

RESIDENTIAL TITLE & ESCROW COMPANY

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After recording return to:
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 RECORDING FEE 75.00
 RECORDATION T 2,356.20
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**LAND CONTRACT
 (Lot 5)**

THIS LAND CONTRACT (this "CONTRACT") is made as of this 10th day of ^{March} ~~February~~, 2006, by and between the CITY OF ABERDEEN, MARYLAND, a body politic and corporate (hereinafter referred to as the "City"), and ABERDEEN HOTELS – BASEBALL PARK, LLC, a Maryland limited liability company (hereinafter referred to as "Purchaser").

RECITALS

WHEREAS, the City is the owner of that parcel of land, known as "Lot 5" (the "Property"), located in Harford County, Maryland, consisting of approximately 4.403 acres, as more particularly described on the subdivision plat entitled "Revised Lots 3 and 4 – Final Plat, Long Property Subdivision", dated April 5, 2002, which subdivision plat is recorded among the Land Records of Harford County, Maryland at Plat Book C.G.H. 107, Page 55 which is made a part hereof (the "Plat").

WHEREAS, the parties desire to set forth the terms and conditions by which the City shall sell the Property to Purchaser.

NOW, THEREFORE, WITNESSETH in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Purchaser hereby agree as follows:

SECTION I

DEFINITIONS

For purposes of this Contract, the City and Purchaser hereby agree that the following terms shall have the indicated meanings:

Contract Year: each annual 12 month period throughout the Term; provided that the first Contract Year will commence on the Effective Date and continue until one full year after the Installment Payment Effective Date, and, if the Installment Payment Effective Date is not the first day of a month, the first Contract Year will include also the number of days from the Installment Payment Effective

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Date until the end of that month. The second Contract Year will commence on the next following day the end of the first Contract Year, and each subsequent Contract Year will commence on the anniversary of such day

Effective Date: The date on which the last signature is affixed to the Contract.

Event of Default: an event set forth in Section 16 below.

Fee Mortgage: a Mortgage encumbering both the City's and Purchaser's interests in the Property and this Contract.

Fee Mortgagee: the beneficiary of a Fee Mortgage.

Governmental Authorities: all public officials, agencies, municipalities, and counties having jurisdiction in respect of the Property.

Hazardous Material: any hazardous or toxic substance, material, or waste including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172. 101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials, and wastes that are or become regulated under any applicable federal, state, or local law, ordinance, or regulation including, but not limited to, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or "Superfund"), the Clean Air Act, and the Clean Water Act.

Impositions: all license, and Permit fees, charges for public utilities of any kind including both utilities supplied by Governmental Authorities and utilities supplied by private companies, and obligations for any and all other governmental charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever; provided, however, that Impositions shall not include any assessments relating to or arising out of the Infrastructure to be developed or constructed by the City in accordance with this Agreement.

Improvements: any and all improvements to be constructed on the Property which may include, but are not limited to, a hotel building, and parking areas, sidewalks, driveways, and landscaped areas.

Infrastructure: those improvements to be constructed by the City, as more particularly described in Section 26(c) below.

Institutional Lender: a lender which is in the business of making mortgage loans, such as a bank, savings bank, trust company, savings and loan association, insurance company, college, university, pension or profit sharing trust, retirement or welfare fund, real estate investment trust, or similar institutional lender, and which may be either domestic or foreign, as well as the State of Maryland or any governmental or quasi-governmental agency located therein.

Installment Payment: the Installment Payments described in Section 3 below.

Installment Payment Effective Date: the date upon which the hotel to be constructed upon the Property by Purchaser has been substantially completed and is able to be used for its intended purpose. The parties will confirm the Installment Payment Effective Date in a subsequent writing.

Mortgage: any mortgage, deed of trust, or security agreement affecting the Property or any part thereof, at any time.

Mortgagee: the beneficiary of any Mortgage.

Notice of Default: a notice served by the City upon Purchaser, and any Mortgagee, in accordance with Section 21 below.

Notice of Termination: a notice that may be served by the City upon Purchaser, and any Mortgagee, in accordance with Section 23 below.

Notices: all notices, requests, demands, or other communications which may be or are required or permitted to be served or given under this Contract.

Payments: all payments made pursuant to the Contract, including, but not limited to Installment Payments.

Permits: all permits, approvals, licenses, and permissions required from all applicable Governmental Authorities to enable the construction of the Improvements to commence.

Project: the Camden Yards Warehouse Miniature, and any other improvements to be constructed upon the Property.

Taking: the acquisition by authority of any Governmental Authority in the legal and valid exercise of its power of eminent domain or by private purchase in lieu thereof.

Term: the period commencing on the Effective Date and ending on the last day of the 20th Contract Year after the Installment Payment Effective Date.

When used herein, the singular shall apply to the plural, the plural to the singular, and the use of any gender shall apply to all genders.

SECTION 2

AGREEMENT TO PURCHASE PROPERTY

The City hereby agrees to sell to Purchaser and Purchaser hereby agrees to purchase from the City, the Property, together with any Improvements hereafter constructed upon the Property upon the terms, covenants, and conditions set forth herein.

SECTION 3

INSTALLMENT PAYMENTS OF PURCHASE PRICE

(a) Installment Payments shall be Two Thousand Five Hundred Ninety-Eight Dollars (\$2,598.00) per month, which amount is based upon the amount of Three Hundred Fifty-Six Thousand Seven Hundred Forty-One Dollars (\$356,741.00) (the "Purchase Amount"), of which \$173,768.00 is amortized over a period of 20 years at an interest rate of 6.81% per annum, \$91,647.00 is amortized over a period of 20 years at an interest rate of 4.77% per annum, and \$91,326.00 is amortized over a period of 20 years at an interest rate of 6.44% per annum. Purchaser's obligation to pay Installment Payments shall commence as of the Installment Payment Effective Date.

(b) Commencing on the Installment Payment Effective Date, Purchaser shall pay equal monthly installments of Installment Payments (\$2,598.00 per month) in advance on the first day of each month for the Term of this Contract, without deduction, set-off, recoupment, counterclaim, or demand, at the City's address as set forth in Section 28, below, or at such other place as shall be designated in writing by the City. If the Term shall commence or end on a day other than the first day of a month, the monthly Installment Payment for any such partial month of the Term shall be prorated on a per diem basis.

(c) As part of the consideration for this Contract and subject to all of the provisions hereof, Purchaser covenants and agrees, commencing on the Installment Payment Effective Date and at all times during the Term, at Purchaser's own cost and expense, to pay, as the same become due and payable and before any fine, penalty, interest, or other charge which may be added thereto for the non-payment thereof, all Impositions, except that any such amounts properly allocable to periods before or after the Term shall not be payable by Purchaser. The City agrees to send promptly to Purchaser copies of any notices in respect of any such Imposition. Purchaser covenants to furnish to the City, upon specific request in each instance, official receipts of the proper taxing or other Governmental Authorities or other proof satisfactory to the City, evidencing the full payment of any and all such Impositions. If, by law, any Imposition may be paid, at the option of the taxpayer, in installments (whether or not interest accrues thereon) Purchaser may pay the same in installments (with the interest, if any). The provisions of this Contract shall not be deemed to require Purchaser to pay any income, gift, inheritance, corporate, or capital levy or excess profits tax that may be payable by the City under any existing or future tax law of the United States or of any jurisdiction therein.

(d) Purchaser shall have the right, if Purchaser disputes the amount or validity of any Imposition upon the Property or Improvements thereon (whether in respect of the amount of tax assessment or otherwise) to contest and defend against the same, and in good faith diligently to conduct any necessary proceedings to prevent and avoid the same; provided, however, that such contest shall be prosecuted to a final conclusion as speedily as is reasonably possible. Any rebate made on account of any Imposition paid by Purchaser shall belong and be paid to Purchaser. The City agrees to render Purchaser all reasonable assistance, at no expense to the City, in contesting the validity or amount of any Imposition, including joining in the execution of any reasonable documents, or the signing of any reasonable protests or pleadings, which Purchaser may file. During

any such contest, Purchaser shall (by payment of such disputed Imposition, if necessary) prevent any foreclosure of, or any divesting thereby, of the City's title, reversion, or other interest in or to the Property, and will further (by the payment of such disputed Imposition, if necessary) prevent the public sale or enforcement of any lien for such Imposition.

(e) If any rights or obligations of Purchaser hereunder (whether relating to payment of Installment Payments, payment of Impositions, or to any other provision of this Contract) relate to a period in part before the Installment Payment Effective Date, or in part after the date of termination of the Term, or if the Installment Payment Effective Date is not the first day of a month, or if this Contract terminates other than on the last day of a month, appropriate adjustments and prorations shall be made.

SECTION 4

LATE PAYMENTS

In the event that any monthly Installment Payment or other amount due hereunder shall be past due for more than ten (10) business days, Purchaser shall pay to the City a late charge equal to the greater of (a) five percent (5%) of the unpaid Payment, or (b) interest on the unpaid Payment from the date when due until payment at the rate of ten percent (10%) per annum, or, if less, the highest rate permitted by law. The late charge imposed under this Section is not a penalty and has been agreed to by the City and Purchaser as necessary to compensate the City for its additional costs associated with late payment.

SECTION 5

CONVEYANCE OF PROPERTY UPON END OF TERM

In consideration of the Installment Payments previously paid and the sum of One Hundred Dollars (\$100.00), such One Hundred Dollars (\$100.00) to be paid simultaneously to the City by Purchaser, the City shall convey the Property to Purchaser as of the last day of the Term. Such conveyance shall be by special warranty deed containing covenants against encumbrances and of further assurances, pursuant to which the City shall convey to Purchaser good and marketable fee simple title of the Property, subject only to those liens and encumbrances set forth on the List of Permitted Title Exceptions set forth on Exhibit "A" hereto, and any liens or encumbrances agreed to or created by Purchaser during the Term of this Contract. Purchaser shall pay all transfer and recordation taxes relating to the conveyance of the Property to Purchaser. The City and Purchaser agree and acknowledge that the City is retaining the legal title to the Property as a security device until the City has received all Installment Payments required under this Contract (or until payment is made under Section 7 hereof, if elected by Purchaser). In all other respects, the City and Purchaser agree that all rights, benefits and burdens associated with ownership of the Property belong to the Purchaser.

SECTION 6

NET CONTRACT

In addition to the Installment Payments, Purchaser agrees to pay all carry costs pertaining to the Property and to the ownership, operation, and use thereof during the Term, it being the agreement between the City and Purchaser that this is a fully net Contract, and the City shall not pay any costs or expenses pertaining thereto during the Term, except as may be expressly set forth herein.

SECTION 7

CONVEYANCE OF PROPERTY PRIOR TO THE END OF THE TERM

(a) The City hereby grants to Purchaser the irrevocable and exclusive right and option (the "Early Purchase Option") to prepay the balance of the Purchase Amount for the Property at any time during the Term hereof, provided however that in no event may Purchaser exercise its Early Purchase Option prior to the first date on which the City's loan from the State of Maryland (the "State") (acting through the Community Development Administration) may be prepaid by the City to the State. If Purchaser exercises its Early Purchase Option, the total purchase price (the "Early Option Price") shall be equal to the following amount, calculated as of the date of Closing, as hereinafter defined:

- (i) the Purchase Amount,; minus
- (ii) the total Paydown Amount.
- (iii) all taxes described in Section 3(b) not previously subtracted.

"Paydown Amount" is such portion of the Installment Payments which does not represent interest calculated at the interest rates described in Section 3(a) above.

(b) Exercise of this Early Purchase Option by Purchaser shall not cause this Contract to terminate.

(c) Closing (the "Closing") under this Early Purchase Option shall be held within sixty (60) days after the date of Purchaser's exercise thereof.

(d) At the Closing, Purchaser shall pay to the City the Early Option Price, in cash, certified or cashier's check, or wire transfer of funds. All costs and expenses of transfer, preparation of deeds, title search, title insurance and all other costs incident to the Closing shall be paid by Purchaser.

(e) The City agrees to convey good and marketable title to the Property by special warranty deed, free and clear of all liens and encumbrances, subject, however, to the List of

Permitted Title Exceptions set forth on Exhibit "A" hereto and any liens or encumbrances agreed to or created by Purchaser during the term of this Contract.

(f) Upon the completion of the purchase under the Early Option, this Contract and all obligations hereunder (including the obligation to pay Payments) shall terminate with respect to the Property, except with respect to obligations and liabilities of the City or Purchaser, actual or contingent, under this Contract which arose on or prior to such date of Closing, all of which obligations and liabilities shall survive such purchase.

SECTION 8

USE OF PROPERTY

(a) During the Term, Purchaser shall have the right to enter and use the Property for the construction and operation of the Improvements and other structures necessary to support the Project and for any other lawful purposes. Purchaser agrees not to use the Property for any unlawful purpose, or in violation of any certificate of occupancy, nor suffer any dangerous article to be brought on the Property unless safeguarded as required by law. Purchaser agrees to reasonably, promptly, and effectively comply with all applicable statutes, regulations, rules, ordinances, orders, and requirements of all Governmental Authorities including, but not limited to, the Americans with Disabilities Act of 1990. The City agrees to give notice promptly to Purchaser of any notice from any Governmental Authorities in respect of the Property including, without limitation, any notice pertaining to air and water quality, Hazardous Materials, waste disposal, air emissions, and other environmental matters, and any direction of any public agency that imposes any duty upon the City or Purchaser with respect to the use or occupancy of the Property. Purchaser may, in good faith, dispute the validity of any complaint or action taken pursuant to or under color of any of the foregoing, defend against the same, and, in good faith, diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. Purchaser agrees that any such contest shall be prosecuted to a final conclusion as speedily as possible, and Purchaser will save the City harmless with respect to any actions taken by any Governmental Authorities with respect thereto.

(b) Purchaser shall not store, use or dispose of Hazardous Materials on the Property except in de minimis quantities and as permitted by applicable laws.

SECTION 9

THE CITY'S JOINDER IN APPLICATIONS AND EASEMENTS

Within ten (10) business days after receipt of written request from Purchaser, the City agrees to join in any and all reasonable applications for Permits in connection with the construction, operation, and maintenance of the Improvements, and shall also join in any fee simple deeds, subdivision and record plats and grants of easements for electric, telephone, gas, water, sewer, and

other public utilities and facilities, or access roads, or other facilities useful and/or necessary to the operation of the Improvements or the construction thereof.

SECTION 10

MAINTENANCE AND REPAIR

Throughout the Term, except as otherwise set forth herein, Purchaser, at its sole cost and expense, shall maintain the Property and the Improvements as required by all applicable laws. The City shall have no responsibility whatsoever in respect of maintenance or repair, it being intended that Purchaser shall have full responsibility for the Property, except as otherwise set forth herein. Purchaser shall hold the City harmless with respect to any liability in respect of maintenance or repair required under this Section. Purchaser shall promptly furnish the City with copies of all notices given to Purchaser by Governmental Authorities concerning environmental matters affecting the Property and copies of all responses to Governmental Authorities.

SECTION 11

RIGHT TO ENTER

The City shall have reasonable access to the Property and the Improvements for the purpose of inspecting the Property, provided that prior written notice is given by the City to Purchaser and provided further that any agent of the City entering upon the Property shall be accompanied by an agent of Purchaser at all times. The City, and its agents, shall follow all security procedures in effect for the Property for Purchaser or any other Purchaser or tenant of Purchaser of all or any portion of the Property.

SECTION 12

CONSTRUCTION OF IMPROVEMENTS

(a) Purchaser shall have the right, from time to time, to construct the Improvements, to demolish any buildings or other improvements on the Property, to reconstruct and alter buildings or other improvements on the Property, and to remove trees, other natural growth, sod and soil, so long as any such action does not constitute a violation of any other agreement by which Purchaser is bound. Construction of the Improvements by Purchaser shall be done in accordance with all applicable laws, statutes, ordinances, and codes (including without limitation health and fire codes).

(b) Purchaser shall promptly file for, and thereafter diligently pursue, in good faith, the obtaining of all Permits to enable the construction of the Improvements to commence. The City shall promptly cooperate with Purchaser in all reasonable ways, but at no cost to the City, to aid Purchaser in its efforts to obtain the Permits. Purchaser shall pay for all governmental fees for the Permits. The City shall join in and consent to any applications or petitions filed by Purchaser with any governmental, public or judicial agency in connection with the use, development or occupancy of the Property and which may require the joinder and consent of the City, including, but not limited to,

subdivision plats (and re-subdivision plats), building permits, applications for reclassifications, special exceptions and variances under the zoning laws, demolition of improvements, construction or alteration of improvements, erection and maintenance of signs, connections to utility facilities, public works agreements, and licenses for sale of alcoholic beverages; but Purchaser shall bear all costs and fees with respect to such applications.

(c) Following receipt of the Permits, Purchaser shall cause its contractor to begin constructing the Improvements. Purchaser shall use all reasonable efforts to cause its contractor to commence construction as soon as commercially practicable.

(d) Purchaser shall pay all costs of the Improvements, other than the cost of the Infrastructure to be constructed by the City.

