
**LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, SECURITY
AGREEMENT AND FIXTURE FILING (WITH POWER OF SALE)**

From

**LDG THE GATEWAY AT TRINITY FOREST, LP
the Grantor,**

to

**[_____] ,
as Deed of Trust Trustee,**

for the benefit of

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS,
the Beneficiary**

Dated as of [December] 1, 2025

Relating to:

**[\$50,000,000]
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
MULTIFAMILY HOUSING REVENUE BONDS
(THE GATEWAY AT TRINITY FOREST) SERIES 2025**

This instrument prepared by and
when recorded return to:

Kutak Rock LLP
Two Logan Square
100 North 18th Street, Suite 1920
Philadelphia, Pennsylvania 19103
Attention: Andrew P. Schmutz, Esquire

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LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING (WITH POWER OF SALE)

This **LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING (WITH POWER OF SALE)**, dated as of [December] 1, 2025 (as amended, modified, supplemented or assigned from time to time, this “Mortgage”), by LDG THE GATEWAY AT TRINITY FOREST, LP, a limited partnership, duly organized and validly existing under the laws of the State of Texas (together with its successors and assigns, the “Grantor”), whose address is c/o LDG Development, 545 S. 3rd St., Louisville, Kentucky 40202, Attention: Jake Brown and its U.S. employer identification number is _____, to [_____, a _____ (together with any successor deed of trust trustee hereunder, the “Deed of Trust Trustee”) whose address is _____, for the benefit of TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS, a public and official agency of the State of Texas (together with its successors and assigns, the “Beneficiary”), whose address is P.O. Box 13941, Austin, Texas 78711, Attention: Director of Multifamily Bonds.

W I T N E S S E T H:

WHEREAS, the Grantor is the owner of a multifamily residential facility and related personal property and equipment, located in the City of Dallas, Dallas County, Texas, which is being acquired and constructed with the proceeds of certain bonds known as \$[50,000,000] Multifamily Housing Revenue Bonds (The Gateway at Trinity Forest) Series 2025 (the “Bonds”) issued by Texas Department of Housing and Community Affairs (together with its successors and assigns, the “Issuer”); and

WHEREAS, the Bonds are being issued pursuant to a certain Indenture of Trust dated as of [December] 1, 2025, between the Issuer and BOKF, NA, as trustee (as amended, modified, or supplemented from time to time, the “Indenture”); and

WHEREAS, pursuant to a Loan Agreement dated as of [December] 1, 2025, by and between the Issuer and the Grantor (as amended, modified, or supplemented from time to time, the “Loan Agreement”), the Grantor is obligated to make loan payments to the Issuer in accordance with certain notes evidencing such loan dated as of the date of issuance of the Bonds (as amended, modified, or supplemented from time to time, collectively, the “Note”) in the amounts and at the times corresponding to the debt service and other payments required in respect of the Bonds; and

WHEREAS, the rights of the Issuer under the Loan Agreement, this Mortgage and the Note are being assigned contemporaneously with the execution and delivery hereof to the Beneficiary; and

WHEREAS, the Indenture, the Loan Agreement, the Note and any other document or instrument given by the Grantor at any time to evidence or further secure any obligations assumed or undertaken by the Grantor in connection with the Bonds are sometimes hereinafter collectively referred to as the “Bond Documents”; and

WHEREAS, all capitalized terms used herein without definition have the meanings given to such terms in the Indenture or the Loan Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION of issuance of the Bonds and the loan of the proceeds thereof by the Issuer to the Grantor, of the respective representations, covenants and agreements hereinafter contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, for the purpose of securing payment and performance of the Secured Obligations (defined below), and subject to the terms of this Mortgage, the Grantor hereby

irrevocably and unconditionally grants, bargains, sells, transfers, conveys and assigns to the Deed of Trust Trustee, its successors and assigns, with power of sale, and with right of entry and possession, in trust for the benefit of the Beneficiary, and its respective successors and assigns, and grants the Beneficiary a lien and a security interest in all estate, right, title and interest which the Grantor now has or may later acquire in and to the following property:

ALL OF Grantor's leasehold estate interest in the land which is described in Exhibit A (hereinafter sometimes called the "Land"), being the leasehold estate created by, and all of Grantor's right, title and interest, as lessee, in and to that certain lease dated _____ (the "Ground Lease"), between _____, as lessor (the "Ground Lessor"), and Grantor, as lessee, intended to be recorded in the office of the recorder of deeds in and for Dallas County prior to the recording of this Mortgage (Grantor hereby expressly covenanting and agreeing that if Grantor shall, at any time before payment in full of the indebtedness secured hereby, acquire fee title or any other greater estate to the Land and/or any buildings, structures, improvements and fixtures thereon, then the lien of this Mortgage shall automatically attach, extend to, cover and be a lien upon such fee title or other greater estate);

TOGETHER WITH all right, title and interest of the Grantor in and to, and remedies under (a) any and all leases, subleases, license agreements, concessions, tenancies and other use or occupancy agreements (whether oral or written), or any part thereof, now or hereafter existing, covering or affecting any or all of the Property (as hereinafter defined), all extensions and renewals thereof, and all modifications, amendments and guaranties thereof (each of which is hereinafter called a "Lease"), and (b) any and all rents, income, receipts, revenues, royalties, issues, profits, contract rights, accounts receivable, or general intangibles growing out of or in connection with the Leases (whether from residential or non-residential space) and other payments, payable to the Grantor pursuant to any Lease, including, without limitation, cash or securities deposited under any Lease to secure performance by the tenants of their obligations under the Leases, whether such cash or securities are to be held until the expiration of the term of such Leases or are to be applied to one or more of the installments of rent coming due prior to the expiration of such terms and further including subsidy payments received from any source (collectively, the "Rents"), subject, however, to the provisions hereof; and

TOGETHER WITH any and all rights, alleys, ways, tenements, hereditaments, easements, passages, waters, water rights, water courses, riparian rights, licenses, franchises, privileges and appurtenances now or hereafter to the same belonging or in any way appertaining, as well as any after-acquired right, title, interest, franchise, license, reversion and remainder, and

TOGETHER WITH all right, title and interest of the Grantor, including any after-acquired right, title or reversion, in and to the right of ways, streets, avenues and alleys, open or proposed, located wholly or partially within the boundary of the Land or adjacent thereto, and

TOGETHER WITH all buildings, structures, surface parking and other improvements of every kind and description now or hereafter erected or placed on the Land, all additions, alterations and replacements thereto or thereof, and all materials now owned or hereafter acquired by the Grantor and intended for the operation, construction, reconstruction, alteration and repair thereof, all of which materials shall be deemed to be included within the Property (hereinafter defined) immediately upon the delivery thereof to the Land (all of which are hereinafter called collectively the "Improvements" and, the Improvements and the Land are hereinafter called the "Premises"), and

TOGETHER WITH all of the walks, fences, shrubbery, driveways, fixtures, machinery, apparatus, equipment, fittings, and other goods of every kind and description whatsoever, now owned or hereafter acquired by the Grantor and attached to or contained in and used for any present or future operation or management of the Land or the Improvements, including, without limitation, all lighting,

laundry, incinerating and power equipment; all engines, boilers, machines, motors, furnaces, compressors and transformers; all generating equipment; all pumps, tanks, ducts, conduits, wires, switches, fans, switchboards, and other electrical equipment and fixtures; all telephone equipment; all piping, tubing, plumbing equipment and fixtures; all heating, refrigeration, air conditioning, cooling, ventilating, sprinkling, water, power and communications equipment, systems and apparatus; all water coolers and water heaters; all fire prevention, alarm and extinguishing systems and apparatus; all cleaning equipment; all lift, elevator and escalator equipment and apparatus; all partitions, shades, blinds, awnings, screens, screen doors, storm doors, exterior and interior signs, gas fixtures, stoves, ovens, refrigerators, garbage disposals and compactors, dishwashers, cabinets, mirrors, mantles, floor coverings, carpets, rugs, draperies and other furnishings and furniture installed or to be installed or used or usable in any way in the operation of any Improvements or appurtenant facilities erected or to be erected in or upon the Land; and every renewal, replacement or substitution therefor, whether or not the same are now or hereafter attached to the Land in any manner; all except for any right, title or interest therein held by any tenant of any or all of the Land or the Improvements, or by any other person, so long as such tenant or other person is not a party hereto or bound, with respect to such right, title or interest, by the provisions hereof (it being agreed by the parties hereto that all personal property owned by the Grantor and placed by it on the Land shall, so far as permitted by law, be deemed to be affixed to the Land, appropriated to its use, and covered by this Mortgage), and

TOGETHER WITH all of the Grantor's right, title and interest in and to any and all easements and appurtenances, including, without limitation, any easements and agreements which are or may be established to allow satisfactory ingress to, egress from and operation of the Land and the Improvements, and

TOGETHER WITH any and all judgments, awards of damages (including but not limited to severance and consequential damages), payments, proceeds, settlements or other compensation heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, in connection with, or in lieu of (a) any condemnation, either temporarily or permanently, (b) any change or alteration of the grade or widening of any street or road, and (c) any other damage, destruction, or injury to, or decrease in value of, the Land or the Improvements or any part thereof, to the extent of all Secured Obligations at the date of receipt by the Beneficiary of any such judgment, award of damages, payment, proceeds, settlement or other compensation, including interest thereon, and of the reasonable counsel fees, costs and disbursements, if any, incurred by the Beneficiary in connection with the collection of such judgment, award of damages, payment, proceeds, settlement or other compensation, including interest thereon, and

TOGETHER WITH all of Grantor's rights in and to policies of insurance including any and all payments, proceeds, settlements or other compensation heretofore or hereafter made, including any interest thereon, and the right to receive the same, from any and all insurance policies covering the Land or the Improvements or any portion thereof, and

TOGETHER WITH all right, title and interest of the Grantor in and to the Management Agreement by and between the Grantor and [Solidago Residential Services] dated _____, 20__, and any modifications, amendments, extensions, renewals, replacements or substitutions thereof thereafter made, and

TOGETHER WITH all contract rights (including any contract deposits), but not any contract obligations or liabilities, relating to or arising out of any agreement to sell, transfer, assign, convey or encumber the Land, the Improvements, any portion thereof, any interest therein, and

TOGETHER WITH all plans and specifications, surveys, reports, diagrams, drawings, service contracts, accounting records, invoices, change orders, licenses, authorizations, certificates, variances, approvals and other permits necessary or appropriate to permit the construction, reconstruction, repair or alteration, addition, improvement, use, operation and management of the Land and the Improvements, and

TOGETHER WITH all of the Grantor's cash, bank accounts, notes and other instruments, documents, accounts receivable, contract rights, permits, receipts, sales and promotional literature and forms, advertising materials and the like, trademarks, names, logos, copyrights and other items of intangible personal property now or hereafter owned by the Grantor relating to the ownership, operation, development, leasing or management of the Land or the Improvements,

TO HAVE AND TO HOLD the Land, the Improvements, fixtures, personal property, tenements, hereditaments, appurtenances and other property interests granted hereinabove (hereinafter collectively called the "Property") unto the Deed of Trust Trustee, its successors and assigns, for the benefit of the Beneficiary, its successors and assigns, subject only to the Permitted Encumbrances.

FOR THE PURPOSE OF SECURING:

(a) payment and performance of each and every obligation, covenant and agreement of the Grantor contained in the Note and the Loan Agreement from and after the execution and delivery thereof;

(b) performance of every obligation, covenant and agreement of the Grantor contained in any other Bond Document or in any other agreement or instrument now or hereafter executed by the Grantor which recites that the obligations thereunder are secured by this Mortgage; and

(c) payment of all sums, with interest thereon at the rate set forth in the Loan Agreement that may become due and payable to or for the benefit of the Beneficiary pursuant to the terms of this Mortgage; and

(d) the reimbursement of the Beneficiary for all money advanced, as provided herein, and all expenses (including, reasonable attorneys' fees) incurred or paid by, the Beneficiary on account of any action (whether formal litigation or otherwise) that may arise in connection with this Mortgage, the Bond Documents or the Property, or in obtaining possession of the Property as hereinafter provided.

The obligations described in subparagraphs (a) through (d) above shall hereinafter be referred to collectively as the "Secured Obligations."

TO PROTECT THE SECURITY GRANTED BY THIS MORTGAGE, THE GRANTOR, AGREES AS FOLLOWS:

**ARTICLE I
COVENANTS AND AGREEMENTS OF THE GRANTOR**

Section 1.01. Payment and Performance of Secured Obligations. The Grantor shall pay and perform when due all of the Secured Obligations, including all of the Grantor's obligations under the Loan Agreement and all of the other Bond Documents, in accordance with the terms thereof.

Section 1.02. Maintenance, Repair, Alterations. The Grantor (i) shall maintain, keep and preserve the Property in accordance with the terms of the Loan Agreement and this Mortgage; (ii) shall not commit or permit any waste or deterioration of the Property; (iii) shall comply with the provisions of all Leases in all material respects; (iv) shall not abandon the Property or any portion thereof or leave the

Premises vacant or deserted; (v) shall not initiate, join in or consent to any change in any zoning ordinance, general plan, specific plan, private restrictive covenant or other public or private restriction limiting the uses which may be made of the Premises other than Permitted Encumbrances; (vi) shall secure and maintain in full force and effect all permits necessary for the use, occupancy and operation of the Premises; (vii) shall not cause or permit any fixture or any article of Personal Property (as defined in Article 4 below) to be removed from the Premises without the prior written consent of the Controlling Person except in accordance with Section 4.02 (a); and (viii) except as otherwise prohibited or restricted by the Bond Documents, shall do any and all other acts which may be reasonably necessary to protect and preserve the value of the Property and the rights of the Beneficiary with respect thereto.

Section 1.03. Required Insurance. The Grantor shall at all times provide, maintain and keep in force, or cause to be provided, maintained and kept in force, at no expense to the Beneficiary, policies of insurance in form and amounts, issued by such insurance companies, associations or organizations, and covering such casualties, risks, perils, liabilities and other hazards as are required under Section 6.4 of the Loan Agreement.

Section 1.04. Casualties; Insurance Proceeds.

(a) The Grantor shall give prompt written notice to the Beneficiary and the Controlling Person of the occurrence of any casualty to or in connection with the Premises or any part thereof that exceeds \$25,000 to repair (a "Material Casualty"), whether or not covered by insurance. The Controlling Person is hereby authorized and empowered by the Grantor to settle, adjust or compromise any and all claims for loss, damage or destruction that constitute a Material Casualty under any policy or policies of insurance without the consent of the Grantor. So long as no Event of Default has occurred and is continuing, the Grantor shall have the right to settle, adjust or compromise any casualty that is not a Material Casualty without the consent of the Beneficiary or the Controlling Person.

(b) In the event of a Material Casualty, all proceeds of insurance shall be payable to the Beneficiary for deposit into the Insurance and Condemnation Proceeds Account of the Project Fund established under the Indenture, and the Grantor hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to the Beneficiary. If the Grantor receives any proceeds of insurance resulting from a Material Casualty, the Grantor shall promptly pay over such proceeds to the Beneficiary. In the event of any Material Casualty, the Controlling Person shall direct the Beneficiary to apply all loss proceeds remaining after deduction of all expenses of collection and settlement thereof, including reasonable attorneys' and adjustor's fees and expenses, to the restoration of the Improvements, so long as (i) no Event of Default, or event or conditions that with the passage of time, the giving of notice or both would constitute an Event of Default, then exists and is continuing; (ii) such loss proceeds (including proceeds of property and rental interruption insurance) shall be in an amount sufficient to complete the restoration of the Improvements and, pay during the period of restoration and re-leasing all debt service or, if such loss proceeds are insufficient, the Grantor shall have deposited with the Beneficiary an amount equal to any deficiency within ten (10) business days of the determination of such deficiency and in any event prior to application of any loss proceeds to restoration of the Improvements; (iii) the plans, specifications, construction contracts, architect's agreements and all other material agreements relating to the restoration shall be approved by the Controlling Person in writing; (iv) the Controlling Person determines, in its reasonable discretion, that the Premises are capable of being fully restored by the earlier of (A) the date which is twelve (12) months from the occurrence of the loss or damage and (B) the Maturity Date (as set forth in the Indenture); (v) upon completion of restoration, the Property will be in compliance with the Regulatory Agreement and will still be eligible to receive payments under the HAP Contract; and (vi) if requested by the Controlling Person, the Grantor shall deliver to the Beneficiary and the Controlling Person an opinion of Bond Counsel (as defined in the Indenture) to the effect that restoration of the Property will not adversely affect the exclusion from gross

income of interest on the Bonds for purposes of federal income taxation. If the foregoing conditions are met, the Beneficiary shall disburse the loss proceeds in accordance with customary construction loan practices upon submission of requisitions approved by the Controlling Person, and only as restoration is effected and continuing and expenses become due and payable.

