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**FIRST AMENDMENT TO AMENDED AND RESTATED
LEASE AND OPERATIONS AGREEMENT OF QUEEN MARY, ADJACENT LANDS AND
IMPROVEMENTS, DOME AND QUEEN'S MARKETPLACE (LEASE NO. 22697)**

This First Amendment to Amended and Restated Lease and Operations Agreement of Queen Mary, Adjacent Lands and Improvements, Dome and Queen's Marketplace (Lease No. 22697) (this "**Amendment**") is dated for identification purposes as of the 1st day of March, 2017, and is entered into by and between the following (individually, a "**Party**" and collectively, the "**Parties**"): CITY OF LONG BEACH, a California chartered city and municipal corporation, ("**Landlord**" or "**City**"), and URBAN COMMONS QUEENSWAY, LLC, a California limited liability company ("**Urban Commons**" or "**Tenant**").

RECITALS:

A. Landlord and Tenant have previously entered into that certain Amended and Restated Lease and Operations Agreement of Queen Mary, Adjacent Lands and Improvements, Dome and Queen's Marketplace dated as of November 1, 2016 (the "**Lease**").

B. The Parties wish to make certain amendments to the terms of the Lease as hereinafter described.

AGREEMENT:

NOW, THEREFORE, Landlord and Tenant agree as follows.

1. The reference to the "BMRP Fund" in the last sentence of the second paragraph of Section 7.3.3.5 of the Lease shall be replaced with "HPCIP Fund".

2. The notice addresses included in Section 16.5 of the Lease shall be amended and replaced in their entirety by the following:

If to Landlord:

City of Long Beach
333 West Ocean Boulevard, 13th Floor
Long Beach, CA 90802
Attn: City Manager
Email: patrick.west@longbeach.gov

with a copy to:

Long Beach City Attorney's Office
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802
Attn: City Attorney
Email: charles.parkin@longbeach.gov

If to Tenant:

Urban Commons Queensway, LLC
3334 East Coast Highway, #350
Corona del Mar, CA 92625
Attn: Taylor Woods
Email: taylorwoods23@gmail.com

with copies to:

Urban Commons Queensway, LLC
777 South Figueroa Street, Suite 2850
Los Angeles, CA 90017
Attn: Howard Wu
Email: hwu410@gmail.com

Sherry Meyerhoff Hanson & Crance LLP
610 Newport Center Drive, Suite 1200
Newport Beach, CA 92660
Attn: Andrew P. Hanson, Esq.
Email: ahanson@calawyers.com

3. Except as amended by this Amendment, the Lease remains unchanged and in full force and effect.

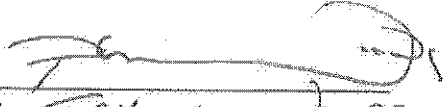
4. This Amendment may be executed in any number of counterparts, including facsimile counterparts or electronic pdf counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the date first above written.

TENANT:

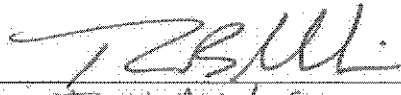
URBAN COMMONS QUEENSWAY, LLC,
a California limited liability company

By: Urban Commons, LLC,
a Delaware limited liability company,
Its Manager

By: 
Name: Taylor Woods
Title: Managing Member

LANDLORD:

CITY OF LONG BEACH,
a California chartered city and municipal
corporation

By: 
Name: Tom Modica
Title: Asst. City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

APPROVED AS TO FORM

3-9-2017
CHARLES PARKIN, City Attorney
By: 
RICHARD ANTHONY
DEPUTY CITY ATTORNEY



777 S. Figueroa St.
Suite 2850
Los Angeles, CA 90017

March 2, 2017

City of Long Beach
333 West Ocean Boulevard, 13th Floor
Long Beach, CA 90802
Attn: Patrick H. West, City Manager
Email: Patrick.West@longbeach.gov

City of Long Beach
Long Beach City Attorney's Office
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802
Attn: City Attorney
Email: charles.parkin @longbeach.gov

Re: Lease dated as of June 6, 1997, between the City of Long Beach and Queen's
Seaport Development, Inc. (the "Lease")

Gentlemen:

As you know, Urban Commons Queensway, LLC is the successor in interest by assignment to the rights of and Queen's Seaport Development, Inc. under the Lease.

Bank of California and CTBC Bank Corp. (USA) ("Lenders") have made a loan to Urban Commons Queensway, LLC which is secured in part by a Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (the "Deed of Trust") encumbering the leasehold interest of Urban Commons Queensway, LLC under the Lease.

In accordance with the provisions of Section 19 of the Lease, enclosed is a recorded copy of the Deed of Trust. Notices given by the City to Lenders under the Lease should be addressed as follows:

Banc of California, N.A.
601 South Figueroa Street, Suite 1400
Los Angeles, California 90017-2457
Attn: Matthew Smith
Phone: (626) 660-9319
Email: matthew.smith@bancofcal.com
Fax Number: (978) 367-1574

Should you have any questions, please do not hesitate to contact me.

URBAN COMMONS QUEENSWAY, LLC

By: 

Name: Taylor Woods

Title: President

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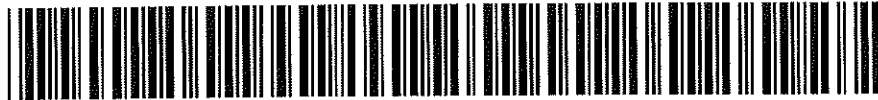


Pages:
0060

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

03/03/17 AT 08:00AM

FEES:	253.00
TAXES:	0.00
OTHER:	0.00
PAID:	253.00



LEADSHEET



201703030280031

00013431672



008181569

SEQ:
16

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

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**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Buchalter Nemer
55 Second Street, Suite 1700
San Francisco, CA 94105
Attn.: Thomas M. Sherwood

[SPACE ABOVE LINE FOR RECORDER'S USE ONLY]

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

THIS DOCUMENT SERVES AS A FIXTURE FILING UNDER SECTION 9-502 OF THE CALIFORNIA UNIFORM COMMERCIAL CODE.

THIS DEED OF TRUST SECURES NOTES WHICH PROVIDE FOR A VARIABLE INTEREST RATE.

APN: 8940-190-080
7436-021-907

This Leasehold Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing (this "Deed of Trust") is made as of March 2, 2017, by URBAN COMMONS QUEENSWAY, LLC, a California limited liability company ("Trustor"), as trustor, in favor of CHICAGO TITLE INSURANCE COMPANY, as trustee ("Trustee"), for the benefit of BANC OF CALIFORNIA, N.A., as beneficiary in its capacity as administrative agent ("Administrative Agent") for the lenders (each, a "Lender" and collectively, "Lenders") from time to time party to that certain Credit Agreement of even date herewith (as it may from time to time be amended, modified, restated, replaced or supplemented, the "Credit Agreement") among Trustor, Lenders and Administrative Agent. The addresses for Trustor, Administrative Agent and Trustee are set forth at the end of this Deed of Trust.

ARTICLE 1

Definitions; Granting Clauses; Secured Indebtedness

Section 1.1 Secured Indebtedness. This Deed of Trust is made to secure the obligations of Trustor under the Loan Documents and all other matters and indebtedness defined below as Secured Indebtedness, which indebtedness includes the Notes defined and described below. The Notes are collectively made payable in the aggregate original face principal amount of Forty-Two Million and No/100 Dollars (\$42,000,000.00).

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Section 1.2 Definitions.

(a) In addition to other terms defined herein, each of the following terms shall have the meaning assigned to it, such definitions to be applicable equally to the singular and the plural forms of such terms and to all genders:

“Administrative Agent” means Banc of California, N.A, in its capacity as administrative agent for Lenders or any successor administrative agent.

“Casualty” means any act or occurrence of any kind or nature that results in damage, loss or destruction to the Property.

“Collateral” means all of the Property constituting personal property or fixtures in which Trustor is granting Administrative Agent a security interest for the ratable benefit of Lenders under this Deed of Trust, together with all proceeds and products thereof and all supporting obligations ancillary thereto or arising in any way in connection therewith.

“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.

“Debtor Relief Law” means any federal, state or local law, domestic or foreign, as now or hereafter in effect relating to bankruptcy, insolvency, liquidation, winding up, assignment for the benefit of creditors, receivership, reorganization, arrangement, composition, extension or adjustment of debts, or any similar law affecting the rights of creditors.

“Default” means any of the events described in Section 5.1 of this Deed of Trust.

“Dispute” means any controversy, claim or dispute between Trustor and Administrative Agent or any other Lender(s) or Holder, including any such controversy, claim or dispute arising out of or relating to (i) this Agreement, (ii) any other Loan Document, (iii) any related agreements or instruments, or (iv) the transaction contemplated herein or therein (including any claim based on or arising from an alleged personal injury or business tort).

“Environmental Agreement” means the Environmental Indemnity Agreement dated of even date herewith executed by Trustor in favor of Administrative Agent, Lenders and certain other parties. The Environmental Agreement is one of the Loan Documents, but this Deed of Trust does not secure the obligations of Trustor under the Environmental Agreement.

"Governmental Authority" or "Governmental Authorities" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Ground Leases" means those certain leases described in Exhibit A attached hereto and incorporated herein by this reference and any and all extensions, renewals, modifications and amendments thereto.

"Holder" means Administrative Agent for the ratable benefit of Lenders or the subsequent beneficiary at the time in question under this Deed of Trust.

"Improvements" means any and all buildings, structures, improvements, alterations or appurtenances now or hereafter situated or to be situated on the Land.

"Indemnified Matters" means any and all claims, demands, liabilities (including strict liability), losses, damages (including consequential damages), causes of action, judgments, penalties, fines, costs and expenses (including reasonable fees and expenses of attorneys and other professional consultants and experts, and of the investigation and defense of any claim, whether or not such claim is ultimately defeated, and the settlement of any claim or judgment including all value paid or given in settlement) of every kind, known or unknown, foreseeable or unforeseeable, which may be imposed upon, asserted against or incurred or paid by any Indemnified Party at any time and from time to time, whenever imposed, asserted or incurred, because of, resulting from, in connection with, or arising out of any transaction, act, omission, event or circumstance in any way connected with the Property or with this Deed of Trust or any other Loan Document, including any bodily injury or death or property damage occurring in or upon or in the vicinity of the Property through any cause whatsoever at any time, any act performed or omitted to be performed hereunder or under any other Loan Document, any breach by Trustor of any representation, warranty, covenant, agreement or condition contained in this Deed of Trust or in any other Loan Document, any Default, or any claim under or with respect to any Lease.

"Indemnified Party" means each of the following persons and entities: (i) Administrative Agent, any Lender and any Holder; (ii) Trustee; (iii) any persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with, Administrative Agent, any Lender, any Holder and/or Trustee; (iv) any participants and future co-lenders in the Loan; (v) the directors, officers, partners, employees, attorneys, agents and representatives of each of the foregoing persons and entities; and (vi) the heirs, personal representatives, successors and assigns of each of the foregoing persons and entities.

"Insurance Proceeds" means the insurance claims under and the proceeds of any and all policies of insurance covering the Property or any part thereof, whether or not such insurance policies are required by Lender, including interest thereon and unearned premiums with respect to any insurance relating to the Property, in each case whether now or hereafter existing or arising.

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“Land” means that certain real property located in the City of Long Beach, County of Los Angeles, State of California, leased by Trustor pursuant to the Ground Leases, which Land is more particularly described in Exhibit A attached hereto and by this reference made a part hereof;

“Law” means any federal, state or local law, statute, ordinance, code, rule, regulation, license, permit, authorization, decision, order, injunction or decree, domestic or foreign.

“Lease” means each existing or future lease, sublease, license agreement or other agreement under the terms of which any person has or acquires any right to occupy or use the Property or any part thereof or interest therein, and each existing or future guaranty of payment or performance thereunder, and any and all existing or future security therefor and letter-of-credit-rights with respect thereto, whether or not the letter of credit is evidenced by a writing, expressly excluding the Ground Leases.

“Leasehold Estate” means the leasehold estate of Trustor created pursuant to the Ground Leases.

“Legal Requirement” means any law, agreement, covenant, restriction, easement or condition (including, without limitation of the foregoing, any condition or requirement imposed by any insurance or surety company), as any of the same now exists or may be changed or amended or come into effect in the future.

“Lender” means each Lender from time to time party to the Credit Agreement.

“Loan” means the Loan collectively evidenced by the Notes.

“Loan Documents” means the Credit Agreement, the Notes, this Deed of Trust, the Environmental Agreement, and any other document now or hereafter evidencing, governing, securing or otherwise executed in connection with the Loan, including any letter of credit or reimbursement agreement, tri-party financing agreement, guaranty executed by a third party, or any other agreement between or among Trustor, Administrative Agent and Lenders and any other party or parties, or any combination of the foregoing, pertaining to the repayment or use of the Loan proceeds, as such documents or any of them may have been or may be from time to time renewed, extended, supplemented, increased or modified.

“Net Proceeds” when used with respect to any Condemnation Awards or Insurance Proceeds, means the gross proceeds from any Condemnation or Casualty remaining after payment of all expenses, including attorneys’ fees, incurred in the collection of such gross proceeds.

“Notes” means (i) The Promissory Notes dated of even date herewith, each made by Trustor and payable to the order of a Lender, collectively in the aggregate face principal amount of \$42,000,000, each bearing interest as provided in the Credit Agreement, and each containing a provision for, among other things, the payment of attorneys’ fees, and (ii) all other promissory notes given in substitution thereof or in modification, supplement, increase, renewal or extension

thereof, in whole or in part, whether one or more, as any or all of such promissory notes may from time to time be renewed, extended, supplemented, increased or modified.

"Permitted Encumbrances" means (i) Any matters set forth in any policy of mortgagee title insurance issued to Administrative Agent for the benefit of Lenders which are acceptable to Administrative Agent as of the date hereof, (ii) the liens and security interests evidenced by this Deed of Trust, (iii) statutory liens for real estate taxes and assessments on the Property which are not yet delinquent, (iv) other liens and security interests (if any) in favor of Administrative Agent for the benefit of Lenders, (v) the rights of tenants in possession as of the date hereof, if any, pursuant to Leases approved by Administrative Agent or not requiring Administrative Agent's approval and the rights of future tenants under any Leases made in accordance with the Loan Documents, and the assignment of such Leases pursuant to this Deed of Trust, and (vi) any matters arising after the date hereof which may be acceptable to Administrative Agent or any Holder in its sole and absolute discretion, which Permitted Encumbrances in the aggregate do not materially adversely affect the value or use of the Property or Trustor's ability to repay the Secured Indebtedness.

"Premises" means collectively (i) the Improvements, and (ii) all right, title and interest of Trustor, now owned or hereafter acquired, in and to (A) all streets, roads, alleys, easements, rights-of-way, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Land or the Improvements, (B) any strips or gores between the Land and abutting or adjacent properties, (C) all options to purchase the Land or the Improvements or any portion thereof or interest therein, and any greater estate in the Land or the Improvements, (D) all water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, timber, crops and mineral interests on or pertaining to the Land, and (E) all development rights and credits and air rights.

"Queen Mary Lease" means collectively that certain Amended and Restated Lease and Operations Agreement of Queen Mary, Adjacent Lands and Improvements, Dome and Queen's Marketplace (Lease No. 22697) and that certain Memorandum of Amended and Restated Lease recorded on January 4, 2017, as Instrument No. 20170008565 of the Official Records of Los Angeles County, California, both dated as of November 1, 2016 and entered into by and between the City of Long Beach, a California chartered city and municipal corporation, as the landlord thereunder, and Trustor, as the tenant thereunder, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Rents" means all rents, revenue, incomes, proceeds, hotel room income, profits, revenues, royalties, bonuses, rights, accounts, contract rights, general intangibles, benefits, accounts, deposit accounts, payment intangibles, commercial tort claims, income, profits and proceeds derived and to be derived from the Property or arising from the use or enjoyment of any portion thereof or from any Lease, and income of any kind derived directly or indirectly by Trustor of, from or in connection with the Property, (including without limitation all (i) cash or security deposits, (ii) advance rentals and deposits or payments of similar nature, (iii) revenues from rentals or other payments from hotel guests, tenants, lessees, licensees or concessionaires whether on a cash basis or credit, paid or collected, (iv) revenues from the sale of food and beverages that are prepared at the Premises or Improvements and sold or delivered on or off the

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Premises or Improvements (including, without limitation, revenues from mini-bars), whether for cash or for credit, including in respect of guest rooms, banquet rooms, meeting rooms and other similar rooms, (v) gross revenue from the rental of banquet, meeting and other similar rooms, (vi) parking income and revenues, (vii) minimum annual rent, (viii) percentage rent, (ix) late charges, (x) utilities charges, (xi) common area maintenance charges, (xii) proceeds from any negotiated lease termination or buyout of a Lease, (xiii) liquidated damages following default under any such Lease, (xiv) proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Property, (xv) of Trustor's rights to recover monetary amounts from any tenant in bankruptcy, including rights of recovery for use and occupancy and damage claims arising out of Lease defaults, including rejections, under any applicable Debtor Relief Law, (xvi) money that may now or at any time hereafter be or become due and payable to Trustor by virtue of any and all royalties, overriding royalties, bonuses, delay rentals and any other amount of any kind or character arising under any and all present and future oil, gas, mineral and mining leases covering the Property or any part thereof, and (xvii) proceeds and other amounts paid or owing to Trustor under or pursuant to any and all contracts and bonds relating to the construction or renovation of the Property.

"Secured Indebtedness" means the following promissory notes, obligations, indebtedness, duties and liabilities and all renewals, extensions, supplements, increases and modifications thereof and thereto, in whole or in part, from time to time:

- (i) The Notes;
- (ii) All indebtedness, liabilities, duties, covenants, promises and other obligations owed by Trustor to Administrative Agent and/or Lenders pursuant to the Loan Documents or under any Secured Cash Management Agreements and Secured Hedge Agreements (as such terms are defined in the Credit Agreement), but expressly excluding, however, the Environmental Agreement and also excluding any guaranty executed by a third party, whether now existing or hereafter arising, and whether joint or several, direct or indirect, primary or secondary, fixed or contingent, liquidated or unliquidated, and the cost of collection of all such amounts;
- (iii) All amounts that Administrative Agent, Lenders or any other Holder may from time to time advance pursuant to the terms and conditions of this Deed of Trust 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 this Deed of Trust, together with interest thereon; and
- (iv) If and only if evidenced by a writing reciting that it is secured by this Deed of Trust, any other loan, future advance, debt, obligation or liability owed by Trustor of every kind or character, whether now existing or hereafter arising, whether joint or several, direct or indirect, primary or secondary, fixed or contingent, liquidated or unliquidated, and the cost of collection of all such amounts, and whether or not originally payable to Administrative Agent, Lenders or any other Holder, it being contemplated that Trustor may hereafter become indebted to Administrative Agent, Lenders or another Holder for one or more of such further loans, future advances, debts, obligations and liabilities.

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“Transfer” means any sale, lease, conveyance, assignment, pledge, encumbrance or transfer, whether voluntary, involuntary, by operation of law or otherwise.

“Trustee” means the trustee identified in the introductory paragraph of this Deed of Trust, and any successor or substitute appointed and designated as herein provided, from time to time acting hereunder.

“Trustor” means unless the context clearly indicates otherwise, the Trustor named in the introductory paragraph hereof, together with all heirs, devisees, representatives, successors and assigns of such Trustor pursuant to Section 7.18 below, or any of them.

