

Fill in this information to identify the case:Debtor 1 JQH - Normal Development, LLCDebtor 2
(Spouse, if filing) _____

United States Bankruptcy Court for the: District of Kansas

Case number 16-21194**Official Form 410****Proof of Claim**

12/15

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>Simmons Bank</u> Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor <u>Simmons First National Bank; Metropolitan National Bank</u>	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? <u>Kennedy Berkley c/o John Thompson</u> Name <u>5350 College Blvd</u> Number Street <u>Overland Park</u> <u>KS</u> <u>66211</u> City State ZIP Code Contact phone <u>913-214-1884</u> Contact email <u>jthompson@kenberk.com</u>	Where should payments to the creditor be sent? (if different) <u>Simmons Bank</u> Name <u>501 Main Street, PO Box 7009</u> Number Street <u>Pine Bluff</u> <u>AR</u> <u>71601</u> City State ZIP Code Contact phone _____ Contact email _____
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☐ No
☒ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: 9 8 1 2

7. How much is the claim? \$ 27,155,133.33. Does this amount include interest or other charges?
☒ No
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.
Money Loaned

9. Is all or part of the claim secured? ☐ No
☒ Yes. The claim is secured by a lien on property.
Nature of property:
☒ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☒ Other. Describe: Rents
Basis for perfection: Mortgage & Assignment of Rents
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ unknown
Amount of the claim that is secured: \$ unknown
Amount of the claim that is unsecured: \$ unknown (The sum of the secured and unsecured amounts should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ 0.00
Annual Interest Rate (when case was filed) 4.79 %
☒ Fixed
☐ Variable

10. Is this claim based on a lease? ☒ No
☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? ☒ No
☐ Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☒ No

☐ Yes. Check all that apply:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Amount entitled to priority

\$ _____

☐ Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

☐ Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ _____

* Amounts are subject to adjustment on 4/01/16 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☒ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 11/15/2016
MM / DD / YYYY

s/ John F. Thompson, II.

Signature

Print the name of the person who is completing and signing this claim:

Name	John F. Thompson, II		
	First name	Middle name	Last name
Title	Attorney		
Company	Kennedy Berkley Yarnevich & Williamson, Chartered		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	5350 College Blvd		
	Number	Street	
	Overland Park	KS	66211
	City	State	ZIP Code
Contact phone	913-214-1884		Email jthompson@kenberk.com

EXHIBIT A

Note

Prepared by:

WILLIAMS & ANDERSON PLC
Paul W. Hoover, Jr., Esq.
111 Center Street, 22nd Floor
Little Rock, Arkansas 72201
Tel: 501/372-0800

PROMISSORY NOTE

\$42,000,000.00

Springfield, Missouri
September 24, 2007

✓ **FOR VALUE RECEIVED**, the undersigned, **JQH – NORMAL DEVELOPMENT, LLC**, having its principal office and address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 ("Maker") promises to pay to **METROPOLITAN NATIONAL BANK**, a national banking organization, chartered under the laws of the United States of America, (hereinafter referred to as "Payee"), with its principal office for notice hereunder at 425 West Capitol, Little Rock, Arkansas 72201, or order, the principal sum of FORTY TWO MILLION AND NO/100 DOLLARS (\$42,000,000.00) or so much thereof as may be advanced, with interest on the principal balance outstanding from date until maturity at seven and one-half percent (7.5%) per annum (the "Agreed Rate") (the loan based on these terms is referred to as the "Loan"), with principal and interest payable as follows:

Interest shall accrue on the outstanding balance of the indebtedness advanced, from the date of first disbursement at the Agreed Rate based upon a three hundred sixty-five (365) day year. Interest only at the Agreed Rate on the outstanding principal balance shall be payable on the twenty-fourth (24th) day of each month, beginning October 24, 2007, and on the same day of each month thereafter through August 24, 2010, with a final payment of all outstanding principal and ✓ accrued interest due and payable on September 23, 2010.

✓ All past due principal and/or interest shall bear interest at the maximum rate permitted by applicable law but not to exceed twelve percent (12%) per annum based upon a 365-day year.

The indebtedness evidenced by this Note is secured, inter alia by (i) that certain Construction Mortgage, Leasehold Mortgage, Fixture Filing, and Security Agreement executed and delivered to Payee by Maker, of even date herewith, (ii) that certain Construction Loan and Security Agreement by and between the Maker hercof, the Guarantors identified therein, and

Payee hereof, (iii) that certain Continuing Payment and Performance Guaranty executed and delivered to Payee by the Guarantors identified therein, (iv) that certain Assignment of Rents and Leases executed and delivered to Payee by Maker of even date herewith, (v) that certain Assignment of Construction Agreement executed and delivered to Payee by Maker of even date herewith, (vi) that certain Assignment of Plans and Specifications and Architectural Contract executed and delivered to Payee by Maker of even date herewith, (vii) that certain Assignment of Management Agreement executed and delivered to Payee by Maker of even date herewith, (viii) that certain Assignment of Service Contracts executed and delivered to Payee by Maker of even date herewith, (ix) that certain Assignment of Redevelopment Agreement executed and delivered to Payee by Maker of even date herewith; (x) that certain Environmental Indemnity Agreement executed and delivered to Payee by the Indemnitors identified therein, (xi) Financing Statements from Maker, and (xiii) other loan documents which may be required of even date herewith or hereafter by Payee (hereinafter (i) through (xii) shall collectively be referred to as "Security Documents"). In no event shall Payee, its successors or assigns, be obligated to make any additional disbursements if the Maker, its successors or assigns are in default in the payment of principal and/or interest as herein provided or is in default under any of the terms, conditions or covenants contained in the Security Documents.

The Maker shall pay to the Payee a late charge of one percent (1%) of any payment not received by the Payee within ten (10) days after the payment is due, including the due date; such late charge shall apply separately to each payment past due.

If default be made in the payment of any installment of principal and/or interest evidenced by this Promissory Note, and such default shall remain uncured for ten (10) days after the due date, including the due date, or upon the occurrence of an Event of Default or default as defined in any of the Security Documents, then in any such event Payee may, at its option, declare the entire principal balance of and all accrued interest on the indebtedness evidenced hereby immediately due and payable without notice or demand (except such notice as is required in the Security Documents), foreclose all liens and security interests securing the payment thereof or any part thereof, at the option of Payee, and shall have the benefit of all the remedies allowed by the Security Documents which by this reference are incorporated herein and all other remedies allowed by applicable law. Failure to exercise any of its options shall not constitute a waiver of the right of Payee to exercise the same, or any other option, in the event of any subsequent event of default. The Payee may exercise its option to accelerate during any default by Maker regardless of any prior forbearance. If, after default, in the discretion of Payee, it becomes necessary to place this Promissory Note and obligation into the hands of an attorney for collection or institution of legal proceedings, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceeding or otherwise, the Payee shall be entitled to collect all costs and expenses of collection or suit, including but not limited to, the payment for a supplemental title policy and reasonable attorneys' fees not to exceed ten percent (10%) of the principal and accrued interest, which sum for cost and attorneys' fees, upon accrual, shall bear the same rate of interest as the matured principal of this Promissory Note.

Notwithstanding anything to the contrary in this Promissory Note or in any other agreement entered into in connection herewith or securing the indebtedness evidenced hereby, whether now existing or hereafter arising and whether written or oral, it is agreed that the aggregate of all interest and any other charges constituting interest or adjudicated as constituting interest, and are contracted for, chargeable or receivable under this Promissory Note or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest permitted by applicable law. In the event the maturity of this Promissory Note is accelerated by reason of an election by Payee resulting from a default hereunder or under any other document executed as security herefor or in connection therewith, or by voluntary prepayment by the Maker, or otherwise, the unearned interest may never include more than the maximum rate of interest permitted by applicable law.

If from any circumstances any holder of this Promissory Note shall ever receive interest or any other charges constituting interest, or is adjudicated as constituting interest, the amount, if any, which would exceed the maximum rate of interest permitted by applicable law shall be applied to the reduction of the principal amount owing on this Promissory Note or on account of any other principal indebtedness of the Maker to Payee, and not to payment of interest; or if such excessive interest exceeds the unpaid balance of principal hereof and such other indebtedness, the amount of such excessive interest that exceeds the unpaid balance of principal hereof and such other indebtedness shall be refunded to the Maker. All sums paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness of the Maker to Payee shall be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the actual rate of interest on account of such indebtedness is uniform through the term thereof, and, in conjunction therewith, if the Loan evidenced by this Promissory Note should ever be deemed to consist of two or more loans, then any sum paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness of the Maker to Payee which is deemed to be excessive interest with respect to one or more such loans shall be allocated to the loans for which a maximum lawful rate of interest has not been contracted for, charged or received or for which no maximum rate of interest exists.

Except as expressly provided herein, the Maker and any sureties, guarantors and endorsers of this Promissory Note jointly and severally waive demand for payment, presentment for payment, protest, notice of nonpayment or dishonor, notice of intent to accelerate, notice of acceleration, diligence in collecting, grace, notice and protest, and consent to all extensions without notice for any period or periods of time and partial payments, before or after maturity, without prejudice to the holder. The Payee shall similarly have the right to deal in any way, at any time, with one or more of the foregoing parties without notice to any other party, and to grant any such party any extensions of time for payment of any of said indebtedness, or to grant any other indulgences or forbearances whatsoever, without notice to any other party and without in any way affecting the personal liability of any party hereunder, or any guarantor of the indebtedness evidenced hereby.

The indebtedness evidenced by this Promissory Note may be prepaid in whole or part at any time from time to time (i) with a one-half percent (0.5%) fee based upon the principal balance then outstanding if prepaid prior to September 23, 2009; or (ii) with no premium or penalty if prepaid after September 23, 2009. Provided, however, any prepayment shall be applied to the last installment payment(s) as provided herein without diminution or reduction of any current payments, whether as to principal or interest then coming due.

This Promissory Note may not be terminated orally, but only by a discharge in writing signed by Payee at the time such discharge is sought.

Should this Promissory Note be signed or endorsed by more than one person and/or entity, all of the obligations herein contained shall be considered the joint and several obligations of each Maker and endorser hereof.

In the event the enforceability or validity of any provision of this Promissory Note or of any document evidencing or securing the indebtedness evidenced by this Promissory Note is challenged or questioned, such provision shall be governed by, and shall be construed in accordance with, whichever applicable federal or Arkansas law that would uphold or would enforce such challenged or questioned provision.

Any notice required or permitted to be given hereunder or in the Security Documents shall be in writing and shall be considered properly given if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the intended addressee or by prepaid telegram. Notice so mailed shall be effective upon its deposit in the United States mail. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notice, the addresses of the parties shall be set forth below; provided, however, that any party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to all other parties in the hereinabove;

If to Maker:

JQH – NORMAL DEVELOPMENT, LLC
300 John Q. Hammons Parkway, Suite 900
Springfield, Missouri 65806

with copy to:

Debra M. Shantz
Legal Department
John Q. Hammons Hotels Management, LLC
300 John Q. Hammons Parkway, Suite 900
Springfield, Missouri 65806

If to Payee: Lunsford W. Bridges
President & CEO
Metropolitan National Bank
425 West Capitol Ave.
Little Rock, Arkansas 72201

with copy to: Paul W. Hoover, Jr., Esq.
Williams & Anderson PLC
111 Center Street, Suite 2200
Little Rock, Arkansas 72201

This Promissory Note and the Security Documents shall be governed by and construed in accordance with the laws of the State of Arkansas and the laws of the United States of America applicable to transactions within such State. This Note was negotiated in the State of Arkansas and the proceeds of the Note delivered pursuant hereto were disbursed from the State of Arkansas, which State the parties agree has a substantial relationship to the parties and to the Loan embodied hereby, including matters of construction, validity and performance. This Agreement and the obligations arising hereunder shall be governed by and construed in accordance with the laws of the State of Arkansas and any applicable law of the United States of America, except that at all times the provisions for the creation, perfection, and enforcement of the liens created pursuant to the Security Documents shall be governed by and construed according to the law of the State in which the Property is located, it being understood that, to the fullest extent permitted by the law of such State, the law of the State of Arkansas shall govern the validity and enforceability of all Security Documents and the Indebtedness.

IN WITNESS WHEREOF, the Maker has duly executed this Promissory Note as of the day and year above first written.

JQH - NORMAL DEVELOPMENT, LLC

By Its Manager:
The Revocable Trust of John Q. Hammons,
Dated December 28, 1989, as Amended and Restated

By 
John Q. Hammons, Trustee

ORIGINAL

9812

Prepared by:

WILLIAMS & ANDERSON PLC
Shelli H. Jordan, Esq.
111 Center Street, 22nd Floor
Little Rock, Arkansas 72201
Tel: 501/372-0800

AMENDED AND RESTATED PROMISSORY NOTE

\$40,000,000.00

**Springfield, Missouri
Dated October 22, 2010 and
Effective September 23, 2010**

FOR VALUE RECEIVED, the undersigned, **JQH – NORMAL DEVELOPMENT, LLC**, having its principal office and address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 ("Maker") promises to pay to **METROPOLITAN NATIONAL BANK**, a national banking organization, chartered under the laws of the United States of America, (hereinafter referred to as "Payee"), with its principal office for notice hereunder at 425 West Capitol, Little Rock, Arkansas 72201, or order, the principal sum of FORTY MILLION AND NO/100 DOLLARS (\$40,000,000.00) or so much thereof as may be advanced, with interest on the principal balance outstanding from date until maturity at seven and one-half percent (6.875%) per annum (the "Agreed Rate") (the loan based on these terms is referred to as the "Loan"), with principal and interest payable as follows:

Principal and interest shall be amortized and payable monthly as if the Loan were being amortized for a twenty-five (25) year period at the Agreed Rate. Principal and interest shall be payable monthly in equal monthly installments of Two Hundred Seventy-nine Thousand Five Hundred Ten and 11/100 Dollars (\$279,510.11) on the twenty-fourth (24th) day of each month, beginning October 24, 2010, and on the same day of each month thereafter through August 24, 2011, with a final payment of all outstanding principal and accrued interest due and payable on September 23, 2011 (the "Maturity Date").

All past due principal and/or interest shall bear interest at the maximum rate permitted by applicable law but not to exceed twelve percent (12%) per annum based upon a 365-day year.

This Amended and Restated Note (the "Note") amends and restates, and is in substitution and replacement for, but not in payment of, that certain Promissory Note dated as of September 24, 2007 in the original principal amount of FORTY-TWO MILLION AND NO/100 UNITED STATES DOLLARS (\$42,000,000.00) executed by the Maker in favor of the Payee (the "Existing Note"). The indebtedness evidenced by the Existing Note is continuing indebtedness, and nothing herein shall be deemed to constitute a payment, settlement, extinguishment, cancellation or novation of the

Existing Note, or release, extinguish, cancel, impair or otherwise adversely affect any lien, mortgage, or security interest securing such indebtedness or any rights of the Payee against any party. All amounts outstanding under the Existing Note shall be automatically transferred to, and shall be deemed to be outstanding under this Note. Maker hereby confirms that the interest rate of 7.50% as stated in the Existing Note was reduced by Payee to the Agreed Rate effective as of February 8, 2008.

The indebtedness evidenced by this Note is secured, inter alia by (i) that certain Construction Mortgage, Leasehold Mortgage, Fixture Filing, and Security Agreement executed and delivered to Payee by Maker, of even date herewith, (ii) that certain Construction Loan and Security Agreement by and between the Maker hereof, the Guarantors identified therein, and Payee hereof, (iii) that certain Amended and Restated Continuing Payment and Performance Guaranty executed and delivered to Payee by the Guarantors identified therein, (iv) that certain Assignment of Rents and Leases executed and delivered to Payee by Maker of even date herewith, (v) that certain Assignment of Construction Agreement executed and delivered to Payee by Maker of even date herewith, (vi) that certain Assignment of Plans and Specifications and Architectural Contract executed and delivered to Payee by Maker of even date herewith, (vii) that certain Assignment of Management Agreement executed and delivered to Payee by Maker of even date herewith, (viii) that certain Assignment of Service Contracts executed and delivered to Payee by Maker of even date herewith, (ix) that certain Assignment of Redevelopment Agreement executed and delivered to Payee by Maker of even date herewith; (x) that certain Environmental Indemnity Agreement executed and delivered to Payee by the Indemnitors identified therein, (xi) Financing Statements from Maker, (xiii) that certain Extension and Modification Agreement, and (xiv) other loan documents which may be required of even date herewith or hereafter by Payee (hereinafter (i) through (xiii) shall collectively be referred to as "Security Documents"). In no event shall Payee, its successors or assigns, be obligated to make any additional disbursements if the Maker, its successors or assigns are in default in the payment of principal and/or interest as herein provided or is in default under any of the terms, conditions or covenants contained in the Security Documents.

The Maker shall pay to the Payee a late charge of one percent (1%) of any payment not received by the Payee within ten (10) days after the payment is due, including the due date; such late charge shall apply separately to each payment past due.

If default be made in the payment of any installment of principal and/or interest evidenced by this Note, and such default shall remain uncured for ten (10) days after the due date, including the due date, or upon the occurrence of an Event of Default or default as defined in any of the Security Documents, then in any such event Payee may, at its option, declare the entire principal balance of and all accrued interest on the indebtedness evidenced hereby immediately due and payable without notice or demand (except such notice as is required in the Security Documents), foreclose all liens and security interests securing the payment thereof or any part thereof, at the option of Payee, and shall have the benefit of all the remedies allowed by the Security Documents which by this reference are incorporated herein and all other remedies allowed by applicable law. Failure to exercise any of its options shall not constitute a waiver of the right of Payee to exercise the same, or any other option, in the event of any subsequent event of default. The Payee may exercise its option to accelerate during any default by Maker regardless of any prior forbearance. If, after default, in the

discretion of Payee, it becomes necessary to place this Note and obligation into the hands of an attorney for collection or institution of legal proceedings, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceeding or otherwise, the Payee shall be entitled to collect all costs and expenses of collection or suit, including but not limited to, the payment for a supplemental title policy and reasonable attorneys' fees not to exceed ten percent (10%) of the principal and accrued interest, which sum for cost and attorneys' fees, upon accrual, shall bear the same rate of interest as the matured principal of this Note.

Notwithstanding anything to the contrary in this Note or in any other agreement entered into in connection herewith or securing the indebtedness evidenced hereby, whether now existing or hereafter arising and whether written or oral, it is agreed that the aggregate of all interest and any other charges constituting interest or adjudicated as constituting interest, and are contracted for, chargeable or receivable under this Note or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest permitted by applicable law. In the event the maturity of this Note is accelerated by reason of an election by Payee resulting from a default hereunder or under any other document executed as security herefor or in connection therewith, or by voluntary prepayment by the Maker, or otherwise, the unearned interest may never include more than the maximum rate of interest permitted by applicable law.

If from any circumstances any holder of this Note shall ever receive interest or any other charges constituting interest, or is adjudicated as constituting interest, the amount, if any, which would exceed the maximum rate of interest permitted by applicable law shall be applied to the reduction of the principal amount owing on this Note or on account of any other principal indebtedness of the Maker to Payee, and not to payment of interest; or if such excessive interest exceeds the unpaid balance of principal hereof and such other indebtedness, the amount of such excessive interest that exceeds the unpaid balance of principal hereof and such other indebtedness shall be refunded to the Maker. All sums paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness of the Maker to Payee shall be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the actual rate of interest on account of such indebtedness is uniform through the term thereof, and, in conjunction therewith, if the Loan evidenced by this Note should ever be deemed to consist of two or more loans, then any sum paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness of the Maker to Payee which is deemed to be excessive interest with respect to one or more such loans shall be allocated to the loans for which a maximum lawful rate of interest has not been contracted for, charged or received or for which no maximum rate of interest exists.

Except as expressly provided herein, the Maker and any sureties, guarantors and endorsers of this Note jointly and severally waive demand for payment, presentment for payment, protest, notice of nonpayment or dishonor, notice of intent to accelerate, notice of acceleration, diligence in collecting, grace, notice and protest, and consent to all extensions without notice for any period or periods of time and partial payments, before or after maturity, without prejudice to the holder. The Payee shall similarly have the right to deal in any way, at any time, with one or more of the foregoing parties without notice to any other party, and to grant any such party any extensions of time for payment of any of said indebtedness, or to grant any other indulgences or forbearances whatsoever, without notice to any other party and without in any way affecting the personal liability of any party

hereunder, or any guarantor of the indebtedness evidenced hereby.

The indebtedness evidenced by this Note may be prepaid in whole or part at any time from time to time with a one-half percent (0.5%) fee based upon the amount of principal prepaid prior to the Maturity Date. There shall be no prepayment fee or penalty with respect to the final balloon payment due on the Maturity Date. Provided, however, any prepayment shall be applied to the last installment payment(s) as provided herein without diminution or reduction of any current payments, whether as to principal or interest then coming due.

This Note may not be terminated orally, but only by a discharge in writing signed by Payee at the time such discharge is sought.

Should this Note be signed or endorsed by more than one person and/or entity, all of the obligations herein contained shall be considered the joint and several obligations of each Maker and endorser hereof.

In the event the enforceability or validity of any provision of this Note or of any document evidencing or securing the indebtedness evidenced by this Note is challenged or questioned, such provision shall be governed by, and shall be construed in accordance with, whichever applicable federal or Arkansas law that would uphold or would enforce such challenged or questioned provision.

Any notice required or permitted to be given hereunder or in the Security Documents shall be in writing and shall be considered properly given if mailed by FedEx or other reputable overnight courier, first class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the intended addressee or by prepaid telegram. Notice so mailed shall be effective upon its deposit in the United States mail. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notice, the addresses of the parties shall be set forth below; provided, however, that any party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to all other parties in the hereinabove;

If to Maker:

JQH – NORMAL DEVELOPMENT, LLC
300 John Q. Hammons Parkway, Suite 900
Springfield, Missouri 65806

with copy to:

Justin A. Harris
Senior Vice President and General Counsel
John Q. Hammons Hotels Management, LLC
300 John Q. Hammons Parkway, Suite 900
Springfield, Missouri 65806

If to Payee:

Lunsford W. Bridges
President & CEO
Metropolitan National Bank
425 West Capitol Ave.
Little Rock, Arkansas 72201

with copy to:

W. Jackson Williams, Esq.
Williams & Anderson PLC
111 Center Street, Suite 2200
Little Rock, Arkansas 72201

This Note and the Security Documents shall be governed by and construed in accordance with the laws of the State of Arkansas and the laws of the United States of America applicable to transactions within such State. This Note was negotiated in the State of Arkansas and the proceeds of the Note delivered pursuant hereto were disbursed from the State of Arkansas, which State the parties agree has a substantial relationship to the parties and to the Loan embodied hereby, including matters of construction, validity and performance. This Agreement and the obligations arising hereunder shall be governed by and construed in accordance with the laws of the State of Arkansas and any applicable law of the United States of America, except that at all times the provisions for the creation, perfection, and enforcement of the liens created pursuant to the Security Documents shall be governed by and construed according to the law of the State in which the Property is located, it being understood that, to the fullest extent permitted by the law of such State, the law of the State of Arkansas shall govern the validity and enforceability of all Security Documents and the Indebtedness.

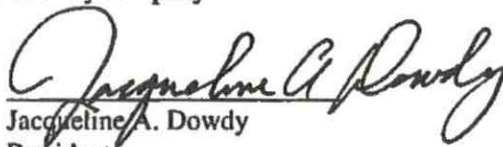
IN WITNESS WHEREOF, the Maker has duly executed this Note as of the day and year above first written.

JQH – NORMAL DEVELOPMENT, LLC, a Missouri
limited liability company

By:

Name: Jacqueline A. Dowdy

Title: President



ALLONGE TO PROMISSORY NOTE

This **ALLONGE TO PROMISSORY NOTE** (this "Allonge") is entered into on this ___ day of January, 2012, but effective as of the 23rd day of December, 2011, by and between **JQH – NORMAL DEVELOPMENT, LLC**, a Missouri limited liability company, with an address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 ("Maker") and **METROPOLITAN NATIONAL BANK**, a national banking organization, chartered under the laws of the United States of America ("Payee"), with its principal office for notice hereunder at 425 West Capitol, Little Rock, Arkansas 72201.

WITNESSETH:

WHEREAS, on September 24, 2007, Maker executed and delivered to Payee that certain Promissory Note in the original principal sum of FORTY-SIX MILLION AND NO/100 UNITED STATES DOLLARS (\$46,000,000.00) (the "Original Note"); and

WHEREAS, effective September 23, 2010, Maker executed and delivered to Payee that certain First Amended and Restated Promissory Note (the "Amended Note") amending certain terms of the Original Note;

WHEREAS, in connection with that certain Third Extension and Modification Agreement dated of even date herewith but effective as of December 23, 2011 (the "Modification Agreement"), the payment terms of the Amended Note are being modified and the maturity date is being extended from December 23, 2011 to December 23, 2014; and

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The interest rate of six and seven-eighths percent (6.875%) (the "Agreed Rate") as stated in the Amended Note remains in effect.

2. The current principal amount owed under the Amended Note (after application of the \$2,000,000.00 principal payment made simultaneously herewith) is **THIRTY SEVEN MILLION TWO HUNDRED TWENTY THREE THOUSAND NINE HUNDRED FORTY TWO AND 86/100THS UNITED STATES DOLLARS (\$37,223,942.86)**. Payee has no obligation to advance any additional sums to Maker. All sums advanced prior to this date and all sums advanced shall become part of the principal of the Note.

3. The "Payment" paragraph of the Original Note is hereby deleted in its entirety and replaced with the following:

Principal payments shall be due and payable as follows: \$1,000,000 on or before May 1, 2012, \$1,000,000 on or before June 1, 2012, \$1,000,000 on or before July 2, 2012 and \$762,500 on or before May 1, 2013. In addition, principal and interest shall

be amortized and payable monthly as if the Loan were being amortized for a twenty-three (23) year period at the Agreed Rate. Monthly payments shall be made on the twenty-fourth (24th) day of each month, beginning December 24, 2011, and on the same day of each month thereafter through November 24, 2014, with a final payment of all outstanding principal and accrued interest due and payable on December 23, 2014.

4. Except as expressly modified herein, the Amended Note shall remain in full force and effect, and the terms and conditions thereof are hereby ratified, reaffirmed, and incorporated herein by reference for all purposes.

5. This Allonge may be executed in counterparts, each of which separately shall be considered an original but all of which together shall be considered one and the same Allonge.

6. This Allonge may not be modified, changed or waived orally, but only by an instrument or instruments in writing signed by the parties hereto.

IN WITNESS WHEREOF, the Maker has duly executed this Instrument as of the day and year above first written.

JQH - NORMAL DEVELOPMENT, LLC

By:

Name: Jacqueline A. Dowdy

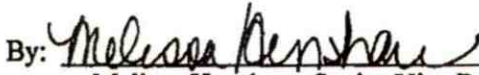
Title: President



This Allonge to Promissory Note is agreed to by Payee as of the day and year first above written:

METROPOLITAN NATIONAL BANK

By:



Melissa Henshaw, Senior Vice President

SECOND ALLONGE TO PROMISSORY NOTE

This **SECOND ALLONGE TO PROMISSORY NOTE** (this "Allonge") is entered into effective as of the 23rd day of December, 2014, by and between **JQH - NORMAL DEVELOPMENT, LLC**, a Missouri limited liability company (JQH-Normal"), and the **REVOCABLE TRUST OF JOHN Q. HAMMONS, DATED DECEMBER 28, 1989, AS AMENDED AND RESTATED** (the "Trust" and collectively with JQH-Normal, with all obligations joint and several as to each "Maker"), each with an address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806, and **SIMMONS FIRST NATIONAL BANK**, an Arkansas state bank, successor in interest to Metropolitan National Bank and ("Payee"), with its principal office for notice hereunder at 425 West Capitol, Suite 13, Little Rock, Arkansas 72201.

WITNESSETH:

WHEREAS, on September 24, 2007, Maker executed and delivered to Payee that certain Promissory Note in the original principal sum of FORTY-TWO MILLION AND NO/100 UNITED STATES DOLLARS (\$42,000,000.00) (the "Original Note"); and

WHEREAS, effective September 23, 2010, Maker executed and delivered to Payee that certain Amended and Restated Promissory Note (the "Note") amending and restating the Original Note in its entirety;

WHEREAS, effective December 23, 2011, Maker executed and delivered to Payee that certain Allonge to Promissory Note (the "Allonge") amending certain terms of the Note;

WHEREAS, in connection with that certain Fourth Extension and Modification Agreement dated as of even date herewith (the "Modification Agreement"), the payment terms of the Note, as amended, are being modified, the Trust is being added as a co-borrower, and the maturity date is being extended from December 23, 2014 to December 23, 2017; and

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The interest rate is hereby changed to a fixed rate of four and seventy-nine hundredths percent (4.79%) (the "Agreed Rate").

2. The current principal amount owed under the Original Note, as amended, is **THIRTY MILLION FIVE HUNDRED EIGHTY-THREE THOUSAND FOUR HUNDRED SIXTY-TWO AND 75/100TH UNITED STATES DOLLARS (\$30,583,462.75)**. Payee has no obligation to advance any additional sums to Maker. All sums advanced prior to this date and all sums advanced shall become part of the principal of the Note.