(c) If any one or more of the above conditions are not met, the Beneficiary may direct that all or part of the loss proceeds, after deductions as herein provided, shall be applied to the mandatory redemption of the Bonds in accordance with Section 3.4(b)(ii) of the Indenture. The Grantor irrevocably appoints the Beneficiary its true and lawful attorney-in-fact for the purpose of executing and delivering such notices, certificates and other documents and instruments, in the name of the Grantor, as may be required under the Bond Documents to effect such redemption. If the loss proceeds are not sufficient to satisfy fully the Secured Obligations, the Grantor shall pay to the Beneficiary any deficiency with respect thereto within twenty (20) business days of the determination of said deficiency. Nothing herein contained shall be deemed to excuse the Grantor from repairing or maintaining the Property as provided in Section 1.02 or restoring all damage or destruction to the Premises. The application or release by the Beneficiary of any insurance proceeds shall not cure or waive any default or notice of default or Event of Default under this Mortgage or invalidate any act done pursuant to such notice.

Section 1.05. Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Mortgage, exercise of the power of sale hereunder or other transfer of title or assignment of the Property in extinguishment, in whole or in part, of the Secured Obligations, all right, title and interest of the Grantor in and to all policies of property insurance maintained with respect to all or any portion of the Property and all other policies of insurance required by the Loan Agreement and relating to the Property shall inure to the benefit of and pass to the successor in interest to the Grantor or the purchaser or mortgagee of the Property, to the extent the same may be assigned.

Section 1.06. Condemnation.

(a) The Grantor shall promptly notify the Beneficiary and the Controlling Person if the Grantor shall become aware of the threat or institution of any proceeding or negotiations for the taking of the Premises, or any part thereof, whether for permanent or temporary use and occupancy in condemnation or by the exercise of the power of eminent domain or by Agreement of interested parties in lieu of such condemnation (all the foregoing herein called a “taking”); shall keep the Beneficiary and the Controlling Person currently advised, in detail, as to the status of such proceedings or negotiations and will promptly give to the Beneficiary copies of all notices, pleadings, judgments, determinations and other papers received or delivered by the Grantor therein. For purposes of this Mortgage, a taking that will decrease the value of the Premises by more than \$25,000, will materially restrict access to the Property, or will affect more than ten percent (10%) of the rentable square footage of the Improvements shall be a “Material Taking”. The Controlling Person shall have the right to direct the Beneficiary to appear and participate in any proceedings or negotiations in connection with a Material Taking (or in connection with any taking if at such time an Event of Default has occurred and is continuing), and in connection with such proceedings the Controlling Person and the Beneficiary may be represented by counsel of their choice. The Grantor will not, without the Controlling Person’s prior written consent, enter into any agreement in a Material Taking for the taking of the Premises, or any part thereof, with anyone authorized to acquire the same by eminent domain or in condemnation.

(b) In the event of any Material Taking, the awards payable in connection therewith are hereby assigned to the Beneficiary, and the Grantor shall pay over such awards remaining after deduction of all expenses of collection and settlement, to the Beneficiary for deposit into the Insurance and Condemnation Proceeds Account of the Project Fund established under the Indenture. Subject to the satisfaction of the conditions set forth in Section 1.04(b)(i)-(vi) hereof, the Controlling Person shall cause

such awards to be applied to the costs to repair, rebuild or replace the portion of the Premises that was not subject to the taking, upon the terms and conditions as set forth in Section 1.04(b). If any of the conditions set forth in Section 1.04(b)(i)-(vi) hereof are not met, the Controlling Person may cause such awards to be applied to the mandatory redemption of the Bonds pursuant to Section 3.4(b)(ii) of the Indenture.

(c) If, in the event of the happening of any permanent taking, the Beneficiary shall be obligated to apply any awards received by it in connection with such taking towards the restoration of the Premises, the Grantor shall promptly, whether or not the awards, if any, shall be sufficient for the purpose, commence and diligently continue to restore, repair and rebuild the portion of the Premises that was not subject to the taking as nearly as possible to its value, condition and character immediately prior to such taking.

Section 1.07. Obligations Unconditional; Waiver of Offset. All sums payable by the Grantor under this Mortgage shall be paid without notice, demand, counterclaim, set-off, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of the Grantor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein or in any of the Bond Documents) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Property or any part thereof; (ii) any restriction or prevention of or interference by any third party with any use of the Property or any part thereof; (iii) any title defect or encumbrance or any eviction from the Premises or the Improvements or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to the Beneficiary, or any action taken with respect to this Mortgage by a trustee or receiver of the Beneficiary, or by any court, in any such proceeding; (v) any claim which the Grantor has or might have against the Beneficiary; (vi) any default or failure on the part of the Beneficiary to perform or comply with any of the terms hereof; (vii) any default or failure on the part of the Beneficiary to perform or comply with any of the terms of any other agreement with the Grantor; (viii) any homestead or similar rights; or (ix) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not the Grantor has notice or knowledge of any of the foregoing. Except as expressly provided herein, the Grantor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by the Grantor.

Section 1.08. Taxes and Impositions; Deposits into Tax and Insurance Escrow Fund.

(a) In accordance with Section 8.2 of the Loan Agreement, the Grantor shall deposit with the Beneficiary the monthly tax and insurance amount required by the Controlling Person. If at any time and for any reason the funds so deposited are or will be insufficient to pay such amounts as may be then or subsequently due for the payment of all Impositions and the insurance premiums for policies required hereunder and under the Loan Agreement, the Controlling Person may, without any obligation to do so, advance any amounts required to make up the deficiency, which advances, if any, shall be secured hereby and shall be repayable to the Beneficiary for the reimbursement of the Controlling Person as herein elsewhere provided.

(b) The Grantor shall not suffer, permit or initiate the joint assessment of any real or personal property which may constitute all or a portion of the Property or suffer, permit or initiate any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Property as a single lien; provided, however, that the Grantor shall have the right before any delinquency occurs to contest or object to the amount or validity of any such taxes, assessments or charges by appropriate proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending the Grantor's covenant to pay any such taxes,

assessments or charges at the time and in the manner provided in this Section 1.08, unless the Grantor has given prior written notice to the Controlling Person of the Grantor's intent to so contest or object to a tax, assessment or charge, and unless, at the Controlling Person's sole option, (i) the Grantor shall demonstrate to the Controlling Person's satisfaction that the proceedings to be initiated by the Grantor shall conclusively operate to prevent the sale of the Property, or any part thereof, to satisfy such tax, assessment or charge prior to final determination of such proceedings; and (ii) the Grantor shall furnish a good and sufficient bond or surety as requested by and satisfactory to the Controlling Person; and (iii) the Grantor shall demonstrate to the Controlling Person's satisfaction that the Grantor has provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale.

(c) The Grantor hereby agrees to pay and indemnify the Beneficiary, the Bondholders and the Controlling Person from the payment of all documentary stamp taxes and intangible taxes that may be levied upon the holder of the Secured Obligations, the indebtedness evidenced by the other Bond Documents, the making or recording of this Mortgage or any evidence of indebtedness secured hereby, or, except as otherwise expressly provided therein, the transactions contemplated by the Loan Agreement, this Mortgage or any of the other Bond Documents, including interest, penalties and costs. The Grantor agrees to pay the Beneficiary and the Controlling Person reasonable attorneys' fees and costs incurred in connection with any inquiry from or assertion by governmental authority that any such taxes have not been paid promptly when due.

Section 1.09. Utilities. The Grantor shall pay or cause to be paid prior to delinquency all utility charges incurred by the Grantor for the benefit of the Premises or which may become a charge or lien against the Premises for gas, electricity, water or sewer services furnished to the Premises and all other assessments or charges of a similar nature, whether public or private, affecting or related to the Premises or any portion thereof, whether or not such taxes, assessments or charges are or may become liens thereon. The Grantor may contest any such change in good faith and by appropriate proceedings promptly initiated and diligently conducted if (i) such proceedings do not in the opinion of the Controlling Person involve the risk of the sale, forfeiture or loss of the Property subject to such lien or interfere with the operation of the Premises, (ii) the Grantor shall have established a reserve or made other appropriate provision as requested by and satisfactory to the Controlling Person, and (iii) any foreclosure, distraint, sale or other similar proceedings shall have been effectively stayed.

Section 1.10. Actions Affecting Property. The Grantor shall give the Beneficiary and the Controlling Person prompt written notice of the assertion of any claim with respect to, or the filing of any action or proceeding purporting to affect, the Property, the security of this Mortgage or the rights or powers of the Deed of Trust Trustee or Beneficiary. The Grantor shall appear in and contest, in accordance with the direction of the Controlling Person, any such action or proceeding and shall pay all costs and expenses, including costs of evidence of title and attorneys' fees, in any such action or proceeding.

Section 1.11. Actions by the Beneficiary to Preserve Property. If an Event of Default occurs (or prior to an Event of Default if the Controlling Person determines in its sole judgment that the same is necessary to preserve the Premises or the lien of this Mortgage or the other Bond Documents thereon or on any other collateral securing the Secured Obligations, or is necessary to protect the life, health or safety of any persons on or near the Premises or the property of any such person), the Controlling Person in its reasonable discretion, without obligation to do so and without releasing the Grantor from any obligation, and, except as provided in the next succeeding sentences, may make any such payment, or perform any other act or take any appropriate action, including, without limitation, entry on the Premises and performance of work thereon, or direct the Beneficiary to do the same in such manner and to such extent as it may deem necessary to protect the security hereof. The Beneficiary shall use reasonable efforts to notify the Grantor prior to making any such payment or doing any such act; provided, however,

that the failure to provide such notice shall not in any way affect the Grantor's obligation to reimburse the Beneficiary or the Controlling Person in accordance with this Section nor shall either the Beneficiary or the Controlling Person incur any liability to the Grantor as a result of such failure. In connection therewith (without limiting its general powers, whether conferred herein, in any other of the Bond Documents, or bylaw), the Beneficiary acting at the direction of the Controlling Person shall have and is hereby given the right, but not the obligation, at any time after the occurrence of an Event of Default (i) to enter upon the Premises and take possession of the Property; (ii) to make additions, alterations, repairs and improvements to the Property which it may consider necessary or proper to keep the Premises in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security of this Mortgage or the rights or powers of the Beneficiary; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in its judgment may affect the security of this Mortgage or be prior or superior hereto; and (v) in exercising such powers, to pay necessary expenses, including reasonable attorneys' fees and costs or other necessary or desirable consultants. The Grantor shall, immediately upon demand therefor by the Beneficiary, pay to the Beneficiary or the Controlling Person an amount equal to all of their respective costs and expenses incurred in connection with the exercise by the Beneficiary of the foregoing rights, including costs of evidence of title, court costs, appraisals, surveys and receiver's, trustee's, and attorneys' fees, together with interest thereon from the date of such expenditures to the date of payment at the Default Rate.

Section 1.12. Transfer of Property by the Grantor. The Grantor agrees that, except for Permitted Transfers, and except for the making of residential leases, the Grantor shall not transfer the Property or any portion thereof or interest therein without the prior written consent of the Controlling Person. In the event of any transfer of the Property or any portion thereof or interest therein (other than Permitted Transfers or as expressly permitted hereunder or under the Bond Documents, or with the prior written consent of the Controlling Person), the Beneficiary shall have the absolute right at the option of the Controlling Person, without prior demand or notice, to declare all of the Secured Obligations for which the Grantor is then liable to be immediately due and payable. Consent to one such transfer shall not be deemed to be a waiver of the Controlling Person's right to require consent to future or successive transfers. With respect to any transfer that requires the consent of Controlling Person, the Controlling Person may grant or deny such consent in its sole and absolute discretion, and may charge a fee in connection with such request for consent. If consent is given, and if this Mortgage is not released to the extent of the transferred portion of the Property by a writing executed by the Beneficiary and recorded in the proper city, town, or county records, then any such transfer shall be subject to this Mortgage, and any such transferee shall, by accepting such transfer, assume all obligations hereunder and agree to be bound by all provisions contained herein. Such assumption shall not, however, release the Grantor or any maker or guarantor of any of the Secured Obligations from any liability hereunder or thereunder prior to the date of such transfer without the prior written consent of the Controlling Person. The covenants contained in this Section shall run with the Land and shall remain in full force and effect until all of the Secured Obligations are fully paid and fully performed. The Beneficiary may, without notice to the Grantor, deal with any transferees with reference to the Secured Obligations in the same manner as the Grantor, without in any way altering or discharging the Grantor's liability with respect thereto.

Section 1.13. Full Performance Required; Survival of Warranties. All obligations, representations, warranties and covenants of the Grantor contained in any Bond Document shall survive the execution and delivery of this Mortgage and shall remain continuing obligations, warranties, representations and covenants of the Grantor so long as any portion of the Secured Obligations remains outstanding, and the Grantor shall fully and faithfully satisfy and perform all such obligations, representations, warranties and covenants.

Section 1.14. Liens. Except for Permitted Encumbrances, the Grantor shall not create, incur, or permit to exist any lien, encumbrance or charge upon the Property, or any portion thereof or interest

therein (individually, a “Lien” or “Encumbrance” and collectively, “Liens or Encumbrances”). If the Grantor fails to remove and discharge any Lien or Encumbrance or contest the same in good faith after the same shall have been bonded over to the satisfaction of the Controlling Person, then, in addition to any other right or remedy of the Beneficiary, (i) the Beneficiary may, but shall not be obligated to, take such action at the direction of the Controlling Person as the Controlling Person deems warranted to discharge any Lien or Encumbrance either by paying the amount claimed to be due, or by procuring the discharge of such Lien or Encumbrance by depositing in a court a bond or the amount claimed or otherwise giving security for such claim, or by procuring such discharge in such manner as is or may be prescribed by law and (ii) the Beneficiary shall have the absolute right, at the Controlling Person’s direction, without prior demand or notice, to declare all of the Secured Obligations for which the Grantor is then liable to be immediately due and payable. The Grantor shall, immediately upon demand therefor by the Beneficiary, pay to the Beneficiary an amount equal to all costs and expenses incurred by the Beneficiary in connection with the exercise by the Beneficiary of the foregoing right to discharge any such Lien or Encumbrance, together with interest thereon from the date of such expenditure to the date of payment at the Default Rate.

Section 1.15. Beneficiary’s Powers. None of the following actions by or caused by the Beneficiary, with or without notice to any person, shall have any effect on either (a) the liability of any other person liable for the payment of any of the Secured Obligations, or (b) the lien or charge of this Mortgage upon any portion of the Property not then or theretofore released as security for the full amount of all unpaid or unperformed Secured Obligations: (i) the release of any person so liable, (ii) the extension of the maturity or the alteration of any of the terms of any of the Secured Obligations, (iii) the grant of any other indulgences, (iv) the release or reconveyance of all or any portion of the Property, (v) the taking or release of any other or additional security for any of the Secured Obligations, or (vi) the making of arrangements with debtors in relation thereto.

