Mortgagee, of any claim for damages to the Mortgaged Property and of any insurance proceeds received by Mortgagee (except to the extent that such insurance proceeds are to be paid to Mortgagor pursuant to any other provisions of this Mortgage) shall be held and applied by Mortgagee from time to time in accordance with the terms of the any promissory notes included in the Indebtedness.

Section 11.6 Taxation. In the event that there should be any change in law with regard to taxation of mortgages or the debts they secure, Mortgagor agrees to pay any taxes, assessments or charges that may be imposed upon Mortgagee as a result of this Mortgage. Mortgagor further agrees to promptly pay when due, or if, at Mortgagee's option, Mortgagee has paid them on Mortgagor's behalf, to promptly reimburse Mortgagee for, all sales, use, excise, stamp, personal Mortgaged Property and other taxes, assessments and governmental charges, however designated, any amounts in lieu of such taxes, assessments and charges, and any penalties and interest on any of the foregoing, imposed, levied or based upon or in connection with (A) the purchase, ownership, use, or financing of any of the Mortgaged Property or Mortgagor's collaterally assigned and pledged Rights, (B) receipts by Mortgagee with respect to the Indebtedness, or (C) this Mortgage or any instrument or instruments evidencing the Indebtedness, or the filing or recording of any thereof, whether the same may be payable by or assessed to Mortgagee or Mortgagor and whether assessed during or after the expiration of this Mortgage (excluding, however, any tax on or measured by Mortgagee's net income), and Mortgagor shall hold and save Mortgagee free and harmless therefrom.

Section 11.7 Additional Waivers. In granting this Mortgage, Mortgagor waives any and all homestead exemptions and other rights and all other exemptions from seizure or sale with regard to the Mortgaged Property to which Mortgagor may be entitled under the laws of the State of Louisiana. Mortgagor is also waiving the production of Mortgage, Conveyance and any and all other Certificates and relieves and releases the Notary Public before whom this Mortgage was passed from all responsibility and liability in connection therewith.

Section 11.8 Amendments. No amendment, modification, consent or waiver of any provision of this Mortgage, and no consent to any departure by Mortgagor therefrom, shall be effective unless the same shall be in writing signed by a duly authorized officer of Mortgagee, and then shall be effective only as to the specific instance and for the specific purpose for which given.

Section 11.9 Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Section 11.10 Effect of Waivers. Any failure or delay on the part of the Mortgagee to exercise any of the rights and remedies granted under this Mortgage or under any other agreement or agreements by and between Mortgagor and Mortgagee, shall not have the effect of waiving any of Mortgagee's rights and remedies. Any partial exercise of any rights and remedies granted to Mortgagee shall furthermore not constitute a waiver of any of Mortgagee's other rights and remedies; it being Mortgagor's intent and agreement that all of Mortgagee's rights and remedies shall be cumulative in nature. Furthermore, any failure on the part of Mortgagee at any time or times hereafter to require strict performance by Mortgagor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document or instrument now or hereafter executed by Mortgagor and delivered to Mortgagee, shall not waive, affect, or diminish the rights of Mortgagee to thereafter demand strict compliance and performance therewith and with respect to all other provisions, warranties, terms and conditions contained herein or therein. None of the warranties, conditions, provisions and terms contained in this Mortgage or any other agreement, document, or instrument now or hereafter executed by Mortgagor and delivered to Mortgagee, shall be deemed to have been waived by any act or knowledge of Mortgagee, its agents, directors, officers or employees; but only by an instrument in writing specifying such waiver, signed by a duly authorized officer of Mortgagee and delivered to Mortgagor. A waiver or forbearance on the part of Mortgagee as to one Event of Default shall not constitute a waiver or forbearance as to any other or subsequent default.

Section 11.11 Final Agreement. This Mortgage represents the final, entire agreement between the parties with respect to the subject matter hereof. No course of dealing, course of performance, usage of trade or evidence of any prior, contemporaneous or subsequent oral agreements or discussions or other extrinsic evidence of any nature shall be used to contradict, vary, supplement or modify any term of this Mortgage. There are no oral agreements between the parties. The provisions hereof may be amended or waived only by an instrument in writing signed by Mortgagor and Mortgagee.

Section 11.12 Successors and Assigns Bound; Solidary Liability. Mortgagor's obligations and agreements under this Mortgage shall be binding upon Mortgagor's successors, heirs, legatees, devisees, administrators, executors and assigns. In the event that there is more than one Mortgagor under this Mortgage, all of the agreements and obligations made and/or incurred by Mortgagors under this Mortgage shall be on a "solidary" or "joint and several" basis.

Section 11.13 Governing Law. This Mortgage will be governed by federal law applicable to Mortgagee and, to the extent not preempted by federal law, the laws of the State of Louisiana without regard to its conflicts of law provisions. This Mortgage has been accepted by Mortgagee in the State of Louisiana.

Section 11.14 SUBMISSION TO JURISDICTION. MORTGAGOR HEREBY IRREVOCABLY SUBMITS AND CONSENTS TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT IN LOUISIANA LOCATED IN THE SAME JUDICIAL DISTRICT AS THE MORTGAGED PROPERTY, AND AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH,

OUT OF, RELATED TO OR FROM THIS MORTGAGE SHALL BE LITIGATED ONLY IN ONE OF THE FOREGOING DESCRIBED COURTS. MORTGAGOR, FOR ITSELF, ITS HEIRS, SUCCESSORS AND ASSIGNS AND ANY PERSON CLAIMING UNDER OR THROUGH ANY OF THEM, HEREBY KNOWINGLY WAIVES ANY AND ALL RIGHTS TO HAVE THE JURISDICTION AND VENUE OF, AND ANY LITIGATION ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH, OUT OF, OR RELATED TO OR FROM THIS MORTGAGE IN ANY OTHER COURT, AND MORTGAGOR HEREBY KNOWINGLY WAIVES ANY AND ALL RIGHTS OR TO TRANSFER, DISMISS, OR CHANGE VENUE TO, TO REMOVE AN ACTION TO, OR TO TRANSFER, DISMISS, OR CHANGE VENUE TO ANY OTHER COURT. MORTGAGOR FURTHER ACKNOWLEDGES AND AGREES THAT NEITHER MORTGAGEE NOR ANY PERSON ACTING ON BEHALF OF MORTGAGEE HAS IN ANY WAY AGREED WITH OR REPRESENTED TO MORTGAGOR THAT THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN WAIVED OR WILL NOT BE FULLY ENFORCED BY MORTGAGEE.

Section 11.15 WAIVER OF JURY TRIAL. MORTGAGOR KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS MORTGAGOR MAY HAVE TO TRIAL BY JURY IN ANY LEGAL PROCEEDING BASED ON, ARISING OUT OF, OR IN ANY WAY RELATED TO: THIS MORTGAGE; THE INDEBTEDNESS; ANY NOTES, LOAN AGREEMENTS, OR ANY OTHER RELATED DOCUMENTS OR AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH ANY OF THE INDEBTEDNESS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THIS JURY WAIVER ALSO APPLIES TO ANY CLAIM OR, COUNTERCLAIM, CAUSE OF ACTION OR DEMAND ARISING FROM OR RELATED TO (I) ANY COURSE OF CONDUCT, COURSE OF DEALING, OR RELATIONSHIP OF MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON WITH MORTGAGEE OR ANY EMPLOYEE, OFFICER, DIRECTOR OR ASSIGNEE OF MORTGAGEE IN CONNECTION WITH THE INDEBTEDNESS WITH MORTGAGEE; OR (II) ANY STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PERSON BY OR ON BEHALF OF MORTGAGEE TO MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON IN CONNECTION WITH THE INDEBTEDNESS OR MORTGAGEE REGARDLESS OF WHETHER SUCH CAUSE OF ACTION ARISES BY CONTRACT, TORT OR OTHERWISE. MORTGAGOR ACKNOWLEDGES THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO THE MORTGAGEE IN EXTENDING CREDIT TO THE MORTGAGOR, THAT THE MORTGAGEE WOULD NOT HAVE EXTENDED SUCH CREDIT WITHOUT THIS JURY TRIAL WAIVER, AND THAT MORTGAGOR HAS BEEN REPRESENTED BY AN ATTORNEY OR HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY IN CONNECTION WITH THIS JURY TRIAL WAIVER AND UNDERSTANDS THE LEGAL EFFECT OF THIS WAIVER. MORTGAGOR FURTHER CERTIFIES THAT NO PERSON HAS REPRESENTED TO IT, EXPRESSLY OR OTHERWISE, THAT MORTGAGEE OR ANY OTHER PERSON WOULD NOT, IN THE EVENT OF A LEGAL PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER.

Section 11.16 Severability. If any provision of this Mortgage is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable. This Mortgage shall be construed and enforceable as if the illegal, invalid or unenforceable provision had never comprised a part of it, and the remaining provisions of this Mortgage shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its

severance herefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Mortgage, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and legal, valid and enforceable.

Section 11.17 Notices. To give Mortgagor any notice required under this Mortgage, Mortgagee may hand deliver or mail the notice to Mortgagor at Mortgagor's last address in Mortgagee's records. If there is more than one Mortgagor under this Mortgage, notice to a single Mortgagor shall be considered as notice to all Mortgagors. To give Mortgagee any notice under this Mortgage, Mortgagor (or any Mortgagor) shall mail the notice to Mortgagee by registered or certified mail at the following address: 442 Fifth Avenue, Suite 2352, New York, New York 10018; Attn: Motty Shulman, or at any other address that Mortgagee may have given to Mortgagor (or any Mortgagor) by written notice as provided in this section. All notices required or permitted under this Mortgage must be in writing and will be considered as given on the day it is delivered by hand or deposited in the U.S. Mail as provided herein.

Section 11.18 Sole Discretion of Mortgagee. Whenever Mortgagee's consent or approval is required under this Mortgage, the decision as to whether or not to consent or approve shall be in the sole and exclusive discretion of Mortgagee and Mortgagee's decision shall be final and conclusive.

Section 11.19 Waiver of Certificates. The parties to this Mortgage hereby waive the production of mortgage, conveyance, tax, paving, chattel mortgage, assignment of accounts, and all other certificates and relieve and release the Notary before whom this Mortgage was passed from all responsibilities and liabilities in connection therewith.

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THUS DONE AND PASSED, on the date hereinabove first written in the presence of the undersigned Notary and the undersigned competent witnesses, who hereunto sign their names with Mortgagor after reading of the whole.

WITNESSES:

Print Name: [Signature]

Print Name: Rebecka Rosenberg

MORTGAGOR:

RH WINDRUN LLC

By: [Signature]
Mark Silber
Title: Authorized Representative

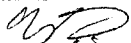
[Signature]
NOTARY PUBLIC

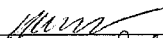
Print Name: _____
Notary ID/Bar Roll No: _____
My Commission expires: _____

ESTEE POLLACK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01PO6314752
Qualified in Rockland County
My Commission Expires November 17, 2026

THUS DONE AND PASSED, on the date hereinabove first written in the presence of the undersigned Notary and the undersigned competent witnesses, who hereunto sign their names with Mortgagor after reading of the whole.

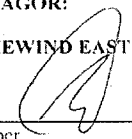
WITNESSES:

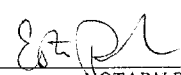

Print Name: Fr. Lumbard


Print Name: Rabbi Rosenberg

MORTGAGOR:

RH LAKEWIND EAST LLC

By: 
Mark Silber
Title: Authorized Representative


NOTARY PUBLIC
Print Name: _____
Notary ID/Bar Roll No: _____
My Commission expires: _____

ESTEE POLLACK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01P06314752
Qualified in Rockland County
My Commission Expires November 17, 2026

THUS DONE AND PASSED, on the date hereinabove first written in the presence of the undersigned Notary and the undersigned competent witnesses, who hereunto sign their names with Mortgagor after reading of the whole.

WITNESSES:

Print Name: *[Signature]*

Print Name: *[Signature]*

MORTGAGOR:

RH COPPER CREEK LLC


By: *[Signature]*
Mark Silber
Title: Authorized Representative


[Signature]
NOTARY PUBLIC
Print Name: _____
Notary ID/Bar Roll No: _____
My Commission expires: _____

ESTEE POLLACK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01PO0314752
Qualified in Rockland County
My Commission Expires November 17, 2026

THUS DONE AND PASSED, on the date hereinabove first written in the presence of the undersigned Notary and the undersigned competent witnesses, who hereunto sign their names with Mortgagor after reading of the whole.

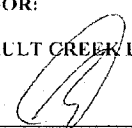
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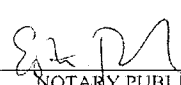

Print Name: Michael


Print Name: Michael

MORTGAGOR:

RH CHENAULT CREEK LLC

By: 
Mark Silber
Title: Authorized Representative


NOTARY PUBLIC
Print Name: _____
Notary ID/Bar Roll No: _____
My Commission expires: _____

ESTEE POLLACK
NOTARY PUBLIC STATE OF NEW YORK
No. 0190631-0752
Qualified in Rockland County
My Commission Expires November 17, 2028

EXHIBIT "A-1"
LEGAL DESCRIPTION OF THE IMMOVABLE (REAL) PROPERTY

The Land is described as follows:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans, State of Louisiana.

A CERTAIN PIECE OR PORTION OF GROUND, situated in the Third Municipal District of the City of New Orleans, Orleans Parish, State of Louisiana; section 26 of the LaKratt Tract, former New Orleans Lakeshore Land Company Subdivision, designated as Lot 2 AR 1, and in accordance with the survey of J.J. Krebs & Sons, Inc., dated August 31, 1991, Job No. 910368 attached to Conveyance filed on November 12, 1991 in Entry No. 911546, Lot 2 AR 1 is more particularly described as follows:

Begin at the intersection of the west line of Jahncke Canal and the north right of way line of Interstate Highway I-10; thence measuring along the north right of way line of Interstate Highway I-10 on a curve to the right having a radius of 5,699.58 feet, and an arc length of 574.34 feet, a chord length of 574.10 feet, and a chord bearing of S59°16'47"W to a point of tangent; thence continuing along said line S62°10'00"W, a distance of 195.51 feet; thence N36°27'35"W, a distance of 721.01 feet to a point on a curve; thence along a curve to the left having a radius of 2,800.00 feet, an arc length of 250.59 feet, a chord length of 250.51 feet and a chord bearing of S78°14'26"W to a point on the curve and the southerly right of way line of Barrington Drive East; thence along said right of way line N53°09'10"E, a distance of 992.13 feet to the west line of Jahncke Canal, thence along the west line of Jahncke Canal S36°27'35"E, a distance of 919.14 feet to the north right of way line of Interstate Highway I-10 and the point of beginning.

NOTE: Being Tax Parcel No. 39W016504, of the City of New Orleans, Parish of Orleans.

NOTE: Tax Parcel No. shown for informational purposes only.

EXHIBIT "A-2"
LEGAL DESCRIPTION OF THE IMMOVABLE (REAL) PROPERTY

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans State of Louisiana.

Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKratt Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978, and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows:

Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28 degrees 00' 20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31 degrees 9' 41"W, a distance of 171.56 feet to a point, thence N61 degrees 59' 40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29 degrees 05' 35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76 degrees 18' 19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; thence S85 degrees 54' 04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning.

Being the same property acquired by RH Lakewind East LLC, a Delaware limited liability company by Deed recorded 12/22/2017, of record in Deed Instrument No. 2017-49038, in the Office of the Recorder of Parish of Orleans, Louisiana.

EXHIBIT "A-3"
LEGAL DESCRIPTION OF THE IMMOVABLE (REAL) PROPERTY

The Land is described as follows:

TWO CERTAIN PARCELS OF GROUND, together with all the buildings and improvements thereon, situated in the State of Louisiana, Parish of Orleans, in the Third Municipal District of the City of New Orleans, in that part thereof now known as PARC BRITTANY SUBDIVISION, in Section 21 of the LaKrat Tract (former New Orleans Lakeshore Land Company Subdivision), being composed of parts of Lots 3A and 3B, which were formerly Lots No. 3, 4 and Mayo Road, said two parcels of ground being designated as LOTS NOS. 3CC and 3DD, per plan of resubdivision of Lots 3A and 3B, LaKrat Tract, into Lots 3AA through 3HH, by Roessle & Cartier, C.E., dated September 28, 1972, approved by the City Planning Commission of the City of New Orleans, Title Changed filed in COB 710, folio 459, Corrected Title Change filed in COB 712, folio 543, Orleans Parish, Louisiana, according to which plan LOTS NO. 3CC and 3DD are bounded by North Coronet Court, Parc Brittany Boulevard, U.S. Interstate Highway 10, the Lawrence Canal, Square No. 4 of Parc Brittany Subdivision, and East Coronet Court, designated as Lots 3CC and 3DD and more fully described as follows:

Commence at the northeast intersection of North Coronet Court and Parc Brittany Boulevard, thence proceed North 11 degrees 58 minutes 47 seconds West a distance of 211 feet front and along the east line of PARC BRITTANY BOULEVARD to a point; thence continuing along the east line of Parc Brittany Boulevard, North 10 degrees 27 minutes 08 seconds West, a further frontage of 150.05 feet to a point; thence North 78 degrees 01 minute 13 seconds East a distance of 23.80 feet to a point of curve; thence in a northeasterly direction, along the arc of a curve to the left, having a radius of 7,789.44 feet, a chord bearing of North 76 degrees 24 minutes 49.5 seconds East, a chord distance of 436.76 feet and an arc length of 436.82 feet to a point; thence North 74 degrees 48 minutes 26 seconds East, a distance of 226.34 feet to a point; thence South 24 degrees 29 minutes 35 seconds East, a distance of 365.80 feet to a point; thence South 74 degrees 48 minutes 26 seconds West, a distance of 285.45 feet (the westerly-most 134.60 feet of which is frontage along North Coronet Court), to a point of curvature, thence in a southwesterly direction along the arc of a curve to the right, having a radius of 8,150.44 feet, a chord bearing of South 76 degrees 24 minutes 49 seconds West a chord distance of 457.01 feet and an arc length of 457.07 feet front and along the north line of North Coronet Court to a point; thence continuing along the north line of North Coronet Court, South 78 degrees 01 minutes 13 seconds West, a distance of 27.80 feet to the northeast intersection of North Coronet Court and Parc Brittany Boulevard, and point of beginning.

Being the same property acquired by RH Copper Creek LLC, a Delaware limited liability company by act dated December 13, 2017 and recorded at CIN 630304; as amended by that Scrivener's Affidavit dated December 22, 2017 and recorded at CIN 632487; as amended by that Act of Correction dated April 16, 2018 and recorded at CIN 636182 of the records of Orleans Parish, Louisiana.

EXHIBIT "A-4"
LEGAL DESCRIPTION OF THE IMMOVABLE (REAL) PROPERTY

TRACT 1:

THAT PORTION OF GROUND, situated in the Third District of the City of New Orleans, State of Louisiana, in that area known as LAKE CARMEL SUBDIVISION NO. 2, said property is designated as LOT E-5A and described as follows:

Commencing at the intersection of the eastern R/W line of Jahncke Canal and the northern R/W of I-10 Service Road, thence along the arc of a curve to the left having a radius of 5699.58 feet a distance of 80.03 feet to the point of beginning, thence North 36 degrees 27 minutes 35 seconds West a distance of 296.38 feet to a point, thence South 58 degrees 51 minutes 53 seconds West a distance of 80.35 feet to a point on the Jahncke Canal, thence North 36 degrees 27 minutes 35 seconds West a distance of 247.80 feet to a point, thence North 53 degrees 32 minutes 25 seconds East a distance of 100 feet to a point, thence North 64 degrees 39 minutes 05 seconds East a distance of 50.95 feet to a point, thence North 59 degrees 33 minutes 13 seconds East a distance of 552.76 feet to a point, thence South 30 degrees 26 minutes 46 seconds East a distance of 99.32 feet to a point, thence South 45 degrees 39 minutes 20 seconds East a distance of 172.22 feet to a point, thence South 36 degrees 39 minutes 20 seconds East a distance of 126.42 feet to a point, thence North 53 degrees 20 minutes 40 seconds East a distance of 22.91 feet to a point, thence South 36 degrees 39 minutes 20 seconds East a distance of 88.08 feet to a point on the I-10 Service Road, thence South 53 degrees 20 minutes 40 seconds West a distance of 527.35 feet to a point of curvature, thence along the arc of a curve to the right having a radius of 5699.58 feet a distance of 133.15 feet to the point of beginning.