3. The "Payment" paragraph of the Note is hereby deleted in its entirety and replaced with the following:

Borrower shall make monthly payments of principal and interest equal to \$271,617.03 on the twenty-fourth (24th) day of each month, beginning December 24, 2014, and on the same day of each month thereafter through November 24, 2017, with a final payment of all outstanding principal and accrued interest due and payable on December 23, 2017.

4. The indebtedness owed hereunder may be prepaid in full or part, upon at least five (5) days' prior written notice to Lender and only upon payment of the required prepayment amount set forth below; provided, however, that Borrower may rescind or delay the written notice of prepayment at any time prior to making the prepayment:

Prepayment During the Following Time Period:	Prepayment Penalty Amount Expressed as Percentage of Outstanding Principal Balance Being Prepaid:
Prior to December 23, 2015	1.0%
After December 23, 2015 and Prior to December 23, 2016	0.5%
After December 23, 2016 and Prior to November 23, 2017	0.25%
After November 23, 2017	No penalty

Notwithstanding the foregoing, the indebtedness may be prepaid in full without any prepayment penalty in the event that the Property is sold to an unrelated party and the proceeds of such sale are used to pay the Loan in full.

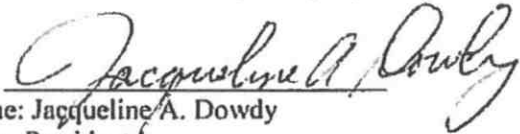
5. Except as expressly modified herein, the Note and the First Allonge shall remain in full force and effect, and the terms and conditions thereof are hereby ratified, reaffirmed, and incorporated herein by reference for all purposes.

6. This Allonge may be executed in counterparts, each of which separately shall be considered an original but all of which together shall be considered one and the same Allonge.

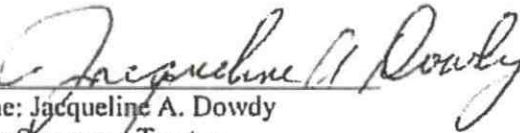
7. This Allonge may not be modified, changed or waived orally, but only by an instrument or instruments in writing signed by the parties hereto.

IN WITNESS WHEREOF, the Maker has duly executed this Instrument as of the day and year above first written.

JQH - NORMAL DEVELOPMENT, LLC,
a Missouri limited liability company

By: 
Name: Jacqueline A. Dowdy
Title: President

**REVOCABLE TRUST OF JOHN Q.
HAMMONS, DATED DECEMBER 28, 1989, as
Amended and Restated**

By: 
Name: Jacqueline A. Dowdy
Title: Successor Trustee

By: 
Name: Gregory D. Groves
Title: Successor Trustee

This Second Allonge to Promissory Note is agreed to by Payee as of the day and year first above written:

SIMMONS FIRST NATIONAL BANK

By: Melissa Henshaw
Melissa Henshaw, Vice President

3509867.3

EXHIBIT B

Mortgage

Jan
12-12-07

RECORDATION REQUESTED BY:

Metropolitan National Bank
425 West Capitol
P.O. Box 8010
Little Rock, AR 72203



Image# 007722280043 Type: MORT
Recorded: 10/18/2007 at 07:01:30 AM
Total Amt: \$70.00 Page 1 of 43
IL Rental Housing Fund: \$10.00
McLean County, IL
H. Lee Newcom Recorder

File **2007-00028474**

WHEN RECORDED MAIL TO:

Paul W. Hoover, Jr., Esquire
WILLIAMS & ANDERSON PLC
111 Center Street, Suite 2200
Little Rock, AR 72201

SEND TAX NOTICES TO:

John Q. Hammons
300 John Q. Hammons Parkway, Suite 900
Springfield, MO 65806

**CONSTRUCTION MORTGAGE,
LEASEHOLD MORTGAGE, FIXTURE FILING, AND SECURITY AGREEMENT**

MAXIMUM LIEN. At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the note amount of FORTY-TWO MILLION AND NO/100 DOLLARS (\$42,000,000).

This **CONSTRUCTION MORTGAGE, LEASEHOLD MORTGAGE, FIXTURE FILING, AND SECURITY AGREEMENT** (hereinafter referred to as "**Mortgage**"), entered into as of September 24, 2007, by **JQH - NORMAL DEVELOPMENT, LLC** (hereinafter referred to as "**Mortgagor**", whether one or more), having its address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806, and **METROPOLITAN NATIONAL BANK**, (hereinafter referred to as "**Mortgagee**"), a national banking corporation, having its address for notice hereunder c/o Lunsford W. Bridges, President and Chief Executive Officer, 425 West Capitol, Little Rock, Arkansas 72201.

WITNESSETH:

Article 1

DEFINITIONS

1.1 **Definitions:** As used herein, the following terms shall have the following meanings:

(a) Architectural Contract: The Standard Form of Agreement between Mortgagor, as owner, and Lohmeyer Russell Professional Corporation, as Architect, dated April 18, 2005, and assigned to the Mortgagee by Mortgagor in the Assignment of Plans and Architectural Contract of even date herewith.

(b) Assignment of Construction Contract: The Assignment of Construction Contract of even date herewith wherein Mortgagor assigns to Lender all of its right, title and interest in and to the Construction Contract.

(d) The Assignment of Management Agreement: The Assignment of Management Agreement wherein Mortgagor assigns all of its right, title and interest to a certain Management Agreement by and between John Q. Hammons Hotels Management, LLC and Mortgagor dated as of dated September 16, 2005, as most recently amended by the Second Amendment to Management Agreement dated May 8, 2007. The Assignment of Management Contract is dated of even date herewith.

(c) Assignment of Plans and Specifications and Architectural Contract: The Assignment of Plans and Architectural Contract of even date herewith wherein Mortgagor assigns to Mortgagee all of Mortgagor's right, title and interest in and to the Architectural Contract and the Plans.

(f) Assignment of Redevelopment Agreement: The Assignment of Redevelopment Agreement of even date herewith wherein Mortgagor assigns to Mortgagee all of Mortgagor's right, title and interest in and to the Redevelopment Agreement.

(g) Assignment of Rents and Leases: The Assignment of Rents and Leases, if any, by Mortgagor to Mortgagee, covering and concerning the Mortgaged Property (hereinafter defined) which Assignment of Rents and Leases is executed of even date herewith.

(h) Assignment of Service Contracts: The Assignment of Service Contracts covering and concerning the service contracts for the Mortgaged Property.

(i) Buildings: Any and all buildings, parking garages above or below ground, open parking areas and other improvements, and any and all additions, alterations, renovations or repairs of same, or appurtenances thereto, now or at any time hereafter placed or constructed upon the Land or any part thereof.

(j) Comfort Letter: The comfort letter issued by Marriott International, Inc. to Mortgagee relating to the Franchise License Agreement.

(k) Completion Date: The date construction of the Hotel is completed which shall be no later than January 9, 2009.

(l) Conference Center: The Improvements for a planned meeting space complex to be leased to the Borrower pursuant to a Conference Center Lease, said complex to contain approximately 20,000 square feet including a grand ballroom, banquet rooms and related amenities including landscaping, parking, and necessary connections, doors and other modes of ingress and egress that will permit the use of the Normal Theater in conjunction with the Conference Center, and to be built in accordance with the Plans on the Conference Center Site as identified on Exhibit A.

(m) Conference Center Lease: The Town of Normal Conference Center Lease Agreement dated August 30, 2007 by and between the Town of Normal, Illinois, as lessor and the Borrower as lessee.

(n) Construction Contract: All construction contracts executed by Borrower for the construction of the Conference Center and Hotel Improvements, including, without limitation, the contract between Borrower and CORE Construction Services of Illinois, Inc., dated as of June 25, 2007, to build the Hotel and the contract between Borrower and CORE Construction Services of Illinois, Inc. dated as of June 25, 2007, to build the Conference Center.

(o) Construction Loan and Security Agreement: The Construction Loan and Security Agreement by and between Mortgagor, Mortgagee and Guarantors executed of even date herewith setting forth many of the terms and conditions of the loan evidenced by the Promissory Note.

(p) Escrowed Sums: Escrowed Sums as that term appears in Article XI herein.

(q) Event of Default: Any happening or occurrence described in Article VI hereinbelow.

(r) Fixtures: All materials, supplies, equipment, apparatus and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements (hereinafter defined) or the Land including the leased premises, if any, including but not limited to any and all partitions, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, disposal, dishwashers, refrigerators and ranges, and recreational equipment and facilities of all kinds.

(s) Franchise License Agreement: The Franchise License Agreement by and between Mortgagor and Marriott International, Inc., dated March 24, 2006, with all amendments thereto for the operation of a Marriott Hotel located on the Property.

(t) Governmental Authority: Any and all courts, boards, agencies, commissions, offices, permits or authorities of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

(u) Guarantor (individually and/or collectively, as the context may require): John Q. Hammons, Juanita K. Hammons and the Revocable Trust of John Q. Hammons Dated December 28, 1989, as Amended and Restated, all with an address for notice of 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806.

(v) Guaranty (separately and/or collectively, as the context may require): The Continuing Payment and Performance Guaranty of even date herewith from Guarantor to Mortgagee guaranteeing the repayment of the Indebtedness (hereinafter defined), and the satisfaction of, or continued compliance with, the Obligations (hereinafter defined).

(w) Hotel: The Improvements for a hotel which will contain 220 guest suites and related parking facilities and amenities including, but not limited to a restaurant, a lounge, fitness center, business center, recreational amenities, adjacent parking and other amenities for the services essentially found in a full service upscale hotel, to be built on the Hotel Site as described in Exhibit A in accordance with the Plans.

(x) Impositions: All real estate and personal property taxes, water, gas, sewer, electricity and other utility rates and charges, charges for easements, licenses or agreements maintained for the benefit of the Mortgaged Property, and all other taxes, charges and assessments and any interest, costs or penalties with respect thereto, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied or imposed upon the Mortgaged Property or the Rents or the ownership, use, occupancy or enjoyment thereof.

(y) Improvements: Any and all Buildings, equipment, fixtures, utility installations (including water, sewer, electric, telephone and gas), public or private streets or alleys, or right-of-ways and appropriate and appurtenant streets, paving, curbs, gutters, storm drains, parking areas and other improvements, and any and all additions, alterations, or appurtenances thereto, now or at any time hereafter situated, placed or constructed upon the Land or any part thereof. Improvements shall refer to both the Hotel Improvements and Conference Center Improvements unless otherwise stated herein.

(z) Indebtedness: The principal of, interest on and all other amounts, payments and premiums due under and evidenced by the Promissory Note and secured by the Mortgage and the other Security Documents.

(aa) Land: The real estate or interest therein, including the fee simple interest in the property described as the Hotel Site in Exhibit A attached hereto, and the leasehold interest as provided in the Conference Center Lease in the property described as the Conference Center Site in Exhibit A attached hereto, and all buildings, all improvements and fixtures and all rights, titles and interests appurtenant thereto and thereon.

(bb) Leases: Any and all leases, subleases, licenses, concessions or other agreements (written or verbal) now or hereinafter in effect which grant a possessory interest in and to, or the right to use, the Mortgaged Property, save and except any and all leases, subleases or other agreements pursuant to which Mortgagor is granted a possessory interest in the Land, including but not limited to the Conference Center Lease.

(cc) Legal Requirements: (i) Any and all present and future judicial decisions, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to Mortgagor, any Guarantor or the Mortgaged Property, including the ownership, use, occupancy, operations, maintenance, rehabilitation, repair or reconstruction thereof, (ii) Mortgagor's or any Guarantor's presently or subsequently effective bylaws and articles of incorporation, articles of organization, partnership, limited partnership, joint venture, trust or other form of business association, (iii) any and all Leases, and (iv) any and all leases and other contracts (written or oral) of any nature by which Mortgagor or any Guarantor may be bound.

(dd) Management Agreement: The Management Agreement by and between John Q. Hammons Hotels Management, LLC and the Mortgagor dated September 16, 2005, as most recently amended by the Second Amendment to Management Agreement dated the 8th day of May, 2007, wherein John Q. Hammons Hotels, L.P., will manage and operate the Mortgaged Property.

(ee) Mortgaged Property: The Land, the Hotel, the Conference Center, Conference Center Lease, Buildings, Improvements, Fixtures, Personalty, Leases and Rents together with:

(i) all rights, privileges, tenements, hereditament, right-of-way, easements, appendages and appurtenances in anywise appertaining thereto, and all right, title and interest of Mortgagor in and to any streets, ways, alleys, strips or gores of land adjoining the Land or any part thereof; and

(ii) all additions, appurtenances, substitutions, replacements, and revisions thereof and thereto and all reversions and remainders therein; and

(iii) all of Mortgagor's right, title and interest in and to any award, remuneration, settlements or compensation heretofore made or hereafter to be made by any Governmental Authority to the present or any subsequent owner

of the Land, Hotel, Conference Center, Conference Center Lease, Improvements, Leases, Rents, Fixtures or Personalty, including those for any vacation of, or change of grade in, any streets affecting the Land and the Collateral as described in the Construction Loan and Security Agreement; and

(iv) any and all other security and collateral of any nature whatsoever, now or hereafter given for the repayment of the Indebtedness or the performance and discharge of the Obligations, including Fixtures, Personalty, Improvements, equipment, the Management Agreement, the Construction Agreement, the Plans, the Architectural Contract, the Redevelopment Agreement, Franchise License Agreement and the Comfort Letter; and

(v) all building materials stored on the Land.

(ff) Mortgagee: Metropolitan National Bank, a national banking corporation organized under the laws of the United States of America, whose address for the purpose of notice is c/o Lunsford W. Bridges, President and Chief Executive Office, 425 West Capitol, P. O. Box 8010, Little Rock, Arkansas 72203.

(gg) Mortgagor: JQH - Normal Development, LLC, whose address for the purpose of notice is 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806.

(hh) Obligations: Any and all of the covenants, warranties, representations and obligations (other than to repay the Indebtedness) made or undertaken by Mortgagor, Guarantor or others to Mortgagee or others, as set forth in the Security Documents, the Comfort Letter, the Conference Center Lease, the Franchise License Agreement, the Management Agreement, the Construction Contract, the Architectural Contract, the Plans, the Redevelopment Agreement, or any lease or sublease wherein Mortgagor has granted to others a possessory interest in the Mortgaged Property or any other agreement or contract to which Mortgagor is bound including any lease of equipment, furniture, and fixtures.

(ii) Permitted Encumbrances: The outstanding liens, easements, building lines, restrictions, security interest and other matters (if any) as reflected on Exhibit "B" attached hereto and the lien and security interests created by the Security Documents.

(jj) Personalty: All of the right, title and interest of Mortgagor in and to all equipment (including, but not limited to, computer and related machines, fire sprinklers and alarm systems, communications equipment, air conditioning, heating, refrigeration, electronic monitoring, entertainment, recreational, window or structural cleaning rigs, maintenance, signage, extermination of vermin or insects, removal of dust, refuse or garbage and all other equipment of every kind), located on the Mortgaged Property and in the office, lobby, guest rooms, meeting rooms, and all indoor and outdoor furniture, exercise equipment and amenities (including, but not limited to, wet bars, televisions, telephones, tables, beds,

lamps, mattresses, pillows, linens, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, machinery, appliances (including but not limited to, iceboxes, ice machines, refrigerators, stoves, ovens, microwave ovens, clocks, fans, heaters, storage, water heaters and incinerators), inventory, rugs, carpets and all other floor coverings, draperies, and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers, and other lighting fixtures, swimming pool equipment including pumps and filtration systems, and all maintenance and other supplies, all equipment used and useful in eating establishments located on or within the Mortgaged Property (including pots, pans, kitchen utensils, laundry equipment, washing machines, flatware, china and dinnerware, glasses and other serving utensils or equipment used in preparation or serving of food or food products), goods, tools, general intangibles, money, accounts, contracts and contract rights, offer and acceptance contracts, bank accounts, leases, rents, issues and profits, accounts receivable, books and records, documents, proceeds, chattel paper, instruments, inventory and all other personal property (other than the Fixtures) of any kind or character as defined in and subject to the provisions of Article 9 of the Uniform Commercial Code as enacted in Illinois, as amended, now or hereafter located upon, within or about the Mortgaged Property, Land and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof.

(kk) Plans: The final working drawings and specifications for the construction of the Improvements, prepared by Lohmeyer Russell Professional Corporation dated July 18, 2006, as the same may be amended.

(ll) Project: The construction of the Hotel Improvements and Conference Center Improvements, both with appropriate parking facilities.

(mm) Promissory Note: The Promissory Note of even date herewith, executed by Mortgagor and payable to the order of Mortgagee in the principal amount of FORTY-TWO MILLION AND NO/100 DOLLARS (\$42,000,000.00), and payable as provided therein with a final maturity date of September 23, 2010.

(nn) Redevelopment Agreement: The Redevelopment Agreement entered into on July 19, 2004, by and between the Town of Normal, Illinois and Borrower, as amended by the Revised First Amendment dated March 20, 2006, the Second Amendment dated July 17, 2006, the Third Amendment dated December 18, 2006, and the Fourth Amendment dated September 17, 2007.

(oo) Rents: The rents, income, receipts, revenues, issues and profits now due or which may hereafter become due from or out of the Mortgaged Property or any part thereof including, but not limited to, parking and common area charges, minimum rents, additional rents, deficiency rents, or percentage rents or any other thing charged or received for a possessory interest in or otherwise from the Mortgaged Property.

(pp) Security Documents: The Construction Loan and Security Agreement, Promissory Note, this Mortgage, the Guaranty, Assignment of Construction Contract, Assignment of Plans and Architectural Agreement, Assignment of Rents and Leases, the Comfort Letter, Assignment of Redevelopment Agreement, Assignment of Management Agreement, Assignment of Service Contracts, Environmental Indemnity Agreement executed by the Guarantor, the Financing Statements, and any and all other documents now or hereafter executed by Mortgagor, Guarantor, if any, or any other person or party to evidence or secure the payment of the Indebtedness or the performance and discharge of the Obligations.

Any specific term used but not otherwise defined herein shall have the meaning assigned it in the Construction Loan and Security Agreement.

Article 2

GRANTING CLAUSE

2.1 Grant: Mortgagor, in consideration of the Indebtedness hereby secured and the full and timely performance and discharge of the Obligations, for the sum of Ten Dollars (\$10.00) to the Mortgagor duly paid and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor has executed and delivered this Mortgage, and Mortgagor has mortgaged, warranted, conveyed, granted, bargained, sold, aliened, demised, released, assigned, transferred, hypothecated, pledged, delivered, set over and confirmed, and by these presents does hereby mortgage, warrant, convey, alien, remise, release, assign, transfer, hypothecate, pledge, deliver, set over, and confirm unto Mortgagee and its successors and assigns forever, the benefit of a first lien upon, and a first security interest in the Mortgaged Property to the extent and upon the terms and conditions as set forth herein, subject, however, to the Permitted Encumbrances, **TO HAVE AND TO HOLD** the Mortgaged Property unto Mortgagee and its successors and assigns forever, and Mortgagor hereby binds itself, its successors and assigns to warrant and forever defend the title to the Mortgaged Property, together with all existing or subsequently created or affixed buildings, improvements and fixtures, and all rights of way and all water and water rights and other rights, royalties, and profits relating to the Mortgaged Property including without limitation such right Mortgagor may have in all mineral, oil, gas geothermal and similar matters to the extent and upon the terms and conditions as set forth herein, subject, however, to the Permitted Encumbrances, **TO HAVE AND TO HOLD** the Mortgaged Property unto Mortgagee against every person whomsoever lawfully claiming or to claim the same or any part thereof; **PROVIDED**, however, that if Mortgagor shall pay (or cause to be performed and discharged) the Indebtedness and perform the Obligations on or before the date same are to be performed and discharged, then the liens, security interest, estates, and rights granted by the Security Documents, including this Mortgage, shall terminate and be deemed thereafter null and void; otherwise same shall remain in full force and effect.

2.2 Acceptance and Recordation: Mortgagee agrees that the acceptance and recordation of this Mortgage binds Mortgagee, its successors and assigns, absolutely and unconditionally, to make said loan and advances, provided Mortgagor is not in default hereunder or any of the Security Documents. Such advances will be made as requested by Mortgagor in accordance with the terms and provisions of the Construction Loan and Security Agreement of even date herewith, which is made a part hereof by reference thereto and this Mortgage.

2.3 Certificates of Supervising and Inspecting Architects: Mortgagee in its discretion may require the Mortgagor to furnish to it, its successors and assigns, certificates of the supervising and inspecting architects and/or engineer as provided in the Construction Loan and Security Agreement as to partial completion prior to making any advance which it has agreed to make hereunder.

2.4 Construction Mortgage, Fixture Filing, and Security Agreement: This Mortgage constitutes a construction mortgage and secures an obligation incurred for the purpose of financing eighty three and one-half percent (83.5%) of the cost of constructing, equipping, purchasing land, and other costs for the Hotel and such other costs as are provided in the Construction Loan and Security Agreement. The costs of construction, equipment and land as well as technical fees are as follows for the Hotel: building construction (with construction contingency) of \$37,364,938; technical fees (with contingency) of \$1,161,500; furniture, fixtures, and equipment costs (with contingency) of \$7,300,000; other costs of \$4,500,000; for a total cost of \$50,326,438. Accordingly, notice is hereby given that this instrument and the lien created hereby to secure the Indebtedness shall be, and the same is hereby, prior, paramount, sooner and superior to any statutory or other lien of any mechanic, materialman, artisan, worker, or other person who shall perform work on, or furnish materials on, the Land described on Exhibit "A" or the Improvements to be constructed on the Mortgaged Property. Mortgagor is justly indebted to the Mortgagee for advances made and to be made hereafter by the Mortgagee to the Mortgagor, from time to time, aggregating the principal sum aforesaid, to be evidenced by the Promissory Note (together with any and all renewals, extensions or substitutions thereof or therefore) of the Mortgagor, payable to the order of the Mortgagee of even date herewith, said Promissory Note to be in a principal sum of \$42,000,000.00 bearing interest and payable as provided in said Promissory Note, the terms, provisions and conditions of which are incorporated herein by reference, the maturity of which is September 23, 2010, at which time all outstanding principal and accrued interest is due and payable. Mortgagee agrees that the acceptance and recordation of this Mortgage binds the Mortgagee, its successors and assigns, so long as Mortgagor is not in default hereunder or under the Construction Loan and Security Agreement or any Security Documents herein defined absolutely and unconditionally to make the loan (advances made and to be made hereafter and hereunder), for said purposes. The consideration for this indenture is a present and future advancement of said funds to Mortgagor by Mortgagee, which advancements Mortgagee shall make in accordance with the provisions of this Mortgage, the Construction Loan and Security Agreement, and any all other Security Documents and instruments and this Mortgage shall secure all future advances and the lien of each such advance shall relate back to the date of this Mortgage and this Mortgage shall have the full force and effects and benefits of a Mortgage to secure future advances of money. The Mortgaged Property includes real property, and this Mortgage is a

real property mortgage and also a "security agreement" and a "financing statement" within the meaning of the Uniform Commercial Code. By executing and delivering this Mortgage, Mortgagor grants to Mortgagee, as security for the Obligations, a security interest in the Mortgaged Property to the full extent that any of the Mortgaged Property may be subject to the Uniform Commercial Code. This Mortgage also serves as a Fixture Filing and an Assignment of the Conference Center Lease.

Article 3

WARRANTIES AND REPRESENTATIONS

Mortgagor hereby unconditionally warrants and represents to Mortgagee as follows:

3.1 Validity of Loan Instruments: The execution, delivery and performance by Mortgagor of the terms and Obligations of the Security Documents (other than the Guaranty and the Environmental Indemnity Agreement, both executed by the Guarantor), the Franchise Agreement, the Management Agreement, the Redevelopment Agreement, the Conference Center Lease, the Comfort Letter, the Franchise License Agreement, the Management Agreement, Construction Contract, the Architectural Contract, and the borrowing evidenced by the Promissory Note, (a) are within Mortgagor's powers and have been duly authorized by all authorized persons, member, or partners, as the case may be (b) have received all (if any) requisite prior approval from applicable Governmental Authorities in order to be legally binding and enforceable in accordance with the terms thereof, and (c) will not violate, be in conflict with, result in a breach of or constitute (with due notice or lapse of time, or both) a default under, any Legal Requirement or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's or Guarantor's property or assets which would be reasonably held to have a material adverse effect on Mortgagor's ability to perform its Obligations under this Mortgage or under the Security Documents, except as contemplated by the provisions of the Security Documents. The Security Documents constitute the legal, valid and binding Obligations of Mortgagor and Guarantor and others obligated under the terms of the Security Documents, in accordance with their respective terms.

3.2 Title to Mortgaged Property and Lien of this Instrument: Mortgagor has good and indefeasible fee simple title to that portion of the Land described as the Hotel Site in Exhibit "A" hereto including good and indefeasible fee simple title to the Buildings and Improvements thereon and good and indefeasible title to any Fixtures and Personalty affixed to or located on that portion of the Land described as the Hotel Site in Exhibit "A" hereto, free and clear of all liens, charges, encumbrances, security interest and adverse claims whatsoever, except the Permitted Encumbrances. Mortgagor has full and equitable leasehold title pursuant to the Conference Center Lease to that portion of the Land described as the Conference Center Site in Exhibit "A" hereto and has full and equitable leasehold title to the Buildings and Improvements thereon and full and equitable leasehold title to any Fixtures and Personalty affixed to or located on that portion of the Land described as the Conference Center Site in Exhibit "A" hereto, free and clear of all liens, charges, encumbrances, security interest and adverse claims whatsoever, except the Permitted Encumbrances. This Mortgage constitutes a valid, subsisting, first lien Mortgage and Security Interest in or on the Mortgaged

Property depending upon whether the Mortgaged Property be classified as real property, personal property, or mixed and a first security interest in the Rents and Leases, all in accordance with the terms hereof.

3.3 Information: All information, reports, papers and data given to Mortgagee with respect to Mortgagor, Guarantor or others obligated under the terms of the Security Documents or the Mortgaged Property are to the best knowledge and information of Mortgagor accurate, complete and correct in all material respects and do not omit any fact, the inclusion of which is necessary to prevent the facts contained therein from being misleading.

3.4 Taxes and Other Payments: Mortgagor and Guarantor have filed all appurtenant federal, state, county and municipal income and other tax returns required to have been filed by them and have paid all taxes which have become due pursuant to such returns or pursuant to any assessments received by them, and neither Mortgagor nor Guarantor knows of any basis for any additional assessment in respect of any such taxes. Mortgagor has paid or will pay in full (except for such retainages as may be permitted or required by any Legal Requirement to be withheld by Mortgagor pending completion of the Improvements) all sums owing or claimed for labor, material, supplies, personal property (whether or not forming a Fixture hereunder) and services of every kind and character used, furnished or installed in the Mortgaged Property and no claim for same currently exists or will be permitted to be created.

3.5 Litigation: There are no actions, suits or proceedings pending, or to the knowledge of Mortgagor threatened, against or affecting Mortgagor and/or Guarantor which, if determined adversely to Mortgagor and/or Guarantor nor judgments entered against Mortgagor in any jurisdiction, the execution of which would materially and adversely affect Mortgagor's or Guarantor's solvency or Mortgagor's ability to pay the Promissory Note or satisfy all other Obligations under the Security Documents as agreed, or threatened against or affecting any Guarantor or the Mortgaged Property, or involving the validity or enforceability of the Mortgage or the priority of the lien and security interest thereof, and no event has occurred (including specifically Mortgagor's execution of the Security Documents and its consummation of the loan represented thereby) which will violate, be in conflict with, result in the breach of or constitute (with due notice or lapse of time, or both) a default under, any Legal Requirement or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's or any of the Guarantor's property which would be reasonably likely to have an adverse effect on Mortgagor's ability to perform its Obligations under this Mortgage other than the lien and security interest created by the Security Documents.

Article 4

AFFIRMATIVE COVENANTS

Mortgagor hereby unconditionally covenants and agrees with Mortgagee as follows:

4.1 Payment and Performance: Mortgagor will pay the Indebtedness, as and when called for in the Security Documents and on or before the due date set forth therein, and will perform all of the Obligations, in full and on or before the dates same are to be performed. The Promissory Note and all of its terms are incorporated herein by this reference thereto and this conveyance shall secure any and all extensions or renewals or modifications thereof.

This conveyance is made to secure payment of a just indebtedness owed by Mortgagor to Mortgagee in the principal sum of FORTY-TWO MILLION AND NO/100 DOLLARS (\$42,000,000.00) evidenced by a Promissory Note of even date herewith, bearing interest on the outstanding balance at the interest rate specified in the Promissory Note, said principal and interest being payable as provided in said Promissory Note with a final maturity of September 23, 2010, which Indebtedness is evidenced by the Promissory Note is secured hereby. Said Promissory Note and all of its terms are incorporated herein by this reference thereto and this conveyance shall secure any and all extensions or renewals or modifications thereof.