(b) Any term used or defined in the California Uniform Commercial Code, as in effect from time to time, which is not defined in this Deed of Trust has the meaning given to that term in the California Uniform Commercial Code, as in effect from time to time, when used in this Deed of Trust. However, if a term is defined in Division 9 of the California Uniform Commercial Code differently than in another Division of the California Uniform Commercial Code, the term has the meaning specified in Division 9.

Section 1.3 Granting Clause. For good and valuable consideration, the receipt and sufficiency of which are acknowledged by Trustor, to secure the obligations of Trustor under the Loan Documents and all other matters and indebtedness constituting the Secured Indebtedness, Trustor hereby GRANTS, TRANSFERS and ASSIGNS to Trustee, in trust for the benefit of Administrative Agent for the ratable benefit of Lenders, with power of sale and right of entry and possession, all estate, right, title and interest which Trustor now has or may hereafter acquire in and to the following described rights and property and all rights, estates, powers and privileges appurtenant thereto (collectively, the “Property”):

- (a) The Leasehold Estate;
- (b) The Queen Mary Lease and the other Ground Leases;
- (c) The Premises;

(d) 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 Trustor, which are now or hereafter attached to or situated in, on or about the Land or the 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 the Improvements, including all furniture, furnishings, equipment, wall coverings, fixtures and hotel equipment and systems located at, or used in connection with, the operation of the Premises as a hotel or restaurant (such as, by way of example only and not by way of limitation, (i) pumping plants, engines, pipes, ditches and flumes, (ii) gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, (iii) equipment and systems required for the operation of kitchens and bars, if any, (iv) laundry and dry cleaning facilities, (v) office equipment, (vi) dining room wagons, materials handling equipment, cleaning

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and engineering equipment, (vii) telephone and computerized accounting systems, (viii) vehicles and (ix) and any other items customarily included within "property and equipment" for hotel or restaurant properties similar to the Premises), and all renewals and replacements of, substitutions for and additions to the foregoing (the properties referred to in this clause (d) being herein sometimes collectively called the "Accessories," all of which are hereby declared to be permanent accessions to the Land);

(e) All (i) plans and specifications for the Improvements, (ii) Trustor's rights, but not liability for any breach by Trustor, under all commitments (including any commitments for financing to pay any of the Secured Indebtedness), insurance policies (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government-sponsored program or entity), contracts and agreements for the design, construction, operation or inspection of the Improvements and other contracts and general intangibles (including payment intangibles and any trademarks, trade names, goodwill, software and symbols) related to the Premises or the Accessories or the operation thereof, (iii) deposits and deposit accounts arising from or relating to any transactions related to the Premises or the Accessories (including Trustor's rights in any security deposit given pursuant to the Queen Mary Lease or the other Ground Leases, tenants' security deposits, deposits with respect to utility services to the Premises, and any deposits, deposit accounts or reserves hereunder or under any other Loan Documents for taxes, insurance or otherwise) and any prepaid rent paid under the Queen Mary Lease, the other Ground Leases, or any Lease, (iv) rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts (including deposit accounts), instruments, documents, promissory notes and chattel paper (whether tangible or electronic) arising from or by virtue of any transactions related to the Premises or the Accessories, (v) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other rights and privileges obtained in connection with the Premises or the Accessories, (vi) Leases, Rents and other benefits of the Premises and the Accessories (without derogation of Article 3 hereof), (vii) as-extracted collateral produced from or allocated to the Land, including oil, gas and other hydrocarbons and other minerals and all products processed or obtained therefrom and the proceeds thereof, and (viii) engineering, accounting, title, legal, and other technical or business data concerning the Property, including software, which are in the possession of Trustor or in which Trustor can otherwise grant a security interest;

(f) All: (i) accounts and proceeds (whether cash or non-cash and including payment intangibles), of or arising from the properties, rights, titles and interests referred to above in this Section 1.3, including (A) the Base Maintenance and Replacement Plan Fund established pursuant to and as provided for in the Queen Mary Lease, (B) the Historic Preservation and Capital Investment Plan Fund established pursuant to and as provided for in the Queen Mary Lease, (C) the proceeds of any sale, lease or other disposition of any accounts, (D) the proceeds of each policy of insurance, present and future (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government-sponsored program or entity), payable because of loss sustained to all or part of the Property (including premium refunds), whether or not such insurance policies are required by Administrative Agent, proceeds of the taking thereof or of any rights appurtenant thereto, including change of grade of streets, curb cuts or other rights

of access, by condemnation, eminent domain or transfer in lieu thereof for public or quasi-public use under any law, proceeds arising out of any damage thereto, including any and all commercial tort claims; (ii) all letter-of-credit rights (whether or not the letter of credit is evidenced by a writing) Trustor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.3; (iii) all commercial tort claims Trustor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.3; and (iv) other interests of every kind and character which Trustor now has or hereafter acquires in, to or for the benefit of the properties, rights, titles and interests referred to above in this Section 1.3 and all property used or useful in connection therewith, including rights of ingress and egress and remainders, reversions and reversionary rights or interests;

(g) All hotel franchise agreements, license agreements or similar agreements or similar pertaining to the ownership and/or operation of a hotel or other business at the Land or the Improvements and all other authorizations, licenses and permits, including without limitation, operating permits, liquor licenses and all other authorizations or permits necessary or appropriate for the at the Land or the Improvements to be fully operated as a hotel;

(h) All names by which the Land and/or Improvements may be operated or known, including without limitation the name "Queen Mary", and all rights to carry on business under those names, all trademarks, trade names, logos and other materials used to identify or advertise, or otherwise relating to the Premises, and goodwill relating to the Property; and

(i) All present and future rights and interests of Trustor under (i) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (ii) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement; and

(j) To the extent the estate of Trustor in any of the property referred to above in this Section 1.3 is a leasehold estate, this conveyance shall include, and the lien and security interest created hereby shall encumber and extend to, all other or additional title, estates, interests or rights which are now owned or may hereafter be acquired by Trustor in or to the property demised under the lease creating the leasehold estate; and

(k) All proceeds and products of, additions and accretions to, substitutions and replacements for, and changes in any of the property referred to above in this Section 1.3.

Section 1.4 Security Interest. To secure the obligations of Trustor under the Loan Documents and all other matters and indebtedness constituting the Secured Indebtedness, Trustor hereby grants to Administrative Agent for the ratable benefit of Lenders a security interest in all of the Collateral, including all proceeds and products thereof and all supporting obligations ancillary thereto or arising in any way in connection therewith. In addition to its rights hereunder or otherwise, Administrative Agent, on behalf of itself and Lenders, and any Holder shall have all of the rights of a secured party under the California Uniform Commercial Code, 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.

ARTICLE 2

Representations, Warranties and Covenants

Section 2.1 Trustor represents, warrants and covenants as follows:

(a) Status of Ground Leases. The Queen Mary Lease and the other Ground Leases are each in full force and effect and unmodified, all rents (including any additional rents and other charges) reserved in the Queen Mary Lease or the other Ground Leases (as applicable) have been paid to the extent they were payable prior to the date hereof, and there is no existing default under the provisions of the Queen Mary Lease, of the other Ground Leases, or in the performance of any of the terms, covenants, conditions or warranties thereof on the part of the tenant thereunder to be observed and performed.

(b) Payments and Performance Under Ground Leases. Trustor will pay or cause to be paid all rents, additional rents, taxes, assessments, water rates, sewer rents, and other charges mentioned in and made payable by the Queen Mary Lease or the other Ground Leases for which provision has not been made hereinbefore, when and as often as the same shall become due and payable, and Trustor will deliver to Agent within ten (10) days written request, evidence of any such payment. Trustor will at all times promptly and faithfully keep and perform, or cause to be kept and performed, all the covenants and conditions contained in the Queen Mary Lease and the other Ground Leases by the tenant thereunder to be kept and performed and will in all respects conform to and comply with the terms and conditions of the Queen Mary Lease and the other Ground Leases, and Trustor will not do or permit anything to be done, the doing of which, or refrain from doing anything the omission of which, will impair or tend to impair the security of this Deed of Trust or will be grounds for declaring a termination or forfeiture of the Queen Mary Lease or any of the other Ground Lease.

(c) No Modification, Cancellation Subordination or Waiver. Trustor will not surrender the Leasehold Estate and its interest in and to the Queen Mary Lease or in and to any of the other Ground Leases, nor terminate or cancel or suffer the termination or cancellation of the Queen Mary Lease or any of the other Ground Leases, and it will not without the express written consent of Administrative Agent modify, change, supplement, alter or amend the Queen Mary Lease or any of the other Ground Leases, either orally or in writing, and as further security for the repayment of the indebtedness secured hereby and for the performance of the covenants herein and in the Ground Leases, Trustor hereby assigns to Administrative Agent all of its rights, privileges and prerogatives under the Ground Leases to terminate, cancel, modify, change,

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supplement, alter or amend the Ground Leases, and any such termination, cancellation, modification, change, supplement, alteration or amendment of any of the Ground Leases without the prior written consent thereto by Administrative Agent shall be void and of no force and effect. Trustor does hereby expressly release, relinquish and surrender unto Administrative Agent all of Trustor's right, power and authority to cancel, surrender, amend, modify or alter in any way the terms and provisions of any of the Ground Leases, and any attempt on the part of Trustor to exercise any such right without the written authority and consent thereto of Administrative Agent being first had and obtained shall constitute a default hereunder and the entire indebtedness secured hereby shall, at the option of Administrative Agent, become due and payable forthwith and without notice.

The foregoing notwithstanding, so long as there is no breach of or default under any of the covenants or agreements herein contained to be performed by Trustor, or in the performance by Trustor of any of the terms, covenants and conditions in the Ground Leases, Administrative Agent shall have no right to terminate, cancel, modify, change, supplement, alter or amend any of the Ground Leases.

Trustor shall not subordinate the Queen Mary Lease, any of the other Ground Leases, or the Leasehold Estate to any mortgage, deed of trust or other encumbrance of, or lien on, the fee interest of any owner of the Land. Any such attempted subordination shall be void and of no force or effect. Trustor will not waive, excuse, condone or in any way release or discharge the landlord under the Queen Mary Lease or any of the other Ground Leases of or from the obligations, covenants and agreements by said landlord to be done and performed. The terms of the Queen Mary Lease or any of the other Ground Leases to the contrary notwithstanding, Trustor shall not without the express written consent of Administrative Agent, demolish or remove, or place, alter, relocate, reconstruct or add to any improvements constructed on the Land.

(d) Payment and Performance. Trustor will make due and punctual payment of the Secured Indebtedness. Trustor will timely and properly perform and comply with all of the covenants, agreements and conditions imposed upon it by this Deed of Trust and the other Loan Documents and will not permit a Default to occur hereunder or thereunder. Time shall be of the essence in this Deed of Trust.

(e) Title and Permitted Encumbrances. Trustor has in Trustor's own right, and Trustor covenants to maintain, lawful, good and marketable title to the Property, is lawfully seized and possessed of the Property and every part thereof, and has the right to convey the same, free and clear of all liens, charges, claims, security interests, and encumbrances except for the Permitted Encumbrances. Trustor will warrant generally and forever defend title to the Property, subject as aforesaid to the Permitted Encumbrances, to Trustee and its successors or substitutes and assigns, against the claims and demands of all persons claiming or to claim the same or any part thereof. Trustor will punctually pay, perform, observe and keep all covenants, obligations and conditions in or pursuant to any Permitted Encumbrance and will not modify or permit modification of any Permitted Encumbrance without the prior written consent of Holder. Inclusion of any matter as a Permitted Encumbrance does not constitute approval or waiver by Holder or Lenders of any existing or future violation or other breach thereof by Trustor, the Property or otherwise. No part of the Property constitutes all or any part of the principal

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residence of Trustor if Trustor is an individual. If any right or interest of Holder or any Lender in the Property or any part thereof shall be endangered or questioned or shall be attacked directly or indirectly, Trustee, Holder and Lenders, or any of them (whether or not named as parties to legal proceedings with respect thereto), are hereby authorized and empowered to take such steps as in their discretion may be proper for the defense of any such legal proceedings or the protection of such right or interest of Holder and each Lender, including the employment of independent counsel, the prosecution or defense of litigation, and the compromise or discharge of adverse claims. All expenditures so made of every kind and character shall be a demand obligation (which obligation Trustor hereby promises to pay) owing by Trustor to Trustee or to Holder, for its own account or the account of Lenders (as the case may be), and the party (Trustee, Holder or Lenders, as the case may be) making such expenditures shall be subrogated to all rights of the person receiving such payment.

(f) Taxes and Other Impositions. Trustor will pay or cause to be paid all taxes, assessments and other charges or levies imposed upon or against or with respect to the Property or the ownership, use, occupancy or enjoyment of any portion thereof, or any utility service thereto, as the same become due and payable, including all real estate taxes assessed against the Property or any part thereof, and shall deliver promptly to Holder such evidence of the payment thereof as Holder may require. Notwithstanding the foregoing, Trustor shall not be required to pay any of such taxes, assessments or other charges or levies so long as Trustor 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 (i) such proceedings operate to prevent the collection of, or other realization upon, such taxes, assessments or other charges or levies so contested, (ii) there will be no sale, forfeiture or loss of the Property during the contest, (iii) Beneficiary, Lenders, Trustee or the Property a not subject to any liability, suit, action, claim, demand, loss, expense, penalty, fine, judgment or other cost of any kind or nature whatsoever (including without limitation fees, costs and expenses of attorneys, consultants, contractors and experts) as a result of such contest, and (iv) Trustor provides assurances satisfactory to Beneficiary (including the establishment of an appropriate reserve account with Beneficiary) of its ability to pay such taxes, assessments or other charges or levies in the event Trustor is unsuccessful in its contest. Each such contest shall be promptly prosecuted to final conclusion or settlement, and Trustor shall indemnify and save Beneficiary, Lenders and Trustee harmless against all liabilities, suits, actions, claims, demands, losses, expenses, penalties, fines, judgments or other costs of any kind or nature whatsoever (including without limitation fees, costs and expenses of attorneys, consultants, contractors and experts) in connection therewith. Promptly after the settlement or conclusion of such contest or action, Trustor shall 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.

(g) Insurance Coverage. Trustor shall obtain and maintain at Trustor's sole expense: (i) property insurance with respect to all insurable Property, against loss or damage by fire, lightning, windstorm, explosion, hail, tornado and such additional hazards as are presently included in Special Form (also known as "all-risk") coverage and against any and all acts of terrorism and such other insurable hazards as Holder may require, in an amount not less than 100% of the full replacement cost, including the cost of debris removal, without deduction for

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depreciation and sufficient to prevent Trustor and Holder from becoming a coinsurer, such insurance to be in "builder's risk" completed value (non-reporting) form during and with respect to any construction on the Premises; (ii) if and to the extent any portion of the Improvements is, under the Flood Disaster Protection Act of 1973 ("FDPA"), as it may be amended from time to time, in a Special Flood Hazard Area, within a Flood Zone designated A or V in a participating community, a flood insurance policy on the Improvements and any Trustor owned contents in an amount required by Holder, but in no event less than the amount sufficient to meet the requirements of applicable law and the FDPA, as such requirements may from time to time be in effect; provided, that if the Secured Indebtedness relates to construction of the Improvements, then the flood insurance policy on contents shall be required upon completion of the Improvements or any unit or component thereof, or as soon thereafter as a flood insurance policy on contents may be obtained; (iii) general liability insurance, on an "occurrence" basis against claims for "personal injury" liability, including bodily injury, death or property damage liability, for the benefit of Trustor as named insured and Holder as additional insured; (iv) statutory workers' compensation insurance with respect to any work on or about the Premises (including employer's liability insurance, if required by Holder), covering all employees of Trustor and any contractor; (v) if there is a general contractor, commercial general liability insurance, including products and completed operations coverage, and in other respects similar to that described in clause (iii) above, for the benefit of the general contractor as named insured and Trustor and Holder as additional insureds, in addition to statutory workers' compensation insurance with respect to any work on or about the Premises (including employer's liability insurance, if required by Holder), covering all employees of the general contractor and any contractor; and (vi) such other insurance on the Property and endorsements as may from time to time be required by the terms of the Queen Mary Lease, by the terms of any of the other Ground Leases or by Holder (including soft cost coverage, automobile liability insurance, business interruption insurance or delayed rental income insurance, wind insurance, boiler and machinery insurance, earthquake insurance, sinkhole coverage, and/or permit to occupy endorsement) and against other insurable hazards or casualties which at the time are commonly insured against in the case of premises similarly situated, due regard being given to the height, type, construction, location, use and occupancy of buildings and improvements.

(h) Insurance Policy Requirements. All insurance policies shall be issued and maintained by insurers, in amounts, with deductibles, limits and retentions and in forms satisfactory to Holder. All insurance policies shall require at least ten (10) days' prior written notice to Holder of any cancellation for nonpayment of premiums and at least thirty (30) days' prior written notice to Holder of any other cancellation or any change of coverage. All insurance companies must be licensed to do business in the state in which the Property is located and must have A. M. Best Company financial and performance ratings of A-:IX or better. All insurance policies maintained, or caused to be maintained, by Trustor with respect to the Property, except for general liability insurance, shall provide that each such policy shall be primary without right of contribution from any other insurance that may be carried by Trustor, Holder or any Lender and that all of the provisions thereof, except the limits of liability, shall operate in the same manner as if there were a separate policy covering each insured. If any insurer which has issued a policy of hazard, liability or other insurance required pursuant to this Deed of Trust or any other Loan Document becomes insolvent or the subject of any petition, case, proceeding or other action pursuant to any Debtor Relief Law or if in Holder's reasonable opinion the financial

responsibility of such insurer is or becomes inadequate, Trustor shall, upon its discovery thereof or upon request by Holder therefor, promptly obtain and deliver to Holder, at Trustor's expense in each instance, a like policy (or, if and to the extent permitted by Holder, acceptable evidence of insurance) issued by another insurer, which insurer and policy meet the requirements of this Deed of Trust or such other Loan Document, as the case may be. Without limiting the discretion of Holder with respect to required endorsements to insurance policies, all such policies for loss of or damage to the Property shall contain a standard mortgagee clause (without contribution) naming Holder as mortgagee for the benefit of itself and Lenders with loss proceeds payable to Holder on behalf of itself and Lenders notwithstanding (i) any act, failure to act or negligence of or violation of any warranty, declaration or condition contained in any such policy by any named or additional insured, (ii) the occupation or use of the Property for purposes more hazardous than permitted by the terms of any such policy, (iii) any foreclosure or other action by Holder or Lenders under the Loan Documents, or (iv) any change in title to or ownership of the Property or any portion thereof, such proceeds to be held for application as provided in the Loan Documents. The originals of each initial insurance policy (or to the extent permitted by Holder, a copy of the original policy and such evidence of insurance as may be acceptable to Holder) shall be delivered to Holder at the time of execution of this Deed of Trust, with all premiums fully paid current, and each renewal or substitute policy (or evidence of insurance) shall be delivered to Holder, with all premiums fully paid current, at least ten (10) days before the termination of the policy it renews or replaces. Trustor shall pay all premiums on policies required hereunder as they become due and payable and promptly deliver to Holder evidence satisfactory to Holder of the timely payment thereof. All insurance policies required by the terms of this Deed of Trust must also satisfy the requirements of the Queen Mary Lease and the other Ground Leases.