TRACT 2:

THAT PORTION OF GROUND, situated in PARISH OF ORLEANS, STATE OF LOUISIANA, in LAKE CARMEL SUBDIVISION NO. 2, and according to a plan of resubdivision by Joseph M. Marques, Registered Land Surveyor, dated September 16, 1983, approved by the City Planning Commission on October 12, 1983, registered in COB 785, folio 635, said portion is designated as LOT D-4A and is more particularly described as follows:

Commencing at the intersection of the eastern right of way line of the Jahncke Canal and the northern right of way line of I-10 Service Road, thence along the arc of a curve to the left having a radius of 5699.58 feet a distance of 213.18 feet to a point of tangency; thence North 53 degrees, 20 minutes, 40 seconds East a distance of 527.35 feet to the POINT OF BEGINNING; thence North 36 degrees, 39 minutes, 20 seconds West a distance of 88.08 feet to a point; thence South 53 degrees, 20 minutes, 40 seconds West a distance of 22.91 feet to a point; thence North 36 degrees, 39 minutes, 20 seconds West a distance of 126.42 feet to a point; thence North 45 degrees, 39 minutes, 20 seconds West a distance of 172.22 feet to a point; thence North 30 degrees, 26 minutes, 46 seconds West a distance of 99.32 feet to a point; thence North 59 degrees, 33 minutes, 13 seconds East a distance of 361.11 feet to a point; thence North 57 degrees, 37 minutes, 39 seconds East a distance of 50 feet to a point; thence North 52 degrees, 03 minutes, 53 seconds East a distance of 116.60 feet to a point; thence North 63 degrees, 59 minutes, 54 seconds East a distance of 47.46 feet to a point; thence North 38 degrees, 16 minutes, 10 seconds East a distance of 41.16 feet to a point; thence North 32 degrees, 00 minutes, 20 seconds East a distance of 102.17 feet to a point; thence North 53 degrees, 25 minutes, 21 seconds East a distance of 64.51 feet to a point on West Renaissance Court; thence along

the arc of a curve to the left having a radius of 244.53 feet a distance of 252.77 feet to a point of tangency; thence North 84 degrees, 11 minutes, 40 seconds East a distance of 34.48 feet to a point of curvature; thence along the arc of a curve to the left having a radius of 396 feet a distance of 203.09 feet to a point at the Northwest intersection of West Renaissance Court and Shadowlawn Avenue; thence South 36 degrees, 39 minutes, 20 seconds East a distance of 198.31 feet to a point on 1-10 Service Road; thence South 53 degrees, 20 minutes, 40 seconds West a distance of 1074.07 feet to the POINT OF BEGINNING.

NOTE: Being tax Parcel No. 39W071630 and 39W071626, of the City of New Orleans, Parish of Orleans.

NOTE: Tax Parcel No. shown for informational purposes only.

**CERTIFICATE OF AUTHORITY OF
RH COPPER CREEK LLC**

The undersigned Sole Member of **RH COPPER CREEK LLC**, a Delaware limited liability company (the "Company") does hereby certify that **Mark Silber**, as Authorized Representative of the Company, (the "Authorized Representative"), is hereby individually, acting alone, authorized and empowered in the name and on behalf of the Company to execute and deliver any and all documents, agreements and other instruments necessary or required with respect to the Company's encumbrance of certain immovable (real) properties owned by the Company and located in the Parish of Orleans, State of Louisiana and more particularly described on Exhibit A attached hereto (the "Property") to secure any and all indebtedness and other obligations of the Company to CKD Investors Penn LLC ("Mortgagee"), whether direct or indirect, absolute or contingent, or now existing or hereafter arising or acquired, by granting to Mortgagee a lien and/or security interest upon such assets of the Company as may be agreed upon between any Authorized Representative, acting alone, and Mortgagee and in connection therewith to execute in Company's name and on Company's behalf in favor of Mortgagee from time to time one or more pledge agreements, assignment agreements, mortgages, collateral mortgages, subordination and intercreditor agreement, multiple indebtedness mortgages, pledges of leases and rents, security agreements and other agreements, instruments and documents of any kind, covering all or any part of the Company's property including without limitation the Property, which documents shall be in such form and contain such terms and conditions as may be required by Mortgagee, including, without limitation, provisions for confession of judgment, waiver of appraisalment, waiver of demand and all delays, and authorization of executory process proceedings, all of which are expressly consented to by the Company, and/or deemed acceptable or agreeable by any Authorized Representative, acting alone in the sole discretion of such Authorized Representative, all of which are expressly consented to by the Company, any Authorized Representative's acceptance and agreement to such terms and conditions to be conclusively evidenced by the Authorized Representative's execution and delivery of any such documents on behalf of Company. Without limiting the foregoing, Authorized Representative is expressly authorized and directed to execute any and all agreements, instruments and documents of any kind, regarding the subordination of any existing mortgage, lien, security interest or pledge affecting the Property to the priority of any mortgage, lien, security interest or pledge affecting the

Property in favor of Mortgagee.

The undersigned does further certify, represent and warrant that the Authorized Representative, acting alone, is authorized by, and on behalf of, the Company to:

- (i) sign any and all acts and documents that may be necessary to carry out the purposes of this Certificate of Authority; and to do and perform each and every other act and thing that may be necessary to carry out these purposes; and
- (ii) execute any and all documents, agreements, instruments or other writings incidental to the authority granted herein, as she may, in her sole and exclusive discretion, deem appropriate, and to do everything that she may deem necessary or proper to the consummation of this mandate, all lawful acts done and performed being hereby ratified and confirmed.

Third parties may rely on this certification of the Sole Member of the Company that Mark Silber, as Authorized Representative, acting alone, has the full authority to act for the Company in connection with the transactions described above, and that the necessary consent to said action has been obtained, and that said action is authorized, and in compliance with the Certificate of Organization and the Operating Agreement of the Company.

[SIGNATURE PAGE FOLLOWS]


IN WITNESS WHEREOF, the undersigned has, in the undersigned's capacity as Sole Member of RH Copper Creek LLC and not in the undersigned's individual capacity, duly executed this Certificate of Authority effective as of August 16, 2024.

SOLE MEMBER:

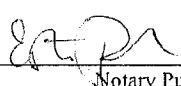
RH New Orleans, Holdings, LLC

By: RH New Orleans JV, LLC, its sole member

By: RH New Orleans Holdings MM, LLC, its manager

By: 
Mark Silber, Sole Member

SWORN TO AND SUBSCRIBED before me at Rockland County,
NEW YORK, on this 16 day of August, 2024.



Notary Public
Printed Name: _____
Bar Roll or Notary No. _____
My Commission is for _____

ESTEE POLLACK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01PO6314752
Qualified in Rockland County
My Commission Expires November 17, 2026

[SIGNATURE PAGE TO CERTIFICATE OF AUTHORITY]

EXHIBIT "A"
TO
CERTIFICATE OF AUTHORITY OF
PROPERTY DESCRIPTION

TWO CERTAIN PARCELS OF GROUND, together with all the buildings and improvements thereon, situated in the State of Louisiana, Parish of Orleans, in the Third Municipal District of the City of New Orleans, in that part thereof now known as PARC BRITTANY SUBDIVISION, in Section 21 of the LaKrat Tract (former New Orleans Lakeshore Land Company Subdivision), being composed of parts of Lots 3A and 3B, which were formerly Lots No. 3, 4 and Mayo Road, said two parcels of ground being designated as LOTS NOS. 3CC and 3DD, per plan of resubdivision of Lots 3A and 3B, LaKrat Tract, into Lots 3AA through 3HH, by Roessle & Cartier, C.E., dated September 28, 1972, approved by the City Planning Commission of the City of New Orleans, Title Changed filed in COB 710, folio 459, Corrected Title Change filed in COB 712, folio 543, Orleans Parish, Louisiana, according to which plan LOTS NO. 3CC and 3DD are bounded by North Coronet Court, Parc Brittany Boulevard, U.S. Interstate Highway 10, the Lawrence Canal, Square No. 4 of Parc Brittany Subdivision, and East Coronet Court, designated as Lots 3CC and 3DD and more fully described as follows:

Commence at the northeast intersection of North Coronet Court and Parc Brittany Boulevard, thence proceed North 11 degrees 58 minutes 47 seconds West a distance of 211 feet front and along the east line of PARC BRITTANY BOULEVARD to a point; thence continuing along the east line of Parc Brittany Boulevard, North 10 degrees 27 minutes 08 seconds West, a further frontage of 150.05 feet to a point; thence North 78 degrees 01 minute 13 seconds East a distance of 23.80 feet to a point of curve; thence in a northeasterly direction, along the arc of a curve to the left, having a radius of 7,789.44 feet, a chord bearing of North 76 degrees 24 minutes 49.5 seconds East, a chord distance of 436.76 feet and an arc length of 436.82 feet to a point; thence North 74 degrees 48 minutes 26 seconds East, a distance of 226.34 feet to a point; thence South 24 degrees 29 minutes 35 seconds East, a distance of 365.80 feet to a point; thence South 74 degrees 48 minutes 26 seconds West, a distance of 285.45 feet (the westerly-most 134.60 feet of which is frontage along North Coronet Court), to a point of curvature, thence in a southwesterly direction along the arc of a curve to the right, having a radius of 8,150.44 feet, a chord bearing of South 76 degrees 24 minutes 49 seconds West a chord distance of 457.01 feet and an arc length of 457.07 feet front and along the north line of North Coronet Court to a point; thence continuing along the north line of North Coronet Court, South 78 degrees 01 minutes 13 seconds West, a distance of 27.80 feet to the northeast intersection of North Coronet Court and Parc Brittany Boulevard, and point of beginning.

Being the same property acquired by RH Copper Creek LLC, a Delaware limited liability company by act dated December 13, 2017 and recorded at CIN 630304; as amended by that Scrivener's Affidavit dated December 22, 2017 and recorded at CIN 632487; as amended by that Act of Correction dated April 16, 2018 and recorded at CIN 636182 of the records of Orleans Parish, Louisiana.

**CERTIFICATE OF AUTHORITY OF
RH CHENAULT CREEK LLC**

The undersigned Sole Member of RH CHENAULT CREEK LLC, a Delaware limited liability company (the "Company") does hereby certify that Mark Silber, as Authorized Representative of the Company, (the "Authorized Representative"), is hereby individually, acting alone, authorized and empowered in the name and on behalf of the Company to execute and deliver any and all documents, agreements and other instruments necessary or required with respect to the Company's encumbrance of certain immovable (real) properties owned by the Company and located in the Parish of Orleans, State of Louisiana and more particularly described on Exhibit A attached hereto (the "Property") to secure any and all indebtedness and other obligations of the Company to CKD Investors Penn LLC ("Mortgagee"), whether direct or indirect, absolute or contingent, or now existing or hereafter arising or acquired, by granting to Mortgagee a lien and/or security interest upon such assets of the Company as may be agreed upon between any Authorized Representative, acting alone, and Mortgagee and in connection therewith to execute in Company's name and on Company's behalf in favor of Mortgagee from time to time one or more pledge agreements, assignment agreements, mortgages, collateral mortgages, subordination and intercreditor agreement, multiple indebtedness mortgages, pledges of leases and rents, security agreements and other agreements, instruments and documents of any kind, covering all or any part of the Company's property including without limitation the Property, which documents shall be in such form and contain such terms and conditions as may be required by Mortgagee, including, without limitation, provisions for confession of judgment, waiver of appraisal, waiver of demand and all delays, and authorization of executory process proceedings, all of which are expressly consented to by the Company, and/or deemed acceptable or agreeable by any Authorized Representative, acting alone in the sole discretion of such Authorized Representative, all of which are expressly consented to by the Company, any Authorized Representative's acceptance and agreement to such terms and conditions to be conclusively evidenced by the Authorized Representative's execution and delivery of any such documents on behalf of Company. Without limiting the foregoing, Authorized Representative is expressly authorized and directed to execute any and all agreements, instruments and documents of any kind, regarding the subordination of any existing mortgage, lien, security interest or pledge affecting the Property to the priority of any mortgage, lien, security interest or pledge affecting the

Property in favor of Mortgagee.

The undersigned does further certify, represent and warrant that the Authorized Representative, acting alone, is authorized by, and on behalf of, the Company to:

- (i) sign any and all acts and documents that may be necessary to carry out the purposes of this Certificate of Authority; and to do and perform each and every other act and thing that may be necessary to carry out these purposes; and
- (ii) execute any and all documents, agreements, instruments or other writings incidental to the authority granted herein, as she may, in her sole and exclusive discretion, deem appropriate, and to do everything that she may deem necessary or proper to the consummation of this mandate, all lawful acts done and performed being hereby ratified and confirmed.

Third parties may rely on this certification of the Sole Member of the Company that Mark Silber, as Authorized Representative, acting alone, has the full authority to act for the Company in connection with the transactions described above, and that the necessary consent to said action has been obtained, and that said action is authorized, and in compliance with the Certificate of Organization and the Operating Agreement of the Company.

[SIGNATURE PAGE FOLLOWS]

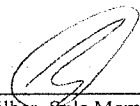
IN WITNESS WHEREOF, the undersigned has, in the undersigned's capacity as Sole Member of RH Chenault Creek LLC and not in the undersigned's individual capacity, duly executed this Certificate of Authority effective as of August 16, 2024.

SOLE MEMBER:

RH New Orleans, Holdings, LLC

By: RH New Orleans JV, LLC, its sole member

By: RH New Orleans Holdings MM, LLC, its manager

By: 
Mark Silber, Sole Member

SWORN TO AND SUBSCRIBED before me at ROCKLAND COUNTY,
NEW YORK, on this 16th day of August, 2024.


Notary Public

Printed Name: _____
Bar Roll or Notary No. _____
My Commission is for _____

ESTEE POLLACK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01F08314752
Qualified in Rockland County
My Commission Expires November 17, 2026

[SIGNATURE PAGE TO CERTIFICATE OF AUTHORITY]

EXHIBIT "A"
TO
CERTIFICATE OF AUTHORITY OF
PROPERTY DESCRIPTION

TRACT 1:

THAT PORTION OF GROUND, situated in the Third District of the City of New Orleans, State of Louisiana, in that area known as LAKE CARMEL SUBDIVISION NO. 2, said property is designated as LOT E-5A and described as follows:

Commencing at the intersection of the eastern R/W line of Jahncke Canal and the northern R/W of I-10 Service Road, thence along the arc of a curve to the left having a radius of 5699.58 feet a distance of 80.03 feet to the point of beginning, thence North 36 degrees 27 minutes 35 seconds West a distance of 296.38 feet to a point, thence South 58 degrees 51 minutes 53 seconds West a distance of 80.35 feet to a point on the Jahncke Canal, thence North 36 degrees 27 minutes 35 seconds West a distance of 247.80 feet to a point, thence North 53 degrees 32 minutes 25 seconds East a distance of 100 feet to a point, thence North 64 degrees 39 minutes 05 seconds East a distance of 50.95 feet to a point, thence North 59 degrees 33 minutes 13 seconds East a distance of 552.76 feet to a point, thence South 30 degrees 26 minutes 46 seconds East a distance of 99.32 feet to a point, thence South 45 degrees 39 minutes 20 seconds East a distance of 172.22 feet to a point, thence South 36 degrees 39 minutes 20 seconds East a distance of 126.42 feet to a point, thence North 53 degrees 20 minutes 40 seconds East a distance of 22.91 feet to a point, thence South 36 degrees 39 minutes 20 seconds East a distance of 88.08 feet to a point on the I-10 Service Road, thence South 53 degrees 20 minutes 40 seconds West a distance of 527.35 feet to a point of curvature, thence along the arc of a curve to the right having a radius of 5699.58 feet a distance of 133.15 feet to the point of beginning.

TRACT 2:

THAT PORTION OF GROUND, situated in PARISH OF ORLEANS, STATE OF LOUISIANA, in LAKE CARMEL SUBDIVISION NO. 2, and according to a plan of resubdivision by Joseph M. Marques, Registered Land Surveyor, dated September 16, 1983, approved by the City Planning Commission on October 12, 1983, registered in COB 785, folio 635, said portion is designated as LOT D-4A and is more particularly described as follows:

Commencing at the intersection of the eastern right of way line of the Jahncke Canal and the northern right of way line of I-10 Service Road, thence along the arc of a curve to the left having a radius of 5699.58 feet a distance of 213.18 feet to a point of tangency; thence North 53 degrees, 20 minutes, 40 seconds East a distance of 527.35 feet to the POINT OF BEGINNING; thence North 36 degrees, 39 minutes, 20 seconds West a distance of 88.08 feet to a point; thence South 53 degrees, 20 minutes, 40 seconds West a distance of 22.91 feet to a point; thence North 36 degrees, 39 minutes, 20 seconds West a distance of 126.42 feet to a point; thence North 45 degrees, 39 minutes, 20 seconds West a distance of 172.22 feet to a point; thence North 30 degrees, 26 minutes, 46 seconds West a distance of 99.32 feet to a point; thence North 59 degrees, 33 minutes, 13 seconds East a distance of 361.11 feet to a point; thence North 57 degrees, 37 minutes, 39 seconds East a distance of 50 feet to a point; thence North 52 degrees, 03 minutes, 53 seconds East a distance of 116.60 feet to a point; thence North 63 degrees, 59 minutes, 54 seconds East a distance of 47.46 feet to a point; thence North 38 degrees, 16 minutes, 10 seconds East a distance of 41.16 feet to a point; thence North 32 degrees, 00 minutes, 20 seconds East a distance of 102.17 feet to a point; thence North 53 degrees, 25

minutes, 21 seconds East a distance of 64.51 feet to a point on West Renaissance Court; thence along the arc of a curve to the left having a radius of 244.53 feet a distance of 252.77 feet to a point of tangency; thence North 84 degrees, 11 minutes, 40 seconds East a distance of 34.48 feet to a point of curvature; thence along the arc of a curve to the left having a radius of 396 feet a distance of 203.09 feet to a point at the Northwest intersection of West Renaissance Court and Shadowlawn Avenue; thence South 36 degrees, 39 minutes, 20 seconds East a distance of 198.31 feet to a point on 1-10 Service Road; thence South 53 degrees, 20 minutes, 40 seconds West a distance of 1074.07 feet to the POINT OF BEGINNING.

NOTE: Being tax Parcel No. 39W071630 and 39W071626, of the City of New Orleans, Parish of Orleans.

NOTE: Tax Parcel No. shown for informational purposes only.

**CERTIFICATE OF AUTHORITY OF
RH WINDRUN LLC**

The undersigned Sole Member of **RH WINDRUN LLC**, a Delaware limited liability company (the "Company") does hereby certify that **Mark Silber**, as Authorized Representative of the Company, (the "Authorized Representative"), is hereby individually, acting alone, authorized and empowered in the name and on behalf of the Company to execute and deliver any and all documents, agreements and other instruments necessary or required with respect to the Company's encumbrance of certain immovable (real) properties owned by the Company and located in the Parish of Orleans, State of Louisiana and more particularly described on Exhibit A attached hereto (the "Property") to secure any and all indebtedness and other obligations of the Company to CKD Investors Penn LLC ("Mortgagee"), whether direct or indirect, absolute or contingent, or now existing or hereafter arising or acquired, by granting to Mortgagee a lien and/or security interest upon such assets of the Company as may be agreed upon between any Authorized Representative, acting alone, and Mortgagee and in connection therewith to execute in Company's name and on Company's behalf in favor of Mortgagee from time to time one or more pledge agreements, assignment agreements, mortgages, collateral mortgages, subordination and intercreditor agreement, multiple indebtedness mortgages, pledges of leases and rents, security agreements and other agreements, instruments and documents of any kind, covering all or any part of the Company's property including without limitation the Property, which documents shall be in such form and contain such terms and conditions as may be required by Mortgagee, including, without limitation, provisions for confession of judgment, waiver of appraisalment, waiver of demand and all delays, and authorization of executory process proceedings, all of which are expressly consented to by the Company, and/or deemed acceptable or agreeable by any Authorized Representative, acting alone in the sole discretion of such Authorized Representative, all of which are expressly consented to by the Company, any Authorized Representative's acceptance and agreement to such terms and conditions to be conclusively evidenced by the Authorized Representative's execution and delivery of any such documents on behalf of Company. Without limiting the foregoing, Authorized Representative is expressly authorized and directed to execute any and all agreements, instruments and documents of any kind, regarding the subordination of any existing mortgage, lien, security interest or pledge affecting the Property to the priority of any mortgage, lien, security interest or pledge affecting the Property in favor of Mortgagee.

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- (i) sign any and all acts and documents that may be necessary to carry out the purposes of this Certificate of Authority; and to do and perform each and every other act and thing that may be necessary to carry out these purposes; and
- (ii) execute any and all documents, agreements, instruments or other writings incidental to the authority granted herein, as she may, in her sole and exclusive discretion, deem appropriate, and to do everything that she may deem necessary or proper to the consummation of this mandate, all lawful acts done and performed being hereby ratified and confirmed.

Third parties may rely on this certification of the Sole Member of the Company that Mark Silber, as Authorized Representative, acting alone, has the full authority to act for the Company in connection with the transactions described above, and that the necessary consent to said action has been obtained, and that said action is authorized, and in compliance with the Certificate of Organization and the Operating Agreement of the Company.

[SIGNATURE PAGE FOLLOWS]

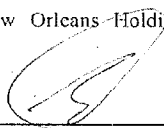
IN WITNESS WHEREOF, the undersigned has, in the undersigned's capacity as Sole Member of RH Windrun LLC and not in the undersigned's individual capacity, duly executed this Certificate of Authority effective as of August 16, 2024.

SOLE MEMBER:


RH New Orleans, Holdings, LLC

By: RH New Orleans JV, LLC, its sole member

By: RH New Orleans Holdings MM, LLC, its manager

By: 
Mark Silber, Sole Member

SWORN TO AND SUBSCRIBED before me at ROCKLAND COUNTY,
NEW YORK, on this 16 day of August, 2024.



Notary Public

Printed Name: _____
Bar Roll or Notary No. _____
My Commission is for _____

ESTEE POLLACK
NOTARY PUBLIC-STATE OF NEW YORK
No. 01P06314752
Qualified in Rockland County
My Commission Expires November 17, 2026

[SIGNATURE PAGE TO CERTIFICATE OF AUTHORITY]

EXHIBIT "A"
TO
CERTIFICATE OF AUTHORITY OF
PROPERTY DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans, State of Louisiana.