The funds to be advanced herein are to be used in the financing of the construction of certain Hotel Improvements on the Land herein described, in accordance with the Construction Loan and Security Agreement entered into between the Mortgagor and Mortgagee, the terms of said Construction Loan and Security Agreement are incorporated herein by this reference thereto to the same extent and effect as if fully set forth herein and made a part of this Mortgage and if the construction of the Hotel Improvements to be made pursuant to said Construction Loan and Security Agreement shall not be carried on with reasonable diligence, or shall be discontinued at any time for any reason for more than forty-five (45) consecutive days other than for labor disputes, strikes, lock-outs (none to exceed ninety (90) days), or fire, flood, weather or other unavoidable casualty without the written consent of Mortgagee, Mortgagee, after due notice to the Mortgagor or any subsequent owner, is hereby invested with full and complete authority to enter upon the said premises, employ watchmen to protect such Improvements from depredation or injury, and to preserve and protect the Personalty therein, and to continue any and all outstanding contracts for the erection and completion of said Improvements, to make and enter into any contracts and obligations wherever necessary, either in its own name or in the name of the Mortgagor and to pay and discharge all debts, obligations and liabilities incurred thereby. The principal sum and other charges provided for herein shall, at the option of the Mortgagee or holder of the Promissory Note secured hereby and this Mortgage securing the same, become due and payable on the failure of the Mortgagor to keep and perform any of the covenants, conditions, and agreements of said Construction Loan and Security Agreement. This covenant shall be terminated upon the completion of the Hotel Improvements to the reasonable satisfaction of the Mortgagee and the making of the final advance as provided in said Construction Loan and Security Agreement.

4.2 Performance under the Obligations: Mortgagor will promptly, timely and faithfully perform all of the Obligations as defined in paragraph 1.1(hh).

4.3 First Lien Status: Mortgagor and/or Guarantor will protect the first lien and security interest status of this Mortgage and will not, without the prior written consent of Mortgagee which will not be unreasonably withheld, place, or permit to be placed, or otherwise mortgage, hypothecate or encumber the Mortgaged Property, with, any other lien or security interest of any nature whatsoever (statutory, constitutional or contractual) regardless of whether same is allegedly or expressly inferior to the lien and security interest created by this Mortgage. If any such lien or security interest is asserted against the Mortgaged Property, Mortgagor will promptly, and at its own cost and expense, pay the underlying claim in full or take such other action so as to cause same to be released.

4.4 Compliance with Legal Requirements: Mortgagor will promptly and faithfully comply with, conform to and obey all present and future Legal Requirements.

4.5 Payment of Impositions: Mortgagor will duly pay and discharge, or cause to be paid and discharged, the Impositions not later than the last due date thereof, or the day any fine, penalty, interest or cost may be added thereto or imposed, or the day any lien may be filed, for the nonpayment thereof (if such day is used to determine the due date of the respective item); provided, however, that Mortgagor may, if permitted by law and if such contested Impositions would not create or permit the filing of a lien against the Mortgaged Property, contest or object to the amount or validity of any such Imposition by legal proceeding, pay the Impositions in installments whether or not interest shall accrue on the unpaid balance of such Impositions; provided further, (a) Mortgagor shall demonstrate to Mortgagee's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the premises, or any part thereof, or prevent the creation of any lien that might attach to the land that would be superior to the lien of this Mortgage, to satisfy such Imposition prior to a final determination of such proceeding; or (b) Mortgagor shall furnish a good and sufficient bond or surety as requested by and satisfactory to Mortgagee; or (c) Mortgagor shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceeding.

4.6 Repairs: Mortgagor will keep the Mortgaged Property in good condition and state, and will make or do all repairs, clean-up, replacements, additions, improvements and alterations thereof and thereto, which are necessary or reasonably appropriate to keep same in such order, condition and state.

4.7 Insurance: Mortgagor will obtain and maintain insurance upon and relating to the Mortgaged Property insuring against personal injury and death, loss by fire and such other hazards, casualties, and contingencies (including builder's risk, workmen's compensation, general liability, business interruption insurance covering loss of Rents) as are normally and usually covered by extended coverage policies in effect where the Land is located and such other risks as may be reasonably specified by Mortgagee, from time to time, all in such reasonable amounts and with such

insurers of recognized financial responsibility as are reasonably acceptable to Mortgagee. Each insurance policy issued in connection therewith shall provide by way of endorsements, riders, or otherwise that (a) proceeds will be payable to Mortgagee as its interest may appear, it being agreed by Mortgagor that such payments shall be applied (i) if there be no Event of Default existing or which would exist but for due notice or lapse of time, or both, to the restoration, repair or replacement of the Mortgaged Property, or (ii) if there be an Event of Default existing, or which would exist but for due notice or lapse of time, or both, at the option of the Mortgagee, toward the payment of the Indebtedness; (b) the coverage of Mortgagee shall not be terminated, reduced or affected in any manner regardless of any breach or violation by Mortgagor of any warranties, declarations or conditions in such policy; (c) no such insurance policy shall be canceled, endorsed, altered or reissued to effect a change in coverage for any reason and to any extent whatsoever unless such insurer shall have first given Mortgagee thirty (30) days' prior written notice thereof; and (d) Mortgagee may, but shall not be obligated to, make premium payments to prevent any cancellation, endorsement, alteration or reissuance, and such payments shall be accepted by the insurer to prevent same. Mortgagee shall be furnished with the original of each such initial policy coincident with the execution of this Mortgage and the original of each renewal policy not less than thirty (30) days prior to the expiration of the initial policy or each succeeding renewal policy together with receipts or other evidence that the premiums thereon have been paid.

4.8 Application of Proceeds: If the proceeds of the insurance described in Paragraph 4.7 hereinabove are to be used for restoration, repair or replacement (hereinafter referred to as the "Work") of the Mortgaged Property, such proceeds shall be paid out by Mortgagee from time to time to Mortgagor (or, at the option of Mortgagee, jointly to Mortgagor and the persons furnishing labor and/or materials incident to such restoration, repair or replacement or directly to such persons) as the Work progresses, subject to the following conditions: (a) if the cost of the Work estimated by Mortgagee shall exceed ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) prior to the commencement thereof (other than Work to be performed on an emergency basis to protect the Mortgaged Property or prevent interference therewith), (i) an architect or engineer, approved by Mortgagee, shall be retained by Mortgagor (at Mortgagor's expense) and charged with the supervision of the Work and (ii) Mortgagor shall have prepared, submitted to Mortgagee and secured Mortgagee's written approval of (such approval not to be unreasonably withheld) the plans and specifications for such Work; (b) each request for payment by Mortgagor shall be made on ten (10) days prior written notice to Mortgagee and shall be accompanied by a certificate to be made by the architect or engineer supervising the Work (if one is required pursuant to Paragraph 4.8(a) hereinabove), otherwise by Mortgagor, stating, among such other matters as may be reasonably required by Mortgagee, that: (i) all of the Work completed has been done in compliance with the approved plans and specifications (if any be required under Paragraph 4.8(a) hereinabove); (ii) the sum requested is justly required to reimburse Mortgagor for payments by Mortgagor to, or is justly due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services, labor or materials for the Work (giving a brief description of such services, labor and materials); (iii) when added to all sums previously paid out by Mortgagor, the sum requested does not exceed the value of the Work done to the date of such certificate; and (iv) the amount of insurance proceeds remaining in the hands of Mortgagee will be sufficient on completion of the

Work to pay for the same in full (giving in such reasonable detail as the Mortgagee may require an estimate of the cost of such completion); (c) each request shall be accompanied by waivers of lien satisfactory in form and substance to Mortgagee covering that part of the Work for which payment or reimbursement is being requested and by a search prepared by a title company or licensed abstractor or by other evidence satisfactory to Mortgagee that there has not been filed with respect to the Mortgaged Property any mechanics lien or other lien, affidavit or instrument asserting any lien or any lien rights with respect to the Mortgaged Property; (d) there has not occurred any Event of Default since the hazard, casualty or contingency giving rise to payment of the insurance proceeds; and (e) in the case of the request for the final disbursement, such request is accompanied by a copy of any Certificate of Occupancy or other certificate required by any Legal Requirement to render occupancy of the damaged portion of the Mortgaged Property lawful. If, upon completion of the Work, any portion of the insurance proceeds has not been disbursed to Mortgagor (or one or more of the other aforesaid persons) incident thereto, Mortgagee may, at Mortgagee's option, disburse such balance to Mortgagor or apply such balance toward the payment of the Indebtedness. Nothing herein shall be interpreted to prohibit Mortgagee from (f) withholding from each such disbursement five percent (5%) (or such greater amount, if permitted or required by any Legal Requirement) of the amount otherwise herein provided to be disbursed, and from continuing to withhold such sum, until the time permitted for perfecting liens against the Mortgaged Property has expired, at which time the amount withheld shall be disbursed to Mortgagor (or to Mortgagor and any person or persons furnishing labor and/or materials for the Work or directly to such persons, or (g) applying at any time the whole or any part of such insurance proceeds to the curing of any Event of Default.

4.9 Restoration Following Casualty: If any act or occurrence of any kind or nature (including any casualty for which insurance was not obtained or obtainable) shall result in damage to or loss or destruction of the Mortgaged Property, Mortgagor will give notice thereof to Mortgagee and, if so instructed by Mortgagee, shall promptly, at Mortgagor's sole cost and expense and regardless of whether the insurance proceeds (if any) shall be sufficient for the purpose, commence and continue diligently to completion to restore, repair, replace and rebuild the Mortgaged Property as nearly as possible to its value, condition and character immediately prior to such damage, loss or destruction.

4.10 Inspection: Mortgagor will permit Mortgagee, and its agents, representatives and employees, to inspect the Mortgaged Property at all reasonable times.

4.11 Hold Harmless: Mortgagor shall defend, at its own cost and expense, and hold Mortgagee harmless from, any action, proceeding or claim affecting the Mortgaged Property or the Security Documents, and all costs and expenses incurred by Mortgagee in protecting its interest hereunder in such an event (including all court costs and reasonable attorneys' fees) shall be borne by Mortgagor.

4.12 Books and Records: Mortgagor shall maintain full and accurate books of accounts and other records reflecting the results of its operation (in conjunction with its other operations as well as its operations of the Mortgaged Property), and will furnish, or cause to be furnished to

Mortgagee, (a) on or before seventy-five (75) days after the end of Mortgagor's fiscal year (i) a complete executed copy of a reviewed consolidated report of an examination of Mortgagor's and related entities' financial affairs prepared by an independent public accountant selected by Mortgagor but acceptable to Mortgagee, such report to include a balance sheet and statement of profit and loss for Mortgagor's and related entities' immediately preceding fiscal year together with any and all related notes and such other detail as Mortgagee may reasonably require, and an opinion from the accountant preparing same that such balance sheet and statement of profit and loss have been prepared in accordance with generally accepted accounting standards and generally accepted accounting principles applied on a consistent basis (except as may be described in such opinion, such exceptions to be reasonably acceptable to Mortgagee) for the period involved and with the statement submitted hereunder for Mortgagor's and related entities' preceding fiscal year and fairly present Mortgagor's financial condition as of the date thereof and the results of its operations for the period covered thereby, (ii) a certificate by an officer of Mortgagor certifying that, as of the date thereof, there does or does not (as the case may be) exist an event which constitutes, or which upon due notice or lapse of time or both would constitute, an Event of Default or, if an Event of Default exists, specifying the nature thereof, the other person or party involved and the period of time it has existed and identifying, with particularity, any suits or other claims which have been initiated or asserted (or to the knowledge of the certifying officer, threatened) against Mortgagor or the Mortgaged Property. Mortgagor shall deliver to Mortgagee monthly within twenty (20) days after the end of each month, a report certified by Mortgagor with respect to the ownership, maintenance, use and operations of the Mortgaged Property such report to include an operating statement and balance sheet which fairly represents and presents Mortgagor's financial condition and the results of its operations for the preceding month and year to date with respect to the Mortgaged Property. At any time and from time to time, Mortgagor shall deliver to Mortgagee such other financial information as Mortgagee shall reasonably request with respect to the ownership, maintenance, use and operation of the Mortgaged Property. Mortgagee shall have the right, at reasonable times and upon reasonable notice, to audit Mortgagor's books of accounts and records relating to the Mortgaged Property, all of which shall be maintained and made available to Mortgagee or Mortgagee's representatives for such purpose on the Mortgaged Property or at such other location as Mortgagee may approve.

4.13. Failure to Provide Insurance: Grantor agrees to deliver to Lender, on the latest delivery date stated above, evidence of the required insurance as provided above, with an effective date of September 24, 2007, or earlier. **UNLESS GRANTOR PROVIDES LENDER WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY GRANTOR'S AGREEMENT WITH LENDER, LENDER MAY PURCHASE INSURANCE AT GRANTOR'S EXPENSE TO PROTECT LENDER'S INTERESTS IN THE COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT GRANTOR'S INTERESTS. THE COVERAGE THAT LENDER PURCHASES MAY NOT PAY ANY CLAIM THAT GRANTOR MAKES, OR ANY CLAIM THAT IS MADE AGAINST GRANTOR IN CONNECTION WITH THE COLLATERAL. GRANTOR MAY LATER CANCEL ANY INSURANCE PURCHASED BY LENDER, BUT ONLY AFTER PROVIDING LENDER WITH EVIDENCE THAT GRANTOR HAS OBTAINED INSURANCE AS REQUIRED BY THEIR AGREEMENT. IF LENDER PURCHASES INSURANCE FOR THE**

COLLATERAL, GRANTOR WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES LENDER MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO GRANTOR'S TOTAL OUTSTANDING BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE GRANTOR MAY BE ABLE TO OBTAIN ON GRANTOR'S OWN.

IN ADDITION, THE INSURANCE MAY NOT PROVIDE ANY PUBLIC LIABILITY OR PROPERTY DAMAGE INDEMNIFICATION AND MAY NOT MEET THE REQUIREMENTS OF ANY FINANCIAL RESPONSIBILITY LAWS.

Article 5

NEGATIVE COVENANTS

Mortgagor hereby covenants and agrees with Mortgagee that until the entire Indebtedness shall have been paid in full and all of the Obligations shall have been fully performed and discharged:

5.1 Use Violations: Mortgagor shall not use, maintain, operate or occupy, or allow the use, maintenance, operation or occupancy of, the Mortgaged Property in any manner which (a) violates any Legal Requirement, (b) known to be dangerous unless safeguarded as required by law, (c) constitutes a public or private nuisance or (d) makes void, voidable or cancelable, or increases the premiums of, any insurance then in force with respect thereto.

5.2 Alterations: Mortgagor shall not commit or permit any waste of the Mortgaged Property and shall not (subject to the provisions of Paragraphs 4.6 and 4.9 hereinabove) without the prior written consent of Mortgagee make or permit to be made any alterations or additions to the Mortgaged Property of a material nature.

5.3 Replacement of Fixtures and Personalty: Mortgagor shall not, without the prior written consent of Mortgagee, permit any of the Fixtures or Personalty owned by Mortgagor to be removed from the Buildings or the Land unless the removed item is removed temporarily for maintenance and repair or, if removed permanently, is replaced by an article of equal suitability and value, owned by Mortgagor, free and clear of any lien or security interest except such as may be first approved in writing by Mortgagee.

5.4 No Further Encumbrances: Mortgagor shall not, without the prior written consent of Mortgagee, 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 mortgage, pledge, lien (statutory, constitutional or contractual), security interest, encumbrance or charge, or conditional sale or other title retention

agreement, regardless of whether same are expressly subordinate to the liens of the Security Documents, with respect to the Mortgaged Property, the Leases or Rents, other than the Permitted Encumbrances.

5.5 No Sales, Leases or Other Transfers: Mortgagor shall not, without the prior written consent of Mortgagee, sell, lease, exchange, assign, convey, transfer possession of or otherwise dispose of the Mortgaged Property other than in the ordinary course of business and as set out in the Construction Loan and Security Agreement, consent shall be predicated upon Mortgagee's providing Mortgagee with all the information, contracts, agreements or other documents Mortgagee may request to determine the legal and economic consequences of such proposed sale, lease or transfer.

Article 6

EVENTS OF DEFAULT

The terms "Event of Default" or "default", as used in the Security Documents, shall mean the occurrence or happening, at any time and from time to time, of any one or more of the following:

6.1 Failure in Payment of Indebtedness: If Mortgagor shall fail, refuse or neglect to pay, in full, any installment or portion of the Indebtedness as and when the same shall become due and payable and the same shall continue for ten (10) days thereafter including the due date.

6.2 Failure in Performance: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Mortgage, Leases, the Redevelopment Agreement, the Conference Center Lease, the Management Agreement, the Construction Contract, the Architectural Contract, the Franchise Agreement, the Comfort Letter or other Security Documents.

6.3 Failure in Performance of Obligations: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the Obligations as and when called for and such failure, refusal or neglect shall either be incurable or, if curable, shall remain uncured for a period of thirty (30) days after written notice to Mortgagor; provided, however, that if such default is curable but requires work to be performed, acts to be done or conditions to be remedied which, by their nature, cannot be performed, done or remedied, as the case may be, within such thirty-day period, then the cure period shall be extended to sixty days if cure has commenced within such thirty-day period and is diligently pursued thereafter.

6.4 Failure in Performance of Construction Contract: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Construction Contract, Architectural Contract, Franchise License Agreement, Management Agreement, or any other agreement to which Mortgagor is a party.

6.5 False Representation: If any representation or warranty made by Mortgagor, Guarantor or others in, under or pursuant to the Security Documents shall be false or misleading in any material respect.

6.6 Judgment: If any final judgment or accumulation of judgments for the payment of money in excess of One Million Dollars (\$1,000,000.00) shall be filed against Mortgagor or any Guarantor and the same shall not be discharged within a period of sixty (60) days after the date of such final judgment or appeal.

6.7 Voluntary Bankruptcy: If Mortgagor or any Guarantor shall (a) voluntarily be adjudicated bankrupt or insolvent, (b) seek, consent to or not contest the appointment of a receiver or trustee for Mortgagor or Guarantor's or for all or any part of Mortgagor's or Guarantor's property, (c) file a petition seeking relief under the bankruptcy, arrangement, reorganization or other debt relief laws of the United States of America or any state or any other competent jurisdiction, (d) make a general assignment for the benefit of Mortgagor's or Guarantor's creditors, or (e) admit in writing its or his inability to pay Mortgagor's or Guarantor's debts as they mature.

6.8 Involuntary Bankruptcy: If (a) a petition is filed against Mortgagor or Guarantor seeking relief under the bankruptcy, arrangement, reorganization or other debtor relief laws of the United States or any state or other competent jurisdiction, or (b) a court of competent jurisdiction enters an order, judgment or decree appointing, without the consent of Mortgagor or Guarantor, a receiver or trustee for Mortgagor or Guarantor, or for all or any part of Mortgagor's or Guarantor's property, and such petition, order, judgment or decree shall not be and remain dismissed, vacated or stayed within a period of ninety (90) days after its entry.

6.9 Destruction of Improvements: If the Mortgaged Property is so demolished, destroyed or substantially damaged so that (in Mortgagee's sole judgment) it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable period of time.

6.10 Foreclosure of Other Liens: If the holder of any lien or security interest on the Mortgaged Property (without hereby implying Mortgagee's consent to the existence, placing, creating or permitting of any such lien or security interest) institutes foreclosure or other proceedings for the enforcement of its debt or obligations thereunder.

6.11 Abandonment of Construction: If Mortgagor willfully neglects to continue or abandons work on the construction of the Improvements and Buildings to be located upon the Land. No visible work done for forty-five (45) consecutive days, excluding delays (not to exceed ninety (90) days) caused by labor disputes, fire, flood, rain or other unavoidable casualty, shall be considered abandonment.

6.12 Termination of Contracts or Agreements: If Mortgagor shall terminate for any reason without Mortgagee's prior written permission, any of the following: The Construction Contract, the Management Agreement, the Comfort Letter, and the Franchise License Agreement.

6.13 Failure in Performance of Franchise License Agreement or Comfort Letter: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Franchise License Agreement or Comfort Letter to be kept and performed on or before the due dates.

6.14 Failure in Performance of Management Agreement: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Management Agreement to be kept and performed on or before the due dates.

6.15 Failure in Performance of Construction Agreement: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Construction Agreement to be kept and performed on or before the due dates.

6.16 Failure in Performance of Architectural Contract: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Architectural Contract to be kept and performed on or before the due dates.

6.17 Failure in Performance of Conference Center Lease or Leases: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Leases or in the Conference Center Lease.

6.18 Failure in Performance of Redevelopment Agreement: If Mortgagor shall fail, refuse or neglect to perform and discharge fully and timely any of the terms, conditions and covenants contained in the Redevelopment Agreement.

6.19 Event of Default under the Construction Loan and Security Agreement or Security Documents: If defaults, or an Event of Default, occurs and is not cured under or pursuant to the Construction Loan and Security Agreement or Security Documents.

6.20 Failure to Satisfy Condition Specified: An inability of Borrower to satisfy any condition specified herein as precedent to the obligation of Mortgagee to make an Advance after an Application for Advance has been submitted by Borrower to Mortgagee.

6.21 Delay in Completion: A reasonable determination by Mortgagee that construction of the Improvements will not be completed within one hundred twenty (120) days following the Completion Date.

6.22 Payment Default: An occurrence of any event or condition which results in, or with notice or lapse of time could result in, a default in the payment of any indebtedness or performance of any obligation of Borrower or Guarantor to Mortgagee.

6.23 Liquidation: The liquidation, death which causes a default under the Guaranty, termination or dissolution of Borrower or Guarantor.

Article 7

DEFAULT AND FORECLOSURE

7.1 Foreclosure: Mortgagee may obtain a judicial decree foreclosing Mortgagor's interest in all or any part of the Mortgaged Property. If permitted by applicable law, Mortgagee may foreclose Mortgagor's interest in all or in any part of the Personalty or the Land by nonjudicial sale.

(i) Mortgagee may foreclose this Mortgage either by sale at public outcry or by proceedings in law or equity, and Mortgagee may become the purchaser at any foreclosure sale if the highest bidder, and, in the event of sale at public outcry, Mortgagee may sell or cause to be sold, all and singular, the Mortgaged Property and all the estate, right, title and interest, claim and demand therein, such sale or sales to be made at public outcry at the main door of the courthouse of McLean County, Illinois, at such time or times and upon such terms as may be required by law or as Mortgagee may determine, after having first given notice of the time, place and terms of sale, together with the description of the property to be sold, by publication once a week for three consecutive weeks prior to said sale in any newspaper then published in McLean County, Illinois, and after giving such other notice of the time, place and terms of sale as may be required by law. In the event of a sale hereunder, Mortgagee or owners of the debt and Mortgage, or the auctioneer, shall execute to the purchaser for and in the name of Mortgagor, a good and sufficient deed to the Mortgaged Property. Mortgagee may sell such property either as a whole or in separate parcels and in such order as Mortgagee may direct (Mortgagor 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 Mortgagee to the extent permitted by applicable law), payable at the time of sale. Mortgagee may postpone the sale of all or any part of the Mortgaged Property by public announcement at such time and place of sale, and from time to time after any such postponement may postpone such sale by public announcement at the time fixed by the preceding postponement. Mortgagee 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 Mortgagee or any Secured Party, may purchase at such sale, and any bid by Mortgagee may be, in whole or in part, in the form of cancellation of all or any part of the Obligations.

(ii) Mortgagee may proceed to protect, exercise and enforce any and all other remedies provided under the Security Documents or by applicable laws.

(iii) All proceeds of collection, sale or other liquidation of the Land shall be applied first to all costs, fees, expenses and other amounts (including interest) payable by Mortgagor and to all other Indebtedness not otherwise repaid in such order and manner as Mortgagee may determine in its sole discretion, and the remainder, if any, to the person or persons legally entitled thereto.

7.2 Deficiency Judgment: If permitted by applicable law, Mortgagee will be entitled to obtain a judgment for any deficiency remaining in the Indebtedness due to Mortgagee after application of all amounts received from the exercise of the rights provided in this section.

7.3 Tenancy at Sufferance: If Mortgagor remains in possession of the Mortgaged Property after the Mortgaged Property is sold as provided above or Mortgagee otherwise becomes entitled to possession of the Mortgaged Property upon default of Mortgagor, Mortgagor shall become a tenant at sufferance of Mortgagee or the purchaser of the Mortgaged Property and shall, at Mortgagee's option, either (a) pay a reasonable rental for the use of the Mortgaged Property, or (b) vacate the Mortgaged Property immediately upon the demand of Mortgagee.

7.4 Other Remedies: Mortgagee shall have all other rights and remedies provided in this Mortgage or the Promissory Note or available at law or in equity.

7.5 Sale of the Mortgaged Property: To the extent permitted by applicable law, Mortgagor hereby waives any and all right to have the Mortgaged Property marshalled. In exercising its rights and remedies, Mortgagee shall be free to sell all or any part of the Mortgaged Property together or separately, in one sale or by separate sales. Mortgagee shall be entitled to bid at any public sale on all or any portion of the Mortgaged Property.

7.6 Notice of Sale: Mortgagee shall give Mortgagor reasonable notice of the time and place of any public sale of the Personalty or of the time after which any private sale or other intended disposition of the Personalty is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personalty may be made in conjunction with any sale of the Land.

7.7 Election of Remedies: Election by Mortgagee to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Mortgagor under this Mortgage, after Mortgagor's failure to perform, shall not affect Mortgagee's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Mortgagee following an Event of Default, or in any way to limit or restrict the rights and ability of Mortgagee to proceed directly against Mortgagor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

7.8 Attorneys' Fees; Expenses: If Mortgagee institutes any suit or action to enforce any of the terms of this Mortgage, Mortgagee shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Mortgagee incurs that in Mortgagee's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Promissory Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law and

Mortgagee's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Mortgagor also will pay any court costs, in addition to all other sums provided by law.

7.9 Remedies Cumulative, Concurrent and Non-Exclusive: Mortgagee shall have all rights, remedies and recourses granted in the Security Documents and available at law or equity (including specifically those granted by the Uniform Commercial Code in effect and applicable to the Mortgaged Property, or any portion thereof), and same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Mortgagor, any Guarantor or other obligated under the Promissory Note, or against the Mortgaged Property, or against any one or more of them, at the sole discretion of Mortgagee, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Mortgagor that the exercise or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be and shall be non-exclusive.

7.10 Release of Collateral: Mortgagee may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interest created in or evidenced by the Security Documents or their stature as a first and prior lien and security interest in and to the Mortgaged Property. For payment of the Indebtedness, Mortgagee may resort to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect.

7.11 Waiver of Redemption, Notice and Marshalling of Assets: To the fullest extent permitted by law, Mortgagor hereby irrevocably and unconditionally waives and releases (a) all benefits that might accrue to Mortgagor by virtue of any present or future law exempting the Mortgaged Property from attachment, levy or sale on execution or providing for any appraisalment, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment, (b) except as otherwise provided herein, all notices of any Event of Default or to exercise any right, remedy or recourse provided for under the Security Documents, and (c) any right to a marshalling of assets or a sale in inverse order of alienation.

7.12 Discontinuance of Proceedings: In case Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted under the Security Documents and shall thereafter elect to discontinue or abandon same for any reason, Mortgagee shall have the unqualified right so to do and, in such an event, Mortgagor and Mortgagee shall be restored to their former positions with respect to the Indebtedness, the Obligations, the Security Documents, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Mortgagee shall continue as if same had never been invoked.

7.13 Application of Proceeds: The proceeds of any sale of and the Rents and other amounts generated by the holding, leasing, operation or other use or sale of, the Mortgaged Property shall be applied by Mortgagee (or the receiver, if one is appointed) to the extent that funds are so available therefrom in the following orders of priority:

- (a) first, to the payment of the costs and expenses of taking possession of the Mortgaged Property and of holding, using, leasing, marketing, repairing, improving and selling the same, including, without limitation, (i) receivers' fees, (ii) court costs, (iii) attorneys' and accountants' fees, (iv) cost of advertisement, (v) expenses of litigation, (vi) expenses incurred in securing the Mortgaged Property from entry or damage by third parties, and (vii) the payment of any and all impositions, liens, security interests or other rights, titles or interests equal or superior to the lien and security interest of this Mortgage (except those to which the Mortgaged Property has been sold subject to and without in any way implying Mortgagee's prior consent to the creation thereof);
- (b) second, to the payment of all amounts, other than the Principal Balance and accrued but unpaid interest, which may be due to Mortgagee under the Security Documents, together with interest thereon as provided therein;
- (c) third, to the payment of all accrued but unpaid interest due on the Promissory Note;
- (d) fourth, to the payment of the Principal Balance due on the Promissory Note;
- (e) fifth, to the extent funds are available therefore out of the sale proceeds or the Rents and, to the extent known by Mortgagee, to the payment of any indebtedness or obligation held by Mortgagee and secured by a subordinate deed of trust, lien, or security interest in the Mortgaged Property; and
- (f) sixth, to Mortgagor.