(h) Insurance Proceeds. If any loss occurs at any time when Trustor has failed to perform Trustor's covenants and agreements with respect to any insurance payable because of loss sustained to any part of the Property, whether or not such insurance is required by Holder, Holder, on behalf of itself and Lenders, shall nevertheless be entitled to the benefit of all insurance covering the loss and held by or for Trustor, to the same extent as if it had been made payable to Holder for the benefit of itself and Lenders. Upon any foreclosure hereof or transfer of title to the Property in extinguishment of the whole or any part of the Secured Indebtedness, all of Trustor's right, title and interest in and to the insurance policies referred to in this clause (h) (including unearned premiums) and all proceeds payable thereunder shall thereupon vest in the purchaser at foreclosure or other such transferee, to the extent permissible under such policies. Holder shall have the right on behalf of Lenders (but not the obligation) to make proof of loss for, settle and adjust any claim under, and receive the proceeds of, all insurance for loss of or damage to the Property, regardless of whether or not such insurance policies are required by Holder, and the expenses incurred by Holder and Lenders in the adjustment and collection of insurance proceeds shall be a part of the Secured Indebtedness and shall be due and payable to Holder on demand (for its own account or for the account of Lenders, as applicable). Neither Holder nor Lenders shall be, under any circumstances, liable or responsible for failure to collect or exercise diligence in the collection of any of such proceeds or for the obtaining, maintaining or adequacy of any insurance or for failure to see to the proper application of any amount paid over to Trustor. Trustor shall at all times comply with the requirements of the insurance policies required hereunder and of the issuers of such policies and of any board of fire underwriters or similar body as applicable to or affecting the Property.

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(i) Reserve for Insurance, Taxes and Assessments. To secure the payment and performance of the Secured Indebtedness, but not in lieu of such payment and performance, upon request of Holder following the occurrence of a Default, Trustor will deposit with Holder for the benefit of itself and Lenders a sum equal to real estate taxes, assessments and charges (which charges for the purposes of this clause (i) shall include any recurring charge which could result in a lien against the Property) against the Property for the current year and the premiums for such policies of insurance for the current year, all as estimated by Holder and prorated to the end of the calendar month following the month during which Holder's request is made, and thereafter will deposit with Holder, on each date when an installment of principal and/or interest is due on the Note, sufficient funds (as estimated from time to time by Holder) to permit Holder to pay at least fifteen (15) days prior to the due date thereof, the next maturing real estate taxes, assessments and charges and premiums for such policies of insurance. Holder shall have the right to rely upon tax information furnished by applicable taxing authorities in the payment of such taxes or assessments and shall have no obligation to make any protest of any such taxes or assessments. Any excess over the amounts required for such purposes shall be held by Holder for future use, applied to any Secured Indebtedness or refunded to Trustor, at Holder's option, and any deficiency in such funds so deposited shall be made up by Trustor upon demand of Holder. All such funds so deposited shall bear no interest, may be commingled with the general funds of Holder and shall be applied by Holder toward the payment of such taxes, assessments, charges and premiums when statements therefor are presented to Holder by Trustor (which statements shall be presented by Trustor to Holder a reasonable time before the applicable amount is due); provided, however, that, if a Default shall have occurred hereunder, such funds may at Holder's option be applied to the payment of the Secured Indebtedness in the order determined by Holder in its sole discretion, and that Holder may (but shall have no obligation) at any time, in its discretion, apply all or any part of such funds toward the payment of any such taxes, assessments, charges or premiums which are past due, together with any penalties or late charges with respect thereto. The conveyance or transfer of Trustor's interest in the Property for any reason (including the foreclosure of a subordinate lien or security interest or a transfer by operation of law) shall constitute an assignment or transfer of Trustor's interest in and rights to such funds held by Holder under this clause (i) but subject to the rights of Holder and Lenders hereunder.

(j) Condemnation. Trustor shall notify Holder immediately of any threatened or pending proceeding for condemnation affecting the Property or arising out of damage to the Property, and Trustor shall, at Trustor's expense, diligently prosecute any such proceedings. Holder shall have the right (but not the obligation) to participate in any such proceeding and to be represented by counsel of its own choice. Holder shall be entitled to receive, on behalf of itself and Lenders, all sums which may be awarded or become payable to Trustor for the condemnation of the Property, or any part thereof, for public or quasi-public use, or by virtue of private sale in lieu thereof, and any sums which may be awarded or become payable to Trustor for injury or damage to the Property. Trustor shall, promptly upon request of Holder, execute such additional assignments and other documents as may be necessary from time to time to permit such participation and to enable Holder to collect and receipt for any such sums. Neither Holder nor Lenders shall be, under any circumstances, liable or responsible for failure to collect or to exercise diligence in the collection of any such sum or for failure to see to the proper application of any amount paid over to Trustor. Holder is hereby authorized, in its own name on

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behalf of itself and Lenders or in Trustor's name, to settle or compromise any condemnation claim or cause of action, and to execute and deliver valid acquittances for, and to appeal from, any award, judgment or decree arising from any such claim or cause of action. All costs and expenses (including attorneys' fees) incurred by Holder or Lenders in connection with any condemnation shall be a demand obligation owing by Trustor (which Trustor hereby promises to pay) to Holder (for its own account or for the account of Lenders, as applicable) pursuant to this Deed of Trust.

(k) Damages and Insurance and Condemnation Proceeds. Trustor hereby absolutely and irrevocably assigns to Administrative Agent for the ratable benefit of itself and Lenders, and authorizes the payor to pay to Administrative Agent or any other Holder, the following claims, causes of action, awards, payments and rights to payment (collectively, "Claims"): all awards of damages and all other compensation payable directly or indirectly because of a condemnation, proposed condemnation or taking which affects any part of the Property; all awards and other Claims arising out of any warranty affecting any part of the Property or for damage or injury to any part of the Property; all proceeds of any insurance policies payable because of loss sustained to any part of the Property, whether or not such insurance policies are required by Holder, and all interest that may accrue on any of the foregoing. All proceeds of Claims described in this Section 2.1(k) shall be payable to Holder and shall be applied first to reimburse Holder and Lenders for their costs and expenses of recovering such proceeds, including attorneys' fees, provided that all proceeds of Claims relating to Minor Casualties or Condemnation (defined below) shall be payable to Trustor unless a Default exists at the time of such Minor Casualty or Condemnation or at the time the proceeds are paid by the insurer or condemning authority. Provided that no Default exists, and upon satisfaction of each of the following conditions, Trustor shall be permitted to use the balance of the proceeds ("Net Claims Proceeds") to pay the costs of repairing or reconstructing the Property (provided, however, that the following conditions shall not apply to proceeds of Claims relating to Minor Casualties or Condemnation where such proceeds are payable to Trustor in accordance with the immediately preceding sentence):

(i) Holder shall have approved the plans and specifications, construction budget, construction schedule, contractor, architect, engineer and payment and performance bond (if required by Holder);

(ii) Trustor shall have presented sufficient evidence to Holder that after the repair or reconstruction, the Property will be completely restored to its use, value and condition immediately prior to the occurrence of the damage or condemnation;

(iii) Holder shall have determined that the Net Claims Proceeds are sufficient to pay the total cost of the repair or reconstruction, including all development costs and interest due on the Secured Indebtedness until the work is complete, or Trustor must provide (or deposit with Holder) its own funds equal to the difference between the Net Claims Proceeds and the total cost of the work, as estimated by Trustor and approved by Holder;

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(iv) Trustor shall have presented sufficient evidence that the Property's operations and income after the repair or reconstruction will be sufficient to pay the operating expenses of the Property and debt service on the Secured Indebtedness with the same coverage ratios considered by Administrative Agent and Lenders in underwriting the Loan, including evidence that a sufficient number of existing Leases will continue in full force and effect (subject to rent abatement as may be provided in the Leases) or if any have been terminated, a sufficient number of terminated Leases shall have been replaced with Leases of equal quality in the reasonable judgment of Holder. Any material tenant having the right to terminate its Lease due to the damage or condemnation, which has not exercised that right, shall have confirmed in writing to Holder its irrevocable waiver of such termination right;

(v) All parties having operating, management or franchise interests in and arrangements concerning the Property shall have agreed that they will continue their interests and arrangements for the contract terms then in effect following the repair or reconstruction;

(vi) All parties having commitments to provide financing with respect to the Property, to purchase Trustor's interest in full or in part in the Property or to purchase the Loan shall have agreed in a manner satisfactory to Holder that their commitments will continue in full force and effect and, if necessary, the expiration of such commitments shall be extended by the time necessary to complete the repair or reconstruction;

(vii) Trustor shall have presented sufficient evidence to Holder that all necessary governmental approvals and permits can be obtained to allow the rebuilding and reoccupancy of the Property;

(viii) Trustor shall have presented sufficient evidence to Holder that the Improvements will take no more than nine (9) months to reconstruct and that in any event such reconstruction will be completed prior to the stated maturity of the Loan.

If the foregoing conditions are met to Holder's reasonable satisfaction, Holder shall hold the Net Claims Proceeds and any funds that Trustor is required to provide in an interest-bearing account and shall disburse them to Trustor to pay the costs of the work on the terms and subject to the conditions of the provisions of the Credit Agreement governing disbursements. Interest on the funds shall accrue at the rate of interest then being paid by Holder to regular savings account customers and shall be credited to Trustor. Trustor shall provide evidence acceptable to Holder that all work has been completed lien-free, in a workmanlike manner and in accordance with all Legal Requirements. Trustor agrees that the conditions described above are reasonable. If the foregoing conditions are not satisfied, or if a Default occurs after Holder's receipt of the Net Claims Proceeds, Holder may, at Holder's absolute discretion and regardless of whether the security of Holder and Lenders is impaired, apply all or any of the Net Claims Proceeds to pay or prepay, without any Consequential Loss (as defined in the Credit Agreement) the Secured Indebtedness in such order and in such amounts as specified in Section 8.03 of the Credit Agreement. Following the application of any Net Claims Proceeds as contemplated by this clause (viii), the unpaid portion of the Secured Indebtedness shall remain in full force and effect and the payment thereof shall not be excused. Notwithstanding the foregoing, the rights of Holder and Lenders shall be subject to applicable law governing use of the Net Claims Proceeds, if any. Trustor shall use the proceeds of any Minor Casualty or Condemnation to repair or

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restore the Property to a condition substantially similar to that which existed prior to the casualty or condemnation. As used herein, the term "Minor Casualty or Condemnation" shall refer to any damage to or destruction or condemnation of the Property or any portion thereof where the insurance or condemnation proceeds are less than Two Hundred Fifty Thousand Dollars (\$250,000).

(l) Compliance with Legal Requirements. The Property and the use, operation and maintenance thereof and all activities thereon do and shall at all times comply with all applicable Legal Requirements. The Property is not, and shall not be, dependent on any other property or premises or any interest therein other than the Property to fulfill any requirement of any Legal Requirement. Trustor shall not, by act or omission, permit any building or other improvement not subject to the lien of this Deed of Trust to rely on the Property or any interest therein to fulfill any requirement of any Legal Requirement. No improvement upon or use of any part of the Property constitutes a nonconforming use under any zoning law or similar law or ordinance. Trustor has obtained and shall preserve in force all requisite zoning, utility, building, health, environmental and operating permits from the Governmental Authorities having jurisdiction over the Property. If Trustor receives a notice or claim from any person that the Property, or any use, activity, operation or maintenance thereof or thereon, is not in compliance with any Legal Requirement, Trustor will promptly furnish a copy of such notice or claim to Holder. Trustor has received no notice and has no knowledge of any such noncompliance.

(m) Maintenance, Repair and Restoration. Trustor will keep the Property in good working order, repair, operating condition and appearance, causing all necessary repairs, renewals, replacements, additions and improvements to be promptly made, and will not allow any of the Property to be misused, abused or wasted or to deteriorate. Notwithstanding the foregoing, Trustor will not, without the prior written consent of Holder, (i) remove from the Property any fixtures or personal property covered by this Deed of Trust except such as is replaced by Trustor by an article of equal suitability and value, owned by Trustor, free and clear of any lien or security interest (except that created by this Deed of Trust), or (ii) make any structural alteration to the Property or any other alteration thereto which impairs the value thereof. If any act or occurrence of any kind or nature (including any condemnation or any casualty for which insurance was not obtained or obtainable) shall result in damage to or loss or destruction of the Property, Trustor shall give prompt notice thereof to Holder and Trustor shall promptly, at Trustor's sole cost and expense and regardless of whether insurance or condemnation proceeds (if any) shall be available or sufficient for the purpose, secure the Property as necessary and commence and continue diligently to completion to restore, repair, replace and rebuild the Property as nearly as possible to its value, condition and character immediately prior to the damage, loss or destruction.

(n) No Other Liens. Trustor will not, without the prior written consent of Holder, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual, security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Property, or any part thereof, other than the Permitted Encumbrances, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this Deed of Trust, and should any of the foregoing become attached hereafter in any manner to any part of the Property without the

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prior written consent of Holder, Trustor will cause the same to be promptly discharged and released. Trustor will own all parts of the Property and will not acquire any fixtures, equipment or other property (including software embedded therein) forming a part of the Property pursuant to a lease, license, security agreement or similar agreement, whereby any party has or may obtain the right to repossess or remove same, without the prior written consent of Holder. If Holder consents to the voluntary grant by Trustor of any deed of trust, lien, security interest, or other encumbrance (hereinafter called "Subordinate Lien") covering any of the Property or if the foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable as to a Subordinate Lien, any such Subordinate Lien shall contain express covenants to the effect that: (i) the Subordinate Lien is unconditionally subordinate to this Deed of Trust and all Leases; (ii) if any action (whether judicial or pursuant to a power of sale) shall be instituted to foreclose or otherwise enforce the Subordinate Lien, no tenant of any of the Leases shall be named as a party defendant, and no action shall be taken that would terminate any occupancy or tenancy without the prior written consent of Holder; (iii) Rents, if collected by or for the holder of the Subordinate Lien, shall be applied first to the payment of the Secured Indebtedness then due and expenses incurred in the ownership, operation and maintenance of the Property in such order as specified in Section 8.03 of the Credit Agreement, prior to being applied to any indebtedness secured by the Subordinate Lien; (iv) written notice of default under the Subordinate Lien and written notice of the commencement of any action (whether judicial or pursuant to a power of sale) to foreclose or otherwise enforce the Subordinate Lien or to seek the appointment of a receiver for all or any part of the Property shall be given to Holder with or immediately after the occurrence of any such default or commencement; and (v) neither the holder of the Subordinate Lien, nor any purchaser at foreclosure thereunder, nor anyone claiming by, through or under any of them shall succeed to any of Trustor's rights hereunder without the prior written consent of Holder.

(o) Operation of Property. Trustor will operate the Property in a good and workmanlike manner and in accordance with all Legal Requirements and will pay all fees or charges of any kind in connection therewith. Trustor will keep the Property occupied so as not to impair the insurance carried thereon. Trustor will not use or occupy or conduct any activity on, or allow the use or occupancy of or the conduct of any activity on, the Property in any manner which violates any Legal Requirement or which constitutes a public or private nuisance or which makes void, voidable or cancelable, or increases the premium of, any insurance then in force with respect thereto. Trustor will not initiate or permit any zoning reclassification of the Property or seek any variance under existing zoning ordinances applicable to the Property or use or permit the use of the Property in such a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances or other Legal Requirement. Trustor will not impose any easement, restrictive covenant or encumbrance upon the Property, execute or file any subdivision plat or condominium declaration affecting the Property or consent to the annexation of the Property to any municipality, without the prior written consent of Holder. Trustor will not do or suffer to be done any act whereby the value of any part of the Property may be lessened. Trustor will preserve, protect, renew, extend and retain all material rights and privileges granted for or applicable to the Property. Without the prior written consent of Holder, there shall be no drilling or exploration for or extraction, removal or production of any mineral, hydrocarbon, gas, natural element, compound or substance (including sand and gravel) from the surface or subsurface of the Land regardless of the depth thereof or the method of mining or

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extraction thereof. Trustor will cause all debts and liabilities of any character (including all debts and liabilities for labor, material and equipment (including software embedded therein) and all debts and charges for utilities servicing the Property) incurred in the construction, maintenance, operation and development of the Property to be promptly paid.

(p) Leases. All Leases entered into by Trustor with respect to all or any portion of the Property (and all existing Leases modified or amended by Trustor), excluding occupancy rights or agreements for the use of hotel rooms and facilities by transient occupants as guests of hotel or meeting or event bookings for use of hotel facilities, shall provide that if Administrative Agent forecloses under this or any other Deed of Trust encumbering the property or enters into a new lease with the landlord under the Queen Mary Lease or any other Ground Lease pursuant to the provisions for a new lease contained therein, the tenant shall attorn to Holder or its assignee and the Lease shall remain in full force and effect in accordance with its terms notwithstanding the termination of the Queen Mary Lease or any of the other Ground Leases. All Leases entered into by Trustor with respect to all or any portion of the Property shall (a) require Administrative Agent's prior written consent unless such Lease is not a "Material Contract" (as such term is defined in the Credit Agreement), (b) be entered into in the ordinary course of business with a bona fide unrelated third party tenant, (c) reflect an arm's length transaction, (d) contain no option or right of first refusal to purchase all or any portion of the Property or any present or future interest therein, and (e) require the tenant to execute and deliver to Lender a commercially reasonable estoppel certificate and a commercially reasonable subordination, non-disturbance and attornment agreement in form and substance reasonably acceptable to Lender within thirty (30) days after notice from Lender (provided that this clause (p) shall not apply to occupancy rights or agreements for the use of hotel rooms and facilities by transient occupants as guests of hotel or meeting or event bookings for use of hotel facilities).

(q) Estoppel Certificates. Promptly upon demand by Administrative Agent but in no event more than one (1) time during any six (6) month period, except during the existence of a Default, Trustor shall use reasonable efforts to obtain from the landlord under the Queen Mary Lease and furnish to Administrative Agent, within the time period specified in Section 16.4 of the Queen Mary Lease, an estoppel certificate of such landlord in the form attached as Exhibit "E" to the Queen Mary Lease and including such other matters as may be reasonably requested by Administrative Agent.

(r) Arbitration; Appraisal. Trustor shall notify Administrative Agent promptly in writing of any request made by either party to the Queen Mary Lease or to any of the other Ground Leases for arbitration or appraisal proceedings relating to the Queen Mary Lease or to any of the other Ground Leases and of the institution of any such arbitration or appraisal proceeding, as well as of all proceedings thereunder, and shall promptly deliver to Administrative Agent a copy of the determination of the arbitrators in any such proceeding. Administrative Agent shall have the right (but not the obligation), following delivery of written notice to Trustor, to participate in the appointment of any arbitrator or appraiser to be appointed by Trustor and (to the extent permitted under the Queen Mary Lease or the other Ground Leases, as applicable) to participate in such arbitration or appraisal proceedings in association with Trustor or on its own behalf as an interested party. Trustor shall notify Administrative Agent of any legal proceedings involving obligations under the Queen Mary Lease or any other Ground Lease, and Administrative Agent may intervene in any such legal proceeding and be made a

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party. Trustor shall promptly provide Administrative Agent with a copy of any decision rendered in any such proceeding.

(s) Notices. The entire Secured Indebtedness secured hereby shall immediately become due and payable at the option of Administrative Agent if Trustor fails to give Administrative Agent immediate notice of any default by the landlord or the tenant known to Trustor under the Queen Mary Lease or under any other Ground Lease, or of any event known to Trustor which with the giving of notice or the passage of time, or both, would constitute a default by the landlord or the tenant under the Queen Mary Lease, or under any other Ground Lease or of the receipt by Trustor from the landlord thereunder of any notice of default or occurrence of any event which with the giving of notice of the passage of time, or both, would constitute a default, or if Trustor fails to furnish to Administrative Agent immediately any and all information which Administrative Agent may request concerning the performance by Trustor of the covenants of the Queen Mary Lease, of any other Ground Lease or of the Deed of Trust, or if Trustor fails to permit Administrative Agent or its representative at all reasonable times to make investigation or examination concerning the performance by Trustor of the covenants of the Queen Mary Lease, of any other Ground Lease, or of this Deed of Trust. Trustor further covenants and agrees that it will promptly deliver to Administrative Agent any and all documentary evidence received by Trustor showing compliance by Trustor with the provisions of the Queen Mary Lease and the other Ground Leases and will also deliver to Administrative Agent an exact copy of any notice, communication, or other instrument or document received or given by Trustor in any way relating to or affecting the Queen Mary Lease or any other Ground Lease which may concern or affect the estate of the landlord or the tenant in or under the Queen Mary Lease or any other Ground Lease or in the premises thereby demised, and upon Trustor's failure so to do, Administrative Agent may, at its option, declare the whole of said principal sum and accrued interest due and payable at once.