A CERTAIN PIECE OR PORTION OF GROUND, situated in the Third Municipal District of the City of New Orleans, Orleans Parish, State of Louisiana, section 26 of the LaKratt Tract, former New Orleans Lakeshore Land Company Subdivision, designated as Lot 2 AR 1, and in accordance with the survey of J.J. Krebs & Sons, Inc., dated August 31, 1991, Job No. 910368 attached to Conveyance filed on November 12, 1991 in Entry No. 911546, Lot 2 AR 1 is more particularly described as follows:

Begin at the intersection of the west line of Jahncke Canal and the north right of way line of Interstate Highway I-10; thence measuring along the north right of way line of Interstate Highway I-10 on a curve to the right having a radius of 5,699.58 feet, and an arc length of 574.34 feet, a chord length of 574.10 feet, and a chord bearing of S59°16'47"W to a point of tangent; thence continuing along said line S62°10'00"W, a distance of 195.51 feet; thence N36°27'35"W, a distance of 721.01 feet to a point on a curve; thence along a curve to the left having a radius of 2,800.00 feet, an arc length of 250.59 feet, a chord length of 250.51 feet and a chord bearing of S78°14'26"W to a point on the curve and the southerly right of way line of Barrington Drive East; thence along said right of way line N53°09'10"E, a distance of 992.13 feet to the west line of Jahncke Canal, thence along the west line of Jahncke Canal S36°27'35"E, a distance of 919.14 feet to the north right of way line of Interstate Highway I-10 and the point of beginning.

NOTE: Being Parcel No. 39W016504, of the City of New Orleans, Parish of Orleans.

NOTE: Parcel No. shown for informational purposes only.

**CERTIFICATE OF AUTHORITY OF
RH LAKEWIND EAST LLC**

The undersigned Sole Member of RH LAKEWIND EAST LLC, a Delaware limited liability company (the "Company") does hereby certify that Mark Silber, as Authorized Representative of the Company, (the "Authorized Representative"), is hereby individually, acting alone, authorized and empowered in the name and on behalf of the Company to execute and deliver any and all documents, agreements and other instruments necessary or required with respect to the Company's encumbrance of certain immovable (real) properties owned by the Company and located in the Parish of Orleans, State of Louisiana and more particularly described on Exhibit A attached hereto (the "Property") to secure any and all indebtedness and other obligations of the Company to CKD Investors Penn LLC ("Mortgagee"), whether direct or indirect, absolute or contingent, or now existing or hereafter arising or acquired, by granting to Mortgagee a lien and/or security interest upon such assets of the Company as may be agreed upon between any Authorized Representative, acting alone, and Mortgagee and in connection therewith to execute in Company's name and on Company's behalf in favor of Mortgagee from time to time one or more pledge agreements, assignment agreements, mortgages, collateral mortgages, subordination and intercreditor agreement, multiple indebtedness mortgages, pledges of leases and rents, security agreements and other agreements, instruments and documents of any kind, covering all or any part of the Company's property including without limitation the Property, which documents shall be in such form and contain such terms and conditions as may be required by Mortgagee, including, without limitation, provisions for confession of judgment, waiver of appraisalment, waiver of demand and all delays, and authorization of executory process proceedings, all of which are expressly consented to by the Company, and/or deemed acceptable or agreeable by any Authorized Representative, acting alone in the sole discretion of such Authorized Representative, all of which are expressly consented to by the Company, any Authorized Representative's acceptance and agreement to such terms and conditions to be conclusively evidenced by the Authorized Representative's execution and delivery of any such documents on behalf of Company. Without limiting the foregoing, Authorized Representative is expressly authorized and directed to execute any and all agreements, instruments and documents of any kind, regarding the subordination of any existing mortgage, lien, security interest or pledge affecting the Property to the priority of any mortgage, lien, security interest or pledge affecting the

Property in favor of Mortgagee.

The undersigned does further certify, represent and warrant that the Authorized Representative, acting alone, is authorized by, and on behalf of, the Company to:

- (i) sign any and all acts and documents that may be necessary to carry out the purposes of this Certificate of Authority; and to do and perform each and every other act and thing that may be necessary to carry out these purposes; and
- (ii) execute any and all documents, agreements, instruments or other writings incidental to the authority granted herein, as she may, in her sole and exclusive discretion, deem appropriate, and to do everything that she may deem necessary or proper to the consummation of this mandate, all lawful acts done and performed being hereby ratified and confirmed.

Third parties may rely on this certification of the Sole Member of the Company that Mark Silber, as Authorized Representative, acting alone, has the full authority to act for the Company in connection with the transactions described above, and that the necessary consent to said action has been obtained, and that said action is authorized, and in compliance with the Certificate of Organization and the Operating Agreement of the Company.

[SIGNATURE PAGE FOLLOWS]

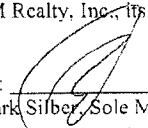
IN WITNESS WHEREOF, the undersigned has, in the undersigned's capacity as Sole Member of RH Lakewind East LLC and not in the undersigned's individual capacity, duly executed this Certificate of Authority effective as of August 16, 2024.

SOLE MEMBER:


Laguna Reserve Apts Investor, LLC

By: Crown Capital Holdings, LLC, its sole member

By: CBRM Realty, Inc., its sole Member

By: _____
Mark Silber, Sole Member

SWORN TO AND SUBSCRIBED before me at ROCKLAND COUNTY,
NEW YORK, on this 16 day of August, 2024.



Notary Public

Printed Name: _____
Bar Roll or Notary No. _____
My Commission is for _____

ESTEE POLLACK
NOTARY PUBLIC STATE OF NEW YORK
No. 61706314752
Qualified in Rockland County
My Commission Expires November 17, 2025

[SIGNATURE PAGE TO CERTIFICATE OF AUTHORITY]

EXHIBIT "A"
TO
CERTIFICATE OF AUTHORITY OF
PROPERTY DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans State of Louisiana.

Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKrat Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978; and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows:

Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28 degrees 00' 20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31 degrees 9' 41"W, a distance of 171.56 feet to a point, thence N61 degrees 59' 40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29 degrees 05' 35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76 degrees 18' 19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; thence S85 degrees 54' 04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning.

Being the same property acquired by RH Lakewind East LLC, a Delaware limited liability company by Deed recorded 12/22/2017, of record in Deed Instrument No. 2017-49038, in the Office of the Recorder of Parish of Orleans, Louisiana.

1340 Poydras Street, 4th Floor
New Orleans, Louisiana 70112



Land Records Division
Telephone (504) 407-0005

Chelsey Richard Napoleon
Clerk of Court and Ex-Officio Recorder
Parish of Orleans

DOCUMENT RECORDATION INFORMATION

Instrument Number: 2024-24768

Recording Date: 8/16/2024 05:09:30 PM

Document Type: MULTIPLE INDEBTEDNESS MORTGAGE

Addtl Titles Doc Types:

Mortgage Instrument Number: 1442967

Filed by: SIMPLIFILE / BREAZEAL SACHSE AND WILSON
301 MAIN STREET, ONE AMERICAN PLACE, 23RD FLOOR
BATON ROUGE LA 70821

This document was electronically recorded.

THIS PAGE IS RECORDED AS PART OF YOUR DOCUMENT AND
SHOULD BE RETAINED WITH ANY COPIES.

Exhibit G

Fisher Broyles

David Black, Partner
Chair, Mergers & Acquisitions
david.black@fisherbroyles.com
Direct: +1.713.706.0093
2925 Richmond Avenue, Suite 1200
Houston, Texas 77098
www.FisherBroyles.com
Mail to Sender:
5900 Balcones Drive, Suite 6061
Austin, Texas 78731

April 8, 2025

VIA ELECTRONIC MAIL ONLY

Aron Gittleson
Managing Director
CKD Funding, LLC
200 Blvd. of the Americas, Ste. 104B
Lakewood, NJ 08701
arong@centersbusiness.org

Re: RH Lakewind East LLC

Dear Mr. Gittleson:

This firm represents Stephen Strnisha, the Manager of Laguna Reserve Apts Investor LLC, a Delaware limited liability company ("LRA"), the sole member of RH Lakewind East LLC, a Delaware limited liability company ("LWE"). Mr. Strnisha replaced Mark Silber as manager of LRA on or about December 4, 2024. We write at Mr. Strnisha's direction to request substantiation of the mortgage dated July 8, 2024 (the date CKD was formed) purportedly executed on behalf of LWE in favor of CKD with respect to an apartment complex (the "Property") located in New Orleans, Louisiana owned by LWE (Mr. Silber lacked authority to execute said mortgage on behalf of LWE as LRA's operating agreement expressly prohibited Mr. Silber from executing said mortgage).

Mr. Strnisha has requested copies of loan documents and substantiation of any consideration in exchange for the purported grant of mortgage in favor of CKD from the Property's current manager but has not received a substantive response; to the contrary, Mr. Strnisha has received third-party claims that the purported mortgage on the Property in favor of CKD was given without consideration, does not secure any antecedent or subsequent indebtedness, and was accepted and filed with knowledge of Mr. Silber's incapacity.

Mr. Aron Gittleson
April 8, 2025
Page 2 of 2

I write to give CKD the opportunity to substantiate the validity of any lien it may claim against the Property or, in the alternative, to clear what appears to be a slander of the Property's title. I would appreciate the favor of a response prior to close of business Wednesday, April 16, 2025.

Very truly yours,

David Black

DAVID BLACK
FISHERBROYLES, LLP

cc: A. David Lynd, CEO, Lynd
via email only alynd@lynd.com

CKD Funding, LLC
C/O Registered Agent Solutions, Inc.
838 Walker Road, Suite 21-2
Dover, Delaware 19904

Exhibit H



ArentFox Schiff LLP

1717 K Street NW
Washington, DC 20006

202.857.6000	MAIN
202.857.6395	FAX

afslaw.com

April 16, 2025

VIA EMAIL

David Black
FisherBroyles LLP
2925 Richmond Ave., Suite 1200
Houston, TX 77098
david.black@fisherbroyles.com

Jin Yan
Partner
202.778.6442 **DIRECT**
jyan@schiffhardin.com

Re: RH Lakewind East LLC

Dear Mr. Black:

My firm represents CKD Funding, LLC ("CKD"). We write in response to your April 8, 2025 letter to Aron Gittleson.

CKD's lien on the property owned by RH Lakewind East LLC ("Lakewind") is evidenced by its recorded mortgage, which is a matter of public record. In particular, Lakewind executed a Multiple Indebtedness Mortgage, Pledge of Leases and Rents and Security Agreement, which was recorded on July 9, 2024 at instrument number 2024-20297 or mortgage instrument number (MIN) 1440475. A copy of that recorded mortgage is attached to this letter. The mortgage describes the indebtedness that it secures. To the extent any third party has claimed that CKD's mortgage lacks consideration, does not secure any indebtedness, or that it was accepted and filed with knowledge of Mr. Silber's alleged incapacity to act for Lakewind, such a claim is false.

To CKD's knowledge, Mr. Silber was fully authorized to act on Lakewind's behalf when he executed the mortgage. Indeed, Mr. Silber executed a sworn certificate of authority, which certificate is attached to CKD's mortgage.

Please contact us if you have further questions.

Sincerely,

Jin Yan

cc: William Goldman
Brett Goodman
Scott Lepene

**MULTIPLE INDEBTEDNESS MORTGAGE, PLEDGE OF LEASES AND RENTS
AND SECURITY AGREEMENT**

BE IT KNOWN, that on the 8th day of July, 2024, before the undersigned notary public, duly commissioned and qualified as set forth below, and in the presence of the undersigned competent witnesses, personally came and appeared (individually, collectively and interchangeably, "Mortgagor", whether one or more):

RH LAKEWIND EAST LLC (TIN: ##-###6963), a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware with its permanent mailing address at 46 Main Street, Suite 339, Monsey, New York, 10952, represented herein by and appearing through its authorized representative, duly authorized pursuant to a Certificate of Authority, a copy of which is attached hereto and made part hereof;

who declared and acknowledged as follows:

INDEBTEDNESS. The term "Indebtedness" as used in this multiple indebtedness mortgage, pledge of leases and rents and security agreement (as the same may be modified or amended from time to time, this "Mortgage") means individually, collectively and interchangeably any and all present and future loans, advances, and/or other extensions of credit obtained and/or to be obtained by Mortgagor, RH Copper Creek LLC, RH Windrun LLC or RH Chenault Creek LLC, and each of their respective successors and assigns (each, a "Borrower" and collectively, the "Borrowers"; Borrowers and Mortgagor may sometimes be individually, collectively, and interchangeably referred to herein as "Obligor" or "Obligors") from CKD Funding LLC, a Delaware limited liability company, its successors and assigns ("Mortgagee"), from time to time, one or more times, now and in the future, under any and all promissory notes evidencing such present and/or future loans, advances, and/or other extensions of credit, executed by Mortgagor in favor of Mortgagee, together with any renewal, extension, amendment, modification, substitution, or replacement of any thereof, and together with interest on the indebtedness evidenced by any promissory notes at the rate or rates specified therein, and all attorneys' fees and collection costs and to secure the payment of insurance premiums, taxes, keeper's fees, and the performance of all obligations of Mortgagor under this Mortgage, any promissory notes and any other documents or instruments executed in or delivered in connection therewith, and also including the payment and performance of all agreements with respect to any swap, forward, future, or derivative transaction or option or similar agreement involving, or settled by reference to, one or more interest rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measure of economic, financial or pricing risk or value, and also including, any and all other obligations, including, without limitation, Mortgagor's covenants and agreements in any present or future loan or credit agreement or any other agreement, document or instrument executed by Mortgagor and liabilities that Mortgagor may now and/or in the future owe to and/or incur in favor of Mortgagee, whether direct or indirect, or by way of assignment or purchase of a participation interest, and whether related or unrelated, or whether committed or purely discretionary, and whether absolute or contingent, liquidated or unliquidated, voluntary or involuntary, determined or undetermined, due or to become due, and whether now existing or hereafter arising, or otherwise secured or unsecured, whether Mortgagor is obligated alone or with others on a "solidary" or "joint and several" basis, as a principal obligor or as a surety, guarantor, or endorser, of every nature and kind whatsoever, whether or not any such Indebtedness may be barred under any statute of limitations or prescriptive period or may be or become otherwise unenforceable or voidable for any reason whatsoever. **Notwithstanding any other provision of this Mortgage, the maximum amount of Indebtedness secured hereby shall be limited to \$10,000,000.00.**

INST #: 2024-20297
TYPE: MIM
MIN: 1440475
07/09/2024 04:37:09 PM
31 PG(S)

ELECTRONICALLY RECORDED

Chelsey Richard Napoleon
CLERK OF CIVIL DISTRICT COURT

ARTICLE 1
MULTIPLE INDEBTEDNESS MORTGAGE

Section 1.1 Granting of Mortgage. And now, in order to secure the prompt and punctual payment and satisfaction of the Indebtedness, in principal, interest, costs, expenses, attorneys' fees and other fees and charges, and additionally to secure repayment of any and all amounts that Mortgagee may advance on Mortgagor's behalf as set forth herein (individually, collectively, and interchangeably, "Additional Advances"), together with interest thereon, Mortgagor does by these presents specially mortgage, affect, hypothecate, grant a security interest, and insofar as Leases and Rents (as such terms are defined below) and those Incorporeal Rights (as such term is defined below) that are subject to La. R.S. 9:5386 are concerned, grant a pledge, unto and in favor of Mortgagee, in any and all of Mortgagor's present and future rights, title and interest in and to the following described property located in Orleans Parish, State of Louisiana (**individually, collectively and interchangeably, the "Mortgaged Property"**):

(a) The immovable (real) property specifically described on Exhibit A attached to this Mortgage and made a part of this Mortgage as if fully set forth herein, which describes the immovable (real) property securing this Mortgage (the "Land").

(b) Together with any and all present and future buildings, constructions, component parts, improvements, attachments, appurtenances, fixtures, rights, ways, privileges, advantages, batture, and batture rights, servitudes and easements of every type and description, now and/or in the future relating to the Land, and any and all items and fixtures attached to and/or forming integral or component parts of the Land in accordance with the Louisiana Civil Code (individually, collectively, and interchangeably, the "Improvements").

(c) Together with all present and future rents, fruits, revenues, income, issues, profits, bonuses, cash collateral, and other benefits accruing, from, derived from, or to be derived from, the use, possession, occupancy or lease of all or any part of the Land and the Improvements and from Mortgagor's operation thereof including, without limitation, rights to rents, royalties, rentals, shut in payments and other payments which are rents or rentals attributable to Mortgagor's sale, lease or other disposition of his right to explore or develop oil, gas and mineral interests in the Land and the Improvements (collectively, the "Rents"), and all present and future leases of all or any part of the Land and the Improvements ("Leases").

(d) Together with all incorporeal rights incidental or accessory to the Land and the Improvements or its use (the "Incorporeal Rights"), including, without limitation (i) the right to receive proceeds and awards from the sale, transfer or other conveyance, lease, insurance loss, claims for damages, or condemnation, expropriation or other taking of all or any part of the Land or the Improvements (the "Proceeds"); (ii) rights under service, maintenance, or warranty contracts relating to the Land and the Improvements, and (iii) rights under trade names, patents, or copyrights that are subject to use in connection with the Land and the Improvements or Mortgagor's business or other activities conducted thereon.

(e) Together with any and all present and future deposits or other security or advance payments, including rental payments, made by or on behalf of Mortgagor to others, with respect to (1) utility service regarding the Mortgaged Property, (2) cleaning, maintenance, repair, or similar services regarding the Mortgaged Property, (3) refuse removal or sewer service regarding the Mortgaged Property, (4) rentals of equipment, if any, used in the operation by or on behalf of Mortgagor regarding the Mortgaged Property, and/or (5) parking or similar services or rights regarding the Mortgaged Property.

(f) Together with any and all rights, title and interest and other claims or demands that Mortgagor now has or may hereafter acquire against anyone with respect to any damage to all or any part of the Mortgaged Property, including without limitation, damages arising or resulting from any defect in or with respect to the design or construction of all or any portion of the Mortgaged Property, or arising from any default under any construction, architectural or engineering contract or agreement relating to the Mortgaged Property.

(g) Together with any and all books, records, computer programs, tapes, discs, "software," and other like records and information, relating to Mortgagor's business operations as well as in any way relating to the foregoing rights and/or the Mortgaged Property subject to this Mortgage.

(h) Together with all machinery, equipment and goods and all of the Mortgagor's present and future rights, title and interest in and to all building plans, construction or architectural contracts or plans, all building and construction materials and equipment, all general intangibles, whether money, unearned insurance premiums and insurance, proceeds (including all proceeds paid for any damage or loss to the Mortgaged Property or any part thereof, all awards, including interest, in connection with any condemnation or other taking of the Mortgaged Property, or any part thereof, whether by conversions, voluntary or involuntary, of any of the foregoing into cash or liquidated claims or otherwise), accounts, contracts, subcontracts, trademarks, all refundable, returnable or reimbursable fees, deposits or other funds or credits associated with the Land, the Improvements, the Leases and the Rents, and all of Mortgagor's rights, title and interest to all other assets and personal property of every kind, description and nature whatsoever, now or hereafter located in or upon or affixed to the Land or the Improvements, or any part thereof, or now or hereafter used or to be used in connection with any present or future operation thereof or construction thereon, and now owned or hereafter acquired by Mortgagor; it being understood and agreed that all such fixtures, machinery, apparatus, equipment and other assets and personal property (collectively, "Personal Property") are a part of and are declared to be a portion of the security for the Indebtedness, whether physically attached to such Improvements or not. However, should the Mortgaged Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

(i) Together with any and all renewals, replacements, accessions or additions of or to any of the above or substitutions therefor and all cash products and all proceeds of or to any or all of the foregoing.

Section 1.2 Mortgage Securing Future Indebtedness. This Mortgage has been executed by Mortgagor pursuant to Article 3298 of the Louisiana Civil Code for the purpose of securing Mortgagor's Indebtedness that may now be existing or that may arise in the future as provided herein, with the preferences and priorities provided under applicable Louisiana law. However, nothing under this Mortgage shall be construed as limiting the duration of this Mortgage or the purpose or purposes for which Mortgagor's Indebtedness may be requested or extended. Mortgagor's additional loans will automatically be secured by this Mortgage without the necessity that Mortgagor agrees or consents to such a result at the time additional loans are made and that the note or notes evidencing such additional loans reference the fact that such notes are secured by this Mortgage. Mortgagor understands that Mortgagor may not subsequently have a change of mind and insist that Mortgagor's additional loans not be secured by this Mortgage unless Mortgagee specifically agrees to such a request in writing.

Section 1.3 Duration of Mortgage. This Mortgage will remain in effect until (A) all of the Indebtedness is fully paid and satisfied and there is no agreement or commitment to advance any additional Indebtedness; and (B) Mortgagor cancels this Mortgage by filing a written cancellation instrument signed by Mortgagee. When all of the Indebtedness is fully paid and satisfied and there is no agreement or commitment to advance any additional indebtedness, Mortgagor may request in writing Mortgagee to sign such a written cancellation instrument. Mortgagee may delay providing Mortgagor with such a mortgage cancellation instrument for a period of five (5) days following receipt of Mortgagor's written request, or such longer time as may be necessary for Mortgagee to verify that all conditions precedent for cancellation of this Mortgage have been satisfied.