7.14 Lien Extends to Proceeds: Without limitation, the lien of this Mortgage shall extend to the interest of Mortgagor in the proceeds from any judicial sale of the Land including, without limitation, the proceeds from sale by foreclosure of any prior encumbrance to the extent that such proceeds exceed the amount necessary to satisfy such prior encumbrance. The commissioner, clerk, officer, or other person in charge of any such sale or foreclosure is hereby directed to pay such excess proceeds to the holder of the Indebtedness to the extent necessary to retire the Indebtedness. Such person is hereby authorized, given a power of attorney, and directed to endorse any checks representing proceeds of sale as requested by the holder of the Indebtedness, pursuant to the provisions of this paragraph.

7.15 Forbearance by Mortgagee Not a Waiver: Forbearance by Mortgagee in the exercise of any right or remedy hereunder, or any related right or remedy otherwise afforded by law, shall not

be a waiver of, or preclude the subsequent exercise of any such right or remedy. The receipt by Mortgagee of any past due installments under the Promissory Note or any other late payments of the Indebtedness shall not deprive Mortgagee of the right to accelerate the maturity of the Indebtedness or of any other right of enforcement existing pursuant to the terms of this instrument. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of the Indebtedness because of default hereunder.

Article 8

WAIVERS

8.1 WAIVER OF STATUTE OF LIMITATIONS: MORTGAGOR WAIVES THE RIGHT TO CLAIM ANY STATUTE OF LIMITATION AS A DEFENSE TO PAYMENT AND PERFORMANCE OF THE OBLIGATIONS.

8.2 WAIVER OF NOTICE: MORTGAGOR WAIVES THE RIGHT TO RECEIVE ANY NOTICE FROM MORTGAGEE WITH RESPECT TO THE LOAN DOCUMENTS EXCEPT FOR THOSE NOTICES THAT MORTGAGEE IS EXPRESSLY REQUIRED TO DELIVER PURSUANT TO THE LOAN DOCUMENTS.

8.3 WAIVER OF MARSHALLING AND OTHER MATTERS: MORTGAGOR WAIVES THE BENEFIT OF ANY RIGHTS OF MARSHALLING OR ANY OTHER RIGHT TO DIRECT THE ORDER IN WHICH ANY OF THE PROPERTY WILL BE (i) SOLD; OR (ii) MADE AVAILABLE TO ANY ENTITY IF THE PROPERTY IS SOLD BY POWER OF SALE OR PURSUANT TO A JUDGMENT OF FORECLOSURE AND SALE. MORTGAGOR ALSO WAIVES THE BENEFIT OF ANY LAWS RELATING TO APPRAISMENT, VALUATION, STAY, EXTENSION, REINSTATEMENT, MORATORIUM, HOMESTEAD AND EXEMPTION RIGHTS OR A SALE IN INVERSE ORDER OF ALIENATION.

8.4 WAIVER OF TRIAL BY JURY: MORTGAGOR WAIVES TRIAL BY JURY IN ANY PROCEEDING BROUGHT BY, OR AGAINST, OR COUNTERCLAIM OR CROSS-COMPLAINT ASSERTED BY OR AGAINST, MORTGAGEE RELATING TO THE LOAN, THE PROPERTY DOCUMENTS OR THE LEASES.

8.5 WAIVER OF COUNTERCLAIM: MORTGAGOR WAIVES THE RIGHT TO ASSERT A COUNTERCLAIM OR CROSS-COMPLAINT, OTHER THAN COMPULSORY OR MANDATORY COUNTERCLAIMS OR CROSS-COMPLAINTS, IN ANY PROCEEDING MORTGAGEE BRINGS AGAINST MORTGAGOR RELATING TO THE LOAN, INCLUDING ANY PROCEEDING TO ENFORCE REMEDIES.

8.6 WAIVER OF JUDICIAL NOTICE AND HEARING: MORTGAGOR WAIVES ANY RIGHT MORTGAGOR MAY HAVE UNDER LAW TO NOTICE OR TO A JUDICIAL

HEARING PRIOR TO THE EXERCISE OF ANY RIGHT OR REMEDY PROVIDED BY THE LOAN DOCUMENTS TO MORTGAGEE AND MORTGAGOR WAIVES THE RIGHTS, IF ANY TO SET ASIDE OR INVALIDATE ANY SALE DULY CONSUMMATED IN ACCORDANCE WITH THE PROVISIONS OF THE LOAN DOCUMENTS ON THE GROUND (IF SUCH BE THE CASE) THAT THE SALE WAS CONSUMMATED WITHOUT PRIOR JUDICIAL HEARING.

8.7 WAIVER OF SUBROGATION: MORTGAGOR WAIVES ALL RIGHTS OF SUBROGATION TO MORTGAGEE'S RIGHT OR CLAIMS RELATED TO OR AFFECTING THE PROPERTY OR ANY OTHER SECURITY FOR THE LOAN UNTIL THE LOAN IS PAID IN FULL AND ALL FUNDING OBLIGATIONS UNDER THE LOAN DOCUMENTS HAVE BEEN TERMINATED.

8.8 GENERAL WAIVER: MORTGAGOR ACKNOWLEDGES THAT (A) MORTGAGOR AND MORTGAGOR'S PARTNERS, MEMBERS OR PRINCIPALS, AS THE CASE MAY BE, ARE KNOWLEDGEABLE MORTGAGORS OF COMMERCIAL FUNDS AND EXPERIENCED REAL ESTATE DEVELOPERS OR INVESTORS WHO UNDERSTAND FULLY THE EFFECT OF THE ABOVE PROVISIONS; (B) MORTGAGEE WOULD NOT MAKE THE LOAN WITHOUT THE PROVISIONS OF THIS ARTICLE; (C) THE LOAN IS A COMMERCIAL OR BUSINESS LOAN UNDER THE LAWS OF THE STATE OR COMMONWEALTH WHERE THE PROPERTY IS LOCATED NEGOTIATED BY MORTGAGEE AND MORTGAGOR AND THEIR RESPECTIVE ATTORNEYS AT ARMS LENGTH; AND (D) ALL WAIVERS BY MORTGAGOR IN THIS ARTICLE HAVE BEEN MADE VOLUNTARILY, INTELLIGENTLY AND KNOWINGLY, AFTER MORTGAGOR FIRST HAS BEEN INFORMED BY THEIR COUNSEL AS TO POSSIBLE ALTERNATIVE RIGHTS, AND HAVE BEEN MADE AS AN INTENTIONAL RELENGUISHMENT AND ABANDONMENT OF A KNOWN RIGHT AND PRIVILEGE. THE FOREGOING ACKNOWLEDGEMENT IS MADE WITH THE INTENT THAT MORTGAGEE AND ANY SUBSEQUENT HOLDER OF THE NOTE WILL RELY ON THE ACKNOWLEDGEMENT.

Article 9

CONDEMNATION

9.1 General: Immediately upon its obtaining knowledge of the institution of any proceeding for the condemnation of the Mortgaged Property, in whole or in part, Mortgagor shall immediately notify Mortgagee of such fact. Mortgagor shall then, if requested by Mortgagee, file or defend its claim thereunder and prosecute same with due diligence to its final disposition and shall cause any awards or settlements to be paid over to Mortgagee for disposition pursuant to the terms of this Mortgage. Mortgagee may be the nominal party in such proceeding but Mortgagee shall be entitled to participate in and to be represented therein by counsel of its own choice, and Mortgagor will deliver or cause to be delivered, to Mortgagee such instruments as may be requested by it from time to time to permit such participation. If the Mortgaged Property is taken or diminished in value,

or if a consent settlement is entered, by or under the threat of such proceeding, the award or settlement payable to Mortgagor by virtue of its interest in the Mortgaged Property shall be, and by these presents is, assigned, transferred and set over unto Mortgagee to be held by it, in trust, subject to the lien and security interest of this Mortgage, and disbursed as follows:

(a) if (i) all of the Mortgaged Property is taken, (ii) so much of the Mortgaged Property is taken, or the Mortgaged Property is so diminished in value, that the remainder thereof cannot (in Mortgagee's sole judgment) continue to be operated profitably for the purpose for which it was being used immediately prior to such taking or diminution, (iii) an Event of Default shall have occurred, or (iv) the Mortgaged Property is partially taken or diminished in value and (in Mortgagee's sole judgment) need not be rebuilt, restored or repaired in any manner, then in any such event the entirety of the sums so paid to Mortgagee shall be applied by it in the order recited in Paragraph 9.2 hereinbelow; or

(b) if (i) only a portion of the Mortgaged Property is taken and the portion remaining can (in Mortgagee's sole judgment), with rebuilding, restoration or repair, be profitably operated for the purpose referred to in Paragraph 9.1(a)(ii) hereinabove, (ii) none of the other facts recited in Paragraph 9.1(a) hereinabove exists, (iii) such rebuilding, restoration or repair is acceptable to Mortgagee and (iv) Mortgagor shall thereafter commence the rebuilding, restoration or repair and complete same, all in accordance with the plans and specifications and within three (3) months after the date of the taking or diminution in value, then such sums shall be paid to Mortgagor to reimburse Mortgagor for money spent in the rebuilding, restoration or repair; otherwise same shall be applied by Mortgagee in the order recited in Paragraph 9.2 hereinbelow.

9.2 Application of Proceeds: All proceeds received by Mortgagee with respect to a taking or a diminution in value of the Mortgaged Property shall be applied in the following order of priority:

(a) first to reimburse Mortgagee for all costs and expenses, including reasonable attorney's fees, incurred in connection with collection of the said proceeds;

(b) thereafter, if there shall be any balance, to the order of priority recited in Paragraph 7.13 (b) through (f) hereinabove; subject, however, to the provisions of Paragraph 9.1(b) hereinabove requiring (under the circumstances therein specified) that such proceeds be applied to the rebuilding, restoration or repair of the Mortgaged Property.

Article 10

SECURITY AGREEMENT

10.1 Security Interest: This Mortgage shall be construed as a mortgage on real property and it shall also constitute and serve as a "Security Agreement" on personal property within the meaning of Article IX of the Uniform Commercial Code ("Code") as the same is in force and effect

in Illinois, and shall constitute, until the grant of this Mortgage shall terminate as provided in Article 2 hereinabove, a first and prior security interest under the Code as to property within the scope thereof and situated in the State of Illinois with respect to the Personalty, equipment, furniture, Fixtures, Leases and Rents. To this end, Mortgagor has Granted, Bargained, Conveyed, Assigned, Transferred and Set Over, and by these presents does Grant, Bargain, Convey, Assign, Transfer and Set Over, unto Mortgagee a first and prior security interest and all of Mortgagor's right, title and interest in, to and under the Personalty, equipment, furniture, Fixtures, Leases and Rents, to secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations.

10.2 Financing Statements: Mortgagor hereby agrees with Mortgagee to execute and deliver to Mortgagee, in form and substance satisfactory to Mortgagee, such "Financing Statements" and such further assurances as Mortgagee may, from time to time, consider reasonably necessary to create, perfect, and preserve Mortgagee's security interest herein granted, and Mortgagee may cause such statements and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest. Portions of the Mortgaged Property are goods which are fixtures or are to become fixtures relating to the above described real estate, and the Mortgagor herein expressly covenants and agrees that the filing of this Mortgage in the Mortgage Records of the county where the Mortgaged Property is located shall also operate, at the time of filing therein, as a Financing Statement filed as a fixture filing in accordance with the "Uniform Commercial Code - Secured Transactions" of the State of Illinois. The address of Mortgagor (the Debtor) is 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806. The address of Mortgagee (the Secured Party) is 425 West Capitol, P. O. Box 8010, Little Rock, Arkansas 72203.

10.3 Uniform Commercial Code Remedies: Mortgagee shall have all the rights, remedies and recourses with respect to the Personalty, equipment, furniture, Fixtures, Leases and Rents afforded a Secured Party by Article 9 of aforesaid Uniform Commercial Code as to property within the scope thereof and situated in the State of Illinois, in addition to, and not in limitation of, the other rights, remedies and recourses afforded Mortgagee by the Security Documents.

10.4 No Obligation of Mortgagee: The assignment and security interest herein granted shall not be deemed or construed to constitute Mortgagee, as a mortgagee in possession of the Mortgaged Property, to obligate Mortgagee to lease the Mortgaged Property or attempt to do same, or to take any action, incur any expenses or perform or discharge any obligation, duty or liability whatsoever under the Conference Center Lease, any of the Leases or otherwise.

10.5 Payment of Rents to Mortgagor Until Default: Unless and until an Event of Default occurs, Mortgagor shall be entitled to collect the Rents as and when, but not before, they become due and payable. Mortgagor hereby agrees with Mortgagee that the other parties under the Leases may, upon notice from Mortgagee of the occurrence of an Event of Default, thereafter pay direct to Mortgagee the Rents due and to become due under the Leases and attorn all other Obligations

thereunder direct to Mortgagee without any obligation on their part to determine whether an Event of Default does in fact exist.

10.6 Reinstatement of Security Interest. If payment is made by Mortgagor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Mortgagee is forced to remit the amount of that payment, (i) to Mortgagor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (ii) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Mortgagee or any of Mortgagor's property, or (iii) by reason of any settlement or compromise of any claim made by Mortgagee with any claimant (including without limitation Mortgagor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness and the Mortgaged Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Mortgagee and Mortgagor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Mortgage.

Article 11

ESCROW

11.1 Tax and Insurance Escrow: Upon an Event of Default, Mortgagor shall pay to Mortgagee monthly, annually or as otherwise directed by Mortgagee, and as Escrowed Sums, an amount equal to the pro rata sum of (a) the annual Impositions (estimated, wherever necessary) to become due for the tax year during which such payment is so directed and (b) the insurance premiums for the same year for those insurance policies as are required hereunder. If Mortgagee determines that any amounts theretofore paid by Mortgagor are insufficient to the payment in full of such Impositions and insurance premiums, Mortgagee shall notify Mortgagor of the increased amounts required to provide a sufficient fund, whereupon Mortgagor shall pay to Mortgagee within thirty (30) days thereafter the additional amount as stated in Mortgagee's notice. The Escrowed Sums may be held by Mortgagee in non-interest bearing accounts and may be commingled with Mortgagee's other funds. Upon assignment of this Mortgage, Mortgagee shall have the right to pay over the balance of the Escrowed Sums then in its possession to its assignee whereupon the Mortgagee and its trustee, if any, shall then become completely released from all liability with respect thereto. Upon full payment of the Indebtedness or at such earlier times as Mortgagee may elect, the balance of the Escrowed Sums in its possession shall be paid over to Mortgagor and no other party shall have any right or claim thereto. If no Event of Default shall have occurred and be continuing hereunder, the Escrowed Sums shall, at the option of Mortgagee, be repaid to Mortgagor in sufficient time to allow Mortgagor to satisfy Mortgagor's Obligations under the Security Documents to pay the Impositions and the required insurance premiums or be paid directly to the Governmental Authority and the insurance company entitled thereto. If an Event of Default shall have occurred and be continuing hereunder, however, Mortgagee shall have the additional option of

crediting the full amount of the Escrowed Sums against the Indebtedness. Notwithstanding anything to the contrary contained in this Paragraph 11.1 or elsewhere in this Mortgage, Mortgagee hereby reserves the right to waive the payment by Mortgagor to Mortgagee of the Escrowed Sums, and, in the event Mortgagee does so waive such payment, it shall be without prejudice to Mortgagee's rights to insist, at any subsequent time or times, that such payments be made in accordance herewith. If an Event of Default is cured, the Escrowed Sums shall, at the option of Mortgagee, will be repaid to Mortgagor in sufficient time to allow Mortgagor to satisfy Mortgagor's obligations under the Security Documents to pay the Impositions and the required insurance premiums or be paid directly to the Governmental Authority and the insurance company entitled thereto.

Article 12

HAZARDOUS MATERIALS

12.1 Definitions: For the purposes of this Mortgage, Mortgagor and Mortgagee agree that, unless the context otherwise specifies or requires, the following terms shall have the meaning herein specified:

(a) "Hazardous Materials" shall mean (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.) ("CERCLA"), and amended from time to time, and regulations promulgated thereunder, the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; (c) asbestos; (d) polychlorinated biphenyls; (e) underground storage tanks, whether empty, filled, or partially filled; (f) any substance the presence of which on the Mortgaged Property is prohibited by any Governmental Requirements (as hereinafter defined); (g) any petroleum based products; and (h) any other substance which by any Governmental Requirements requires special handling or notification of any federal, state or local governmental entity in its collection, storage, treatment, or disposal.

(b) "Hazardous Materials Contamination" shall mean the contamination (whether presently existing or hereafter occurring) of the Improvements, facilities, soil, groundwater, air or other elements on or of the Mortgaged Property by Hazardous Materials, or the contamination of the buildings, facilities, soil, groundwater, air or other elements on or of any other property as a result of Hazardous Materials at any time (whether before or after the date of this Mortgage) emanating from the Mortgaged Property.

(c) "Governmental Requirements" shall mean all laws, ordinances, statutes, codes, rules, regulations, orders, and decrees of the United States, the state, the county, city

or any other political subdivision in which the Mortgaged Property is located, and any other political subdivision, agency, or instrumentality exercising jurisdiction over Mortgagor or the Mortgaged Property.

12.2 Mortgagor's Representations and Warranties: Mortgagor hereby represents and warrants that:

(a) No Hazardous Materials are located on the Mortgaged Property, and neither Mortgagor, nor to Mortgagor's knowledge, any other person has ever caused or permitted any Hazardous Materials to be placed, held, located, or disposed of on, under or at the Mortgaged Property or any part thereof;

(b) No part of the Mortgaged Property is being used or, to the knowledge of Mortgagor, has even been used for the disposal, storage, treatment, processing or other handling of Hazardous Materials, nor is any part of the Mortgaged Property affected by any Hazardous Materials Contamination;

(c) To Mortgagor's knowledge, no property adjoining the Mortgaged Property is or has even been used for the disposal, storage, treatment, processing, manufacturing, or other handling of Hazardous Materials, nor is any other property adjoining the Mortgaged Property affected by Hazardous Materials Contamination;

(d) To Mortgagor's knowledge, no investigation, administrative order, consent order and agreement, litigation or settlement with respect to Hazardous Materials or Hazardous Materials Contamination is proposed, threatened, anticipated or in existence with respect to the Mortgaged Property. The Mortgaged Property is not currently on, or to Mortgagor's knowledge, after diligent investigation and inquiry, has never been on, any federal or state "Superfund" or "Superlien" list;

(e) Mortgagee acknowledges that all representations and warranties made by Mortgagor regarding the Mortgaged Property are based solely on information available to Mortgagor in connection with the acquisition of the Mortgaged Property by Mortgagor and are limited to the actual knowledge of Mortgagor obtained in connection with such acquisition.

Notwithstanding that the foregoing warranties and representations are "to Mortgagor's knowledge", the existence of any of the foregoing at any time during the term of the Indebtedness shall, at Mortgagee's option, constitute an Event of Default hereunder and under any other of the Security Documents.

12.3 Mortgagor's Covenants: Mortgagor agrees to (a) give notice to Mortgagee immediately upon Mortgagor's acquiring knowledge of the presence of any Hazardous Materials on the Mortgaged Property or of any Hazardous Materials Contamination with a full description thereof;

(b) promptly comply with any Governmental Requirements requiring the removal, treatment or disposal of such Hazardous Materials or Hazardous Materials Contamination and provide Mortgagee with satisfactory evidence of such compliance; and (c) provide Mortgagee, within thirty (30) days after demand by Mortgagee, with a bond, letter of credit or similar financial assurance evidencing to Mortgagee's satisfaction that the necessary funds are available to pay the cost of removing, treating and disposing of such Hazardous Materials or Hazardous Materials Contamination and discharging any assessments which may be established on the Mortgaged Property as a result thereof.

12.4 Site Assessments: If Mortgagee shall reasonably believe that there are Hazardous Materials or Hazardous Materials Contamination affecting any of the Mortgaged Property, Mortgagee (by its officers, employees and agents) at any time and from time to time, either prior to or after the occurrence of an Event of Default, may contract for the services of persons (the "Site Reviewers") to perform environmental site assessments ("Site Assessments") on the Mortgaged Property for the purpose of determining whether there exists on the Mortgaged Property any environmental condition which could result in any liability, cost, or expense to the owner, occupier, or operator of such Mortgaged Property arising under any state, federal, or local law, rule or regulation relating to Hazardous Materials. The Site Assessments may be performed at any time or times, upon reasonable notice, and under reasonable conditions established by Mortgagor which do not impede the performance of the Site Assessments. The Site Reviewers are hereby authorized to enter upon the Mortgaged Property for such purposes. The Site Reviewers are further authorized to perform both above and below the ground testing for environmental damage or the presence of Hazardous Materials on the Mortgaged Property and such other tests on the Mortgaged Property as may be necessary to conduct the Site Assessments in the reasonable opinion of the Site Reviewers. Mortgagor will supply to the Site Reviewers such historical and operational information regarding the Mortgaged Property as may be reasonably requested by the Site Reviewers to facilitate the Site Assessments and will make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters. On request, Mortgagee shall make the results of such Site Assessments fully available to Mortgagor, which (prior to an Event of Default) may at its election participate under reasonable procedures in the direction of such Site Assessments and the description of tasks of the Site Reviewers. The cost of performing such Site Assessments shall be paid by Mortgagor upon demand by Mortgagee and any such Obligations shall be Indebtedness secured by this Mortgage.

12.5 Indemnification: Regardless of whether any Site Assessments are conducted hereunder, if any Event of Default shall have occurred and be continuing or any remedies in respect of the Mortgaged Property are exercised by Mortgagee, Mortgagor shall defend, indemnify and hold harmless Mortgagee from any and all liabilities (including strict liability), actions, demands, penalties, losses, costs or expenses (including, without limitation, consultant fees, investigation and laboratory fees, reasonable attorneys' fees and expenses, and remedial costs), suits, costs of any settlement or judgment and claims of any and every kind whatsoever which may now or in the future (whether before or after the release of this Mortgage) be paid, incurred or suffered by or asserted against Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge,

emission or release from the Mortgaged Property of any Hazardous Materials or any Hazardous Materials Contamination or arise out of or result from the environmental condition of the Mortgaged Property or the applicability of any Governmental Requirements relating to Hazardous Materials (including, without limitation, CERCLA or any so-called federal, state or local "Superfund" or "Superlien" laws, statute, law, ordinance, code, rule, regulation, order or decree), regardless of whether or not caused by or within the control of Mortgagor or Mortgagee. The representations, covenants, warranties and indemnifications contained in this Article 11 shall survive the release or foreclosure of this Mortgage.

12.6 Mortgagee's Right to Remove Hazardous Materials: Mortgagee shall have the right but not the obligation, prior or subsequent to an Event of Default, without in any way limiting Mortgagee's other rights and remedies under this Mortgage, to enter onto the Mortgaged Property or to take such other actions as it deems necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Materials or Hazardous Materials Contamination on the Mortgaged Property following receipt of any notice from any person or entity asserting the existence of any Hazardous Materials or Hazardous Materials Contamination pertaining to the Mortgaged Property or any part thereof which, if true, could result in an order, suit, imposition of a lien on the Mortgaged Property, or other action and/or which, in Mortgagee's sole opinion, could jeopardize Mortgagee's security under this Mortgage. All reasonable costs and expenses paid or incurred by Mortgagee in the exercise of any such rights shall be Indebtedness secured by this Mortgage and shall be payable by Mortgagor upon demand.

Article 13

MISCELLANEOUS

13.1 Survival of Obligations: Each and all of the Obligations shall survive the execution and delivery of the Security Documents, and the consummation of the loan called for therein, and shall continue in full force and effect until the Indebtedness shall have been paid in full.

13.2 Further Assurances: Mortgagor, upon the request of Mortgagee, will execute, acknowledge, deliver and record and/or file such further instruments and do such further acts as may be necessary, desirable or proper to more effectively carry out the purposes of the Security Documents and to subject to the liens and security interests thereof, any property intended by the terms thereof to be covered thereby, including specifically, but without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the then Mortgaged Property.

13.3 Recording and Filing: Mortgagor will cause the Security Documents and all amendments and supplements thereto and substitutions therefor to be recorded, filed, re-recorded and re-filed in such manner and in such places as Mortgagee shall reasonably request, and will pay all such recording, filing, re-recording and re-filing taxes, fees and other charges.

13.4 Notices: All notices or other communications required or permitted to be given pursuant to this Mortgage shall be in writing and shall be considered as properly given if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the intended addressee or by prepaid telegram. Notice so mailed shall be effective upon the expiration of the last day of the notice period following Mortgagee's deposit of the notice within the United States mail. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notice, the addresses of the parties shall be set forth in the opening recital; provided, however, that either party shall have the right to change its address for notice hereunder to any other locations within the continental United States by the giving of Thirty (30) days' notice to the other party in the manner set forth hereinabove. Mortgagee may provide additional notice to Mortgagor's counsel (as set out in the Construction Loan and Security Agreement), but no failure by Mortgagee to provide Mortgagor's counsel with notice shall be considered a failure to provide notice hereunder.

13.5 No Waiver: Any failure by Mortgagee to insist, or any election by Mortgagee not to insist, upon strict performance by Mortgagor of any of the terms, provisions or conditions of the Security Documents shall not be deemed to be a waiver of same or of any other term, provision or condition thereof, and Mortgagee shall have the right at any time or times thereafter to insist upon strict performance by Mortgagor of any and all of such terms, provisions and conditions.

13.6 Mortgagee's Right to Perform the Obligations: If Mortgagor shall fail, refuse or neglect to make any payment or perform any act required by the Security Documents, the Comfort Letter, the Franchise License Agreement, the Management Agreement, the Conference Center Lease, Construction Contract, the Architectural Contract or such other agreements, then at any time thereafter and without notice to or demand upon Mortgagor and without waiving or releasing any other right, remedy or recourse Mortgagee may have because of same, Mortgagee may (but shall not be obligated to) make such payment or perform such act for the account of and at the expense of Mortgagor, and shall have the right to enter the Land and Improvements for such purpose and to take all such action thereon and with respect to the Mortgaged Property as it may deem necessary or appropriate. Mortgagor shall indemnify Mortgagee for all losses, expenses, damage, claims and causes of action, including reasonable attorneys' fees, incurred or accruing by reason of any acts performed by Mortgagee pursuant to the provisions of this Paragraph 13.6 or by reason of any other provisions in the Security Documents. All sums paid by Mortgagee pursuant to this Paragraph 13.6, and all other sums expended by Mortgagee to which it shall be entitled to be indemnified, together with interest thereon at the maximum rate allowed by law from the date of such payment or expenditure, shall constitute additions to the Indebtedness, shall be secured by the Security Documents and shall be paid by Mortgagor to Mortgagee upon demand.

13.7 Successors and Assigns: All of the terms of the Security Documents shall apply to, be binding upon and inure to the benefit of the parties thereto, their respective successors, assigns, heirs and legal representatives, and all other persons claiming by, through or under them.

13.8 Severability: The Security Documents are intended to be performed in accordance with, and only to the extent permitted by, all applicable Legal Requirements. If any provision of any of the Security Documents or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid, illegal, or enforceable, neither the remainder of the instrument in which such provision is contained nor the application of such provision to other persons or circumstances nor the other instruments referred to hereinabove shall be affected thereby, but rather shall be enforced to the greatest extent permitted by law. It is hereby expressly stipulated and agreed to be the intent of Mortgagor and Mortgagee at all times to comply with the usury, and all other, laws relating to the Security Documents. If, at any time, the applicable Legal Requirements render usurious any amount called for in any Security Document, then it is Mortgagor's and Mortgagee's express intent that such document be immediately deemed reformed and the amounts collectible reduced, without the necessity of the execution of any new document, so as to comply with the then applicable law but so as to permit the recovery of the fullest amount otherwise called for in such Security Documents.

13.9 Entire Agreement and Modification: The Security Documents contain the entire agreements between the parties relating to the subject matter hereof and thereof and all prior agreements relative thereto which are not contained herein or therein are terminated. The Security Documents may be amended, revised, waived, discharged, released or terminated only by a written instrument or instruments executed by the party against which enforcement of the amendment, revision, waiver, discharge, release or termination is asserted. Any alleged amendment, revision, waiver, discharge, release or termination which is not so documented shall not be effective as to any party.

13.10 Counterparts: This Mortgage may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute but one instrument.

13.11 Applicable Law: With respect to matters relating to the creation, perfection and procedures relating to the enforcement of the liens created pursuant to this Mortgage, this Mortgage shall be governed by, and construed in accordance with, the laws of the State in which the Mortgaged Property is located (without regard to the conflict of law provisions thereof), it being understood that, except as expressly set forth in this paragraph and to the fullest extent permitted by the law of such State, the law of Arkansas (without regard to the conflict of law provisions thereof) shall govern all matters relating to this Mortgage and the other Loan Documents and all indebtedness or obligations arising hereunder or thereunder.

13.12 Subrogation: If any or all of the proceeds of the Promissory Note have been used to extinguish, extend or renew any indebtedness in favor of Mortgagee heretofore existing against the Mortgaged Property, then, to the extent of such funds so used, the Indebtedness and this Mortgage shall be subrogated to all of the rights, claims, liens, titles and interest heretofore existing against the Mortgaged Property to secure the indebtedness so extinguished, extended or renewed and the former rights, claims, liens, titles and interest, if any, are not waived but rather are continued in full force

and effect in favor of Mortgagee and are merged with the lien and security interest created herein as cumulative security for the repayment of the Indebtedness and the satisfaction of the Obligations.