(t) Further Assurances. Trustor will, promptly on request of Holder, (i) correct any defect, error or omission which may be discovered in the contents, execution or acknowledgment of this Deed of Trust or any other Loan Document; (ii) execute, acknowledge, deliver, procure and record and/or file such further documents (including further deeds of trust, security agreements, and assignments of rents or leases) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Deed of Trust and the other Loan Documents, to more fully identify and subject to the liens and security interests hereof any property intended to be covered hereby (including specifically, but without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the Property) or as deemed advisable by Holder to protect the lien or the security interest hereunder against the rights or interests of third persons; and (iii) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts as may be necessary, desirable or proper in the reasonable determination of Holder to enable Holder and Lenders to comply with the requirements or requests of any agency having jurisdiction over Holder or any Lender or any examiners of such agencies with respect to the indebtedness secured hereby, Trustor or the Property. Trustor shall pay all costs connected with any of the foregoing, which shall be a demand obligation owing by Trustor (which Trustor hereby promises to pay) to Holder (for its own account or the account of Lenders, as applicable) pursuant to this Deed of Trust.

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(u) Fees and Expenses. Without limitation of any other provision of this Deed of Trust or of any other Loan Document and to the extent not prohibited by applicable law, Trustor will pay, and will reimburse to Holder (for its own account or the account of Lenders, as applicable) and/or Trustee on demand to the extent paid by Holder, Lenders and/or Trustee: (i) costs of appraisals obtained in connection with the origination of the Loan and after the occurrence of a Default; (ii) all filing, registration and recording fees, recordation, transfer and other taxes, brokerage fees and commissions, abstract fees, title search or examination fees, title policy and endorsement premiums and fees, Uniform Commercial Code search fees, judgment and tax lien search fees, escrow fees, attorneys' fees, architect's fees, engineering fees, construction consultant fees, environmental inspection fees, survey fees, and all other costs and expenses of every character incurred by Trustor or Holder, Lenders and/or Trustee in connection with the preparation of the Loan Documents, the evaluation, closing and funding of the Loan, and any and all amendments and supplements to this Deed of Trust, the Note or any other Loan Documents or any approval, consent, waiver, release or other matter requested or required hereunder or thereunder, or otherwise attributable or chargeable to Trustor as owner of the Property; and (iii) all costs and expenses, including attorneys' fees and expenses (including the market value of services provided by in-house counsel), incurred or expended in connection with the exercise of any right or remedy, or the defense of any right or remedy or the enforcement of any obligation of Trustor, hereunder or under any other Loan Document.

(v) Indemnification. Trustor will indemnify and hold harmless each and every Indemnified Party from and against, and reimburse them on demand for, any and all Indemnified Matters. Without limitation, the foregoing indemnity shall apply to each Indemnified Party with respect to matters which in whole or in part are caused by or arise out of the negligence of such (and/or any other) Indemnified Party. However, such indemnity shall not apply to a particular Indemnified Party to the extent that the subject of the indemnification is caused by or arises out of the gross negligence or willful misconduct of that Indemnified Party. Any amount to be paid under this clause (v) by Trustor to any Indemnified Party shall be a demand obligation owing by Trustor (which Trustor hereby promises to pay) to such Indemnified Party pursuant to this Deed of Trust. The indemnity in this clause (v) shall not terminate upon the release, foreclosure or other termination of this Deed of Trust but will survive the enforcement of any remedy provided in any Loan Document including the foreclosure of this Deed of Trust or conveyance in lieu of foreclosure, the repayment of the Secured Indebtedness, the discharge and release of this Deed of Trust and the other Loan Documents, any bankruptcy or other proceeding under any Debtor Relief Law, and any other event whatsoever. The rights of Indemnified Parties under this clause (v) shall be in addition to all other rights that Indemnified Parties or any of them may have under this Deed of Trust or any other Loan Document. Nothing in this clause (v) or elsewhere in this Deed of Trust shall limit or impair any rights or remedies that any Indemnified Party may have (including any rights of contribution or indemnification) against Trustor or any other person under any other provision of this Deed of Trust, any other Loan Document, any other agreement, or any applicable Legal Requirement.

(w) Taxes on Note or Deed of Trust. Trustor will promptly pay all income, franchise and other taxes owing by Trustor and any stamp, documentary, recordation and transfer taxes or other taxes (unless such payment by Trustor is prohibited by law) which may be required to be paid with respect to any Note, this Deed of Trust or any other instrument evidencing or securing

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any of the Secured Indebtedness. In the event of the enactment after this date of any law of any Governmental Authority applicable to Holder, any Lender, any Note, the Property or this Deed of Trust deducting from the value of property for the purpose of taxation any lien or security interest thereon, or imposing upon Holder or any Lender the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Trustor, or changing in any way the laws relating to the taxation of deeds of trust or mortgages or security agreements or debts secured by deeds of trust or mortgages or security agreements or the interest of the mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect this Deed of Trust or the Secured Indebtedness or Holder or any Lender, then, and in any such event, Trustor, upon demand by Holder, shall pay such taxes, assessments, charges or liens, or reimburse Holder therefor (for its own account or the account of the affected Lender(s), as applicable).

(x) Statement Concerning Notes or Deed of Trust. Trustor shall at any time and from time to time furnish within seven (7) days of request by Holder a written statement in such form as may be required by Holder stating that (i) the Notes, this Deed of Trust and the other Loan Documents are valid and binding obligations of Trustor, enforceable against Trustor in accordance with their terms; (ii) the unpaid principal balance of each Note and the aggregate unpaid principal balance of the Loan; (iii) the date to which interest on each Note is paid; (iv) the Notes, this Deed of Trust and the other Loan Documents have not been released, subordinated or modified; and (v) there are no offsets or defenses against the enforcement of the Notes, this Deed of Trust or any other Loan Document. Alternatively, if any of the foregoing statements in clauses (i), (iv) and (v) are untrue, Trustor shall specify all of the reasons therefor in a writing provided to Trustor within such seven (7) day period.

(y) Letter-of-Credit Rights. If Trustor is at any time a beneficiary under a letter of credit (whether or not the letter of credit is evidenced by a writing) relating to the properties, rights, titles and interests referred to in Section 1.3 of this Deed of Trust now or hereafter issued in favor of Trustor, Trustor shall promptly notify Holder thereof and, at the request and option of Holder, Trustor shall, pursuant to an agreement in form and substance satisfactory to Holder, either (i) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to Holder of the proceeds of any drawings under the letter of credit, or (ii) arrange for Holder to become the transferee beneficiary of the letter of credit, with Holder agreeing, in each case, that the proceeds of any drawing under the letter of credit are to be applied as provided in Section 6.2 of this Deed of Trust.

(z) Status of Trustor. If Trustor is a corporation, partnership, limited liability company or other legal entity, Trustor is and will continue to be (i) duly organized, validly existing and in good standing under the laws of its state of organization, (ii) authorized to do business and in good standing in each state in which the Property is located, and (iii) possessed of all requisite power and authority to carry on its business and to own and operate the Property. Trustor's exact legal name is correctly set forth at the end of this Deed of Trust. If Trustor is not an individual, Trustor is an organization of the type specified in the introductory paragraph of this Deed of Trust. If Trustor is a registered entity, Trustor is incorporated in or organized under the laws of the state specified in the introductory paragraph of this Deed of Trust. If Trustor is an unregistered entity (including a general partnership), it is organized under the laws of the state specified in the introductory paragraph of this Deed of Trust. Trustor will not cause or permit

any change to be made in its name, identity (including its trade name or names), or corporate or partnership structure unless Trustor shall have notified Holder in writing of such change at least 30 days prior to the effective date of such change, and shall have first taken all action required by Holder for the purpose of further perfecting or protecting the lien and security interest of Holder in the Property. In addition, Trustor shall not change its corporate or partnership structure without first obtaining the prior written consent of Holder. Trustor's principal place of business and chief executive office, and the place where Trustor keeps its books and records, including recorded data of any kind or nature, regardless of the medium of recording, including software, writings, plans, specifications and schematics concerning the Property, has been for the preceding four months (or, if less, the entire period of the existence of Trustor) and will continue to be the address of Trustor set forth at the end of this Deed of Trust (unless Trustor notifies Holder of any change in writing at least 30 days prior to the date of such change). If Trustor is an individual, Trustor's principal residence has been for the preceding four months and will continue to be the address of the principal residence of Trustor set forth at the end of this Deed of Trust (unless Trustor notifies Holder of any change in writing at least 30 days prior to the date of such change). Trustor's organizational identification number, if any, assigned by the state of incorporation or organization is correctly set forth on the first page of this Deed of Trust. Trustor shall promptly notify Holder of any change in its organizational identification number. If Trustor does not now have an organizational identification number and later obtains one, Trustor shall promptly notify Holder of such organizational identification number.

Section 2.2 Performance by Holder on Trustor's Behalf. Trustor agrees that if Trustor fails to perform any act or to take any action which under any Loan Document Trustor is required to perform or take, or to pay any money which under any Loan Document Trustor is required to pay, and whether or not the failure then constitutes a Default, and whether or not there has occurred any Default or the Secured Indebtedness has been accelerated, Holder, in Trustor's name or its own name on behalf of itself and Lenders, may, but shall not be obligated to, perform or cause to be performed such act or take such action or pay such money, and any expenses so incurred by Holder or Lenders and any money so paid by Holder or Lenders shall be a demand obligation owing by Trustor to Holder for its own account or the account of Lenders, as applicable (which obligation Trustor hereby promises to pay), shall be a part of the Secured Indebtedness, and Holder and/or Lenders, upon making such payment, shall be subrogated to all of the rights of the person, entity or body politic receiving such payment. Holder and its designees shall have the right to enter upon the Property at any time and from time to time for any such purposes. No such payment or performance by Holder or Lenders shall waive or cure any Default or waive any right, remedy or recourse of Holder or Lenders. Any such payment may be made by Holder or Lenders in reliance on any statement, invoice or claim without inquiry into the validity or accuracy thereof. Each amount due and owing by Trustor to Holder or Lenders pursuant to this Deed of Trust shall bear interest, from the date such amount becomes due until paid, at the rate per annum provided in the Credit Agreement for interest on past-due principal owed on the Loan but never in excess of the maximum nonusurious amount permitted by applicable law, which interest shall be payable to Holder on demand for its own account or the account of Lenders, as applicable; and all such amounts, together with such interest thereon, shall automatically and without notice be a part of the Secured Indebtedness. The amount and nature of any expense by Holder or Lenders hereunder and the time when paid shall be fully established by the certificate of Holder or any of Holder's officers or agents.

Section 2.3 Absence of Obligations of Holder and Lenders with Respect to Property. Notwithstanding anything in this Deed of Trust to the contrary, including the definition of "Property" and/or the provisions of Article 3 hereof, (i) to the extent permitted by applicable law, the Property is composed of Trustor's rights, title and interests therein but not Trustor's obligations, duties or liabilities pertaining thereto, (ii) Holder and Lenders neither assume nor shall have any obligations, duties or liabilities in connection with any portion of the items described in the definition of "Property" herein, either prior to or after obtaining title to such Property, whether by foreclosure sale, the granting of a deed in lieu of foreclosure or otherwise, and (iii) Holder may, at any time prior to or after the acquisition of title to any portion of the Property as above described, advise any party in writing as to the extent of Holder's and Lenders' interest therein and/or expressly disaffirm in writing any rights, interests, obligations, duties and/or liabilities with respect to such Property or matters related thereto. Without limiting the generality of the foregoing, it is understood and agreed that neither Holder nor Lenders shall have any obligations, duties or liabilities prior to or after acquisition of title to any portion of the Property, as lessee under any lease or purchaser or seller under any contract or option unless Holder elects otherwise by written notification.

Section 2.4 Authorization to File Financing Statements; Power of Attorney. Trustor hereby authorizes Holder at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements as authorized by applicable law, required by Holder to establish or maintain the validity, perfection and priority of the security interests granted by this Deed of Trust. For purposes of such filings, Trustor agrees to furnish any information requested by Holder promptly upon request by Holder. Trustor also ratifies its authorization for Holder to have filed any like initial financing statements, amendments thereto or continuation statements if filed prior to the date of this Deed of Trust. Trustor hereby irrevocably constitutes and appoints Holder and any officer or agent of Holder, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of Trustor or in Trustor's own name to execute in Trustor's name any such documents and to otherwise carry out the purposes of this Section 2.4, to the extent that Trustor's authorization above is not sufficient. To the extent permitted by law, Trustor hereby ratifies all acts said attorneys-in-fact have lawfully done in the past or shall lawfully do or cause to be done in the future by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

ARTICLE 3

Assignment of Rents and Leases

Section 3.1 Assignment. To secure the obligations of Trustor under the Loan Documents and all matters and indebtedness constituting the Secured Indebtedness, Trustor hereby absolutely and unconditionally assigns to Administrative Agent for the ratable benefit of itself and Lenders all Rents and all of Trustor's rights in and under all Leases provided, however, prior to the occurrence of any Default, Trustor shall have the right as the agent and fiduciary representative of Beneficiary for collection and distribution purposes only, to collect and receive the Rents as they become due and payable to be applied by Trustor to the payment of the Secured Indebtedness and, thereafter, so long as no Default has occurred, the balance shall be distributed to the account of Trustor. Upon the occurrence and during the continuation of any Default,

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Administrative Agent and any other Holder shall have the right, power and authority to collect any and all Rents on behalf of itself and Lenders. While any Default is continuing, all Rents shall be paid directly to Holder and not through Trustor, all without the necessity of any further action by Holder, including any action to obtain possession of the Land, Improvements or any other portion of the Property or any action for the appointment of a receiver. Trustor hereby authorizes and directs the tenants under the Leases to pay Rents to Holder upon written demand by Holder, without further consent of Trustor, without any obligation of such tenants to determine whether a Default has in fact occurred and regardless of whether Holder has taken possession of any portion of the Property, and the tenants may rely upon any written statement delivered by Holder to the tenants. Any such payments to Holder shall constitute payments to Trustor under the Leases, and Trustor hereby irrevocably appoints Holder as its attorney-in-fact, which power of attorney is with full power of substitution and coupled with an interest, to do all things during the continuance of a Default, which Trustor might otherwise do with respect to the Property and the Leases thereon, including: (a) demanding, receiving and enforcing payment of any and all Rents; (b) giving receipts, releases and satisfactions for any and all Rents; (c) suing either in the name of Trustor or in Holder's own name on behalf of itself and Lenders for any and all Rents; (d) applying the net proceeds of any and all Rents collected by Holder, after deducting all expenses of collection, including attorneys' fees and expenses, to the Secured Indebtedness in such order and manner as specified in Section 8.03 of the Credit Agreement and/or to the operation and management of the Property, including the payment of management, brokerage and attorneys' fees and expenses (including reasonable reserves for anticipated expenses), or at the option of Holder, holding the same as security for the payment of the Secured Indebtedness; (e) leasing, in the name of Trustor, the whole or any part of the Property which may become vacant; (f) employing agents for such leasing and paying such agents reasonable compensation for their services; and (g) requiring Trustor to deliver to Holder all security deposits and executed originals of all Leases and copies of all records relating thereto. Holder may take any or all of the foregoing actions with or without taking possession of any portion of the Property or taking any action with respect to such possession. The assignment contained in this Section 3.1 shall become null and void upon the reconveyance of this Deed of Trust.

Section 3.2 Covenants, Representations and Warranties Concerning Leases and Rents.

Trustor covenants, represents and warrants that:

- (a) Trustor has good title to, and is the owner of the entire landlord's interest in, the Leases and Rents hereby assigned and has authority to assign them;
- (b) All Leases are valid and enforceable, and in full force and effect, and are unmodified except as stated therein;
- (c) Trustor is not in default under its Lease (and no event has occurred which with the passage of time or notice or both would result in a default under its Lease) and is not the subject of any petition, case, proceeding or other action pursuant to any Debtor Relief Law;

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(d) To Trustor's knowledge, no tenant in the Property is in default under its Lease (and no event has occurred which with the passage of time or notice or both would result in a default under its Lease) or is the subject of any petition, case, proceeding or other action pursuant to any Debtor Relief Law;

(e) Unless otherwise stated in a Permitted Encumbrance, no Rents or Leases have been or will be assigned, mortgaged, pledged or otherwise encumbered and no other person has acquired or will acquire any right, title or interest in such Rents or Leases;

(f) No Rents have been waived, released, discounted, set off or compromised;

(g) Except as stated in the Leases, Trustor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rents;

(h) Trustor shall perform all of its obligations under the Leases and enforce the tenants' obligations under the Leases to the extent enforcement is prudent under the circumstances;

(i) Trustor will not, without the prior written consent of Holder, waive, release, discount, set off, compromise, reduce or defer any Rent, receive or collect Rents more than one (1) month in advance, grant any rent-free period to any tenant, reduce any Lease term or waive, release or otherwise modify any other material obligation under any Lease, renew or extend any Lease except in accordance with a right of the tenant thereto in such Lease, approve or consent to an assignment of a Lease or a subletting of any part of the premises covered by a Lease, or settle or compromise any claim against a tenant under a Lease in bankruptcy, in any other proceeding pursuant to any Debtor Relief Law or otherwise;

(j) Trustor will not, without the prior written consent of Holder, terminate or consent to the cancellation or surrender of any Lease having an unexpired term of one (1) year or more;

(k) Trustor will not execute any Lease except in accordance with the Loan Documents and for actual occupancy by the tenant thereunder;

(l) Trustor shall give prompt notice to Holder, as soon as Trustor first obtains notice, of any claim, or the commencement of any action, by any tenant or subtenant under or with respect to a Lease regarding any claimed damage, default, diminution of or offset against Rent, cancellation of the Lease, or constructive eviction, excluding, however, notices of default under residential Leases, and Trustor shall defend, at Trustor's expense, any proceeding pertaining to any Lease, including, if Holder so requests, any such proceeding if Holder and/or Lenders are parties thereto;

(m) Promptly upon request by Holder, Trustor shall deliver to Holder all security deposits and executed originals of all Leases and copies of all records relating thereto;

(n) There shall be no merger of the leasehold estates created by the Leases, with the fee estate of the Land without the prior written consent of Holder; and

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(o) Holder, on behalf of itself and Lenders, may at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Deed of Trust to any Lease, without joinder or consent of or notice to Trustor, any tenant or any other person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder, and nothing herein shall be construed as subordinating this Deed of Trust to any Lease.