(e) None of the Improvements, or fixtures, machinery, equipment, furniture, or chattels at any time installed by Purchaser, any assignee, or sub-tenant of Purchaser in or about the Property or buildings constructed thereon shall become a part of the realty or the property of the City no matter how affixed to the realty, and may be removed at any time by Purchaser, its tenant, sub-tenants, or others having an interest therein. Upon written request of Purchaser, the City shall promptly execute an agreement under which the City waives all liens, claims or interest in such fixtures, machinery, equipment, furniture and other chattels which might be superior to that of the owner, vendor, or lessor thereof, or the holder of any lien thereon or security interest therein.

SECTION 13

INSURANCE

(a) Purchaser shall, at its own cost and expense, carry

(i) commercial general liability insurance written on an occurrence basis with respect to the Property and the business operated by Purchaser and any concessionaires or licensees of Purchaser in the Property with minimum combined single limits of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate. Such liability insurance shall, in addition, extend, through contractual liability insurance, to any liability of Purchaser arising out of the indemnities provided in this Contract. Such liability insurance shall also include broad form endorsement coverage, including personal injury coverage.

(ii) With respect to the Improvements, insurance against loss or damage by fire and other risks covered by fire insurance, with extended coverage endorsements, in an amount not less than one hundred percent (100%) of the full insurable replacement value of the Improvements (exclusive of cost of excavation, foundation, and footings below the ground floor, and less physical depreciation), and in amounts sufficient to prevent the City or Purchaser from becoming a co-insurer under such policies of insurance.

(b) Each such policy shall be from an insurance company licensed to do business in the State of Maryland, and shall include the City, as an additional insured, but with the provision that all proceeds payable under any such policy or policies shall be payable to Purchaser, subject to the rights of any Mortgagees to require that all losses be paid to it.

(c) Purchaser shall, at the City's request, send to the City original policies, certificates of insurance, or receipts at the City's request, or other evidence satisfactory to the City showing the payments of all premiums and other charges due thereon.

(d) Purchaser shall, at Purchaser's sole cost and expense, observe and comply with all policies of insurance in force with respect to the Property and the Improvements.

(e) Each insurance policy shall, to the extent obtainable, contain an agreement by the insurer that such policy shall not be cancelled for any cause without at least thirty (30) days' prior written notice from the insurer to the City.

(f) Each insurance policy shall, to the extent obtainable, contain provisions that no act or negligence of Purchaser, its concessionaires, licensees, contractors, subcontractors or their agents or employees, which might otherwise result in a forfeiture of such insurance or any part thereof, shall in any way affect the validity or enforceability of such insurance insofar as the City is concerned.

SECTION 14

NO ENCUMBRANCES BY CITY

The City shall not impose or permit the imposition of, any lien or encumbrance (including easements and restrictions imposed by the City without the written consent of Purchaser) upon the City's estate in the Property except as required by Purchaser under the provisions of this Contract. If any other lien or encumbrance at any time encumbers the City's estate, then it shall be the City's responsibility to discharge or remove it; and the City shall, promptly after notice of the existence thereof, cause the discharge or removal of any such lien or encumbrance as may be the responsibility of the City. If the City fails to discharge or remove any such lien within fifteen (15) days after being notified of the existence thereof, then Purchaser may (without prejudice to any other remedy it may have) discharge such lien and, at Purchaser's option, there shall be credited against succeeding Installment Payments and other Payments hereunder the amount paid to discharge such lien and all costs incurred in connection therewith, with interest thereon at the rate of 10 percent (10%) per annum. If Purchaser discharges any lien on the City's estate pursuant to this Section 14, the parties hereto shall promptly execute a recordable amendment of this Contract setting forth the amount paid by Purchaser (including costs) to discharge the lien, the date or dates of such payment, and the amount of reduction of Payments hereunder.

SECTION 15

PURCHASER'S RIGHT TO REQUIRE CITY TO
MORTGAGE ITS FEE AND CONTRACT INTERESTS

(a) The parties hereto desire to facilitate the obtaining by Purchaser of appropriate financing and replacements thereof. Purchaser shall have the right, at Purchaser's own expense, to obtain a loan, which shall be secured by a Fee Mortgage on the Property, or to extend, modify, or replace such loan, provided that all of the following conditions are met:

(i) The City shall have no personal liability with respect to any such loan or Fee Mortgage, the sole recourse of the Mortgagee being against the Property and/or against Purchaser.

(ii) Such loan shall be secured by a first Fee Mortgage.

(iii) Such loan shall be from an Institutional Lender, and may be a loan insured by or guaranteed by an agency of the United States' Government.

(iv) Such loan shall be fully amortized by level monthly payments prior to the end of the Term.

(v) The interest rate payable upon such loan shall be consistent with rates normally available from Institutional Lenders for the purpose for which the funds are to be used by Purchaser.

(vi) Such loan shall be in an amount of no more than the lesser of (A) the actual costs of constructing the Improvements or (B) an amount so that the principal balance of the loan does not exceed eighty percent (80%) of the value of the Property, including the Improvements, after completion thereof, minus Three Hundred Thirty-Nine Thousand Seven Hundred and Sixty Dollars (\$339,760.00).

(vii) The Fee Mortgage shall require that the City be given notice, in the manner herein provided for the giving of notice to the City, of any default by Purchaser under such Fee Mortgage, and that the City be given at least ten (10) days thereafter to cure any payment default and thirty (30) days (or such longer period as may be necessary if the City has commenced promptly and is prosecuting the cure of the same with due diligence) to cure any other default thereunder.

Purchaser shall reimburse the City upon demand, for any sums paid or costs incurred in curing any default referred to in subsection (vii) above, and the late charge specified under Section 4 shall accrue from the date that the City cures such default until it is reimbursed therefor.

(b) At such time or times as Purchaser places a loan secured by a Fee Mortgage as described in subsection 15(a), and thereafter, when Purchaser is extending or replacing such loan, or placing a new loan, the City agrees promptly to join in any document required by the Fee Mortgage in the same manner the City was required to join in such Fee Mortgage and/or modification

agreement, solely for the purpose of mortgaging and subjecting the right, title, and interest of the City's fee title to the Property and the Improvements thereon and its interest in this Contract to the legal operation and effect, or the continuation or replacement of the legal operation and effect, of such Fee Mortgage, or to the legal operation and effect of a new Fee Mortgage; provided, always, that all of the provisions of subsection 15(a) are met with respect thereto. The City further agrees to execute, acknowledge, and deliver such instruments in the proper manner as are necessary to mortgage and subject the right, title, and interest of the City in the fee title to the Property and the Improvements thereon and its interest in this Contract to the legal operation and effect of any such Fee Mortgage and/or the modification thereof or any new Fee Mortgage, subject to the provisions hereof.

(c) The proceeds of any loan secured by a Fee Mortgage shall be paid to and become the property of Purchaser.

(d) Purchaser agrees to pay all charges and expenses for securing and making any loan secured by a Fee Mortgage and any extensions and/or renewals thereof, including all brokerage commission charges, fees for examination of title, attorney's fees for drawing papers in connection therewith, recording fees, and such other costs and expenses as the Fee Mortgagee may require to be paid with respect to any such Fee Mortgage, as well as all reasonable costs and expenses of the City in connection therewith.

SECTION 16

INITIAL FINANCING-MODIFICATION OF CONTRACT

In the event that any Institutional Lender providing the initial Fee Mortgage construction financing for the Improvements and/or the initial Fee Mortgage permanent financing for the Improvements requires, as a condition of such financing, that modification of this Contract be obtained, the parties hereto shall enter into and execute a written amendment hereto incorporating such required modifications within fifteen (15) days after the same have been submitted by one party to the other, provided that such modifications: (a) are reasonable, (b) do not adversely affect Purchaser's use of the Property as herein permitted, (c) do not adversely affect the City's rights hereunder, and (d) do not change the Installment Payments or other sums required to be paid by Purchaser hereunder.

SECTION 17

[Reserved]

SECTION 18

[Reserved]

SECTION 19

CONDEMNATION

(a) In the event the entire area of the Property shall be acquired by a Taking, and such Taking relates to the entire fee simple title to the Property, as well as to the right, title, and interest of Purchaser, the rights and obligations of the parties hereunder (except rights and obligations arising prior to such Taking, rights and obligations provided in this Section, and rights and obligations which survive termination of this Contract) shall terminate as of the date of such Taking. The parties hereby agree to look solely to the condemnation award for compensation in the proportions hereinafter provided for their respective interests in the Property, and there shall be an abatement in the payment of Installment Payments and other sums payable by Purchaser under the provisions of this Contract occurring after the date of the Taking.

(b) If there shall be a Taking of any portion of the Property less than the whole, and if subsection 19(c) does not apply, the Installment Payments shall be reduced, as of the date of Taking, in the same proportion that the ground area of the Property so taken compares to the total land area of the Property immediately prior to such Taking, and the damages awarded for such taking shall belong to and be the property of Purchaser, except as to the value of the City's reversionary interest in the portion of the Property taken. In the event of any such Taking described in this subsection, any Infrastructure not so taken shall be restored to good condition by the City, to the extent of proceeds available to the City, and Purchaser shall be responsible for restoration of the Improvements to the extent of proceeds available to Purchaser.

(c) If there is a Taking of such a substantial portion of the Property (but less than all) such that it shall no longer be reasonably economical or practical because of such Taking for Purchaser to continue its then business on the Property in its reasonable judgment, Purchaser shall have the right, at its option, of terminating this Contract by notice in writing to the City within ninety (90) days after notice of such Taking, and in such event the Contract shall be terminated, except that there shall be an equitable apportionment of the condemnation award as set forth in subsection 19(e).

(d) If there is a Taking of all or part of the right to possession and use of the Property, Purchaser shall be entitled to that portion of the award, to the extent that it relates to a period within the Term, and there shall be no abatement or reduction in Installment Payments.

(e) In the event of any Taking, the net condemnation award (after deduction of all expenses, including fees of attorneys, appraisers, and expert witnesses) shall be paid as follows and in the following order of priority:

- (i) To the City, a sum equal to the Early Option Price as described in Section 7 above.
- (ii) Any remaining balance to Purchaser.

(iii) Notwithstanding anything to the contrary herein contained, Purchaser shall be entitled to any award in respect of moving expenses, or loss of goodwill or profit or in respect of the fixtures owned by Purchaser, or the cost or expense for the repair and removal of such fixtures.

(f) Purchaser shall have the right to intervene in any condemnation proceedings.

SECTION 20

ASSIGNMENT AND LEASING

(a) Purchaser shall have the right to assign this Contract, in whole or in part, by operation of law or otherwise, without the prior written consent of the City. Any assignment shall be at all times subject to this Contract and the prior right, title, and interest of the City in and to the Property.

(b) Effective on the date of any assignment: (i) the assignee shall be substituted for the assignor in this Contract, (ii) the phrase "Purchaser," as the case may be, as used in this Contract, shall mean the assignee and not the assignor, and (iii) the assignor shall be relieved of any obligation or responsibility hereunder relating to any period after the date of assignment. The respective assignor shall not be relieved of any obligation or responsibility hereunder relating to any period before the date of assignment.

(c) Purchaser shall have the absolute right to lease or license any portion, or all, of the Property and/or Improvements without the consent of the City; provided, the City will join in signing any such lease as owner of the Property if required by a tenant. Any leasing of any portion of the Property and/or Improvements shall be at all times subject to this Contract and to the prior right, title, and interest of the City in and to the Property; provided that so long as any tenant under any lease shall not be in default under its respective lease of space in the Property so as to entitle the landlord under such lease to terminate the lease, such tenant (i) shall be entitled to quiet enjoyment of the space leased by it, (ii) shall not be evicted from the Property leased, and (iii) shall not suffer its leasehold estate to be terminated by reason of any default by Purchaser. The City further agrees that upon receipt of any request from any tenant occupying the Property pursuant to a lease entered into with Purchaser, the City will grant such assurances to the tenant as may be requested, of its continued right to occupy the Property pursuant to the terms of its lease and its rights hereunder.

(d) Any assignee of the City or Purchaser must agree to recognize the rights of Purchaser or the City, respectively, as the case may be, as set forth in this Contract. Leases entered into by Purchaser shall provide, to the extent obtainable, that the tenant agrees to attorn to the City.

SECTION 21

EVENTS OF DEFAULT

(a) Any one or more of the following events shall constitute an "Event of Default" hereunder:

(1) If default shall be made in the due and punctual payment of any Installment Payment or any part thereof payable under this Contract when and as the same shall become due and payable and the same is not cured within thirty (30) business days from the date of Notice of Default from the City to Purchaser; or

(2) If default shall be made in the due and punctual payment of the other Payments or any of the other amounts or any part thereof payable by Purchaser under this Contract when and as the same shall become due and payable and the same is not cured within thirty (30) business days from the date of Notice of Default from the City to Purchaser; or

(3) If default shall be made by Purchaser in the performance of, or in compliance with, any of the other terms, covenants, or conditions contained in this Contract; and the same is not cured within sixty (60) days from the date of Notice of Default from the City to Purchaser; or

(4) Purchaser files petition in bankruptcy or insolvency or for reorganization under any bankruptcy or insolvency law or act or for the appointment of a receiver or trustee of all or a portion of Purchaser's property; or

(5) Involuntary proceedings are instituted against Purchaser under any bankruptcy or insolvency law or act and are not vacated or withdrawn within thirty (30) days after the date of filing thereof.

(b) Whenever the City serves upon Purchaser a Notice of Default, pursuant to the notice provisions hereof, Landlord shall also serve notice upon any Mortgagee.

SECTION 22

CURING OF DEFAULT

(a) With respect to any default (other than the payment of money) of such nature that it cannot, by due diligence, be cured within the period of time specified in Section 21(a)(3) above, and as to which a Notice of Default is required to be sent, if Purchaser shall commence the curing of such default within the period specified in Section 21(a)(3), then Purchaser shall be entitled to as long a period to cure such default as may be required by Purchaser in the exercise of due diligence in endeavoring to cure such default.

(b) Any Mortgagee shall have the same rights and periods of time within which to cure any default as are available to Purchaser, plus the additional time, if applicable, as provided in subsection 17(d) above.

SECTION 23

TERMINATION

In the event that:

- (a) an Event of Default occurs, and
- (b) the City serves upon Purchaser and any Mortgagee a Notice of Default (unless a Notice of Default is not required to be sent), and
- (c) within the pertinent time period described in Section 21 above, Purchaser or any Mortgagee fails to cure the specified Event of Default, then the City may serve upon Purchaser, pursuant to the notice provisions hereof, a Notice of Termination, which shall also be sent to any Mortgagee, which shall provide that, unless the Event of Default specified in the Notice of Default (unless a Notice of Default is not required to be sent) and again specified in the Notice of Termination is cured within fifteen (15) days of the date of the Notice of Termination, or unless Purchaser makes an election to exercise its right to purchase the Property pursuant to Section 7 set forth above, then the City will have the right, pursuant to judicial proceedings, to terminate this Contract. Notwithstanding the foregoing, in the event Purchaser is contesting any amount due in good faith, then no Event of Default shall be deemed to have occurred and the City shall not have the right to terminate this Contract.

In the event this Contract is terminated hereunder as a result of Purchaser's Event of Default, Purchaser shall have no further liability or obligation hereunder, except for sums due and payable to the City prior to such termination and except for indemnity obligations and other obligations that are expressly stated to survive termination hereunder. The termination by the City of this Contract as aforesaid shall be the City's sole and exclusive remedy for any default by Purchaser hereunder and the City shall not be entitled to any specific performance or in personam money judgment against Purchaser (or any decree for specific performance that would require the payment or expenditure of money by Purchaser or any of Purchaser's successors or assigns, to or on behalf of the City), in connection with this Contract or on account of a default in any covenant of this Contract on Purchaser's part to be performed or observed, provided, however, that should Purchaser default hereunder and within 6 months prior thereto Purchaser shall have received proceeds from insurance for any casualty to the Improvements, then to that extent Purchaser shall be responsible to demolish the Improvements if requested by the City. Upon termination of this Contract as aforesaid, Purchaser shall immediately quit and surrender the Property and shall deliver to the City upon demand an assignment of all its right, title and interest in and to the Property, including, without limitation, its interest in and to any leases of the Property. In such event, the City shall be entitled to the benefit of all provisions of the ordinances and local laws of Harford County and of the Public General Laws of the State of Maryland dealing with the speedy recovery of lands and tenements held over.

Upon termination or expiration of this Contract, Purchaser shall have the right to take down all signs, graphics, and materials bearing, in any way, the "Ripken" name. Under no circumstances shall the City have the right to use the "Ripken" name either during or after this Contract has terminated or expired.

SECTION 24

THE CITY'S REMEDIES

Suit or suits for the recovery of any Installment Payment or Payments due hereunder for the period prior to the termination of this Contract may be brought by the City from time to time, at the City's election, subject, however, to the terms of Section 23 above. Nothing herein contained shall be deemed to require the City to await the date when this Contract or the Term would have normally expired had there been no such Event of Default by Purchaser.