Section 1.16. Trade Names. At the request of the Beneficiary, the Grantor shall execute a certificate in form reasonably satisfactory to the Beneficiary listing all of the trade names and fictitious business names under which the Grantor operates, or intends to operate, any portion of the Property or any business located thereon and representing and warranting that the Grantor does business under no other trade names or fictitious business names with respect to any portion of the Property. The Grantor shall immediately notify the Beneficiary and the Controlling Person in writing of any change in said trade names or fictitious business names, and will, upon request of the Beneficiary, execute any additional financing statements and other certificates necessary to reflect any change in said trade names or fictitious business names.

Section 1.17. Grantor Remains Liable. Anything herein to the contrary notwithstanding, (a) the Grantor shall remain liable under all contracts and agreements relating to the Property, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Mortgage had not been executed, (b) the exercise by the Beneficiary of any of its rights hereunder shall not release the Grantor from any of the Grantor’s duties or obligations under any contracts and agreements related to the Property, and (c) the Beneficiary shall not have any obligations or liability under any of the contracts or agreements related to the Property by reason of this Mortgage and shall not be obligated to perform any of the obligations or duties of the Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 1.18. Warranties and Representations of Grantor. The Grantor represents and warrants to the Beneficiary as follows:

(a) The Grantor is the owner of a leasehold interest in the Land and is the fee simple owner of the Improvements and the owner of the remainder of the Property free and clear of any lien,

security interest, charge or encumbrance, except for the lien and charge of this Mortgage and the Permitted Encumbrances and will warrant and defend title to the Property against all claims and demands (subject to the Permitted Encumbrances).

(b) The Grantor has good, right and lawful authority to encumber the Property with and grant the lien and charge created by this Mortgage, and the execution, delivery and performance by the Grantor of this Mortgage have been duly authorized by all necessary parties and do not and will not (i) violate the partnership agreement, articles of incorporation, charter or by-laws of the Grantor or any direct or indirect constituent partner of the Grantor or any provision of any law, rule or regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the Grantor, or (ii) result in a breach of or constitute a default under any material indenture or loan or credit agreement or any other material agreement, lease or instrument to which the Grantor is a party or by which the Grantor or its properties may be bound or affected. The Grantor will warrant and defend its title to the Property against claims of all persons and entities whomsoever (other than Permitted Encumbrances), and the Grantor will maintain and preserve the lien and charge of this Mortgage so long as any of the Secured Obligations is outstanding.

(c) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body, other than the recordation of this Mortgage in the official records of the city, town or county in which the Property is located, is required (i) for the grant by the Grantor of the lien created hereby or for the execution, delivery and performance by the Grantor of this Mortgage, or (ii) for the perfection of the security interests granted hereunder or the exercise by the Beneficiary of the rights and remedies conferred hereunder (except as may be required by the express terms of this Mortgage).

Section 1.19. Other Instruments. The Grantor shall punctually pay all amounts due and payable under, and shall promptly and faithfully perform or observe each and every other obligation or condition to be performed or observed under the Bond Documents, each mortgage, deed to secure debt, deed of trust, security agreement or other lien or security interest, or encumbrance, lease, sublease, declaration, covenant, condition, restriction, license, order or other instrument or agreement which affects the Property, in law or in equity.

Section 1.20. Further Acts. The Grantor shall do and perform all acts necessary to keep valid and effective the charges and lien hereof and to carry into effect its objectives and purposes, in order to protect the Deed of Trust Trustee and Beneficiary. Promptly upon written request, from time to time, of the Beneficiary or the Controlling Person and at the Grantor's expense, the Grantor shall execute, acknowledge and deliver to the Beneficiary such other and further instruments and do such other acts as in the opinion of the Beneficiary or the Controlling Person may be necessary or appropriate to (a) grant to the Beneficiary the priority perfected lien and security interest in respect of the Property to secure all of the Secured Obligations, (b) grant to the Deed of Trust Trustee, to the fullest extent permitted by applicable law, the right to foreclose on the Property judicially or nonjudicially or to exercise the power of sale, (c) correct any defect, error or omission which may be discovered in the contents of this Mortgage (including all exhibits and/or schedules hereto) or any of the other Bond Documents, (d) identify more fully and subject to the liens, encumbrances and security interests and assignments created hereby and properly intended by the terms hereof to be covered hereby (including any renewals, additions, substitutions, replacements or appurtenances to the Property), (e) assure the intended priority of this Mortgage and of such liens, encumbrances, security interests and assignments, and (f) otherwise effect the intent of this Mortgage. Without limiting the generality of the foregoing, the Grantor, upon the Beneficiary's or the Controlling Person's written request, at such times and as often as may be reasonably necessary, and, to the extent consistent with applicable law, at the Grantor's own expense, shall promptly record, rerecord, file and refile in such offices, this Mortgage, and every other instrument in addition or

supplemental hereto, including applicable financing statements, as may be necessary to create, perfect, maintain and preserve the liens, encumbrances and security interests (and priority thereof) intended to be created hereby and the rights and remedies of the Beneficiary hereunder. Upon written request by the Deed of Trust Trustee and Beneficiary or the Controlling Person, the Grantor shall supply evidence of fulfillment of its obligations under this Section 1.20.

ARTICLE II

ASSIGNMENT OF RENTS, LEASES AND OTHER AGREEMENTS

Section 2.01. Assignment of Rents and Leases, Issues and Profits. As part of the consideration for the Secured Obligations, and not as additional security therefor, the Grantor hereby irrevocably, absolutely, presently, and unconditionally assigns to the Beneficiary all of the Rents and hereby gives to and confers upon the Beneficiary the right, power and authority to collect such Rents. The Grantor irrevocably appoints the Beneficiary its true and lawful attorney-in-fact, acting at the written direction of the Controlling Person, at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue in its name or in the name of the Grantor, for all such Rents, and apply the same to the payment of the Secured Obligations; provided, however, that the Grantor shall have and is hereby granted the right, in the form of a revocable license, to enforce payment, give satisfactions, sue for and collect such Rents (but not more than one month in advance unless the written approval of the Controlling Person has first been obtained), and to retain and enjoy the same, so long as an Event of Default shall not have occurred hereunder and be continuing. The assignment of the Rents in this Article 2 is intended to be an absolute assignment from the Grantor to the Beneficiary and not merely the passing of a security interest. The Grantor and the Beneficiary further agree that, solely for the purposes of any bankruptcy of the Grantor or its general partners, during the term of this Mortgage, the Rents shall not constitute property of the Grantor (or of any estate of the Grantor) within the meaning of 11 U.S.C. §541, as amended from time to time.

Section 2.02. Collection Upon Default. Upon the occurrence and during the continuation of an Event of Default hereunder, the license granted to the Grantor in Section 2.01 shall be automatically revoked without notice. The Beneficiary may, at any time without notice, upon the written direction of the Controlling Person, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations, enter upon and take possession of the Premises, or any part thereof, and, with or without taking possession of the Premises or any part hereof, in its own name sue for or otherwise collect such Rents (including those past due and unpaid, and all prepaid rents and all other monies which may have been or may hereafter be deposited with the Grantor by any lessee or tenant of the Grantor to secure the payment of any rent or for any services thereafter to be rendered by the Grantor for any other obligation of any tenant to the Grantor arising under any Lease). The Grantor agrees that, upon the occurrence of any Event of Default hereunder, the Grantor shall promptly deliver all such Rents and monies to the Beneficiary. The Beneficiary shall apply such Rents and monies (other than security deposits), less costs and expenses of operation and collection (including reasonable attorneys' fees whether or not suit is brought or prosecuted to judgment), at the written direction of the Controlling Person, to the payment of any Secured Obligations, in such order as the Controlling Person may determine, notwithstanding that said indebtedness or the performance of said obligation may not then be due. The collection of such Rents, or the entering upon and taking possession of the Premises, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default or be deemed or construed to make the Beneficiary a mortgagee-in-possession of the Premises or any portion thereof.

Section 2.03. Assignment of Leases.

(a) As part of the consideration for the Secured Obligations, Grantor absolutely and unconditionally assigns and transfers to Beneficiary all of Grantor's right, title and interest in, to and under the Leases, including Grantor's right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease. It is the intention of Grantor to establish a present, absolute and irrevocable transfer and assignment to Beneficiary of all of Grantor's right, title and interest in, to and under the Leases. Grantor and Beneficiary intend this assignment of the Leases to be immediately effective and to constitute an absolute present assignment and not an assignment for additional security only. For purposes of giving effect to this absolute assignment of the Leases, and for no other purpose, the Leases shall not be deemed to be a part of the "Property," as that term is defined in the granting clauses. However, if this present, absolute and unconditional assignment of the Leases is not enforceable by its terms under the laws of the State, then the Leases shall be included as a part of the Property and it is the intention of the Grantor that in this circumstance this Mortgage create and perfect a lien on the Leases in favor of Beneficiary, which lien shall be effective as of the date of this Instrument.

(b) Until the occurrence of an Event of Default, Grantor shall have all rights, power and authority granted to Grantor under any Lease (except as otherwise limited by this Section or any other provision of this Mortgage), including the right, power and authority to modify the terms of any Lease or extend or terminate any Lease. Upon the occurrence of an Event of Default, the permission given to Grantor pursuant to the preceding sentence to exercise all rights, power and authority under Leases shall automatically terminate. Grantor shall comply with and observe Grantor's obligations under all Leases, including Grantor's obligations pertaining to the maintenance and disposition of tenant security deposits.

(c) Grantor acknowledges and agrees that the exercise by Beneficiary, either directly or by a receiver, of any of the rights conferred under this Section 2.03 shall not be construed to make Beneficiary a mortgagee-in-possession of the Property so long as Beneficiary has not itself entered into actual possession of the Land and the Improvements. The acceptance by Beneficiary of the assignment of the Leases pursuant to Section 2.03(a) shall not at any time or in any event obligate Beneficiary to take any action under this Mortgage or to expend any money or to incur any expenses. Beneficiary shall not be liable in any way for any injury or damage to person or property sustained by any person or persons, firm or corporation in or about the Property. Prior to Beneficiary's actual entry into and taking possession of the Property, Beneficiary shall not (i) be obligated to perform any of the terms, covenants and conditions contained in any Lease (or otherwise have any obligation with respect to any Lease); (ii) be obligated to appear in or defend any action or proceeding relating to the Lease or the Property; or (iii) be responsible for the operation, control, care, management or repair of the Property or any portion of the Property. The execution of this Mortgage by Grantor shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Property is and shall be that of Grantor, prior to such actual entry and taking of possession.

(d) From and after the occurrence of an Event of Default, and without the necessity of Beneficiary entering upon and taking and maintaining control of the Property directly, by a receiver, or by any other manner or proceeding permitted by the laws of the State, Beneficiary immediately shall have all rights, powers and authority granted to Grantor under any Lease, including the right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease.

(e) Grantor shall, promptly upon Beneficiary's request, deliver to Beneficiary an executed copy of each residential Lease then in effect. All Leases for residential dwelling units shall be on forms approved by Beneficiary, shall be for initial terms of at least six months and not more than two years, and shall not include options to purchase. If customary in the applicable market, residential Leases with terms of less than six months may be permitted with Beneficiary's prior written consent.

(f) Grantor shall not lease any portion of the Property for non-residential use except with the prior written consent of Beneficiary and Beneficiary's prior written approval of the Lease agreement. Grantor shall not modify the terms of, or extend or terminate, any Lease for non-residential use (including any Lease in existence on the date of this Mortgage) without the prior written consent of Beneficiary. Grantor shall, without request by Beneficiary, deliver an executed copy of each non-residential Lease to Beneficiary promptly after such Lease is signed. All non-residential Leases, including renewals or extensions of existing Leases, shall specifically provide that (1) such Leases are subordinate to the lien of this Mortgage (unless waived in writing by Beneficiary); (2) the tenant shall attorn to Beneficiary and any purchaser at a foreclosure sale, such attornment to be self-executing and effective upon acquisition of title to the Property by any purchaser at a foreclosure sale or by Beneficiary in any manner; (3) the tenant agrees to execute such further evidences of attornment as Beneficiary or any purchaser at a foreclosure sale may from time to time request; (4) the Lease shall not be terminated by foreclosure or any other transfer of the Property; (5) after a foreclosure sale of the Property, Beneficiary or any other purchaser at such foreclosure sale may, at Beneficiary's or such purchaser's option, accept or terminate such Lease; and (6) the tenant shall, upon receipt after the occurrence of an Event of Default of a written request from Beneficiary, pay all Rents payable under the Lease to Beneficiary.

(g) Grantor shall not receive or accept Rent under any Lease (whether residential or non-residential) for more than two months in advance.

Section 2.04. Further Assignments. Upon written demand of the Beneficiary or the Controlling Person, the Grantor shall, from time to time hereafter, execute and deliver to the Beneficiary recordable assignments of any other agreements relating to, or affecting the use, occupancy, management or maintenance of, or services provided to, the Property or now or hereafter affecting the Property or any portion thereof. Each such assignment shall be made by an instrument (herein, an "Assignment") in form and substance satisfactory to the Beneficiary. The Beneficiary may, at the written direction of the Controlling Person, exercise its rights hereunder or under any such Assignment, and such exercise shall not constitute a waiver of any right hereunder or thereunder. To the extent not inconsistent, all rights and remedies of the Beneficiary under any such Assignment and under this Mortgage shall be cumulative.

ARTICLE III REMEDIES UPON DEFAULT

Section 3.01. Event of Default. The term "Event of Default", as used herein means an "Event of Default" as defined in the Loan Agreement. The Investor Limited Partner shall have the right, but not the obligation, to cure any Event of Default as if tendered by Grantor itself.

Section 3.02. Acceleration Upon Default. Upon the occurrence of an Event of Default, the Beneficiary, acting at the written direction of the Controlling Person, may declare all Secured Obligations to be immediately due and payable without any presentment, demand, protest or notice of any kind; provided no such declaration shall be required, and acceleration shall be deemed to have occurred, if the default is an event set forth in Section 7.1(g) of the Loan Agreement. Grantor acknowledges that the power of sale granted in this Mortgage may be exercised by Beneficiary without prior judicial hearing. Beneficiary will be entitled to collect all costs and expenses incurred in pursuing such remedies, including attorneys' fees and costs, costs of documentary evidence, abstracts and title reports.

Section 3.03. Remedies.

(a) Upon the occurrence of an Event of Default, the Beneficiary, acting at the written direction of the Controlling Person, may either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security,

(i) enter upon the Premises and take possession of the Property, or any part thereof, in its own name, and do any act which it deems necessary or desirable to preserve the value, marketability or rentability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security hereof;

(ii) with or without taking possession of the Premises, sue for or otherwise collect the Rents including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorneys' fees, to the payment of any Secured Obligations, all in such order as the Beneficiary may determine;

(iii) deliver to the Deed of Trust Trustee a written declaration of default and demand for sale, and a written notice of default and of election to cause the Property to be sold, and cause any or all of the Property to be sold under the power of sale granted by this Mortgage in any manner permitted by applicable law;

(iv) specifically enforce any of the covenants hereof; or

(v) exercise all other rights and remedies provided herein, in any of the other Bond Documents, or provided by law or equity.

(b) The entering upon the Premises and taking possession of the Property, the collection of such Rents and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession, by the Beneficiary or a receiver of all or any portion of the Property or the collection, receipt and application of any of the Rents thereby, the Beneficiary shall be entitled to exercise every right provided for in any of the Bond Documents or by law upon occurrence of any Event of Default.

Section 3.04. Foreclosure.