Section 3.3 No Liability of Holder or Lenders. Holder and Lenders neither have nor assume any obligations as lessor or landlord with respect to any Lease. Administrative Agent's acceptance of this assignment on behalf of itself and Lenders shall not be deemed to constitute any Holder or any Lender a "mortgagee in possession," nor shall such acceptance obligate Holder or any Lender to appear in or defend any proceeding relating to any Lease or to the Property, or to take any action hereunder, expend any money, incur any expenses, perform any obligation or liability under any Lease, or assume any obligation for any deposit delivered to Trustor by any tenant and not as such delivered to and accepted by Holder. Neither Holder nor Lenders shall be liable for any injury or damage to person or property in or about the Property (except to the extent arising from Holder's or Lender's (as applicable) gross negligence or willful misconduct), or for Holder's failure to collect or to exercise diligence in collecting Rents, but Holder and Lenders shall be accountable only for Rents that they shall actually receive. Neither the assignment of Leases and Rents, nor enforcement of the rights of Holder and Lenders regarding Leases and Rents (including collection of Rents), nor possession of the Property by Holder or Lenders, nor Holder's consent to or approval of any Lease (nor all of the same), shall render Holder or any Lender liable on any obligation under or with respect to any Lease or constitute affirmation of, or any subordination to, any Lease, occupancy, use or option.

Section 3.4 Rights Cumulative. The powers and rights of Holder and Lenders under this Article 3 shall be cumulative of all other powers and rights of Holder and Lenders under the Loan Documents or otherwise. Such powers and rights granted in this Article 3 shall be in addition to the other remedies provided for in this Deed of Trust upon the occurrence of a Default and may be exercised independently of or concurrently with any of said remedies. If Holder or Lenders seek or obtain any judicial relief regarding Rents or Leases, the same shall in no way prevent the concurrent or subsequent employment of any other appropriate rights or remedies nor shall the same constitute an election of judicial relief for any foreclosure or any other purpose.

ARTICLE 4

Condemnation and Insurance

Section 4.1 Adjustment of Condemnation and Insurance Claims. Trustor shall give prompt written notice to Administrative Agent of any Casualty or any Condemnation or threatened Condemnation. Administrative Agent is authorized, at its sole and absolute option, to commence, appear in and prosecute, in its own or Trustor's name, any action or proceeding relating to any Condemnation or Casualty, and to make proof of loss for and to settle or

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compromise any Claim in connection therewith. In such case, as and to the extent provided for in Section 2.1(k), Administrative Agent shall have the right to receive all Condemnation Awards and Insurance Proceeds, for the ratable benefit of Holders, and may deduct therefrom any and all of its expenses. However, so long as no Default has occurred and Trustor is diligently pursuing its rights and remedies with respect to a Claim, Administrative Agent will obtain Trustor's written consent (which consent shall not be unreasonably withheld or delayed) before making proof of loss for or settling or compromising such Claim. Trustor agrees to diligently assert its rights and remedies with respect to each Claim and to promptly pursue the settlement and compromise of each Claim subject to Administrative Agent's approval, which approval shall not be unreasonably withheld or delayed. If, prior to the receipt by Administrative Agent of any Condemnation Award or Insurance Proceeds, the Property shall have been sold pursuant to the provisions of the Mortgage, Administrative Agent shall have the right to receive such funds (a) to the extent of any deficiency found to be due upon such sale with interest thereon (whether or not a deficiency judgment on the Mortgage shall have been sought or recovered or denied), and (b) to the extent necessary to reimburse Administrative Agent for its Expenses. If any Condemnation Awards or Insurance Proceeds are paid to Trustor, Trustor shall receive the same in trust for Administrative Agent. Within ten (10) days after Trustor's receipt of any Condemnation Awards or Insurance Proceeds, Trustor shall deliver such awards or proceeds to Administrative Agent in the form in which they were received, together with any endorsements or documents that may be necessary to effectively negotiate or transfer the same to Administrative Agent. Trustor agrees to execute and deliver from time to time, upon the request of Administrative Agent, such further instruments or documents as may be requested by Administrative Agent to confirm the grant and assignment to Administrative Agent of any Condemnation Awards or Insurance Proceeds.

Section 4.2 Utilization of Net Proceeds.

(a) Net Proceeds must be utilized either for payment of the Obligations or for the restoration of the Property. Net Proceeds may be utilized for the restoration of the Property only if no Default shall exist and only if in the reasonable judgment of Administrative Agent (i) there has been no material adverse change in the financial viability of the Improvements, (ii) the Net Proceeds, together with other funds deposited with Administrative Agent for that purpose, are sufficient to pay the cost of the restoration pursuant to a budget and plans and specifications approved by Administrative Agent, (iii) the restoration can be completed prior to the final maturity of the Loan and prior to the date required by any permanent loan commitment or any purchase and sale agreement or by any Lease, and (iv) following restoration, the Property will have a fair market value at least equal to its fair market value immediately prior to the Casualty or Condemnation. Otherwise, Net Proceeds shall be utilized for payment of the Obligations.

(b) If Net Proceeds are to be utilized for the restoration of the Property, the Net Proceeds, together with any other funds deposited with Administrative Agent for that purpose, must be deposited with Administrative Agent in a deposit account maintained at a reputable and financially-sound banking institution identified by Administrative Agent (including without limitation Banc of California) in Trustor's name but under Administrative Agent's sole dominion and control (the "Trustor's Deposit Account"). All interest (if any) earned on sums on deposit in the Trustor's Deposit Account shall be credited to such account. Trustor agrees that it shall include all interest and earnings on any such deposit as its income (and, if Trustor is a

partnership or other pass-through entity, the income of its partners, members or beneficiaries, as the case may be), and shall be the owner of all funds on deposit in the Trustor's Deposit Account for federal and applicable state and local tax purposes. Prior to the withdrawal of any funds so deposited and the commencement of such restoration, Trustor shall take all steps necessary to avoid the imposition of any mechanics' liens on the Property or the Improvements. Thereafter, Trustor shall be permitted to withdraw funds from the Trustor's Deposit Account from time to time for the payment of costs of restoration of the Property upon (i) presentation of evidence acceptable to Administrative Agent that such restoration has been completed satisfactorily and lien-free and (ii) otherwise with Administrative Agent's written consent, which may be by e-mail and be granted by Administrative Agent in its sole and absolute discretion. If at any time Administrative Agent determines that there is a deficiency in the funds available in the Trustor's Deposit Account to complete the restoration as contemplated, then Trustor will promptly deposit in the Trustor's Deposit Account additional funds equal to the amount of the deficiency. Any account fees and charges may be deducted from the balance, if any, in the Trustor's Deposit Account. Trustor hereby assigns and pledges to Administrative Agent, and grants to Administrative Agent, for the ratable benefit of Holders, a first-priority security interest in and lien on the Trustor's Deposit Account and all amounts from time to time held in or credited to the Trustor's Deposit Account, and any proceeds thereof, as security for Trustor's Obligations. Administrative Agent's security interest in the Trustor's Deposit Account shall be perfected by Administrative Agent's "control" of such account in accordance with the Uniform Commercial Code of the State. Subject to the terms and conditions of this Section and the other provisions of the Loan Documents, the Trustor's Deposit Account shall be subject to the sole dominion, control and discretion of Administrative Agent, but Administrative Agent shall have no fiduciary duty with respect to such account or any funds on deposit therein. All funds in the Trustor's Deposit Account shall be used for the payment of costs of restoration of the Property and in compliance with the terms, covenants, conditions and provisions of this Agreement. Under no circumstance may funds be withdrawn from the Trustor's Deposit Account without the prior written consent of Administrative Agent and if funds are withdrawn from the Trustor's Deposit Account in a larger amount than is approved by Administrative Agent, Trustor shall promptly return the excess to the Trustor's Deposit Account upon request by Administrative Agent.

ARTICLE 5

Default

Section 5.1 Events of Default. The occurrence of any one of the following shall be a default under this Deed of Trust (each a "Default"):

(a) Nonpayment. Trustor fails to pay any sum payable under this Deed of trust within five (5) days after the same becomes due.

(b) Nonperformance of Covenants. Any covenant, agreement or condition of this Deed of Trust (other than covenants otherwise addressed in another clause of this Section 5.1) is not fully and timely performed, observed or kept, and such failure is not cured (i) within the applicable notice and cure period (if any) provided for herein, or (ii) within thirty (30) days after the earlier to occur of (A) Trustor obtaining knowledge of such failure or (B) Beneficiary's giving of written notice to Trustor of such failure.

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(c) Default under other Loan Documents. An Event of Default occurs under any other Loan Document.

(d) Default Under Ground Leases. Any default by Trustor as tenant under any of the Ground Leases. For purposes of determining whether a default exists under a Ground Lease, Administrative Agent shall be entitled to rely on, and accept as correct, any notice of default delivered by the landlord thereunder. Administrative Agent may (but shall not be obligated to) take any action it deems necessary or desirable to prevent or cure any default by Trustor in the performance of or compliance with any of Trustor's covenants and obligations under the applicable Ground Lease. In such event, the performance by Administrative Agent on behalf of Trustor shall not remove or waive, as between Trustor and Administrative Agent, the corresponding default under the terms hereof and any amount advanced and any costs incurred in connection therewith, with interest thereon, shall be repayable by Trustor without demand and shall be secured hereby and any such failure aforesaid shall be subject to all of the rights and remedies of Administrative Agent under this Deed of Trust available on account of any default hereunder.

(e) Transfer of the Property. Any Transfer occurs with respect to all or any part of the Property or any interest therein, except for: (i) sales or transfers of items of the Accessories which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes owned by Trustor, having a value equal to or greater than the replaced items when new; and (ii) the grant, in the ordinary course of business, of a leasehold interest in a part of the Improvements to a tenant for occupancy, not containing a right or option to purchase and not in contravention of any provision of this Deed of Trust or of any other Loan Document. Holder may, in its sole discretion, waive a Default under this clause (e), but it shall have no obligation to do so. Any waiver will be conditioned upon the grantee's integrity, reputation, character, creditworthiness and management ability being satisfactory to Holder in its sole judgment, and may also be conditioned upon such one or more of the following, if any, that Holder may require: the execution by the grantee of a written assumption agreement prior to such Transfer containing such terms as Holder may require; the receipt by Holder and Lenders of a principal paydown on each Note; the receipt by Holder and Lenders of an assumption fee; the reimbursement of all of the expenses incurred by Holder and Lenders in connection with such Transfer, including attorneys' fees; and any modification of the Loan Documents as Holder may require, including an increase in the rate of interest payable under the Loan and/or a modification of the terms of the Loan. NOTICE - THE SECURED INDEBTEDNESS IS SUBJECT TO ACCELERATION IN THE EVENT OF A TRANSFER WHICH IS PROHIBITED UNDER THIS CLAUSE (e).

(f) Transfer of Interests in Trustor. (i) If Trustor is a corporation, a Transfer occurs with respect to shares possessing, in the aggregate, more than fifty percent (50%) of the voting power without the prior written consent of Holder; (ii) if Trustor is a partnership or joint venture, a Transfer occurs with respect to more than fifty percent (50%) of the partnership or joint venture interests in the aggregate, or any general partner or joint venturer withdraws or is removed or admitted without the prior written consent of Holder; or (iii) if Trustor is a limited liability company, a Transfer occurs with respect to more than fifty percent (50%) of the voting power or ownership interests, in either case in the aggregate, or any managing member withdraws or is removed or admitted without the prior written consent of Holder. NOTICE - THE SECURED

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INDEBTEDNESS IS SUBJECT TO ACCELERATION IN THE EVENT OF A TRANSFER WHICH IS PROHIBITED UNDER THIS CLAUSE (d).

(g) Grant of Easement, Etc. Without the prior written consent of Holder, Trustor grants any easement or dedication, or files any plat, condominium declaration or restriction, or otherwise encumbers the Property, or seeks or permits any zoning reclassification or variance, unless such action is expressly permitted by the Loan Documents or does not affect the Property.

(h) Abandonment. The owner of the Property abandons any of the Property.

(i) Default Under Other Lien. A default or event of default occurs under any lien, security interest or assignment covering the Property or any part thereof (whether or not Holder and Lenders have consented, and without hereby implying any consent by Holder or Lenders, to any such lien, security interest or assignment not created hereunder), or the holder of any such lien, security interest or assignment declares a default or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.

(j) Destruction. The Property is so demolished, destroyed or damaged that in the reasonable opinion of Holder, it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable period of time and in any event prior to the final maturity date of the Note.

(k) Condemnation. (i) Any Governmental Authority requires or commences any proceeding for the demolition of any building or structure comprising a material part of the Premises, or (ii) there is commenced any proceeding to condemn or otherwise take pursuant to the power of eminent domain, or a contract for sale or a conveyance in lieu of such a taking is executed which provides for the transfer of, a material portion of the Premises, including the taking (or transfer in lieu thereof) of any portion which would result in the blockage or substantial impairment of access or utility service to the Improvements or which would cause the Premises to fail to comply with any Legal Requirement.

Section 5.2 Notice and Cure. If any provision of this Deed of Trust or any other Loan Document provides for Holder to give to Trustor any notice regarding a default or incipient default, then if Holder shall fail to give such notice to Trustor as provided, the sole and exclusive remedy of Trustor for such failure shall be to seek appropriate equitable relief to enforce the agreement to give such notice and to have any acceleration of the maturity of the Notes and the Secured Indebtedness postponed or revoked and foreclosure proceedings in connection therewith delayed or terminated pending or upon the curing of such default in the manner and during the period of time permitted by such agreement, if any, and Trustor shall have no right to damages or any other type of relief not herein specifically set out against Holder or Lenders, all of which damages or other relief are hereby waived by Trustor. Nothing herein or in any other Loan Document shall operate or be construed to add on or make cumulative any cure or grace periods specified in any of the Loan Documents.

ARTICLE 6

Remedies

Section 6.1 Certain Remedies. If a Default shall occur, Holder may (but shall have no obligation to) exercise any one or more of the following remedies, without notice (unless notice is required by applicable statute):

(a) Acceleration. Holder may at any time and from time to time declare any or all of the Secured Indebtedness immediately due and payable and such Secured Indebtedness shall thereupon be immediately due and payable, without presentment, demand, protest, notice of protest, notice of acceleration or of intention to accelerate or any other notice or declaration of any kind, all of which are hereby expressly waived by Trustor.

(b) Enforcement of Assignment of Rents. Holder may take any of the actions described in Article 3 with or without taking possession of any portion of the Property or taking any action with respect to such possession.

(c) Trustee's Sale.

(i) Holder may execute and deliver to Trustee written declaration of default and demand for sale and written notice of default and of election to cause all or any part of the Property to be sold, which notice Trustee shall cause to be filed for record; and after the lapse of such time as may then be required by law following the recordation of such notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell such Property at the time and place fixed by Trustee in such notice of sale, either as a whole or in separate parcels and in such order as Holder may direct (Trustor waiving any right to direct the order of sale), at public auction to the highest bidder for cash in lawful money of the United States (or cash equivalents acceptable to Trustee to the extent permitted by applicable law), payable at the time of sale. Trustee may postpone the sale of all or any part of the Property by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser at such sale its deed conveying the property so sold, but without any covenant or warranty, express or implied, and the recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee, Holder or any Lender, may purchase at such sale, and any bid by Holder or any Lender may be, in whole or in part, in the form of cancellation of all or any part of the Secured Indebtedness.

(ii) The sale by Trustee of less than the whole of the Property shall not exhaust the power of sale herein granted, and Trustee is specifically empowered to make successive sales under such power until the whole of the Property shall be sold. In the event any sale hereunder is not completed or is defective in the opinion of Holder, such sale shall not exhaust the power of sale hereunder and Holder shall have the right to cause a subsequent sale or sales to be made hereunder. If the proceeds of any sale of less than the whole of the Property shall be less than the aggregate of the Secured Indebtedness and the expense of executing this trust as provided herein, this Deed of Trust and the lien hereof shall remain in full force and effect as to the unsold portion of the Property just as though no sale had been made; provided, however, that Trustor shall never have any right to require the sale of less than the whole of the

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Property but Holder shall have the right, at its sole election, to request Trustee to sell less than the whole of the Property.

(iii) Trustee may, after any request or direction by Holder, sell not only the real property but also the Collateral and other interests which are a part of the Property, or any part thereof, as a unit and as a part of a single sale, or may sell any part of the Property separately from the remainder of the Property. It shall not be necessary for Trustee to have taken possession of any part of the Property or to have present or to exhibit at any sale any of the Collateral.

(iv) After each sale, Trustee shall receive the proceeds of said sale and apply the same as herein provided. Payment of the purchase price to Trustee shall satisfy the obligation of purchaser at such sale therefor, and such purchaser shall not be responsible for the application thereof.

(v) Trustee or its successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting of notices and the conduct of sale, but in the name and on behalf of Trustee, its successor or substitute. If Trustee or its successor or substitute shall have given notice of sale hereunder, any successor or substitute Trustee thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the successor or substitute Trustee conducting the sale.

(d) Uniform Commercial Code. Without limitation of any rights of enforcement of Holder and Lenders with respect to the Collateral or any part thereof in accordance with the procedures for foreclosure of real estate, Holder may exercise its rights of enforcement with respect to the Collateral or any part thereof under the California Uniform Commercial Code, 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) and in conjunction with, in addition to or in substitution for those rights and remedies: (i) Holder may enter upon Trustor's premises to take possession of, assemble and collect the Collateral or, to the extent and for those items of the Collateral permitted under applicable law, to render it unusable; (ii) Holder may require Trustor to assemble the Collateral and make it available at a place Holder designates which is mutually convenient to allow Holder to take possession or dispose of the Collateral; (iii) written notice mailed to Trustor as provided herein at least five (5) days prior to the date of public sale of the Collateral or prior to the date on which private sale of the Collateral will be made shall constitute reasonable notice; provided that, if Holder fails to comply with this clause (iii) in any respect, the liability of Holder and Lenders for such failure shall be limited to the liability (if any) imposed on them as a matter of law under the California Uniform Commercial Code, 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); (iv) any sale made pursuant to the provisions of this clause (d) shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with and upon the same notice as required for the sale of the Property under power of sale as provided in clause (c) above in this Section 6.1; (v) in the event of a foreclosure sale, whether made by Trustee under the terms hereof, or under judgment of a court, the Collateral and the other Property may, at the option of Holder, be sold as a whole; (vi) it shall not be necessary for Holder to take possession of the Collateral or any part

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thereof prior to the time that any sale pursuant to the provisions of this clause (d) is conducted and it shall not be necessary for the Collateral or any part thereof to be present at the location of such sale; (vii) with respect to application of proceeds from disposition of the Collateral under Section 6.2 hereof, the costs and expenses incident to disposition shall include the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorneys' fees and legal expenses incurred by Holder and Lenders (including the market value of services provided by in-house counsel); (viii) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of the Secured Indebtedness or as to the occurrence of any Default, or as to Holder having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and of the properties to be sold having been duly given, or as to any other act or thing having been duly done by Holder or Lenders, shall be taken as prima facie evidence of the truth of the facts so stated and recited; (ix) Holder may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Holder, including the sending of notices and the conduct of the sale, but in the name of Holder on behalf of itself and Lenders; (x) Holder may comply with any applicable state or federal law or regulatory requirements in connection with a disposition of the Collateral, and such compliance will not be considered to affect adversely the commercial reasonableness of any sale of the Collateral; (xi) Holder may sell the Collateral without giving any warranties as to the Collateral, and may specifically disclaim all disposition warranties, including warranties relating to title, possession, quiet enjoyment and the like, and all warranties of quality, merchantability and fitness for a specific purpose, and this procedure will not be considered to affect adversely the commercial reasonableness of any sale of the Collateral; (xii) Trustor acknowledges that a private sale of the Collateral may result in less proceeds than a public sale; and (xiii) Trustor acknowledges that the Collateral may be sold at a loss to Trustor, and that in such event neither Holder nor Lenders shall have any liability or responsibility to Trustor for such loss.