SECTION 25

INDEMNIFICATION

Except when caused by the negligence or willful misconduct of the City, Purchaser shall indemnify and save the City harmless against and from, and shall reimburse the City for, all liabilities, obligations, damages, fines, penalties, claims, demands, costs, charges, judgments, and expenses, including but not limited to reasonable attorneys' fees, which may be imposed upon or incurred or paid by or asserted against the City or the City's fee or reversionary or other interest in the Property by reason of or in connection with any of the following:

- (a) Purchaser's use and occupancy of the Property;
- (b) the conduct of Purchaser's business or any work or activity or other things allowed or permitted by Purchaser to be done in or on the Property;
- (c) any breach or default in the performance of any of Purchaser's obligations under this Contract;
- (d) any misrepresentation or breach of warranty by Purchaser under this Contract;
and/or
- (e) any other acts or omissions of Purchaser, its agents, employees, invitees or contractors relating to this Contract and/or the Property.

In case any action or proceeding is brought against the City by reason of any claims described in this Section, Purchaser, if the City gives Purchaser prompt notice thereof, shall, at Purchaser's expense, resist or defend such action or proceeding.

Except when caused by the negligence or willful misconduct of Purchaser, the City shall indemnify and save Purchaser harmless against and from, and shall reimburse Purchaser for, all liabilities, obligations, damages, fines, penalties, claims, demands, costs, charges, judgments, and expenses, including but not limited to reasonable attorney's fees, which may be imposed upon or incurred or paid by or asserted against Purchaser or Purchaser's interest in, or right to purchase, the Property by reason of or in connection with any of the following:

- (a) the City's use and occupancy of the Property (or Aberdeen Youth Baseball's use and occupancy of the Property);
- (b) the conduct of the City upon the Property;
- (c) any breach or default in the performance of any of the City's obligations under this Contract;
- (d) any misrepresentation or breach of warranty by the City under this Contract; and/or
- (e) any other acts or omissions of the City, its agents, employees, invitees or contractors relating to this Contract and/or the Property.

In case any action or proceeding is brought against the Purchaser by reason of any claims described in this Section, City, if the Purchaser gives City prompt notice thereof, shall, at City's expense, resist or defend such action or proceeding.

SECTION 26

THE CITY'S WARRANTIES AND OBLIGATIONS

- (a) The City has good and marketable title to the Property, free and clear of any and all liens, encumbrances, or restrictions of any kind, other than those set forth on Exhibit "A" hereto.
- (b) The City has caused the Plat to be recorded among the Land Records of Harford County, Maryland.
- (c) The City shall install and construct, at its own cost and expense, all infrastructure (i.e. roads, sidewalks, utilities, lighting, and the like) as may be necessary, in the City's and Purchaser's reasonable determination, for the first class operation of the Project (the "Infrastructure"). If the City fails to complete all or any portion of the work set forth thereon as soon as reasonably practicable, then following fifteen days' written notice to the City, Purchaser, in its sole discretion, in addition to all other legal and equitable remedies, shall have the right, but not the obligation, to complete the work required to be performed by the City. Any amounts expended by Purchaser in completing the work shall be repaid by the City, along with an administrative fee of ten percent (10%), within thirty (30) days of demand therefor. If such amounts are not paid as aforesaid, then such amounts may be deducted from the Payments payable by Purchaser hereunder. If Purchaser pays such amounts as aforesaid, the parties hereto shall promptly execute a recordable amendment of this Contract setting forth the amount paid by Purchaser, the dates of payment, and the amount of reduction of Payments hereunder. The City hereby warrants to Purchaser that the Infrastructure shall be constructed in a good and workmanlike condition. The City shall repair all defects in the Infrastructure of which Purchaser gives the City written notice within one (1) year after construction with respect to utilities and within one (1) year after construction with respect to roads.

(d) The City hereby represents to Purchaser that as of the date hereof, the Property are free and clear of all Hazardous Materials. The City further agrees to provide to Purchaser, within ten (10) days after the date of this Contract, a copy of all environmental studies or reports obtained by the City concerning the Property and/or the adjacent parcels. In the event that, as of the date hereof, the Property are not free of all Hazardous Materials, then the City shall at its sole cost and expense promptly perform such remediation as may be required by applicable laws.

(e) The City warrants that if and so long as no Event of Default shall have occurred, Purchaser shall quietly hold, occupy, and enjoy the Property and all rights relating thereto during the Term, without hindrance, ejection, or molestation by the City or any party claiming by, through, or under the City.

SECTION 27

ESTOPPEL CERTIFICATES

(a) Purchaser agrees at any time and from time to time, upon not less than fifteen (15) days' prior written notice by the City, to execute, acknowledge, and deliver, without charge, to the City, or to any person designated by the City, a statement in writing certifying: (i) that this Contract is in full force and effect and has not been modified, assigned, leased, supplemented, or amended except by such writings as shall be stated; (ii) that Purchaser has not received any Notice of Default or Notice of Termination of this Contract (or, if Purchaser has received such notice that the default has been cured or termination has been revoked, if such be the case); (iii) that, to the knowledge of Purchaser, no default exists hereunder (or if any such default does exist, specifying the same and stating that the same has been cured, if such be the case); (iv) that Purchaser has no claims, defenses, set-offs, or recoupments against the City hereunder (or if Purchaser has any claims, defenses, set-offs, or recoupments, specifying the same); and (v) the dates to which the Installment Payments and other Payments have been paid.

(b) The City agrees at any time and from time to time, upon not less than fifteen (15) days' prior written notice by Purchaser, to execute, acknowledge, and deliver, without charge, to Purchaser, or to any person designated by Purchaser, a statement in writing certifying: (i) that this Contract is in full force and effect and has not been modified, assigned, leased, supplemented, or amended except by such writings as shall be stated; (ii) that no Notice of Default or Notice of Termination of this Contract has been served on Purchaser (or if the City has served such notice, that the default has been cured or the termination has been revoked, if such be the case); (iii) that the City has no claims against Purchaser hereunder (or, if the City has any such claims, specifying the same); and (iv) the dates to which the Installment Payments and other Payments have been paid by Purchaser.

(c) The failure of either party to execute, acknowledge, and deliver to the requesting party a statement in accordance with the provisions of this Section within the period set forth herein shall constitute an acknowledgment by the party to whom the request is made, which may be relied upon by any person holding or intending to acquire any interest whatsoever in the Property, that, except as

stated by the requesting party in the request, this Contract has not been assigned, amended, changed, or modified, is in full force and effect, and that the Installment Payments and other Payments have been duly and fully paid not beyond the respective due dates immediately preceding the date of the request for such statement. As to any persons entitled to rely on such statements, such failure shall also be deemed to be a waiver of any defaults by the requesting party or defenses, set-offs, recoupments, or counterclaims against the enforcement of this Contract by the requesting party which may exist prior to the date of the written request.

SECTION 28

NOTICES

All Notices shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, or by telecopier to the City or Purchaser at the respective address or telecopier number set forth below and to any Mortgagee at their addresses or telecopier numbers furnished to the City in accordance with the provisions of this Section. Either party may, by notice given as aforesaid, change its address or telecopier number for all subsequent Notices. Notices shall be deemed given on the first business day following the day when mailed in accordance herewith or when sent by telecopier. All Notices sent by telecopier shall be promptly sent by first class mail as well. All Payments due to the City shall be made to the City at its address set forth below.

THE CITY: City of Aberdeen
 Attention: City Mayor
 P. O. Box 70
 60 North Parke Street
 Aberdeen, Maryland 21001

PURCHASER: Aberdeen Hotels – Baseball Park, LLC
 c/o H & S Properties Development Corp
 1515 Fleet Street
 Baltimore, Maryland 21231

with a copy to: Lonnie M. Ritzer, Esquire
 Shapiro Sher Guinot & Sandler
 36 S. Charles Street, 20th Floor
 Baltimore, Maryland 21201

SECTION 29

RECORDING

The City agrees that if so requested by Purchaser, the City will execute in recordable form for purposes of recordation at Purchaser's expense a short form of this Contract containing the names and addresses of the parties; the description of the Property; the Term of this Contract including the Effective Date and the termination date; a description of any extension options; a statement regarding the use of the Property, Purchaser's right to receive the Property upon expiration of the Term, Purchaser's option to purchase the Property throughout the Term; and such other provisions as either party may reasonably require. Purchaser shall be responsible for all transfer and recordation taxes in connection with the recordation of this Contract or a memorandum thereof. All other expenses and charges in connection therewith shall be split equally between the parties. If such a short form of this Contract is recorded, upon the termination of this Contract by reason of a Notice of Termination given after an Event of Default, Purchaser shall execute, acknowledge, and deliver to the City an instrument in writing releasing and quitclaiming to the City all right, title, and interest of Purchaser in and to the Property arising from this Contract or otherwise, all without cost or expense to the City.

SECTION 30

WAIVER OF JURY TRIAL

The City and Purchaser waive trial by jury in any action or proceeding brought by either of the parties hereto against the other or on any counterclaim in respect thereof on any matters whatsoever arising out of, or in any way connected with, this Contract, the relationship of the City and Purchaser, Purchaser's use or occupancy of the Property and/or any claim of injury or damage under this Contract.

SECTION 31

NO PARTNERSHIP

The City shall not be construed or held to be a partner or associate of Purchaser in the conduct of Purchaser's business, it being expressly understood and agreed that the relationship between the parties hereto is and shall at all times remain, during the Term, that of seller and purchaser.

SECTION 32

NO WAIVER

No failure by the City or Purchaser to insist upon the performance of any term, covenant, or condition of this Contract or to exercise any right or remedy consequent upon a default or Event of Default hereunder, and no acceptance of full or partial payment of Installment Payments or other Payments during the continuance of any such default or Event of Default shall constitute a waiver of

any such default or of such term, covenant, or condition. No waiver of any default or Event of Default shall affect or alter this Contract, but each and every term, covenant, and condition of this Contract shall continue in full force and effect with respect to any other then existing or subsequent default or Event of Default hereunder.

SECTION 33

APPLICABLE LAW, CONSTRUCTION OF LANGUAGE OF CONTRACT

This Contract is made pursuant to, and shall be construed and enforced in accordance with, the laws in force in the State of Maryland. All provisions of this Contract shall be construed to be "conditions" and "covenants" as though language specifically expressing or imposing covenants and conditions were used in each separate provision of this Contract.

SECTION 34

COVENANTS RUN WITH THE LAND

The parties hereto covenant and agree that all of the terms, covenants, conditions, agreements, rights, privileges, obligations, duties, specifications, and recitals in this Contract contained shall be construed as covenants running with the land, and as extending to, inuring to the benefit of, and binding upon the City and Purchaser and their successors and assigns to the same extent as if said successors and assigns were herein named as original parties hereto, all to the end that this Contract shall bind the owner and holder of any interest whatsoever in or to the Property and the Improvements thereon. No member, director, or officer of either the City or Purchaser shall be personally liable for any of the provisions contained herein.

SECTION 35

NO BROKER

The parties hereto covenant and agree with each other that no person is entitled to a brokerage commission, finder's fee, or other similar form of compensation in connection with the execution of this Contract. Each party agrees to hold harmless the other for any action or claim by a person alleging entitlement to such a fee and claiming through that party.

SECTION 36

ACCORD AND SATISFACTION

No payment by Purchaser or receipt by the City of a lesser amount than any payment of Installment Payments or other Payments herein stipulated shall be deemed to be other than on account of the earliest stipulated Installment Payment or other Payment due and payable, unless otherwise agreed to in writing by the City.

SECTION 37

TABLE OF CONTENTS; CAPTIONS

The Table of Contents and the captions appearing in this Contract are inserted only as a matter of convenience and do not define, limit, construe, or describe the scope or intent of the Sections of this Contract nor in any way affect this Contract.

SECTION 38

CALCULATION OF TIME

In computing any period of time prescribed or allowed by any provision of this Contract, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. Unless otherwise provided herein, all notice and other periods expire as of 5:00 p.m. local time in Maryland on the last day of the notice or other periods.

SECTION 39

SEVERABILITY; REDUCTION OF CHARGES

If the application of any term or provision of this Contract whether in whole or in part is held invalid or unenforceable in general or in any instance, the remainder of this Contract shall not be affected by such holding and shall be fully valid and enforceable.

In the event that any late charge, interest rate, or other payment provided herein exceeds the maximum applicable charge legally allowed, such late charge, interest rate, or other payment shall be reduced to the maximum legal charge, rate, or amount.

SECTION 40

COUNTERPARTS

This Contract may be executed in multiple counterparts or in duplicate, and when so executed by all parties shall constitute one agreement.

SECTION 41

TOTAL AGREEMENT

This Contract contains the entire agreement between the parties and cannot be changed or modified except by a written instrument subsequently executed by the parties hereto. This Contract

supercedes all prior agreements with respect to the matters set forth herein. The parties further agree that Purchaser shall have the benefit of that certain side letter agreement regarding taxes between the City and Ripken Baseball Academy LLC (formerly known as Tufton Baseball Academy LLC) ("Tufton"), as if Purchaser was Tufton under such letter.

SECTION 42

COMMERCIAL PURPOSE

The parties stipulate that the Property is being used exclusively for business, commercial, manufacturing, mercantile, or industrial purposes within the meaning of Section 8-110(a) of the Real Property Article of the Annotated Code of Maryland, and that the provisions of Section 8-110(b) of such Article (or any future statute) pertaining to the redemption of reversionary interests under Contracts shall be inapplicable to this Contract.

SECTION 43

TIME OF THE ESSENCE

Time is of the essence in all provisions of this Contract. This Contract shall terminate automatically if the Effective Date does not occur by December 31, 2010.

IN WITNESS WHEREOF, the City of Aberdeen and Aberdeen Hotels – Baseball Park, LLC have caused this Land Contract to be executed, under seal, as of the date and year first above written.

ATTEST/WITNESS:

THE CITY OF ABERDEEN

Carolene L. Gotschke

By: *S. Fred Simmons* (SEAL)
S. FRED SIMMONS, MAYOR

ATTEST/WITNESS:

ABERDEEN HOTELS – BASEBALL PARK, LLC

HARFORD COUNTY MARYLAND
TRANSFER TAX PD \$ 18,3567.41
ALL OTHER TAXES PAID 676 3-17-07

By: Presidential Hotel Investors, LLC, its Sole Member
By: Hotel Developers LLC, its Managing Member

Kristen F. Wynn

By: *Michael S. Beatty* (SEAL)
Name: Michael S. Beatty
Title: Managing Member

PROPERTY PRESENTLY NOT ON WATER & SEWER SYSTEM PER: WJ

ALL TAXES PAID
CITY OF ABERDEEN
FINANCE DIRECTOR

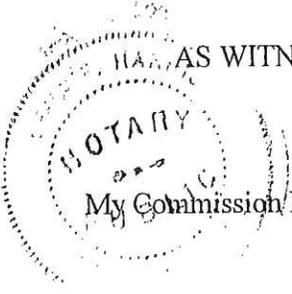
*02/03
03/04
04/05
05/06
pmc
3/14/04*

ABERDEEN 632 FOLIO 720

STATE OF MARYLAND, CITY/COUNTY OF Hanford, TO WIT:

I HEREBY CERTIFY that on this 14 day of March, 2006, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City/County aforesaid, personally appeared S. Fred Simmons, Mayor of the CITY OF ABERDEEN and he acknowledged the foregoing to be the act and deed of a body politic and corporate.

AS WITNESS, my hand and Notarial Seal.



My Commission Expires: 12/08/08

[Signature]
Notary Public

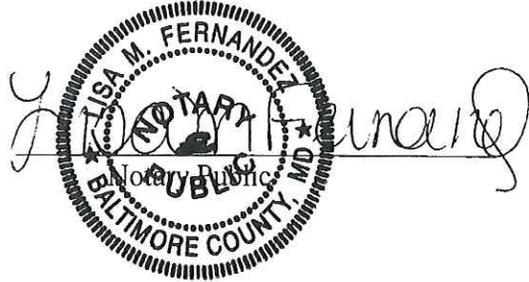
[NOTARIES CONTINUED ON NEXT PAGE]

STATE OF MARYLAND, CITY/COUNTY OF Baltimore, TO WIT:

I HEREBY CERTIFY that on this 10th day of March, 2006, before me, the undersigned Notary Public of the State, personally appeared Michael S. Beatty, who acknowledged himself to be the Managing Member of Hotel Developers LLC, a Maryland limited liability company and the Managing Member of Presidential Hotel Investors, LLC, a Maryland limited liability company and the Sole Member of Aberdeen Hotels – Baseball Park, LLC a Maryland limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledgement that he executed the same of the purposes therein contained as the duly authorized Managing Member of said limited liability company by signing the name of the limited liability company by himself as Managing Member.

AS WITNESS, my hand and Notarial Seal.

My Commission Expires: 11-1-08



THIS IS TO CERTIFY that the within instrument has been prepared by or under the supervision of the undersigned Maryland attorney.