13.13 Applicable to Leasehold Mortgages:

(a) Mortgagor hereby agrees with Mortgagee (i) to at all times fully perform and comply with all covenants, warranties, representations and other obligations imposed upon or assumed by it as tenant, lessee, sublessee or otherwise under the Conference Center Lease, any lease, sublease or similar agreement, including the Leases, pursuant to which it has been granted a possessory interest in the Land and (ii) that, upon Mortgagor's failure or alleged failure (notwithstanding that the alleged failure may be contested by Mortgagor) so to do, provisions of Paragraph 13.6 hereinabove shall apply. In this regard, Mortgagor hereby grants to Mortgagee the absolute and immediate right to enter upon the Land to such extent and as often as Mortgagee, in its opinion, deems necessary or desirable in order to prevent or to cure any such failures by Mortgagor; and

(b) Mortgagor hereby agrees with Mortgagee that it will not, without Mortgagee's prior written consent thereto, (i) terminate, cancel, modify or amend the Conference Center Lease, or any lease, sublease or similar agreement, including the Lease Agreements, in any respect or (ii) permit the fee title to the Land demised by such Conference Center Lease, lease, sublease or agreement (if fee title be so demised) and the leasehold estate so created to merge, but rather the said fee title and the said leasehold estate shall always be separate and distinct unless Mortgagee shall purchase the Land subject to the Conference Center Lease and in such event such land shall instantly become part of the Mortgaged Property.

13.14 Headings: The Article, Paragraph and Subparagraph entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing the text of such Articles, Paragraphs or Subparagraphs.

13.15 Waiver of Homestead, Dower, Curtesy and Redemption: Mortgagor waives all right of homestead exemption in and equitable and statutory redemption of the Land including the laws of the State of Illinois, including particularly, but without limitation, all right of redemption under the laws of the State of Illinois.

13.16 Mortgagor Not Released: If Mortgagee agrees for the benefit of any debtor to extend the time for payment or to modify the amortization of the Indebtedness, or any part thereof, Mortgagee's action shall not release in any manner the continuing liability of Mortgagor or any other person on the Indebtedness. Mortgagor shall have no right to require Mortgagee to initiate proceedings against any obligor on the Indebtedness, to refuse to extend the time for payment by such person, or to refuse otherwise to modify the amortization of any of the Indebtedness.

13.17 Waiver of Statutory and Common Law Rights: Mortgagor agrees that it will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws or so

called "moratorium laws", now existing or hereinafter enacted in order to prevent or hinder the enforcement or foreclosure of this Mortgage and the Mortgagor hereby expressly waives the benefit of such laws, and the Mortgagor specifically waives all rights of redemption from any sale made by decree of Court on foreclosure of this instrument.

13.18 Performance at Mortgagor's Expense: The cost and expense of performing or complying with any and all of the Obligations shall be borne solely by Mortgagor, and no portion of such cost and expense shall be, in any way and to any extent credited against any installment of or portion of the Indebtedness.

13.19 Covenants Running with the Land: All Obligations contained in the Security Documents are intended by the parties to be, and shall be construed as, covenants running with the Mortgaged Property.

13.20 No Partnership: Nothing contained in the Security Documents is intended to, or shall be construed as, creating to any extent and in any manner whatsoever any partnership, joint venture or association between Mortgagor, any Guarantor, Mortgagee, or in any way make Mortgagee co-principals with Mortgagor or any Guarantor with reference to the Mortgaged Property, and any inferences to the contrary are hereby expressly negated.

13.21 Additional Advances: This Mortgage shall secure, in addition to the Promissory Note secured hereby, all funds hereafter advanced by Mortgagee to or for the benefit of Mortgagor, as contemplated by any covenant or provision herein contained, whether such Indebtedness is advanced by note, endorsement, surety, agreement, guaranty or otherwise, it being contemplated that Mortgagor may hereafter become indebted to Mortgagee in further sum or sums. All Indebtedness secured hereby shall be payable at the offices of Mortgagee in Pulaski County, Arkansas, or at such other place as Mortgagee may in writing direct; and, unless otherwise provided in the instrument evidencing such indebtedness, shall bear interest at the same rate per annum as the Promissory Note secured hereby bears, from the date of accrual of said Indebtedness until paid. If the Promissory Note or other Indebtedness secured hereby shall be collected by legal proceedings or through a probate or bankruptcy court, or shall be placed in the hands of an attorney for collection after maturity, whether matured by the expiration of time or by the option given to Mortgagee to mature same, Mortgagor agrees to pay Mortgagee's reasonable attorney's fees or collection fees; and such attorney's fees or collection fees shall be a part of the Indebtedness secured hereby. This Mortgage shall also secure all renewals and extensions of any of the Indebtedness secured hereby. The fact of repayment of all Indebtedness owed by Mortgagor to Mortgagee shall not terminate this Mortgage unless the same shall be released by Mortgagee at the request of Mortgagor; but otherwise it shall remain in full force and effect to secure all future advances and indebtedness, regardless of any additional security that may be taken as to any past or future Indebtedness, and shall be unaffected by any renewals, extensions or partial releases hereunder.

13.22 Partial Payment: Failure of Mortgagee to insist upon the timely payment of all or any part of the Promissory Note or to insist upon the timely performance of any Obligations as contained

in this Mortgage or any other agreement securing the payment of the Promissory Note, or any one or more of the foregoing, shall not constitute a waiver of any such breach or default on the part of Mortgagor, any such prior breach or default on the part of Mortgagor, or any subsequent default or breach of Mortgagor. Without limiting the generality of the foregoing, it is agreed that the acceptance by Mortgagee of any payment in an amount less than the amount then due on the Indebtedness secured hereby shall be deemed an acceptance on account only and the failure to pay the entire account then due shall be and continue to be an Event of Default; and at any time thereafter until the entire amount then due has been paid, the Mortgagee shall be entitled to exercise all rights granted hereunder, including without limitation, the right to accelerate the maturity of the Indebtedness.

13.23 Default Under the Terms of the Construction Loan and Security Agreement or Security Documents: Any Event of Default on the part of Mortgagor under the terms of the Construction Loan and Security Agreement or any of the Security Documents shall constitute an Event of Default under the terms of this Mortgage.

13.24 Mineral Interest: The Mortgagor agrees that the making of any oil, gas or mineral lease or the sale or conveyance of any mineral interest or right to explore for minerals under, through or upon the Mortgaged Property would impair the value of the Mortgaged Property as security for the payment of the indebtedness and that the Mortgagor shall have no right, power or authority to lease the Mortgaged Property or any part thereof, for oil, gas or other mineral purposes, or to grant, assign or convey any mineral interest of any nature, or the right to explore for oil, gas or other minerals, without first obtaining from the Mortgagee express written permission, which permission shall not be valid unless properly recorded. The Mortgagor further agrees that if the Mortgagor shall make any such lease or attempt to grant any such mineral rights without such prior written, recorded permission, then the Mortgagee shall have the option, without notice, to declare the same to be a default hereunder and to declare the indebtedness secured hereby to be immediately due and payable. Whether or not the Mortgagee shall consent to such lease or grant of mineral rights, the Mortgagee shall receive the entire consideration paid for such lease or grant of mineral rights, with the same to be applied upon the indebtedness hereby secured; provided, however, that the acceptance of such consideration shall in no way impair the lien of this Mortgage on the entire Mortgaged Property and all rights therein, including all mineral rights.

13.25 Excess Interest Repudiated: It is the intention of the parties hereto to comply with applicable laws respecting charges for the use, detention or forbearance of money and contracts therefor (the "usury laws"); accordingly, it is agreed that notwithstanding any provisions to the contrary in the Promissory Note, this Mortgage or in any of the documents securing payment of the Promissory Note or otherwise relating thereto, in no event shall the Promissory Note, this Mortgage or such documents require the payment or permit the collection of interest in excess of the maximum amount permitted by such laws, and any subsequent revisions, repeals or judicial interpretations thereof to the extent that the same are made applicable hereto. If any such excess of interest is contracted for, charged or received under the Promissory Note, this Mortgage or under the terms of any of the documents securing payment of the Promissory Note or otherwise relating thereto, or in

the event the maturity of the Indebtedness is accelerated in whole or in part, or in the event that all or part of the principal or interest of the Promissory Note shall be prepaid, so that under any of such circumstances the amount of interest contracted for, charged or received under the Promissory Note evidencing the Indebtedness, secured by this Mortgage or under any of the Security Documents securing payment of the Promissory Note or otherwise relating thereto, on the amount of principal actually outstanding from time to time under the Promissory Note shall exceed the maximum amount of interest permitted by the usury laws, then in any such event (a) the provisions of this paragraph shall govern and control, (b) neither the Mortgagor nor any other person or entity now or hereafter liable for the payment of the Promissory Note, shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest permitted by the usury laws, (c) any such excess which may have been collected shall be either (i) applied as a credit against the then unpaid principal amount of the Promissory Note or refunded to Mortgagor, at the Mortgagee's option, or (ii) if the Indebtedness evidenced by the Promissory Note (exclusive of such excess), and all other sums, becoming due and payable to the Mortgagee pursuant to any instrument securing the Promissory Note, have been paid in full, refunded to the Mortgagor, (d) any such excess which has not been collected shall be canceled as of the date of this instrument, and (e) the effective rate of interest shall be automatically reduced to the maximum lawful contract rate allowed under the usury laws as construed by the courts having jurisdiction thereof. It is further agreed that without limitation of the foregoing, all calculations of the rate of interest contracted for, charged or received under the Promissory Note or under such other Security Documents which are made for the purpose of determining whether such rate exceeds the maximum lawful contract rate, shall be made, to the extent permitted by the laws, by amortizing, prorating, allocating and spreading in equal parts during the period of the full stated term of the loan evidenced hereby, all interest at any time contracted for, charged or received from the Mortgagor or otherwise by the Mortgagee in connection with such loan.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage the day and year first written above.

MORTGAGOR:

JQH - NORMAL DEVELOPMENT, LLC

By Its Manager:

REVOCABLE TRUST OF JOHN Q. HAMMONS
DATED DECEMBER 28, 1989, AS AMENDED
AND RESTATED

By: 

JOHN Q. HAMMONS, Trustee

ACKNOWLEDGEMENT

STATE OF MISSOURI)
)SS.
COUNTY OF GREENE)

Before me, the undersigned Notary Public in and for said County in said State, on this day appeared John Q. Hammons, Trustee of the Revocable Trust of John Q. Hammons Dated December 28, 1989, as Amended and Restated, as the Manager of JQH – Normal Development, LLC, known to me to be the person and officer whose name is subscribed to the preceding instrument, and acknowledged to me that the instrument was the act of JQH – Normal Development, LLC, a Missouri limited liability company, and that he executed the instrument as the act of the limited liability company for the purposes and consideration expressed, and in the capacity stated, in the instrument.

Given under my hand and seal of office, this 25th day of September, 2007.

Carmen G Coker
Notary Public
My Commission Expires: 2-13-11



CARMEN G. COKER Comm#07435743
Christian County State of Missouri
My Commission Expires Feb. 13, 2011

Exhibit "A"
Legal Description

Parcel 1 (Hotel Site):

Lot 1 in Marriott Subdivision, Normal, according to the plat thereof recorded December 12, 2006 as Document Number 2006-00033938, in McLean County, Illinois.

Parcel 2 (Conference Center Site):

Leasehold Estate, as created by a Lease by and between The Town of Normal, Lessor, and JQH - Normal Development, LLC, a Missouri limited liability company, Lessee, dated August 30, 2007, a Memorandum of which was recorded September 4, 2007, as Document Number 2007-00024456, for a term of years commencing, terminating or expiring on such date(s) as provided in the Lease, demising and leasing the following described premises, to-wit:

Lot 2 in Marriott Subdivision, Normal, according to the plat thereof recorded December 12, 2006 as Document Number 2006-00033938, in McLean County, Illinois.

14-28-427-018

14-28-427-019

Fell Ave, Beaufort St
and North St, Normal, IL

Exhibit "B"
Permitted Exceptions

1. General taxes for the year(s) 2006, 2007 and subsequent years.
2. The pedestrian access and utility easement crossing Lots 1 and 2 and serving the theater located on Lot 3 extends to the building line of said Lot 2 as shown on the plat of subdivision recorded December 12, 2006 as Document Number 2006-33938.
3. There is an easement for the electrical duct bank that extends east and west across Lots 1 and 2. The proposed hotel/conference center building will be built over the duct bank and the easement applies only to the duct bank underneath the proposed building as shown on the plat of subdivision recorded December 12, 2006 as Document Number 2006-33938.
4. Easement(s) for utilities as shown on the plat of subdivision recorded December 12, 2006 as Document Number 2006-00033938 in McLean County, Illinois.
5. Easement for electric transmission systems in favor of Illinois Power Company, contained in the instrument recorded September 19, 1975 as Document Number 75-9465. (Affects Lots 1 and 2)
6. Declaration of Covenants, Uses and Restrictions dated August 8, 2007 and recorded September 4, 2007 as Document Number 2007-00024457 made by JQH-Normal Development, LLC, a Missouri limited liability company.
7. Terms and provisions of Town of Normal Downtown/Hammons Redevelopment Agreement dated July 19, 2004 as amended, a memorandum of which was recorded September 4, 2007 as Document Number 2007-00024455.
8. Terms, provisions and obligations, and rights of other parties, under that certain Conference Center Lease Agreement dated August 30, 2007 by and between the Town of Normal, Illinois ("Landlord") and JQH - Normal Development, LLC ("Tenant") as evidenced by a Memorandum of Lease recorded September 4, 2007, as Document Number 2007-00024456.

ORI-06122012-0637 State of Missouri
No of Pages 4 Pages



UCC3

File Number: 120613917206
Date Filed: 6/12/2012 4:46:59 PM
Robin Carnahan
Secretary of State

A. NAME & PHONE OF CONTACT AT FILER (optional)
Terry Miller 581-377-7606

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

**METROPOLITAN NATIONAL BANK
P O BOX 8010
LITTLE ROCK, AR 72203**

*Copy
7-9-12 Jm
Exp 9/12/17*

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #
20070111373G

1b. This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the ☐ REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☒ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 8.

5. AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.
Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.
☐ CHANGE name and/or address: Please refer to the detailed instructions in regards to changing the name/address of a party. ☐ DELETE name: Give record name to be deleted in item 6a or 6b. ☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7e-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME
JOH-Normal Development, LLC

OR

6b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7c. MAILING ADDRESS

300 John O. Hammons Parkway, Suite 900 CITY **Springfield** STATE **MO** POSTAL CODE **65806** COUNTRY **USA**

7d. SEE INSTRUCTIONS

7e. TYPE OF ORGANIZATION **LLC**

7f. JURISDICTION OF ORGANIZATION **Missouri**

7g. ORGANIZATIONAL ID #, if any ☒ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.

See Exhibit B attached hereto and made a part hereof as fully and particularly if set out verbatim herein, which expressly includes all personality, furniture, fixtures, and equipment located or used at the real estate described on EXHIBIT A attached hereto. Claiming of proceeds not to be construed as giving Debtor permission to sell collateral.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME
Metropolitan National Bank

OR

9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

10. OPTIONAL FILER REFERENCE DATA
115109812

FILING OFFICE COPY — UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 05/22/02) International Association of Commercial Administrators (IACA)

EXHIBIT "B" TO UCC-1 FINANCING STATEMENT

The following collateral is located on the real property described in Exhibit A (the "Property"):

(a) Inventory of all kinds and character whether held for sale or consumption including, but not limited to, food, staples, beverages of all kind located on the Property;

(b) Equipment located on or in or relating to the Property described on Exhibit "A" to the UCC-1 Financing Statement (including, but not limited to, computer and related machines, fire sprinklers and alarm systems, air conditioning, heating, refrigeration, electronic monitoring, communications equipment, entertainment, recreational, window or structural cleaning rigs, maintenance, signage, extermination of vermin or insects, removal of dust, refuse or garbage and all other equipment of every kind), office, lobby, guest rooms, meeting rooms, and all indoor and outdoor furniture, exercise equipment and amenities (including, but not limited to, televisions, telephones, tables, wet bars, beds, lamps, mattresses, pillows, linens, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, machinery, appliances (including but not limited to, iceboxes, ice machines, refrigerators, stoves, ovens, microwave ovens, clocks, fans, heaters, storage, water heaters and incinerators), inventory, rugs, carpets and all other floor coverings, draperies, and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers, and other lighting fixtures, swimming pool equipment including pumps and filtration systems, and all maintenance and other supplies, all equipment used and useful in eating establishments located on or within the Property (including pots, pans, kitchen utensils, laundry equipment, washing machines, flatware, china and dinnerware, glasses and other serving utensils or equipment used in preparation or serving of food or food products), and tools;

(c) General intangibles, accounts, inventory, goods, documents, chattel paper, building materials, money, instruments, bank accounts, rents, issues and profits, accounts receivables from credit card companies of all types including but not limited to American Express, Visa, MasterCard and Diners Club and general intangibles, which are attached to, installed on, or used on or in connection with or arise out of the sale, rental, use, lease, improvement, financing or other use of the improvements and Property described in Exhibit "A" to the UCC-1 Financing Statement or any property thereon, including without limitation, all construction and sales contracts, bonds, insurance policies, leases and loan commitments;

(d) All future replacements and substitutions for, betterments of, and accessions and additions to, extensions, renewals and modifications of, or profits from, the above described collateral;

(e) All leases and all rents, issues, profits, accounts, including deposits and other sums, as may become due Borrower as lessor under any and all rental, use, lease, written or verbal, covering any portion of the Property fixtures and goods located thereon or therein;

(f) Any rights or awards arising out of eminent domain proceedings for the taking or for loss of value of the Property or any improvements, fixtures and goods located thereon;

(g) All accessions to, substitutions for, replacements of, and all proceeds including cash proceeds, insurance proceeds, instruments, chattel paper, inventory, equipment, documents, consumer goods, general intangibles, and accounts, which arise out of the rental, use, sale, liquidation or other transfer of, or damage to or destruction of, or sale, use or enforcement of, the above described collateral, or any proceeds thereof, including cash proceeds (coverage of proceeds, however, does not authorize sale or other disposition of the collateral without Secured Party's prior written consent);

(h) All books and records (including, without limitation, customer lists, credit files, computer programs, print-outs, and other computer materials and records) pertaining to any of (a) through (g) above or the Property.

Exhibit "A"
Legal Description

Parcel 1 (Hotel Site):

Lot 1 in Marriott Subdivision, Normal, according to the plat thereof recorded December 12, 2006 as Document Number 2006-00033938, in McLean County, Illinois.

Parcel 2 (Conference Center Site):

Leasehold Estate, as created by a Lease by and between The Town of Normal, Lessor, and JQH - Normal Development, LLC, a Missouri limited liability company, Lessee, dated August 30, 2007, a Memorandum of which was recorded September 4, 2007, as Document Number 2007-00024456, for a term of years commencing, terminating or expiring on such date(s) as provided in the Lease, demising and leasing the following described premises, to-wit:

Lot 2 in Marriott Subdivision, Normal, according to the plat thereof recorded December 12, 2006 as Document Number 2006-00033938, in McLean County, Illinois.

EXHIBIT C

Assignment of Leases & Rents

9x.

RECORDATION REQUESTED BY:

Metropolitan National Bank
425 West Capitol
P. O. Box 8010
Little Rock, AR 72203-8010



Image# 007722270009 Type: ASSGN
Recorded: 10/16/2007 at 07:02:56 AM
Total Amt: \$36.00 Page 1 of 9
IL Rental Housing Fund: \$10.00
McLean County, IL
H. Lee Newcom Recorder

File **2007-00028475**

WHEN RECORDED MAIL TO:

Paul W. Hoover, Jr., Esquire
WILLIAMS & ANDERSON PLC
111 Center Street, Suite 2200
Little Rock, AR 72201

SEND TAX NOTICES TO:

John Q. Hammons
300 John Q. Hammons Parkway, Suite 900
Springfield, MO 65806

ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT OF RENTS AND LEASES (the "Assignment") made and entered into as of this 24th day of September, 2007, is given by JQH - NORMAL DEVELOPMENT, LLC, a Missouri limited liability company, with an address for notice at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 ("Assignor"), in favor of METROPOLITAN NATIONAL BANK, a national banking association under the laws of the United States of America, with an address for notice c/o Lunsford W. Bridges, President and CEO at 425 West Capitol Ave., Little Rock, Arkansas 72201 ("Assignee").

WITNESSETH:

THAT the Assignor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby presently bargain, grant, sell, convey, deliver, assign, confirm and warrant unto Assignee, its successors and assigns, as a present and absolute assignment and not merely one for security, all of the right, title and interest of Assignor in and to all rental agreements, leases, subleases or other instruments now or hereafter entered into, whether oral or written, which demise any portion of the property located in McLean County, Illinois, and described in Exhibit "A" attached hereto (the "Property"), together with any and all modifications, extensions and renewals thereof (all such rental agreements, leases and subleases being hereinafter collectively referred to as the "Leases,"), together with any guarantees of the tenant's obligations thereunder, together with the immediate and continuing right to collect and receive all rents, income, payments and profits arising out of the Leases or out of the Property or any part thereof, together with the right to all proceeds payable to Assignor pursuant to any purchase options on the part of the tenants under the Leases, together with all payments derived therefrom, including but not limited to claims for recovery of damages done to the Property by any tenants or subtenants or for the abatement of any nuisance existing thereon as the result of the conduct of any tenant or subtenant, claims for damages resulting from default under the

Leases whether resulting from acts of insolvency or acts of bankruptcy or otherwise, and lump sum payments for the cancellation of the Leases or the waiver of any obligation or term thereof prior to the expiration date (hereinafter collectively referred to (and intended by all parties to be considered, for purposes of 11 U.S.C. §§ 363, 552, to be included) as the "Rents"); AND ASSIGNOR FURTHER AGREES, ASSIGNS AND COVENANTS AS FOLLOWS:

1. Performance of Leases. To faithfully abide by, perform and discharge each and every obligation, covenant and agreement of said Leases by the Assignor to be performed; to use its best efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement of said Leases to be performed by the contra-parties thereunder; not to borrow against, pledge or assign Rents due under the Leases, nor consent to a subordination or assignment of the interests of the tenants thereunder to any party other than Assignee, nor anticipate the Rents thereunder for more than one (1) month in advance or reduce the amount of the Rents and other payments thereunder.

2. Protect Security. At Assignor's sole cost and expense, to appear in and defend any action or proceeding arising out of or in any manner connected with the Leases or the obligations, duties or liabilities of the lessor thereunder and to pay all costs and expenses of Assignee, including attorneys' fees, in a reasonable sum, at any such action or proceeding in which Assignee in its sole discretion may appear.

3. Representations and Warranties. Assignor hereby represents and warrants that Assignor has full right and title to assign said Leases and Rents; that no other assignment of any interest therein has been made by Assignor; that there are no existing defaults of a material nature under the provisions of said Leases; and that the tenants under the Leases have no defenses, setoffs or counterclaims against Assignor.

4. Absolute and Present Assignment. It is understood and agreed the assignment granted herein shall constitute a perfected, absolute and present assignment from Assignor to Assignee and not an assignment for security purposes only. Notwithstanding the foregoing, unless and until a default should occur which entitles Assignee to acceleration of maturity of the Note (as defined hereafter), under the terms of: (a) a Promissory Note of even date herewith in the maximum principal amount of FORTY-TWO MILLION DOLLARS AND NO/100THS UNITED STATES DOLLARS (\$42,000,000.00) (the "Note"), executed by JQH – Normal Development, LLC as "Borrower" in favor of Assignee; (b) a certain Construction Mortgage, Leasehold Mortgage, Fixture Filing and Security Agreement ("Mortgage"), executed by Assignor in favor of Assignee; (c) a Loan and Security Agreement (the "Loan Agreement") between Assignor, Assignee and the Guarantors named therein; and (d) all other Loan Documents or Security Documents as defined in the Loan Agreement (sometimes collectively referred to herein as the "Loan Documents"), Assignor shall have the right to collect, but not prior to accrual, all of the Rents and to retain, use and enjoy the same.

5. No Obligation Upon Assignee. Assignee's acceptance of the assignment of Leases and Rents provided for herein shall not obligate Assignee to appear in nor defend any proceeding relating to any of the Leases or to the Property, take any action hereunder, expend any money, incur any expenses or perform any obligation or liability under the Leases, or

assume any obligation for any deposits delivered to Assignor by any tenant. Notwithstanding the foregoing, should Assignor fail to perform, comply with or discharge any obligations of Assignee under any Lease, or should the Assignee become aware of or be notified by any tenant under any Lease of a failure on the part of Assignor to so perform, comply with or discharge its obligations under said Lease, Assignee may, at its sole discretion and without waiving or releasing either Assignor from any obligation contained in this Assignment, the Note, the Mortgage, the Loan Agreement or any other Loan Documents, remedy such failure, and Assignor hereby agrees to repay upon demand all sums incurred by Assignee in remedying any such failure, together with interest at the rate then in effect under the terms of the Note. All such sums, together with interest as aforesaid, shall become additional indebtedness due under the Note and secured by the Mortgage and Loan Documents, but no such event shall be deemed to relieve Assignor from any default hereunder or thereunder.

6. Remedies. Upon or at any time after the occurrence of a default under one of the Loan Documents entitling Assignee to accelerate the maturity of the Note, or a default in the performance of any obligation, covenant or agreement contained herein, Assignee may declare all indebtedness evidenced by the Note and secured by the Loan Documents and Mortgage immediately due and payable, may revoke the privilege granted Assignor hereunder to collect the Rents, and may, at its option, without notice, either in person or by agent, with or without taking possession of or entering the Property, with or without bringing any action or proceeding, collect all Rents payable under the Leases and enforce the payment thereof and exercise all the rights of Assignor under the Leases and all of the rights of Assignee hereunder, and may enter upon, take possession of, manage and operate the Property, or any part thereof, may cancel, enforce or modify the Leases and fix or modify the Rents and do any acts which Assignee deems proper to protect the security hereof with or without taking possession of the Property, and may apply the same to the costs and expenses of operation, management and collection, including attorneys' fees, to the payment of the expenses of any agent appointed by Assignee, to the payment of taxes, assessments, insurance premiums and expenditures for the upkeep of the Property, to the performance of the lessor's obligations under the Leases and any such order as Assignee may determine. The entering upon and taking possession of the Property, the collection of such Rents and the application thereof as aforesaid, shall not cure or waive any default or waive, modify or affect notice of default which may be required by any of the Loan Documents or invalidate any act pursuant to such notice or in any way operate to prevent the Assignee from pursuing any remedy which it now or hereafter may have under the terms or conditions of the Loan Documents or any other instrument evidencing or securing indebtedness represented by the Note.

7. Bankruptcy.

(a) Upon or at any time after the occurrence of a default under the Note, Loan Documents, or this Assignment, Assignee shall have the right to proceed in its own name or in the name of Assignor in respect of any claim, suit, action or proceeding relating to the rejection of any Lease, including, without limitation, the right to file and prosecute, to the exclusion of Assignor, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the lessee under such Lease under the Bankruptcy Code.

(b) If there shall be filed by or against Assignor a petition under the Bankruptcy Code, and Assignor, as lessor under any Lease, shall determine to reject such Lease pursuant to Section 365(a) of the Bankruptcy Code, then Assignor shall give Assignee not less than ten (10) days' prior notice of the date on which Assignor shall apply to the bankruptcy court for authority to reject the Lease. Assignee shall have the right, but not the obligation, to serve upon Assignor within such ten (10) day period a notice stating that (i) Assignee demands that Assignor assume and assign the Lease to Assignee pursuant to Section 365 of the Bankruptcy Code, and (ii) Assignee covenants to cure or provide adequate assurance of future performance under the Lease. If Assignee serves upon Assignor the notice described in the preceding sentence, Assignor shall not seek to reject the 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 Assignee of the covenant provided for in clause (ii) of the preceding sentence.

8. Assignor to Hold Assignee Harmless. Assignor shall and does hereby agree to indemnify and hold Assignee harmless of and from any and all liability, loss or damage which Assignee may or might incur under said Leases or by reason of this Assignment, and of and from any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said Leases. Should Assignee incur any such liability or any costs or expenses in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be added to the indebtedness evidenced by the Note and secured by the Loan Documents and Assignor shall reimburse Assignee therefor immediately upon demand, and the continuing failure of Assignor to do so shall constitute a default hereunder and a default under the Loan Documents.

9. Security Deposits. Assignor agrees on demand to transfer to Assignee any security deposits held by Assignor under the terms of the Leases. Assignor agrees such security deposits may be held by Assignee without any allowance of interest thereon, except statutory interest accruing to the benefit of the tenants, and shall become the absolute property of Assignee upon occurrence of a default under any of the Loan Documents entitling Assignee to accelerate maturity of the Note to be applied in accordance with the provisions of the Leases. Until Assignee makes such demand and the deposits are paid over to Assignee, the Assignee assumes no responsibility to the tenants for any such security deposits.