(a) When the Secured Obligations, or any part thereof, shall become due, whether upon maturity, by acceleration, or otherwise, the Deed of Trust Trustee on behalf of the Beneficiary, acting at the written direction of the Controlling Person, may institute an action of foreclosure against the Property, or take such other action at law or in equity of the enforcement of this Mortgage and realization on the Property or any other security herein or elsewhere provided for as the law may allow, and may proceed therein to final judgment and execution for the entire unpaid balance of the Secured Obligations, with interest from and after the occurrence of the Event of Default at the Default Rate together with all other sums due by the Grantor in accordance with the provisions of this Mortgage and the other Bond Documents including all sums which may have been paid, incurred or advanced by or on behalf of the Beneficiary or the Controlling Person for taxes, water or sewer rents, charges or claims, payments of prior liens, insurance appraiser's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as the Beneficiary or the Controlling Person may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such judgment the true condition of the title to or the value of the Property, all costs of suit, together with interest at the Default Rate on any judgment obtained by the Beneficiary from and after the date of such judgment including the period from and after the date of any judicial sale until actual payment is made of the full amount due the Beneficiary as a result of such sale, and a reasonable attorney's commission for collection.

(b) If any or all of the Premises or any estate or interest therein is to be sold under the provisions of this Mortgage, by virtue of a judicial sale, it may be sold, as an entirety or in one or more parcels, by one sale or by several sales held at one time or at different times, with such postponement of any such sale as the Beneficiary, acting at the written direction of the Controlling Person, may deem appropriate and without regard to any right of the Grantor or any other person to the marshaling of assets. The Beneficiary or the Controlling Person may bid and become the purchaser at any such sale.

(c) Upon any sale of the Grantor's interest in any or all of the Property, whether by other foreclosure or judicial proceedings, the proceeds of such sale, together with any other sum then held as security hereunder or due under any of the provisions hereof as part of the Property (after paying all expenses of sale, including reasonable attorneys' fees, and all taxes, assessments or impositions in connection with the Property which the Beneficiary deems it advisable or expedient to pay and all sums advanced, with interest thereon, as herein provided shall be applied) to the payment of the Secured Obligations then due and owing under the Bond Documents and secured hereby and interest thereon to the date of payment and prepayment fees, if any, paying over the surplus, if any, less the expense, if any, of obtaining possession, to the Grantor or any person entitled thereto upon the surrender and delivery to the purchaser of possession of the Property.

Section 3.05. Appointment of Receiver. The Beneficiary, acting at the written direction of the Controlling Person, may apply for the appointment of a receiver of the Premises and/or the Rents, without notice except as required by law, and shall be entitled to the appointment of the receiver as a matter of right, without consideration of the value of the Premises, the solvency of any person liable for the payment of the Secured Obligations, or the effect of the receivership on the operation of the Premises or the Grantor's business thereon.

Section 3.06. Application of Funds After Default. Except as otherwise herein provided or provided in the other Bond Documents, upon the occurrence of an Event of Default hereunder, the Beneficiary, acting at the written direction of the Controlling Person, may, at any time without notice, apply any or all sums or amounts received and held by the Beneficiary (other than the security deposits from tenant leases) to pay insurance premiums, taxes, assessments and other impositions in connection with the Property, or apply amounts received as rents or income of the Property, or as insurance or condemnation proceeds, and all other sums or amounts received by the Beneficiary from or on account of the Grantor or the Property, or otherwise, to any of the Secured Obligations then due and payable, in such manner and order as the Beneficiary, acting at the written direction of the Controlling Person, may elect, notwithstanding that said indebtedness or the performance of said obligation may not yet be due. The receipt, use or application of any such sum or amount shall not be construed (i) to affect the maturity of any Secured Obligations or any of the rights or powers of the Beneficiary hereunder or under the terms of the Bond Documents; or (ii) any of the obligations of the Grantor or any guarantor hereunder or under the Bond Documents; or (iii) to cure or waive any default or notice of default hereunder or under any of the Bond Documents; or (iv) to invalidate any act of the Beneficiary.

Section 3.07. Costs of Enforcement. If any Event of Default occurs, the Beneficiary and the Controlling Person may employ an attorney or attorneys to protect their respective rights hereunder. The Grantor agrees to pay to the Beneficiary or the Controlling Person (as applicable), on demand, the fees and expenses of such attorneys and all other costs of enforcing the obligations secured hereby, including recording fees, receivers' fees and expenses, and all other expenses, of whatever kind or nature, incurred by the Beneficiary, in connection with the enforcement of the Secured Obligations, whether or not such enforcement includes the filing of a lawsuit. Until paid, such sums shall be secured hereby and shall bear interest, from date of expenditure, at the Default Rate.

Section 3.08. Remedies Not Exclusive. The Beneficiary shall be entitled to enforce payment and performance of any Secured Obligations and to exercise all rights and powers under this Mortgage or under any Bond Documents or other agreement or any law now or hereafter in force, notwithstanding some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by guaranty, mortgage, deed of trust, deed to secure debt, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect the Beneficiary's rights to realize upon or enforce any other security now or hereafter held by the Beneficiary, it being agreed that the Beneficiary shall be entitled to enforce this Mortgage and any other security now or hereafter held by the Beneficiary in such order and manner as the Controlling Person in its sole discretion may direct. No remedy herein conferred upon or reserved to the Beneficiary is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity or by statute. Every power or remedy given hereunder or under any of the Bond Documents to the Beneficiary or to which the Beneficiary may be otherwise entitled may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Beneficiary or the Controlling Person, and the Beneficiary and the Controlling Person may pursue inconsistent remedies.

Section 3.09. Power of Sale.

(a) During an Event of Default, the Beneficiary, upon the direction of the Controlling Person, may request the Deed of Trust Trustee to proceed with foreclosure under the power of sale, to the extent permitted by law, which is hereby conferred.

(b) When the Secured Obligations, or any part thereof, shall become due, whether upon maturity, by acceleration, or otherwise, the Beneficiary, upon the direction of the Controlling Person, may require the Deed of Trust Trustee to exercise the power of sale granted hereunder and upon such notification it shall be lawful for and the duty of the Deed of Trust Trustee, and the Deed of Trust Trustee is hereby authorized and empowered to expose to sale and to sell the Property or any part thereof as follows:

(i) Deed of Trust Trustee shall proceed to sell the same at auction at the Property or at other place in the city or county in which the Property or the greater part hereof lies, or in the corporate limits of any city surrounded by or contiguous to such county, or in the case of annexed land, in the county of which the land was formerly a part, as Deed of Trust Trustee may select upon such terms and conditions as Deed of Trust Trustee may deem best after first advertising the time, place and terms of sale not less than once a week for two weeks if published on a weekly basis in advance of the date of such sale, in a newspaper published or having a general circulation in the county or city in which the Property or some portion thereof is located or such other public notice as may be required by applicable law.

(ii) The power of sale above granted may be exercised at different times as to different portions of the Property, and if for any reason any executory contract of sale shall not be performed, then new contracts may be made with respect to the same portion of the Property (with or without other portions). If the Deed of Trust Trustee deems it best for any reason to postpone or continue the sale at any time or from time to time, s/he may do so, in which event Deed of Trust Trustee shall announce, at the time and place last appointed for such sale, the postponement thereof and the time and place for the postponed sale, or shall give further notice of sale as Deed of Trust Trustee may see fit to give, and in either case the proposed sale will be advertised as required by law.

(iii) The Deed of Trust Trustee shall deliver to the purchaser at any such trustee's sale its deed, without warranty, or in such other form as may be required by applicable law, which shall convey to the purchaser the interest in the property which the Grantor has or has the power to convey at the time of the execution of this Mortgage, and such as it may have acquired hereafter. The Deed of Trust Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Mortgage, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrances for value. With respect to any notices required or permitted under the Uniform Commercial Code, Grantor agrees that thirty (30) days' prior written notice (with a copy to the Investor Member shall be deemed commercially reasonable. At any such sale (A) whether made under the power herein contained, the Uniform Commercial Code, any other legal requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it shall not be necessary for Deed of Trust Trustee to be physically present at or to have constructive possession of the Property (Grantor shall deliver to Deed of Trust Trustee any portion of the Property not actually or constructively possessed by Deed of Trust Trustee immediately upon demand by Deed of Trust Trustee), and the title to and right of possession of any such property shall pass to the purchaser thereof as completely as if Deed of Trust Trustee had been actually present and delivered same to purchaser at such sale, (B) each instrument of conveyance executed by Deed of Trust Trustee shall contain a general warranty of title, binding upon Grantor, (C) each recital contained in any instrument of conveyance made by Deed of Trust Trustee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Secured Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law, and appointment of any successor Deed of Trust Trustee hereunder, (D) any prerequisites to the validity of such sale shall be conclusively presumed to have been performed, (E) the receipt of Deed of Trust Trustee or other party making the sale shall be a sufficient discharge to the purchaser or purchasers for his or their purchase money and no such purchaser or purchasers, or his or their assigns or personal representatives, shall thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or nonapplication thereof, and (F) to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim, equity, equity of redemption, and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other persons claiming or to claim the property sold or any part thereof, by, through or under Grantor. Beneficiary may be a purchaser at such sale and if Beneficiary is the highest bidder, may credit the portion of the purchase price that would be distributed to Beneficiary against the Secured Obligations in lieu of paying cash. If Beneficiary so elects, Beneficiary may sell the personal property covered by this Mortgage at one or more separate sales in any manner permitted by the UCC. If the Secured Obligations are now or hereafter further secured by any chattel mortgages, pledges, contracts of guaranty, assignments of lease or other security instruments, Beneficiary may at its option exhaust the remedies granted under any of said security instruments either concurrently or independently, and in such order as Beneficiary may determine.

ARTICLE IV SECURITY AGREEMENT

Section 4.01. Creation of Security Interest. The Grantor hereby grants to the Beneficiary a security interest in all rights, titles, interests, estates, power and privileges that the Grantor now has or may hereafter acquire in and to that portion of the Property, which, under applicable law, may be subject to a security interest under the Uniform Commercial Code of the State of Texas (the "Personal Property") to secure the Secured Obligations.

Section 4.02. Representations, Warranties and Covenants of the Grantor. The Grantor hereby represents, warrants and covenants as follows:

(a) The tangible portion of the Personal Property shall be kept on or at the Premises and the Grantor shall not, without the prior written consent of the Controlling Person, remove the Personal Property or any portion thereof therefrom except such portions or items of Personal Property as are consumed or worn out in ordinary usage, all of which shall be promptly replaced by the Grantor with similar items of comparable value if required for the efficient operation of the Premises.

(b) The Grantor shall promptly notify the Controlling Person of any material claim against the Personal Property adverse to the interest of the Beneficiary therein.

(c) Without the prior written consent of the Controlling Person, the Grantor shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in the Personal Property, including replacements and additions thereto.

Section 4.03. Use of Personal Property by the Grantor. Until the occurrence of an Event of Default hereunder, the Grantor may have possession of the Personal Property and use it in any lawful manner not inconsistent with this Mortgage and not inconsistent with any policy of insurance covering the Premises or the Personal Property.

Section 4.04. Remedies Upon an Event of Default.

(a) In addition to the remedies provided in Article 3, upon the occurrence of an Event of Default and during the continuation thereof, the Beneficiary may, acting at the written direction of the Controlling Person, at the Controlling Person's option, do any one or more of the following:

(i) Either personally, or by means of a court appointed receiver, take possession of all or any of the Personal Property and exclude therefrom the Grantor and all others claiming under the Grantor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of the Grantor with respect to the Personal Property or any part thereof;

(ii) Without notice to or demand upon the Grantor, make such payments and do such acts as the Controlling Person may direct to protect the Beneficiary's security interest in the Personal Property (including paying, purchasing, contesting or compromising any Lien or Encumbrance (other than Permitted Encumbrances), whether superior or inferior to such security interest) and in exercising any such powers or authority to pay all expenses (including litigation costs and reasonable attorneys' fees) incurred in connection therewith;

(iii) Require the Grantor from time to time to assemble the Personal Property, or any portion thereof, at a place designated by the Beneficiary and promptly deliver such Personal Property to the Beneficiary or an agent or representative designated by the Beneficiary;

(iv) Realize upon the Personal Property or any part thereof as herein provided or in any manner permitted by law and exercise any and all of the other rights and remedies conferred upon the Beneficiary by this Mortgage or by any of the other Bond Documents or by law, either concurrently or in such order as the Controlling Person may determine;

(v) Sell or cause to be sold in such order as the Controlling Person may determine, as a whole or in such parcels as the Controlling Person may determine, the Personal Property;

(vi) Sell, lease or otherwise dispose of the Personal Property at public or private sale, upon terms and in such manner as the Controlling Person may determine, and the Beneficiary or the Controlling Person may be a purchaser at any sale; and

(vii) Exercise any remedies of a secured party under the Uniform Commercial Code or any other applicable law.

The Beneficiary, the Controlling Person and their respective agents and representatives shall have the right to enter upon any or all of the Premises to exercise the Beneficiary's rights hereunder.

(b) Unless the Personal Property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Beneficiary shall give the Grantor at least five (5) days' prior written notice of the time and place of any public sale of the Personal Property or other intended disposition thereof to be made, which notice the Grantor agrees is reasonable. Such notice may be mailed to the Grantor at its address set forth in the opening paragraph of this Mortgage.

(c) Subject to the terms of Section 6.7 of the Indenture, the proceeds of any sale under Section 4.04(a)(vi) shall be applied as follows:

(viii) to the repayment of the costs and expenses of taking, holding and preparing for the sale and the selling of the Personal Property (including costs of litigation and reasonable attorneys' fees) and the discharge of all Impositions, Liens and Encumbrances, and claims thereof, if any, on the Personal Property prior to the security interest granted herein (except any Impositions or Liens and Encumbrances subject to which such sale shall have been made);

(ix) the payment of the Secured Obligations, including interest, in such order as the Controlling Person shall determine;

(x) to be held as collateral for any obligation of the Grantor to the Beneficiary under the Bond Documents; and

(xi) the surplus, if any, shall be paid to the Grantor or to whosoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

(d) The Beneficiary, acting upon the written direction of the Controlling Person, shall have the right to enforce one or more remedies under this Section 4.04 successively or concurrently and such action shall not operate to stop or prevent the Beneficiary from pursuing any further remedy that it may have. Any repossession or retaking or sale of the Personal Property pursuant to the provisions hereof shall not operate to release the Grantor until full payment of any deficiency has been made in cash.

Section 4.05. Security Agreement. This Mortgage constitutes and shall be deemed to be a "security agreement" for all purposes of the Uniform Commercial Code; and the Beneficiary shall be entitled to all the rights and remedies of a "secured party" under the Uniform Commercial Code as to any Personal Property. Information concerning the security interest in Personal Property can be obtained from the Beneficiary at its address set forth in the opening paragraph of this Mortgage. The mailing address of the Grantor (debtor) is also set forth in the opening paragraph of this Mortgage.

Section 4.06. Fixture Filing. Some of the Personal Property is or is to become fixtures on the Premises and this instrument is to be recorded in the real estate records. This Mortgage is effective as a financing statement filed as a fixture filing, executed by the Grantor, as debtor, in favor of the Beneficiary, as secured party, with respect to all fixtures included in the Property and the Personal Property. Products of the collateral are also covered. Information concerning the security interest in fixtures can be obtained from the Beneficiary at its address set forth in the opening paragraph of this Mortgage. The mailing address of the Grantor (debtor) is also set forth in the opening paragraph of this Mortgage. The Grantor's organizational identification number is _____.

Section 4.07. Financing Statements. The Grantor hereby authorizes the Beneficiary to file any financing statements, as well as extensions, renewals and amendments thereof, and any reproductions of this Mortgage in such form as the Beneficiary may require to perfect a security interest with respect to such items. The Grantor shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements as the Beneficiary or the Controlling Person may require. The filing of such financing statements shall under no circumstance be construed as impairing either the Beneficiary's remedies or the priority of the lien granted hereby, and the Grantor agrees that all items of Personal Property are, and at all times, for all purposes and in all proceedings (both legal and equitable) shall be, at the election of the Beneficiary, regarded as part of the real estate encumbered by this Mortgage. It is understood and agreed that the Beneficiary shall have no duty or obligation to file financing statements hereunder, and such duty shall be solely that of the Grantor.