Lonnie Ritter
Name: Lonnie Ritter

EXHIBITS

Exhibit A - Permitted Title Encumbrances

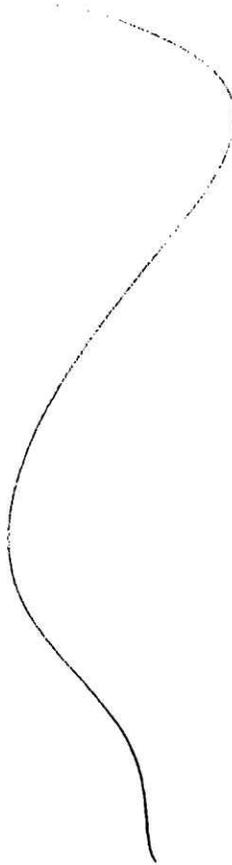
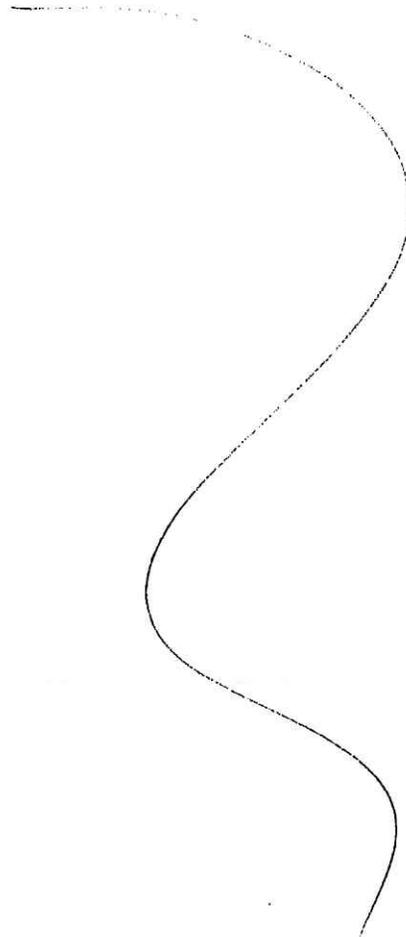


EXHIBIT A

PERMITTED TITLE ENCUMBRANCES
(LAND CONTRACT)

NONE



State of Maryland Land Instrument Intake Sheet
 Baltimore City County: HARFORD

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office, Only.
 (Type or Print in Black Ink Only—All Copies Must Be Legible)

Space Reserved for Circuit Court Clerk Recording/Validation

1	Type(s) of Instruments	<input type="checkbox"/> Check Box if Addendum Intake Form is Attached.						
		<input type="checkbox"/> Deed	<input type="checkbox"/> Mortgage	<input checked="" type="checkbox"/> Other	Other _____			
		<input type="checkbox"/> Deed or Trust	<input type="checkbox"/> Lease	LAND CONTRACT				
2	Conveyance Type Check Box	<input type="checkbox"/> Improved Sale	<input type="checkbox"/> Unimproved Sale	<input type="checkbox"/> Multiple Accounts	<input type="checkbox"/> Not an Arms-Length Sale [9]			
		Arms-Length [1]	Arms-Length [2]	Arms-Length [3]				
3	Tax Exemptions (if Applicable)	Recording						
		State Transfer						
	Cite or Explain Authority	County Transfer						
4	Consideration and Tax Calculations	Consideration Amount		Finance Office Use Only				
		Purchase Price/Consideration	\$	Transfer and Recordation Tax Consideration				
		Any New Mortgage	\$	Transfer Tax Consideration	\$			
		Balance of Existing Mortgage	\$	X () % =	\$			
		Other:	\$	Less Exemption Amount	= \$			
		Other:	\$	Total Transfer Tax	= \$			
		Full Cash Value:	\$	Recordation Tax Consideration	\$			
				X () per \$500 =	\$			
				TOTAL DUE	\$			
5	Fees	Amount of Fees		Doc. 1	Doc. 2			
		Recording Charge	\$	75.00	\$			
		Surcharge	\$	20.00	\$			
		State Recordation Tax	\$		\$			
		State Transfer Tax	\$		\$			
		County Transfer Tax	\$		\$			
		Other	\$		\$			
		Other	\$		\$			
					Agent:			
					Tax Bill:			
					C.B. Credit:			
					Ag. Tax/Other:			
6	Description of Property	District	Property Tax ID No. (1)	Grantor Liber/Folio	Map	Parcel No.	Var. LOG	
		02	099772		51	108	<input type="checkbox"/> (5)	
		Subdivision Name		Lot (3a)	Block (3b)	Sect/AR (3c)	Plat Ref.	
		LONG PROPERTY		5			107/55	
		Location/Address of Property Being Conveyed (2)					SqFt/Acreage (4)	4.403 AC
		Other Property Identifiers (if applicable)					Water Meter Account No.	
		Residential <input type="checkbox"/> or Non-Residential <input type="checkbox"/>		Fee Simple <input type="checkbox"/> or Ground Rent <input type="checkbox"/>		Amount:		
		Partial Conveyance? <input type="checkbox"/> Yes <input type="checkbox"/> No		Description/Amt. of SqFt/Acreage Transferred:				
		If Partial Conveyance, List Improvements Conveyed:						
7	Transferred From	Doc. 1 - Grantor(s) Name(s)			Doc. 2 - Grantor(s) Name(s)			
		CITY OF ABERDEEN, MARYLAND (CITY)						
		Doc. 1 - Owner(s) of Record, if Different from Grantor(s)			Doc. 2 - Owner(s) of Record, if Different from Grantor(s)			
8	Transferred To	Doc. 1 - Grantee(s) Name(s)			Doc. 2 - Grantee(s) Name(s)			
		ABERDEEN HOTELS-BASEBALL PARK, LLC (PURCHASER)						
		Mailing Address						
		1515 FLEET STREET, BALTIMORE, MD. 21231						
9	Other Names to Be Indexed	Doc. 1 - Additional Names to be Indexed (Optional)			Doc. 2 - Additional Names to be Indexed (Optional)			
10	Contact/Mail Information	Instrument Submitted By or Contact Person					<input checked="" type="checkbox"/> Return to Contact Person	
		Name: CAROLYN BAVERMAN					<input type="checkbox"/> Hold for Pickup	
		Firm: RESIDENTIAL TITLE & ESCROW COMPANY					<input type="checkbox"/> Return Address Provided	
		Address: 1829 REISTERSTOWN ROAD SUITE 380						
		BALTIMORE, MD. 21208 Phone: (410) 653-3400						
		11 IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER						
		Assessment Information		Yes <input type="checkbox"/> No <input type="checkbox"/> Will the property being conveyed be the grantee's principal residence?				
				Yes <input type="checkbox"/> No <input type="checkbox"/> Does transfer include personal property? If yes, identify: _____				
				Yes <input type="checkbox"/> No <input type="checkbox"/> Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).				
		Assessment Use Only - Do Not Write Below This Line						
		<input type="checkbox"/> Terminal Verification		<input type="checkbox"/> Agricultural Verification		<input type="checkbox"/> Whole <input type="checkbox"/> Part <input type="checkbox"/> Tran. Process Verification		
		Transfer Number:	Date Received:	Deed Reference:		Assigned Property No.:		
		Year: 20	20	Geo.	Map	Sub	Block	
		Land		Zoning	Grid	Plat	Lot	
		Buildings		Use	Parcel	Section	Occ. Cd.	
		Total		Town Cd.	Ex. St.	Ex. Cd.		
		REMARKS:						

~~February~~ ^{March} 10, 2006

Honorable S. Fred Simmons
Mayor
City of Aberdeen
P.O. Box 70
60 North Parke Street
Aberdeen, MD 21001

RE: Land Contract dated ~~February~~ ^{March} 10, 2006, by and between the City of Aberdeen, Maryland, a body politic and corporate (the "City") and Aberdeen Hotels – Baseball Park, LLC, a Maryland limited liability company (the "Purchaser") (the "Land Contract")

Dear Mayor Simmons:

This Letter Agreement confirms that the City and the Purchaser have agreed to modify the Land Contract as follows:

All capitalized terms herein, unless otherwise indicated, shall have the meaning set forth in the Land Contract.

(a) If at any time during the Term hereof the City receives real property taxes with respect to the Property, then as of the first day of the next Contract Year immediately succeeding the Contract Year in which the City receives such taxes, Purchaser may deduct from the Installment Payments an amount not to exceed the monthly Installment Payments, until it has deducted, in the aggregate, an amount equal to the amount of such taxes.

(b) In the event of an adjustment as a result of the clause (a) above, then as of the first day of the first quarter immediately following the date of such adjustment, the monthly Installment Payment shall be further adjusted downward so that it will equal the monthly payment derived by amortizing the "Adjusted Purchase Amount", as hereinafter defined, over the then remaining Term of this Contract, in the following manner: 48.71% of the Adjusted Purchase Amount shall be amortized using an interest rate of 6.81% per annum; 25.69% of the Adjusted Purchase Amount shall be amortized using an interest rate of 4.77%; and 25.60% of the Adjusted Purchase Amount shall be amortized using an interest rate of 6.44% per annum. The Adjusted Purchase Amount shall be equal to: (i) the Purchase Amount of \$356,741.00; minus (ii) that portion of the Payments previously paid by Purchaser which represents a paydown of the Purchase Amount (or of the applicable Adjusted Purchase Amount); i.e., that portion of Payments not comprising interest calculated at the interest rates described in Section 3(a) of the Land Contract (such portion of Payments which represents a paydown of Purchase Amount is

referred to herein as the "**Paydown Amount**"), but only to the extent that such Paydown Amount has not been previously subtracted from the Purchase Amount or Adjusted Principal Amount, as the case may be.

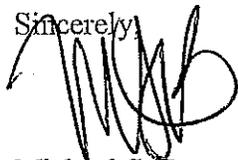
(c) In the event that the application of any of the adjustments above results in the monthly Installment Payment being zero or a negative number, then, in such event, the Payment shall thereafter be One Dollar (\$1.00) per year.

(d) Notwithstanding anything to the contrary contained herein, should the total Installment Payments be reduced to zero as a result of one or more adjustments under subsection (a) Purchaser shall be required to exercise its Early Purchase Option, the Early Option Price shall be \$1.00, and Purchaser shall exercise its Early Purchase Option promptly after the City notifies Purchaser in writing that the total Installment Payments have been reduced to zero.

It is hereby understood and agreed between the parties hereto that the existing Ground Lease (Lot 5) dated December 1, 2002 but effective as of August 17, 2001 by and between the City of Aberdeen, Maryland and Aberdeen Camden Office LLC, as assigned by Aberdeen Camden Office LLC to Purchaser (the 'Existing Lease') shall terminate on the Effective Date of this Contract, it being the intent of the parties hereto that this Contract shall supersede and replace the Existing Lease. Effective on the Effective Date, both parties shall be relieved of all liability in connection with the Existing Lease, except (a) Purchaser agrees to pay all sums due and owing under the Existing Lease up to and including the Effective Date; and (b) any indemnification obligations or representations and warranties set forth in the Existing Lease shall survive said termination as to any act, omission or occurrence which took place prior to such termination. No further documentation shall be required to effect the termination of the Existing Lease.

Please indicate your assent to the above by signing two copies of this letter where indicated below, and returning one original to Lonnie Ritzer at Shapiro Sher Guinot & Sandler, 36 S. Charles Street, Suite 2000, Baltimore, MD 21201.

Sincerely,



Michael S. Beatty, Managing Member of
Hotel Developers LLC, Managing Member of
Presidential Hotel Investors, LLC, sole member of
Aberdeen Hotels – Baseball Park, LLC

Agreed and Accepted this 17 day of February, 2006

By: 

Name: S. Fred Simmons

Title: Mayor

For the City of Aberdeen

When Recorded Return To:

Jeffrey H. Seibert, Esquire
Miles & Stockbridge P.C.
10 Light Street, 14th Floor
Baltimore, MD 21202



**RESIDENTIAL TITLE
& ESCROW COMPANY**

1829 Reisterstown Road - Suite 380
Woodholme Center
Baltimore, Maryland 21208 *48434*
Phone: 410-653-3400 Fax: 410-653-3621

**INDEMNITY DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

by

ABERDEEN HOTELS-BASEBALL PARK, LLC,
a Maryland limited liability company,
as Grantor, and

THE CITY OF ABERDEEN, MARYLAND,
a body politic and corporate,
as Co-Grantor,

to and in favor of

NANCY M. MELEFSKY AND SUZANNE D. STYLC,
as Trustees,

and

BANK OF AMERICA, N.A.,
a national banking association,
as Beneficiary

IMP FD SURE \$	20.00
RECORDING FEE	75.00
TOTAL	95.00
Res# HAGE	Recpt # 21767
JJR JNK	Bk # 2260
Jul 13, 2006	01744 Pm

*75
20*

This document serves as a Fixture Filing under the Maryland Uniform Commercial Code.

Grantor's Organizational Identification Number is: MD W10245843

N2228801.IDO
1840
#1038342

**INDEMNITY DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

THIS INDEMNITY DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING is made as of the 10th day of March, 2006, by **ABERDEEN HOTELS-BASEBALL PARK, LLC**, a Maryland limited liability company (herein referred to as "**Grantor**"), whose address is c/o H&S Properties Development Corp., 1515 Fleet Street, Baltimore, Maryland 21231, and **THE CITY OF ABERDEEN, MARYLAND**, a body politic and corporate (herein referred to as "**Co-Grantor**"), whose address is City of Aberdeen, Attn: City Manager, P.O. Box 70, 60 North Parke Street, Aberdeen, Maryland 21001, to **NANCY M. MELEFSKY** and **SUZANNE D. STYLC** (individually and collectively, "**Initial Trustee**"), whose address is c/o Bank of America, N.A., 10 Light Street, 18th Floor, Mail Stop: MD4-302-18-01, Baltimore, Maryland 21202, and **BANK OF AMERICA, N.A.**, a national banking association ("**Lender**"), whose address is 10 Light Street, 18th Floor, Baltimore, Maryland 21202, Attn: Commercial Real Estate Division.

Recitals

1. Simultaneously with the execution and delivery of this Indemnity Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, Aberdeen Hotel Investments, LLC, a Maryland limited liability company, (herein referred to as "**Borrower**") has agreed to borrow from Lender the full sum of \$19,000,000 (herein referred to as the "**Loan**"), for which Loan Borrower has issued its Promissory Note of even date herewith, payable to the order of Lender in the amount of the Loan (which Promissory Note, together with any extensions or renewals thereof or substitutions therefor, is herein referred to as the "**Note**").

2. In consideration of the making by Lender of the Loan, Grantor agreed to guaranty the repayment of the Loan together with all interest thereon, pursuant to the terms of a Guaranty Agreement of even date herewith made by Grantor in favor of the Lender (which Guaranty Agreement, together with any extensions or renewals thereof or substitutions therefor, is herein referred to as the "**Guaranty**").

3. As a condition precedent to the making of the Loan to Borrower, Lender has required that Grantor and Co-Grantor execute and deliver this Indemnity Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing as security for the payment and performance of all of Grantor's obligations to Lender pursuant to the terms of the foregoing Guaranty.

4. Upon default in any of the provisions set forth in the Note or any other document evidencing or securing the Loan and the failure of Grantor and/or Co-Grantor to cure the same, this Indemnity Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, at the option of Lender, shall be deemed in default and shall be subject to foreclosure upon the terms and conditions hereinafter provided.

Grants and Agreements

NOW, THEREFORE, in order to induce Lender to make the Loan to Borrower, Grantor and Co-Grantor hereby jointly and severally covenant and agree as follows:

Article I
Definitions.

As used in this Deed of Trust, the terms defined in the Preamble hereto shall have the respective meanings specified therein, and the following additional terms shall have the meanings specified:

“Accessories” means all fixtures, equipment, systems, machinery, furniture, furnishings, appliances, inventory, goods, building and construction materials, supplies and other articles of personal property, of every kind and character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by Grantor and/or Co-Grantor, which are now or hereafter attached to or situated in, on or about the Land or Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use or installation in or on the Land or Improvements, and all Additions to the foregoing, all of which are hereby declared to be permanent accessions to the Land.

“Accounts” means all accounts of Grantor and/or Co-Grantor within the meaning of the Uniform Commercial Code of the State, derived from or arising out of the use, occupancy or enjoyment of the Property or for services rendered therein or thereon.

“Additional Guarantor” means Presidential Investors Limited Partnership LLLP, a Maryland limited liability limited partnership, and its successors and assigns.

“Additional Guaranty” means the Guaranty Agreement of even date herewith executed by Additional Guarantor for the benefit of Lender, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

“Additions” means any and all alterations, additions, accessions and improvements to property, substitutions therefor, and renewals and replacements thereof.

“Beneficiary” means Lender and its successors and assigns.

“Claim” means any liability, suit, action, claim, demand, loss, expense, penalty, fine, judgment or other cost of any kind or nature whatsoever, including fees, costs and expenses of attorneys, consultants, contractors and experts.