Section 1.4 Prohibitions Regarding Mortgaged Property. So long as this Mortgage remains in effect, Mortgagor shall not, without the prior written consent of Mortgagee, sell, transfer, forego, assign, pledge, do anything or permit anything to be done that may in any way affect Mortgagee's security interests and rights in and to the Mortgaged Property, or create or permit to exist any Encumbrance in or against any of the Mortgaged Property, in favor of any person other than Mortgagee. For purposes of this Mortgage, the term "Encumbrance" shall mean individually, collectively and interchangeably, any and all present and future mortgages, liens, privileges and any and all other security interests and rights, of any kind or nature, that may affect the Mortgaged Property, or any part thereof.

Section 1.5 Encumbrances.

(a) **Prior Encumbrances.** Mortgagor shall pay all indebtedness secured by any other mortgage, security agreement or other document or instrument creating a senior and prior lien (if any) or junior and subordinate lien (if any) on the whole or any part of the Mortgaged Property and perform all covenants, terms and conditions contained in any such mortgage, security agreement or other document or instrument on the part of Mortgagor to be performed and observed, all within the periods provided for payment, performance and observance in any such document, thereby preventing an event of default from occurring thereunder. Mortgagor shall further not modify or extend any of the terms of any prior Encumbrance or any indebtedness secured thereby, or request or obtain any additional loans or other extensions of credit from any third party creditor or creditors whenever such additional loan advances or other extensions of credit may be directly or indirectly secured, whether by cross-collateralization or otherwise, by the Mortgaged Property, or any part or parts thereof, with possible preference and priority over the lien of this Mortgage.

(b) **Future Encumbrances.** Mortgagor shall not, without the prior written consent of Mortgagee, grant any Encumbrance that may affect the Mortgaged Property, or any part or parts thereof, nor shall Mortgagor permit or consent to any Encumbrance attaching to or being filed against any of the Mortgaged Property in favor of anyone other than Mortgagee.

Section 1.6 Additional Advances For Specific Purposes. Mortgagee shall have the right, within Mortgagee's sole option and discretion, and without any obligation to do so, to make Additional Advances on Mortgagor's behalf in the event that Mortgagor (1) defaults in its obligations as lessor of a lease of the Mortgaged Property; (2) fails to maintain insurance on the Mortgaged Property as required under this Mortgage, (including Additional Advances for insurance which protects only Mortgagee's interests in the Mortgaged Property); (3) fails to pay taxes, assessments and governmental and other charges as required under this Mortgage; (4) fails to make all necessary repairs to the Mortgaged Property as required by this Mortgage; or (5) permits or allows any Encumbrance to be filed against or attach to the Mortgaged Property.

(a) **Other Advances.** Mortgagee may further make Additional Advances on Mortgagor's behalf and take such other action or actions as Mortgagee may deem to be necessary and proper, within Mortgagee's sole discretion, to cure and rectify any actions or inactions on Mortgagor's part, as are required under this Mortgage, that are not listed immediately above.

(b) **No Obligations.** Nothing under this Mortgage shall obligate Mortgagee to make any such Additional Advances or to take any of the above actions on Mortgagor's behalf, or as making Mortgagee in any way responsible or liable for any loss, damage or injury to Mortgagor, or to any other person or persons, resulting from Mortgagee's election not to advance such additional sums or to take such action or actions. In addition, Mortgagee's election to make Additional Advances and/or to take the above actions on Mortgagor's behalf shall not constitute a waiver or forbearance by Mortgagee of any Event of Default under this Mortgage.

(c) **Obligation To Repay Additional Advances; Interest.** Mortgagor unconditionally agrees to repay any and all Additional Advances that Mortgagee may elect to make on Mortgagor's behalf, together with interest as provided herein, immediately upon demand by Mortgagee. Mortgagor further agrees to pay Mortgagee interest on the amount of such Additional Advances at the rate of interest provided in any promissory notes or at the legal rate of interest provided under applicable law, whichever is greater from the date of each such Additional Advance until all such Advances are repaid in full. Mortgagor's obligations to repay Additional Advances to Mortgagee, together with interest thereon, shall be secured by this Mortgage.

ARTICLE 2

PLEDGE OF LEASES AND RENTS

Section 2.1 The pledge of Leases and the Rents provided for herein shall secure all Indebtedness, all liabilities and obligations for which any promissory notes have been given as security, and all other obligations of Obligor to Mortgagee, now existing or hereafter arising, **up to the maximum amount of \$10,000,000.00**. Mortgagee shall have full subrogation to Mortgagor's rights to all Leases and Rents. Mortgagor shall administer the Leases, Rents and Incorporeal Rights in a fiduciary capacity for the benefit of Mortgagee. Mortgagor shall be entitled to collect the Rents until the occurrence of an Event of Default (as defined below) or until Mortgagee sends written notice to Mortgagor at Mortgagor's address set forth above, whereupon Mortgagee shall have the right to receive and collect the Rents. All Proceeds shall be paid directly to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its agent and attorney-in-fact (coupled with an interest), to demand, sue for, collect, receive, and receipt for the Rents and Proceeds, and to exercise all the rights and privileges of Mortgagor under any of the Leases or Incorporeal Rights affecting the Mortgaged Property, including without limitation, the right to fix or modify the amount of the Rents, to evict any lessee, tenant or occupant (each a "Lessee") from the Mortgaged Property, to relet such Mortgaged Property and to do all such things as Mortgagee may deem necessary.

Section 2.2 Mortgagor hereby irrevocably consents that all Lessees of the Mortgaged Property shall be authorized to pay the Rents directly to Mortgagee without liability for the determination of the actual existence of any Event of Default, the lessees being hereby expressly relieved of any obligation to Mortgagor with respect to Rents paid to Mortgagee. All Rents and Proceeds collected under this Mortgage shall be applied, after payment of all costs and charges, as a credit against the Indebtedness. Mortgagee shall have no legal or contractual responsibility for the condition of the Mortgaged Property, for any obligation to perform leases affecting the Mortgaged Property, or for any dangerous or defective condition of the Mortgaged Property. Mortgagor indemnifies and shall defend the Mortgagee and its agents,

employees, successors, and assigns (the “Indemnified Parties”) and hold the Indemnified Parties harmless from any cost, expense, liability, loss, or damage, including, without limitation, reasonable attorneys' fees, which may or might be incurred by them by reason of the pledge of the Rents and Leases and the security interest in the Incorporeal Rights. The obligation set forth herein to indemnify, defend, and hold the Indemnified Parties harmless shall be secured by this Mortgage and shall survive the termination of this Mortgage and the payment of the Indebtedness. All rights and remedies of Louisiana Civil Code article 3141 et seq., as supplemented by La. R.S. 9:4401 et seq., shall inure to the benefit of Mortgagee.

ARTICLE 3 **SECURITY AGREEMENT**

Section 3.1 Security Agreement. It is the intent of Mortgagor and Mortgagee that, in addition to being a mortgage of immovable (real) property, this instrument shall also constitute a security agreement within the meaning of the Uniform Commercial Code (as from time to time in effect in the State of Louisiana, the “Code”) with respect to all fixtures and personal (movable) property described herein and all replacements thereof, substitutions therefor, additions thereto and proceeds thereof (said property being sometimes hereinafter referred to as the “Collateral”), and that a security interest shall attach thereto for the benefit of Mortgagee to secure the Indebtedness and all other obligations secured by this Mortgage, and all other sums and charges which may become due hereunder or thereunder.

Section 3.2 With respect to the Collateral, Mortgagor represents, warrants and covenants as follows:

(a) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office, other than financing statements with respect to the security interest granted hereby; and except for the security interest granted hereby Mortgagor is, or upon acquiring rights in any of the Collateral will be, the owner of the Collateral free from any other lien, security interest or encumbrance; and Mortgagor shall defend the security interest of Mortgagee in the Collateral against claims and demands of all persons at any time claiming the same or any interest therein; and

(b) Mortgagor hereby authorizes Mortgagee to from time to time file such financing and continuation statements and amendments thereto pursuant to the Code in form satisfactory to Mortgagee and shall pay the costs of filing or recording the same in all public offices wherever filing or recording is deemed by Mortgagee to be necessary or desirable, and Mortgagor hereby further authorizes Mortgagee to sign such financing and continuation statements and amendments on behalf of the Mortgagor if Mortgagor’s signature is required by applicable law (Mortgagee being for such purposes by this instrument duly and irrevocably appointed as the Mortgagor’s agent and attorney-in-fact, coupled with an interest and with full power of substitution, delegation and revocation).

Section 3.3 Upon the occurrence of an Event of Default under this Mortgage, Mortgagee, pursuant to the Code, shall have the right, at Mortgagee’s option:

(a) To proceed as to both the Mortgaged Property and the Collateral in accordance with Mortgagee’s rights and remedies in respect of the Mortgaged Property, in which event (i) the provisions of the Code otherwise applicable to sale of the Collateral shall not apply, and (ii) the sale of the Collateral in conjunction with and as one parcel with the Land and the Improvements (or any portion thereof) shall be deemed to be a commercially reasonable manner of sale; or

(b) To proceed as to the Collateral separately from the Land and the Improvements, in which event the requirement of reasonable notice shall be met by mailing notice of the sale, postage prepaid, to the Mortgagor or any other person entitled thereto at least ten (10) days before the time of the sale or other disposition of any of the Collateral. The Collateral shall be kept at the Land referred to on Exhibit A attached hereto, and until installed will be suitably and safely stored thereon. The Mortgagor shall not remove or permit to be removed from the Land referred to on Exhibit A attached hereto any of the Collateral without the prior written consent of Mortgagee.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES**

Section 4.1 Ownership and Encumbrances. Except as previously disclosed to Mortgagee in writing, Mortgagor represents and warrants that: (A) Mortgagor is and will continue to be the lawful owner of, has good title to, and is possessed of, the Mortgaged Property; (B) Mortgagor has the right to mortgage the Mortgaged Property to Mortgagee; (C) as of the time this Mortgage is recorded, there are no Encumbrances affecting the Mortgaged Property; (D) the security rights and interest granted under this Mortgage will at no time become subordinate or junior to any security rights, interests, liens, or claims of, or in favor of, any person, firm, corporation, or other entity, including, without limitation, the United States, or any department, agency or instrumentality thereof, or any state, county, parish, city, or local governmental agency; (E) Mortgagor will forever warrant and defend title to the Mortgaged Property against the claims of all persons; and (F) this Mortgage is binding upon Mortgagor as well as Mortgagor's heirs, successors, legatees, administrators, executors, representatives and assigns, and is legally enforceable in accordance with its terms. The above representations and warranties, and all other representations and warranties contained in this Mortgage, are and will be continuing in nature and will remain in full force and effect until such time as this Mortgage is cancelled in the manner provided above.

Section 4.2 Taxes and Liens. Mortgagor shall promptly pay or cause to be paid when due, all taxes, local and special assessments, and governmental and other charges, as well as all public and/or private utility charges, of every type and description, that may from time to time be imposed, assessed and levied against the Mortgaged Property or against Mortgagor. Mortgagor shall pay, when the same shall become due and payable, all lawful claims and demands of mechanics, materialmen, laborers and all others which, if unpaid, might result in or permit the creation of a lien on the Mortgaged Property or any part thereof.

Section 4.3 Use of Mortgaged Property. Mortgagor shall not use the Mortgaged Property and shall not permit others to use the Mortgaged Property, for any purpose or purposes other than those previously disclosed to Mortgagee in writing, and in no event shall any of the Mortgaged Property be used in any manner that would damage, depreciate, or diminish its value, or that may result in a cancellation or termination of insurance coverage. Mortgagor additionally agrees not to do or to suffer to be done anything which may increase the risk of fire or other hazard to the Mortgaged Property or any part or parts thereof. Mortgagor shall not suffer or permit the Mortgaged Property, or any portion thereof, to be used by the public and others as such, without restriction or in such manner as might impair Mortgagor's title to the Mortgaged Property or any portion thereof, or in such manner as may make possible a claim or claims of adverse usage, easement, servitude, right of way or habitation, or adverse possession by the public and others, or any implied, tacit or other dedication of the Mortgaged Property.

Section 4.4 Repairs and Maintenance. Mortgagor shall keep and maintain, and/or cause others to keep and maintain, the Mortgaged Property and the sidewalks and curbs adjoining the Mortgaged Property, in sound condition and in a first-class state of decoration and repair. Mortgagor shall further

make and/or cause all necessary repairs to be made to the Mortgaged Property (including the repair and restoration of any portion of the Mortgaged Property that may have been damaged, lost or destroyed). Such necessary repairs shall include, but are not limited to, any structural and/or non-structural repairs to the interior and/or exterior of the Mortgaged Property in order to keep the Mortgaged Property in proper condition for its intended use.

Section 4.5 Compliance with Applicable Laws and Regulations. Mortgagor shall not permit any waste, impairment, damage or deterioration of the Mortgaged Property; permit the violation of any and all present and future laws, ordinances or governmental regulations affecting the Mortgaged Property or use thereof; permit any conditions to exist which would wholly or partially invalidate any insurance on the Mortgaged Property; or permit anything to be done to the Mortgaged Property that might diminish the value thereof.

Section 4.6 Alterations. Mortgagor shall not without the prior written consent of Mortgagee: (1) remove or demolish any of the Improvements, or any fixtures, located on the Land; (2) make changes or alterations to the Improvements located on the Land which would change their general character or size; (3) alter the design or structural character of the Improvements located on the Land; (4) make any other material alteration or addition thereto; (5) do or permit anything to be done to the Improvements located on the Land that might diminish the value thereof; (6) permit any drilling or exploration for or excavation, removal or production of any minerals from the surface or subsurface of the Land; or (7) remove or permit the removal of any standing timber located on the Land, sand, gravel or topsoil, or engage in borrow pit operations, or use or permit the use of the Mortgaged Property as a land fill or dump, or store, burn or bury or permit the storage, burning or burying of any material or product which may result in contamination of the Mortgaged Property or the groundwater or which may require the issuance of a permit by the Environmental Protection Agency or any state or local government agency governing the issuance of hazardous or toxic waste permits, or request or permit a change in zoning or land use classification.

Section 4.7 Compliance With Leases, Etc. Mortgagor shall promptly and fully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements imposed upon or assumed by Mortgagor as landlord, licensor or Mortgagor under any lease, sublease, license, concession, occupancy and other tenancy agreement now or hereafter in effect (including any amendments or supplements thereto) covering any part of the Mortgaged Property or any other Mortgaged Property owned or controlled by Mortgagor that is affected by the terms, provisions, covenants, conditions and agreements imposed upon or assumed by Mortgagor in such lease, sublease, license, concession, occupancy or other tenancy agreement and Mortgagor shall not do, or permit to be done, or omit or refrain from doing, any act or thing the doing or omission of which will give any tenant, sub-tenant, licensee, concessionaire or occupant a right to terminate any such lease, license, concession, occupancy or other tenancy agreement or to abate the rental or other payments due thereunder.

Section 4.8 Leases. Mortgagor shall further immediately notify Mortgagee in writing of any default, cancellation, or notice of cancellation under any such leases, subleases or other agreements. Mortgagor will not, without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld: (1) cancel, terminate, or accept a surrender or permit any substitution, cancellation, termination, or surrender of any lease or sublease of the Mortgaged Property; (2) modify any lease, sublease or other agreement as to reduce the term thereof, or the payments thereunder, or change any renewal provision contained therein; or (3) commence any summary proceeding or other action to recover possession of any of the leased Mortgaged Property, other than a proceeding brought in good faith resulting from a default by the lessee or sublessee under the terms and conditions of the lease or sublease.

Section 4.9 Operation. Mortgagor shall continuously operate the improvements located on the Mortgaged Property in an efficient manner and in compliance with all applicable laws, ordinances, rules, regulations and directions of governmental authorities having jurisdiction over the Mortgaged Property, and also in compliance with the requirements of all policies of insurance on the Mortgaged Property. Mortgagor shall follow good and approved forestry practices for any timber located on the Mortgaged Property, Mortgagor shall also procure, pay for, maintain and comply with all permits, licenses and other authorizations needed for the operation of the improvements located on the Mortgaged Property. Mortgagor shall not, nor shall Mortgagor permit others to abandon, commit waste, or destroy the Mortgaged Property, or any part or parts thereof.

Section 4.10 Books and Records. Mortgagor shall keep proper and separate books of account, in accordance with generally accepted accounting principles, and make, or cause to be made, full and true entries of all dealings and transactions of every kind relating to the Mortgaged Property, which books and records shall be open to inspection by Mortgagee, Mortgagee's agents and accountants and representatives, at all reasonable times.

Section 4.11 Financial Reports: Mortgagor covenants and agrees that, as long as the Indebtedness or any part thereof is outstanding, Mortgagor shall promptly provide to Mortgagee true and correct current financial statements and such other information regarding the financial condition, business and properties of Mortgagor as Mortgagee may request from time to time, all in form, substance and detail satisfactory to the Mortgagee. The financial statements shall include, among other things, a balance sheet, a statement of cash flow and an income statement, in such form and reasonable detail as the Mortgagee may request setting forth the financial condition of the Mortgagor in a manner consistent with any prior financial statement, and with detailed information regarding (i) any entities, such as corporations, partnerships, or limited liability companies of which the Mortgagor is the majority owner and (ii) any other entities or persons for which Mortgagor is directly or contingently liable on debts or obligations of any kind incurred by those entities.

Within forty-five (45) days after the end of each quarter in each of the Mortgagor's fiscal years, Mortgagor shall promptly provide to Mortgagee a "rent roll", so called, dated as of the end of such fiscal quarter and stating with respect to each portion of the improvements located on the Mortgaged Property the name of each tenant, licensee, concessionaire or other occupant thereof, the rent and other charges paid by such tenant, licensee, concessionaire or other occupant, the date to which such rent and other charges are paid, the date on which the interest of such tenant, licensee, concessionaire or other occupant in the Mortgaged Property terminates and the amount held by the Mortgagor by way of security deposit from each such tenant, licensee, concessionaire or other occupant; such financial statements, variance reports and rent rolls shall be certified as accurate by the chief financial officer of the Mortgagor.

All financial statements or records submitted to Mortgagee via electronic means, including, without limitation by facsimile, open internet communications or other telephonic or electronic methods, including, without limitation, documents in Tagged Image Format Files ("TIFF") or Portable Document Format ("PDF") shall be treated as originals, fully binding and with full legal force and effect and the parties waive any rights they may have to object to such treatment. Mortgagee may rely on all such records in good faith as complete and accurate records produced or maintained by or on behalf of the party submitting such records.

ARTICLE 5

INSURANCE

Section 5.1 Policies. Mortgagor shall procure and maintain for the benefit of Mortgagee original paid-up insurance policies from companies having an A.M. Best rating of A or better or otherwise satisfactory to Mortgagee, in amounts, in form and substance, and with expiration dates acceptable to Mortgagee and containing a noncontributory standard mortgagee clause or its equivalent in a form satisfactory to Mortgagee, or the statutory mortgagee clause, if any, required in the state where the Mortgaged Property is located, or a lender loss payable endorsement, in favor of Mortgagee providing the following types of insurance on the Mortgaged Property:

(a) **Multi-Peril Hazard Insurance.** Multi-peril hazard insurance, in each case affording insurance against loss or damage by fire, lightning, explosion, earthquake, collapse, theft, sprinkler leakage, vandalism and malicious mischief and such other perils as are included in so-called "all-risks" or "extended coverage" and against such other insurable perils as, under good insurance practices, from time to time are insured against for properties of similar character and location; such insurance to be not less than 100% of the full replacement cost of the Improvements without deduction for depreciation and shall also include rental loss or business interruption insurance for at least a 12-month period. The said policy shall contain replacement costs and stipulated value endorsements and shall name Mortgagee as first mortgagee.

(b) **Flood Insurance.** If the Mortgaged Property is located in a special flood hazard zone, insurance against flood; such insurance to be not less than 100% of the full replacement cost of all Improvements or the maximum amount available, whichever is less.

(c) **Comprehensive General Liability Insurance.** Comprehensive public liability insurance with respect to the Mortgaged Property and the operations related thereto, whether conducted on or off the Mortgaged Property, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$1,000,000.00 combined single limit bodily injury and property damage per occurrence and \$2,000,000.00 in the aggregate, or such other amounts that are otherwise satisfactory to Mortgagee, in its sole discretion. The said comprehensive public liability insurance to be on a per occurrence basis and to specifically include but not be limited to water damage liability, products liability, motor vehicle liability for all owned and non-owned vehicles, including rented and leased vehicles, and further containing a broad form contractual liability endorsement covering Mortgagor's obligations to indemnify Mortgagee as provided hereunder and naming Mortgagee as additional insured.

(d) **Workers' Compensation and General Liability.** Workers' compensation and general liability insurance against loss, damage or injury to employees, agents or representatives of Mortgagor or of any contractor and subcontractor, or insurance against loss, damage or injury caused by any employees, agents or representatives of Mortgagor or of any contractor or subcontractor.

(e) **Other Insurance.** Such other insurance on the Mortgaged Property or any replacements or substitutions therefor and in such amounts as may from time to time be reasonably required by Mortgagee against other insurable casualties which at the time are commonly insured against in the case of premises similarly situated, due regard being given to the height and type of the improvements on the Mortgaged Property, its construction, location, use and occupancy, or any replacements or substitutions therefor.

Section 5.2 All of the foregoing policies shall contain an agreement by the insurer not to cancel or amend the policies without giving Mortgagee at least thirty (30) days' prior written notice of its intention to do so.