(e) Judicial Action. Subject to any provision of the Credit Agreement regarding reference and arbitration, Holder may bring an action on behalf of itself and Lenders in any court of competent jurisdiction to foreclose this instrument or to obtain specific performance of any of the covenants or agreements of this Deed of Trust.

(f) Entry on Property. Holder is authorized on behalf of itself and Lenders, prior or subsequent to the institution of any foreclosure proceedings, to the fullest extent permitted by applicable law, to enter upon the Property or any part thereof, and to take possession of the Property and all books and records, and all recorded data of any kind or nature, regardless of the medium of recording, including all software, writings, plans, specifications and schematics relating thereto, and to exercise without interference from Trustor any and all rights which Trustor has with respect to the management, possession, operation, protection or preservation of the Property. Holder shall not be deemed to have taken possession of the Property or any part thereof except upon the exercise of its right to do so, and then only to the extent evidenced by its demand and overt act specifically for such purpose. All costs, expenses and liabilities of every character incurred by Holder and Lenders in managing, operating, maintaining, protecting or preserving the Property shall constitute a demand obligation of Trustor (which obligation Trustor hereby promises to pay) to Holder (for its own account or the account of Lenders, as applicable) pursuant to this Deed of Trust. If necessary to obtain the possession provided for above, Holder

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may invoke any and all legal remedies to dispossess Trustor. In connection with any action taken by Holder pursuant to this clause (f), neither Holder nor Lenders shall be liable for any loss sustained by Trustor resulting from any failure to let the Property or any part thereof, or from any act or omission of Holder in managing the Property unless such loss is caused by the gross negligence, willful misconduct or bad faith of Holder, nor shall Holder or Lenders be obligated to perform or discharge any obligation, duty or liability of Trustor arising under any lease or other agreement relating to the Property or arising under any Permitted Encumbrance or otherwise arising. Trustor hereby assents to, ratifies and confirms any and all actions of Holder with respect to the Property taken under this clause (f).

(g) Receiver. Holder, on behalf of itself and Lenders, shall as a matter of right be entitled to the appointment of a receiver or receivers for all or any part of the Property, whether such receivership is incident to a proposed sale (or sales) of such property or otherwise, and without regard to the value of the Property or the solvency of any person or persons liable for the payment of the Secured Indebtedness, and Trustor does hereby irrevocably consent to the appointment of such receiver or receivers, waives notice of such appointment, of any request therefor or hearing in connection therewith, and any and all defenses to such appointment, agrees not to oppose any application therefor by Holder, and agrees that such appointment shall in no manner impair, prejudice or otherwise affect the rights of Holder and Lenders to application of Rents as provided in this Deed of Trust. Nothing herein is to be construed to deprive Holder or Lenders of any other right, remedy or privilege they may have under the law to have a receiver appointed. Any money advanced by Holder or Lenders in connection with any such receivership shall be a demand obligation (which obligation Trustor hereby promises to pay) owing by Trustor to Holder (for its own account or the account of Lenders, as applicable) pursuant to this Deed of Trust.

(h) Powers of Holder. Holder may, on behalf of itself and Lenders, either directly or through an agent or court-appointed receiver, and without regard to the adequacy of any security for the Secured Indebtedness:

(i) enter, take possession of, manage, operate, protect, preserve and maintain, and exercise any other rights of an owner of, the Property, and use any other properties or facilities of Trustor relating to the Property, all without payment of rent or other compensation to Trustor;

(ii) enter into such contracts and take such other action as Holder deems appropriate to complete all or any part of the Improvements or any other construction on the Land, subject to such modifications and other changes in the Improvements or the plan of development as Holder may deem appropriate;

(iii) make, cancel, enforce or modify leases, obtain and evict tenants, fix or modify rents and, in its own name or in the name of Trustor, otherwise conduct any business of Trustor in relation to the Property and deal with Trustor's creditors, debtors, tenants, agents and employees and any other persons having any relationship with Trustor in relation to the Property, and amend any contracts between them, in any manner Holder may determine;

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(iv) either with or without taking possession of the Property, notify obligors on any contracts that all payments and other performance are to be made and rendered directly and exclusively to Holder, and in its own name on behalf of itself and Lenders supplement, modify, amend, renew, extend, accelerate, accept partial payments or performance on, make allowances and adjustments and issue credits with respect to, give approvals, waivers and consents under, release, settle, compromise, compound, sue for, collect or otherwise liquidate, enforce or deal with any contracts or other rights, including collection of amounts past due and unpaid (Trustor agreeing not to take any such action after the occurrence of a Default without prior written authorization from Holder);

(v) endorse, in the name of Trustor, all checks, drafts and other evidences of payment relating to the Property, and receive, open and dispose of all mail addressed to Trustor and notify the postal authorities to change the address for delivery of such mail to such address as Holder may designate; and

(vi) take such other action as Holder deems appropriate to protect the security of this Deed of Trust.

(i) Other Rights and Remedies. Holder and Lenders may exercise any and all other rights and remedies which Holder and Lenders may have under the Loan Documents, or at law or in equity or otherwise.

Section 6.2 Proceeds of Foreclosure. The proceeds of any sale held by Trustee or Holder or any receiver or public officer in foreclosure of the liens and security interests evidenced hereby shall be applied in accordance with the requirements of applicable laws and to the extent consistent therewith, FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including all attorneys' fees and legal expenses (including the market value of services provided by in-house counsel), advertising costs, auctioneer's fees, costs of title rundowns, lien searches, trustee's sale guaranties, foreclosure sale guaranties, litigation guaranties and/or other title policies and endorsements, inspection fees, appraisal costs, fees for professional services, environmental assessment and remediation fees, all court costs and charges of every character, and the maximum fee legally permitted, or a reasonable fee when the law provides no maximum limit, to Trustee acting under the provisions of clause (c) of Section 6.1 hereof if foreclosed by power of sale as provided in said clause (c), and to the payment of the other Secured Indebtedness in accordance with Section 8.03 of the Credit Agreement; and SECOND, the remainder, if any, shall be paid to Trustor, or to Trustor's heirs, devisees, representatives, successors or assigns, or such other persons (including the holder or beneficiary of any inferior lien) as may be entitled thereto by law; provided, however, that if Holder is uncertain which person or persons are so entitled, Holder, on behalf of itself and Lenders, may interplead such remainder in any court of competent jurisdiction, and the amount of any attorneys' fees, court costs and expenses incurred in such action shall be a part of the Secured Indebtedness and shall be reimbursable (without limitation) from such remainder.

Section 6.3 Holder or Lender as Purchaser. Holder and any Lender shall have the right to become the purchaser at any sale held by Trustee or its substitute or successor or by any receiver or public officer or at any public sale. Holder shall have the right to credit upon the amount of Holder's successful bid, to the extent necessary to satisfy such bid, all or any part of

the Secured Indebtedness in such manner and order as Holder may elect. Any Lender shall have the right to credit upon the amount of the Lender's successful bid, all or any part of the Secured Indebtedness evidenced by the Note made payable to the Lender in such manner and order as the Lender may elect.

Section 6.4 Remedies Cumulative. All rights and remedies provided for herein and in any other Loan Document are cumulative of each other and of any and all other rights and remedies existing at law or in equity, and Trustee, Holder and Lenders shall, in addition to the rights and remedies provided herein or in any other Loan Document, be entitled to avail themselves of all such other rights and remedies as may now or hereafter exist at law or in equity for the collection of the Secured Indebtedness and the enforcement of the covenants herein and the foreclosure of the liens and security interests evidenced hereby, and the resort to any right or remedy provided for hereunder or under any such other Loan Document or provided for by law or in equity shall not prevent the concurrent or subsequent employment of any other appropriate right or rights or remedy or remedies.

Section 6.5 Discretion as to Security. Holder, on behalf of itself and Lenders, may resort to any security given by this Deed of Trust or to any other security now existing or hereafter given to secure the payment of the Secured Indebtedness, in whole or in part, and in such portions and in such order as may seem best to Holder in its sole and uncontrolled discretion, and any such action shall not constitute or in any way be considered as a waiver of any of the rights, benefits, liens or security interests evidenced by this Deed of Trust.

Section 6.6 Trustor's Waiver of Certain Rights. To the full extent Trustor may do so, Trustor agrees that Trustor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, homestead, moratorium, reinstatement, marshaling or forbearance, and Trustor, for Trustor, Trustor's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by applicable law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution and all rights to a marshaling of assets of Trustor, including the Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and/or security interests hereby created. Trustor shall not have or assert any right under any statute or rule of law pertaining to the marshaling of assets, 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 Holder and Lenders under the terms of this Deed of Trust to a sale of the Property for the collection of the Secured Indebtedness without any prior or different resort for collection, or the right of Holder and Lenders under the terms of this Deed of Trust to the payment of the Secured Indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatsoever.

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Section 6.7 Delivery of Possession After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale, Trustor or Trustor's heirs, devisees, representatives, or successors as owners of the Property are occupying or using the Property, or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of purchaser, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; and to the extent permitted by applicable law, the purchaser at such sale shall, notwithstanding any language herein apparently to the contrary, have the sole option to demand immediate possession following the sale or to permit the occupants to remain as tenants at will.

ARTICLE 7

Additional Provisions Regarding Queen Mary Lease

Section 7.1 No Merger. So long as any of the indebtedness secured by this Deed of Trust shall remain unpaid, unless Administrative Agent shall otherwise consent in writing, the fee title to the Subject Property and the Leasehold Estate shall not merge but shall always be kept separate and distinct, notwithstanding the union of said estates either in the landlord or in the tenant, or in a third party, by purchase or otherwise. Trustor further covenants and agrees that, in case Trustor shall acquire the fee title, or any other estate, title or interest in the Subject Property, this Deed of Trust shall attach to and cover and be a lien upon such other estate so acquired, and such other estate so acquired by Trustor shall be considered as mortgaged, assigned or conveyed to Holder and the lien hereof shall cover such estate with the same force and effect as though specifically herein mortgaged, assigned or conveyed. The provisions of this Section 7.1 shall not apply in the event the holder of the note secured hereby acquires the fee title to the Subject Property except if Holder shall so elect.

Section 7.2 Rights of Administrative Agent. Administrative Agent shall have the right at any time during the term of the each Ground Lease to:

(a) do any act or thing required of Trustor under the applicable Ground Lease and any act or thing done and performed by Administrative Agent shall be as effective to prevent a forfeiture of Trustor's rights under the applicable Ground Lease as if done by Trustor itself; and

(b) realize on the security afforded by the Leasehold Estate by exercising foreclosure proceedings or power of sale or other remedy afforded at law or in equity, or under this Deed of Trust, and to:

(i) transfer, convey or assign the title of Trustor in the applicable Ground Lease for the estate created thereby to any purchaser at any foreclosure sale, whether the foreclosure sale is conducted pursuant to court order or pursuant to the power of sale contained in this Deed of Trust; and

(ii) acquire and succeed to the interest of Trustor under the applicable Ground Lease by virtue of any foreclosure sale, whether the foreclosure sale is conducted pursuant to court order or pursuant to the power of sale contained in this Deed of Trust, or by assignment or deed in lieu of foreclosure.

Section 7.3 Foreclosure in Lieu of Curing Default. Administrative Agent may forestall termination of any Ground Lease by the landlord thereunder for a default under such Ground Lease by Trustor by commencing proceedings to foreclose this Deed of Trust.

Section 7.4 New Lease; Foreclosure or Assignment of Leasehold Interest to Administrative Agent. In the event Administrative Agent is entitled to obtain a new lease pursuant to Section 8.6 of the Queen Mary Lease or otherwise or Administrative Agent initiates proceedings for foreclosure of the lien of this Deed of Trust, then not later than ten (10) days after the landlord under the Queen Mary Lease delivers to Trustor a notice of termination of the Queen Mary Lease in accordance with Section 8.6 of the Queen Mary Lease, Trustor shall deliver to an independent third party escrow holder reasonably acceptable to Administrative Agent the following, together with written instructions to said escrow holder to deliver such items to Administrative Agent (or the successful third party bidder at a foreclosure sale) upon the termination of the Queen Mary Lease and execution of the new lease pursuant to Section 8.6 of the Queen Mary Lease or completion of the foreclosure proceedings:

(a) Such documents, assignments, instruments and conveyances as Administrative Agent may reasonably request to terminate all of Trustor's right, title and interest in and to the Queen Mary Lease premises, and to transfer title to the Improvements (as defined in the Queen Mary Lease) to Administrative Agent as provided therein;

(b) If reasonably requested by Administrative Agent, security reasonably acceptable to Landlord (including title insurance, if available on commercially reasonable terms) against all claims and liens against the Leasehold Estate;

(c) An assignment of Trustor's interest, as lessor, in all Leases, including Trustor's agreement that Administrative Agent shall not be obligated for any prior default of Trustor under the Leases;

(d) Any and all deposits, prepaid rents or other amounts held by Trustor under or pursuant to the Leases, and assignments of Trustor's interest in all such items held by others for Trustor;

(e) All books, records, advertising literature, construction plans, surveys, permits and other documents in possession of Trustor relating to, or necessary for, the operation of the Leasehold Estate; and

(f) An amount equal to the accrued but unpaid "Impositions" (as defined in the Queen Mary Lease) with respect to the Leasehold Estate, prorated to the date of termination of the Queen Mary Lease or completion of foreclosure proceedings, and insurance premiums to the extent applicable to any period after the termination of the Queen Mary Lease or completion of foreclosure proceedings.

All documents required to be delivered by Trustor to Administrative Agent (or the successful third party bidder at a foreclosure sale) hereunder shall be in form reasonably satisfactory to Administrative Agent and Trustor that, upon the termination of the Queen Mary Lease and execution of a new lease or completion of foreclosure proceedings, Administrative Agent (or the successful third party bidder at a foreclosure sale) shall, at its option, succeed to a fully operable project, complete with the real and personal property with which it was being operated by Trustor.

Upon the termination of the Queen Mary Lease and execution of a new lease or completion of foreclosure proceedings, Trustor shall peaceably quit and surrender the Leasehold Estate to Administrative Agent (or the successful third party bidder at a foreclosure sale). Trustor shall leave the property in good and broom-clean condition and repair, reasonable wear and tear and obsolescence excepted.

Trustor hereby irrevocably constitutes and appoints Administrative Agent its true and lawful attorney-in-fact with full power of substitution to execute, acknowledge and deliver any instruments referred to in this Section 7.4 in the name and on behalf of Trustor which Administrative Agent shall reasonably deem necessary to transfer and convey to Administrative Agent (or the successful third party bidder at a foreclosure sale) all of Trustor's right, title and interest in and to the Queen Mary Lease and the Leasehold Estate in accordance with this Section 7.4; provided, however, that such appointment shall be effective if and only if Trustor wrongfully fails or refuses, after written notice and opportunity to cure, to execute, acknowledge and deliver any such instruments. The power vested in Administrative Agent as attorney-in-fact is, and shall be deemed to be, coupled with an interest.

Section 7.5 Bankruptcy Code.

(a) Attachment to Right to Remain in Possession. The lien of this Deed of Trust shall attach to all of Trustor's rights and remedies at any time arising under or pursuant to Subsection 365(h) of the Bankruptcy Code, 11 U.S.C. § 365(h), including, without limitation, all of Trustor's rights to remain in possession of the property, estate and interest conveyed under this Deed of Trust.

(b) Consent Before Terminating or Treating Ground Lease as Terminated. Trustor shall not without Administrative Agent's written consent elect to terminate any Ground Lease under Subsections 365(a) or 365(d) of the Bankruptcy Code, 11 U.S.C. §§ 365(a) and (d). Any such election made without Administrative Agent's consent shall be void. Trustor shall not without Administrative Agent's prior written consent elect to treat any Ground Lease as terminated under Subsection 365(h)(1) of the Bankruptcy Code, 11 U.S.C. § 365(h)(1). Any such election made without Administrative Agent's consent shall be void.

(c) Assignment of Claim for Damages. Trustor hereby unconditionally assigns, transfers and sets over to Holder all of Trustor's claims and rights to the payment of damages arising from any rejection by the landlord under the each Ground Lease (i.e., the fee owner) under the Bankruptcy Code, 11 U.S.C. § 101, et seq. Administrative Agent shall have the right to proceed in its own name or in the name of Trustor in respect of any claim, suit, action or proceeding relating to the rejection of the any Ground Lease, including, without limitation, the

right to file and prosecute, to the exclusion of Trustor, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the landlord under the any Ground Lease under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until all of the indebtedness and obligations secured by this Deed of Trust shall have been satisfied and discharged in full. Any amounts received by Holder as damages arising out of the rejection of the any Ground Lease as aforesaid shall be applied first to all costs and expenses of Administrative Agent (including, without limitation, attorneys' fees) incurred in connection with the exercise of any of its rights or remedies under this paragraph.

(d) Disapproval of Rent Offset. If pursuant to Subsection 365(h)(2) of the Bankruptcy Code, 11 U.S.C. § 365(h)(2), Trustor shall seek to offset against the rent reserved in the each Ground Lease the amount of any damages caused by the nonperformance by the landlord under such Ground Lease of any of such landlord's obligations thereunder after the rejection by such landlord of such Ground Lease under the Bankruptcy Code, Trustor shall, prior to effecting such offset, notify Administrative Agent of its intent so to do, setting forth the amounts proposed to be so offset and the basis therefor. Administrative Agent shall have the right to object to all or any part of such offset, and, in the event of such objection, Trustor shall not effect any offset of the amounts so objected to by Administrative Agent. If Administrative Agent shall have failed to object as aforesaid within ten (10) days after notice from Trustor in accordance with the first sentence of this paragraph, Trustor may proceed to effect such offset in the amounts set forth in Trustor's notice. Neither Administrative Agent's failure to object as aforesaid nor any objection or other communication between Administrative Agent and Trustor relating to such offset shall constitute an approval of any such offset by Administrative Agent. Trustor shall pay and protect Administrative Agent and Lenders, and indemnify and save Administrative Agent and Lenders harmless from and against any and all claims, demands, actions, suits, proceedings, damages, losses, costs and expenses of every nature whatsoever (including, without limitation, attorneys' fees) arising from or relating to any offset by Trustor against the rent reserved in the applicable Ground Lease.

(e) Control of Litigation. If any action, proceeding, motion or notice shall be commenced or filed in respect of the landlord under the any Ground Lease or the property or the estate, interest or property conveyed to Trustor hereunder in connection with any case under the Bankruptcy Code, 11 U.S.C. § 101, et seq., Administrative Agent shall have the option, to the exclusion of Trustor, exercisable upon notice from Administrative Agent to Trustor, to conduct and control any such litigation with counsel of Administrative Agent's choice. Administrative Agent may proceed in its own name or in the name of Trustor in connection with any such litigation, and Trustor agrees to execute any and all powers, authorizations, consents or other documents required by Administrative Agent in connection therewith. Trustor shall, upon demand, pay to Administrative Agent all costs and expenses (including attorneys' fees) paid or incurred by Administrative Agent in connection with the prosecution or conduct of any such proceedings. Any such costs or expenses not paid by Trustor as aforesaid shall be secured by the lien of this Deed of Trust and shall be added to the principal amount of the indebtedness secured hereby. Trustor shall not commence any action, suit, proceeding or case, or file any application or make any motion, in respect of any Ground Lease in any such case under the Bankruptcy Code without the prior written consent of Administrative Agent.