“Condemnation” means any taking of title to, use of, or any other interest in the Property under the exercise of the power of condemnation or eminent domain, whether temporarily or permanently, by any Governmental Authority or by any other Person acting under or for the benefit of a Governmental Authority.

“Condemnation Awards” means any and all judgments, awards of damages (including severance and consequential damages), payments, proceeds, settlements, amounts paid for a taking in lieu of Condemnation, or other compensation heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, or in connection with, any Condemnation or threatened Condemnation.

“Contract of Sale” means any contract for the sale of all or any part of the Property or any interest therein, whether now in existence or hereafter executed, including without limitation, the Land Contract.

“Deed of Trust” means this Indemnity Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

“Default” means an event or circumstance which, with the giving of Notice or lapse of time, or both, would constitute an Event of Default under the provisions of this Deed of Trust.

“Design and Construction Documents” means, collectively, (a) all contracts for services to be rendered, work to be performed or materials to be supplied in the development of the Land or the construction or repair of Improvements, including all agreements with architects, engineers or contractors for such services, work or materials; (b) all plans, drawings and specifications for the development of the Land or the construction or repair of Improvements; (c) all permits, licenses, variances and other rights or approvals issued by or obtained from any Governmental Authority or other Person in connection with the development of the Land or the construction or repair of Improvements; and (d) all amendments of or supplements to any of the foregoing.

“Encumbrance” means any Lien, easement, right of way, roadway (public or private), condominium regime, cooperative housing regime, condition, covenant or restriction (including any CC&Rs in connection with any condominium development or cooperative housing development), Lease or other matter of any nature that would affect title to the Property.

“Environmental Agreement” means the Environmental Indemnification and Release Agreement of even date herewith by and between Borrower, Grantor, Additional Guarantor and Lender pertaining to the Property, as the same may from time to time be extended, amended, restated or otherwise modified.

“Event of Default” means an event or circumstance specified in Article VI and the continuance of such event or circumstance beyond the applicable grace and/or cure periods therefor, if any, set forth in Article VI.

“Expenses” means all fees, charges, costs and expenses of any nature whatsoever incurred at any time and from time to time (whether before or after an Event of Default) by Beneficiary or Trustee in making, funding, administering or modifying the Loan, in negotiating or entering into any “workout” of the Loan, or in exercising or enforcing any rights, powers and remedies provided in this Deed of Trust or any of the other Loan Documents, including attorneys’ fees, court costs, receiver’s fees, management fees and costs incurred in the repair, maintenance and operation of, or taking possession of, or selling, the Property.

“Governmental Authority” means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, service, district or other instrumentality of any governmental entity.

“Improvements” means all buildings, structures and other improvements now or hereafter existing, erected or placed on the Land, together with any on-site improvements and off-site improvements in any way used or to be used in connection with the use, enjoyment, occupancy or operation of the Land.

“Insurance Proceeds” means the insurance claims under and the proceeds of any and all policies of insurance covering the Property or any part thereof, including all returned and unearned premiums with respect to any insurance relating to such Property, in each case whether now or hereafter existing or arising.

“Land” means the real property described in Exhibit A attached hereto and made a part hereof.

“Land Contract” means the Land Contract (Lot 5) dated March 10, 2006 executed by and between Co-Grantor, as seller, and Grantor, as purchaser, covering the Land and recorded or intended to be recorded immediately prior hereto among the Land Records of Harford County, Maryland, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified with the prior written consent of Lender.

"Land Contract Payments" means any and all sums payable at any time or from time to time by the Grantor pursuant to the terms of the Land Contract.

"Laws" means all federal, state and local laws, statutes, rules, ordinances, regulations, codes, licenses, authorizations, decisions, injunctions, interpretations, orders or decrees of any court or other Governmental Authority having jurisdiction as may be in effect from time to time.

"Leases" means all leases, license agreements and other occupancy or use agreements (whether oral or written), now or hereafter existing, which cover or relate to the Property or any part thereof, together with all options therefor, amendments thereto and renewals, modifications and guaranties thereof, including any cash or security deposited under the Leases to secure performance by the tenants of their obligations under the Leases, whether such cash or security is to be held until the expiration of the terms of the Leases or applied to one or more of the installments of rent coming due thereunder.

"Letter of Credit" means any letter of credit issued by Beneficiary for the account of Borrower, Grantor or any other Person in connection with the development of the Land or the construction of the Improvements, together with any and all extensions, renewals or modifications thereof, substitutions therefor or replacements thereof.

"Lien" means any mortgage, deed of trust, pledge, security interest, assignment, judgment, lien or charge of any kind, including any conditional sale or other title retention agreement, any lease in the nature thereof, and the filing of, or agreement to give, any financing statement under the Uniform Commercial Code of any jurisdiction.

"Loan Agreement" means the Construction Loan Agreement of even date herewith between Borrower, Grantor and Lender which sets forth, among other things, the terms and conditions upon which the proceeds of the Loan will be disbursed, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Loan Documents" means this Deed of Trust, the Note, the Loan Agreement, the Guaranty, the Additional Guaranty, the Environmental Agreement, any Swap Contract, any application or reimbursement agreement executed in connection with any Letter of Credit, and any and all other documents which Borrower, Grantor, Co-Grantor, Additional Guarantor or any other party or parties have executed and delivered, or may hereafter execute and deliver, to evidence, secure or guarantee the Obligations, or any part thereof, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Notice" means a notice, request, consent, demand or other communication given in accordance with the provisions of Section 9.8 of this Deed of Trust.

"Obligations" means all present and future debts, obligations and liabilities of Grantor and/or Co-Grantor to Beneficiary and/or Trustee arising pursuant to, and/or on account of, the provisions of this Deed of Trust or any of the other Loan Documents executed by Grantor and/or Co-Grantor, including without limitation, all of the obligations of Grantor arising out of the Guaranty pursuant to which Grantor guaranteed: (a) to pay all principal, interest, late charges, prepayment premiums (if any) and other amounts due at any time under the Note; (b) to pay all Expenses, indemnification payments, fees and other amounts due at any time under this Deed of Trust or any of the other Loan Documents, together with interest thereon as herein or therein provided; (c) to pay and perform all obligations under any Swap Contract; (d) to perform, observe and comply with all of the other terms, covenants and conditions, expressed or implied, which Grantor is required to perform, observe or comply with pursuant to this Deed of Trust or any of the other Loan Documents; and (e) to pay and perform all future advances and other obligations that Grantor or any successor in ownership of all or part of the Property may agree to pay

and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when a writing evidences the parties' agreement that the advance or obligation be secured by this Deed of Trust. Additionally, "Obligations" means such additional amounts as Beneficiary may from time to time advance pursuant to the terms and conditions of this Deed of Trust and not met by Grantor and/or Co-Grantor, with respect to an obligation secured by a lien or encumbrance prior to the lien of this Deed of Trust or for the protection of the lien of this Deed of Trust, together with interest thereon.

"Permitted Encumbrances" means (a) any matters set forth in any policy of title insurance issued to Beneficiary and insuring Beneficiary's interest in the Property, (b) the Liens and interests of this Deed of Trust, and (c) any other Encumbrance arising subsequent to the date hereof that Beneficiary shall expressly approve in its sole and absolute discretion; provided, however, that Beneficiary agrees not to unreasonably withhold its approval to any Encumbrance required or reasonably deemed necessary by Grantor in order to develop the Property or to construct Improvements thereon.

"Person" means an individual, a corporation, a partnership, a joint venture, a limited liability company, a trust, an unincorporated association, any Governmental Authority or any other entity.

"Personalty" means all personal property of any kind or nature whatsoever, whether tangible or intangible and whether now owned or hereafter acquired, in which Grantor and/or Co-Grantor now has or hereafter acquires an interest and which is used in the construction of, or is placed upon, or is derived from or used in connection with the maintenance, use, occupancy or enjoyment of, the Property, including (a) the Accessories; (b) the Accounts; (c) all franchise, license, management or other agreements with respect to the operation of the Real Property or the business conducted therein (provided all of such agreements shall be subordinate to this Deed of Trust, and Beneficiary shall have no responsibility for the performance of Grantor's and/or Co-Grantor's obligations thereunder) and all general intangibles (including payment intangibles, trademarks, trade names, goodwill, software and symbols) related to the Real Property or the operation thereof; (d) all sewer and water taps, appurtenant water stock or water rights, allocations and agreements for utilities, bonds, letters of credit, permits, certificates, licenses, guaranties, warranties, causes of action, judgments, Claims, profits, security deposits, utility deposits, and all rebates or refunds of fees, Taxes, assessments, charges or deposits paid to any Governmental Authority related to the Real Property or the operation thereof; (e) all of Grantor's and Co-Grantor's rights and interests under all Swap Contracts, including all rights to the payment of money from Beneficiary under any Swap Contract and all accounts, deposit accounts and general intangibles, including payment intangibles, described in any Swap Contract; (f) all insurance policies held by Grantor and/or Co-Grantor with respect to the Property or Grantor's or Co-Grantor's operation thereof; and (g) all money, instruments and documents (whether tangible or electronic) arising from or by virtue of any transactions related to the Property, and all deposits and deposit accounts of Grantor and/or Co-Grantor with Beneficiary related to the Property, including any such deposit account from which Grantor and/or Co-Grantor may from time to time authorize Beneficiary to debit and/or credit payments due with respect to the Loan; together with all Additions to and Proceeds of all of the foregoing; provided, however, that the term "Personalty" shall not include Co-Grantor's interest in infrastructure improvements owned in its capacity as a Governmental Authority, such as sewer and water lines servicing other properties, or Co-Grantor's interest in real property taxes or the payments payable under the Land Contract while the Land Contract remains in full force and effect.

"Proceeds," when used with respect to any of the Property, means all proceeds of such Property, including all Insurance Proceeds and all other proceeds within the meaning of that term as defined in the Uniform Commercial Code of the State.

"Property" means the Real Property and the Personalty and all other rights, interests and benefits of every kind and character which Grantor and/or Co-Grantor now has or hereafter acquires in, to or for

the benefit of the Real Property and/or the Personalty and all other property and rights used or useful in connection therewith, including all Leases, all Rents, all Condemnation Awards, all Proceeds, and all of Grantor's and Co-Grantor's right, title and interest in and to all Design and Construction Contracts, all Contracts of Sale and all Refinancing Commitments.

"Property Assessments" means all Taxes, payments in lieu of taxes, water rents, sewer rents, assessments, condominium and owner's association assessments and charges, maintenance charges and other governmental or municipal or public or private dues, charges and levies and any Liens (including federal tax liens) which are or may be levied, imposed or assessed upon the Property or any part thereof, or upon any Leases or any Rents, whether levied directly or indirectly or as excise taxes, as income taxes, or otherwise.

"Real Property" means the Land and Improvements, together with (a) all estates, title interests, title reversion rights, remainders, increases, issues, profits, rights of way or uses, additions, accretions, servitudes, strips, gaps, gores, liberties, privileges, water rights, water courses, alleys, passages, ways, vaults, licenses, tenements, franchises, hereditaments, appurtenances, easements, rights-of-way, rights of ingress or egress, parking rights, timber, crops, mineral interests and other rights, now or hereafter owned by Grantor and/or Co-Grantor and belonging or appertaining to the Land or Improvements; (b) all Claims whatsoever of Grantor and/or Co-Grantor with respect to the Land or Improvements, either in law or in equity, in possession or in expectancy; (c) all estate, right, title and interest of Grantor and/or Co-Grantor in and to all streets, roads and public places, opened or proposed, now or hereafter adjoining or appertaining to the Land or Improvements; and (d) all estate, right, title and interest of Grantor and Co-Grantor in and to the Land Contract and all other agreements and options to purchase the Land or Improvements, or any portion thereof or interest therein, and any greater estate in the Land or Improvements, and all Additions to and Proceeds of the foregoing.

"Refinancing Commitment" means any commitment from or other agreement with any Person providing for the financing of the Property, some or all of the proceeds of which are intended to be used for the repayment of all or a portion of the Loan.

"Rents" means all of the rents, royalties, issues, profits, revenues, earnings, income and other benefits of the Property, or arising from the use or enjoyment of the Property, including all such amounts paid under or arising from any of the Leases and all fees, charges, accounts or other payments for the use or occupancy of rooms or other public facilities within the Real Property; but excluding, however, the Land Contract Payments.

"State" means the state in which the Land is located.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, interest cap, collar or floor transaction, currency swap, cross-currency rate swap, swap option, currency option or any other similar transaction (including any option to enter into the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any other master agreement, entered into between Beneficiary (or its affiliate) and Borrower and/or Grantor (or its or their affiliate) in connection with the Loan, together with any related schedules and confirmations, as amended, supplemented, superseded or replaced from time to time, relating to or governing any or all of the foregoing.

"Taxes" means all taxes and assessments, whether general or special, ordinary or extraordinary, or foreseen or unforeseen, which at any time may be assessed, levied, confirmed or imposed by any

Governmental Authority or any community facilities or other private district on Grantor and/or Co-Grantor or on any of its or their properties or assets or any part thereof or in respect of any of its or their franchises, businesses, income or profits.

“Transfer” means any direct or indirect sale, assignment, conveyance or transfer, including any Contract of Sale and any other contract or agreement to sell, assign, convey or transfer, whether made voluntarily or by operation of Law or otherwise, and whether made with or without consideration.

“Trustee” means individually and collectively, Nancy M. Melefsky and Suzanne D. Style, and any one or more successors or substitutes appointed and designated as herein provided from time to time acting hereunder, any one of whom may act alone. Whenever in this Deed of Trust reference is made to the Trustee, it shall be construed to mean, individually and collectively, the trustee or trustees for the time being, whether original or successor or successors in trust. All title, estate, rights, powers, trusts and duties hereunder given or appertaining to or devolving upon the Trustee shall be in each Trustee so that any action hereunder or purporting to be hereunder of any one of the original or any successor Trustee shall for all purposes be considered to be, and as effective as, the action of all persons named as Trustee or his or her successor in trust who may be acting under and pursuant to this Deed of Trust from time to time.

Article II

Granting Clauses; Condition of Grant.

Section 2.1 Conveyances and Security Interests.

In order to secure the prompt payment and performance of the Obligations, Grantor and Co-Grantor hereby irrevocably and unconditionally (a) grant, bargain, sell and convey the Real Property unto Trustee in trust for the benefit of Beneficiary, to have and to hold the Real Property unto Trustee in fee simple forever; provided that Grantor and Co-Grantor may retain possession of the Real Property until the occurrence of an Event of Default; (b) grant, convey, transfer and assign to Beneficiary all estate, right, title and interest in, to and under the Land Contract and any renewals or extensions thereof, including, without limitation, all right to terminate, disaffirm, surrender, supplement, alter or amend the Land Contract, to renew or extend the Land Contract, and to purchase the fee simple interest in the Land; (c) grant to Beneficiary a security interest in the Personalty; (d) assign to Beneficiary, and grant to Beneficiary a security interest in, all Condemnation Awards and all Insurance Proceeds; and (e) assign to Beneficiary, and grant to Beneficiary a security interest in, all of Grantor’s and Co-Grantor’s right, title and interest in, but not any of Grantor’s or Co-Grantor’s obligations or liabilities under, all Design and Construction Documents, all Contracts of Sale and all Refinancing Commitments. All Persons who may have or acquire an interest in all or any part of the Property will be deemed to have notice of, and will be bound by, the terms of the Obligations and each other agreement or instrument made or entered into in connection with each of the Obligations. Such terms include any provisions in the Loan Documents which provide that the interest rate on one or more of the Obligations may vary from time to time.

Section 2.2 Assignment of Leases and Rents.

As additional security for the making of the Loan by Beneficiary to Borrower and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Co-Grantor absolutely and unconditionally assign the Leases and Rents to Beneficiary. This assignment is, and is intended to be, an unconditional, absolute and present assignment from Grantor and Co-Grantor to Beneficiary of all of Grantor’s and Co-Grantor’s right, title and interest in and to the Leases and the Rents and not an assignment in the nature of a pledge of the Leases and Rents or the mere grant of a security interest therein. So long as no Event of Default shall exist, however, and so long as Grantor and/or Co-

Grantor are not in default in the performance of any obligation, covenant or agreement contained in the Leases, Grantor and Co-Grantor shall have a license (which license shall terminate automatically and without notice upon the occurrence of an Event of Default or a default under the Leases) to collect, but not prior to accrual, all Rents. Grantor and Co-Grantor agree to collect and hold all Rents in trust for Beneficiary and to use the Rents for the payment of the cost of operating and maintaining the Property and for the payment of the other Obligations before using the Rents for any other purpose.

Section 2.3 Security Agreement, Fixture Filing and Financing Statement.