Section 5.3 Contemporaneously with the execution of this Mortgage, Mortgagor shall deliver original binders evidencing the insurance and within 15 days of this Mortgage the original or certified copies of the foregoing policies to Mortgagee, Mortgagor shall deliver original or certified renewal policies with satisfactory evidence of payment not less than fifteen (15) days in advance of the expiration date of the existing policy or policies. In the event Mortgagor should, for any reason whatsoever, fail to keep the Mortgaged Property or any part thereof so insured, or to keep said policies so payable, or fail to deliver to Mortgagee the original or certified policies of insurance and the renewals thereof upon demand, then Mortgagee, if it so elects, may itself have such insurance effected in such amounts and in such companies as it may deem proper and may pay the premiums therefor. Mortgagor shall reimburse Mortgagee upon demand for the amount of premium paid, together with interest thereon at 15% percent per annum from date until paid.

Section 5.4 Mortgagor agrees to notify Mortgagee immediately in writing of any material fire or other casualty to or accident involving the Mortgaged Property, whether or not such fire, casualty or accident is covered by insurance. Mortgagor further agrees to notify promptly Mortgagor's insurance company and to submit an appropriate claim and proof of claim to the insurance company if the Mortgaged Property is damaged or destroyed by fire or other casualty. Mortgagee is hereby authorized and empowered, at its option, to collect and receive the proceeds from any policy or policies of insurance, and each insurance company is hereby authorized and directed to make payment of all such losses directly to Mortgagee instead of to Mortgagor and Mortgagee jointly. Mortgagee shall apply the net proceeds thereof, in accordance with following subsections (a), (b) and (c) hereof:

(a) If there is a fire or casualty loss which damages a portion (but not all) of the Improvements on the Mortgaged Property and as long as no Event of Default has occurred and is continuing, then the proceeds of the insurance shall be deposited into a cash collateral account and such proceeds will be applied to the payment of the cost of restoration of the Improvements upon such terms and conditions as Mortgagee may deem necessary or appropriate in its reasonable discretion; provided, however, that (i) such insurance proceeds must be adequate to cover the cost of restoration of the Improvements, or if the proceeds are insufficient, then Mortgagor shall give Mortgagee such adequate protection and assurance as Mortgagee may, in its reasonable discretion require, that additional funds will be provided by Mortgagor in order to complete the restoration of the Improvements and that Mortgagor has sufficient funds on hand to pay interest and principal on any promissory notes included in the Indebtedness during the restoration period; (ii) the first priority of this Mortgage and all collateral documents in the Mortgaged Property is not impaired; (iii) Mortgagor shall provide Mortgagee on a monthly basis with a detailed cost breakdown showing by line item all costs projected for such restoration and a revised and updated cost breakdown; (iv) funds shall be disbursed from the account in accordance with Mortgagee's standard practices and procedures for construction loans; (v) there is no ongoing and continuing Event of Default; and (vi) in the case of an ongoing and continuing Event of Default, Mortgagee shall have the right, in its sole discretion, to apply some or all of the insurance proceeds to the payment of any promissory notes included in the Indebtedness and the Indebtedness.

(b) If there is a fire or casualty loss which constitutes a total loss or a constructive total loss of the Mortgaged Property, or if not all of the conditions set forth in subclause (i) through (iii) of Subsection (a) above are satisfied, then the insurance proceeds shall be applied to the payment of the

Indebtedness. If such insurance proceeds are not sufficient to pay the Indebtedness in full, Mortgagee shall have a right to accelerate the maturity of the Indebtedness and proceed against the Mortgagor and/or the remainder of the Mortgaged Property; and if the proceeds exceed the amount necessary to pay the Indebtedness in full, then such excess shall be paid to Mortgagor.

(c) Upon demand of Mortgagee, Mortgagor shall pay to Mortgagee, together with, at the same time as and in addition to the payments of principal and/or interest due on the any promissory notes included in the Indebtedness, a pro rata portion of the property taxes, assessments, governmental charges, levies and insurance premiums relating to the Mortgaged Property next to become due, as estimated by Mortgagee, so that Mortgagee will have sufficient funds on hand to pay such taxes, assessments, governmental charges, levies and premiums not less than thirty (30) days prior to the due date thereof. All such amounts shall be held by Mortgagee (not in trust) without interest as further security for the Indebtedness. Mortgagee may apply all or a portion of the amounts so paid at such time and in such order as Mortgagee, in its absolute discretion shall determine, to the payment of the taxes, assessments, governmental charges, levies and insurance premiums, as the case may be.

ARTICLE 6

COMPLIANCE WITH ENVIRONMENTAL MATTERS; INDEMNIFICATION

Section 6.1 Mortgagor represents and warrants to Mortgagee that Mortgagor: (a) has not stored or disposed of, and shall not store or dispose of, any Hazardous Substances (as defined below) on the Mortgaged Property except in compliance with Environmental Laws (as defined below), (b) has not failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (c) is not, nor has Mortgagor become, subject to any Environmental Liability (as defined below), (d) has not received any notice of any claim with respect to any Environmental Liability, or (e) knows of no basis for any Environmental Liability.

Section 6.2 Mortgagor covenants and agrees to: (a) at all times maintain the Mortgaged Property in compliance with all applicable Environmental Laws and free of any Hazardous Substances except in compliance with all applicable Environmental Laws; (b) comply with all laws, rules, regulations and requirements of any governmental authority applicable to its business and properties, including without limitation, all Environmental Laws, ERISA, and the Occupational Safety and Health Act of 1970, as amended; (c) pay, perform or otherwise satisfy any fine, charge, penalty, fee, damage, order, judgment, decree or imposition related thereto which, if unpaid, would constitute a lien on the Mortgaged Property, unless (i) the validity thereof shall be contested diligently and in good faith by appropriate proceedings and with counsel reasonably satisfactory to Mortgagee and (ii) so long as Mortgagor shall at all times have deposited with Mortgagee, or posted a bond satisfactory to Mortgagee in, a sum equal to the amount necessary (in the reasonable discretion of Mortgagee) to comply with such order or directive (including, but not limited to, the amount of any fine, penalty, interest or cost that may become due thereon by reason of or during such contest); provided, however, that Mortgagee shall be subrogated to the rights of the payee of such amount upon payment in full with respect to such fine, charge, or any portion thereof; (d) take all appropriate response actions, including any removal or remedial actions, in the event of a release, emission, discharge, or disposal of any Hazardous Substances in, on, under or from the Mortgaged Property necessary in order for the Mortgaged Property to be or remain in compliance with all Environmental Laws; (e) upon request of Mortgagee, to permit Mortgagee, including its officers, agents, employees, contractors and representatives, to enter and inspect the Mortgaged Property for purposes of conducting an environmental assessment; and (f) upon the request of Mortgagee, and at Mortgagor's expense, to cause to be prepared for

the Mortgaged Property such site assessment reports, including, without limitation, engineering studies, historical reviews and testing, as may be reasonably requested from time to time by Mortgagee.

Section 6.3 Mortgagor agrees to furnish to Mortgagee prompt written notice of the following: (a) any change in the nature or extent of Hazardous Substances maintained on or with respect to the Mortgaged Property; or (b) the occurrence of any event or any other development by which Mortgagor (i) fails to comply with any Environmental Law, (ii) fails to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (iii) becomes subject to any Environmental Liability, (iv) receives notice of any claim with respect to any Environmental Liability, or (v) becomes aware of any basis for any Environmental Liability.

Section 6.4 In addition to any other indemnifications herein or pursuant to any other agreement with Mortgagee, the Mortgagor shall indemnify Mortgagee, its parent, subsidiaries and its affiliates, as well as their respective shareholders, directors, officers, employees, agents, successors and assigns or (each such person or entity being called an "Indemnatee") against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities, penalties, fines, costs and expenses of any kind or nature (including the fees, charges and disbursements of any counsel for any Indemnatee and all fees and time charges and disbursements for attorneys who may be employees of any Indemnatee) incurred by any Indemnatee or asserted against any Indemnatee by any third party or by Mortgagor arising out of, in connection with, or as a result of (i) any actual or alleged presence or release of Hazardous Substances on or from, or migrating to or from, the Mortgaged Property, or any actual or alleged Environmental Liability related in any way to Mortgagor, the Mortgaged Property or any other collateral securing the Indebtedness, (ii) any breach of any representation, warranty or covenant contained herein, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, all whether based on contract, tort or any other theory, whether brought by a third party or by Mortgagor, and regardless of whether any Indemnatee is a party thereto, provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee.

Section 6.5 The terms "Environmental Laws", "Environmental Liability" and "Hazardous Substances" as used herein shall have the following meanings:

(a) "Environmental Laws" shall mean any and all federal, state and local laws, statutes, ordinances, rules, regulations, permits, licenses, approvals, rules of common law and orders of courts or any governmental authority, relating to the protection of human health or occupational safety or the environment, now or hereafter in effect and in each case as amended from time to time, including, without limitation, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Substances, including, without limitation, the following federal laws: the Resource Conservation Recovery Act, the Comprehensive Environmental Response Compensation and Liability Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, the Clean Air Act, and the Clean Water Act;

(b) "Environmental Liability" shall mean any liability, contingent or otherwise (including any liability for damages, costs of environmental investigation and remediation, costs of administrative oversight, fines, natural resource damages, penalties or indemnities) directly or indirectly resulting from or based upon (i) any actual or alleged violation of any Environmental Law, (ii) the

generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Substances, (iii) any actual or alleged exposure to any Hazardous Substances, (iv) the release or threatened release of any Hazardous Substances or (v) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing; and

(c) “Hazardous Substances” shall mean any substances or materials (i) that are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants or toxic substances under any applicable Environmental Law, (ii) that are defined by any applicable Environmental Law as toxic, explosive, corrosive, ignitable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous (iii) the presence of which require investigation, removal, remediation or any other response of any kind under any applicable Environmental Law or causes or threatens to cause a nuisance upon any property of Mortgagor or to any adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about any such property, (iv) that consist of underground or aboveground storage tanks, whether empty, filled or partially filled with any substance, or (v) that contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or wastes, crude oil, nuclear fuel, natural gas, synthetic gas, radon gas, radioactive materials, or isotopes.

Section 6.6 The provisions of this Mortgage respecting compliance with environmental matters and the indemnification set forth above are in addition to and supplement any other representations, warranties, covenants, indemnifications and other provisions contained in this Mortgage or any other Related Documents (as defined below).

ARTICLE 7 **CONDEMNATION**

Section 7.1 Notice of Proceedings. Promptly upon the receipt by Mortgagor of notice of the initiation of any proceeding or negotiations for the taking of the Mortgaged Property, or any part thereof, in expropriation, condemnation or by the exercise of the power of eminent domain, Mortgagor shall give notice thereof to Mortgagee. Mortgagee may appear in any such proceeding and participate in any such negotiations and may be represented therein by counsel of Mortgagee’s choice, all at Mortgagor’s cost and expense, and whether or not Mortgagee shall become a party to any such proceeding or negotiations, Mortgagor shall promptly give to Mortgagee copies of all notices, pleadings, judgments, determinations and other papers received by Mortgagor therein. Mortgagor shall not enter into any agreement consenting to or acquiescing in the taking of the Mortgaged Property, or any part thereof, by any governmental agency or instrumentality, or other person or legal entity authorized to acquire the same in expropriation, condemnation or by eminent domain unless Mortgagee shall have first consented thereto in writing.

Section 7.2 Condemnation Awards and Proceeds. Any award whether paid as a result of a negotiated settlement or judgment, shall be paid to Mortgagee (Mortgagor hereby assigning such award to Mortgagee), and Mortgagee is hereby irrevocably constituted and appointed the true and lawful attorney in fact, coupled with an interest and with full power of substitution, delegation, and revocation, of Mortgagor for such purpose and as such is duly authorized and empowered to collect and receive the total amount of such award, including interest, and to give proper receipts and acquittances therefor. All awards payable to Mortgagee as a result of such taking shall, at the option of Mortgagee, be applied to the payment and discharge of the Indebtedness in such order as Mortgagee shall so elect or to the repair, restoration and alteration of the Mortgaged Property as Mortgagee shall from time to time determine. In the event that Mortgagee elects to apply such award to the repair, restoration and alteration of the Mortgaged Property,

Mortgagor shall promptly, at Mortgagor's own expense, repair, restore and alter the Mortgaged Property to the extent required as a result of such taking, or any damage occasioned thereby, so that the Mortgaged Property shall thereafter constitute a complete architectural unit.

Section 7.3 Collateral Assignment as Additional Security. As additional collateral security for the payment of the Indebtedness, Mortgagor hereby assigns, pledges and grants a security interest in any and all of Mortgagor's present and future rights, title and interest in and to the proceeds of any award or claim for direct or consequential damages relating to any condemnation, expropriation, conveyance, or other taking of all or any part of the Mortgaged Property by any governmental authority, including, without limitation, any awards resulting from a change or grade of streets and award for severance damages, and further including the right to receive such condemnation proceeds directly from such a governmental authority and, where applicable, to enforce any rights that Mortgagor may have to collect such condemnation proceeds as provided herein.

ARTICLE 8

EVENTS OF DEFAULT

Section 8.1 Events of Default. The occurrence of any of the following shall constitute an event of default (individually, collectively and interchangeably, an "Event of Default") under this Mortgage:

(a) the failure of any Mortgagor, Obligor or Borrower to pay in accordance under the Indebtedness or under any other obligation to Mortgagee under this Mortgage, or under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee, if such failure to pay continues for ten (10) days following written notice from Mortgagee to Mortgagor (individually, collectively and interchangeably, the "Related Documents");

(b) the failure of any Obligor to observe or perform promptly when due any covenant, agreement or obligation due to Mortgagee under this Mortgage or under the Related Documents, if such failure to pay continues for thirty (30) days following written notice from Mortgagee to Obligor;

(c) the material inaccuracy at any time of any warranty, representation or statement made to Mortgagee by any Obligor under this Mortgage or under any Related Document;

(d) any judgment, garnishment, seizure, tax lien, levy or other Encumbrance against any assets of any Obligor that remains in effect for more than thirty (30) days after such Obligor obtains knowledge thereof;

(e) any material adverse change in the financial condition of Obligor, or any material discrepancy between the financial statements submitted by Obligor and the actual factual condition of Obligor;

(f) any discontinuance or termination by guarantor of any guaranty of all or any portion of the Indebtedness;

(g) the insolvency, or the execution of an assignment for the benefit of creditors, the appointment of a receiver of any property of any Obligor, or the filing of a petition in bankruptcy by or

against any Obligor, or the commencement of any proceeding in bankruptcy, or otherwise relating to the relief of debtors or the relief, postponement or adjustment of any indebtedness of any Obligor through reorganization, composition, extension or otherwise, unless the proceeding is terminated within 20 days of its commencement;

(h) should any Mortgagor, Obligor or Borrower fail to pay, perform, or satisfy any indebtedness or obligation owed to Mortgagee under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee;

(i) the failure of any Mortgagor, Obligor or Borrower to observe or perform promptly when due any covenant, agreement or obligation due to Mortgagee under any promissory note, loan or credit agreement, environmental agreement, guaranty, security agreement, mortgage, deed of trust, or any other instrument, agreement or document, whether now existing or hereafter arising, executed in favor of Mortgagee; or

(j) should any Obligor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of the Mortgaged Property or ability to repay the Indebtedness or perform such Obligor's obligations under this Mortgage or any of the Related Documents.

In addition to the Events of Default provided above, the death of any guarantor of the Indebtedness shall be an Event of Default if Mortgagee, in its reasonable discretion, determines that such death, the succession proceedings, or the disposition of the estate of the deceased guarantor (including rights in trust) may have a material adverse effect on the repayment of the Indebtedness, the enforceability or collectability of any of the collateral documents securing all or any portion of the Indebtedness or the deceased guarantor's guaranty obligation.

Section 8.2 Mortgagee's Rights Upon an Event of Default. Should one or more Event of Default occur or exist under this Mortgage, as provided above, Mortgagee, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights and remedies provided by law:

(a) **Acceleration; Foreclosure.** Mortgagee shall have the right, at its sole option, to accelerate the maturity and demand immediate payment in full of any and all of the Indebtedness. Mortgagee shall then have the right to commence appropriate foreclosure proceedings against the Mortgaged Property and against Mortgagor's Rights as provided in this Mortgage.

(b) **Seizure and Sale of Mortgaged Property.** In the event that Mortgagee elects to commence appropriate Louisiana foreclosure proceedings under this Mortgage, Mortgagee may cause the Mortgaged Property, or any part or parts thereof, to be immediately seized and sold, whether in term of court or in vacation, under ordinary or executory process, in accordance with applicable Louisiana law, to the highest bidder for cash, with or without appraisal, and without the necessity of making additional demand upon or notifying Mortgagor or placing Mortgagor in default, all of which are expressly waived.

(c) **Executory Process.** For purposes of foreclosure under Louisiana executory process procedures, Mortgagor confesses judgment and acknowledges to be indebted to Mortgagee, up to the full amount of the Indebtedness in principal, interest, costs, expenses, reasonable attorneys' fees and

other fees and charges. Mortgagor further confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee in the amount of all Additional Advances that Mortgagee may make on Mortgagor's behalf pursuant to this Mortgage, together with interest thereon. To the extent permitted under applicable Louisiana law, Mortgagor additionally waives the following: (1) the benefit of appraisal as provided in Articles 2332, 2336, 2723, and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (2) the notice of seizure as provided under Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (3) the three (3) days' delay provided under Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; (4) all other benefits provided under Articles 2331, 2722 and 2723 of the Louisiana Code of Civil Procedure; and (5) all other rights to notices, demands, appraisements and delays in Articles or laws not specifically mentioned above. Mortgagor further agrees that any declaration of fact made by authentic act before a Notary Public and two witnesses, by a person declaring that such facts are within his or her knowledge, shall constitute authentic evidence of such facts for purposes of foreclosure under applicable Louisiana law and for purposes of La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, to the extent applicable.

(d) **Keeper.** Should any or all of the Mortgaged Property be seized as an incident to an action for the recognition or enforcement of this Mortgage, by executory process, sequestration, attachment, writ of fieri facias or otherwise, Mortgagor hereby agrees that the court issuing any such order shall, if requested by Mortgagee, appoint Mortgagee, or any agent designated by Mortgagee or any person or entity named by Mortgagee at the time such seizure is requested, or any time thereafter, as Keeper of the Mortgaged Property as provided under La. R.S. 9:5136, et seq. Such a Keeper shall be entitled to reasonable compensation. Mortgagor agrees to pay the reasonable fees of such Keeper, which are hereby fixed at \$250.00 per hour, which compensation to the Keeper shall also be secured by this Mortgage in the form of an Additional Advance as provided in this Mortgage.

(e) **Declaration of Fact.** Should it become necessary for Mortgagee to foreclose under this Mortgage, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, as applicable.

(f) **Specific Performance.** Mortgagee may, in addition to or in lieu of the foregoing remedies, in Mortgagee's sole discretion, commence an appropriate action against Mortgagor seeking specific performance of any covenant contained in this Mortgage or in aid of the execution or enforcement of any power in this Mortgage granted.

(g) **Election of Remedies.** Except as may be prohibited by applicable law, all of Mortgagee's rights and remedies, whether evidenced by this Mortgage or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Mortgagee to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Mortgagor under this Mortgage, after Mortgagor's failure to perform, shall not affect Mortgagee's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Mortgagee following an Event of Default, or in any way to limit or restrict the rights and ability of Mortgagee to proceed directly against Mortgagor and/or against any other co-maker, guarantor, surety or endorser of the Indebtedness, and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

ARTICLE 9
INDEMNITY

Section 9.1 IN ADDITION TO ALL OTHER INDEMNIFICATIONS HEREIN, MORTGAGOR SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS MORTGAGEE, THEIR PARENTS, SUBSIDIARIES, AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, SHAREHOLDERS, REPRESENTATIVES, AGENTS, INSURERS, ATTORNEYS, SUCCESSORS, AND ASSIGNS FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST, OR EXPENSE (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES), ACTION, CAUSE OF ACTION, PROCEEDING, CLAIM OR DISPUTE INCURRED OR SUFFERED BY MORTGAGEE OR TRUSTEE, WHETHER VOLUNTARILY OR INVOLUNTARILY INCURRED OR SUFFERED, IN RESPECT OF THE FOLLOWING:

(a) ANY LITIGATION CONCERNING THIS MORTGAGE, THE INDEBTEDNESS, THE RELATED DOCUMENTS OR THE MORTGAGED PROPERTY, OR ANY INTEREST OF MORTGAGOR OR MORTGAGEE THEREIN, OR THE RIGHT OF OCCUPANCY THEREOF BY MORTGAGOR OR MORTGAGEE, WHETHER OR NOT ANY SUCH LITIGATION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

(b) ANY DISPUTE, INCLUDING DISPUTES AS TO THE DISBURSEMENT OF PROCEEDS OF ANY INDEBTEDNESS NOT YET DISBURSED, AMONG OR BETWEEN ANY OF THE CONSTITUENT PARTIES OR OTHER PARTNERS OR VENTURERS OF MORTGAGOR IF MORTGAGOR IS A GENERAL OR LIMITED PARTNERSHIP, OR AMONG OR BETWEEN ANY EMPLOYEES, OFFICERS, DIRECTORS OR SHAREHOLDERS OF MORTGAGOR IF MORTGAGOR IS A CORPORATION, OR AMONG OR BETWEEN ANY MEMBERS, TRUSTEES OR OTHER RESPONSIBLE PARTIES IF MORTGAGOR IS A LIMITED LIABILITY COMPANY, ASSOCIATION, TRUST OR OTHER ENTITY;

(c) ANY ACTION TAKEN OR NOT TAKEN BY MORTGAGEE WHICH IS ALLOWED OR PERMITTED UNDER THIS MORTGAGE OR ANY OF THE RELATED DOCUMENTS RELATING TO MORTGAGOR, THE MORTGAGED PROPERTY, ANY CONSTITUENT PARTIES OR OTHERWISE IN CONNECTION WITH THE RELATED DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE PROTECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST, ASSIGNMENT AND/OR ENFORCEMENT OF THE PLEDGE OF LEASES AND RENTS, OR OTHER RIGHT, REMEDY OR RECOURSE CREATED OR AFFORDED BY THIS MORTGAGE, OR THE RELATED DOCUMENTS;

(d) THE USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE OF A HAZARDOUS SUBSTANCE ON, UNDER OR ABOUT THE MORTGAGED PROPERTY, WHETHER KNOWN OR UNKNOWN AT THE TIME OF THE EXECUTION HEREOF, INCLUDING WITHOUT LIMITATION (i) ALL FORESEEABLE CONSEQUENTIAL DAMAGES OF ANY SUCH USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE, AND (ii) THE COSTS OF ANY REQUIRED OR NECESSARY ENVIRONMENTAL INVESTIGATION OR MONITORING, ANY REPAIR, CLEANUP, OR DETOXIFICATION OF

THE MORTGAGED PROPERTY, AND THE PREPARATION AND IMPLEMENTATION OF ANY CLOSURE, REMEDIAL, OR OTHER REQUIRED PLANS;

(e) THE EXERCISE OF THE RIGHTS OR REMEDIES HEREUNDER, AND FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER WHICH MAY BE ASSERTED AGAINST THE MORTGAGEE BY REASON OF ANY ALLEGED OBLIGATIONS OR UNDERTAKINGS ON ITS PART TO PERFORM OR DISCHARGE ANY OF THE TERMS, COVENANTS, OR AGREEMENTS CONTAINED IN ANY LEASE; AND

(f) ANY ACTION BROUGHT BY MORTGAGEE AGAINST MORTGAGOR UNDER THIS MORTGAGE, OR THE RELATED DOCUMENTS, WHETHER OR NOT SUCH ACTION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT.