ARTICLE V MISCELLANEOUS

Section 5.01. Amendments. No amendment or waiver of any provision of this Mortgage nor consent to any departure by the Grantor herefrom shall in any event be effective unless the same shall be in writing and signed by the Beneficiary with the prior written consent of the Controlling Person, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. All amendments shall be made in accordance with any applicable provisions of Article VIII of the Indenture.

Section 5.02. Future Advances. Until this Mortgage is released of record, the Beneficiary may advance or re-advance additional sums of money to the Grantor from time to time and such advances or re-advances shall become part of the Secured Obligations secured hereby to the fullest extent permitted by law.

Section 5.03. Business Purpose. The Grantor hereby stipulates and warrants that the Secured Obligations are a commercial facility and that such facility is being granted solely to acquire or carry on a business, professional or commercial enterprise or activity.

Section 5.04. Grantor Waiver of Rights. The Grantor waives, to the extent permitted by law, (a) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisalment before sale of any portion of the Property, (b) all rights of redemption, valuation, appraisalment, stay of execution, notice of election to mature or declare due the whole of the indebtedness secured hereby and marshaling in the event of foreclosure of the liens hereby created, (c) all rights and remedies which the Grantor may have or be able to assert by reason of applicable laws pertaining to the rights and remedies of sureties, and (d) all homestead rights.

Section 5.05. Statements by the Grantor. The Grantor shall, within ten (10) days after a request from the Beneficiary or the Controlling Person, deliver to the Beneficiary and the Controlling Person a

written statement setting forth the then unpaid amounts of the Secured Obligations and stating whether any offset or defense exists against payment of such amounts.

Section 5.06. Notices. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing and shall be given in the manner prescribed in the Loan Agreement, to the addresses provided therein. All notices provided herein to the Beneficiary shall also be provided to the Controlling Person and the Investor Limited Partner.

Section 5.07. Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

Section 5.08. Invalidity of Certain Provisions. Every provision of this Mortgage is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable. If the lien of this Mortgage is invalid or unenforceable as to any part of the Secured Obligations, or if the lien is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the Secured Obligations shall be completely paid prior to the payment of the remaining secured or partially secured portion of the Secured Obligations, and all payments made under the Secured Obligations, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the Secured Obligations which is not secured or fully secured by the lien of this Mortgage.

Section 5.09. Subrogation. To the extent that the Beneficiary or the Controlling Person pays any outstanding lien, charge or prior encumbrance against the Property, the Beneficiary or the Controlling Person, as applicable, shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released.

Section 5.10. Attorneys' Fees. If the Secured Obligations are not paid when due or if any Event of Default occurs, the Grantor agrees to pay all costs of enforcement and collection incurred by the Beneficiary or the Controlling Person, including attorneys' fees, whether or not such enforcement and collection includes the filing of a lawsuit. As used herein, the terms "attorneys' fees" and "attorneys' fees and costs" shall each mean the fees and expenses of counsel to the parties hereto, which may include printing, photocopying, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney. The terms "attorneys' fees" and "attorneys' fees and costs" shall also each include all such fees and expenses incurred with respect to appeals, arbitrations and bankruptcy proceedings, and whether or not any action or proceeding is brought with respect to the matter for which said fees and expenses were incurred and shall also include all such fees and expenses incurred in enforcing any judgment. This agreement to pay costs is part of and not a limitation on any obligation on the part of the Grantor to pay costs and expenses under the Loan Agreement.

Section 5.11. Governing Law. THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE, WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAWS PRINCIPLES.

NOTWITHSTANDING THE FOREGOING, THE PARTIES STIPULATE AND AGREE THAT THE BENEFICIARY MAY ENFORCE, IN ACCORDANCE WITH THE LAW OF THE STATE, ANY OR ALL OF ITS RIGHTS TO SUE THE GRANTOR, TO COLLECT ANY INDEBTEDNESS IN TEXAS OR ELSEWHERE, BEFORE OR AFTER FORECLOSURE, AND IF THE BENEFICIARY

OBTAINS A DEFICIENCY JUDGMENT OUTSIDE OF THE STATE, THE BENEFICIARY MAY ENFORCE THAT JUDGMENT IN THE STATE, AS WELL AS IN OTHER STATES.

Section 5.12. Construction. Whenever required by the context hereof, the singular shall be deemed to include the plural, and the plural shall be deemed to include the singular, and the masculine, feminine and neuter genders shall each be deemed to include the others. Except as otherwise indicated herein, all section and exhibit references in this Mortgage shall be deemed to refer to the sections and exhibits of and to this Mortgage, and the terms “herein”, “hereof”, “hereto”, “hereunder” and similar terms refer to this Mortgage generally rather than to the particular provision in which such term is used. Whenever the words “including”, “include” or “includes” are used in this Mortgage, they shall be interpreted as though immediately followed by the words “without limitation.” As used herein, the word “person” includes corporation, partnership, limited liability company, and any other form of association, as well as any governmental or quasi-governmental body or agency.

Section 5.13. Non-foreign Entity. Section 1445 of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”) provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the Beneficiary that the withholding of tax will not be required in the event of the disposition of the Property pursuant to the terms of this Mortgage, the Grantor hereby certifies, under penalty of perjury, that the Grantor is not a foreign corporation, foreign partnership, foreign trust or foreign estate, as those terms are defined in the Internal Revenue Code and the regulations promulgated thereunder, that the Grantor’s U.S. employer identification number and that the Grantor’s principal place of business is as set forth on the first page of this Mortgage. It is understood that the Beneficiary may disclose the contents of this certification to the Internal Revenue Service and that any false statement contained herein could be punished by fine, imprisonment or both. The Grantor shall execute such further certificates, which shall be signed under penalty of perjury, as the Beneficiary shall reasonably require. The covenants set forth in this Section shall survive the foreclosure of the lien of this Mortgage or acceptance of a deed in lieu thereof.

Section 5.14. Access to Property and Dissemination of Information. The Grantor hereby authorizes the Deed of Trust Trustee, the Beneficiary, the Controlling Person, any prospective bidder at any foreclosure sale, or in connection with the exercise of the power of sale hereunder, and their respective officers, directors, employees, agents and independent contractors, upon reasonable prior notice and so long as such persons do not unreasonably interfere with the Grantor’s operations on the Premises or the rights of tenants, to enter upon all or any portion of the Premises at any time and from time to time (following the occurrence of an Event of Default) for the purpose of conducting such tests, inspections, inquiries, examinations, studies, analyses, samples, surveys and other information-gathering activities (collectively, “Tests and Studies”) with respect to the Premises as any of them may from time to time deem reasonably necessary or appropriate, including Tests and Studies with respect to the structural integrity of the Improvements and the presence of Hazardous Substances in or around the Premises. The Grantor hereby covenants and agrees to reasonably cooperate with such persons and entities in their efforts to conduct Tests and Studies, and further covenants and agrees to make reasonably available to such persons and entities such portions of the Premises as any of them may designate. The results of all Test and Studies shall be and at all times remain the property of such persons and entities, and under no circumstances shall any such person have any obligation whatsoever to disclose or otherwise make available to the Grantor or any other person such results or any other information obtained by them in connection with such Tests and Studies, unless such Tests and Studies are used to demonstrate or provide evidence of an Event of Default. Notwithstanding the foregoing provisions of this Section, the Beneficiary reserves the right, and the Grantor expressly authorizes the Beneficiary, to make available to any person (including any governmental agency or authority and any prospective bidder at any foreclosure sale of the Property) any and all information which the Beneficiary may have with respect to the Premises, whether provided by the Grantor or any other person or obtained as a result of Tests and

Studies (including environmental reports, surveys and engineering reports). The Grantor consents to the Beneficiary's notifying any person (either as a part of a Notice of Sale or otherwise) of the availability of any or all of the Tests and Studies and the information contained therein. The Grantor acknowledges that the Beneficiary cannot control or otherwise assure the truthfulness or accuracy of the Tests and Studies, and that the release of the Tests and Studies or any information contained therein to prospective bidders at any foreclosure sale of the Property may have a material and adverse effect upon the amount which a person may bid at such sale. The Grantor agrees that the Beneficiary shall have no liability whatsoever as a result of delivering in accordance with this Section 5.14 any or all of the Tests and Studies or any information contained therein to any person, and the Grantor hereby releases, remises and forever discharges the Beneficiary from any and all claims, damages or causes of action arising out of, connected with or incidental to the Tests and Studies or the delivery thereof in accordance with this Section 5.14 to any person.

Section 5.15. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds the Grantor and the heirs, legatees, devisees, administrators, personal representatives, executors and the successors and assigns thereof, and the Beneficiary. The term "Beneficiary" means the Person named herein as the Beneficiary, and its successors-in-interest or assigns under the Bond Documents from time to time, whether or not named as the Beneficiary herein and any such successor or assignee shall be for all purposes the sole Beneficiary after the date of such substitution. Without limiting the generality of the foregoing, (a) the parties acknowledge that this Mortgage is being assigned to the Trustee immediately following execution and delivery hereof; and (b) the Controlling Person and the Bondholders are and shall be express third party beneficiaries of the rights of the Beneficiary hereunder. The term "Grantor" means the Grantor named herein and the successors-in-interest, if any, of the named the Grantor in and to the Property or any part thereof. If there is more than one Grantor hereunder, their obligations are joint and several. This Section shall not be deemed a waiver of any of the provisions of Section 1.12 hereof, Section 6.12 of the Loan Agreement or [Section 12] of the Regulatory Agreement.

Section 5.16. No Merger of Lease. Upon the foreclosure of the lien created by this Mortgage on the Property or the exercise of the power of sale granted hereunder pursuant to the provisions hereof, any Lease then existing and affecting all or any portion of the Property shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless the Beneficiary or any purchaser at such foreclosure or exercise of the power of sale shall so elect. If both the lessor's and lessee's estate under any Lease or any portion thereof which constitutes a part of the Property shall at any time become vested in one owner, this Mortgage and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger unless the Beneficiary so elects as evidenced by recording a written declaration so stating, and, unless and until the Beneficiary so elects, the Beneficiary shall continue to have and enjoy all of the rights and privileges of the Beneficiary hereunder as to the separate estates.

Section 5.17. Counterparts; Electronic Signatures. This Mortgage may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. To the fullest extent permitted by applicable law, electronically transmitted or facsimile signatures shall constitute original signatures for all purposes under this Mortgage.

Section 5.18. Cross-Collateralization Rider. Exhibit B (Cross-Collateralization Rider) is incorporated herein by reference and made a part of this Mortgage.

ARTICLE VI DEED OF TRUST TRUSTEE

Section 6.01. Concerning Deed of Trust Trustee.

(a) The Deed of Trust Trustee shall not be required to take any action toward the execution and enforcement of the trust hereby created or to institute, appear in, or defend any action, suit, or other proceeding in connection therewith where, in the Deed of Trust Trustee's opinion, such action would be likely to involve the Deed of Trust Trustee in expense or liability, unless requested so to do by a written instrument signed by the Beneficiary and, if the Deed of Trust Trustee so requests, unless the Deed of Trust Trustee is tendered security and indemnity satisfactory to the Deed of Trust Trustee against any and all cost, expense, and liability arising therefrom and if such request is made and such security and indemnity is tendered, the Deed of Trust Trustee shall act in accordance with such request or direction of the Beneficiary. The Deed of Trust Trustee shall not be responsible for the execution, acknowledgment, or validity of the Bond Documents, or for the proper authorization thereof, or for the sufficiency of the lien and security interest purported to be created hereby, and the Deed of Trust Trustee makes no representation in respect thereof or in respect of the rights, remedies, and recourses of the Beneficiary.

(b) At the direction of the Beneficiary, the Deed of Trust Trustee shall have the right to take any and all of the following actions: (i) to select, employ, and advise with counsel (who may be, but need not be, counsel for the Beneficiary) upon any matters arising hereunder, including the preparation, execution, and interpretation of this Mortgage, and shall be fully protected in relying as to legal matters on the advice of counsel; (ii) to execute any of the trusts and powers hereof and to perform any duty hereunder either directly or through his agents or attorneys; (iii) to select and employ, in and about the execution of his duties hereunder, suitable accountants, engineers and other experts, agents and attorneys-in-fact, either corporate or individual, not regularly in the employ of the Deed of Trust Trustee, and the Deed of Trust Trustee shall not be answerable for any act, default, negligence, or misconduct of any such accountant, engineer or other expert, agent or attorney-in-fact, if selected with reasonable care and approved by the Beneficiary, or for any error of judgment or act done by the Deed of Trust Trustee in good faith and in accordance with the terms hereof, or be otherwise responsible or accountable under any circumstances whatsoever, except for the Deed of Trust Trustee's negligence or bad faith or failure to act in accordance with the terms hereof; and (iv) any and all other lawful action as the Beneficiary or the Controlling Person may instruct the Deed of Trust Trustee to take to protect or enforce the Beneficiary's rights hereunder. The Deed of Trust Trustee shall not be personally liable in case of entry by the Deed of Trust Trustee, or anyone entering by virtue of the powers herein granted to the Deed of Trust Trustee, upon the Property for debts contracted for or liability or damages incurred in the management or operation of the Property. The Deed of Trust Trustee shall have the right to rely on any instrument, document, or signature authorizing or supporting any action taken or proposed to be taken by the Deed of Trust Trustee hereunder, believed by the Deed of Trust Trustee in good faith to be genuine. The Deed of Trust Trustee shall be entitled to reimbursement for actual, out-of-pocket expenses reasonably incurred by the Deed of Trust Trustee in the performance of the Deed of Trust Trustee's duties hereunder and to reasonable compensation for such of the Deed of Trust Trustee's services hereunder as shall be rendered. The Grantor will, from time to time, pay the compensation due to the Deed of Trust Trustee hereunder and reimburse the Deed of Trust Trustee for, and save the Deed of Trust Trustee harmless against, any and all liability and expenses which may be incurred by the Deed of Trust Trustee in the performance of the Deed of Trust Trustee's duties.

(c) All moneys received by the Deed of Trust Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by applicable law) and the Deed of

Trust Trustee shall be under no liability for interest on any moneys received by the Deed of Trust Trustee hereunder.

(d) The Deed of Trust Trustee may resign by the giving of notice of such resignation in writing or verbally to the Beneficiary and the Grantor. If the Deed of Trust Trustee shall die, resign, or become disqualified from acting in the execution of this trust, or if, for any reason, the Beneficiary shall prefer to appoint a substitute Deed of Trust Trustee or multiple substitute Deed of Trust Trustees, or successive substitute Deed of Trust Trustees or successive multiple substitute Deed of Trust Trustees, to act instead of the aforementioned Deed of Trust Trustee, the Beneficiary and the Grantor shall have full power to appoint a substitute Deed of Trust Trustee (or, if preferred, multiple substitute Deed of Trust Trustees) in succession who shall succeed (and if multiple substitute Deed of Trust Trustees are appointed, each of such multiple substitute Deed of Trust Trustees shall succeed) to all the estates, right, powers, and duties of the aforementioned Deed of Trust Trustee. Such appointment may be executed by any authorized agent of the Beneficiary, and if the Beneficiary be a corporation and such appointment be executed in its behalf by any officer of such corporation, such appointment shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action by the board of directors or any superior officer of the corporation. The Grantor hereby ratifies and confirms any and all acts which the aforementioned Deed of Trust Trustee, or the Deed of Trust Trustee's successor or successors in this trust, shall do lawfully by virtue hereof. If multiple substitute Deed of Trust Trustees are appointed, each of such multiple substitute Deed of Trust Trustees shall be empowered and authorized to act alone without the necessity of the joinder of the other multiple substitute Deed of Trust Trustees, whenever any action or undertaking of such substitute Deed of Trust Trustees is requested or required under or pursuant to this Mortgage or applicable law.