This Deed of Trust creates a security interest in the Personalty, and, to the extent the Personalty is not real property, this Deed of Trust constitutes a security agreement from Grantor and Co-Grantor to Beneficiary under the Uniform Commercial Code of the State. In addition to all of its other rights under this Deed of Trust and otherwise, Beneficiary shall have all of the rights of a secured party under the Uniform Commercial Code of the State, as in effect from time to time, or under the Uniform Commercial Code in force from time to time in any other state to the extent the same is applicable Law. This Deed of Trust shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Property and is to be filed for record in the real estate records of each county where any part of the Property (including such fixtures) is situated. This Deed of Trust shall also be effective as a financing statement with respect to any other Property as to which a security interest may be perfected by the filing of a financing statement and may be filed as such in any appropriate filing or recording office. The respective mailing addresses of Grantor, Co-Grantor and Beneficiary are set forth in the opening paragraph of this Deed of Trust. A carbon, photographic or other reproduction of this Deed of Trust or any other financing statement relating to this Deed of Trust shall be sufficient as a financing statement for any of the purposes referred to in this Section. Grantor hereby irrevocably authorizes Beneficiary at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements as authorized by applicable Law, reasonably required by Beneficiary to establish or maintain the validity, perfection and priority of the security interests granted in this Deed of Trust. The foregoing authorization includes Grantor's irrevocable authorization for Beneficiary at any time and from time to time to file any initial financing statements and amendments thereto that indicate the Personalty (a) as "all assets" of Grantor or words of similar effect, regardless of whether any particular asset comprised in the Personalty falls within the scope of the Uniform Commercial Code of the State or the jurisdiction where the initial financing statement or amendment is filed, or (b) as being of an equal or lesser scope or with greater detail. Beneficiary agrees not to record a financing statement separate from this Deed of Trust naming the Co-Grantor as debtor thereunder.

Section 2.4 Release of Deed of Trust and Termination of Assignments and Financing Statements.

If and when Grantor has paid and performed all of the Obligations, and no further advances are to be made under the Loan Agreement, Trustee, upon request by Beneficiary, will provide a release of the Property from the lien of this Deed of Trust and termination statements for filed financing statements, if any, to Grantor and Co-Grantor. Grantor and Co-Grantor shall be responsible for the recordation of such release and the payment of any recording and filing costs. Upon the recording of such release and the filing of such termination statements, the assignments set forth in Section 2.2 shall automatically terminate and become null and void.

Article III
Representations and Warranties.

Grantor makes the following representations and warranties to Beneficiary:

Section 3.1 Title to Real Property.

Co-Grantor owns fee simple title to the Real Property, subject to the equitable interest in the Real Property owned by Grantor pursuant to the terms of the Land Contract. Together, Grantor and Co-Grantor own all of the beneficial and equitable interest in and to the Real Property, and are lawfully seized and possessed of the Real Property. Grantor and Co-Grantor have the right and authority to convey the Real Property and do hereby convey the Real Property. The Real Property is subject to no Encumbrances other than the Permitted Encumbrances.

Section 3.2 Title to Other Property.

Grantor and Co-Grantor have good title to the Personalty, and the Personalty is not subject to any Encumbrance other than the Permitted Encumbrances. None of the Leases, Rents, Design and Construction Documents, Contracts of Sale or Refinancing Commitments are subject to any Encumbrance other than the Permitted Encumbrances.

Section 3.3 Property Assessments.

The Real Property is assessed for purposes of Property Assessments as a separate and distinct parcel from any other property, such that the Real Property shall never become subject to the Lien of any Property Assessments levied or assessed against any property other than the Real Property.

Section 3.4 Independence of the Real Property.

No buildings or other improvements on property not covered by this Deed of Trust rely on the Real Property or any interest therein to fulfill any requirement of any Governmental Authority for the existence of such property, building or improvements; and none of the Real Property relies, or will rely, on any property not covered by this Deed of Trust or any interest therein to fulfill any requirement of any Governmental Authority. The Real Property has been properly subdivided from all other property in accordance with the requirements of any applicable Governmental Authorities.

Section 3.5 Existing Improvements.

The existing Improvements, if any, were constructed, and are being used and maintained, in accordance with all applicable Laws, including zoning Laws.

Section 3.6 Leases and Tenants.

The Leases are valid and are in full force and effect, and neither Grantor nor Co-Grantor is in default under any of the terms thereof. Except as expressly permitted in the Loan Agreement, neither Grantor nor Co-Grantor has accepted any Rents in advance of the time the same became due under the Leases and has not forgiven, compromised or discounted any of the Rents. Grantor and Co-Grantor have title to and the right to assign the Leases and Rents to Beneficiary, and no other assignment of the Leases or Rents has been granted. To the best of Grantor's knowledge and belief, no tenant or tenants occupying, individually or in the aggregate, more than five percent (5%) of the net rentable area of the Improvements are in default under their Lease(s) or are the subject of any bankruptcy, insolvency or similar proceeding.

Section 3.7 Land Contract.

The Land Contract (a) is a valid and subsisting contract for the purchase of the Land and all other real and personal property described therein on the terms and subject to the conditions therein more particularly set forth; (b) is in full force and effect in accordance with its terms; and (c) has not been amended, modified or altered, except as described in the definition of Land Contract set forth in this Deed of Trust. All Land Contract Payments have been paid to the extent they were due and payable before the

date hereof, and there are no existing defaults under the provisions of the Land Contract or in the performance of any of its terms or conditions. The Grantor is the sole owner of all of the purchaser's right, title and interest under the Land Contract and the Co-Grantor is the sole owner of all of the seller's right, title and interest under the Land Contract.

Article IV
Affirmative Covenants.

Section 4.1 Obligations.

Grantor agrees to promptly pay and perform all of the Obligations, time being of the essence in each case.

Section 4.2 Property Assessments; Documentary Taxes.

(a) Unless an escrow account for the payment of Property Assessments is created pursuant to subsection (b) below, Grantor (i) will promptly pay in full and discharge all Property Assessments, and (ii) will furnish to Beneficiary, upon demand, the receipted bills for such Property Assessments prior to the day upon which the same shall become delinquent. Property Assessments shall be considered delinquent as of the first day any interest or penalty commences to accrue thereon. Grantor will promptly pay all stamp, documentary, recordation, transfer and intangible taxes and all other taxes that may from time to time be required to be paid with respect to the Loan, the Note, this Deed of Trust or any of the other Loan Documents.

(b) At any time and from time to time following the occurrence of an Event of Default, Grantor shall pay to Beneficiary monthly, on any date selected by Beneficiary, such amount as Beneficiary from time to time estimates will generate sufficient funds to pay all Property Assessments required by subsection (a) hereinabove and premiums for the insurance required by Section 4.9 of the Loan Agreement prior to the date such Property Assessments or insurance premiums next become due. Beneficiary's estimates shall be based on the amounts actually payable or, if unknown, on the amounts actually paid for the year preceding that for which such payments are being made. Any deficiencies shall be promptly paid by Grantor to Beneficiary on demand. Grantor shall transmit bills for the Property Assessments and insurance premiums to Beneficiary as soon as received. When Beneficiary has received from Grantor, or on its account, funds sufficient to pay the same, Beneficiary shall pay such bills. Payments for such purposes may be made by Beneficiary at its discretion even though subsequent owners of the Property may benefit thereby. Upon foreclosure or release of this Deed of Trust, Beneficiary may apply any sums so deposited to the payment of the Obligations. If from time to time funds are accumulated under the terms of this Section in excess of the amount needed to pay the Property Assessments and such insurance premiums, Grantor at least annually shall be given the option of (i) receiving a refund of the excess funds, (ii) applying the excess funds to the payment of the Obligations (provided prepayment is then permitted without penalty pursuant to the Note), or (iii) permitting the excess funds to remain in the escrow account established pursuant to this Section. If Grantor fails to give Notice to Beneficiary of its intent with respect to the application of the excess funds as provided in this Section within sixty (60) days from the date Beneficiary mailed notice of the accumulation of the excess funds, Beneficiary shall promptly return the excess funds to Grantor. Within sixty (60) days after receipt from Grantor of a Notice requesting a refund, Beneficiary shall also return excess funds to Grantor.

Section 4.3 Permitted Contests.

Grantor shall not be required to pay any of the Property Assessments, or to comply with any Law, so long as Grantor shall in good faith, and at its cost and expense, contest the amount or validity thereof, or take other appropriate action with respect thereto, in good faith and in an appropriate manner or by

appropriate proceedings; provided that (a) such proceedings operate to prevent the collection of, or other realization upon, such Property Assessments or enforcement of the Law so contested, (b) there will be no sale, forfeiture or loss of the Property during the contest, (c) neither Beneficiary nor Trustee is subjected to any Claim as a result of such contest, and (d) Grantor provides assurances reasonably satisfactory to Beneficiary (including the establishment of an appropriate reserve account with Beneficiary if reasonably deemed necessary by Beneficiary) of its ability to pay such Property Assessments or comply with such Law in the event Grantor is unsuccessful in its contest. Each such contest shall be promptly prosecuted to final conclusion or settlement, and Grantor shall indemnify and save Beneficiary and Trustee harmless against all Claims in connection therewith. Promptly after the settlement or conclusion of such contest or action, Grantor shall comply with such Law and/or pay and discharge the amounts which shall be levied, assessed or imposed or determined to be payable, together with all penalties, fines, interests, costs and expenses in connection therewith.

Section 4.4 Compliance with Laws.

Grantor will comply with and not violate, and cause to be complied with and not violated, all present and future Laws applicable to the Property and its use and operation.

Section 4.5 Maintenance and Repair of the Property.

Grantor, at Grantor's sole expense, will (a) keep and maintain the Improvements and Accessories in good condition, working order and repair, and (b) make all necessary or appropriate repairs and Additions to the Improvements and Accessories, so that each part of the Improvements and all of the Accessories shall at all times be in good condition and fit and proper for the respective purposes for which they were originally intended, erected, or installed.

Section 4.6 Additions to Security.

All right, title and interest of Grantor and/or Co-Grantor in and to all Improvements and Additions hereafter constructed or placed on the Property and in and to any Accessories hereafter acquired shall, without any further deed of trust, conveyance, assignment or other act by Grantor and/or Co-Grantor, become subject to the Lien of this Deed of Trust as fully and completely, and with the same effect, as though now owned by Grantor and/or Co-Grantor and specifically described in the granting clauses hereof. Grantor and Co-Grantor agree, however, to execute and deliver to Trustee and/or Beneficiary such further documents as may be required by the terms of the Loan Agreement and the other Loan Documents.

Section 4.7 Subrogation; Vendor's/Purchase Money Lien.

To the extent permitted by Law, Beneficiary shall be subrogated, notwithstanding its release of record, to any Lien now or hereafter existing on the Property to the extent that such Lien is paid or discharged by payment by Beneficiary whether or not from the proceeds of the Loan. This Section shall not be deemed or construed, however, to obligate Beneficiary to pay or discharge any Lien. If all or any portion of the proceeds of the loan evidenced by the Note or of any other secured indebtedness has been advanced for the purpose of paying the purchase price for all or a part of the Property, no vendor's or purchase money lien is waived; and Beneficiary shall have, and is hereby granted, a vendor's or purchase money lien on the Property as cumulative additional security for the secured indebtedness. Beneficiary may foreclose under this Deed of Trust or under the vendor's or purchase money lien without waiving the other or may foreclose under both.

Section 4.8 Leases.

(a) Except as expressly permitted in the Loan Agreement, neither Grantor nor Co-Grantor shall enter into any Lease with respect to all or any portion of the Property without the prior written consent of Beneficiary.

(b) Neither Trustee nor Beneficiary shall be obligated to perform or discharge any obligation of Grantor or Co-Grantor under any Lease. The assignment of Leases provided for in this Deed of Trust in no manner places on Beneficiary or Trustee any responsibility for (i) the control, care, management or repair of the Property, (ii) the carrying out of any of the terms and conditions of the Leases, (iii) any waste committed on the Property, or (iv) any dangerous or defective condition on the Property (whether known or unknown).

(c) No approval of any Lease by Beneficiary shall be for any purpose other than to protect Beneficiary's security and to preserve Beneficiary's rights under the Loan Documents, and no such approval shall result in a waiver of a Default or Event of Default.

Section 4.9 Land Contract Obligations.

Grantor agrees that it will (a) unless an escrow for Land Contract Payments has been established pursuant to the following clause (b), pay when due all Land Contract Payments, and deliver to Beneficiary, at its request, a duplicate receipt or photostatic copy of each cancelled check for each Land Contract Payment so made; (b) if at any time requested by Beneficiary following the occurrence of any Default, at Beneficiary's sole option, pay to Beneficiary monthly, on any date selected by Beneficiary, such amount as Beneficiary from time to time estimates will generate sufficient funds to pay all Land Contract Payments on the date such Land Contract Payments next become due (such sums shall be held subject to the terms and conditions governing the escrow for Property Assessments); (c) at all times perform and comply with all of its obligations under the Land Contract; (d) promptly after receipt of any notice of default pursuant to the terms of the Land Contract, fully and timely cure the same; (e) do all things necessary to preserve and keep unimpaired the rights of the purchaser under the Land Contract and to prevent any default thereunder or termination, surrender, cancellation or impairment thereof; (f) give prompt Notice to Beneficiary of any default by the seller under the Land Contract and (g) give prompt Notice to Beneficiary of the giving of any notice by the seller under the Land Contract of any default by Grantor, as purchaser under the Land Contract.

Article V
Negative Covenants.

Section 5.1 Encumbrances.

Neither Grantor nor Co-Grantor will permit any of the Property to become subject to any Encumbrance other than the Permitted Encumbrances. Within thirty (30) days after notice of the existence of any mechanic's lien or other Lien or Encumbrance against the Property, Grantor will promptly discharge the same by payment or filing a bond or otherwise as permitted by Law. So long as Beneficiary's security has been protected by the filing of a bond or otherwise in a manner satisfactory to Beneficiary in its sole and absolute discretion, Grantor shall have the right to contest in good faith any Claim, Lien or Encumbrance, provided that Grantor does so diligently and without prejudice to Beneficiary or delay in completing construction of the Improvements. Grantor shall give Beneficiary Notice of any default under any Lien and Notice of any foreclosure or threat of foreclosure with respect to any of the Property.

Section 5.2 Transfer of the Property.

Neither Grantor nor Co-Grantor will Transfer, or contract to Transfer, all or any part of the Property or any legal or beneficial interest therein (except for certain Transfers of the Accessories expressly permitted in this Deed of Trust). Notwithstanding the foregoing, Co-Grantor shall have the right to transfer its interest in the Property subject to the lien of this Deed of Trust so long as it provides notice of such transfer to Beneficiary, along with an agreement of the transferee, in form and substance reasonably satisfactory to Beneficiary, that such transferee agrees to be bound by the terms of this Deed of Trust.

Section 5.3 Removal, Demolition or Alteration of Accessories and Improvements.

Except to the extent permitted by the following sentence, no Improvements or Accessories shall be removed, demolished or materially altered without the prior written consent of Beneficiary. Grantor may remove and dispose of, free from the Lien of this Deed of Trust, such Accessories as from time to time become worn out or obsolete, provided that, either (a) any such Accessories are replaced with other Accessories which are free from Liens other than Permitted Encumbrances and have a value at least equal to that of the replaced Accessories (and by such removal and replacement Grantor shall be deemed to have subjected such Accessories to the Lien of this Deed of Trust), or (b) so long as a prepayment may be made without the imposition of any premium pursuant to the Note, such Accessories are sold at fair market value for cash and the net cash proceeds received from such disposition are paid over promptly to Beneficiary to be applied to the prepayment of the principal of the Loan.

Section 5.4 Additional Improvements.

Neither Grantor nor Co-Grantor will construct any Improvements other than those presently on the Land and those described in the Loan Agreement without the prior written consent of Beneficiary. Grantor will complete and pay for, within a reasonable time, any Improvements which Grantor and/or Co-Grantor is permitted to construct on the Land. Grantor and Co-Grantor will construct and erect any permitted Improvements (a) strictly in accordance with all applicable Laws and any private restrictive covenants, (b) entirely on lots or parcels of the Land, (c) so as not to encroach upon any easement or right of way or upon the land of others, and (d) wholly within any building restriction and setback lines applicable to the Land.

Section 5.5 Restrictive Covenants, Zoning, etc.

Without the prior written consent of Beneficiary, Grantor will not initiate, join in, or consent to any change in, any restrictive covenant, easement, zoning ordinance, or other public or private restrictions limiting or defining the uses which may be made of the Property. Grantor (a) will promptly perform and observe, and cause to be performed and observed, all of the terms and conditions of all agreements affecting the Property, and (b) will do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of, or constituting any portion of, the Property.

Article VI
Events of Default.

The occurrence or happening, from time to time, of any one or more of the following shall constitute an Event of Default under this Deed of Trust:

Section 6.1 Payment Obligations.

Grantor fails to pay any of the Obligations as and when due, whether on the scheduled due date or upon acceleration, maturity or otherwise, which failure shall continue for more than ten (10) days after Notice thereof shall have been sent by Beneficiary to Grantor and Co-Grantor.

Section 6.2 Transfers.

Grantor Transfers, or contracts to Transfer, all or any part of the Property or any legal or beneficial interest therein (except for Transfers of the Accessories expressly permitted under this Deed of Trust and other Transfers expressly permitted by the terms of any of the other Loan Documents).