Section 9.2 MORTGAGEE MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTECT OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS MORTGAGE, AND THE RELATED DOCUMENTS, AND TO ADVISE AND DEFEND MORTGAGEE WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. MORTGAGOR SHALL REIMBURSE MORTGAGEE FOR ITS ATTORNEYS' FEES AND EXPENSES (INCLUDING EXPENSES AND COSTS FOR EXPERTS) IMMEDIATELY UPON RECEIPT OF A WRITTEN DEMAND THEREFOR, WHETHER ON A MONTHLY OR OTHER TIME INTERVAL, AND WHETHER OR NOT AN ACTION IS ACTUALLY COMMENCED OR CONCLUDED. ALL OTHER REIMBURSEMENT AND INDEMNITY OBLIGATIONS HEREUNDER SHALL BECOME DUE AND PAYABLE WHEN ACTUALLY INCURRED BY MORTGAGEE. ANY PAYMENTS NOT MADE WITHIN FIVE (5) DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE RATE OR RATES PROVIDED IN ANY PROMISSORY NOTES INCLUDED IN THE INDEBTEDNESS FROM THE DATE OF SUCH DEMAND UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE OBLIGATIONS SECURED HEREBY, THE RELEASE OF THE LIEN OF THIS MORTGAGE, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE) AND THE EXERCISE BY MORTGAGEE OF ANY AND ALL REMEDIES SET FORTH HEREIN OR IN ANY PROMISSORY NOTES INCLUDED IN THE INDEBTEDNESS OR THE RELATED DOCUMENTS.

ARTICLE 10

ADDITIONAL REPRESENTATIONS AND WARRANTIES

Mortgagor further represents, warrants and covenants that:

Section 10.1 Organization. Mortgagor is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Louisiana. Mortgagor is duly authorized to transact business in all other states in which Mortgagor is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Mortgagor is doing business. Specifically, Mortgagor is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Mortgagor has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Mortgagor maintains an office at 601 Belle Terre Blvd. LaPlace, LA 70068. Unless Mortgagor has

designated otherwise in writing, the principal office is the office at which Mortgagor keeps its books and records including its records concerning the Collateral. Mortgagor will notify Mortgagee prior to any change in the location of Mortgagor's state of organization or any change in Mortgagor's name. Mortgagor shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Mortgagor and Mortgagor's business activities.

Section 10.2 Authorization. Mortgagor's execution, delivery, and performance of this Mortgage and all the Related Documents have been duly authorized by all necessary action by Mortgagor, do not require the consent or approval of any other person, regulatory authority, or governmental body, and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Mortgagor's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Mortgagor or (2) any law, governmental regulation, court decree, or order applicable to Mortgagor or to Mortgagor's properties. Mortgagor has the power and authority to enter into the Related Documents and to grant collateral as security for the Indebtedness. Mortgagor has the further power and authority to own and to hold all of Mortgagor's assets and properties, and to carry on Mortgagor's business as presently conducted.

Section 10.3 Consents and Approvals. If notice to or the consent or approval of any governmental body or authority, or any third party (including without limitation, any other creditor of Mortgagor) is now or any time hereafter required in connection with the execution, delivery and performance by Mortgagor of this Mortgage, then (1) with respect to all currently applicable requirements, such notice has been given and consent or approval obtained by Mortgagor prior to the execution hereof and written evidence thereof has been concurrently herewith delivered to Mortgagee, and (2) with respect to such requirements that shall at any time hereafter be imposed or become applicable, such notice will be given and such consent or approval will be obtained by Mortgagor prior to the time such failure to do so will constitute a violation of law or result in any breach, default or failure by Mortgagor under any contract or instrument, and written evidence thereof will at such time be delivered to Mortgagee.

Section 10.4 Perfection of Security Interests. Except for the recordation of this Mortgage, no filing or recording of this Mortgage, or with respect to Mortgagee's security interest granted hereunder, is necessary or advisable in any jurisdiction, or before, or with any governmental or private regulatory body, in order to establish and perfect Mortgagee's security rights and interest in the Mortgaged Property or the Rights of Mortgagor collaterally assigned and pledged hereunder, with respect to Mortgagor or any of Mortgagor's present and future creditors, or any other third party or parties whatsoever.

Section 10.5 Additional Assurances; Legal Opinions and Certificates. Mortgagor further agrees to deliver to Mortgagee such other documents, including without limitation, such legal opinions and other certificates as Mortgagee may reasonably request to show Mortgagor's compliance with the foregoing and/or with the other representations, warranties and covenants of Mortgagor contained herein.

ARTICLE 11

GENERAL PROVISIONS

Section 11.1 Execution of Additional Documents. Mortgagor agrees to execute all additional documents, instruments and agreements that Mortgagee may deem to be necessary and proper, within its sole discretion, in form and substance satisfactory to Mortgagee, to keep this Mortgage in effect, to better

reflect the true intent of this Mortgage, and to consummate fully all of the transactions contemplated hereby and by any other agreement, instrument or document heretofore, now or at any time or times hereafter executed by Mortgagor and delivered to Mortgagee.

Section 11.2 Estoppel Certificate. Within ten (10) calendar days after being requested to do so by Mortgagee, Mortgagor will execute and deliver to Mortgagee an estoppel certificate identifying this Mortgage and the Indebtedness secured hereby, and all documents and instruments executed in connection herewith and therewith, and acknowledging the status of this Mortgage, and further acknowledging and agreeing to such notice provisions and other matters as may be reasonably required by Mortgagee.

Section 11.3 Inspection of Mortgaged Property. Mortgagee and Mortgagee's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Mortgaged Property wherever located.

Section 11.4 Audits. Mortgagee and its agents may also periodically conduct audits of Mortgagor's books and records that in any way pertain to the Mortgaged Property, the foregoing Rights and any part or parts thereof.

Section 11.5 Application of Payments. Mortgagor agrees that all payments and other sums and amounts received by Mortgagee under the Indebtedness or under this Mortgage, including, but not limited to, the net proceeds of any judicial or other sale, of any charter, management or other use of the Mortgaged Property by Mortgagee, of any claim for damages to the Mortgaged Property and of any insurance proceeds received by Mortgagee (except to the extent that such insurance proceeds are to be paid to Mortgagor pursuant to any other provisions of this Mortgage) shall be held and applied by Mortgagee from time to time in accordance with the terms of the any promissory notes included in the Indebtedness.

Section 11.6 Taxation. In the event that there should be any change in law with regard to taxation of mortgages or the debts they secure, Mortgagor agrees to pay any taxes, assessments or charges that may be imposed upon Mortgagee as a result of this Mortgage. Mortgagor further agrees to promptly pay when due, or if, at Mortgagee's option, Mortgagee has paid them on Mortgagor's behalf, to promptly reimburse Mortgagee for, all sales, use, excise, stamp, personal Mortgaged Property and other taxes, assessments and governmental charges, however designated, any amounts in lieu of such taxes, assessments and charges, and any penalties and interest on any of the foregoing, imposed, levied or based upon or in connection with (A) the purchase, ownership, use, or financing of any of the Mortgaged Property or Mortgagor's collaterally assigned and pledged Rights, (B) receipts by Mortgagee with respect to the Indebtedness, or (C) this Mortgage or any instrument or instruments evidencing the Indebtedness, or the filing or recording of any thereof, whether the same may be payable by or assessed to Mortgagee or Mortgagor and whether assessed during or after the expiration of this Mortgage (excluding, however, any tax on or measured by Mortgagee's net income), and Mortgagor shall hold and save Mortgagee free and harmless therefrom.

Section 11.7 Additional Waivers. In granting this Mortgage, Mortgagor waives any and all homestead exemptions and other rights and all other exemptions from seizure or sale with regard to the Mortgaged Property to which Mortgagor may be entitled under the laws of the State of Louisiana. Mortgagor is also waiving the production of Mortgage, Conveyance and any and all other Certificates and relieves and releases the Notary Public before whom this Mortgage was passed from all responsibility and liability in connection therewith.

Section 11.8 Amendments. No amendment, modification, consent or waiver of any provision of this Mortgage, and no consent to any departure by Mortgagor therefrom, shall be effective unless the same shall be in writing signed by a duly authorized officer of Mortgagee, and then shall be effective only as to the specific instance and for the specific purpose for which given.

Section 11.9 Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Section 11.10 Effect of Waivers. Any failure or delay on the part of the Mortgagee to exercise any of the rights and remedies granted under this Mortgage or under any other agreement or agreements by and between Mortgagor and Mortgagee, shall not have the effect of waiving any of Mortgagee's rights and remedies. Any partial exercise of any rights and remedies granted to Mortgagee shall furthermore not constitute a waiver of any of Mortgagee's other rights and remedies; it being Mortgagor's intent and agreement that all of Mortgagee's rights and remedies shall be cumulative in nature. Furthermore, any failure on the part of Mortgagee at any time or times hereafter to require strict performance by Mortgagor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document or instrument now or hereafter executed by Mortgagor and delivered to Mortgagee, shall not waive, affect, or diminish the rights of Mortgagee to thereafter demand strict compliance and performance therewith and with respect to all other provisions, warranties, terms and conditions contained herein or therein. None of the warranties, conditions, provisions and terms contained in this Mortgage or any other agreement, document, or instrument now or hereafter executed by Mortgagor and delivered to Mortgagee, shall be deemed to have been waived by any act or knowledge of Mortgagee, its agents, directors, officers or employees; but only by an instrument in writing specifying such waiver, signed by a duly authorized officer of Mortgagee and delivered to Mortgagor. A waiver or forbearance on the part of Mortgagee as to one Event of Default shall not constitute a waiver or forbearance as to any other or subsequent default.

Section 11.11 Final Agreement. This Mortgage represents the final, entire agreement between the parties with respect to the subject matter hereof. No course of dealing, course of performance, usage of trade or evidence of any prior, contemporaneous or subsequent oral agreements or discussions or other extrinsic evidence of any nature shall be used to contradict, vary, supplement or modify any term of this Mortgage. There are no oral agreements between the parties. The provisions hereof may be amended or waived only by an instrument in writing signed by Mortgagor and Mortgagee.

Section 11.12 Successors and Assigns Bound; Solidary Liability. Mortgagor's obligations and agreements under this Mortgage shall be binding upon Mortgagor's successors, heirs, legatees, devisees, administrators, executors and assigns. In the event that there is more than one Mortgagor under this Mortgage, all of the agreements and obligations made and/or incurred by Mortgagors under this Mortgage shall be on a "solidary" or "joint and several" basis.

Section 11.13 Governing Law. This Mortgage will be governed by federal law applicable to Mortgagee and, to the extent not preempted by federal law, the laws of the State of Louisiana without regard to its conflicts of law provisions. This Mortgage has been accepted by Mortgagee in the State of Louisiana.

Section 11.14 SUBMISSION TO JURISDICTION. MORTGAGOR HEREBY IRREVOCABLY SUBMITS AND CONSENTS TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT IN LOUISIANA LOCATED IN THE SAME JUDICIAL DISTRICT AS THE MORTGAGED PROPERTY, AND AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH,

OUT OF, RELATED TO OR FROM THIS MORTGAGE SHALL BE LITIGATED ONLY IN ONE OF THE FOREGOING DESCRIBED COURTS. MORTGAGOR, FOR ITSELF, ITS HEIRS, SUCCESSORS AND ASSIGNS AND ANY PERSON CLAIMING UNDER OR THROUGH ANY OF THEM, HEREBY KNOWINGLY WAIVES ANY AND ALL RIGHTS TO HAVE THE JURISDICTION AND VENUE OF, AND ANY LITIGATION ARISING DIRECTLY, INDIRECTLY OR OTHERWISE IN CONNECTION WITH, OUT OF, OR RELATED TO OR FROM THIS MORTGAGE IN ANY OTHER COURT, AND MORTGAGOR HEREBY KNOWINGLY WAIVES ANY AND ALL RIGHTS OR TO TRANSFER, DISMISS, OR CHANGE VENUE TO, TO REMOVE AN ACTION TO, OR TO TRANSFER, DISMISS, OR CHANGE VENUE TO ANY OTHER COURT. MORTGAGOR FURTHER ACKNOWLEDGES AND AGREES THAT NEITHER MORTGAGEE NOR ANY PERSON ACTING ON BEHALF OF MORTGAGEE HAS IN ANY WAY AGREED WITH OR REPRESENTED TO MORTGAGOR THAT THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN WAIVED OR WILL NOT BE FULLY ENFORCED BY MORTGAGEE.

Section 11.15 WAIVER OF JURY TRIAL. MORTGAGOR KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS MORTGAGOR MAY HAVE TO TRIAL BY JURY IN ANY LEGAL PROCEEDING BASED ON, ARISING OUT OF, OR IN ANY WAY RELATED TO: THIS MORTGAGE; THE INDEBTEDNESS; ANY NOTES, LOAN AGREEMENTS, OR ANY OTHER RELATED DOCUMENTS OR AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH ANY OF THE INDEBTEDNESS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THIS JURY WAIVER ALSO APPLIES TO ANY CLAIM OR, COUNTERCLAIM, CAUSE OF ACTION OR DEMAND ARISING FROM OR RELATED TO (I) ANY COURSE OF CONDUCT, COURSE OF DEALING, OR RELATIONSHIP OF MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON WITH MORTGAGEE OR ANY EMPLOYEE, OFFICER, DIRECTOR OR ASSIGNEE OF MORTGAGEE IN CONNECTION WITH THE INDEBTEDNESS WITH MORTGAGEE; OR (II) ANY STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PERSON BY OR ON BEHALF OF MORTGAGEE TO MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON IN CONNECTION WITH THE INDEBTEDNESS OR MORTGAGEE REGARDLESS OF WHETHER SUCH CAUSE OF ACTION ARISES BY CONTRACT, TORT OR OTHERWISE. MORTGAGOR ACKNOWLEDGES THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO THE MORTGAGEE IN EXTENDING CREDIT TO THE MORTGAGOR, THAT THE MORTGAGEE WOULD NOT HAVE EXTENDED SUCH CREDIT WITHOUT THIS JURY TRIAL WAIVER, AND THAT MORTGAGOR HAS BEEN REPRESENTED BY AN ATTORNEY OR HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY IN CONNECTION WITH THIS JURY TRIAL WAIVER AND UNDERSTANDS THE LEGAL EFFECT OF THIS WAIVER. MORTGAGOR FURTHER CERTIFIES THAT NO PERSON HAS REPRESENTED TO IT, EXPRESSLY OR OTHERWISE, THAT MORTGAGEE OR ANY OTHER PERSON WOULD NOT, IN THE EVENT OF A LEGAL PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER.

Section 11.16 Severability. If any provision of this Mortgage is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable. This Mortgage shall be construed and enforceable as if the illegal, invalid or unenforceable provision had never comprised a part of it, and the remaining provisions of this Mortgage shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its

severance herefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Mortgage, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and legal, valid and enforceable.

Section 11.17 Notices. To give Mortgagor any notice required under this Mortgage, Mortgagee may hand deliver or mail the notice to Mortgagor at Mortgagor's last address in Mortgagee's records. If there is more than one Mortgagor under this Mortgage, notice to a single Mortgagor shall be considered as notice to all Mortgagors. To give Mortgagee any notice under this Mortgage, Mortgagor (or any Mortgagor) shall mail the notice to Mortgagee by registered or certified mail at the following address: _____

Attn: _____, or at any other address that Mortgagee may have given to Mortgagor (or any Mortgagor) by written notice as provided in this section. All notices required or permitted under this Mortgage must be in writing and will be considered as given on the day it is delivered by hand or deposited in the U.S. Mail as provided herein.

Section 11.18 Sole Discretion of Mortgagee. Whenever Mortgagee's consent or approval is required under this Mortgage, the decision as to whether or not to consent or approve shall be in the sole and exclusive discretion of Mortgagee and Mortgagee's decision shall be final and conclusive.

Section 11.19 Waiver of Certificates. The parties to this Mortgage hereby waive the production of mortgage, conveyance, tax, paving, chattel mortgage, assignment of accounts, and all other certificates and relieve and release the Notary before whom this Mortgage was passed from all responsibilities and liabilities in connection therewith.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

THUS DONE AND PASSED, on the date hereinabove first written in the presence of the undersigned Notary and the undersigned competent witnesses, who hereunto sign their names with Mortgagor after reading of the whole.

WITNESSES:

Print Name: STUB

Adam Rubin
Print Name: Solomon Swiner

MORTGAGOR:

RH LAKEWIND EAST LLC

By: [Signature]
Mark Silber
Title: Authorized Representative

Eli Glassman
Notary Public, State of New York
Reg. No. 01GL6383773
Qualified in Rockland County
Commission Expires 11/26/2026

[Signature]
NOTARY PUBLIC
Print Name: _____
Notary ID/Bar Roll No: _____
My Commission expires: _____

EXHIBIT "A"
LEGAL DESCRIPTION OF THE IMMOVABLE (REAL) PROPERTY

The Land is described as follows:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans State of Louisiana.

Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKratt Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978, and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows:

Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28 degrees 00' 20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31 degrees 9' 41"W, a distance of 171.56 feet to a point, thence N61 degrees 59' 40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29 degrees 05' 35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76 degrees 18' 19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; thence S85 degrees 54' 04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning.

Being the same property acquired by RH Lakewind East LLC, a Delaware limited liability company by Deed recorded 12/22/2017, of record in Deed Instrument No. 2017-49038, in the Office of the Recorder of Parish of Orleans, Louisiana.

**CERTIFICATE OF AUTHORITY OF
RH LAKEWIND EAST LLC**

The undersigned Sole Member of **RH LAKEWIND EAST LLC**, a Delaware limited liability company (the “**Company**”) does hereby certify that **Mark Silber**, as Authorized Representative of the Company, (the “**Authorized Representative**”), is hereby individually, acting alone, authorized and empowered in the name and on behalf of the Company to execute and deliver any and all documents, agreements and other instruments necessary or required with respect to the Company’s encumbrance of certain immovable (real) properties owned by the Company and located in the Parish of Orleans, State of Louisiana and more particularly described on **Exhibit A** attached hereto (the “**Property**”) to secure any and all indebtedness and other obligations of the Company to CKD Funding, LLC (“**Lender**”), whether direct or indirect, absolute or contingent, or now existing or hereafter arising or acquired, by granting to Lender a lien and/or security interest upon such assets of the Company as may be agreed upon between any Authorized Representative, acting alone, and Lender and in connection therewith to execute in Company’s name and on Company’s behalf in favor of Lender from time to time one or more pledge agreements, assignment agreements, mortgages, collateral mortgages, subordination and intercreditor agreement, multiple indebtedness mortgages, pledges of leases and rents, security agreements and other agreements, instruments and documents of any kind, covering all or any part of the Company’s property including without limitation the Property, which documents shall be in such form and contain such terms and conditions as may be required by Lender, including, without limitation, provisions for confession of judgment, waiver of appraisalment, waiver of demand and all delays, and authorization of executory process proceedings, all of which are expressly consented to by the Company, and/or deemed acceptable or agreeable by any Authorized Representative, acting alone in the sole discretion of such Authorized Representative, all of which are expressly consented to by the Company, any Authorized Representative’s acceptance and agreement to such terms and conditions to be conclusively evidenced by the Authorized Representative’s execution and delivery of any such documents on behalf of Company. Without limiting the foregoing, Authorized Representative is expressly authorized and directed to execute any and all agreements, instruments and documents of any kind, regarding the subordination of any existing mortgage, lien, security interest or pledge affecting the Property to the priority of any mortgage, lien, security interest or pledge affecting the Property in favor of Lender.