(e) Should any deed, conveyance, or instrument of any nature be required from the Grantor by any Deed of Trust Trustee or substitute Deed of Trust Trustee to more fully and certainly vest in and confirm to the Deed of Trust Trustee or substitute Deed of Trust Trustee such estates, rights, powers, and duties, then, upon request by the Deed of Trust Trustee or substitute Deed of Trust Trustee, any and all such deeds, conveyances and instruments shall be made, executed, acknowledged, and delivered and shall be caused to be recorded and/or filed by the Grantor.

(f) Any substitute Deed of Trust Trustee appointed pursuant to any of the provisions hereof shall, without any further act, deed, or conveyance, become vested with all the estates, properties, rights, powers, and trusts of its or his predecessor in the rights hereunder with like effect as if originally named as Deed of Trust Trustee herein; but nevertheless, upon the written request of the Beneficiary or of the substitute Deed of Trust Trustee, the Deed of Trust Trustee ceasing to act shall execute and deliver any instrument transferring to such substitute Deed of Trust Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of the Deed of Trust Trustee so ceasing to act, and shall duly assign, transfer and deliver any of the property and moneys held by such Deed of Trust Trustee to the substitute Deed of Trust Trustee so appointed in the Deed of Trust Trustee's place.

(g) By accepting or approving anything required to be observed, performed, or fulfilled or to be given to the Deed of Trust Trustee or the Beneficiary pursuant to this Mortgage, including without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, neither the Deed of Trust Trustee nor Beneficiary shall be deemed to have warranted, consented to, or affirmed the sufficiency, legality, effectiveness, or legal effect of the same, or of any term, provision, or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or affirmation with respect thereto by the Deed of Trust Trustee or the Beneficiary.

Section 6.02. Indemnity.

(a) The Grantor shall indemnify, defend, protect and hold harmless the Beneficiary, the Controlling Person and the Deed of Trust Trustee, their respective parents, subsidiaries, directors, officers, employees, representatives, agents, successors, and assigns from and against any and all liability, damage, loss, cost, or expense (including, without limitation, attorneys' fees and expenses), action, proceeding, claim or dispute incurred or suffered by the foregoing parties so indemnified except as the result of the gross negligence or willful misconduct of any party so indemnified, whether voluntarily or involuntarily incurred or suffered, in respect of the following:

(i) any litigation concerning this Mortgage or the Property, or any interest of the Grantor, the Deed of Trust Trustee or the Beneficiary therein, or the right of occupancy thereof by the Grantor, the Deed of Trust Trustee or the Beneficiary, whether or not any such litigation is prosecuted to a final, non-appealable judgment;

(ii) any dispute among or between any of the constituent parties or other partners or venturers of the Grantor if the Grantor is a general or limited partnership, or among or between any employees, officers, directors, shareholders, members or managers of the Grantor if the Grantor is a corporation or limited liability company, or among or between any members, trustees or other responsible parties if the Grantor is an association, trust or other entity;

(iii) any action taken or not taken by the Beneficiary, the Controlling Person or the Deed of Trust Trustee which is allowed or permitted under this Mortgage relating to the Grantor, the Property, any constituent parties or otherwise in connection with this Mortgage, including without limitation, the protection or enforcement of any lien, security interest or other right, remedy or recourse created or afforded by this Mortgage;

(iv) any action brought by the Beneficiary or the Deed of Trust Trustee against the Grantor under this Mortgage, whether or not such action is prosecuted to a final, non-appealable judgment; and

(v) any and all loss, damage, costs, expense, action, causes of action, or liability (including reasonable attorneys' fees and costs) directly or indirectly arising from or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of a Hazardous Substance on, in, under or about the property, whether known or unknown at the time of the execution hereof, including without limitation (1) all foreseeable consequential damages of any such use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence; and (2) the costs of any required or necessary environmental investigation or monitoring, any repair, cleanup, or detoxification of the property, and the preparation and implementation of any closure, remedial, or other required plans.

THE BENEFICIARY, THE CONTROLLING PERSON AND/OR THE DEED OF TRUST TRUSTEE MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTECT OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS MORTGAGE AND THE OTHER BOND DOCUMENTS, AND TO ADVISE AND DEFEND BENEFICIARY, THE CONTROLLING PERSON AND/OR THE DEED OF TRUST TRUSTEE WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. THE GRANTOR SHALL REIMBURSE BENEFICIARY, THE CONTROLLING PERSON AND/OR THE DEED OF TRUST TRUSTEE FOR THEIR RESPECTIVE 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 THE BENEFICIARY, THE CONTROLLING PERSON AND/OR THE DEED OF TRUST TRUSTEE. ANY PAYMENTS NOT MADE WITHIN TEN (10) DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE DEFAULT RATE FROM THE DATE OF SUCH DEMAND UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION 6.02 SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE OBLIGATIONS, THE RELEASE OF THE LIEN OF THIS MORTGAGE, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE), THE TRANSFER BY THE GRANTOR OF ANY OR ALL OF ITS RIGHT, TITLE AND INTEREST IN OR TO THE PROPERTY AND THE EXERCISE BY BENEFICIARY, THE CONTROLLING PERSON OR THE DEED OF TRUST TRUSTEE OF ANY AND ALL REMEDIES SET FORTH HEREIN.

ARTICLE VII GROUND LEASE PROVISIONS

Section 7.01. Representations and Warranties. The Grantor warrants and covenants that: the Ground Lease is a valid and subsisting lease of the property therein described and purported to be demised thereby for the term therein set forth, is in full force and effect in accordance with the terms thereof, and has not been modified, except such modifications of which the Beneficiary has received copies and approved in writing;

(b) there are no defaults under the Ground Lease not heretofore waived by the parties thereto and all rents payable by the Grantor under the Ground Lease have been paid to the extent they were due and payable prior to the date hereof;

(c) there exists no event or condition which, with the giving of notice or the passage of time, or both, could become a default or an event of default under the Ground Lease;

(d) the Grantor is the owner and holder of the Ground Lease and the leasehold estate created thereby;

(e) the Grantor will not, without the prior written consent of the Controlling Person, modify, assign, supplement, release, surrender or terminate or permit the termination (whether voluntary or involuntary) of the Ground Lease or any other lease of the Property now in existence or hereafter created and any attempt to do so shall be void and of no force and effect; and

(f) the Grantor shall advise the Beneficiary and the Controlling Person in writing of the receipt of any communication or notice (written or otherwise) within twenty four (24) hours of receipt, (i) given by the Ground Lessor to the Grantor of any default in the performance or observance of any of the terms, covenants or conditions of the Ground Lease on the part of the Grantor, as lessee thereunder, to be performed and/or observed, or (ii) any summons, notice or legal process which may affect the validity of the Ground Lease, or the terms thereof, or which may affect either the Grantor's or the Beneficiary's interest in or possession of the Property or any part thereof, and will contemporaneously therewith deliver to the Beneficiary and the Controlling Person a true copy of each such notice when such communication or notice is written. The Grantor will furnish to the Beneficiary and the Controlling Person, immediately upon written request, any and all information concerning the Grantor's performance of its duties and obligations under the Ground Lease. The Grantor shall deliver to the Beneficiary and the Controlling

Person true and complete copies of any and all notices, agreements and other documentary evidence showing the Grantor's compliance with the terms of the Ground Lease.

Section 7.02. Covenants Regarding Ground Lease. The Grantor covenants and agrees that it will at all times fully perform and comply with all agreements, covenants, terms and conditions imposed upon or assumed by it as tenant under the Ground Lease, and that if the Grantor shall fail so to do the Beneficiary or the Controlling Person may (but shall not be obligated to) take any action the Beneficiary or the Controlling Person deems necessary or desirable to prevent or to cure any default by the Grantor in the performance of or compliance with any of the Grantor's covenants or obligations under the Ground Lease. Upon receipt by the Beneficiary of any written notice of default by the Grantor under the Ground Lease, the Beneficiary may rely thereon and, at the direction of the Controlling Person, take any action as aforesaid to cure such default even though the existence of such default or the nature thereof be questioned or denied by the Grantor or by any party on behalf of the Grantor. The Grantor hereby expressly grants to the Beneficiary and the Controlling Person, and agrees that the Beneficiary and the Controlling Person shall have, the absolute and immediate right to enter in and upon the Premises or any part thereof to such extent and as often as the Beneficiary or the Controlling Person, in its sole discretion, deems necessary or desirable in order to prevent or to cure any such default by the Grantor under the Ground Lease. The Beneficiary or the Controlling Person, with or without possession, may, but shall not be obligated to, perform the Grantor's obligations under the Ground Lease and/or may pay and expend such sums of money as the Beneficiary or the Controlling Person in its sole discretion deems necessary for any such purpose, and the Grantor hereby agrees to pay to the Beneficiary, immediately and without demand, all such sums so paid and expended by the Beneficiary together with interest thereon from the date of each such payment at the Default Rate. All sums so paid and expended by the Beneficiary or the Controlling Person, and the interest thereon, shall be added to and be secured by the lien of this Mortgage. In addition to the other remedies set forth in this Mortgage, the Beneficiary shall have all the rights and remedies granted to a "leasehold mortgagee" under the Ground Lease.

(b) The Grantor further covenants and agrees that:

(i) Unless the Controlling Person shall otherwise expressly consent in writing, the fee title to the Land and the leasehold estate demised by the Ground Lease shall not merge but shall always remain separate and distinct, notwithstanding the union of such estates either in the Ground Lessor or in the Grantor, or in a third party by purchase or otherwise. If the Grantor acquires the fee title or any other estate, title or interest in the Land, or any part thereof, the lien of this Mortgage shall attach to, cover and be a lien upon such acquired estate, title or interest and the same shall thereupon be and become a part of the Property with the same force and effect as if specifically encumbered herein. The Grantor agrees to execute all instruments and documents which the Beneficiary or the Controlling Person may require to ratify, confirm and further evidence the Beneficiary's lien on the acquired estate, title or interest.

(ii) The Grantor shall enforce its rights under the Ground Lease and shall use its best efforts to obtain and deliver to the Beneficiary and the Controlling Person within ten (10) days after written demand by the Beneficiary and the Controlling Person, an estoppel certificate from the Ground Lessor under the Ground Lease setting forth (A) that the Ground Lease has not been modified or, if it has been modified, the date of each modification (together with copies of each such modification), (B) the amount of the basic rent and other charges payable under the Ground Lease, (C) the date to which all rental charges have been paid by the tenant under the Ground Lease, and (D) whether there are any alleged defaults of the tenant under the Ground Lease and, if there are, setting forth the nature thereof in reasonable detail.

(iii) The Grantor will enter into no agreement amending or modifying the Ground Lease, will pay all rents and other amounts when due under the Ground Lease and will permit no default thereunder and will timely perform all of its obligations thereunder and do all that is necessary to keep the Ground Lease in full force and effect and in good standing, will not exercise any right to terminate the Ground Lease without Beneficiary's prior written consent and will not exercise any other right or remedy under the Ground Lease without Beneficiary's prior written consent. The Grantor's liability under the Secured Obligations shall not be discharged, released or in any way diminished and shall remain direct and primary notwithstanding any and all actions taken by the Ground Lessor or by the Beneficiary following any default by the Grantor under the Ground Lease or the Bond Documents.

(c) Furthermore, the Grantor hereby appoints the Beneficiary and each of the Beneficiary's officers its true and lawful attorneys in fact to execute and deliver all the instruments and documents described in clause (b)(i) above in the name and on behalf of the Grantor. This power, being coupled with an interest, shall be irrevocable as long as any amount secured hereby remains unpaid.

Section 7.03. No Assignment of Obligations. Notwithstanding anything to the contrary contained herein, this Mortgage shall not constitute an assignment of the Ground Lease within the meaning of any provision thereof prohibiting its assignment and the Beneficiary shall have no liability or obligation thereunder by reason of its acceptance of this Mortgage. The Beneficiary shall be liable for the obligations of the tenant arising under the Ground Lease for only the period of time during which the Beneficiary is in actual possession of the leased premises or has acquired, by foreclosure or otherwise, and is holding all of the Grantor's right, title and interest therein, and shall not be liable for any periods before or after such period. Assignment of Rights. The Grantor hereby conveys and assigns to the Beneficiary all of its rights, privileges and prerogatives under the Ground Lease to surrender, terminate, cancel, assign, modify, change, supplement, alter or amend the Ground Lease, which rights, privileges and prerogatives shall be exercised by the Beneficiary at the written direction of the Controlling Person. Bankruptcy Matters. The Grantor agrees that: If there shall be filed by or against the Grantor a petition under the Bankruptcy Code, 11 U.S.C. § 101 et seq., or any successor or similar statute, or similar state law (the "Code") and if the Grantor, as lessee under the Ground Lease, or the Grantor's bankruptcy trustee ("the Bankruptcy Trustee") shall decide to reject the Ground Lease pursuant to the Code, the Grantor and/or the Bankruptcy Trustee shall give the Beneficiary not less than forty five (45) days prior written notice of the date of which the Grantor and/or the Bankruptcy Trustee shall apply to the Bankruptcy Court for the authority to reject the Ground Lease. The Beneficiary shall have the right, but not the obligation, to serve upon the Grantor or the Bankruptcy Trustee within such forty five (45) day period a notice stating that (A) the Beneficiary demands that the Grantor and/or the Bankruptcy Trustee assign the Ground Lease to the Beneficiary pursuant to the Code and (B) the Beneficiary covenants to cure or provide adequate assurance of prompt cure of all curable defaults and provide adequate assurance of future performance under the Ground Lease. If the Beneficiary serves upon the Grantor and/or the Bankruptcy Trustee the notice described in the preceding sentence, the Grantor and/or the Bankruptcy Trustee shall not seek to reject the Ground Lease and shall comply with the demand provided for in clause (A) of the preceding sentence within forty five (45) days after the notice shall have been given subject to the performance by the Beneficiary of the covenant provided in clause (B) of the preceding sentence.

(b) Effective upon the entry of an order for relief in respect of the Grantor under the Code, the Grantor and the Bankruptcy Trustee hereby assign and transfer to the Beneficiary a non-exclusive right to apply to the Bankruptcy Court under the Code on behalf of any and all parties for an order extending the period during which the Ground Lease may be rejected or assumed.

(c) The lien of this Mortgage attaches to all the Grantor's and the Bankruptcy Trustee's rights and remedies at any time arising under or pursuant to the Code, including, without limitation, all of the Grantor's rights to remain in possession of the Property thereunder.

(d) The Grantor agrees that in the event the Ground Lessor, or its successors and assigns, files or has filed against it a petition under the Code, the Grantor shall not, without the Controlling Person's prior written consent, elect to treat the Ground Lease as terminated or rejected under the Code. Any such election made without the Controlling Person's prior written consent shall be null and void and of no effect. In addition to the foregoing, the Grantor hereby irrevocably assigns to the Beneficiary the Grantor's right to elect to treat the Ground Lease as terminated or rejected under the Code and the Beneficiary may exercise the rights hereunder at any time, which right shall be exercised by the Beneficiary at the Controlling Person's direction.

(e) The Grantor hereby unconditionally assigns, transfers and sets over to the Beneficiary all of the Grantor's claims and rights to the payment of damages arising from any rejection by the Ground Lessor of the Ground Lease under the Code. The Beneficiary, acting upon the Controlling Person's direction, shall have the right to proceed in its own name or in the name of the Grantor in respect to any claim, suit, action or proceeding relating to the rejection of the Ground Lease, including, without limitation, the right to file and prosecute, to the exclusion of the Grantor, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the Ground Lessor under the Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights, and remedies.