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(f) Notice of Filing of Petition Against the Landlord Under Ground Lease. Trustor shall, after obtaining knowledge thereof, promptly notify Administrative Agent orally of any filing by or against the landlord under any Ground Lease of a petition under the Bankruptcy Code, 11 U.S.C. § 101, et seq., by telephonic notice to the location for Administrative Agent stated herein for notice. Trustor shall thereafter forthwith give written notice of such filing to Administrative Agent setting forth any information available to Trustor as to the date of such filing, the court in which such petition was filed and the relief sought therein. Trustor shall promptly deliver to Administrative Agent, following receipt, copies of any and all notices, summonses, pleadings, applications and other documents received by Trustor in connection with any such petition and any proceedings relating thereto.

(g) Administrative Agent's Assumption of Ground Lease. If there shall be filed by or against Trustor a petition under the Bankruptcy Code, 11 U.S.C. § 101, et seq. and Trustor as lessee under any Ground Lease shall determine to reject such Ground Lease pursuant to Section 365(a) of the Bankruptcy Code, Trustor shall give Administrative Agent not less than ten (10) days prior notice of the date on which Trustor shall apply to the Bankruptcy Court for authority to reject such Ground Lease. Administrative Agent shall have the right, but not the obligation, to serve upon Trustor within such ten (10) day period a notice stating that (i) Administrative Agent demands that Trustor assume and assign such Ground Lease to Administrative Agent pursuant to Section 365 of the Bankruptcy Code and (ii) Administrative Agent covenants to cure or provide adequate assurance of prompt cure of all defaults and provide adequate assurance of future performance under such Ground Lease. If Administrative Agent shall serve upon Trustor the notice described in the preceding sentence, Trustor shall not seek to reject such Ground Lease and shall comply with the demand provided for in clause (i) of the preceding sentence within thirty (30) days after the notice shall have been given subject to the performance by Administrative Agent of the covenant provided for in clause (ii) in the preceding sentence.

(h) Extension of Rejection Period. Effective upon the entry of an order for relief in respect of Trustor under the Bankruptcy Code, 11 U.S.C. § 101, et seq., Trustor hereby assigns and transfers to Administrative Agent a nonexclusive right to apply to the Bankruptcy Court under Subsection 365(d) of the Bankruptcy Code for an order extending the period during which a Ground Lease may be rejected or assumed.

(i) Bankruptcy Code Defined. As used in this Deed of Trust (i) any reference to the "Bankruptcy Code" shall be a reference to Title 11 of the United States Code, as the same may be amended from time to time or any successor statute, and (ii) any reference to a specific section of Title 11 of the United States Code shall be a reference to such section, as the same may be amended from time to time or any successor statute.

ARTICLE 8

Miscellaneous

Section 8.1 Scope of Deed of Trust. This Deed of Trust is a deed of trust with respect to that portion of the Property which is real property, a security agreement with respect to that portion of the Property which is personal property (it being agreed that, whenever possible, components of the Property shall be deemed to be real property rather than personal property), an assignment of rents and leases, a financing statement and fixture filing and a collateral assignment. In addition to the foregoing, this Deed of Trust covers all proceeds.

Section 8.2 Effective as a Financing Statement and Fixture Filing. 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 said fixtures) is situated. This Deed of Trust shall also be effective as a financing statement covering as-extracted collateral (including oil and gas), accounts and general intangibles under the California Uniform Commercial Code, as in effect from time to time, and the Uniform Commercial Code, as in effect from time to time, in any other state where the Property is situated which will be financed at the wellhead or minehead of the wells or mines located on the Property and is to be filed for record in the real estate records of each county where any part of the Property is situated. This Deed of Trust shall also be effective as a financing statement covering any other Property and may be filed in any other appropriate filing or recording office. The respective mailing addresses of Trustor and Administrative Agent are set forth at the end of this Deed of Trust. A carbon, photographic or other reproduction of this Deed of Trust or of any 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 8.2.

Section 8.3 Notice to Account Debtors. In addition to the rights granted elsewhere in this Deed of Trust, Holder may at any time notify the account debtors or obligors of any accounts, chattel paper, general intangibles, negotiable instruments or other evidences of indebtedness included in the Collateral to pay Holder directly.

Section 8.4 Waiver by Holder. Holder may at any time and from time to time by a specific writing intended for the purpose: (a) waive any Default without waiving any other prior or subsequent Default; (b) waive compliance by Trustor with any covenant herein made by Trustor to the extent and in the manner specified in such writing; (c) consent to Trustor's doing any act which hereunder Trustor is prohibited from doing, or to Trustor's failing to do any act which hereunder Trustor is required to do, to the extent and in the manner specified in such writing; (d) release any part of the Property or any interest therein from the lien and security interest of this Deed of Trust, without the joinder of Trustee; or (e) release any party liable, either directly or indirectly, for the Secured Indebtedness or for any covenant herein or in any other Loan Document without impairing or releasing the liability of any other party. In addition to the foregoing, Holder may remedy any Default without waiving the Default remedied. No such act shall in any way affect the rights or powers of Holder, Lenders or Trustee hereunder except to the extent specifically agreed to by Holder in such writing. Neither failure by Holder or Lenders to exercise, nor delay by Holder or Lenders in exercising, nor discontinuance of the exercise of

any right, power or remedy (including the right to accelerate the maturity of the Secured Indebtedness or any part thereof) upon or after any Default shall be construed as a waiver of such Default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Holder or Lenders of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No waiver of any provision hereof or consent to any departure by Trustor therefrom shall in any event be effective unless the same shall be in writing and signed by Holder and then such waiver or consent shall be effective only in the specific instance, for the purpose for which given and to the extent therein specified. No notice to or demand on Trustor in any case shall of itself entitle Trustor to any other or further notice or demand in similar or other circumstances.

Section 8.5 No Impairment of Security. The lien, security interest and other security rights of Holder and Lenders hereunder or under any other Loan Document shall not be impaired by any indulgence, moratorium or release granted by Holder including any renewal, extension or modification which Holder may grant with respect to any Secured Indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which Holder may grant in respect of the Property, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any Secured Indebtedness. The taking of additional security by Holder and Lenders shall not release or impair the lien, security interest or other security rights of Holder and Lenders hereunder or affect the liability of Trustor or of any endorser, guarantor or surety, or improve the right of any junior lienholder in the Property (without implying hereby any consent to any junior lien by Holder or Lenders).

Section 8.6 Trustor's Successors. If the ownership of the Property or any part thereof becomes vested in a person other than Trustor, Holder may, on behalf of itself and Lenders, without notice to Trustor, deal with such successor or successors in interest with reference to this Deed of Trust and to the Secured Indebtedness in the same manner as with Trustor, without in any way vitiating or discharging Trustor's liability hereunder or its liability for the payment of the Secured Indebtedness or performance of the obligations secured hereby. No transfer of the Property, no forbearance on the part of Holder, and no extension of the time for the payment of the Secured Indebtedness given by Holder shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of Trustor hereunder for the payment of the Secured Indebtedness or performance of the obligations secured hereby or the liability of any other person hereunder for the payment of the Secured Indebtedness. Each Trustor agrees that it shall be bound by any modification of this Deed of Trust or any of the other Loan Documents made by Holder on behalf of itself and Lenders and any subsequent owner of the Property, with or without notice to such Trustor, and no such modifications shall impair the obligations of such Trustor under this Deed of Trust or any other Loan Document. Nothing in this Section or elsewhere in this Deed of Trust shall be construed to imply any consent by Holder or Lenders to any transfer of the Property.

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Section 8.7 Place of Payment; Forum. All Secured Indebtedness which may be owing hereunder at any time by Trustor shall be payable at the place designated in the Notes (or if no such designation is made, at the address of Holder indicated at the end of this Deed of Trust). Trustor hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the non-exclusive jurisdiction of any California state court or any United States federal court sitting in the county in which the Secured Indebtedness is payable, and to the non-exclusive jurisdiction of any state or United States federal court sitting in the state in which any of the Property is located, over any suit, action or proceeding arising out of or relating to this Deed of Trust or the Secured Indebtedness. Trustor hereby irrevocably waives, to the fullest extent permitted by law, any objection that Trustor may now or hereafter have to the laying of venue in any such court and to any claim that any such court is an inconvenient forum. Trustor hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any California state court or any United States federal court sitting in the state in which the Secured Indebtedness is payable may be made by certified or registered mail, return receipt requested, directed to Trustor at its address stated at the end of this Deed of Trust or at a subsequent address of Trustor of which Holder received actual notice from Trustor in accordance with this Deed of Trust, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of Holder to serve process in any manner permitted by law or limit the right of Holder to bring proceedings against Trustor in any other court or jurisdiction; provided, however, that in the event of any inconsistency between the terms and conditions of this Section 8.7 and those of any provision in the Credit Agreement regarding reference and arbitration, the terms and conditions of the reference and arbitration provision of the Credit Agreement shall prevail.

Section 8.8 WAIVER OF JURY TRIAL. TRUSTOR AND, BY THEIR ACCEPTANCE HEREOF, HOLDER AND LENDERS EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS DEED OF TRUST OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). TRUSTOR, HOLDER AND LENDERS EACH (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO OR ACCEPT (AS APPLICABLE) THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

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Section 8.9 Subrogation to Existing Liens; Vendor's Lien. To the extent that proceeds of the Notes are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Property, such proceeds have been advanced by Holder and Lenders at Trustor's request, and Holder and Lenders shall be subrogated to any and all rights, security interests and liens owned by any owner or holder of such outstanding liens, security interests, charges or encumbrances, however remote, regardless of whether said liens, security interests, charges or encumbrances are released, and all of the same are recognized as valid and subsisting and are renewed and continued and merged herein to secure the Secured Indebtedness, but the terms and provisions of this Deed of Trust shall govern and control the manner and terms of enforcement of the liens, security interests, charges and encumbrances to which Holder and Lenders are subrogated hereunder. It is expressly understood that, in consideration of the payment of such indebtedness by Holder and Lenders, Trustor hereby waives and releases all demands and causes of action for offsets and payments in connection with said indebtedness. If all or any portion of the proceeds of the Loan 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 lien is waived; and Holder shall have, and is hereby granted, for the ratable benefit of itself and Lenders, a vendor's lien on the Property as cumulative additional security for the Secured Indebtedness. Holder, on behalf of itself and Lenders, may foreclose under this Deed of Trust or under the vendor's lien without waiving the other or may foreclose under both.

Section 8.10 Application of Payments to Certain Indebtedness. If any part of the Secured Indebtedness cannot be lawfully secured by this Deed of Trust or if any part of the Property cannot be lawfully subject to the lien and security interest hereof to the full extent of such indebtedness, then all payments made shall be applied on said indebtedness first in discharge of that portion thereof which is not secured by this Deed of Trust.

Section 8.11 Nature of Loan; Compliance with Usury Laws. The Loan is being made solely for the purpose of carrying on or acquiring a business or commercial enterprise. It is the intent of Trustor, Holder and Lenders and all other parties to the Loan Documents to conform to and contract in strict compliance with applicable usury law from time to time in effect. All agreements among Holder, Lenders and Trustor (or any other party liable with respect to any indebtedness under the Loan Documents) are hereby limited by the provisions of this Section 8.11, which shall override and control all such agreements, whether now existing or hereafter arising. In no event or contingency (including prepayment, default, demand for payment or acceleration of the maturity of any obligation), shall the interest taken, reserved, contracted for, charged, chargeable or received under this Deed of Trust, the Notes or any other Loan Document or otherwise, exceed the maximum nonusurious amount permitted by applicable law (the "Maximum Amount"). If from any possible construction of any document, interest would otherwise be payable in excess of the Maximum Amount, any such construction shall be subject to the provisions of this Section 8.11 and such document shall ipso facto be automatically reformed and the interest payable shall be automatically reduced to the Maximum Amount, without the necessity of execution of any amendment or new document. If Holder and Lenders shall ever receive anything of value which is characterized as interest under applicable law and which would apart from this provision be in excess of the Maximum Amount, an amount equal to the amount which would have been excessive interest shall, without penalty, be applied to the

reduction of the principal amount owing on the Secured Indebtedness in the inverse order of its maturity and not to the payment of interest, or refunded to Trustor or the other payor thereof if and to the extent such amount which would have been excessive exceeds such unpaid principal. The right to accelerate the maturity of the Notes or any other Secured Indebtedness does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Holder and Lenders do not intend to charge or receive any unearned interest in the event of acceleration. All interest paid or agreed to be paid to Holder and Lenders shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full stated term (including any renewal or extension) of the Secured Indebtedness so that the amount of interest on account of such indebtedness does not exceed the Maximum Amount. As used in this Section, the term "applicable law" shall mean the laws of the State of California or the federal laws of the United States applicable to this transaction, whichever laws allow the greater interest, as such laws now exist or may be changed or amended or come into effect in the future.

Section 8.12 Substitute Trustee. Trustee may resign by an instrument in writing addressed to Holder or Trustee may be removed at any time with or without cause by an instrument in writing executed by Holder. In case of the resignation, removal or disqualification of Trustee, or if for any reason Holder shall deem it desirable to appoint a substitute or successor trustee to act instead of the herein-named trustee or any substitute or successor trustee, then Holder shall have the right and is hereby authorized and empowered to appoint a successor trustee(s) or a substitute trustee(s) without any formality other than appointment and designation in writing executed by Holder and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the Secured Indebtedness has been paid in full or until the Property is fully and finally sold hereunder. If Holder is a corporation or association and such appointment is executed on its behalf by an officer of such corporation or association, such appointment shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action by the board of directors or any superior officer of the corporation or association. Upon the making of any such appointment and designation, all of the estate and title of Trustee in the Property shall vest in the named successor or substitute Trustee(s) and it shall thereupon succeed to, and shall hold, possess and execute, all of the rights, powers, privileges, immunities and duties herein conferred upon Trustee.

Section 8.13 No Liability of Trustee. Trustee shall not be liable for any error of judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever (including Trustee's negligence), except for Trustee's gross negligence or willful misconduct. Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by it hereunder, believed by it in good faith to be genuine. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law), and Trustee shall be under no liability for interest on any moneys received by it hereunder. Trustor hereby ratifies and confirms any and all acts which the herein-named Trustee or its successor or successors, substitute or substitutes, in this trust, shall do lawfully by virtue hereof. Trustor will reimburse Trustee for, and save Trustee harmless against, any and all liability and expenses which may be incurred by Trustee in the performance of its duties. The

foregoing indemnity shall not terminate upon discharge of the Secured Indebtedness or foreclosure, release or other termination of this Deed of Trust.

Section 8.14 Reconveyances.

(a) Reconveyance from Deed of Trust. If all of the Secured Indebtedness shall have been paid in full, and all of the covenants, warranties, undertakings and agreements made in this Deed of Trust shall have been kept and performed, and all obligations, if any, of Holder and Lenders for further advances shall have been terminated, then, and in that event only, all rights under this Deed of Trust shall terminate (except to the extent expressly provided herein with respect to indemnifications, representations and warranties and other rights which are to continue following the reconveyance hereof) and the Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, and the Property shall be reconveyed by Holder in due form at Trustor's cost. Without limitation, all provisions herein for indemnity of Holder, Lenders and/or Trustee shall survive discharge of the Secured Indebtedness and any foreclosure, reconveyance or termination of this Deed of Trust.

(b) Partial Reconveyance; No Reconveyance in Default. Holder may, regardless of consideration, cause the reconveyance of any part of the Property from the lien of this Deed of Trust without in any manner affecting or impairing the lien or priority of this Deed of Trust as to the remainder of the Property. Partial reconveyances of the Property from the lien of this Deed of Trust shall be made on the terms and subject to the conditions of the Credit Agreement. No partial reconveyance shall be sought, requested or required if any Default has occurred which has not been cured.

(c) Reconveyance Fee. Trustor agrees to pay fees in the maximum amounts legally permitted, or reasonable fees when the law provides no maximum limit, for Trustee's rendering of services in connection with each partial or complete reconveyance of the Property from the lien of this Deed of Trust.

Section 8.15 Notices. All notices, requests, consents, demands and other communications 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 registered or certified United States mail, postage prepaid, addressed to the party to whom directed at the addresses specified at the end of 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 such notice or communication 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 the California Civil Code 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 receipt. Any Trustor whose address is set forth at the end of this Deed of Trust hereby requests that a copy of notice of default and notice of sale be mailed to it at that address. If any Trustor fails to insert an address, that failure shall constitute a designation of such Trustor's last known address as the address for such notice. This Section shall not be construed in any way to

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affect or impair any waiver of notice or demand provided in any Loan Document or to require giving of notice or demand to or upon any person in any situation or for any reason.

Section 8.16 Invalidity of Certain Provisions. A determination that any provision of this Deed of Trust is unenforceable or invalid shall not affect the enforceability or validity of any other provisions, and the determination that the application of any provision of this Deed of Trust to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

Section 8.17 Interpretation. References to Articles, Sections and Exhibit(s) are, unless specified otherwise, references to articles, sections and exhibit(s) of this Deed of Trust. Words of any gender shall include each other gender. Words in the singular shall include the plural and words in the plural shall include the singular. The words "herein," "hereof," "hereunder" and other similar compounds of the word "here" shall refer to this entire Deed of Trust and not to any particular Article, Section, paragraph or provision. The words "include" and "including" shall be interpreted as if followed by the words "without limitation." Captions and headings in this Deed of Trust are for convenience only and shall not affect the construction of this Deed of Trust. The term "person" and words importing persons as used in this Deed of Trust shall include firms, associations, partnerships (including limited partnerships and limited liability partnerships), joint ventures, trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, agencies or instrumentalities, as well as natural persons.

Section 8.18 Binding Effect; Trustor. The terms, provisions, covenants and conditions hereof shall be binding upon Trustor and the heirs, devisees, representatives, successors and assigns of Trustor; provided, however, that Trustor may not assign this Deed of Trust, or assign or delegate any of its rights or obligations under this Deed of Trust, without the prior written consent of each Lender in each instance (and any attempted assignment or delegation by Trustor without such consent shall be null and void). The obligations of Trustor hereunder shall be joint and several. If any Trustor or any signatory who signs on behalf of any Trustor is a corporation, partnership or other legal entity, Trustor and any such signatory, and the person or persons signing for it, represent and warrant to Holder and Lenders that this instrument is executed, acknowledged and delivered by Trustor's duly authorized representatives. If Trustor is an individual, no power of attorney granted by Trustor herein shall terminate on Trustor's disability.

Section 8.19 Trustee, Holder and Lender Assigns; Covenants Running with the Land. The terms, provisions, covenants and conditions hereof shall inure to the benefit of Trustee, Holder, any Lender and any of their successors and assigns and shall constitute covenants running with the Land. Holder and any Lender may, from time to time, sell, transfer or assign all or a portion of its respective interest in the Secured Indebtedness and the Loan Documents, on and subject to the terms and conditions of the Credit Agreement. In the event of any such sale, transfer or assignment, the corresponding whole or part of the rights and benefits under this Deed of Trust and the corresponding interest herein may be transferred with such Secured Indebtedness. Except as provided in the Credit Agreement, Trustor waives notice of any sale, transfer or assignment of the Secured Indebtedness or any part thereof or any interest therein. Trustor agrees that failure by Holder, Lenders or any other party to give notice of any such sale, transfer or assignment will not affect the liability of Trustor hereunder.

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Section 8.20 Execution; Recording. This Deed of Trust may be executed in several counterparts, all of which counterparts together shall constitute one and the same instrument. The date or dates reflected in the acknowledgments hereto indicate the date or dates of actual execution of this Deed of Trust, but such execution is as of the date shown on the first page hereof, and for purposes of identification and reference the date of this Deed of Trust shall be deemed to be the date reflected on the first page hereof. Trustor will cause this Deed of Trust and all amendments and supplements thereto and substitutions therefor and all financing statements and continuation statements relating thereto to be recorded, filed, re-recorded and refiled in such manner and in such places as Trustee or Holder shall reasonably request and will pay all such recording, filing, re-recording and refiling taxes, fees and other charges.