The undersigned does further certify, represent and warrant that the Authorized Representative, acting alone, is authorized by, and on behalf of, the Company to:

- (i) sign any and all acts and documents that may be necessary to carry out the purposes of this Certificate of Authority; and to do and perform each and every other act and thing that may be necessary to carry out these purposes; and
- (ii) execute any and all documents, agreements, instruments or other writings incidental to the authority granted herein, as she may, in her sole and exclusive discretion, deem appropriate, and to do everything that she may deem necessary or proper to the consummation of this mandate, all lawful acts done and performed being hereby ratified and confirmed.

Third parties may rely on this certification of the Sole Member of the Company that Mark Silber, as Authorized Representative, acting alone, has the full authority to act for the Company in connection with the transactions described above, and that the necessary consent to said action has been obtained, and that said action is authorized, and in compliance with the Certificate of Organization and the Operating Agreement of the Company.

[SIGNATURE PAGE FOLLOWS]

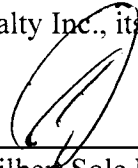
IN WITNESS WHEREOF, the undersigned has, in the undersigned's capacity as Sole Member of RH Lakewind East LLC and not in the undersigned's individual capacity, duly executed this Certificate of Authority effective as of July 8, 2024.

SOLE MEMBER:

Laguna Reserve Apts Investor LLC

By: Crown Capital Holdings LLC, its sole member

By: CBRM Realty Inc., its sole member

By: 
Mark Silber, Sole Member

SWORN TO AND SUBSCRIBED before me at SUFFERN N.Y., on this 5th day of July, 2024.

Eli Glasman

Notary Public, State of New York

Reg. No. 01GL6383773

Qualified in Rockland County

Commission Expires 11/26/2026



Notary Public

Printed Name: _____

Bar Roll or Notary No. _____

My Commission is for _____

[SIGNATURE PAGE TO CERTIFICATE OF AUTHORITY]

EXHIBIT "A"
TO
CERTIFICATE OF AUTHORITY OF

PROPERTY DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New Orleans, Parish of Orleans State of Louisiana.

Situated in the Third District of the City of New Orleans, State of Louisiana, designated as Parcel 23-E in Section 23 of the LaKratt Tract, being a portion of ground formerly designated as Parcel 23-B of Section 23, and resubdivided in accordance with the plan of resubdivision of J. J. Krebs & Sons, Inc., dated November 30, 1978, and approved by the City Planning Commission for the City of New Orleans on December 21, 1978, registered as Declaration of Title Change on December 26, 1978, in COB 755, folio 498, Parcel 23-E is more fully described as follows:

Begin at the intersection of the northerly right of way line of Dwyer Road and the easterly right of way line of Bundy Road; thence N28 degrees 00' 20"W along the easterly right of way line of Bundy Road a distance of 150.00 feet to a point; thence in a northerly direction along the arc of a curve to the left having a radius of 1,557.41 feet along the easterly right of way line of Bundy Road; with a bearing of N31 degrees 9' 41"W, a distance of 171.56 feet to a point, thence N61 degrees 59' 40"E a distance of 1,306.01 feet to a point; thence along a servitude to the Sewerage and Water Board for the Citrus Canal, S29 degrees 05' 35"E, a distance of 732.61 feet to a point, said point being on the northerly right of way of Dwyer Road; thence S76 degrees 18' 19"W along the northerly right of way line of Dwyer Road a distance of 930.34 feet to a point; thence S85 degrees 54' 04"W along the northerly right of way line of Dwyer Road a distance of 447.39 feet to a point, the point of beginning.

Being the same property acquired by RH Lakewind East LLC, a Delaware limited liability company by Deed recorded 12/22/2017, of record in Deed Instrument No. 2017-49038, in the Office of the Recorder of Parish of Orleans, Louisiana.

1340 Poydras Street, 4th Floor
New Orleans, Louisiana 70112



Land Records Division
Telephone (504) 407-0005

Chelsey Richard Napoleon
Clerk of Court and Ex-Officio Recorder
Parish of Orleans

DOCUMENT RECORDATION INFORMATION

Instrument Number: 2024-20297

Recording Date: 7/9/2024 04:37:11 PM

Document Type: MULTIPLE INDEBTEDNESS MORTGAGE

Addtl Titles Doc Types:

Mortgage Instrument Number: 1440475

Filed by: CSC GLOBAL / BREAZEAL, SACHSE & WILSON, LLP
301 MAIN ST STE 2300
BATON ROUGE LA 70801--0027

This document was electronically recorded.

**THIS PAGE IS RECORDED AS PART OF YOUR DOCUMENT AND
SHOULD BE RETAINED WITH ANY COPIES.**

Exhibit I

Laguna Reserve Detailed Balance Sheet

	04/30/2025	04/30/2024
Assets		
Current Assets		
Cash		
Petty Cash	(265.42)	234.58
Cash - Operating Account	0.00	18,702.33
Cash - Operating Account CFG	90,289.04	0.00
Total Cash	90,023.62	18,936.91
Accounts Receivable		
A/R - Tenants	12,216.81	38,465.03
A/R - Laguna Creek	106,283.00	104,083.04
A/R - Orwood Creek	2,030.00	2,030.00
A/R - Lakewood Pointe	196,960.05	201,760.05
A/R - Laguna Reserve	13,624.02	13,624.02
A/R - Carmel Spring	33,218.40	46,318.40
A/R - RH New Orleans Holdings MM LLC	66,914.18	66,914.18
A/R - Other	172,155.24	210,653.83
A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
Note Receivable	3,663,548.50	0.00
Loan Receivable from Crown Capital Holdings LLC	59,575.00	0.00
Total Accounts Receivable	4,091,175.20	448,498.55
Deposits & Escrows		
DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
Prepaid Insurance	397,691.75	138,151.67
Prepaid Insurance - Flood	0.00	6,980.63
Prepaid Insurance - Auto	0.00	546.77
Total Other Current Assets	397,691.75	145,679.07
Total Current Assets	4,581,890.57	616,114.53
Fixed Assets		
Property and Equipment		
RE: Buildings	20,653,786.93	20,653,786.93
RE: Building Improvements	407,762.00	407,762.00
Replaced Carpentry/Roofs	13,660.00	13,660.00
Replaced Doors/ Windows	291.55	291.55
Replaced Structural/Building	59,742.06	50,617.06
Replaced Office Furniture & Fixture	958.76	958.76
Replaced Cabinets and Shelving	380.71	380.71
Replaced Window Coverings	4,682.49	4,316.96
Replaced Appliances	10,080.21	9,468.38
Replaced Building/Office Equipment	3,744.87	3,744.87
Replaced Maintenance Equipment	1,763.40	1,763.40
Replaced A/C and Heating	13,166.62	13,166.62
Replaced Plumbing/Hot Water/Pool	16,262.97	15,624.19
Replaced Flooring	69,386.57	69,386.57
Replaced Fences	2,100.00	2,100.00
Replaced Recreational Equipment	13,493.61	13,493.61
Replaced Signage - Fixed	261.03	261.03
Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
Rehab-EXT: Exterior Improvements	1,326,421.76	1,326,421.76
Rehab-EXTF: Roof Replacement	79,704.00	79,704.00
Rehab-EXT: Other	912.63	912.63
Rehab-INT: Interior Improvements	1,234,083.63	1,223,471.82
Rehab-INT: Window Coverings	35.88	0.00
Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,323,657.92	23,302,269.09
Total Fixed Assets	23,323,657.92	23,302,269.09

Laguna Reserve Detailed Balance Sheet

	04/30/2025	04/30/2024
Other Assets		
OTH: Loan Costs	29,190.00	29,190.00
OTH: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	28,524,577.41	24,537,412.54
Liabilities & Equity		
Liabilities		
Current Liabilities		
A/P - Trade	1,009,724.19	995,791.83
A/P - Construction/ Rehab	1,445.92	1,410.04
Due to/Due from Corporate	2,357,837.00	0.00
Due From/To: Westchester xx4034	71,021.83	71,021.83
Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
Due From/To: Westchester xx2783	20,000.00	20,000.00
Due From/To: Carmel Brook	92,383.74	96,983.74
Accrued Interest Payable	262,740.31	36,986.30
Accrued Liabilities	32,200.00	24,826.69
Accrued Property Taxes	154,848.48	38,857.12
Unclaimed Property	8,658.17	8,358.17
Short-term Note Payable	120,339.56	0.00
Short-term Note Payable A	229,397.67	0.00
Security Deposit Liability	33,016.50	29,669.00
Prepaid Rent	11,788.58	11,770.76
Prepaid Other	8,294.00	4,593.00
Total Current Liabilities	4,609,533.40	1,536,105.93
Long Term Liabilities		
Loan Payable	294,873.07	301,452.07
EB5 Loan	4,500,000.00	4,500,000.00
Loan Payable B	1,444,456.36	0.00
Note Payable	0.00	122,720.46
Due to/Due from	49,997.76	49,997.76
Deferred Revenue	40,963.54	45,026.04
Total Long Term Liabilities	6,330,290.73	5,019,196.33
Total Liabilities	10,939,824.13	6,555,302.26
Equity		
Equity Position		
Owner Contribution	13,854,095.06	13,851,365.06
Owner Distribution	(4,932,300.00)	(4,770,500.00)
Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
Initial Capital - Investor A	8,081,827.08	8,081,827.08
Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,587,320.42
Retained Earnings		
Retained Earnings	1,542,473.09	1,347,825.09
Total Retained Earnings	1,542,473.09	1,347,825.09
Current Net Income	(385,970.23)	46,964.77
Total Equity	17,584,753.28	17,982,110.28
Total Liabilities & Equity	28,524,577.41	24,537,412.54

Laguna Reserve Detailed Balance Sheet

	03/31/2025	03/31/2024
Assets		
Current Assets		
Cash		
Petty Cash	(265.42)	234.58
Cash - Operating Account	0.00	2,353.51
Cash - Operating Account CFG	148,400.47	0.00
Total Cash	148,135.05	2,588.09
Accounts Receivable		
A/R - Tenants	31,280.70	34,506.46
A/R - Laguna Creek	106,283.00	108,083.04
A/R - Orwood Creek	2,030.00	2,030.00
A/R - Lakewood Pointe	196,960.05	201,760.05
A/R - Laguna Reserve	13,624.02	13,624.02
A/R - Carmel Spring	33,218.40	46,318.40
A/R - RH New Orleans Holdings MM LLC	66,914.18	66,914.18
A/R - Other	172,155.24	168,444.28
A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
Note Receivable	3,663,548.50	0.00
Loan Receivable from Crown Capital Holdings LLC	59,575.00	0.00
Total Accounts Receivable	4,110,239.09	406,330.43
Deposits & Escrows		
DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
Prepaid Expenses	0.00	742.35
Prepaid Insurance	450,188.19	1,025.29
Prepaid Insurance - Flood	0.00	8,014.54
Prepaid Insurance - Auto	0.00	683.47
Total Other Current Assets	450,188.19	10,465.65
Total Current Assets	4,711,562.33	422,384.17
Fixed Assets		
Property and Equipment		
RE: Buildings	20,653,786.93	20,653,786.93
RE: Building Improvements	407,762.00	407,762.00
Replaced Carpentry/Roofs	13,660.00	13,660.00
Replaced Doors/ Windows	291.55	291.55
Replaced Structural/Building	59,742.06	50,617.06
Replaced Office Furniture & Fixture	958.76	958.76
Replaced Cabinets and Shelving	380.71	380.71
Replaced Window Coverings	4,602.53	4,209.33
Replaced Appliances	10,080.21	9,468.38
Replaced Building/Office Equipment	3,744.87	3,744.87
Replaced Maintenance Equipment	1,763.40	1,763.40
Replaced A/C and Heating	13,166.62	13,166.62
Replaced Plumbing/Hot Water/Pool	16,262.97	15,119.08
Replaced Flooring	69,386.57	69,386.57
Replaced Fences	2,100.00	2,100.00
Replaced Recreational Equipment	13,493.61	13,493.61
Replaced Signage - Fixed	261.03	261.03
Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
Rehab-EXT: Exterior Improvements	1,326,421.76	1,326,421.76
Rehab-EXTF: Roof Replacement	79,704.00	79,704.00
Rehab-EXT: Other	912.63	912.63
Rehab-INT: Interior Improvements	1,234,083.63	1,222,149.78
Rehab-INT: Window Coverings	35.88	0.00
Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,323,577.96	23,300,334.31

Laguna Reserve Detailed Balance Sheet

	03/31/2025	03/31/2024
Total Fixed Assets		
Other Assets	23,323,577.96	23,300,334.31
OTH: Loan Costs	29,190.00	29,190.00
OTH: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	28,654,169.21	24,341,747.40
Liabilities & Equity		
Liabilities		
Current Liabilities		
A/P - Trade	1,005,643.10	932,989.71
A/P - Construction/ Rehab	1,445.92	1,410.04
Due to/Due from Corporate	2,357,837.00	0.00
Due From/To: Westchester xx4034	71,021.83	71,021.83
Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
Due From/To: Westchester xx2783	20,000.00	20,000.00
Due From/To: Carmel Brook	92,383.74	96,983.74
Accrued Interest Payable	235,628.48	38,219.17
Accrued Liabilities	20,200.00	25,863.40
Accrued Insurance	0.00	21,518.93
Accrued Property Taxes	145,279.20	29,142.84
Unclaimed Property	8,658.17	8,508.17
Short-term Note Payable	149,482.71	0.00
Short-term Note Payable A	317,677.55	0.00
Security Deposit Liability	32,616.50	28,021.00
Prepaid Rent	13,114.20	9,150.20
Prepaid Other	4,718.00	1,390.00
Total Current Liabilities	4,671,543.85	1,480,056.48
Long Term Liabilities		
Loan Payable	294,873.07	302,183.07
EB5 Loan	4,500,000.00	4,500,000.00
Loan Payable B	1,444,456.36	0.00
Due to/Due from	49,997.76	49,997.76
Deferred Revenue	41,302.08	45,364.58
Total Long Term Liabilities	6,330,629.27	4,897,545.41
Total Liabilities	11,002,173.12	6,377,601.89
Equity		
Equity Position		
Owner Contribution	13,854,095.06	13,845,365.06
Owner Distribution	(4,932,300.00)	(4,735,500.00)
Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
Initial Capital - Investor A	8,081,827.08	8,081,827.08
Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,616,320.42
Retained Earnings		
Retained Earnings	1,542,473.09	1,340,172.43
Total Retained Earnings	1,542,473.09	1,340,172.43
Current Net Income	(318,727.42)	7,652.66
Total Equity	17,651,996.09	17,964,145.51
Total Liabilities & Equity	28,654,169.21	24,341,747.40

Laguna Reserve Detailed Balance Sheet

	02/28/2025	02/29/2024
Assets		
Current Assets		
Cash		
Petty Cash	(265.42)	234.58
Cash - Operating Account	0.00	(19,477.57)
Cash - Operating Account CFG	165,652.37	0.00
Total Cash	165,386.95	(19,242.99)
Accounts Receivable		
A/R - Tenants	40,676.88	40,067.96
A/R - Laguna Creek	106,283.00	108,083.04
A/R - Orwood Creek	2,030.00	2,030.00
A/R - Lakewood Pointe	196,960.05	201,760.05
A/R - Laguna Reserve	13,624.02	13,624.02
A/R - Carmel Spring	33,218.40	46,318.40
A/R - RH New Orleans Holdings MM LLC	66,914.18	66,914.18
A/R - Other	172,155.24	175,108.28
A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
Note Receivable	3,663,548.50	0.00
Loan Receivable from Crown Capital Holdings LLC	59,575.00	0.00
Total Accounts Receivable	4,119,635.27	418,555.93
Deposits & Escrows		
DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
Prepaid Insurance	366.24	1,437.85
Prepaid Insurance - Flood	0.00	3,255.88
Prepaid Payroll Expense	0.00	12,965.17
Total Other Current Assets	366.24	17,658.90
Total Current Assets	4,288,388.46	419,971.84
Fixed Assets		
Property and Equipment		
RE: Buildings	20,653,786.93	20,653,786.93
RE: Building Improvements	407,762.00	407,762.00
Replaced Carpentry/Roofs	13,660.00	13,660.00
Replaced Doors/ Windows	291.55	291.55
Replaced Structural/Building	59,742.06	50,617.06
Replaced Office Furniture & Fixture	958.76	958.76
Replaced Cabinets and Shelving	380.71	380.71
Replaced Window Coverings	4,602.53	3,738.84
Replaced Appliances	10,080.21	9,468.38
Replaced Building/Office Equipment	3,744.87	3,744.87
Replaced Maintenance Equipment	1,763.40	1,763.40
Replaced A/C and Heating	13,166.62	13,166.62
Replaced Plumbing/Hot Water/Pool	16,262.97	15,119.08
Replaced Flooring	69,386.57	68,406.38
Replaced Fences	2,100.00	2,100.00
Replaced Recreational Equipment	13,493.61	13,493.61
Replaced Signage - Fixed	261.03	261.03
Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
Rehab-EXT: Exterior Improvements	1,326,421.76	1,326,421.76
Rehab-EXTF: Roof Replacement	79,704.00	79,704.00
Rehab-EXT: Other	912.63	912.63
Rehab-INT: Interior Improvements	1,234,083.63	1,219,221.49
Rehab-INT: Window Coverings	35.88	0.00
Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,323,577.96	23,295,955.34
Total Fixed Assets	23,323,577.96	23,295,955.34

Laguna Reserve Detailed Balance Sheet

	02/28/2025	02/29/2024
Other Assets		
OTH: Loan Costs	29,190.00	29,190.00
OTH: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	28,230,995.34	24,334,956.10
Liabilities & Equity		
Liabilities		
Current Liabilities		
A/P - Trade	1,011,070.07	884,867.30
A/P - Construction/ Rehab	1,445.92	1,506.08
Due to/Due from Corporate	2,357,837.00	0.00
Due From/To: Westchester xx4034	71,021.83	71,021.83
Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
Due From/To: Westchester xx2783	20,000.00	20,000.00
Due From/To: Carmel Brook	92,383.74	71,983.74
Accrued Interest Payable	203,338.57	35,753.41
Accrued Liabilities	24,250.00	34,679.83
Accrued Insurance	9,258.29	7,484.85
Accrued Property Taxes	135,709.92	19,428.56
Unclaimed Property	8,658.17	8,058.17
Security Deposit Liability	31,877.50	26,362.00
Prepaid Rent	7,203.43	8,642.20
Prepaid Other	18,122.77	11,926.00
Total Current Liabilities	4,188,014.66	1,397,551.42
Long Term Liabilities		
Loan Payable to Crown Capital Holdings LLC	294,873.07	302,914.07
EB5 Loan	4,500,000.00	4,500,000.00
Loan Payable B	1,357,231.50	0.00
Due to/Due from	49,997.76	49,997.76
Deferred Revenue	41,640.64	0.00
Total Long Term Liabilities	6,243,742.97	4,852,911.83
Total Liabilities	10,431,757.63	6,250,463.25
Equity		
Equity Position		
Owner Contribution	13,854,095.06	13,845,365.06
Owner Distribution	(4,932,300.00)	(4,607,500.00)
Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
Initial Capital - Investor A	8,081,827.08	8,081,827.08
Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,744,320.42
Retained Earnings		
Retained Earnings	1,542,473.09	1,264,138.90
Total Retained Earnings	1,542,473.09	1,264,138.90
Current Net Income	(171,485.80)	76,033.53
Total Equity	17,799,237.71	18,084,492.85
Total Liabilities & Equity	28,230,995.34	24,334,956.10

Laguna Reserve Detailed Balance Sheet

	01/31/2025	01/31/2024
Assets		
Current Assets		
Cash		
Petty Cash	(265.42)	234.58
Cash - Operating Account	0.00	(14,027.53)
Cash - Operating Account CFG	80,568.43	0.00
Total Cash	80,303.01	(13,792.95)
Accounts Receivable		
A/R - Tenants	35,412.22	40,349.96
A/R - Laguna Creek	106,283.00	108,083.04
A/R - Orwood Creek	2,030.00	2,030.00
A/R - Lakewood Pointe	196,960.05	201,760.05
A/R - Laguna Reserve	13,624.02	13,624.02
A/R - Carmel Spring	33,218.40	46,318.40
A/R - RH New Orleans Holdings MM LLC	66,914.18	66,914.18
A/R - Other	174,199.80	174,708.28
A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
Note Receivable	3,663,548.50	0.00
Loan Receivable from Crown Capital Holdings LLC	59,575.00	0.00
Total Accounts Receivable	4,116,415.17	418,437.93
Deposits & Escrows		
DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
Prepaid Insurance	7,327.45	629.20
Prepaid Insurance - Flood	0.00	3,687.21
Total Other Current Assets	7,327.45	4,316.41
Total Current Assets	4,207,045.63	411,961.39
Fixed Assets		
Property and Equipment		
RE: Buildings	20,653,786.93	20,653,786.93
RE: Building Improvements	407,762.00	407,762.00
Replaced Carpentry/Roofs	13,660.00	13,660.00
Replaced Doors/ Windows	291.55	291.55
Replaced Structural/Building	58,092.06	46,742.06
Replaced Office Furniture & Fixture	958.76	958.76
Replaced Cabinets and Shelving	380.71	380.71
Replaced Window Coverings	4,602.53	3,738.84
Replaced Appliances	10,080.21	9,468.38
Replaced Building/Office Equipment	3,744.87	3,744.87
Replaced Maintenance Equipment	1,763.40	1,763.40
Replaced A/C and Heating	13,166.62	13,166.62
Replaced Plumbing/Hot Water/Pool	16,262.97	12,705.79
Replaced Flooring	69,386.57	68,406.38
Replaced Fences	2,100.00	2,100.00
Replaced Recreational Equipment	13,493.61	13,493.61
Replaced Signage - Fixed	261.03	261.03
Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
Rehab-EXT: Exterior Improvements	1,326,421.76	1,326,421.76
Rehab-EXTF: Roof Replacement	79,704.00	79,704.00
Rehab-EXT: Other	912.63	912.63
Rehab-INT: Interior Improvements	1,234,083.63	1,215,984.07
Rehab-INT: Window Coverings	35.88	0.00
Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,321,927.96	23,286,429.63
Total Fixed Assets	23,321,927.96	23,286,429.63
Other Assets		