Section 6.3 Other Obligations.

Grantor and/or Co-Grantor fails to promptly perform or comply with any of the Obligations set forth in this Deed of Trust (other than those expressly described in other Sections of this Article VI), and such failure continues uncured for a period of thirty (30) days after Notice from Beneficiary to Grantor and Co-Grantor, unless (a) such failure, by its nature, is not capable of being cured within such period, and (b) within such period, Grantor and/or Co-Grantor commences to cure such failure and thereafter diligently prosecutes the cure thereof, and (c) Grantor and/or Co-Grantor causes such failure to be cured no later than sixty (60) days after the date of such Notice from Beneficiary.

Section 6.4 Event of Default Under Other Loan Documents.

An Event of Default (as defined therein) occurs under the Note or the Loan Agreement, or Borrower, Grantor or Additional Guarantor fails to promptly pay, perform, observe or comply with any obligation or agreement contained in any of the other Loan Documents (within any applicable grace or cure period).

Section 6.5 Change in Zoning or Public Restriction.

Any change in any zoning ordinance or regulation or any other public restriction is enacted, adopted or implemented that limits or defines the uses which may be made of the Property such that the present or intended use of the Property, as specified in the Loan Documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed.

Section 6.6 Default Under Leases.

Grantor and/or Co-Grantor fails duly to perform its or their obligations under any Lease, and such failure is not cured within the grace period, if any, provided in the Lease.

Section 6.7 Default Under Other Lien Documents.

A default occurs under any other mortgage, deed of trust or security agreement covering the Property, including any Permitted Encumbrances, which continues beyond any applicable grace and/or cure period provided therefor.

Section 6.8 Execution; Attachment.

Any execution or attachment is levied against any of the Property, and such execution or attachment is not set aside, discharged or stayed within thirty (30) days after the same is levied.

Article VII
Rights and Remedies.

Upon the happening of any Event of Default, Beneficiary, or Trustee at the direction of Beneficiary, shall have the right, in addition to any other rights or remedies available to Beneficiary under

any of the Loan Documents or applicable Law, to exercise any one or more of the following rights, powers or remedies:

Section 7.1 Acceleration.

Beneficiary may accelerate all Obligations under the Loan Documents whereupon such Obligations shall become immediately due and payable, without notice of default, notice of acceleration or intention to accelerate, presentment or demand for payment, protest, notice of protest, notice of nonpayment or dishonor, or notices or demands of any kind or character (all of which are hereby waived by Grantor and Co-Grantor).

Section 7.2 Foreclosure; Power of Sale.

Trustee, if and as directed by Beneficiary, may take possession of and sell the Property, or any part thereof requested by Beneficiary to be sold, and in connection therewith Grantor and Co-Grantor hereby (a) assent to the passage of a decree for the sale of the Property by the equity court having jurisdiction, and (b) authorize and empower Trustee to take possession of and sell (or in case of the default of any purchaser to resell) the Property, or any part thereof, all in accordance with the Laws or rules of court relating to deeds of trust, including any amendments thereof, or additions thereto, which do not materially change or impair the remedy. In connection with any foreclosure, Beneficiary and/or Trustee may (a) procure such title reports, surveys, tax histories and appraisals as they deem necessary, (b) terminate the Land Contract or cause the same to be terminated, and (c) make such repairs and Additions to the Property as they deem advisable, all of which shall constitute Expenses. In case of any sale under this Deed of Trust, by virtue of judicial proceedings or otherwise, the Property may be sold as an entirety or in parcels, by one sale or by several sales, as may be deemed by Trustee to be appropriate and without regard to any right of Grantor, Co-Grantor or any other Person to the marshalling of assets. Any sale hereunder may be made at public auction, at such time or times, at such place or places, and upon such terms and conditions and after such previous public notice as Trustee shall deem appropriate and advantageous and as required by Law. Upon the terms of such sale being complied with, Trustee shall convey to, and at the cost of, the purchaser or purchasers the interest of Grantor and Co-Grantor in the Property so sold, free and discharged of and from all estate, title or interest of Grantor and Co-Grantor, at law or in equity, such purchaser or purchasers being hereby discharged from all liability to see to the application of the purchase money. The proceeds of such sale or sales under this Deed of Trust, whether under the assent to a decree, the power of sale, or by equitable foreclosure, shall be held by Trustee and applied as follows: First, to pay (a) all Expenses incurred in connection with such sale or in preparing the Property for such sale including, among other things, a counsel fee of \$5,000 to the attorneys representing Beneficiary and Trustee for conducting the proceedings if without contest, but if legal services be rendered to Trustee and Beneficiary in connection with any contested matter in the proceedings, then such other counsel fees shall be allowed and paid out of the proceeds of such sale or sales as the court having jurisdiction may deem proper, and (b) a trustees' commission equal to the commission allowed trustees for making sales of property under decrees of the equity court having jurisdiction; Second, to pay all of the Obligations and all interest then due and accrued thereon, which shall include interest through the date of ratification of the auditor's account; and Lastly, to pay the surplus, if any, to Grantor, Co-Grantor or any Person entitled thereto upon surrender and delivery to the purchaser or purchasers of the Property, and less the Expenses, if any, of obtaining possession. Immediately upon the first delivery or publication of any advertisement or notice of sale, there shall become due and owing by Grantor and Co-Grantor all Expenses incident to any foreclosure proceedings under this Deed of Trust and a commission on the total amount of the Obligations then due equal to one-half of the percentage allowed as commission to trustees making sales under orders or decrees of the equity court having jurisdiction, and no Person shall be

required to receive only the aggregate amount of the Obligations to the date of payment unless the same is accompanied by a tender of such commission.

Section 7.3 Judicial Action.

Beneficiary shall have the right from time to time to sue Grantor for any sums (whether interest, damages for failure to pay principal or any installments thereof, taxes, or any other sums required to be paid under the terms of this Deed of Trust, as the same become due), without regard to whether or not any of the other Obligations shall be due, and without prejudice to the right of Beneficiary thereafter to enforce any appropriate remedy against Grantor and/or Co-Grantor, including an action of foreclosure or an action for specific performance, for a Default or Event of Default existing at the time such earlier action was commenced.

Section 7.4 Collection of Rents.

Upon the occurrence of an Event of Default, the license granted to Grantor and Co-Grantor to collect the Rents shall be automatically and immediately revoked, without further notice to or demand upon Grantor or Co-Grantor. Beneficiary may, but shall not be obligated to, perform any or all obligations of the landlord under any or all of the Leases, and Beneficiary may, but shall not be obligated to, exercise and enforce any or all of Grantor's and Co-Grantor's rights under the Leases. Without limitation to the generality of the foregoing, Beneficiary may notify the tenants under the Leases that all Rents are to be paid to Beneficiary, and following such notice all Rents shall be paid directly to Beneficiary and not to Grantor or Co-Grantor or any other Person other than as directed by Beneficiary, it being understood that a demand by Beneficiary on any tenant under the Leases for the payment of Rent shall be sufficient to warrant payment by such tenant of Rent to Beneficiary without the necessity of further consent by Grantor or Co-Grantor. Grantor and Co-Grantor hereby irrevocably authorize and direct the tenants under the Lease to pay all Rents to Beneficiary instead of to Grantor or Co-Grantor, upon receipt of written notice from Beneficiary, without the necessity of any inquiry of Grantor or Co-Grantor and without the necessity of determining the existence or non-existence of an Event of Default. Grantor and Co-Grantor hereby appoint Beneficiary as Grantor's and Co-Grantor's attorney-in-fact with full power of substitution, which appointment shall take effect upon the occurrence of an Event of Default and is coupled with an interest and is irrevocable prior to the full and final payment and performance of the Obligations, in Grantor's and Co-Grantor's name or in Beneficiary's name: (a) to endorse all checks and other instruments received in payment of Rents and to deposit the same in any account selected by Beneficiary; (b) to give receipts and releases in relation thereto; (c) to institute, prosecute and/or settle actions for the recovery of Rents; (d) to modify the terms of any Leases including terms relating to the Rents payable thereunder; (e) to cancel any Leases; (f) to enter into new Leases; and (g) to do all other acts and things with respect to the Leases and Rents which Beneficiary may deem necessary or desirable to protect the security for the Obligations. Any Rents received shall be applied first to pay all Expenses and next in reduction of the other Obligations. Grantor and Co-Grantor shall pay, on demand, to Beneficiary, the amount of any deficiency between (i) the Rents received by Beneficiary, and (ii) all Expenses incurred together with interest thereon as provided in the Loan Agreement and the other Loan Documents.

Section 7.5 Taking Possession or Control of the Property.

As a matter of right without regard to the adequacy of the security, and to the extent permitted by Law without notice to Grantor or Co-Grantor, Beneficiary shall be entitled, upon application to a court of competent jurisdiction, to the immediate appointment of a receiver for all or any part of the Property and the Rents, whether such receivership may be incidental to a proposed sale of the Property or otherwise, and Grantor and Co-Grantor hereby consent to the appointment of such a receiver and agree that such

receiver shall have all of the rights and powers granted to Beneficiary pursuant to the terms of this Article VII. In addition, to the extent permitted by Law, and with or without the appointment of a receiver, or an application therefor, Beneficiary may (a) enter upon, and take possession of (and Grantor and Co-Grantor shall surrender actual possession of), the Property or any part thereof, without notice to Grantor or Co-Grantor and without bringing any legal action or proceeding, or, if necessary by force, legal proceedings, ejectment or otherwise, and (b) remove and exclude Grantor and Co-Grantor and their respective agents and employees therefrom.

Section 7.6 Management of the Property.

Upon obtaining possession of the Property or upon the appointment of a receiver as described in Section 7.5, Beneficiary, Trustee or the receiver, as the case may be, may, at its sole option, (a) make all necessary or proper repairs and Additions to or upon the Property, (b) operate, maintain, control, make secure and preserve the Property, and (c) complete the construction of any unfinished Improvements on the Property and, in connection therewith, continue any and all outstanding contracts for the erection and completion of such Improvements and make and enter into any further contracts which may be necessary, either in their or its own name or in the name of Grantor and/or Co-Grantor (the costs of completing such Improvements shall be Expenses secured by this Deed of Trust and shall accrue interest as provided in the Loan Agreement and the other Loan Documents). Beneficiary, Trustee or such receiver shall be under no liability for, or by reason of, any such taking of possession, entry, holding, removal, maintaining, operation or management, except for gross negligence or willful misconduct. The exercise of the remedies provided in this Section shall not cure or waive any Event of Default, and the enforcement of such remedies, once commenced, shall continue for so long as Beneficiary shall elect, notwithstanding the fact that the exercise of such remedies may have, for a time, cured the original Event of Default.

Section 7.7 Uniform Commercial Code.

Beneficiary may proceed under the Uniform Commercial Code as to all or any part of the Personalty, and in conjunction therewith may exercise all of the rights, remedies and powers of a secured creditor under the Uniform Commercial Code. Upon the occurrence of any Event of Default, Grantor and Co-Grantor shall assemble all of the Accessories and make the same available within the Improvements. Any notification required by the Uniform Commercial Code shall be deemed reasonably and properly given if sent in accordance with the Notice provisions of this Deed of Trust at least five (5) days before any sale or other disposition of the Personalty. Disposition of the Personalty shall be deemed commercially reasonable if made pursuant to a public sale advertised at least twice in a newspaper of general circulation in the community where the Property is located. It shall be deemed commercially reasonable for the Trustee to dispose of the Personalty without giving any warranties as to the Personalty and specifically disclaiming all disposition warranties.

Section 7.8 Application of Proceeds.

Unless otherwise provided by applicable Law, all proceeds from the sale of the Property or any part thereof pursuant to the rights and remedies set forth in this Article VII and any other proceeds received by Beneficiary from the exercise of any of its other rights and remedies hereunder or under the other Loan Documents shall be applied first to pay all Expenses and next in reduction of the other Obligations, in such order or manner as Beneficiary may elect.

Section 7.9 Other Remedies.

Beneficiary shall have the right from time to time to protect, exercise and enforce any legal or equitable remedy against Grantor and/or Co-Grantor provided under the Loan Documents or by applicable Laws.

Article VIII
Trustee.

Section 8.1 Liability of Trustee.

Trustee shall have no liability or responsibility for, and make no warranties in connection with, the validity or enforceability of any of the Loan Documents or the description, value or status of title to the Property. Trustee shall be protected in acting upon any notice, request, consent, demand, statement, note or other paper or document believed by Trustee to be genuine and to have been signed by the party or parties purporting to sign the same. Trustee shall not be liable for any error of judgment, nor for any act done or step taken or omitted, nor for any mistakes of law or fact, nor for anything which Trustee may do or refrain from doing in good faith, nor generally shall Trustee have any accountability hereunder except for willful misconduct or gross negligence. The powers and duties of Trustee hereunder may be exercised through such attorneys, agents or servants as Trustee may appoint, and Trustee shall have no liability or responsibility for any act, failure to act, negligence or willful conduct of such attorney, agent or servant, so long as the selection was made with reasonable care. In addition, Trustee may consult with legal counsel selected by Trustee, and Trustee shall have no liability or responsibility by reason of any act or failure to act in accordance with the opinions of such counsel. Trustee may act hereunder and may sell or otherwise dispose of the Property or any part thereof as herein provided, although Trustee has been, may now be or may hereafter be, an attorney, officer, agent or employee of Beneficiary, in respect of any matter or business whatsoever. Trustee, however, shall have no obligation to sell all or any part of the Property following an Event of Default or to take any other action authorized to be taken by Trustee hereunder except upon the demand of Beneficiary.

Section 8.2 Indemnification of Trustee.

Grantor and Co-Grantor agree to indemnify Trustee and to hold Trustee harmless from and against any and all Claims and Expenses directly or indirectly arising out of or resulting from any transaction, act, omission, event or circumstance in any way connected with the Property or the Loan, including but not limited to any Claim arising out of or resulting from any assertion or allegation that Trustee is liable for any act or omission of Grantor, Co-Grantor or any other Person in connection with the ownership, development, financing, operation or sale of the Property; provided, however, that neither Grantor nor Co-Grantor shall be obligated to indemnify Trustee with respect to any Claim arising solely from the gross negligence or willful misconduct of Trustee. The agreements and indemnifications contained in this Section shall apply to Claims arising both before and after the repayment of the Loan and shall survive the repayment of the Loan, any foreclosure or deed in lieu thereof and any other action by Trustee to enforce the rights and remedies of Beneficiary or Trustee hereunder or under the other Loan Documents.

Section 8.3 Substitution of Trustee; Multiple Trustees.

Beneficiary shall have, and is hereby granted with warranty of further assurances, the irrevocable power to appoint a new or replacement or substitute Trustee. Such power may be exercised at any time without notice, without cause and without specifying any reason therefor, by filing for record in the office where this Deed of Trust is recorded a Deed of Appointment. The power of appointment of a successor Trustee may be exercised as often as and whenever Beneficiary may choose, and the exercise of the power of appointment, no matter how often, shall not be an exhaustion thereof. Upon the recordation of such Deed or Deeds of Appointment, the Trustee so appointed shall thereupon, without any further act or deed of conveyance, become fully vested with identically the same title and estate in and to the Property and with all the rights, powers, trusts and duties of its predecessor in the trust hereunder with like effect as if originally named as Trustee hereunder. Whenever in this Deed of Trust reference is made to Trustee, it

shall be construed to mean each Person appointed as Trustee for the time being, whether original or successor in trust. All title, estate, rights, powers, trusts and duties granted to Trustee shall be in each Person appointed as Trustee so that any action hereunder by any Person appointed as Trustee shall for all purposes be deemed to be, and as effective as, the action of all Trustees.

Article IX
Miscellaneous.

Section 9.1 Rights, Powers and Remedies Cumulative.

Each right, power and remedy of Beneficiary or Trustee as provided for in this Deed of Trust, or in any of the other Loan Documents or now or hereafter existing by Law, shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Deed of Trust, or in any of the other Loan Documents or now or hereafter existing by Law, and the exercise or beginning of the exercise by Beneficiary or Trustee of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by Beneficiary or Trustee of any or all such other rights, powers or remedies.

Section 9.2 No Waiver by Beneficiary or Trustee.