Section 8.21 Modification or Termination. The Loan Documents may be modified or terminated only by a written instrument or instruments intended for that purpose and executed by the party against which enforcement of the modification or termination is asserted. Any alleged modification or termination which is not so documented shall not be effective as to any party.

Section 8.22 No Partnership, Etc. The relationship between Trustor on the one hand and Holder and Lenders on the other is solely that of borrower and lender. Holder and Lenders have no fiduciary or other special relationship with Trustor. Nothing contained in the Loan Documents is intended to create any partnership, joint venture, association or special relationship between Trustor and Holder and Lenders or in any way to make Holder or any Lender a co-principal with Trustor with reference to the Property. All agreed contractual duties between or among Holder, Lenders, Trustor and Trustee are set forth herein and in the other Loan Documents, and any additional implied covenants or duties are hereby disclaimed. Any inferences to the contrary of any of the foregoing are hereby expressly negated.

Section 8.23 Applicable Law. THIS DEED OF TRUST, AND ITS VALIDITY, ENFORCEMENT AND INTERPRETATION SHALL BE GOVERNED BY AND CONSTRUED, INTERPRETED AND ENFORCED IN ACCORDANCE WITH AND PURSUANT TO THE LAWS OF THE STATE OF CALIFORNIA (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) AND APPLICABLE UNITED STATES FEDERAL LAW, EXCEPT AS OTHERWISE REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT REMEDIES PROVIDED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF CALIFORNIA ARE GOVERNED BY THE LAWS OF SUCH OTHER JURISDICTION.

Section 8.24 Entire Agreement. The Loan Documents constitute the entire understanding and agreement among Trustor, Holder and Lenders with respect to the transactions arising in connection with the Secured Indebtedness and supersede all prior written or oral understandings and agreements among Trustor, Holder and Lenders with respect to the matters addressed in the Loan Documents. Trustor hereby acknowledges that, except as incorporated in writing in the Loan Documents, there are not and were not, and no persons are or were authorized by Holder or Lenders to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Loan Documents.

Section 8.25 REQUESTS FOR NOTICES UNDER QUEEN MARY LEASE.

IN ACCORDANCE WITH SECTION 2924b OF THE CALIFORNIA CIVIL CODE AND THE PROVISIONS OF SECTION 8.1(c) OF THE QUEEN MARY LEASE, THE CITY OF LONG BEACH, AS LANDLORD UNDER THE GROUND LEASE, HEREBY REQUESTS THAT A COPY OF ANY NOTICE OF DEFAULT AND A COPY OF ANY NOTICE OF SALE UNDER THE THIS DEED OF TRUST BE MAILED TO THE CITY OF LONG BEACH AT THE FOLLOWING ADDRESSES:

City of Long Beach
333 West Ocean Boulevard, 13th Floor
Long Beach, CA 90802
Attn: Patrick H. West, City Manager
Email: Patrick.West@longbeach.gov

City of Long Beach
Long Beach City Attorney's Office
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802
Attn: City Attorney
Email: charles.parkin @longbeach.gov

[Signature on Next Page]

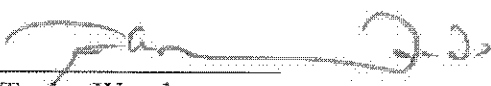
IN WITNESS WHEREOF, Trustor has executed this instrument as of the date first written on page 1 hereof.

The address of Trustor is:

Urban Commons Queensway, LLC
3334 East Coast Highway, #350
Corona del Mar, CA 92625
Attn: Taylor Woods

TRUSTOR:

URBAN COMMONS QUEENSWAY,
LLC, a California limited liability company

By: 
Name: Taylor Woods
Title: President

The address of Administrative Agent/Holder is:

Banc of California, N.A.
601 South Figueroa Street, Suite 1400
Los Angeles CA 90017

The address of Trustee is:

Chicago Title Insurance Company
725 S. Figueroa St., Suite 200
Los Angeles, California 90017

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

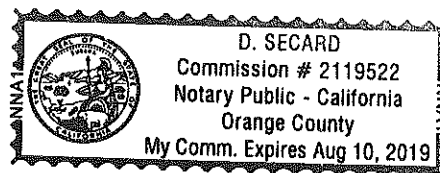
STATE OF CALIFORNIA)
) ss.
COUNTY OF Orange)

On December 16, 2014, before me, D. Secard, notary public,
personally appeared Taylor Woods, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature D. Secard (Seal)



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EXHIBIT A

LAND

ALL THAT PARCEL OR PARCELS OF REAL PROPERTY LOCATED IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1:

A LEASEHOLD AS CREATED BY THAT CERTAIN AMENDED AND RESTATED LEASE AND OPERATIONS AGREEMENT OF QUEEN MARY, ADJACENT LANDS AND IMPROVEMENTS, DOME AND QUEEN'S MARKETPLACE (LEASE NO. 22697) DATED AS OF NOVEMBER 1, 2016, BY AND BETWEEN THE CITY OF LONG BEACH, A CALIFORNIA MUNICIPAL CORPORATION, AS LANDLORD, AND URBAN COMMONS QUEENSWAY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AS TENANT, AS DISCLOSED BY A MEMORANDUM OF AMENDED AND RESTATED LEASE DATED AS OF NOVEMBER 4, 2016 AND RECORDED ON JANUARY 4, 2017, AS INSTRUMENT NO. 20170008565 OF THE OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIFORNIA ("OFFICIAL RECORDS"), UPON AND SUBJECT TO ALL OF THE PROVISIONS THEREIN CONTAINED.

THOSE PORTIONS OF THE ARTIFICIALLY CREATED LAND WITHIN THE TIDELANDS AND SUBMERGED LANDS CONVEYED TO THE CITY OF LONG BEACH BY THE STATE OF CALIFORNIA UNDER AN ACT OF MAY 1, 1911, CHAPTER 876, PAGE 1304, AS AMENDED, LYING IN BOTH SAID CITY AND THE HARBOR DISTRICT OF SAID CITY, MORE PARTICULARLY THOSE PORTIONS OF THE QUEEN MARY PROPERTY TRANSFER TO THE CITY OF LONG BEACH, AS SHOWN ON OFFICIAL DRAWING HD4-98 ON FILE IN THE OFFICE OF THE EXECUTIVE DIRECTOR OF THE PORT OF LONG BEACH OF SAID CITY, DESCRIBED AS FOLLOWS:

QUEEN MARY SITE-LAND AREA

BEGINNING AT MONUMENT A-8 AS SHOWN ON MAPS RECORDED IN BOOK 81, PAGE 50 AND BOOK 84, PAGE(S) 91 TO 93 INCLUSIVE OF RECORD OF SURVEYS OF SAID COUNTY; THENCE NORTH 89.82 FEET; THENCE EAST 1,538.32 FEET TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING HAVING COORDINATED NORTH 4,022,788.63, EAST 4,288,926.06 OF ZONE 7 OF THE CALIFORNIA COORDINATE SYSTEM, SAID TRUE POINT OF BEGINNING BEING ALSO A POINT IN THE NORTH LINE OF PARCEL 2 AS SHOWN ON SAID MAP RECORDED IN BOOK 84, PAGE(S) 91 TO 93 INCLUSIVE, SAID POINT, BEING THE NORTHERLY TERMINUS OF THAT CERTAIN COURSE HAVING A BEARING OF NORTH AND LENGTH OF 167.84 FEET ON SAID MAP; THENCE SOUTH 66° 20' 56" EAST 134.66 FEET; THENCE NORTH 23° 39' 04" EAST 54.03 FEET; THENCE SOUTH 66° 20' 56" EAST 272.57 FEET; THENCE NORTH 23° 39' 04" EAST 221.94 FEET; THENCE SOUTH 66° 20' 56" EAST 882.72 FEET; THENCE NORTH 23° 39' 04" EAST 46.00 FEET;

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THENCE SOUTH 66° 20' 56" EAST 768.00 FEET; THENCE SOUTH 23° 39' 04" WEST 46.00 FEET; THENCE SOUTH 66° 20' 56" EAST 82.32 FEET; THENCE NORTH 65° 03' 39" EAST 40.00 FEET; THENCE SOUTH 66° 20' 56" EAST 200.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 50.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 78.54 FEET; THENCE TANGENT TO SAID CURVE SOUTH 23° 39' 04" WEST 370.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 50.00 FEET; THENCE WESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 52.78 FEET; THENCE TANGENT TO SAID CURVE SOUTH 84° 08' 10" WEST 170.85 FEET; THENCE SOUTH 45° 00' 00" WEST 540.99 FEET; THENCE SOUTH 17° 02' 09" EAST 443.04 FEET; THENCE NORTH 45° 00' 00" WEST 2,354.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 135.00 FEET; THENCE NORTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 74.38 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 2,451.00 FEET; AND FROM WHICH POINT A RADIAL LINE BEARS NORTH 39° 48' 36" EAST; THENCE SOUTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 278.88 FEET; THENCE TANGENT TO SAID CURVE SOUTH 43° 40' 32" EAST 245.00 FEET; THENCE NORTH 46° 19' 28" EAST 67.50 FEET; THENCE NORTH 46° 14' 35" WEST 357.57 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 2,505.00 FEET; THENCE NORTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 221.99 FEET; THENCE ALONG A NON-TANGENT LINE NORTH 14.36 FEET; THENCE SOUTH 77° 34' 28" EAST 71.16 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 70.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 44.01 FEET; THENCE TANGENT TO SAID CURVE SOUTH 41° 32' 57" EAST 97.78 FEET; THENCE NORTH 52° 00' 00" EAST 44.08 FEET; THENCE NORTH 38° 00' 00" WEST 93.26 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 120.00 FEET; THENCE NORTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 108.91 FEET; THENCE TANGENT TO SAID CURVE WEST 54.43 FEET; THENCE NORTH 75.76 FEET TO THE TRUE POINT OF BEGINNING.

QUEEN MARY SITE – WATER AREA

BEGINNING AT A POINT ON THE NORTHERLY LINE OF PARCEL 1 OF SAID OFFICIAL DRAWING HD-4-98, SAID POINT BEING THE TRUE POINT OF BEGINNING OF PARCEL 2, ALSO AS SHOWN ON SAID OFFICIAL DRAWING, AND HAVING COORDINATES OF NORTH 4,002,667.65 FEET AND EAST 4,228,890.23 FEET, ZONE 7 OF THE CALIFORNIA COORDINATES SYSTEM OF 1927; THENCE NORTH 53° 39' 04" EAST 265.66 FEET TO A TANGENT CURVE, CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 145.00 FEET; THENCE NORTHEASTERLY AND EASTERLY 113.88 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 45° 00' 01" TO A TANGENT LINE; THENCE SOUTH 81° 20' 55" EAST 221.68 FEET; THENCE SOUTH 66° 20' 56" EAST 900.00 FEET; THENCE SOUTH 8° 10' 21" WEST 337.23 FEET; THENCE NORTH 66° 20' 56" WEST 190.00 FEET; THENCE SOUTH 65° 03' 39" WEST 40.00 FEET; THENCE

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NORTH 66° 20' 56" WEST 82.32 FEET; THENCE NORTH 23° 39' 04" EAST 46.00 FEET; THENCE NORTH 66° 20' 56" WEST 768.00 FEET; THENCE SOUTH 23° 39' 04" WEST 46.00 FEET; THENCE NORTH 66° 20' 56" WEST 358.23 FEET TO THE POINT OF BEGINNING.

DEVELOPMENT SITE – WATER AREA

BEGINNING AT A POINT ON THE NORTHERLY LINE OF PARCEL 1 OF SAID OFFICIAL DRAWING HD4-98 SAID POINT BEING THE TRUE POINT OF BEGINNING OF PARCEL 2, ALSO AS SHOWN ON SAID OFFICIAL DRAWING, AND HAVING COORDINATED OF NORTH 4,002,667.65 FEET AND EAST 4,229,890.23 FEET, ZONE 7 OF THE CALIFORNIA COORDINATE SYSTEM OF 1927; THENCE NORTH 66° 20' 56" WEST 710.77 FEET; THENCE NORTH 10° 04' 19" WEST 167.95 FEET; THENCE NORTH 42° 51' 56" WEST 210.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 70.00 FEET; THENCE NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY 86.56 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 70° 51' 08" TO A NON-TANGENT LINE; THENCE NORTH 50.00 FEET; THENCE EAST 1000.00 FEET; THENCE SOUTH 24° 47' 01" EAST 537.01 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 145.00 FEET AND TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 8° 39' 05" EAST; THENCE WESTERLY 113.88 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 45° 00' 01" TO A TANGENT LINE; THENCE SOUTH 53° 39' 04" WEST 265.66 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

A LEASEHOLD AS CREATED BY THAT CERTAIN LEASE DATED JUNE 6, 1997, BY AND BETWEEN THE CITY OF LONG BEACH, A MUNICIPAL CORPORATION AND TRUST GRANTEE OF THE STATE OF CALIFORNIA, AS LESSOR, AND QUEEN'S SEAPORT DEVELOPMENT, INC., A CALIFORNIA CORPORATION, AS LESSEE, AS DISCLOSED BY A MEMORANDUM OF LEASE, RECORDED NOVEMBER 2, 1998 AS INSTRUMENT NO. 98- 1997974, OFFICIAL RECORDS, UPON AND SUBJECT TO ALL OF THE PROVISIONS THEREIN CONTAINED.

THAT PORTION OF THE ARTIFICIALLY CREATED LAND WITHIN THE TIDELANDS AND SUBMERGED LANDS CONVEYED TO THE CITY OF LONG BEACH BY THE STATE OF CALIFORNIA UNDER AN ACT OF MAY 1, 1911, CHAPTER 676, PAGE 1304, AS AMENDED, LYING IN BOTH SAID CITY AND THE HARBOR DISTRICT OF SAID CITY, PARTICULARLY THAT PORTION OF THE QUEEN MARY PROPERTY TRANSFER CITY OF LONG BEACH, AS SHOWN ON OFFICIAL DRAWING HD2-760 ON FILE IN THE OFFICE OF THE EXECUTIVE DIRECTOR OF THE PORT OF LONG BEACH OF SAID CITY, DESCRIBED AS FOLLOWS:

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BEGINNING AT A POINT ON THE NORTHERLY LINE OF PARCEL 1, SAID POINT BEING THE TRUE POINT OF BEGINNING OF PARCEL 2, BOTH AS SHOWN ON SAID OFFICIAL DRAWING, AND HAVING COORDINATES OF NORTH 4,022,667.65 FEET AND EAST 4,229,890.23 FEET, ZONE 7 OF THE CALIFORNIA COORDINATES SYSTEM OF 1927; THENCE NORTH 66° 20' 58" WEST 524.50 FEET ALONG LAST SAID NORTHERLY LINE OF SAID PARCEL 1 TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE PROLONGATION OF LAST SAID NORTHERLY LINE NORTH 66° 20' 56" WEST 186.27 FEET; THENCE NORTH 10° 04' 19" WEST 167.95 FEET; THENCE NORTH 42° 51' 56" WEST 210.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 70.00 FEET; THENCE NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY 86.56 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 70° 51' 08" TO A TANGENT LINE; THENCE SOUTH 66° 16' 56" WEST 157.77 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH AND HAVING A RADIUS OF 90.00 FEET; THENCE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY 77.28 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 12' 00" TO A POINT OF CUSP WITH A CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 562.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS SOUTH 25° 28' 56" WEST; THENCE SOUTHEASTERLY 97.77 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9° 58' 02" TO A TANGENT LINE; THENCE SOUTH 74° 29' 06" EAST 69.67 FEET; THENCE SOUTH 328.47 FEET; THENCE SOUTH 66° 20' 56" EAST 430.89 FEET; THENCE NORTH 23° 39' 04" EAST 221.94 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 3:

A LEASEHOLD AS CREATED BY THAT CERTAIN SUBMERGED LAND AND WATER AREA LEASE DATED JANUARY 22, 2001, BY AND BETWEEN THE CITY OF LONG BEACH, A MUNICIPAL CORPORATION AND TRUST GRANTEE OF THE STATE OF CALIFORNIA, AS LESSOR, AND QUEEN'S SEAPORT DEVELOPMENT, INC., A CALIFORNIA CORPORATION, AS LESSEE, AS DISCLOSED BY A MEMORANDUM OF LEASE, RECORDED MARCH 22, 2001 AS INSTRUMENT NO. 01-458472, OFFICIAL RECORDS, UPON AND SUBJECT TO ALL OF THE PROVISIONS THEREIN CONTAINED.

THAT PORTION OF THE ARTIFICIALLY CREATED LAND WITHIN THE TIDELANDS AND SUBMERGED LANDS CONVEYED TO THE CITY OF LONG BEACH BY THE STATE OF CALIFORNIA, UNDER AN ACT OF MAY 1, 1911, CHAPTER 676, PAGE 1304, AS AMENDED, LYING IN BOTH SAID CITY AND THE HARBOR DISTRICT OF SAID CITY, COUNTY OF LOS ANGELES, SAID STATE, DESCRIBED AS FOLLOWS:

BEGINNING AT MONUMENT A-8 AS SHOWN ON MAPS RECORDED IN BOOK 81, PAGE 50 AND IN BOOK 84, PAGE(S) 91 TO 93, INCLUSIVE, OF RECORDS OF SURVEY OF SAID COUNTY; THENCE, NORTH, 89.82 FEET; THENCE, EAST, 1,538.32 FEET TO A POINT ON THE NORTH LINE OF PARCEL 2 AS SHOWN ON SAID MAP RECORDED IN

BOOK 84, PAGE(S) 91 TO 93, INCLUSIVE, SAID POINT ALSO BEING THE NORTHERLY TERMINUS OF THAT CERTAIN COURSE HAVING A BEARING OF NORTH AND A LENGTH OF 167.84 FEET, AS SHOWN ON LAST MENTIONED MAP, SAID POINT ALSO HAVING COORDINATES NORTH 4,022,788.63 AND EAST 4,228,926.06 OF ZONE 7 OF THE CALIFORNIA COORDINATE SYSTEM OF 1927; THENCE, SOUTH 66° 20' 56" EAST, 134.66 FEET; THENCE, NORTH 23° 39' 04" EAST, 275.97 FEET; THENCE, SOUTH 66° 20' 56" EAST, 797.06 FEET; THENCE NORTH 53° 39' 04" EAST, 265.66 FEET TO A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 145.00 FEET; THENCE, NORTHEASTERLY AND EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 45° 00' 01", AN ARC LENGTH OF 113.88 FEET; THENCE SOUTH 81° 20' 55" EAST, 221.68 FEET; THENCE, SOUTH 66° 20' 56" EAST, 900.00 FEET TO THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE, SOUTH 8° 10' 21" WEST 337.23 FEET; THENCE SOUTH 66° 20' 56" EAST, 10.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 50.00 FEET; THENCE, SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90° 00' 00", AN ARC LENGTH OF 78.54 FEET; THENCE, SOUTH 23° 39' 04" WEST, 370.85 FEET TO A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 50.00 FEET; THENCE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 60° 29' 06", AN ARC LENGTH OF 52.78 FEET; THENCE, SOUTH 84° 08' 10" WEST, 125.14 FEET; THENCE, SOUTH 43° 37' 44" EAST, 526.00 FEET; THENCE, EAST, 297.30 FEET; THENCE, NORTH, 1,192.65 FEET; THENCE, WEST, 297.30 FEET; THENCE, SOUTH 54° 01' 57" WEST, 44.40 FEET TO THE TRUE POINT OF BEGINNING.