Laguna Reserve Detailed Balance Sheet

	01/31/2025	01/31/2024
OTH: Loan Costs	29,190.00	29,190.00
OTH: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	28,148,002.51	24,317,419.94
Liabilities & Equity		
Liabilities		
Current Liabilities		
A/P - Trade	988,265.73	872,324.81
A/P - Construction/ Rehab	1,445.92	1,824.07
Due to/Due from Corporate	2,357,837.00	0.00
Due From/To: Westchester xx4034	71,021.83	71,021.83
Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
Due From/To: Westchester xx2783	20,000.00	20,000.00
Due From/To: Carmel Brook	92,383.74	62,983.74
Accrued Interest Payable	174,747.29	38,219.17
Accrued Liabilities	20,800.00	24,826.69
Accrued Insurance	720.04	9,718.38
Accrued Property Taxes	126,140.64	9,714.28
Unclaimed Property	8,658.17	8,058.17
Security Deposit Liability	30,894.50	24,619.00
Prepaid Rent	6,136.03	13,730.20
Prepaid Other	12,913.00	2,440.00
Total Current Liabilities	4,107,801.34	1,355,317.79
Long Term Liabilities		
Loan Payable to Crown Capital Holdings LLC	294,873.07	303,645.07
EB5 Loan	4,500,000.00	4,500,000.00
Loan Payable B	1,357,231.50	0.00
Due to/Due from	49,997.76	49,997.76
Deferred Revenue	41,979.18	0.00
Total Long Term Liabilities	6,244,081.51	4,853,642.83
Total Liabilities	10,351,882.85	6,208,960.62
Equity		
Equity Position		
Owner Contribution	13,854,095.06	13,845,365.06
Owner Distribution	(4,932,300.00)	(4,507,500.00)
Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
Initial Capital - Investor A	8,081,827.08	8,081,827.08
Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,844,320.42
Retained Earnings		
Retained Earnings	1,542,473.09	1,220,630.52
Total Retained Earnings	1,542,473.09	1,220,630.52
Current Net Income	(174,603.85)	43,508.38
Total Equity	17,796,119.66	18,108,459.32
Total Liabilities & Equity	28,148,002.51	24,317,419.94

Laguna Reserve Detailed Balance Sheet

	12/31/2024	12/31/2023
Assets		
Current Assets		
Cash		
Petty Cash	(265.42)	234.58
Cash - Operating Account	6,239.52	(794.53)
Cash - Operating Account CFG	47,668.94	0.00
Total Cash	53,643.04	(559.95)
Accounts Receivable		
A/R - Tenants	31,051.14	35,114.77
A/R - Laguna Creek	106,283.00	108,083.04
A/R - Orwood Creek	2,030.00	30.00
A/R - Lakewood Pointe	196,960.05	201,760.05
A/R - Laguna Reserve	13,624.02	13,624.02
A/R - Carmel Spring	33,218.40	42,818.40
A/R - RH New Orleans Holdings MM LLC	66,914.18	66,914.18
A/R - Other	174,199.80	174,708.28
A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
Loan Receivable	55,575.00	0.00
Total Accounts Receivable	444,505.59	407,702.74
Deposits & Escrows		
DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
Prepaid Insurance	21,825.75	7,903.29
Prepaid Insurance - Flood	0.00	4,118.54
Total Other Current Assets	21,825.75	12,021.83
Total Current Assets	522,974.38	422,164.62
Fixed Assets		
Property and Equipment		
RE: Buildings	20,653,786.93	20,653,786.93
RE: Building Improvements	407,762.00	407,762.00
Replaced Carpentry/Roofs	13,660.00	13,660.00
Replaced Doors/ Windows	291.55	291.55
Replaced Structural/Building	58,092.06	37,913.06
Replaced Office Furniture & Fixture	958.76	958.76
Replaced Cabinets and Shelving	380.71	380.71
Replaced Window Coverings	4,551.94	3,296.67
Replaced Appliances	10,080.21	9,468.38
Replaced Building/Office Equipment	3,744.87	3,744.87
Replaced Maintenance Equipment	1,763.40	569.20
Replaced A/C and Heating	13,166.62	11,033.20
Replaced Plumbing/Hot Water/Pool	16,262.97	8,905.86
Replaced Flooring	69,386.57	67,426.19
Replaced Fences	2,100.00	2,100.00
Replaced Recreational Equipment	13,493.61	13,493.61
Replaced Signage - Fixed	261.03	261.03
Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
Rehab-EXT: Exterior Improvements	1,326,421.76	1,326,421.76
Rehab-EXTF: Roof Replacement	79,704.00	79,704.00
Rehab-EXT: Other	912.63	912.63
Rehab-INT: Interior Improvements	1,234,083.63	1,203,683.15
Rehab-INT: Window Coverings	35.88	0.00
Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,321,877.37	23,256,749.80
Total Fixed Assets	23,321,877.37	23,256,749.80
Other Assets		
OTH: Loan Costs	29,190.00	29,190.00

Laguna Reserve Detailed Balance Sheet

	12/31/2024	12/31/2023
OTH: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	24,463,880.67	24,297,943.34
Liabilities & Equity		
Liabilities		
Current Liabilities		
A/P - Trade	986,472.32	838,278.62
A/P - Construction/ Rehab	1,445.92	3,265.70
Due From/To: Westchester xx4034	71,021.83	71,021.83
Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
Due From/To: Westchester xx2783	20,000.00	20,000.00
Due From/To: Carmel Brook	92,383.74	61,983.74
Accrued Interest Payable	37,332.88	38,219.17
Accrued Liabilities	21,950.00	20,804.69
Accrued Insurance	224.01	0.00
Accrued Property Taxes	116,571.36	0.00
Unclaimed Property	8,358.17	8,058.17
Security Deposit Liability	29,080.50	25,368.00
Prepaid Rent	5,968.66	5,719.20
Prepaid Other	18,590.77	2,562.00
Total Current Liabilities	1,605,237.61	1,291,118.57
Long Term Liabilities		
Loan Payable to Crown Capital Holdings LLC	295,604.07	304,376.07
EB5 Loan	4,500,000.00	4,500,000.00
Due to/Due from	49,997.76	49,997.76
Deferred Revenue	42,317.72	0.00
Total Long Term Liabilities	4,887,919.55	4,854,373.83
Total Liabilities	6,493,157.16	6,145,492.40
Equity		
Equity Position		
Owner Contribution	13,854,095.06	13,845,365.06
Owner Distribution	(4,932,300.00)	(4,420,000.00)
Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
Initial Capital - Investor A	8,081,827.08	8,081,827.08
Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,931,820.42
Retained Earnings		
Retained Earnings	1,220,630.52	1,153,998.20
Total Retained Earnings	1,220,630.52	1,153,998.20
Current Net Income	321,842.57	66,632.32
Total Equity	17,970,723.51	18,152,450.94
Total Liabilities & Equity	24,463,880.67	24,297,943.34

Laguna Reserve
Detailed Balance Sheet

Reporting Book:
As of Date:
Location:

ACCRUAL
11/01/2024
Laguna Reserve

	10/31/2024	10/31/2023
Assets		
Current Assets		
CASH		
1100-0001 - Petty Cash	(265.42)	234.58
1100-0002 - Cash - Operating Account	49,890.78	(5,137.17)
TTL CASH	49,625.36	(4,902.59)
Accounts Receivable		
1200-0002 - A/R - Tenants	21,833.16	33,704.57
1200-0004 - A/R - Laguna Creek	106,283.00	0.00
1200-0005 - A/R - Orwood Creek	2,030.00	0.00
1200-0006 - A/R - Lakewood Pointe	196,960.05	0.00
1200-0007 - A/R - Laguna Reserve	13,624.02	0.00
1200-0008 - A/R - Carmel Spring	33,218.40	0.00
1200-0009 - A/R - RH New Orleans Holdings MM LLC	66,914.18	0.00
1200-0050 - A/R - Other	171,955.24	226,944.14
1200-0053 - Due From/To: Westchester sc2783	0.00	(20,000.00)
1200-0075 - A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
1210-1024 - Due From/To: Laguna Reserve	0.00	(17,375.98)
Total Accounts Receivable	377,468.05	(12,077.27)
Deposits & Escrows		
1120-0100 - DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
1300-0002 - Prepaid Expenses	0.00	2,276.42
1300-0003 - Prepaid Insurance	50,822.35	39,352.91
1300-0006 - Prepaid Insurance - Flood	971.96	4,981.20
1300-0008 - Prepaid Insurance - Auto	0.00	266.75
1300-0010 - Prepaid Real Estate Taxes	0.00	18,237.24
Total Other Current Assets	51,794.31	65,114.52
Total Current Assets	481,887.72	51,134.66
Fixed Assets		
Property and Equipment		
1400-0003 - RE: Buildings	20,653,786.93	20,653,786.93
1400-0004 - RE: Building Improvements	407,762.00	407,762.00
1410-0001 - Replaced Carpentry/Roofs	13,660.00	13,660.00
1410-0004 - Replaced Doors/Windows	291.55	291.55
1410-0026 - Replaced Structural/Building	56,417.06	34,956.62
1410-0050 - Replaced Office Furniture & Fixture	958.76	958.76
1410-0051 - Replaced Cabinets and Shelving	380.71	380.71
1410-0053 - Replaced Window Coverings	4,551.94	3,296.67
1410-0054 - Replaced Appliances	10,080.21	9,468.38
1410-0101 - Replaced Building/Office Equipment	3,744.87	3,744.87
1410-0102 - Replaced Maintenance Equipment	1,763.40	569.20
1410-0125 - Replaced A/C and Heating	13,166.62	11,033.20
1410-0126 - Replaced Plumbing/Hot Water/Pool	16,262.97	8,905.86
1410-0151 - Replaced Flooring	69,386.57	64,116.10
1410-0175 - Replaced Fences	2,100.00	2,100.00
1410-0176 - Replaced Recreational Equipment	13,493.61	13,493.61
1410-0200 - Replaced Signage - Fixed	261.03	261.03
1410-0326 - Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
1500-0001 - Rehab-EXT: Exterior Improvements	1,326,421.76	1,324,980.13
1500-0017 - Rehab-EXT: Roof Replacement	79,704.00	79,704.00
1500-0050 - Rehab-EXT: Other	912.63	912.63
1500-0200 - Rehab-INT: Interior Improvements	1,231,492.20	1,126,376.57
1500-0217 - Rehab-INT: Window Coverings	35.88	0.00
1500-0505 - Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,317,610.94	23,171,735.06
Total Fixed Assets	23,317,610.94	23,171,735.06
Other Assets		
1600-0001 - OTIF: Loan Costs	29,190.00	29,190.00
1600-0008 - OTIF: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	24,418,527.58	23,841,898.64
Liabilities & Equity		
Liabilities		
Current Liabilities		
2100-0001 - A/P - Trade	984,690.11	891,185.36
2100-0003 - A/P - Construction/ Rehab	1,445.92	5,954.82
2110-0001 - Due From/To: Westchester sc4034	71,921.83	71,921.83
2110-0002 - Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
2110-0003 - Due From/To: RH New Orleans Holdings MM LLC	0.00	(66,914.18)
2110-0004 - Due From/To: Westchester sc2783	20,000.00	0.00
2110-1001 - Due From/To: Carmel Brook	92,383.74	87,869.02
2110-1002 - Due From/To: Carmel Spring	0.00	(42,818.40)
2110-1003 - Due From/To: Laguna Creek	0.00	(95,083.04)
2110-1005 - Due From/To: Laguna Run	0.00	(188,439.47)
2120-0075 - Accrued Interest Payable	36,986.30	38,219.17
2120-0150 - Accrued Liabilities	22,094.56	20,859.69
2120-0151 - Accrued Insurance	224.01	0.00
2120-0152 - Accrued Property Taxes	97,142.80	0.00
2120-0180 - Unclaimed Property	8,358.17	8,058.17
2190-0001 - Security Deposit Liability	32,148.50	22,691.00
2200-0001 - Prepaid Rent	9,032.95	15,961.80
2200-2004 - Prepaid Other	5,233.00	5,560.00
Total Current Liabilities	1,576,599.34	969,963.22
Long Term Liabilities		
2300-0050 - Loan Payable	297,066.07	306,876.07
2300-0051 - EB5 Loan	4,500,000.00	4,500,000.00
2300-0075 - Note Payable	17,860.17	8,151.09
2300-0100 - Due to/Due from	49,997.76	49,997.76
2300-0175 - Deferred Revenue	42,994.80	0.00
Total Long Term Liabilities	4,907,918.80	4,864,524.92
Total Liabilities	6,484,518.14	5,834,488.14
Equity		
Equity Position		
3100-0001 - Owner Contribution	13,854,095.06	13,814,762.04
3100-0002 - Owner Distribution	(4,932,300.00)	(4,375,000.00)
3100-0003 - Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
3100-0100 - Initial Capital - Investor A	8,081,827.08	8,081,827.08
3100-0501 - Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,946,217.40
Retained Earnings		
3100-0500 - Retained Earnings	1,220,630.52	983,927.81
Total Retained Earnings	1,220,630.52	983,927.81
Current Net Income	285,128.50	77,265.29
Total Equity	17,934,009.44	18,007,410.50
Total Liabilities & Equity	24,418,527.58	23,841,898.64

Laguna Reserve
Detailed Balance Sheet

Reporting Book:
As of Date:
Location:

ACCRUAL
12/01/2024
Laguna Reserve

	11/30/2024	11/30/2023
Assets		
Current Assets		
CASH		
1100-0001 - Petty Cash	(265.42)	234.58
1100-0002 - Cash - Operating Account	(450.00)	(20,758.68)
1100-0075 - Cash - Operating Account CFG	87,680.12	0.00
TTL CASH	86,964.70	(20,524.10)
Accounts Receivable		
1200-0002 - A/R - Tenants	26,537.03	43,154.29
1200-0004 - A/R - Laguna Creek	106,283.00	0.00
1200-0005 - A/R - Orwood Creek	2,030.00	0.00
1200-0006 - A/R - Lakewood Pointe	196,960.03	0.00
1200-0007 - A/R - Laguna Reserve	13,624.02	0.00
1200-0008 - A/R - Carmel Spring	33,218.40	0.00
1200-0009 - A/R - RH New Orleans Holdings MM LLC	66,914.18	0.00
1200-0050 - A/R - Other	172,155.24	227,207.14
1200-0053 - Due From/To: Westchester xx2783	0.00	(20,000.00)
1200-0075 - A/R - Allowance for Doubtful Accounts	(235,350.00)	(235,350.00)
1210-0024 - Due From/To: Laguna Reserve	0.00	13,624.02
Total Accounts Receivable	382,371.92	28,635.45
Deposits & Escrows		
1120-0100 - DEP: Utility Deposits	3,000.00	3,000.00
Total Deposits & Escrows	3,000.00	3,000.00
Other Current Assets		
1300-0003 - Prepaid Insurance	36,324.05	23,628.10
1300-0006 - Prepaid Insurance - Flood	369.38	4,549.87
1300-0008 - Prepaid Insurance - Auto	0.00	58.50
1300-0010 - Prepaid Real Estate Taxes	0.00	9,118.63
Total Other Current Assets	36,693.43	37,355.10
Total Current Assets	509,030.05	48,466.45
Fixed Assets		
Property and Equipment		
1400-0003 - RE: Buildings	20,653,786.93	20,653,786.93
1400-0004 - RE: Building Improvements	407,762.00	407,762.00
1410-0001 - Replaced Carpentry/Roofs	13,660.00	13,660.00
1410-0004 - Replaced Doors/ Windows	291.55	291.55
1410-0026 - Replaced Structural/Building	58,092.06	36,903.06
1410-0050 - Replaced Office Furniture & Fixture	958.76	958.76
1410-0051 - Replaced Cabinets and Shelving	380.71	380.71
1410-0053 - Replaced Window Coverings	4,551.94	3,296.67
1410-0054 - Replaced Appliances	10,080.21	9,468.38
1410-0101 - Replaced Building/Office Equipment	3,744.87	3,744.87
1410-0102 - Replaced Maintenance Equipment	1,763.40	569.20
1410-0125 - Replaced A/C and Heating	13,166.62	11,033.20
1410-0126 - Replaced Plumbing/Hot Water/Pool	16,262.97	8,905.86
1410-0151 - Replaced Flooring	69,386.57	64,116.10
1410-0175 - Replaced Fences	2,100.00	2,100.00
1410-0176 - Replaced Recreational Equipment	13,493.61	13,493.61
1410-0200 - Replaced Signage - Fixed	261.03	261.03
1410-0326 - Insurance Proceeds (Contra)	(619,941.76)	(619,941.76)
1500-0001 - Rehab-EXT: Exterior Improvements	1,326,421.76	1,324,988.13
1500-0017 - Rehab-EXT: Roof Replacement	79,704.00	79,704.00
1500-0050 - Rehab-EXT: Other	912.63	912.63
1500-0200 - Rehab-INT: Interior Improvements	1,232,739.24	1,175,095.37
1500-0217 - Rehab-INT: Window Coverings	35.88	0.00
1500-0505 - Rehab-SW: Professional/ Consulting	30,918.00	30,918.00
Total Property and Equipment	23,320,532.98	23,222,400.30
Total Fixed Assets	23,320,532.98	23,222,400.30
Other Assets		
1600-0001 - OTH: Loan Costs	29,190.00	29,190.00
1600-0008 - OTH: Acquisition Costs	589,838.92	589,838.92
Total Other Assets	619,028.92	619,028.92
Total Assets	24,448,591.95	23,889,895.67
Liabilities & Equity		
Liabilities		
Current Liabilities		
2100-0001 - A/P - Trade	1,009,683.34	855,336.21
2100-0003 - A/P - Construction/ Rehab	1,445.92	(505.65)
2110-0001 - Due From/To: Westchester xx4034	71,021.83	71,021.83
2110-0002 - Due From/To: Rhodium Capital Advisors LLC	195,837.45	195,837.45
2110-0003 - Due From/To: RH New Orleans Holdings MM LLC	0.00	(66,914.18)
2110-0004 - Due From/To: Westchester xx2783	20,000.00	0.00
2110-1001 - Due From/To: Carmel Brook	92,383.74	87,869.02
2110-1002 - Due From/To: Carmel Spring	0.00	(42,818.40)
2110-1003 - Due From/To: Laguna Creek	0.00	(95,083.04)
2110-1005 - Due From/To: Laguna Run	0.00	(188,439.47)
2120-0075 - Accrued Interest Payable	37,332.88	36,986.30
2120-0150 - Accrued Liabilities	20,800.00	20,884.21
2120-0151 - Accrued Insurance	224.01	0.00
2120-0152 - Accrued Property Taxes	106,857.08	0.00
2120-0180 - Unclaimed Property	8,358.17	8,058.17
2190-0001 - Security Deposit Liability	30,014.30	24,409.00
2200-0001 - Prepaid Rent	8,587.78	11,240.20
2200-0004 - Prepaid Other	6,249.77	8,273.50
Total Current Liabilities	1,608,796.47	926,155.15
Long Term Liabilities		
2300-0050 - Loan Payable	296,335.07	305,376.07
2300-0051 - EB5 Loan	4,500,000.00	4,500,000.00
2300-0075 - Note Payable	0.00	8,151.09
2300-0100 - Due to/Due from	49,997.76	49,997.76
2300-0175 - Deferred Revenue	42,656.26	0.00
Total Long Term Liabilities	4,883,989.09	4,863,524.92
Total Liabilities	6,492,785.56	5,789,680.07
Equity		
Equity Position		
3100-0001 - Owner Contribution	13,854,095.06	13,814,762.04
3100-0002 - Owner Distribution	(4,932,300.00)	(4,375,000.00)
3100-0003 - Owner Contribution/(Distribution)	(102,368.68)	(102,368.68)
3100-0100 - Initial Capital - Investor A	8,081,827.08	8,081,827.08
3100-0501 - Current Year Earnings/(Loss)	(473,003.04)	(473,003.04)
Total Equity Position	16,428,250.42	16,946,217.40
Retained Earnings		
3100-0500 - Retained Earnings	1,220,630.52	1,061,193.10
Total Retained Earnings	1,220,630.52	1,061,193.10
Current Net Income	301,925.45	92,805.10
Total Equity	17,950,806.39	18,100,215.60
Total Liabilities & Equity	24,448,591.95	23,889,895.67