No course of dealing or conduct by or among Beneficiary, Trustee, Grantor and Co-Grantor shall be effective to amend, modify or change any provisions of this Deed of Trust or the other Loan Documents. No failure or delay by Beneficiary or Trustee to insist upon the strict performance of any term, covenant or agreement of this Deed of Trust or of any of the other Loan Documents, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, covenant or agreement or of any such breach, or preclude Beneficiary or Trustee from exercising any such right, power or remedy at any later time or times. By accepting payment after the due date of any of the Obligations, neither Beneficiary nor Trustee shall be deemed to waive the right either to require prompt payment when due of all other Obligations, or to declare an Event of Default for failure to make prompt payment of any such other Obligations. Neither Grantor nor Co-Grantor or any other Person now or hereafter obligated for the payment of the whole or any part of the Obligations shall be relieved of such liability by reason of (a) the failure of Beneficiary to comply with any request of Grantor, Co-Grantor or any other Person to take action to foreclose this Deed of Trust or otherwise enforce any of the provisions of this Deed of Trust, or (b) any agreement or stipulation between any subsequent owner or owners of the Property and Beneficiary, or (c) Beneficiary's extending the time of payment or modifying the terms of this Deed of Trust or any of the other Loan Documents without first having obtained the consent of Grantor, Co-Grantor or such other Person. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate Lien on the Property, Beneficiary may release any Person at any time liable for any of the Obligations or any part of the security for the Obligations and may extend the time of payment or otherwise modify the terms of this Deed of Trust or any of the other Loan Documents without in any way impairing or affecting the Lien of this Deed of Trust or the priority of this Deed of Trust over any subordinate Lien. The holder of any subordinate Lien shall have no right to terminate any Lease regardless of whether or not such Lease is subordinate to this Deed of Trust. Beneficiary may resort to the security or collateral described in this Deed of Trust or any of the other Loan Documents in such order and manner as Beneficiary may elect in its sole discretion.

Section 9.3 Waivers and Agreements Regarding Remedies.

To the fullest extent permitted by applicable law, Grantor and Co-Grantor hereby:

(a) agree that they will not at any time plead, claim or take advantage of any Laws now or hereafter in force providing for any appraisalment, valuation, stay, extension or redemption, and

waive and release all rights of redemption, valuation, appraisal, stay of execution, extension and notice of election to accelerate the Obligations;

(b) waive all rights to a marshalling of the assets of Grantor and/or Co-Grantor, including the Property, or to a sale in the inverse order of alienation in the event of a foreclosure of the Property, and agree not to assert any right under any Law pertaining to the marshalling of assets, the sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatsoever to defeat, reduce or affect the right of Beneficiary under the terms of this Deed of Trust to a sale of the Property without any prior or different resort for collection, or the right of Beneficiary to the payment of the Obligations out of the proceeds of sale of the Property in preference to every other claimant whatsoever;

(c) waive any right to bring or utilize any defense, counterclaim or setoff, other than one which denies the existence or sufficiency of the facts upon which any foreclosure action is grounded. If any defense, counterclaim or setoff, other than one permitted by the preceding clause, is timely raised in a foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a Claim which could be tried in an action for money damages, such Claim may be brought in a separate action which shall not thereafter be consolidated with the foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying the foreclosure action; and

(d) waive and relinquish any and all rights and remedies which Grantor and/or Co-Grantor may have or be able to assert by reason of the provisions of any Laws pertaining to the rights and remedies of sureties.

Section 9.4 Successors and Assigns.

All of the grants, covenants, terms, provisions and conditions of this Deed of Trust shall run with the Land and shall apply to and bind the successors and assigns of Grantor and Co-Grantor (including any permitted subsequent owner of the Property), and inure to the benefit of Beneficiary, its successors and assigns and to the successors in trust of Trustee.

Section 9.5 No Warranty by Beneficiary or Trustee.

By inspecting the Property or by accepting or approving anything required to be observed, performed or fulfilled by Grantor and/or Co-Grantor or to be given to Beneficiary or Trustee pursuant to this Deed of Trust or any of the other Loan Documents, Beneficiary and Trustee shall not be deemed to have warranted or represented the condition, sufficiency, legality, effectiveness or legal effect of the same, and such acceptance or approval shall not constitute any warranty or representation with respect thereto by Beneficiary or Trustee.

Section 9.6 Amendments.

This Deed of Trust may not be modified or amended except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

Section 9.7 Severability.

In the event any one or more of the provisions of this Deed of Trust or any of the other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any other respect, or in the event any one or more of the provisions of the Loan Documents operates or would prospectively operate to invalidate this Deed of Trust or any of the other Loan Documents, then and in either of those events, at the option of Beneficiary, such provision or provisions only shall be deemed null and void and shall not affect the validity of the remaining Obligations, and the remaining

provisions of the Loan Documents shall remain operative and in full force and effect and shall in no way be affected, prejudiced or disturbed thereby.

Section 9.8 Notices.

All Notices required or which any party desires to give hereunder or under any other Loan Document shall be in writing and, unless otherwise specifically provided in such other Loan Document, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier service or by certified United States mail, return receipt requested, postage prepaid, addressed to the party to whom directed at the applicable address specified in the Preamble to this Deed of Trust (unless changed by similar notice in writing given by the particular party whose address is to be changed) or by facsimile. Any Notice shall be deemed to have been given either at the time of personal delivery or, in the case of courier or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile, upon receipt; provided that service of a Notice required by any applicable statute shall be considered complete when the requirements of that statute are met. Notwithstanding the foregoing, no notice of change of address shall be effective except upon actual receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in this Deed of Trust or in any other Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason.

Section 9.9 Joint and Several Liability.

If Grantor consists of two (2) or more Persons, the term "Grantor" shall also refer to all Persons signing this Deed of Trust as Grantor, and to each of them, and all of them are jointly and severally bound, obligated and liable hereunder. Trustee or Beneficiary may release, compromise, modify or settle with any of Grantor, in whole or in part, without impairing, lessening or affecting the obligations and liabilities of the others of Grantor hereunder or under the Note. Any of the acts mentioned aforesaid may be done without the approval or consent of, or notice to, any of Grantor.

Section 9.10 Rules of Construction; Construction Mortgage.

The words "hereof," "herein," "hereunder," "hereto," and other words of similar import refer to this Deed of Trust in its entirety. The terms "agree" and "agreements" mean and include "covenant" and "covenants." The words "include" and "including" shall be interpreted as if followed by the words "without limitation." The headings of this Deed of Trust are for convenience of reference only and shall not be considered a part hereof and are not in any way intended to define, limit or enlarge the terms hereof. All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to the Loan Documents are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (d) to the Land, Improvements, Personalty, Real Property or Property shall mean all or any portion of each of the foregoing, respectively, and (e) to Articles or Sections are to the respective Articles or Sections contained in this Deed of Trust unless expressly indicated otherwise. Any term used or defined in the Uniform Commercial Code of the State, as in effect from time to time, which is not defined in this Deed of Trust shall have the meaning ascribed to that term in the Uniform Commercial Code of the State. If a term is defined in Article 9 of the Uniform Commercial Code of the State differently than in another Article of the Uniform Commercial Code of the State, the term shall have the meaning specified in Article 9.

Section 9.11 Governing Law; Usury.

This Deed of Trust shall be construed, governed and enforced in accordance with the Laws in effect from time to time in the State.

Section 9.12 Liability of Co-Grantor.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, CO-GRANTOR HAS JOINED IN THIS DEED OF TRUST MERELY TO SUBJECT ALL OF ITS RIGHT, TITLE AND INTEREST IN AND TO THE PROPERTY TO THE LIEN OF THIS INSTRUMENT, AND BENEFICIARY HEREBY ACKNOWLEDGES AND AGREES THAT CO-GRANTOR SHALL HAVE NO PERSONAL LIABILITY FOR THE PAYMENT OR PERFORMANCE OF THE OBLIGATIONS. BENEFICIARY FURTHER ACKNOWLEDGES AND AGREES THAT NO ACTION TO FORECLOSE THE LIEN OF THIS DEED OF TRUST SHALL BE INITIATED BY BENEFICIARY AGAINST THE INTEREST OF CO-GRANTOR IN THE PROPERTY UNLESS AND UNTIL GRANTOR AND CO-GRANTOR SHALL HAVE BEEN AFFORDED ALL NOTICE AND CURE PERIODS TO WHICH THEY ARE ENTITLED PURSUANT TO THE TERMS AND PROVISIONS OF ARTICLE VI HEREOF AND BENEFICIARY SHALL HAVE ACCELERATED THE OBLIGATIONS AS A RESULT OF THE OCCURRENCE OF SUCH EVENT OF DEFAULT.

Section 9.13 Entire Agreement.

THE WRITTEN LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

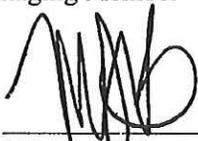
IN WITNESS WHEREOF, Grantor and Co-Grantor have caused this Deed of Trust to be executed under seal as of the day and year first written above.

GRANTOR:

ABERDEEN HOTELS-BASEBALL PARK, LLC

By: Presidential Hotel Investors, LLC
Sole Member

By: Hotel Developers LLC
Managing Member

By:  [SEAL]
Michael S. Beatty
Managing Member

CO-GRANTOR:

THE CITY OF ABERDEEN, MARYLAND

By:  [SEAL]
S. Fred Simmons
Mayor

~~STATE OF MARYLAND, COUNTY OF _____, TO WIT.~~

I HEREBY CERTIFY, that on this _____ day of _____, 2006, before me, the undersigned Notary Public of said State, personally appeared Michael S. Beatty, who acknowledged himself to be the Managing Member of Hotel Developers LLC, a Maryland limited liability company and the Managing Member of Presidential Hotel Investors, LLC, a Maryland limited liability company and the Sole Member of Aberdeen Hotels-Baseball Park, LLC, a Maryland limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized Managing Member of said limited liability company by signing the name of the limited liability company by himself as Managing Member.

WITNESS my hand and Notarial Seal.

Notary Public

~~My Commission Expires: _____~~

CO-GRANTOR:

THE CITY OF ABERDEEN, MARYLAND

By: _____ [SEAL]

S. Fred Simmons

Mayor

STATE OF MARYLAND, ^{CITY}COUNTY OF Baltimore, TO WIT:

I HEREBY CERTIFY, that on this 9th day of March, 2006, before me, the undersigned Notary Public of said State, personally appeared Michael S. Beatty, who acknowledged himself to be the Managing Member of Hotel Developers LLC, a Maryland limited liability company and the Managing Member of Presidential Hotel Investors, LLC, a Maryland limited liability company and the Sole Member of Aberdeen Hotels-Baseball Park, LLC, a Maryland limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized Managing Member of said limited liability company by signing the name of the limited liability company by himself as Managing Member.

WITNESS my hand and Notarial Seal.

STEPHANIE N. SUERTH
Notary Public
Baltimore City
MARYLAND
My Commission Expires April 26, 2009


Notary Public



My Commission Expires:

STATE OF MARYLAND, COUNTY OF Cecil, TO WIT:

I HEREBY CERTIFY, that on this 17 day of February, 2006, before me, the undersigned Notary Public of said State, personally appeared S. Fred Simmons, who acknowledged himself to be the Mayor of The City of Aberdeen, Maryland, a body politic and corporate, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized Mayor of said governmental authority by signing the name of the governmental authority by himself as Mayor.

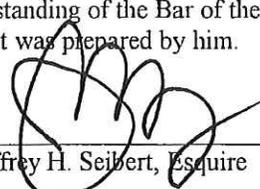
WITNESS my hand and Notarial Seal.


Notary Public

My Commission Expires:

10-26-06

THE UNDERSIGNED, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that the within instrument was prepared by him.



Jeffrey H. Seibert, Esquire

EXHIBIT A

Legal Description

ALL those lots or parcels of land located in the County of Harford, State of Maryland, and more particularly described as follows:

BEING all that parcel of land containing 4.403 acres, more or less, and known and designated as Lot 5 on a Plat entitled "Revised Lots 3 and 4, Final Plat, Long Property Subdivision," which Plat is recorded among the Land Records of Harford County, Maryland in Plat Book C.G.H. No. 107, Folio 55.

BEING part of the same parcel of land which by Deed dated May 1, 2001 and recorded among the Land Records of Harford County, Maryland in Liber 3510, Folio 242, was granted and conveyed by Bosworth Management, Inc. to The City of Aberdeen.

The improvements thereon being known as 830 Long Drive.

State of Maryland Land Instrument Intake Sheet
 Baltimore City County: HARFORD

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only.
 (Type or Print in Black Ink Only—All Copies Must Be Legible)

Space Reserved for Circuit Court Clerk Recording Validation

1	Type(s) of Instruments	<input type="checkbox"/> Check Box if addendum Intake Form is Attached.							
	Deed	Mortgage	<input checked="" type="checkbox"/> Other	Other					
	Deed or Trust	Lease	INDEMNITY DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING						
2	Conveyance Type	Improved Sale	Unimproved Sale	Multiple Accounts	Not an Arms-				
	Check Box	Arms-Length [1]	Arms-Length [2]	Arms-Length [3]	Length Sale [9]				
3	Tax Exemptions (if Applicable)	Recordation							
	Cite or Explain Authority	State Transfer							
		County Transfer							
4	Consideration and Tax Calculations	Consideration Amount		Finance Office Use Only					
		Purchase Price/Consideration	\$	Transfer and Recordation Tax Consideration					
		Any New Mortgage	\$	Transfer Tax Consideration	\$				
		Balance of Existing Mortgage	\$	X () % =	\$				
		Other:	\$	Less Exemption Amount -	\$				
		Other:	\$	Total Transfer Tax =	\$				
	Full Cash Value:	\$	Recordation Tax Consideration	\$					
			X () per \$500 =	\$					
			TOTAL DUE	\$					
5	Fees	Amount of Fees		Doc. 1		Doc. 2		Agent:	
		Recording Charge	\$	75.00	\$				Tax Bill:
		Surcharge	\$	20.00	\$				C.B. Credit:
		State Recordation Tax	\$		\$				Ag. Tax/Other:
		State Transfer Tax	\$		\$				
		County Transfer Tax	\$		\$				
		Other	\$		\$				
		Other	\$		\$				
6	Description of Property SDAT requires submission of all applicable information. A maximum of 40 characters will be indexed in accordance with the priority cited in Real Property Article Section 3-104(g)(3)(i).	District	Property Tax ID No. (1)	Grantor Liber/Folio	Map	Parcel No.	Var. LOG		
		02	099772		51	108	<input type="checkbox"/> (5)		
		Subdivision Name		Lot (3a)	Block (3b)	Sect/AR (3c)	Plat Ref.	SqFt/Acreage (4)	
		LONG PROPERTY		5			107/55		
		Location/Address of Property Being Conveyed (X)							
		830 LONG DRIVE, ABERDEEN, MD. 21001							
		Other Property Identifiers (if applicable)							
		Water Meter Account No.							
		Residential <input type="checkbox"/> or Non-Residential <input checked="" type="checkbox"/>	Fee Simple <input checked="" type="checkbox"/> or Ground Rent <input type="checkbox"/>	Amount:					
		Partial Conveyance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Description/Amt. of SqFt/Acreage Transferred:						
	If Partial Conveyance, List Improvements Conveyed:								
7	Transferred From	Doc. 1 - Grantor(s) Name(s)			Doc. 2 - Grantor(s) Name(s)				
		ABERDEEN HOTELS-BASEBALL PARK, LLC, AS GRANTOR AND THE CITY OF ABERDEEN, MARYLAND, AS CO-GRANTOR							
		Doc. 1 - Owner(s) of Record, if Different from Grantor(s)			Doc. 2 - Owner(s) of Record, if Different from Grantor(s)				
8	Transferred To	Doc. 1 - Grantee(s) Name(s)			Doc. 2 - Grantee(s) Name(s)				
		NANCY M. MELEFSKY AND SUZANNE D. STYLC (TRUSTEES)							
		XXXXXXXXXXXXXXXXXXXX Mailing Address							
9	Other Names to Be Indexed	Doc. 1 - Additional Names to be Indexed (Optional)			Doc. 2 - Additional Names to be Indexed (Optional)				
		BANK OF AMERICA, N.A.			ABERDEEN, MD. 21001				
		AS BENEFICIARY							
10	Contact/Mail Information	Instrument Submitted By or Contact Person					<input checked="" type="checkbox"/> Return to Contact Person		
		Name: CAROLYN BAVERMAN						<input type="checkbox"/> Hold for Pickup	
		Firm: RESIDENTIAL TITLE & ESCROW COMPANY						<input type="checkbox"/> Return Address Provided	
		Address: 1829 REISTERSTOWN ROAD SUITE 380 BALTIMORE, MD. 21208 Phone: (410) 653-3400							
11	IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER								
	Assessment Information	Yes <input type="checkbox"/> No <input type="checkbox"/>	Will the property being conveyed be the grantee's principal residence?						
		Yes <input type="checkbox"/> No <input type="checkbox"/>	Does transfer include personal property? If yes, identify: _____						
		Yes <input type="checkbox"/> No <input type="checkbox"/>	Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).						
	Assessment Use Only - Do Not Write Below This Line								
	<input type="checkbox"/> Terminal Verification	<input type="checkbox"/> Agricultural Verification	<input type="checkbox"/> Whole	<input type="checkbox"/> Part	<input type="checkbox"/> Tran. Process Verification				
	Transfer Number:	Date Received:	Deed Reference:	Assigned Property No.:					
	Year	20	20	Geo.	Map	Sub	Block		
	Land			Zoning	Grid	Plat	Lot		
	Buildings			Use	Parcel	Section	Occ. Cd.		
	Total			Town Cd.	Ex. St.	Ex. Cd.			
	REMARKS:								