Section 7.06. Application of Loan Proceeds. The Ground Lessor acknowledges and agrees that the Beneficiary owes the Ground Lessor no obligation to advance any proceeds of the Bonds or to ensure that the funds advanced are used for any specific purpose. Any application or use of funds advanced by the Beneficiary for purposes other than those provided for in the Bond Documents shall in no way impair, alter or diminish the lien created by this Mortgage, including without limitation any application of funds for purposes other than improvement of the Property. Rights of Beneficiary. The Ground Lessor agrees that the Beneficiary may deal exclusively with the Grantor in all matters relating to the Bonds and the loan of the proceeds thereof without notice to or the approval of the Ground Lessor. It is intended that the lien created by this Mortgage shall remain fully effective regardless of any act or omission by the Beneficiary which might otherwise directly or indirectly result, by operation of law or otherwise, in the discharge or release in whole or in part of the Grantor, or the discharge, release or impairment of any collateral now or hereafter held as security for any of the Secured Obligations. Without limiting the generality of the foregoing, the Ground Lessor agrees that the Beneficiary may do or fail to do any of the following one or more times, without notice to or the approval of the Ground Lessor, and without diminishing, altering or otherwise affecting the lien created by this Mortgage: (i) the Beneficiary may agree with the Grantor on any modification, extension, renewal or replacement of any of the terms and conditions of the Bond Documents, (ii) the Beneficiary may extend, renew, accelerate or otherwise change the time for payment and performance of any of the obligations under the Bond Documents, (iii) the Beneficiary may release the Grantor or any other person having any liability under the Bond Documents, (iv) the Beneficiary may release, surrender, substitute or exchange any collateral securing the Loan, (v) the Beneficiary does not have to marshal assets and may direct the order or manner of sale of any of the Property and any other collateral securing the Loan as the Beneficiary may determine in its discretion, (vi) the Beneficiary may apply any money, the Property or any other collateral for the Loan to repayment of any amounts owing to the Beneficiary under the Bond Documents in any order the Beneficiary may determine in its discretion, (vii) Beneficiary may forbear from pursuing the Grantor or any other person, or forbear from foreclosing or otherwise realizing upon any of the Property or any other collateral securing the Loan, (viii) the Beneficiary may impair or fail to perfect the security interest in any of the Property or any other collateral securing the Loan, (ix) the Beneficiary does not have to notify the

Ground Lessor when the Beneficiary advances Loan proceeds or pays any obligations of the Grantor, (x) the Beneficiary does not have to notify the Ground Lessor of any default by the Grantor under the Bond Documents, and (xi) the Beneficiary does not have to make presentment and demand for payment, protest or notice of demand, protest, dishonor and nonpayment. Waivers by Ground Lessor. The Ground Lessor waives any act or thing which might otherwise be deemed a legal or equitable discharge of a surety, including without limitation any defense based on any of the following: (i) lack of diligence or any delays in collecting or enforcing the Bond Documents, (ii) the failure or invalidity of, or any defect in, the Bond Documents, (iii) any disability or other defense of the Grantor or any other person, (iv) the termination from any cause whatsoever of any of the Secured Obligations other than payment in full, (v) the loss or impairment of any right of recourse, reimbursement, contribution, subrogation or any other right or remedy of the Ground Lessor against the Grantor or any other person, or (vi) any modification of any of the Bond Documents in any form whatsoever and without notice to the Ground Lessor, including without limitation the renewal, extension, compromise, acceleration or other change in time for payment and performance. The Ground Lessor waives any right to require the Beneficiary to proceed against the Grantor or any other person or to proceed against or exhaust any other collateral for the Loan or pursue any other remedy in its power before foreclosing this Mortgage, any right to have the Ground Lessor's interest in the Property sold separately from the interests of the Grantor in the Property, and any right of subrogation the Ground Lessor may have against the Grantor, and any benefit of or right to participate in the Beneficiary's lien on the Property, until all Secured Obligations are paid in full. The Ground Lessor agrees that any right of reimbursement, contribution, recourse or other right or remedy the Ground Lessor may have against the Grantor to recover any amount which the Ground Lessor may pay the Beneficiary on account of the Secured Obligations is unconditionally subordinated to the rights and remedies of the Beneficiary under this Mortgage and the Bond Documents.

STATE SPECIFIC PROVISIONS

Section 8.01. Acceleration; Remedies.

(a) At any time during the existence of an Event of Default, Beneficiary, at Beneficiary's option, may declare the Secured Obligation to be immediately due and payable without further demand, and may invoke the power of sale and any other remedies permitted by Texas law or provided in this Mortgage, the Loan Agreement or in any other Bond Document. Grantor acknowledges that the power of sale granted in this Mortgage may be exercised by Beneficiary without prior judicial hearing. Beneficiary will be entitled to collect all costs and expenses incurred in pursuing such remedies, including Attorneys' Fees and Costs, costs of documentary evidence, abstracts and title reports.

(b) If Beneficiary invokes the power of sale, Beneficiary may, by and through the Deed of Trust Trustee, or otherwise, sell or offer for sale the Property in such portions, order and parcels as Beneficiary may determine, with or without having first taken possession of the Property, to the highest bidder for cash at public auction. Such sale will be made at the courthouse door of the county in which all or any part of the Land to be sold is situated (whether the parts or parcel, if any, situated in different counties are contiguous or not, and without the necessity of having any personalty present at such sale) on the first Tuesday of any month between the hours of 10:00 a.m. and 4:00 p.m. (or, if the first Tuesday of the month falls on January 1 or July 4, the date of the foreclosure sale will be the first Wednesday of such month), after advertising the time, place and terms of sale and that portion of the Property to be sold by posting or causing to be posted written or printed notice of sale at least 21 days before the date of the sale at the courthouse door of the county in which the sale is to be made and at the courthouse door of any other county in which a portion of the Land may be situated, and by filing such notice with the County Clerk(s) of the county(s) in which all or a portion of the Land may be situated, which notice may be posted and filed by the Deed of Trust Trustee acting, or by any person acting for the Deed of Trust Trustee, and Beneficiary has, at least 21 days before the date of the sale, served written or printed notice of the proposed sale by certified mail on each debtor obligated to pay the Secured

Obligations according to Beneficiary's records by the deposit of such notice, enclosed in a postpaid wrapper, properly addressed to such debtor at debtor's most recent address as shown by Beneficiary's records, in a post office or official depository under the care and custody of the United States Postal Service. The affidavit of any person having knowledge of the facts to the effect that such service was completed will be prima facie evidence of the fact of service.

(c) Deed of Trust Trustee will deliver to the purchaser at the sale, within a reasonable time after the sale, a deed conveying the Property so sold in fee simple with covenants of general warranty. Grantor covenants and agrees to defend generally the purchaser's title to the Property against all claims and demands. The recitals in the Deed of Trust Trustee's deed will be prima facie evidence of the truth of the statements contained in those recitals. Deed of Trust Trustee will apply the proceeds of the sale in the following order: (i) to all reasonable costs and expenses of the sale, including reasonable Trustee's fees not to exceed 5% of the gross sales price, attorneys' fees and costs and costs of title evidence; (ii) to the Secured Obligations in such order as Beneficiary, in Beneficiary's discretion, directs; and (iii) the excess, if any, to the person or persons legally entitled to the excess.

(d) If all or any part of the Property is sold pursuant to this Section, Grantor will be divested of any and all interest and claim to the Property, including any interest or claim to all insurance policies, utility deposits, bonds, loan commitments and other intangible property included as a part of the Property. Additionally, after a sale of all or any part of the Land, Improvements, fixtures and personalty, Grantor will be considered a tenant at sufferance of the purchaser of the same, and the purchaser will be entitled to immediate possession of such property. If Grantor will fail to vacate the Property immediately, the purchaser may and will have the right, without further notice to Grantor, to go into any justice court in any precinct or county in which the Property is located and file an action in forcible entry and detainer, which action will lie against Grantor or its assigns or legal representatives, as a tenant at sufferance. This remedy is cumulative of any and all remedies the purchaser may have under this Mortgage or otherwise.

(e) In the event an interest in any of the Property is foreclosed upon pursuant to a judicial or nonjudicial foreclosure sale, Grantor agrees as follows: notwithstanding the provisions of Sections 51.003, 51.004, and 51.005 of the Texas Property Code (as the same may be amended from time to time), and to the extent permitted by law, Grantor agrees that Beneficiary will be entitled to seek a deficiency judgment from Grantor and any other party obligated on the Note equal to the difference between the amount owing on the Note and the amount for which the Property was sold pursuant to judicial or nonjudicial foreclosure sale. Grantor expressly recognizes that this Section constitutes a waiver of the above-cited provisions of the Texas Property Code which would otherwise permit Grantor and other persons against whom a recovery of deficiencies is sought or guarantor of the Secured Obligations independently (even absent the initiation of deficiency proceedings against them) to present competent evidence of the fair market value of the Property as of the date of the foreclosure sale and offset against any deficiency the amount by which the foreclosure sale price is determined to be less than such fair market value. Grantor further recognizes and agrees that this waiver creates an irrebuttable presumption that the foreclosure sale price is equal to the fair market value of the Property for purposes of calculating deficiencies owed by Grantor, guarantor of the Secured Obligations, and others against whom recovery of a deficiency is sought. Alternatively, in the event the waiver provided for in this Section is determined by a court of competent jurisdiction to be unenforceable, in any action for a deficiency after a foreclosure under this Mortgage, if any person against whom recovery is sought requests the court in which the action is pending to determine the fair market value of the Property, as of the date of the foreclosure sale, the following will be the basis of the court's determination of fair market value:

(i) The Property will be valued "as is" and in its condition as of the date of foreclosure, and no assumption of increased value because of post-foreclosure repairs, refurbishment, restorations or improvements will be made.

(ii) Any adverse effect on the marketability of title because of the foreclosure or because of any other title condition not existing as of the date of this Mortgage will be considered.

(iii) The valuation of the Property will be based upon an assumption that the foreclosure purchaser desires a prompt resale of the Property for cash within a 6 month-period after foreclosure.

(iv) Although the Property may be disposed of more quickly by the foreclosure purchaser, the gross valuation of the Property as of the date of foreclosure will be discounted for a hypothetical reasonable holding period (not to exceed 6 months) at a monthly rate equal to the average monthly interest rate on the Note for the 12 months before the date of foreclosure.

(v) The gross valuation of the Property as of the date of foreclosure will be further discounted and reduced by reasonable estimated costs of disposition, including brokerage commissions, title policy premiums, environmental assessment and clean-up costs, tax and assessment, prorations, costs to comply with legal requirements and attorneys' fees and costs.

(vi) Expert opinion testimony will be considered only from a licensed appraiser certified by the State of Texas and, to the extent permitted under Texas law, a member of the Appraisal Institute, having at least 5 years' experience in appraising property similar to the Property in the county where the Property is located, and who has conducted and prepared a complete written appraisal of the Property taking into considerations the factors set forth in this Instrument; no expert opinion testimony will be considered without such written appraisal.

(vii) Evidence of comparable sales will be considered only if also included in the expert opinion testimony and written appraisal referred to in subsection (vi), above.

(viii) An affidavit executed by Beneficiary (or its agent) to the effect that the foreclosure bid accepted by Trustee was equal to or greater than the value of the Property determined by Beneficiary (of its agent) based upon the factors and methods set forth in subsections (i) through (vii) above before the foreclosure will constitute prima facie evidence that the foreclosure bid was equal to or greater than the fair market value of the Property on the foreclosure date.

(f) Beneficiary may, at Beneficiary's option, comply with these provisions in the manner permitted or required by Title 5, Section 51.002 of the Texas Property Code (relating to the sale of real estate) or by Chapter 9 of the Texas Business and Commerce Code (relating to the sale of collateral after default by a debtor), as those titles and chapters now exist or may be amended or succeeded in the future, or by any other present or future articles or enactments relating to same subject. Unless expressly excluded, the Property will include Rents collected before a foreclosure sale, but attributable to the period following the foreclosure sale, and Grantor will pay such Rents to the purchaser at such sale.

(g) At any such sale, all of the following will be true:

(i) Whether made under the power contained in this Mortgage, Section 51.002 of the Texas Property Code, Chapter 9 of the Texas Business and Commerce Code, any other legal requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it will not be necessary for Deed of Trust Trustee to have physically present, or to

have constructive possession of, the Property. Grantor will deliver to Deed of Trust Trustee any portion of the Property not actually or constructively possessed by Deed of Trust Trustee immediately upon demand by Deed of Trust Trustee and the title to and right of possession of any such property will pass to the purchaser as completely as if the property had been actually present and delivered to the purchaser at the sale.

(ii) Each instrument of conveyance executed by Deed of Trust Trustee will contain a general warranty of title, binding upon Grantor.

(iii) The recitals contained in any instrument of conveyance made by Deed of Trust Trustee will conclusively establish the truth and accuracy of the matters recited in the Mortgage, including nonpayment of the Secured Obligations and the advertisement and conduct of the sale in the manner provided in this Mortgage and otherwise by law and the appointment of any successor Deed of Trust Trustee.

(iv) All prerequisites to the validity of the sale will be conclusively presumed to have been satisfied.

(v) The receipt of Deed of Trust Trustee or of such other party or officer making the sale will be sufficient to discharge to the purchaser or purchasers for such purchaser(s)' purchase money, and no such purchaser or purchasers, or such purchaser(s)' assigns or personal representatives, will thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or nonapplication of such purchase money.

(vi) To the fullest extent permitted by law, Grantor will be completely and irrevocably divested of all of Grantor's right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the property sold, and such sale will be a perpetual bar to any claim to all or any part of the property sold, both at law and in equity, against Grantor and against any person claiming by, through or under Grantor.

(vii) To the extent and under such circumstances as are permitted by law, Beneficiary may be a purchaser at any such sale.

Section 8.02. Release. Upon payment of the Secured Obligations, Beneficiary will release this Mortgage. Grantor will pay Beneficiary's reasonable costs incurred in releasing this Mortgage.

Section 8.03. Deed of Trust Trustee.

(a) Deed of Trust Trustee may resign by giving of notice of such resignation in writing to Beneficiary. If Deed of Trust Trustee will die, resign or become disqualified from acting under this Mortgage or will fail or refuse to act in accordance with this Mortgage when requested by Beneficiary or if for any reason and without cause Beneficiary will prefer to appoint a substitute deed of trust trustee to act instead of the original Deed of Trust Trustee named in this Mortgage or any prior successor or substitute deed of trust trustee, Beneficiary will have full power to appoint a substitute deed of trust trustee and, if preferred, several substitute deed of trust trustees in succession who will succeed to all the estate, rights, powers and duties of the original Deed of Trust Trustee named in this Mortgage. Such appointment may be executed by an authorized officer, agent or attorney-in-fact of Beneficiary (whether acting pursuant to a power of attorney or otherwise), and such appointment will be conclusively presumed to be executed with authority and will be valid and sufficient without proof of any action by Beneficiary.

(b) Any successor Deed of Trust Trustee appointed pursuant to this Section will, without any further act, deed or conveyance, become vested with all the estates, properties, rights, powers and trusts of the predecessor Deed of Trust Trustee with like effect as if originally named as Deed of Trust Trustee in this Mortgage; but, nevertheless, upon the written request of Beneficiary or such successor Deed of Trust Trustee, the Deed of Trust Trustee ceasing to act will execute and deliver an instrument transferring to such successor Deed of Trust Trustee, all the estates, properties, rights, powers and trusts of the Deed of Trust Trustee so ceasing to act, and will duly assign, transfer and deliver any of the property and monies held by the Deed of Trust Trustee ceasing to act to the successor Deed of Trust Trustee.

(c) Deed of Trust Trustee may authorize one or more parties to act on Deed of Trust Trustee's behalf to perform the ministerial functions required of Deed of Trust Trustee under this Mortgage, including the transmittal and posting of any notices.

Section 8.04. Vendor's Lien. To the extent a vendor's lien is retained in that certain deed conveying the Property to Grantor and dated on or about the date of this Mortgage, such vendor's lien has been assigned to Beneficiary, the Note is primarily secured by said vendor's lien, and this Mortgage is additional security therefore.