10. Authorization to Tenants. The tenants under the Leases are hereby irrevocably authorized and directed to recognize the claims of Assignee or any receiver appointed hereunder without investigating the reason for any action taken by Assignee or such receiver, or the validity or the amount of indebtedness owing to Assignee, or the existence of a default under any of the Loan Documents entitling Assignee to accelerate maturity of the Note, or under or by reason of this Assignment, of the application to be made by Assignee. Assignor hereby irrevocably directs and authorizes the tenants to pay to Assignee all sums due under the Leases and consents and directs that said sums shall be paid to Assignee without the necessity for either judicial

determination or agreement by Assignor that a default has occurred hereunder, under any of the Loan Documents, or that Assignee is entitled to exercise its rights hereunder, and to the extent such sums are paid to Assignee, all tenants under the Leases are to be given credit for such payments as if paid to Assignor. The sole signature of Assignee shall be sufficient for the exercise of any rights under this Assignment, and a receipt from Assignee for any sums paid by tenants and received by Assignee shall be a full discharge and release therefor to any such tenants or occupants of the Property. Checks for all or any part of the Rents collected under this Assignment shall, upon notice from Assignee, be drawn to the exclusive order of Assignee.

11. Satisfaction. Upon the recordation of a full release of the Mortgage executed by a duly authorized officer of Assignee, this Assignment shall, without the need for any further satisfaction or release, become null and void and shall be of no further effect.

12. Assignee Creditor of the Tenants. Upon or at any time during the continuance of a default under the Loan Documents entitling Assignee to accelerate maturity of the Note or any breach by Assignor of any obligation, covenant or agreement contained in this Assignment or any of the Loan Documents, Assignor agrees that Assignee, not the Assignor, shall be and is deemed to be the creditor of the tenants in respect of assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such tenants (without obligation on the part of Assignee, however, to file or make timely filings of claims of such proceedings or otherwise to pursue creditor's rights therein and reserving the right to Assignor to make such filing in such event), with an option to Assignee to apply any money received by Assignee as such creditor in reduction of the indebtedness owed by Assignor to Assignee.

13. Assignee Attorney-in-Fact. Assignor hereby irrevocably appoints Assignee and its successors and assigns as its agent and attorney-in-fact, which appointment is coupled with an interest, to exercise any rights or remedies hereunder and execute and deliver during the term of this Assignment such instruments as Assignee may deem necessary to make this Assignment and any further assignment effective.

14. General Assignment of Leases and Rents. The rights contained in this Assignment are in addition to and shall be cumulative with any corresponding rights given and created pursuant to the Loan Documents, assigning generally all Leases, Rents and profits of the Property and shall in no way limit the rights created thereunder.

15. Continuing Rights. The rights and powers of Assignee or any receiver hereunder shall continue and remain in full force and effect until the indebtedness evidenced by the Note and the other Loan Documents or otherwise have been paid in full, and shall continue after commencement of a foreclosure action and after foreclosure sale.

16. Successors and Assigns. This Assignment and each and every covenant, agreement and provision hereof shall be binding upon Assignor and its successors and assigns, including without limitation each and every record owner of the Property or any other person having an interest therein, and shall inure to the benefit of Assignee and its successors and assigns. As used herein, the words "successors and assigns" shall also be deemed to mean the

heirs, executors, representatives and administrators of any natural person who is a party to this Assignment.

17. Validity Clause. It is the intent of this Assignment to confer to Assignee the rights and benefits hereunder to the full extent allowable by law. The unenforceability or invalidity of any provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid. Any provisions found to be unenforceable shall be severable from this Assignment.

18. Notices. Any notice that any party hereto may desire or may be required to give to any other party shall be done in accordance with the Loan Agreement and shall constitute service of notice hereunder to Assignor or to Assignor's successors or assigns or any subsequent owner of the Property.

19. Cumulative with Other Documents. This Assignment and the covenants, agreements, obligations and liabilities of Assignor hereunder are cumulative with and shall not supersede or be superseded by any instrument, agreement or other document executed by Assignor in connection with the Note or otherwise.

20. Reinstatement of Security Interest. If payment is made by Assignor, whether voluntarily or otherwise, or by guarantor or by any third party, on the indebtedness and thereafter Assignee is forced to remit the amount of that payment (A) to Assignor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Assignee or any of Assignee's property, or (C) by reason of any settlement or compromise of any claim made by Assignee with any claimant (including without limitation Assignor), the indebtedness shall be considered unpaid for the purpose of enforcement of this Assignment and this Assignment shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Assignment or of any note or other instrument or agreement evidencing the indebtedness and the Rents and Leases will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Assignee, and Assignor shall be bound by any judgment, decree, order, settlement or compromise relating to the indebtedness or to this Assignment.

21. Waiver of Homestead Exemption. Assignor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Assignment.

22. Waiver of Right of Redemption. Notwithstanding any of the provisions to the contrary contained in this Assignment, Assignor hereby waives any and all rights of redemption from sale under any order or judgment or foreclosure on Assignor's behalf and on behalf of each and every person, except judgment creditors of Assignor, acquiring any interest in or title to the Rents and Leases subsequent to the date of this Assignment.

IN WITNESS WHEREOF, Assignor has executed or has caused this Assignment of Rents and Leases to be executed as of the date first above written.

JQH – NORMAL DEVELOPMENT, LLC

By Its Manager:

THE REVOCABLE TRUST OF JOHN Q. HAMMONS
DATED DECEMBER 28, 1989, AS AMENDED
AND RESTATED

By: 

JOHN Q. HAMMONS, Trustee

ACKNOWLEDGEMENT

STATE OF MISSOURI)
)SS.
COUNTY OF GREENE)

Before me, the undersigned Notary Public in and for said County in said State, on this day appeared John Q. Hammons, Trustee of the Revocable Trust of John Q. Hammons Dated December 28, 1989, as Amended and Restated, as the Manager of JQH – Normal Development, LLC, known to me to be the person and officer whose name is subscribed to the preceding instrument, and acknowledged to me that the instrument was the act of JQH – Normal Development, LLC, a Missouri limited liability company, and that he executed the instrument as the act of the limited liability company for the purposes and consideration expressed, and in the capacity stated, in the instrument.

Given under my hand and seal of office, this 25th day of September, 2007.

Carmen G Coker
Notary Public
My Commission Expires: 2-13-11



CARMEN G. COKER Comm#07435743
Christian County State of Missouri
My Commission Expires Feb. 13, 2011

Exhibit "A"
Legal Description

Parcel 1 (Hotel Site):

Lot 1 in Marriott Subdivision, Normal, according to the plat thereof recorded December 12, 2006 as Document Number 2006-00033938, in McLean County, Illinois.

Parcel 2 (Conference Center Site):

Leasehold Estate, as created by a Lease by and between The Town of Normal, Lessor, and JQH - Normal Development, LLC, a Missouri limited liability company, Lessee, dated August 30, 2007, a Memorandum of which was recorded September 4, 2007, as Document Number 2007-00024456, for a term of years commencing, terminating or expiring on such date(s) as provided in the Lease, demising and leasing the following described premises, to-wit:

Lot 2 in Marriott Subdivision, Normal, according to the plat thereof recorded December 12, 2006 as Document Number 2006-00033938, in McLean County, Illinois.

EXHIBIT D

Loan Agreement

Prepared by:

WILLIAMS & ANDERSON PLC
Paul W. Hoover, Jr., Esq.
111 Center Street, 22nd Floor
Little Rock, Arkansas 72201
Tel: 501/372-0800

CONSTRUCTION LOAN AND SECURITY AGREEMENT

THIS CONSTRUCTION LOAN AND SECURITY AGREEMENT (hereinafter referred to as the "Construction Loan and Security Agreement") is made as of September 24, 2007, by and between METROPOLITAN NATIONAL BANK, a national bank organized and existing under the laws of the United States of America, with its principal office and address for notice hereunder at 425 West Capitol, Little Rock, Arkansas 72201 ("Lender") and JQH - NORMAL DEVELOPMENT, LLC, with its principal office and address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 ("Borrower"), JOHN Q. HAMMONS, JUANITA K. HAMMONS, and THE REVOCABLE TRUST OF JOHN Q. HAMMONS, DATED DECEMBER 28, 1989, AS AMENDED AND RESTATED, all with an address for notice hereunder c/o John Q. Hammons, 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 (hereinafter collectively referred to as "Guarantors") regarding a loan not to exceed the sum of FORTY-TWO MILLION AND NO/100THS UNITED STATES DOLLARS (\$42,000,000.00), plus any and all accrued interest thereon.

WITNESSETH:

ARTICLE I

DEFINITIONS

For purposes of this Construction Loan and Security Agreement, the following terms shall have the respective meanings assigned to them.

1.01. Advance. The term "Advance" shall mean a disbursement by Lender of any of the proceeds of the Loan and/or the Borrower's Deposit.

1.02. Affidavit of Borrower. The term "Affidavit of Borrower" shall mean sworn affidavit of Borrower (and such other parties as Lender may require) to the effect that all statements, invoices, bills, and other expenses incident to the construction, marketing and holding of the Improvements incurred to a specified date, whether or not specified in the Approved Budget, have been paid in full, except for (a) amounts retained pursuant to the Construction Contract, and (b) items to be paid from the proceeds of an Advance then being requested or in another manner satisfactory to Lender.

1.03. Application for Advance. The term "Application for Advance" shall mean a written application by Borrower (and such other parties as Lender may require) to Lender specifying by name, current address, and amount all parties to whom Borrower is obligated for labor, materials, or services supplied for the constructing, equipping and fixturing of the Improvements and all other expenses incident to the Loan, the Property, and the construction of the Improvements, whether or not specified in the Approved Budget, requesting an Advance for the payment of such items, containing, if requested by Lender, an Affidavit of Borrower, accompanied by such schedules, affidavits, waivers, statements, invoices, bills, and other documents as Lender may reasonably request.

1.04. Approved Budget. The term "Approved Budget" shall mean a budget or cost itemization (cost breakdown) prepared by Borrower specifying the cost by item of (a) all labor, materials, and services necessary for the constructing, equipping, fixturing and furnishing the Improvements in accordance with the Plans, and all Governmental Requirements for a new hotel of approximately 283 suites (the "Hotel"), and (b) all other expenses incident to the Loan, the Property, and the construction of Hotel Improvements. The "Approved Budget" is attached hereto as Exhibit C, which is incorporated herein by reference.

1.05. Architect. Lohmeyer Russell Professional Corporation, 300 John Q. Hammons Parkway, Suite 506, Springfield, Missouri 65806 as provided on Exhibit "D".

1.06. Architectural Contract. The Standard Form of Agreement Between Borrower, as Owner, and Lohmeyer Russell Professional Corporation, as Architect, dated April 18, 2005, assigned to the Lender by Borrower in the Assignment of Plans and Specifications and Architectural Contract of even date herewith as security for the Loan.

1.07. Assignment of Construction Contract. The term "Assignment of Construction Contract" shall mean an assignment of Borrower's Construction Contract with Contractor, by Borrower to Lender of even date herewith as security for the Loan.

1.08. Intentionally Deleted.

1.09. Assignment of Management Agreement. The term "Assignment of Management Agreement" shall mean the assignment of all of Borrower's right, title and interest in the Management Agreement by and between Borrower and John Q. Hammons Hotels Management, LLC dated September 16, 2005 (the "Management Agreement"), as most recently amended by the Second Amendment to Management Agreement dated May 8, 2007, as security for the Loan.

1.10. Assignment of Redevelopment Agreement. The term "Assignment of Redevelopment Agreement" shall mean an assignment of the Redevelopment Agreement to the Lender as Security for the Loan.

1.11. Assignment of Plans and Specifications and Architectural Contract. The term "Assignment of Plans and Specifications and Architectural Contract" shall mean an assignment of the plans and specifications prepared by the Architect provided to the Contractor to build the Improvements and an assignment of all of Borrower's right, title and interest in the Architectural Contract to provide the Plans and to inspect the construction of the Improvements to Lender as security for the Loan.

1.12. Assignment of Rents and Leases. The term "Assignment of Rents and Leases" shall mean an assignment by Borrower to Lender of Borrower's (as either landlord or tenant) interest in the leases, lease proceeds and/or rents from the Property as security for the Loan.

1.13. Assignment of Service Contracts. The term "Assignment of Service Contracts" shall mean an assignment of even date herewith by Borrower to Lender, covering and concerning the service contracts of the Property.

1.14. Bankruptcy Code. The term "Bankruptcy Code" shall mean the Bankruptcy Code as adopted and in force in the United States of America and any applicable state.

1.15. Borrower. The term "Borrower" shall mean JQH – Normal Development, L.L.C., by its Manager, the Revocable Trust of John Q. Hammons, Dated December 28, 1989, as Amended and Restated, 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806.

1.16. Borrower's Deposit. The term "Borrower's Deposit" shall mean a deposit of such cash sums as Lender may deem reasonably necessary, from time to time until the Loan is paid in full, in addition to the Loan, for the payment of the costs of labor, materials, and services required in the construction of the Improvements, other costs and expenses specified in the Approved Budget, and other costs and expenses required to be paid in connection with the construction of the Improvements in accordance with the Plans, any Governmental Requirements, the requirements of the Loan Commitment, and the requirements of any lessee, if applicable.

1.17. Buildings. Any and all buildings, parking garages above or below ground, open parking areas and other improvements, and any and all additions, alterations, renovations or repairs of same, or appurtenances thereto, now or at any time hereafter placed or constructed upon the Property or any part thereof.

1.18. Code. The term "Code" shall mean the Uniform Commercial Code as adopted and in force in the State of Illinois.

1.19. Collateral. The term "Collateral" shall mean that property and interest in property whether now owned or existing or hereafter created, acquired or arising from and wherever located relating to the Property and as defined in Section 7.01 hereof.

1.20. Comfort Letter. The term "Comfort Letter" issued and dated September 6, 2007, from Marriott International, Inc. ("Marriott") relating to the Franchise License issued by Marriott for a license to the Borrower to operate the Hotel as a Marriott Hotel when completed and opened for business.

1.21. Completion Date. The term "Completion Date" shall mean the "Substantial Completion Date" date set forth on Exhibit "D" attached hereto.

1.22. Conference Center. The term "Conference Center" shall mean a planned meeting space complex with approximately 20,000 square feet including a grand ballroom, banquet rooms and related amenities to be leased to the Borrower pursuant to a Conference Center Lease and built in accordance with the Plans and all Governmental Requirements. The term "Conference Center" shall include all related parking facilities to be built on the Conference Center Site as identified on Exhibit A.

1.23. Conference Center Lease. The term "Conference Center Lease" shall mean the Town of Normal Conference Center Lease Agreement dated August 30, 2007, by and between the Town of Normal, Illinois, as lessor and the Borrower as lessee.

1.24. Construction Contract. The term "Construction Contract" shall mean all construction contracts executed by Borrower for the construction of the Conference Center and Hotel Improvements, including, without limitation, the contract between Borrower and CORE Construction Services of Illinois, Inc., dated as of June 25, 2007, to build the Hotel, and the contract between Borrower and CORE Construction Services of Illinois, Inc., dated as of June 25, 2007, to build the Conference Center.

1.25. Contractor. The term "Contractor" shall mean the Contractor, whether one or more, named in Exhibit "D", attached hereto or hereafter employed by Borrower to perform any work or to deliver any materials on or to the Property, whether or not named in such Exhibit.

1.26. Debtor Relief Laws. The term "Debtor Relief Laws" shall mean any applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization, or similar laws affecting the rights or remedies of creditors generally, as may be in effect from time to time.

1.27. Event of Default. The term "Event of Default" or "default" shall mean:

(a) A failure by Borrower to make any payment of principal or interest on the Note when due and the same shall continue for ten (10) days thereafter including the due date,

(b) A failure by Borrower to comply with any of the terms or conditions specified herein, or in any other Security Documents.

(c) A failure by Borrower to comply with any of the terms or conditions to be kept and performed by the Borrower in or the termination of the Comfort Letter, Franchise License Agreement, the Conference Center Lease, the Management Agreement, the Construction Contract, the Architectural Contract, the Redevelopment Agreement or any other contract or agreement to which the Borrower may have entered into with respect to the Land or Property.

(d) The incorrectness of any representation or warranty made by Borrower to Lender in any of the Security Documents including representations and warranties herein,

(e) The cessation of the construction of the Improvements for more than forty-five (45) consecutive days excluding delays in construction caused by labor disputes (not to exceed ninety (90) days), fire, flood, rain or other unavoidable casualty, without the written consent of Lender.

(f) A failure of any of the materials supplied for the construction of the Improvements and/or the Improvements or the furniture, fixtures or equipment, as constructed, failing to comply with the Plans, any Governmental Requirements, the requirements of the Loan Commitment, or the requirements of any lessee, if applicable, within thirty (30) days after Borrower receives actual notice of same,

(g) An inability of Borrower to satisfy any condition specified herein as precedent to the obligation of Lender to make an Advance after an Application for Advance has been submitted by Borrower to Lender,

(h) A reasonable determination by Lender that construction of the Improvements will not be completed within one hundred twenty (120) days following the Completion Date, including any and all grace periods,

(i) The appointment of a receiver, trustee, conservator, or liquidator of Borrower, Guarantor, for any of the Property, or for any other property of Borrower or Guarantor,

(j) The filing by Borrower or Guarantor of a voluntary petition in bankruptcy, seeking reorganization or rearrangement or taking advantage of any Debtor Relief Laws, or an answer by Borrower or Guarantor admitting the material allegations of a petition filed against Borrower or Guarantor, as the case may be, in any bankruptcy, reorganization, insolvency, conservatorship, or similar proceeding, or an admission by Borrower or Guarantor in writing of an inability to pay its or their debts as they become due,

(k) The making by Borrower or Guarantor, if applicable, of a general assignment for the benefit of creditors.

(l) If (a) a petition is filed against Mortgagor or Guarantor seeking relief under the bankruptcy, arrangement, reorganization or other debtor relief laws of the United States or any state or other competent jurisdiction, or (b) a court of competent jurisdiction enters an order, judgment or decree appointing, without the consent of Mortgagor or Guarantor, a receiver or trustee for Mortgagor or Guarantor, or for all or any part of Mortgagor's or Guarantor's property, and such petition, order, judgment or decree shall not be and remain dismissed, vacated or stayed within a period of ninety (90) days after its entry,

(m) An occurrence of any event or condition which results in, or with notice or lapse of time could result in, a default in the payment of any indebtedness or performance of any obligation of Borrower or Guarantor to Lender.

(n) An event of default under the Guaranty,

(o) Failure of Borrower to provide Lender with all of the documents, instruments, affidavits, title policies, insurance policies, bonds, surveys, plans and specifications or any other documents required in the loan commitment or the Construction Loan and Security Agreement made by Lender to Borrower dated this date, except as may be waived by Lender.

(p) If any final judgment or accumulation of judgments for the payment of money in excess of One Million Dollars (\$1,000,000.00) shall be filed against Mortgagor or any Guarantor and the same shall not be discharged within a period of ninety (90) days after the date of such judgment.

(q) If the Mortgaged Property is so demolished, destroyed or substantially damaged so that (in Mortgagee's sole judgment) it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable period of time.

(r) If defaults, or an Event of Default, occurs and is not cured under or pursuant to the Loan and Security Agreement or Security Documents, or

(s) If the holder of any lien or security interest on the Mortgaged Property (without hereby implying Mortgagee's consent to the existence, placing, creating or permitting of any such lien or security interest) institutes foreclosure or other proceedings for the enforcement of its debt or obligations thereunder.

1.28. Financial Statements. The term "Financial Statements" shall mean such balance sheets, profit and loss statements, reconciliations of capital and surplus, changes in financial condition, schedules of sources and applications of funds, operating statements with respect to the Property, and other financial information of Borrower and, if required, of Guarantor, as shall be

required by Lender, from time to time, which statements, if required by Lender, shall be reviewed by an independent certified public accountant.

1.29. Financing Statements. The term "Financing Statements" shall mean the UCC-1 financing statements or other documents securing the Loan, to be filed with the appropriate offices for the perfection of a security interest in any of the Property.

1.30. Fixtures: All materials, supplies, equipment, apparatus and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements or the Property, including but not limited to any and all partitions, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, disposal, dishwashers, refrigerators and ranges, and recreational equipment and facilities of all kinds.

1.31. Franchise License Agreement. The term "Franchise License Agreement" shall mean the Franchise License Agreement by and between the Borrower and Marriott International, Inc., dated March 24, 2006, with all amendments thereto for the operation of an *Marriott* Hotel located on the Property.

1.32. Governmental Authority. The term "Governmental Authority" shall mean the United States, the State, the County, the City, or any other political subdivision in which the Property is located, and any other political subdivision, agency, or instrumentality exercising jurisdiction over Borrower, Guarantor or the Property.

1.33. Governmental Requirements. The term "Governmental Requirements" shall mean all laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the state, the county, the city, or any other political subdivision in which the Property is located, and any other political subdivision, agency, or instrumentality exercising jurisdiction over Borrower, Guarantors, the Property or construction of the Improvements.

1.34. Guarantors. The term "Guarantors" shall mean John Q. Hammons, Juanita K. Hammons and the Revocable Trust of John Q. Hammons, dated December 28, 1989, as Amended and Restated, all with an address for notice of 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 and as provided on Exhibit "D" attached hereto.

1.35. Guaranty. The term "Guaranty" shall mean a Continuing Payment and Performance Guaranty, executed and delivered to Lender by the Guarantors, of the Loan evidenced by the Note and secured by the Security Documents.

1.36. Hotel. The term "Hotel" shall mean the construction of a 220-room hotel to be built in accordance with the Plans and all Governmental Requirements on the Property identified as the

Hotel Site on Exhibit A. The term "Hotel" shall include all related parking facilities to be built on the Hotel Site and other Improvements.

1.37. Improvements. The term "Improvements" shall mean the improvements identified on Exhibit "D" attached hereto relating to the Hotel or Conference Center as provided herein.

1.38. Indebtedness. The term "Indebtedness" shall mean the principal of, interest on and all other amounts, payments and premiums due under and evidenced by the Note in the original principal sum of FORTY-TWO MILLION AND NO/100 UNITED STATES DOLLARS (\$42,000,000.00) and secured by the Security Documents.

1.39. Inspecting Architect/Engineer. The term "Inspecting Architect/Engineer" shall mean the Inspecting Architect/Engineer named on Exhibit "D" attached hereto, if any are so named.

1.40. Insurance Policies. The term "Insurance Policies" shall mean (a) public liability insurance and worker's compensation insurance for owners and contractors, and (b) hazard insurance (builder's risk), with standard mortgage clauses attached, providing all risk coverage on the improvements, including materials stored on the Property or elsewhere, and including the perils of collapse and, if requested by Lender, flood and earthquake, under a nonreporting policy issued by companies satisfactory to Lender, and (c) loss of rents insurance.

1.41. Lender. The term "Lender" shall mean Metropolitan National Bank, a national bank organized and existing under the laws of the United States of America, 425 West Capitol, P. O. Box 8010, Little Rock, Arkansas 72203 and its participants in the loan.

1.42. Loan. The term "Loan" shall mean the loan by Lender to Borrower, in an amount not to exceed the lesser of (i) the principal sum of FORTY-TWO MILLION AND NO/100THS UNITED STATES DOLLARS (\$42,000,000.00), or (ii) the sum of eighty-three and one-half percent (83.5%) of the cost as provided in the Approved Budget.

1.43. Loan Commitment Letter. The term "Loan Commitment Letter" shall mean the loan commitment letter from Lender to John Q. Hammons dated July 13, 2007.

1.44. Management Agreement: The Management Agreement by and between John Q. Hammons and each of the Hammons Owners (as defined therein) and John Q. Hammons Hotels Management, LLC dated September 16, 2005, most recently amended the 8th day of May, 2007, wherein John Q. Hammons Hotels Management, LLC will manage and operate the Mortgaged Property.

1.45. Mortgage. The term "Mortgage" shall mean the Construction Mortgage, Leasehold Mortgage, Fixture Filing, and Security Agreement executed and delivered by Borrower, securing the payment of the Note and the payment and performance of all obligations specified in the Mortgage

and this Construction Loan and Security Agreement, and all other security documents and evidencing a valid and enforceable first lien on the Property.

1.46. Note. The term "Note" shall mean the promissory note from Borrower to Lender dated of even date herewith in the principal amount of FORTY-TWO MILLION AND NO/100THS UNITED STATES DOLLARS (\$42,000,000.00), plus accrued interest and evidencing the Loan payable in accordance with the terms with a final payment of all outstanding principal and accrued interest on September 23, 2010.

1.47. Obligations. The term "Obligations" shall mean any and all covenants, warranties, representations and other obligations (other than to repay the Indebtedness) made or undertaken by Borrower, Guarantors or others to Lender or others, as set forth in the Security Documents, the Franchise License Agreement, the Management Agreement, the Redevelopment Agreement, the Comfort Letter, the Construction Agreement, the Architectural Contract, the Plans, the Conference Center Lease, or any leases or subleases wherein Borrower has granted to others a possessory interest in the Property or any other agreement or contract to which Borrower is bound, including any lease of equipment, furniture or fixtures.

1.48. Origination Fee. The term "Origination Fee" shall mean Three Hundred Fifteen Thousand Dollars (\$315,000.00), which is equal to 75/100 of one percent (.75%) of the loan amount evidenced by the Note.

1.49. Personalty: The term "Personalty" shall mean all of the right, title and interest of Borrower in and to all equipment (including, but not limited to, computer and related machines, fire sprinklers and alarm systems, communications equipment, air conditioning, heating, refrigeration, electronic monitoring, entertainment, recreational, window or structural cleaning rigs, maintenance, signage, extermination of vermin or insects, removal of dust, refuse or garbage and all other equipment of every kind), located on the Property and in the office, lobby, guest rooms, and meeting rooms, and all indoor and outdoor furniture, exercise equipment and amenities (including, but not limited to, wet bars, televisions, telephones, tables, beds, lamps, mattresses, pillows, linens, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, machinery, appliances (including but not limited to, iceboxes, ice machines, refrigerators, stoves, ovens, microwave ovens, clocks, fans, heaters, storage, water heaters and incinerators), inventory, rugs, carpets and all other floor coverings, draperies, and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers, and other lighting fixtures, swimming pool equipment including pumps and filtration systems, and all maintenance and other supplies, all equipment used and useful in eating establishments located on or within the Property (including pots, pans, kitchen utensils, laundry equipment, washing machines, flatware, china and dinnerware, glasses and other serving utensils or equipment used in preparation or serving of food or food products), goods, tools, general intangibles, money, accounts, contracts and contract rights, offer and acceptance contracts, bank accounts, leases, rents, issues and profits, accounts receivable, books and records, documents, proceeds, chattel paper, instruments, inventory and all other personal property (other than the Fixtures) of any kind or character as defined in and subject to the provisions of

Article 9 of the Uniform Commercial Code as amended, now or hereafter located upon, within or about the Property, and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof.

1.50. Plans. The term "Plans" shall mean the final working drawings and specifications for the construction of the Improvements, prepared by Lohmeyer Russell Professional Corporation dated July 18, 2006, as the same may be amended.

1.51. Project: The term "Project" shall mean the construction of the Hotel and the Conference Center both located on the Property.

1.52. Property. The term "Property" shall mean the real property described in Exhibit "A" (including both the Hotel Site and the Conference Center Site as identified therein) attached hereto and incorporated herein by reference including all leasehold interest, together with the Hotel, Conference Center, Buildings, Improvements, parking lots and the furniture, Fixtures, Personalty, Leases and Rents and all other property constituting the "Mortgaged Property" as described in the Mortgage and the collateral described hereafter or in any of the Security Documents.

1.53. Redevelopment Agreement: The term "Redevelopment Agreement" shall mean the Redevelopment Agreement entered into on July 19, 2004, by and between the Town of Normal, Illinois and Borrower, as amended by the Revised First Amendment dated March 20, 2006, the Second Amendment dated July 17, 2006, the Third Amendment dated December 18, 2006, and the Fourth Amendment dated September 17, 2007.

1.54. Rents: The rents, income, receipts, revenues, issues and profits now due or which may hereafter become due from or out of the Property or any part thereof including, but not limited to, parking and common area charges, minimum rents, additional rents, deficiency rents, or percentage rents or any other thing charged or received for a possessory interest in or otherwise from the Property.

1.55. Security Documents. The term "Security Documents" shall mean this Construction Loan and Security Agreement, the Mortgage, the Note, the Assignment of Construction Contract, the Assignment of Plans and Architectural Contract, the Comfort Letter, the Assignment of Management Agreement, the Assignment of Rents and Leases, the Assignment of Service Contracts, the Assignment of Redevelopment Agreement, the Continuing Payment and Performance Guaranty, the Environmental Indemnity Agreement, the Financing Statements and such other instruments evidencing, securing, or pertaining to the Loan as shall herewith or, from time to time, be executed and delivered by Borrower, Guarantor, or any other party to Lender pursuant to this Construction Loan and Security Agreement, including, without limitation, each Affidavit of Borrower, each Application for Advance, and the Approved Budget, or such of the foregoing as may be required by Lender.