Section 8.05. No Fiduciary Duty. Beneficiary owes no fiduciary or other special duty to Grantor.

Section 8.06. Fixture Filing. This Mortgage is also a fixture filing under the Uniform Commercial Code of Texas.

Section 8.07. Loan Charges. Grantor and Beneficiary intend at all times to comply with the laws of the State of Texas governing the maximum rate or amount of interest payable on or in connection with the Secured Obligations (or applicable United States federal law to the extent that it permits Beneficiary to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount payable under the Note, this Mortgage or any other Bond Document, or contracted for, charged, taken, reserved or received with respect to the Secured Obligation, or if acceleration of the maturity of the Secured Obligations, or if any prepayment by Grantor results in Grantor having paid any interest in excess of that permitted by any applicable law, then Grantor and Beneficiary expressly intend that all excess amounts collected by Beneficiary will be applied to reduce the unpaid principal balance of the Secured Obligations (or, if the Secured Obligations have been or would thereby be paid in full, will be refunded to Grantor), and the provisions of the Note, this Mortgage and the other Bond Documents immediately will be deemed reformed and the amounts thereafter collectible under the Bond Documents reduced, without the necessity of the execution of any new documents, so as to comply with any applicable law, but so as to permit the recovery of the fullest amount otherwise payable under the Bond Documents. The right to accelerate the maturity of the Secured Obligations does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Beneficiary does not intend to collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Beneficiary for the use, forbearance or detention of the Secured Obligations will, to the extent permitted by any applicable law, be amortized, prorated, allocated and spread throughout the full term of the Secured Obligations until payment in full so that the rate or amount of interest on account of the Secured Obligations does not exceed the applicable usury ceiling. Notwithstanding any provision contained in the Note, this Mortgage or any other Bond Document that permits the compounding of interest, including any provision by which any accrued interest is added to the principal amount of the Secured Obligations, the total amount of interest that Grantor is obligated to pay and Beneficiary is entitled to receive with respect to the Secured Obligations will not exceed the amount calculated on a simple (i.e., noncompounded) interest basis at the

maximum rate on principal amounts actually advanced to or for the account of Grantor, including all current and prior advances and any advances made pursuant to the Mortgage or any other Bond Document (such as for the payment of Impositions and similar expenses or costs).

Section 8.08. **ENTIRE AGREEMENT.** THIS MORTGAGE, THE NOTE AND THE OTHER BOND DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 8.09. **WAIVER OF TRIAL BY JURY.**

(a) GRANTOR AND BENEFICIARY EACH COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS MORTGAGE OR THE RELATIONSHIP BETWEEN THE PARTIES AS GRANTOR AND BENEFICIARY THAT IS TRIABLE OF RIGHT BY A JURY.

(b) GRANTOR AND BENEFICIARY EACH WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

Section 8.10. **Notice of Additional Provisions Regarding Insurance.** Any terms to the contrary contained in this Mortgage notwithstanding, the following requirements are hereby imposed pursuant to Section 307.052 of the Texas Finance Code:

(a) GRANTOR IS REQUIRED TO: (i) KEEP THE PROPERTY INSURED AGAINST DAMAGE IN AN AMOUNT EQUAL TO THE SECURED OBLIGATIONS, (ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER, AND (iii) NAME THE BENEFICIARY AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF LOSS.

(b) IF GRANTOR FAILS TO COMPLY WITH SUBSECTION (a) ABOVE, BENEFICIARY MAY, BUT WILL NOT BE OBLIGATED TO, OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF GRANTOR AT GRANTOR'S EXPENSE.

IN WITNESS WHEREOF, the Grantor has executed this Leasehold Deed of Trust as of the day and year first above written.

GRANTOR

LDG THE GATEWAY AT TRINITY FOREST, LP,
a Texas limited partnership

By: DHFC The Gateway at Trinity Forest GP, LLC, a
Texas limited liability company,
its General Partner

By: _____
Name: _____

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

On this ____ day of _____, 2025, before me, _____, personally appeared _____, known to me or proven on the basis of satisfactory evidence to be an authorized signatory of DHFC The Gateway at Trinity Forest GP, LLC, the general partner of LDG The Gateway at Trinity Forest, LP, the within named Grantor, and that he being authorized to do so, executed the foregoing Mortgage for the purposes therein contained by signing the name of the corporation by himself as such officer.

WITNESS my hand and official seal.

Notary

My Commission expires:

(SEAL)

**CONSENT AND JOINDER TO LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS
AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING (WITH POWER OF SALE)**

Intending to be legally bound hereby, the undersigned [_____], a limited liability company organized and existing under the laws of the State of Texas (the “Land Owner”), as fee owner of the real property described on Exhibit A to the Mortgage (as hereinafter defined) and of the improvements and ancillary personal property located thereon or used in connection therewith (the “Property”), hereby joins in that certain Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (With Power of Sale) dated as of December 1, 2025 (the “Mortgage”) from LDG The Gateway at Trinity Forest, LP (the “Grantor”), in favor of a deed of trust trustee for the benefit of Texas Department of Housing and Community Affairs (the “Beneficiary”), for the purpose of: (a) subjecting its fee title to the Property (as defined in the Mortgage) to the lien of the Mortgage, to be bound by the Mortgage, and each and every term, condition, covenant and agreement as contained in the Mortgage, to the same extent as if the Land Owner had been the named Grantor therein executing and delivering the Mortgage; (b) acknowledging and consenting to the existence of the Mortgage; (c) agreeing that the undersigned shall not declare an event of default under or exercise its option to terminate or exercise any other remedies under the Ground Lease under any circumstances permitted thereunder without the prior written consent of the Controlling Person and that any attempted action in violation of such agreement shall be of no force or effect whatsoever; and (d) consenting to and agreeing to be bound by the terms of the Mortgage (including, without limitation, Articles 3 and 7 thereof) to the extent applicable to the Land Owner. Notwithstanding anything to the contrary herein, the obligations of the Land Owner hereunder shall be recoverable solely out of the Land, and shall otherwise be without recourse to the Land Owner or any of its other assets or any past, present or future, direct or indirect, partners, members or shareholders in the Land Owner, except that the Deed of Trust Trustee (as defined in the Mortgage) shall have recourse to the assets of any such person or entity if and only to the extent such person or entity has expressly assumed (other than by execution and delivery of this Consent and Joinder) or hereafter expressly assumes liability for, or has encumbered (other than pursuant to this Consent and Joinder) or hereafter encumbers any of its other assets as security for the performance of the Secured Obligations or of the Land Owner’s obligations hereunder.

By executing and delivering this Consent and Joinder, the Land Owner does hereby irrevocably grant, convey, and assign unto the Deed of Trust Trustee, for the benefit of the Beneficiary, and grants the Beneficiary a lien on and a security interest in, all of its right, title and interest in and to the Land (which, for purposes of this Joinder, shall be deemed to include Land Owner's interest in the Ground Lease), to secure the Secured Obligations. Land Owner acknowledges and agrees that, upon the occurrence and during the continuance of an Event of Default by Grantor, Deed of Trust Trustee and/or Beneficiary may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Grantor, Land Owner and in and to the Land, to the fullest extent under the terms of the Mortgage (which, without limiting the generality of the foregoing, include, at the election of Beneficiary, foreclosing upon or exercising the power of sale with respect to the Land Owner’s interest in the Land, as defined in the Mortgage, and/or foreclosing upon the Grantor’s leasehold interest in the Land, all in accordance with the terms and provisions of the Mortgage and this Consent and Joinder).

Upon foreclosure or exercise of the power of sale under the Mortgage with respect to the Grantor’s leasehold interest in the Land, or assignment of the leasehold interest in the Land in lieu of thereof, (a) the Beneficiary or its designee shall have the right to acquire the leasehold interest in the Land created under the Ground Lease in its own name or the name of a nominee without consent or approval of Land Owner, (b) the acquiring entity or its nominee shall have the right to further assign or sublet the leasehold interest or a portion thereof to a third party, and (c) the Land Owner shall recognize the purchaser or other transferee in connection therewith as the “tenant” under the Ground Lease.

The Land Owner acknowledges and agrees that it will not be possible for the Grantor to acquire or construct the Improvements without obtaining a loan or loans from one or more persons or entities in order to finance the acquisition and construction of said Improvements and the development of the Property. Therefore, Land Owner hereby covenants and agrees that its interest in the Ground Lease and its ownership interest in the Land are and shall be subject to, subordinate and inferior to any and all loans (interim, permanent, "cash flow", "soft" or refinancings thereof) obtained by the Grantor for the purpose of financing the acquisition and construction of the Improvements and the development and operation of the Property, and to the lien of any mortgages or deeds of trust (each, a "Permitted Leasehold Mortgage"), assignments of rents and leases, security agreements, and other collateral or security documents or instruments required by the lender or lenders providing such financing, and to all renewals, extensions, modifications, consolidations, replacements and refinancings thereof, and to all advances made or hereafter to be made upon the security of such mortgages, assignments of rents and leases, security agreements, and other collateral or security documents or instruments. The Land Owner shall, at Grantor's request, join in, execute and/or deliver any and all such mortgages, assignments of rents and leases, security agreements, and other collateral or security documents or instruments as may be required by such lender or lenders in order to subject and subordinate the Land Owner's interest in the Ground Lease and its ownership interest in the fee simple title to the Land or to otherwise consent to or facilitate the subordination or encumbrance of the Grantor's interest in the Property to the lien of such documents or instruments, and upon Grantor's request shall join in, execute and/or deliver any and all such further instruments or assurances as any such lender or lenders may reasonably deem necessary to evidence or confirm the subordination of the Ground Lease or the encumbrance of the Land Owner's interest in such Ground Lease and the Land Owner's ownership interest in the Land to the lien of any such mortgages, assignments of rents and leases, security agreements, and other collateral or security documents or instruments; provided, however, and notwithstanding anything contained herein or in the Mortgage or any other documents evidencing the Loans described herein to the contrary, the Land Owner shall not be required to suffer, incur, accept or assume any personal liability for any such financing, loans or indebtedness, or any costs or expenses thereof, or any other indebtedness or liability of Grantor thereunder, and any mortgages, assignments of rents and leases, security agreements, and other collateral or security documents or instruments of any nature whatsoever which the Land Owner may be called upon to join in, execute and/or deliver under and pursuant to this section shall expressly exculpate the Land Owner from and against any and all such personal liability.

Grantor may, without the Land Owner's consent, assign, encumber or mortgage the Ground Lease (including any options it contains) to any leasehold mortgagee for the purposes described above, each a "Permitted Leasehold Mortgagee." A Permitted Leasehold Mortgagee (and anyone whose title derives from a Permitted Leasehold Mortgagee) may, without the Land Owner's consent, hold a foreclosure sale, take title to the Ground Lease, and transfer or assign the Ground Lease, either in its own name or through a nominee or designee.

The Land Owner represents and warrants to the Beneficiary as follows: (i) the Land Owner is the sole owner of fee simple title to the Property, free from any liens or encumbrances other than the Permitted Encumbrances (as defined in the Mortgage), (ii) the Land Owner has full power and authority to execute and deliver the Mortgage and the person(s) executing the Mortgage on the Land Owner's behalf have the authority to do so, (iii) the benefits to the Land Owner from the Grantor and the Secured Obligations (as defined in the Mortgage) constitute reasonably equivalent value for the Land Owner's execution of the Mortgage, (iv) the Land Owner has reviewed and understands the terms of the Bond Documents (as defined in the Mortgage), (v) the terms of the Bond Documents comply with all conditions to the Land Owner's execution of the Mortgage or such conditions have been waived by the Land Owner, (vi) the Beneficiary has made no representation to the Land Owner regarding the Grantor, including without limitation the creditworthiness of the Grantor, (vii) the Beneficiary shall have no obligation to disclose any information to the Land Owner or furnish any materials acquired in the course of the

Beneficiary's relationship with the Grantor, and (viii) the Land Owner acknowledges that the Beneficiary would not make a loan to the Grantor without the Land Owner executing the Mortgage.

[Signature on following page.]

[_____]

(SEAL)

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

BEING a 29.995 acre tract of land situated in the John R. Fondren Survey, Abstract Number 476, Dallas County, Texas, in the City of Dallas, Dallas City Block 8524, being a portion of the tract of land described as Tract 1 in the instrument to 635-Dowdy Venture, recorded in Volume 84229, Page 1910, Deed Records of Dallas County, Texas, said 29.995 acre tract of land being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with a broken blue cap found in the easterly right-of-way line of Dowdy Ferry Road (a 100 foot wide right-of-way) for the common westerly corner of said 635-Dowdy Venture tract and the tract of land described in the instrument to 2040 Dowdy Ferry ISF, LLC recorded in Document Number 202200236412, Official Public Records of Dallas County, Texas;

THENCE with the common line of said 635-Dowdy Venture tract and said 2040 Dowdy Ferry ISF, LLC tract North 88° 28' 50" East a distance of 1947.24 feet to a 1/2 inch iron rod with a cap stamped "CBG Surveying" found for the southeasterly corner of said 2040 Dowdy Ferry ISF, LLC tract;

THENCE continuing with the northerly line of said 635-Dowdy Venture North 89° 03' 15" East a distance of 401.93 feet to a point for corner;

THENCE departing the northerly line of said 635-Dowdy Venture tract South 33° 29' 26" West a distance of 891.38 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Dunaway Assoc" set for corner;

THENCE South 88° 28' 50" West a distance of 1,499.09 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Dunaway Assoc" set for corner;

THENCE North 00° 34' 25" West a distance of 669.70 feet to a 5/8" iron rod with a yellow plastic cap stamped "DUNAWAY ASSOC." set for corner;

THENCE South 88° 28' 50" West a distance of 350.66 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Dunaway Assoc" set in the easterly right-of-way line of Dowdy Ferry Road;

THENCE with the easterly right-of-way line of Dowdy Ferry Road North 00° 40' 42" West a distance of 64.51 feet to the POINT OF BEGINNING;

CONTAINING a computed area of 29.995 acres (1,306,597 square feet) of land.

EXHIBIT B
CROSS COLLATERALIZATION RIDER

Exhibit B to Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing, dated as of [_____] 1, 2025, by LDG The Gateway at Trinity Forest, LP for the benefit of the Texas Department of Housing and Community Affairs.

ADDITIONAL OBLIGATIONS SECURED. In addition to the obligations secured by this Mortgage and described as “Secured Obligations” herein, this Mortgage shall also secure the payment and performance of those certain Multifamily Housing Revenue Notes (Gateway at Trinity Forest), Series 2025 in the principal amount of \$[_____] (the “Taxable Notes”), issued pursuant to that certain Indenture of Trust dated as of December 1, 2025 by an between the Borrower, as issuer, and BOKF, N.A., as trustee, and all extensions, renewals or modifications of the Taxable Notes and documents securing the payment thereof and payment and performance of any future advances and other obligations that the then-record owner of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guaranty) for the benefit of Western Alliance Business Trust and/or Mortgagee when such future advance or obligation is evidenced by a writing which recites that it is being secured by this Mortgage.

[Remainder of Page Intentionally Left Blank]

[Signature page to Cross Collateralization Rider]

LDG THE GATEWAY AT TRINITY FOREST, LP,
a Texas limited partnership

By: DHFC The Gateway at Trinity Forest GP, LLC, a
Texas limited liability company,
its General Partner

By: _____
Name: _____

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

On this ____ day of _____, 2025, before me, _____, personally appeared _____, known to me or proven on the basis of satisfactory evidence to be an authorized signatory of DHFC The Gateway at Trinity Forest GP, LLC, the general partner of LDG The Gateway at Trinity Forest, LP, the within named Grantor, and that he being authorized to do so, executed the foregoing Mortgage for the purposes therein contained by signing the name of the corporation by himself as such officer.

WITNESS my hand and official seal.

Notary

My Commission expires:

(SEAL)