1.56. Survey. The term "Survey" shall mean a current certified survey of the Property satisfying certain requirements as set forth on Exhibit "D" attached hereto, if any.

1.57. Title Company. The term "Title Company" shall mean the Title Company named in Exhibit "D" attached hereto.

1.58. Title Insurance. The term "Title Insurance" shall mean a title insurance commitment, binder and policy, as Lender may require, in the amount of the Loan insuring or committing to insure that the Mortgage constitutes a valid first lien covering the Property having the first priority required by Lender and, subject only to those exceptions and encumbrances which Lender may approve, issued by the Title Company.

1.59. Title Insurance Company. The term "Title Insurance Company" shall mean the Title Insurance Company named in Exhibit "D" attached hereto.

1.60. Trust. The term "Trust" shall mean the Revocable Trust of John Q. Hammons, Dated December 28, 1989, as Amended and Restated.

ARTICLE II

AGREEMENTS OF LENDER

2.01. Commitment of Lender. Subject to the conditions hereof, and provided that an Event of Default has not occurred and that Lender has not made demand for payment of the Note, Lender will make advances to Borrower in accordance with this Construction Loan and Security Agreement. However, under no circumstances may Lender be required to make any Advance hereunder to any person other than Borrower including, without limitation, a Trustee appointed pursuant to any provision of the Bankruptcy Code or to a Debtor in Possession pursuant to any provision of such Code.

2.02. Interest on the Loan. Interest on the Loan, at the rate specified in the Note, shall be computed on the unpaid principal balance which exists from time to time and shall be computed with respect to each Advance only from the date of such Advance.

2.03. Advances. Advances shall be made by Lender for the payment of actual costs of the real property, labor, materials, services, furniture, furnishings, equipment, professional fees, and other direct or indirect costs, supplied for the construction, furnishing and equipment of the Improvements, advancing eighty-three and one-half percent (83.5%) of the cost of the Hotel, not to exceed \$42,000,000.00, as provided in the Plans and the Approved Budget, provided that, Borrower pays sixteen and one-half percent (16.5%) of such cost in cash at or before times of payment by Lender related to the Hotel, but not more frequently than specified on Exhibit "D" attached hereto, upon compliance by Borrower with this Construction Loan and Security Agreement after actual commencement of construction of the Improvements and Buildings for work actually done during the preceding period. Lender shall be under no obligation to advance for any of the cost associated

with the construction of the Hotel until Borrower has provided to Lender an acceptable executed Construction Contract for the Hotel. From time to time, Borrower shall submit an Application for Advance to Lender requesting an Advance for the payment of costs of labor, materials, and services supplied for the construction of the Hotel Improvements or for the payment of other costs and expenses incident to the Loan, or the construction of the Hotel Improvements, and other cost as specified in the Approved Budget. Lender shall require an inspection of and favorable report on the construction of the Hotel Improvements by the Inspecting Architect/Engineer and/or a favorable report from a title company or attorney, approved by Lender, that no mechanic's, laborer's or materialmen's liens, or any other liens or judgments, have been filed by a third party that would affect the lien priority of Lender's Mortgage, prior to making any Advance. Advances for payment of costs of construction of the Improvements and other items of cost in the Approved Budget shall not exceed the lesser of (i) eighty-three and one-half percent (83.5%) of the aggregate of (a) the costs of labor, materials, and services incorporated into the Improvements in a good and workmanlike manner, plus (b) the purchase price of all uninstalled materials to be utilized in the construction of the Improvements stored on the Property, or elsewhere with the written consent of Lender, plus (c) other cost as provided in the Approved Budget, less (d) retainage, if any, as set forth on Exhibit "D" attached hereto, and less (e) all prior Advances for payment of costs of labor, materials, and services for the construction of the Improvements and cost in the Approved Budget; or (ii) \$42,000,000. Each Application for Advance shall be submitted by Borrower to Lender a reasonable time (but not less than 5 business days) prior to the date on which an Advance is desired by Borrower.

The final Advance including all retainage, will not be made until Lender has received the following: (1) a completion certificate from the Architect and Inspecting Architect/Engineer, (2) evidence that all Governmental Requirements have been satisfied, including, but not limited to, delivery to Lender of Certificates of Occupancy permitting the Improvements to be legally occupied, evidence that the streets and utilities have been accepted by the Town of Normal, Illinois or agencies or commissions thereof, or the private utilities as the case may be, (3) evidence that all equipment, fixtures, furniture, draperies, linens and other items to be used on the Property are in place and ready for use, (4) evidence that no mechanic's or materialmen's liens or other encumbrances have been filed against the Property or in lieu thereof such liens are to be bonded by Borrower, and (5) final lien releases or waivers by Architect, Contractor, and all subcontractors, materialmen, and other parties who have supplied labor, materials, or services for the construction of the Improvements, or who otherwise might be entitled to claim a contractual, statutory, or constitutional lien against the Property.

2.04. Conditions to the First Advance. As a condition precedent to the first Advance hereunder, Borrower must satisfy the conditions required hereby and execute and deliver to, procure for and deposit with, pay to Lender all fees, and if appropriate, record in the proper records with all filing and recording fees paid, the documents, certificates, and other items that are noted by (x) described in Exhibit "B" attached hereto and incorporated herein by reference, together with such other documents, instruments, and certificates as Lender may reasonably require from time to time.

2.05. Conditions to Subsequent Advances. As a condition precedent to each Advance, in addition to all other requirements herein, Borrower must satisfy the following requirements and, if required by Lender, deliver to Lender evidence of such satisfaction:

- (a) All conditions precedent to the first Advance shall have been satisfied;
- (b) There shall then exist no Event of Default;
- (c) Lender has received the monthly inspection report from the Inspecting Architect/Engineer which reflects the percentage of completion that corresponds with the percentage of Loan funds disbursed and requested for disbursement and the quality of workmanship is satisfactory to the Architect and the Inspecting Architect/Engineer and the improvements are being constructed in compliance with the Plans and Specifications that are approved by Lender;
- (d) Borrower certifies that it has paid all cost through the prior payment request including Borrower's portion of the prior payment request as provided in the Approved Budget;
- (e) A foundation survey of any Buildings constructed, if required by Lender, shall have been furnished to Lender within ten (10) days of laying the foundation of the Improvements showing no encroachment of the Improvements on any boundary line, easement, building set back line, or other restricted area;
- (f) The representations and warranties made in this Construction Loan and Security Agreement and the Security Documents shall be true and correct on and as of the date of each Advance, with the same effect as if made on that date;
- (g) Borrower will procure and deliver to Lender, if required by Lender, releases or waivers of mechanic's, materialmen or laborer's liens and receipted bills showing payment of all parties who have furnished materials or services or performed labor of any kind in connection with the construction of any of the Improvements;
- (h) The Title Insurance shall be endorsed and extended, if available, to cover each Advance with no additional title exceptions objectionable to Lender; and
- (i) In regard to the last advance, Lender has received from Borrower all documents, including, but not limited to "as built" surveys, Certificate of Acceptance by appropriate governmental authority, Certificate of Completion in accordance with Plans, instruments, opinions and other items as required by Lender, and that said documents, instruments, opinions and other items are satisfactory to Lender.

2.06. Reallocation of Approved Budget. Lender reserves the right to make Advances which are allocated to any of the designated items in the Approved Budget for such other purposes or in

such different proportions as Lender may, in its sole discretion, deem necessary or advisable. Borrower may reallocate items of cost provided such reallocation does not materially change the Approved Budget.

2.07. No Waiver. No Advance shall constitute a waiver of any condition precedent to the obligation of Lender to make any further Advance or preclude Lender from thereafter declaring the failure of Borrower to satisfy such condition precedent to be an Event of Default.

2.08. Conditions Precedent for the Benefit of Lender. All conditions precedent to the obligations of Lender to make any Advance are imposed hereby solely for the benefit of Lender, and no other party may require satisfaction of any such condition precedent or be entitled to assume that Lender will refuse to make any Advance in the absence of strict compliance with such conditions precedent. All requirements of this Construction Loan and Security Agreement may be waived in writing by Lender, in whole or in part, at any time.

2.09. Subordination. Lender shall not be obligated to make, nor shall Borrower be entitled to, any Advance until such time as Lender shall have received, to the extent requested by Lender, subordination agreements from Architect, Contractor, and all other persons furnishing labor, materials, or services for the design or construction of the Improvements, subordinating to the lien of the Mortgage any lien, claim, or charge they may have against Borrower or the Property.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF BORROWER AND GUARANTORS

Borrower and Guarantors hereby represent and warrant as follows:

3.01. The Financial Statements. The Financial Statements are true, correct, and complete as of the dates specified thereon and fully and accurately present the financial condition of Borrower and, if required, of each of the Guarantors as of the dates specified. No material adverse change has occurred in the financial condition of Borrower or Guarantors since the dates of the Financial Statements.

3.02. Suits, Actions, Etc. There are no material actions, suits, or proceedings pending or threatened in any court or by any Governmental Authority against or affecting Borrower, Guarantors, or the Property, or involving the validity, enforceability, or priority of any of the Security Documents, at law or in equity. The consummation of the transactions contemplated hereby, and the performance of any of the terms and conditions hereof and of the other Security Documents, will not result in a breach of, or constitute a default in, any mortgage, deed of trust, lease, promissory note, loan agreement, security agreement, partnership agreement, or any other agreement to which Borrower or Guarantors is a party or by which Borrower or Guarantors may be bound or affected.

3.03. Valid and Binding Obligation. All of the Security Documents, and all other documents referred to herein to which Borrower or Guarantors is a party will, upon execution and delivery, constitute valid and binding obligations of Borrower and Guarantors, enforceable in accordance with their terms except as limited by Debtor Relief Laws.

3.04. Title to the Property. Borrower holds full, legal and equitable fee simple title to the Hotel Site as described on Exhibit A and full, legal, and equitable leasehold title to the Conference Center Site as described on Exhibit A subject only to the Permitted Exceptions set forth in the Title Insurance Policy.

ARTICLE IV

COVENANTS AND AGREEMENTS OF BORROWER

Borrower hereby covenants and agrees as follows:

4.01. Compliance with Governmental Requirements. Borrower shall timely comply with all Governmental Requirements and deliver to Lender evidence thereof. Borrower assumes full responsibility for the compliance of the Plans and the Property with all Governmental Requirements and with sound building and engineering practices and, notwithstanding any approvals by Lender, Lender shall have no obligation or responsibility whatsoever for the Plans or any other matter incident to the Property or the construction of the Improvements.

4.02. The Construction Contract. Borrower shall become party to no contract for the performance of any work on the Property or for the supplying of any labor, materials, or services for the construction of the Improvements except upon such terms and with such parties as shall be approved in writing by Lender; Lender has approved the Construction Contract. The Construction Contract, unless waived by Lender, shall provide that all liens of the Contractor are subordinate to the Mortgage and shall require all subcontracts to contain a provision subordinating the subcontractor's liens to the Mortgage. The Construction Contract shall also provide that no material change orders shall be effective without the prior written approval of Lender. No approval by Lender of any Construction Contract or change order shall make Lender responsible for the adequacy, form, or content of such Construction Contract or change orders.

4.03. Construction of the Improvements. The construction of the Hotel Improvements and the Conference Center Improvements and the equipping, furnishing and fixturing of the Hotel Improvements and the Conference Center Improvements shall be prosecuted with diligence and continuity, in a good and workmanlike manner, and in accordance with sound building and engineering practices, all applicable Governmental Requirements, the Plans, the requirements of this Construction Loan and Security Agreement, and the requirements of any lease, if applicable. Borrower shall not permit cessation of work for a period in excess of forty-five (45) consecutive days, excluding those delays as set forth herein in Section 1.27(e), without the prior written consent of Lender and shall complete construction of the Improvements on or before the Completion Date, free and clear of all liens.

Any material changes in the approved Plans must be approved in writing by Lender as defined herein. All material change orders to Construction Agreement must be approved by the Architect and Inspecting Architect/Engineer and by Lender where the aggregate of change orders increases or decreases the Construction Agreement by more Five Hundred Thousand Dollars (\$500,000.00).

4.04. Correction of Defects. Borrower shall correct or cause to be corrected (a) any material defect in the Hotel or Conference Center Improvements, (b) any material departure in the construction of the Improvements from the Plans, the requirements of this Construction Loan and Security Agreement, Governmental Requirements, or the requirements of any lease, if applicable, or (c) any encroachment by any part of the Improvements or any other structure located on the Property on any building line, easement, property line, or restricted area.

4.05. Storage of Materials. Borrower shall cause all materials supplied for, or intended to be utilized in, the construction of the Improvements, and the furniture, equipment and Fixtures to be placed in or on the Improvements, but not affixed to or incorporated into the Improvements or the Property, to be stored on the Property or at such other location as may be approved by Lender in writing, with adequate safeguards, as required by Lender, to prevent loss, theft, damage, or commingling with materials of other projects.

4.06. Inspection of the Property. Borrower shall permit Lender or any Governmental Authority, and their agents and representatives, to enter upon the Property and any location where materials intended to be utilized in the construction of the Improvements are stored for the purpose of inspection of the Property and such materials at all reasonable times.

4.07. Notices by Governmental Authority, Fire and Casualty Losses, Etc. Borrower shall timely comply with and promptly furnish to Lender true and complete copies of any official notice or claim by any Governmental Authority pertaining to the Property. Borrower shall promptly notify Lender of any fire or other casualty or any notice of condemnation or eminent domain action or proceeding affecting the Property.

4.08. Application for Advances. Borrower shall disburse all Advances for payment of costs and expenses specified in the Approved Budget, and for no other purpose in accordance with the terms and conditions hereof.

4.09. The Borrower's Deposit. If Lender reasonably determines at anytime that the unadvanced portion of the Loan plus Borrower's equity funds will be insufficient for payment in full of (a) costs of labor, materials, and services required for the construction of the Hotel Improvements, or the equipment, furniture and Fixtures to be placed in or on the Hotel Improvements in and as a first class hotel, (b) other costs and expenses specified in the Approved Budget, and (c) other costs and expenses required to be paid in connection with the construction, equipping, fixturing and furnishing of the Improvements in accordance with the Plans, any Governmental Requirements, the

requirements of this Construction Loan and Security Agreement, or the requirements of any lease, including the Conference Center Lease, then Borrower shall, on request of Lender, make a deposit of cash or good and collectible funds with Lender the Borrower's Deposit. Lender shall pay commercially reasonable interest on such Borrower's Deposit. Lender may advance all or a portion of the Borrower's Deposit prior to any portion of the Loan proceeds. Borrower shall promptly notify Lender in writing if and when the cost of the construction of the Improvements exceeds, or appears likely to exceed, the amount of the unadvanced portion of the Loan and the unadvanced portion of the Borrower's Deposit and Borrower's equity funds.

4.10. Direct Disbursement and Application by Lender. Lender shall have the right, but not obligation, to disburse and directly apply the proceeds of any Advance to the satisfaction of any of Borrower's Obligations hereunder. Any Advance by Lender for such purpose, except Borrower's Deposit, shall be part of the Loan and shall be secured by the Security Documents. Borrower hereby authorizes Lender to hold, use, disburse, and apply the Loan and the Borrower's Deposit for payment of costs of construction of the Hotel Improvements, expenses incident to the Loan and the Property, and the payment or performance of any obligation of borrower hereunder. Borrower hereby assigns and pledges the proceeds of the Loan and the Borrower's Deposit to Lender for such purposes. Lender may advance and incur such expenses as Lender deems necessary for the completion of construction of the Hotel Improvements and to preserve the Property, and any other security for the Loan, and such expenses, even though in excess of the amount of the Loan, shall be secured by the Security Documents, and payable to Lender upon demand. Lender may disburse any portion of any Advance at any time, and from time to time, to persons other than Borrower for the purposes specified in this Section 4.10 irrespective of the provisions of Section 2.03 hereof, and the amount of Advances to which Borrower shall thereafter be entitled shall be correspondingly reduced.

4.11. Costs and Expenses. Borrower shall pay when due all costs and expenses required by this Construction Loan and Security Agreement, including, without limitation, (a) all taxes and assessments applicable to the Property, (b) all fees for filing or recording the Security Documents, (c) all fees and commissions lawfully due to brokers, salesmen, and agents in connection with the Loan or the Property, (d) all reasonable fees and expenses of counsel to Lender, (e) all title insurance and title examination charges, including premiums for the Title Insurance, (f) all survey costs and expenses, including the cost of the Survey, (g) all premiums for the Insurance Policies, and (h) all other reasonable costs and expenses payable to third parties incurred by Lender in connection with the consummation of the transactions contemplated by this Construction Loan and Security Agreement, including the cost incurred by Lender for the Inspecting Architect/Engineer as provided in the Architectural Contract.

4.12. Additional Documents. Borrower shall execute and deliver to Lender, as requested by Lender, such other documents as shall reasonably be necessary to provide the rights and remedies to Lender granted or provided for by the Security Documents.

4.13. Inspection of Books and Records. Borrower shall permit Lender, at all reasonable times, to examine and photocopy the books and records of Borrower pertaining to the Loan and the

Property, and all contracts, statements, invoices, bills, and claims for labor, materials, and services supplied for the construction of the Improvements.

4.14. No Liability of Lender. Lender shall have no liability, obligation, or responsibility whatsoever with respect to the construction of the Hotel or Conference Center Improvements except to advance the Loan and the Borrower's Deposit pursuant to this Construction Loan and Security Agreement. Lender shall not be liable for the performance or default of Borrower, Architect, Contractor, or any other party, or for any failure to construct, complete, protect, furnish, equip, fixture, or insure the Improvements, or for the payment of costs of labor, materials, or services supplied for the construction of the Improvements, or for the performance of any obligation of Borrower whatsoever. Nothing, including without limitation any Advance or acceptance of any document or instrument, shall be construed as a representation or warranty, express or implied, to any party by Lender.

4.15. No Conditional Sale Contracts, Etc. No materials, furnishings, equipment, or fixtures shall be supplied, purchased, or installed for the construction or operation of the Hotel or Conference Center Improvements pursuant to security agreements, conditional sale contracts, lease agreements, or other arrangements or understandings whereby a security interest or title is retained by any party or the right is reserved or accrues to any party to remove or repossess any materials, equipment, or fixtures intended to be utilized in the construction or operation of the Hotel or Conference Center Improvements.

4.16. Defense of Actions. Lender may (but shall not be obligated to) commence, appear in or defend any action or proceeding purporting to affect the Loan, the Property, or the respective rights and obligations of Lender and Borrower pursuant to this Construction Loan and Security Agreement. Lender may (but shall not be obligated to) pay all necessary expenses, including reasonable attorneys' fees and expenses incurred in connection with such proceedings or actions, which Borrower agrees to repay to Lender upon demand.

4.17. Prohibition on Assignment. Borrower shall not assign or encumber any interest of Borrower hereunder without the prior written consent of Lender.

4.18. Payment of Claims. Borrower shall promptly pay or cause to be paid when due all costs and expenses incurred in connection with the Property and the construction, furnishing, equipping and fixturing of the Hotel Improvements, and Borrower shall keep the Property free and clear of any liens, security interests, charges, or claims. Notwithstanding anything to the contrary contained in this Construction Loan and Security Agreement, Borrower (a) may contest the validity or amount of any claim of any contractor, consultant, architect, or other person providing labor, materials, or services with respect to the Property, (b) may contest any tax or special assessments levied by any Governmental Authority, and (c) may contest the enforcement of or compliance with any Governmental Requirements, and such contest on the part of Borrower shall not be a default hereunder and shall not release Lender from its obligations to make Advances hereunder; provided, however, that during the pendency of any such contest, Borrower shall furnish to Lender and Title

Company an indemnity bond with corporate surety satisfactory to Lender and Title Company or other security acceptable to them in an amount equal to the amount being contested plus a reasonable additional sum to cover possible costs, interest, and penalties, and provided further that Borrower shall pay any amount adjudged by a court of competent jurisdiction to be due, with all costs, interest, and penalties thereon, before such judgment becomes a lien on the Property.

4.19. Restrictions and Annexation. Borrower shall not impose any restrictive covenants and encumbrances upon the Property, execute or file any subdivision plat affecting the Property without the prior written consent of Lender.

4.20. Advertising by Lender. Borrower agrees that during the term of the Loan, Lender may erect and maintain on the Property one or more advertising signs indicating that the construction financing for the Property has been provided by Lender.

4.21. Books and Records. Borrower shall maintain full and accurate books of accounts and other records reflecting the results of its operation (in conjunction with its other operations as well as its operations of the Property), and will at Borrower's request furnish, or cause to be furnished to Lender, (a) on or before seventy-five (75) days after the end of Borrower's fiscal year (i) a complete executed copy of a certified consolidated report of an examination of Borrower's and related entities' financial affairs reviewed or audited by an independent public accountant selected by Borrower but acceptable to Lender, such report to include a balance sheet and statement of profit and loss for Borrower's and related entities' immediately preceding fiscal year together with any and all related notes and such other detail as Lender may reasonably require, and an opinion from the accountant preparing same that such balance sheet and statement of profit and loss have been prepared in accordance with generally accepted accounting standards and generally accepted accounting principles applied on a consistent basis (except as may be described in such opinion, such exceptions to be reasonably acceptable to Lender) for the period involved and with the statement submitted hereunder for Borrower's and related entities' preceding fiscal year and fairly present Borrower's and related entities' financial condition as of the date thereof and the results of its operations for the period covered thereby, (ii) a certificate by an officer of Borrower certifying that, as of the date thereof, there does or does not (as the case may be) exist an event which constitutes, or which upon due notice or lapse of time or both would constitute, an Event of Default or, if an Event of Default exists, specifying the nature thereof, the other person or party involved and the period of time it has existed and identifying, with particularity, any suits or other claims which have been initiated or asserted (or to the knowledge of the certifying officer, threatened) against Borrower or the Property. Borrower shall deliver to Lender monthly, within twenty (20) days after the end of each month, a report certified by Borrower's chief financial officer with respect to the ownership, maintenance, use and operations of the Property, such report to include an operating statement and balance sheet which fairly represents and presents Borrower's financial condition and the results of its operation of the Property for the preceding month and year to date with respect to the Property. At any time and from time to time, Borrower shall deliver to Lender such other financial information as Lender shall reasonably request with respect to the ownership, maintenance, use and operation of the Property. Lender shall have the right, at reasonable times and upon reasonable notice, to audit Borrower's

books of accounts and records relating to the Property, all of which shall be maintained and made available to Lender or Lender's representations for such purpose on the Property or at such other location as Lender may approve.

4.22. Tax Receipts. Borrower shall furnish Lender with receipts or tax statements marked "Paid" to evidence the payment of all taxes levied on the Property on or prior to the date such taxes become delinquent.

ARTICLE V

RIGHTS AND REMEDIES OF LENDER

5.01. Rights of Lender. Upon the occurrence of an Event of Default, Lender shall have the right, in addition to any legal right or remedy of Lender, but not the obligation, in its own name or in the name of Borrower, to enter into possession of the Property; to perform all work necessary to complete the construction, furnishing, fixturing and equipping of the Improvements substantially in accordance with the Plans, Governmental Requirements, the requirements of the Loan Commitment, and the requirements of any lessee, if applicable; and to employ watchmen and other safeguards to protect the Property. Borrower hereby appoints Lender as the attorney-in-fact of Borrower, with full power of substitution, and in the name of Borrower, if Lender elects to do so, upon the occurrence of an Event of Default, to (a) use such sums as are necessary, including any proceeds of the Loan and the Borrower's Deposit, make such changes or corrections in the Plans, and employ such architects, engineers, and contractors as may be required for the purpose of completing the construction, furnishing, fixturing and equipping of the Improvements substantially in accordance with the Plans, Governmental Requirements, and the requirements of the Loan Commitment, (b) execute all applications and certificates in the name of Borrower which may be required for completion of construction, furnishing, fixturing and equipping of the Improvements, (c) endorse the name of Borrower on any checks or drafts representing proceeds of the Insurance Policies, or other checks or instruments payable to Borrower with respect to the Property, (d) do every act with respect to the construction of the Improvements which Borrower may do, and (e) prosecute or defend any action or proceeding incident to the Property. The power-of-attorney granted hereby is a power coupled with an interest and irrevocable. Lender shall have no obligation to undertake any of the foregoing actions, and if Lender should do so, it shall have no liability to Borrower for the sufficiency or adequacy of any such actions taken by Lender.

5.02. Acceleration. Upon the occurrence of an Event of Default, Lender may, at its option, declare the Loan immediately due and payable without notice of any kind.

5.03. Cessation of Advance. Upon the occurrence of an Event of Default, the obligation of Lender to disburse the Loan and the Borrower's Deposit and all other obligations of Lender hereunder shall, at Lender's option, immediately terminate.

5.04. Funds of Lender. Any funds of Lender used for any purpose referred to in this Article V constitute Advances secured by the Security Documents and shall bear interest at the rate specified in the Note to be applicable after default thereunder.

5.05. No Waiver or Exhaustion. No waiver by Lender of any of its rights or remedies hereunder, in the other Security Documents, or otherwise, shall be considered a waiver of any other or subsequent right or remedy of Lender; no delay or omission in the exercise or enforcement by Lender of any rights or remedies shall ever be construed as a waiver of any right or remedy of Lender; and, no exercise or enforcement of any such rights or remedies shall ever be held to exhaust any right or remedy of Lender.

ARTICLE VI

HAZARDOUS WASTE

6.01. Covenants of Borrower. (a) Borrower represents, warrants and covenants that, to Borrower's best knowledge, Borrower has not used Hazardous Materials (as defined hereinafter) on, or affecting the Property and will not do so in any manner which violates federal, state or local laws, ordinances, regulations or judgment governing the use, storage, manufacture, or disposal of Hazardous Materials ("Environmental Laws"), and that, to the best of Borrower's knowledge, no prior owner of the Property or any current or prior occupant has used Hazardous Materials on or affecting the Property which violates Environmental Laws. Borrower covenants and agrees that it shall not use, introduce or maintain Hazardous Materials on the Property in any manner unless done in strict compliance with all Environmental Laws.

(b) Borrower shall use its best efforts to conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials on or affecting the Property, whether caused by the Borrower or a third party, in accordance with all Environmental Laws to the satisfaction of Lender, and in accordance with the orders and directives of all federal, state, and local governmental authorities. Additionally, Borrower shall defend, indemnify and hold harmless Lender, its employees, agents, officers and directors, from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature arising out of or related to (i) the presence, disposal, release or threatened release of any Hazardous Materials on, from or affecting the Property or the soil, water, vegetation, buildings, personal property, improvements, persons or animals thereon, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials, (iv) the cost of removal of all such Hazardous Materials from any portion of the Property, (v) taking necessary precautions to protect against the release of Hazardous Materials, (vi) complying with all Environmental Laws and/or (vii) any violation of Environmental Laws or requirements of Lender, which are based upon or in any way related to such Hazardous Materials including, without limitation, attorney's and consultant's fees (said attorneys and consultants to be selected by Lender).

investigation and laboratory fees, environmental studies required by Lender (whether prior to foreclosure, or otherwise), court costs and litigation expenses. Borrower and Guarantor shall execute a separate Environmental Indemnity Agreement.

(c) Borrower has never received any notice ("Environmental Complaint") of any violations of Environmental Laws (and, within five (5) days of receipt of any Environmental Complaint, Borrower shall give Lender a copy thereof), and to the best of Borrower's knowledge, there have been no actions commenced or threatened by any party for noncompliance with any Environmental Laws.

(d) In the event the Mortgage is foreclosed or Borrower tenders a deed in lieu of foreclosure, Borrower shall deliver the Property free of any and all Hazardous Materials so that the condition of the Property shall not be a violation of any Environmental Laws.

(e) Upon ten (10) days' notice to Borrower (except in an emergency), without limitation of Lender's other rights under the Security Documents or elsewhere, Lender shall have the right, but not the obligation, to enter on the Property or to take such other actions as it deems appropriate to clean up, remove, resolve or minimize the impact of any Hazardous Materials or Environmental Complaint upon Lender's receipt of any notice from any source asserting the existence of any Hazardous Materials or an Environmental Complaint pertaining to the Property which, if true, could result in an order, suit or other action against Borrower and/or any part of the Property which, in the sole opinion of Lender, could jeopardize its security under the Security Documents. All reasonable costs and expenses incurred by Lender in exercise of any such rights shall be secured by the Security Documents and shall be payable by Borrower upon demand.

(f) The provision of this Article VI shall be in addition to any and all other obligations and liabilities Borrower may have to Lender at common law or pursuant to any other agreement, and shall survive (i) the repayment of all sums due under the Note and the other Security Documents executed in connection herewith and the repayment of all other indebtedness, (ii) the satisfaction of all of the other obligations of Borrower hereunder and under the Security Documents, (iii) the discharge of the Security Documents, and (iv) the foreclosure of the Mortgage or acceptance of a deed in lieu thereof.

(g) For purposes hereof, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule or regulation.

(h) Borrower agrees that any violation of Borrower's warranties in this Article VI will entitle Lender to specific performance or any other remedy available at law and parties agree that any applicable statute of limitations is hereby tolled from date of execution thereof until Lender has actual knowledge of any such violation of warranty.

ARTICLE VII

SECURITY INTERESTS

7.01. Security Interest in Collateral. To secure the prompt and complete payment of the Indebtedness and the performance and observance to Lender of Borrower's Obligations, Borrower by these presents does hereby grant, bargain, sell, convey, assign and set over into Lender all of Borrower's right, title and interest in and to Borrower's assets, including all of the following property and interests in property of such Borrower, whether now owned or existing or hereafter created, acquired or arising and wheresoever located relating to the Property:

(a) Inventory of all kinds and character whether held for sale or consumption including, but not limited to, food, staples, beverages of all kind located on the Property;

(b) Equipment located on or in or relating to the Property and Hotel and Conference Center Improvements described on Exhibits "A" and "D" (including, but not limited to, computer and related machines, fire sprinklers and alarm systems, air conditioning, heating, refrigeration, electronic monitoring, communications equipment, entertainment, recreational, window or structural cleaning rigs, maintenance, signage, extermination of vermin or insects, removal of dust, refuse or garbage and all other equipment of every kind), office, lobby, guest rooms, meeting rooms, and all indoor and outdoor furniture, exercise equipment and amenities (including, but not limited to, televisions, telephones, tables, wet bars, beds, lamps, mattresses, pillows, linens, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, machinery, appliances (including but not limited to, iceboxes, ice machines, refrigerators, stoves, ovens, microwave ovens, clocks, fans, heaters, storage, water heaters and incinerators), inventory, rugs, carpets and all other floor coverings, draperies, and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers, and other lighting fixtures, swimming pool equipment including pumps and filtration systems, and all maintenance and other supplies, all equipment used and useful in eating establishments located on or within the Property (including pots, pans, kitchen utensils, laundry equipment, washing machines, flatware, china and dinnerware, glasses and other serving utensils or equipment used in preparation or serving of food or food products), and tools;

(c) General intangibles, accounts, inventory, goods, documents, chattel paper, building materials, money, instruments, bank accounts, rents, issues and profits, accounts receivables from credit card companies of all types including but not limited to American

Express, Visa, MasterCard and Diners Club and general intangibles, as those terms are defined in the Arkansas Uniform Commercial Code - Secured Transactions, and which are attached to, installed on, or used on or in connection with or arise out of the sale, rental, use, lease, improvement, financing or other use of the Improvements and Property described in Exhibits "A" and "D" attached hereto or any property thereon, including without limitation, all construction and sales contracts, bonds, insurance policies, leases and loan commitments:

(d) All future replacements and substitutions for, betterments of, and accessions and additions to, extensions, renewals and modifications of, or profits from, the above described collateral;

(e) All leases and all rents, issues, profits, accounts, including deposits and other sums, as may become due Borrower as lessor under any and all rental, use, leases, written or verbal, covering any portion of the Property described in Exhibit "A" attached hereto or any Improvements described on Exhibit "D", fixtures and goods located thereon or therein;

(f) Any rights or awards arising out of eminent domain proceedings for the taking or for loss of value of the Property and Hotel and Conference Center Improvements described in Exhibits "A" and "D" attached hereto or any improvements, fixtures and goods located thereon.

(g) All accessions to, substitutions for, replacements of, and all proceeds including cash proceeds, insurance proceeds, instruments, chattel paper, inventory, equipment, documents, consumer goods, general intangibles, and accounts, as those terms are defined in the Illinois Uniform Commercial Code - Secured Transactions, and which arise out of the rental, use, sale, liquidation or other transfer of, or damage to or destruction of, or sale, use or enforcement of, the above described collateral, or any proceeds thereof, including cash proceeds (coverage of proceeds, however, does not authorize sale or other disposition of the collateral without Secured Party's prior written consent);

(h) All books and records (including, without limitation, customer lists, credit files, computer programs, print-outs, and other computer materials and records) pertaining to any of (a) through (g) above, or the Property and the Improvements (items (a) through (h) are hereinafter referred to as "Collateral").

7.02. Lien Perfection; Further Assurances. Borrower shall execute such UCC financing statements as are required by the Code; and such other instruments, assignments or documents as are necessary to perfect Lender's lien and security interest in or upon any of such Borrower's Collateral and shall take such other action as may be required to perfect or to continue the perfection of Lender's lien and security interest upon such Collateral. Unless prohibited by applicable law, Borrower hereby authorizes Lender to execute and file any such financing statement on such Borrower's behalf. The parties agree that a carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement and may be filed in any appropriate office in

licu thereof. At Lender's request, Borrower shall also promptly execute or cause to be executed and shall deliver to lender any and all documents, instruments and agreements deemed necessary by lender to give effect to or carry out the terms or intent of the Security Documents.

7.03. Location of Collateral. All Collateral of Borrower, other than such Borrower's inventory in transit, shall at all times be kept by such Borrower at its business location in Normal, Illinois and shall not, without the prior written approval of Lender, be moved therefrom except, prior to an Event of Default and Lender's acceleration of the maturity of such Borrower's Indebtedness in consequence thereof, for (i) sales of Borrower's inventory in the ordinary course of business; (ii) removals in connection with dispositions of Borrower's equipment that are authorized; provided that Borrower notifies Lender of such transfer not less than ninety (90) days before the occurrence thereof.

7.04. Insurance of Collateral. Borrower shall maintain and pay for insurance upon all of Borrower's Collateral wherever located and with respect to Borrower's business, covering casualty, hazard, public liability and such other risks in such amounts and with such insurance companies as are reasonably satisfactory to Lender. Each Borrower shall deliver the originals of such policies to Lender with satisfactory lender's loss payable endorsements, naming lender as sole loss payee, assignee or additional insured, as appropriate. Each such policy of insurance or endorsement shall contain a clause requiring the insurer to give not less than thirty (30) days prior written notice to Lender in the event of cancellation of the policy for any reason whatsoever and a clause specifying that the interest of Lender shall not be impaired or invalidated by any act or neglect by Borrower, or by the occupation of the premises for purposes more hazardous than are permitted by said policy. If a Borrower fails to provide and pay for such insurance, lender may, at its option, but shall not be required to, procure the same and charge Borrower therefor. Borrower agrees to deliver to Lender, promptly as rendered, true copies of all reports made in any reporting forms to insurance companies. If the amount of the proceeds from any loss, damage, destruction or other casualty to the Collateral reasonably is expected to be less than \$100,000 and a Default or Event of Default shall not then exist, Borrower shall have the right to make, settle and adjust any claim regarding such proceeds and Lender forward such proceeds to Borrower and Borrower shall use such proceeds to pay for the repair or replacement of the Collateral which was the subject of such loss, damage, destruction or other casualty. If the total amount of the proceeds from any loss, damage, destruction or other casualty to any Collateral reasonably is expected to be \$100,000 or more or a Default or Event of Default shall then exist, such proceeds, at the option of the Lender, shall be (i) applied to the payment of the Indebtedness, or (ii) held by Lender and applied to pay for the cost of repair or replacement of the Collateral which was the subject of such loss, damage, destruction or other casualty, in which event such proceeds shall be made available in the manner and under such conditions as Lender may require.

7.05. Protection of Collateral. All expenses of protecting, storing, warehousing, insuring, handling, maintaining and shipping the Collateral of Borrower, any and all excise, property, sales, and use taxes imposed by any state, federal, or local authority on any of such Collateral or in respect of the sale thereof shall be borne and paid by such Borrower. If a Borrower fails to promptly pay any

portion thereof when due, Lender may, at its option, but shall not be required to, pay the same and charge such Borrower therefor. Lender shall not be liable or responsible in any way for the safekeeping of any Collateral of a Borrower or for any loss or damage thereto (except for reasonable care in the custody thereof while such Collateral is in Lender's actual possession) or for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency, or other person whomsoever, but the same shall be at such Borrower's sole risk.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

8.01. Notice of Default and Cure. Notwithstanding anything contained herein to the contrary, no failure to perform or breach of any covenant contained herein or in any document evidencing, securing or pertaining to the Indebtedness which is evidenced, secured or governed hereby shall constitute an Event of Default hereunder and no remedy allowed hereunder upon the occurrence of such an Event of Default may be enforced unless and until such failure or breach shall be uncured and have remained uncured for ten (10) days, including the due date, or in the case of Defaults which cannot be cured by the payment of money ("Non-Monetary Defaults") for thirty (30) days after receipt of notice as provided in paragraph 8.02 hereof; provided that if a Non-Monetary Default cannot be cured within thirty days then the cure period shall be extended to sixty days if cure has commenced within thirty days and is diligently pursued thereafter.

8.02. Notices. All notices, demands, requests, and other communications required and permitted hereunder shall be in writing and shall be deemed to have been given when presented personally or deposited in a regularly maintained receptacle for the United States Postal Service, postage prepaid, registered or certified, return receipt requested, addressed to Borrower or Lender, as the case may be, at the respective addresses set forth on the first page of this Construction Loan and Security Agreement, or such other address as Borrower or Lender may from time to time designate by written notice to the other as herein required.

8.03. Modifications. No provision of this Construction Loan and Security Agreement or the other Security Documents may be modified, waived, or terminated except by instrument in writing executed by the party against whom a modification, waiver, or termination is sought to be enforced.

8.04. Severability. In case any of the provisions of this Construction Loan and Security Agreement shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Construction Loan and Security Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

8.05. Election of Remedies. Lender shall have all of the rights and remedies granted in the Security Documents and available at law or in equity, and these same rights and remedies shall be

cumulative and may be pursued separately, successively, or concurrently against Borrower, Guarantor, or any property covered under the Security Documents at the sole discretion of Lender. The exercise or failure to exercise any of the same shall not constitute a waiver or release thereof or of any other right or remedy, and the same shall be non-exclusive.

8.06. Form and Substance. All documents, certificates, insurance policies, and other items required under this Construction Loan and Security Agreement to be executed and/or delivered to Lender shall be in form and substance satisfactory to Lender.

8.07. Controlling Agreement. Notwithstanding any provision in the Note or Security Documents to the contrary, all agreements between Borrower and Lender, whether now existing or hereafter arising, are hereby limited so that in no event shall the interest paid, or agreed to be paid, to Lender for the use, forbearance, or detention of the money to be loaned pursuant to this Construction Loan and Security Agreement, or for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstances whatsoever fulfillment of any provision hereof or of any other document evidencing, securing, or pertaining to the Loan, at the time performance of such provision shall be due, shall involve transcending the usury limit prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the maximum rate of interest allowed by applicable law; and if from any such circumstances Lender shall ever receive anything of value deemed interest under applicable law which would exceed interest at the highest lawful rate, the excessive interest shall be applied to the reduction of the principal amount owing under the Note and not to the payment of interest, or if the excessive interest exceeds the unpaid balance of the principal of the Note, such excess shall be refunded to Borrower. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of such indebtedness until payment in full so that the rate of interest on account of such indebtedness is uniform throughout the term thereof. This Section shall control all agreements between Borrower and Lender.

8.08. No Third Party Beneficiary. This Construction Loan and Security Agreement is for the sole benefit of Lender and Borrower and is not for the benefit of any third party other than the Trustee named in the Mortgage.

8.09. Number and Gender. Whenever used herein, the singular number shall include the plural and the singular, and the use of any gender shall be applicable to all genders. The duties, covenants, obligations, and warranties of Borrower in this Construction Loan and Security Agreement shall be joint and several obligations of Borrower, and of each Borrower if more than one.

8.10. Joint and Several Obligations. The duties, covenants, obligations, and warranties of Borrower in this Construction Loan and Security Agreement shall be joint and several obligations of Borrower and Guarantors, and of each Borrower and Guarantor.

8.11. Captions. The captions, headings, and arrangements used in this Construction Loan and Security Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.

8.12. Applicable Law. This Construction Loan and Security Agreement and the Security Documents shall be governed by and construed in accordance with the laws of the State of Arkansas and the laws of the United States of America applicable to transactions within such State. This Agreement was negotiated in the State of Arkansas and the proceeds of the Note delivered pursuant hereto were disbursed from the State of Arkansas, which State the parties agree has a substantial relationship to the parties and to the Loan embodied hereby, including matters of construction, validity and performance. This Agreement and the obligations arising hereunder shall be governed by and construed in accordance with the laws of the State of Arkansas and any applicable law of the United States of America, except that at all times the provisions for the creation, perfection, and enforcement of the liens created pursuant to the Security Documents shall be governed by and construed according to the law of the State in which the Property is located, it being understood that, to the fullest extent permitted by the law of such State, the law of the State of Arkansas shall govern the validity and enforceability of all Security Documents and the Indebtedness.

8.13. Place of Performance. Each covenant and condition contained herein shall be performed in Pulaski County, Arkansas and the Borrower agrees that this Construction Loan and Security Agreement and all of the Security Documents are performable in Pulaski County, Arkansas, and Borrower waives the right to sue and be sued elsewhere, although Lender, at its option, retains the right to bring suit elsewhere and specifically in Greene County, Missouri or McLean County, Illinois.

8.14. Good Faith. In carrying out the terms of this Construction Loan and Security Agreement and the other documents executed in connection herewith, the parties shall act reasonably and in good faith and without undue delay.

8.15. Capitalized Terms. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Mortgage.

8.16. Participations. Lender shall have the exclusive option and privilege of selling participating interest in or all of the Loan to such person or entities and on such terms and conditions that the Lender may determine at any time and from time to time without any prior notice or notice to Borrower.

DATED as of the 24th day of September, 2007.

BORROWER:

JQH - NORMAL DEVELOPMENT, LLC
By Its Manager:

REVOCABLE TRUST OF JOHN Q. HAMMONS,
DATED DECEMBER 28, 1989, AS AMENDED
AND RESTATED

By: 
John Q. Hammons, Trustee

GUARANTORS:


JOHN Q. HAMMONS, Individually



JEANITA K. HAMMONS, Individually

REVOCABLE TRUST OF JOHN Q. HAMMONS
DATED DECEMBER 28, 1989, AS AMENDED
AND RESTATED:

By: 
JOHN Q. HAMMONS, Trustee

LENDER:

METROPOLITAN NATIONAL BANK

By: 
Melissa L. Henshaw
Senior Vice President

ACKNOWLEDGMENT

STATE OF MISSOURI)
) ss:
COUNTY OF GREENE)

Before me, the undersigned Notary Public in and for said County in said State, on this day appeared John Q. Hammons, Trustee of the Revocable Trust of John Q. Hammons Dated December 28, 1989, as Amended and Restated, as the Manager of JQH – Normal Development, LLC, known to me to be the person and officer whose name is subscribed to the preceding instrument, and acknowledged to me that the instrument was the act of JQH – Normal Development, LLC, a Missouri limited liability company, and that he executed the instrument as the act of the limited liability company for the purposes and consideration expressed, and in the capacity stated, in the instrument.

Given under my hand and seal of office, this 25th day of September, 2007.

Carmen G. Coker
Notary Public
My Commission Expires: 2-13-11



CARMEN G. COKER Comm#07435743
Christian County State of Missouri
My Commission Expires Feb. 13, 2011

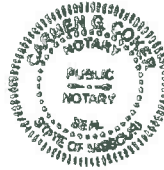
ACKNOWLEDGMENT

STATE OF MISSOURI)
) ss:
COUNTY OF GREENE)

Before me, the undersigned Notary Public, in and for said County, in said State, on this day personally appeared, John Q. Hammons, known to me to be the person whose name is subscribed to the preceding instrument, and acknowledged to me that he executed it for the purposes given and consideration expressed to it.

Given under my hand and official seal, this 25th day of September, 2007.

Carmen A Coker
Notary Public
My Commission Expires 2-13-11



CARMEN G COKER Comm#07435743
Christen County State of Missouri
My Commission Expires Feb. 13, 2011

ACKNOWLEDGMENT

STATE OF MISSOURI)
) ss:
COUNTY OF GREENE)

Before me, the undersigned Notary Public, in and for said County, in said State, on this day personally appeared, Juanita K. Hammons, known to me to be the person whose name is subscribed to the preceding instrument, and acknowledged to me that she executed it for the purposes given and consideration expressed to it.

Given under my hand and official seal, this 25th day of September, 2007.



Carmen G. Coker
Notary Public
My Commission Expires: 2-13-11

CARMEN G. COKER Comm#07435743
Christian County State of Missouri
My Commission Expires Feb. 13, 2011

ACKNOWLEDGMENT

STATE OF MISSOURI)
) ss:
COUNTY OF GREENE)

Before me, the undersigned Notary Public, in and for said County, in said State, on this day appeared John Q. Hammons. Trustee of Revocable Trust of John Q. Hammons dated December 28, 1989, as Amended and Restated, known to me to be the person whose name is subscribed to the preceding instrument, and acknowledgement to me that he executed it for the purposes and consideration expressed in it.

Given under my hand and official seal, this 25th day of September, 2007.



CARMEN G. COKER Comm#07435743
Christian County State of Missouri
My Commission Expires Feb. 13, 2011

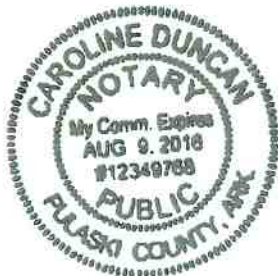
Carmen G Coker
Notary Public
My Commission Expires: 2-13-11

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss:
COUNTY OF PULASKI)

Before me, the undersigned Notary Public in and for said County in said State, on this day appeared Melissa L. Henshaw, Vice President of Metropolitan National Bank, known to me to be the person and officer whose name is subscribed to the preceding instrument, and acknowledged to me that the instrument was the act of Metropolitan National Bank, a national bank, and that she executed the instrument as the act of the bank for the purposes and consideration expressed, and in the capacity stated, in the instrument.

Given under my hand and official seal this the 21st day of September, 2007.



Caroline Duncan
Notary Public
My Commission Expires: 8-9-2018

EXHIBIT "A"

Legal Description

EXHIBIT "B"

- (X) 1. The Loan Origination Fee; The sum of Three Hundred Fifteen Thousand Dollars (\$315,000.00) payable to the Lender;
- (X) 2. The Note;
- (X) 3. The Construction Mortgage, Leasehold Mortgage, Fixture Filing, and Security Agreement;
- (X) 4. The Guaranty;
- (X) 5. The Assignment of Plans and Specifications and Architectural Contract; Assignment of Construction Contract; Comfort Letter; Assignment of Rents and Leases; Assignment of Service Contracts; Assignment of Management Agreement; and Assignment of Redevelopment Agreement;
- (X) 6. The Environmental Indemnity Agreement;
- (X) 7. The Title Insurance, which shall include the following endorsements: comprehensive, access, survey, environmental, zoning, and contiguity;
- (X) 8. The Construction Contract; Management Agreement; Franchise License Agreement;
- (X) 9. The Consent of Contractor to the Assignment of the Construction Contract;
- (X) 10. The Architectural Contract;
- (X) 11. The Plans;
- (X) 12. Consent of Architect to the Assignment of the Plans and Specifications for the Improvements to be built upon the Property;
- (X) 13. The Survey;
- (X) 14. Financing Statements with respect to the security interest granted in the Security Instruments, together with evidence of the priority of the respective security interests perfected thereby;
- (X) 15. Financial Statements of Borrower and Guarantors;

- (X) 16. The Redevelopment Agreement and Conference Center Lease Agreement executed by the Town of Normal, Illinois and Borrower;
- (X) 17. Evidence of approval of the Plans by any necessary Governmental Authority;
- () 18. Evidence of Borrower's compliance with or satisfaction of all conditions applicable to the Permanent Loan Commitment;
- (X) 19. Building permit and all other Governmental Requirements with respect to the construction and development of the Property;
- (X) 20. Evidence of Borrower's compliance with or satisfaction of all conditions applicable to any leases affecting the property;
- (X) 21. Evidence that all applicable zoning ordinances or restrictive covenants affecting the property permit the use for which the Property is intended and have been or will be complied with;
- (X) 22. Evidence of the Property's compliance with the requirements of all applicable "environmental protection" laws, rules, and regulations, whether federal, state, or municipal;
- (X) 23. Evidence that all of the streets providing access to the Property either have been or will be dedicated to public use or established by private easement, duly recorded in the records of the County in which the Property is located, and have been or will be fully installed and accepted by Governmental Authority, that all costs and expenses of the installation and acceptance thereof have been or will be paid in full, and that, when dedicated, there are no restrictions in the use and enjoyment of such streets that adversely affect, limit, or impair Borrower's ability to develop and construct on the Property or operate the Property for the purposes and in the manner represented to Lender;
- (X) 24. Evidence of the availability of all utilities to the Property including specifically, but without limitation, gas, electricity, sewer, water and telephone services;
- () 25. Evidence of Borrower's compliance with or exemption from the requirements of Interstate Land Sales Full Disclosure Act (the "Act"), 15 U.S.C. §§1701, et seq. Lender may refuse to grant a partial release with respect to any portion of the Property until Borrower presents evidence satisfactory to Lender that such portion will not be sold or leased by Borrower in violation of the Act;
- (X) 26. Evidence that all necessary action on the part of Borrower has been taken with respect to the execution and delivery of this Construction Loan and Security

Agreement and the consummation of the transactions contemplated hereby, so that this Construction Loan and Security Agreement and all Security Documents to be executed and delivered by or on behalf of Borrower will be valid and binding upon Borrower or the person or entity executing and delivering such document. Such evidence shall include, at the option of Lender, a legal opinion of Borrower's and Guarantor's respective legal counsel confirming such authority, validity, and binding effect, confirming that neither the Loan nor any of the financing arrangements contemplated by this Construction Loan and Security Agreement violate the usury laws of the State of Illinois, or any other applicable jurisdiction, and covering such other matters as Lender may require;

- (X)* 27. A flood insurance policy, or binder therefor, in an amount equal to the outstanding principal amount of the Loan, or the maximum amount available under the Flood Disaster Protection Act of 1973 and regulations issued pursuant thereto (the "Act"), whichever is less, in form complying with the "insurance purchase requirement" of the Act;

* If any part of the property described in Exhibit "A" is within the boundaries of a flood hazard area.

- (X) 28. The Builders Risk and Liability Insurance Policies or Certificates of such Insurance Policies;
- (X) 29. Breakdown of all costs and expenses required to complete development and construction of the Property, in detail and in amount acceptable to Lender, the Approved Budget.
- () 30. Statutory Payment and Performance Bonds;
- (X) 31. Application for First Advance;
- (X) 32. Fully executed counterparts of the Agreement of the Declaration of Trust of the Revocable Trust dated December 28, 1989 and all amendments and restatements thereof or an appropriate certificate thereof certified by the Borrower's legal counsel;
- (X) 33. Appraisal prepared by M.A.I. appraiser acceptable to Metropolitan National Bank.
- (X) 34. Certificate of Architect that the improvements to be constructed comply with all zoning, building codes, land use and other laws and can be constructed within the budget attached hereto as Exhibit "C".

- (X) 35. Architect's or Engineer's Report, or such other evidence, as appropriate on the Property to be mortgaged that all utilities and drainage are available at the property and have adequate capacity to service the proposed improvements.
- (X) 36. Consent and Nondisturbance Agreement executed by the Town of Normal, Illinois.

EXHIBIT "C"
APPROVED BUDGET

EXHIBIT "D"

1. The Architect: Lohmeyer Russell Professional Corporation
2. Substantial Completion Date: January 9, 2009
3. The Contractor(s): CORE Construction Services of Illinois, Inc.
4. The Guarantor(s): John Q. Hammons, an individual and Juanita K. Hammons, an individual Revocable Trust of John Q. Hammons, dated December 28, 1989, as Amended and Restated
5. The Improvements: A new hotel which will contain 220 guest suites and related parking facilities and amenities including, but not limited to a restaurant, a lounge, fitness center, business center, recreational amenities, adjacent parking and other amenities for the services essentially found in a full service upscale hotel.
6. The Conference Center Improvements: A new conference center containing 20,000 square feet under one roof, which will contain meeting rooms, grand ballroom and related improvements including landscaping, parking, and necessary connections, doors and other modes of ingress and egress that will permit the use of the Normal Theater in conjunction with the Conference Center.
7. The Inspecting Architect/Engineer: Lohmeyer Russell Professional Corporation
8. The Title Insurance Company: Lawyer's Title Insurance Corporation
9. The Title Company: American Land Company, Chicago, Illinois
10. Retainage to be deducted from Advance: None
11. Frequency of Advances: no more than monthly.

RECORDATION REQUESTED BY:

Metropolitan National Bank
425 West Capitol
P. O. Box 8010
Little Rock, AR 72203-8010

WHEN RECORDED MAIL TO:

Shelli H. Jordan, Esq.
WILLIAMS & ANDERSON PLC
111 Center Street, Suite 2200
Little Rock, AR 72201

STATE OF ARKANSAS
RECORDS & DEEDS
1001 ROLLING ROAD
ROLLING MEADOWS, E. 68088
Miss. Agency



Index# 011106720015 Type: EXT
Recorded: 11/03/2010 at 10:12:06 AM
Total Amt: \$91.00 Page 1 of 18
IL Rental Housing Fund: \$10.00
McLean County, IL
H. Lee Newcom Recorder

File **2010-00027190**

EXTENSION AND MODIFICATION AGREEMENT

This **EXTENSION AND MODIFICATION AGREEMENT** (this "Modification") dated as of October 22, 2010 (the "Agreement Date") but effective as of September 23, 2010 (the "Effective Date"), by and between **METROPOLITAN NATIONAL BANK**, a national bank organized and existing under the laws of the United States of America, with its principal office and address for notice hereunder at P.O. Box 8010, Little Rock, Arkansas 72203 ("Lender"), and **JQH - NORMAL DEVELOPMENT, LLC**, a Missouri limited liability company, with its address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 ("Borrower"), **JOHN Q. HAMMONS, JUANITA K. HAMMONS**, and the **REVOCABLE TRUST OF JOHN Q. HAMMONS, DATED DECEMBER 28, 1989, AS AMENDED AND RESTATED**, all with an address for notice hereunder at 300 John Q. Hammons Parkway, Suite 900, Springfield, Missouri 65806 (hereinafter collectively referred to as "Guarantors").

WHEREAS, Lender made a loan to Borrower in an original principal amount of **FORTY-TWO MILLION AND NO/100THS DOLLARS (\$42,000,000.00)** (the "Loan"), and the Borrower executed and delivered a promissory note to Lender for the amount of the Loan dated September 24, 2007 (the "Original Note");

WHEREAS, in connection therewith, a Construction Loan and Security Agreement dated September 24, 2007 (hereinafter the "Original Loan Agreement"), setting forth the terms of the Loan, was executed by the Borrower, the Guarantors, and Lender;

WHEREAS, in addition to the Original Loan Agreement and Original Note, the Borrower executed (i) a Construction Mortgage, Leasehold Mortgage, Fixture Filing and Security Agreement in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028474 (the "Mortgage"), (ii) an Assignment of Rents and Leases in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028475 ("Assignment of Rents and Leases"), (iii) an Assignment of Service Contracts in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028479 ("Assignment of Service Contracts"), (iv) an Assignment of Plans and Architectural Contract in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028477, (v) an

63751-0014/LEGAL19419215.2

Assignment of Construction Agreement in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028476, (vi) an Assignment of Management Agreement in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028478, and (vii) an Assignment of Redevelopment Agreement in favor of Lender dated September 24, 2007, and filed on October 16, 2007 with the Clerk of McLean County, Illinois, as File 2007-00028480 (collectively the "Recorded Loan Documents"), all encumbering that certain real property described on Exhibit A attached hereto and incorporated herein;

WHEREAS, the Loan has been guaranteed by Guarantors through that certain Continuing Payment and Performance Guaranty dated September 24, 2007 (the "Original Guaranty") (the Original Loan Agreement, Original Note, Recorded Loan Documents and Original Guaranty hereinafter collectively referred to as the "Original Loan Documents");

WHEREAS, Borrower and Guarantors have requested that Lender modify the interest rate and payment terms and extend the maturity date of the Loan; and

WHEREAS, Lender has agreed to extend and modify the Loan on certain conditions, including without limitation the execution and delivery of this Modification by Borrower and Guarantors, an Amended and Restated Promissory Note by Borrower, and an Amended and Restated Continuing Payment and Performance Guaranty by Guarantors (collectively, the "Modification Loan Documents").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt of which is hereby acknowledged, Borrower, Lender and Guarantors agree as follows:

1. **Defined Terms.** Terms not otherwise defined herein shall have the same meaning as provided in the Original Loan Documents.
2. **Incorporation of Recitals and Exhibits.** All of the recitals and preambles hereinabove set forth are hereby incorporated into and made a part of this Modification.
3. **Maturity Date.** The Maturity Date of the Loan is hereby extended to September 23, 2011. Any and all references to the Maturity Date or the date on which the final payment is due and payable in the Original Loan Documents shall refer to September 23, 2011.
4. **Principal Amount of Loan.** The parties acknowledge and agree that the current principal amount of the Loan outstanding as of the Effective Date is **FORTY MILLION AND NO/100TH UNITED STATES DOLLARS (\$40,000,000.00)**, incorporating the principal payment made by Borrower to Lender on the Agreement Date in the amount of \$2,000,000 to reduce the outstanding principal balance of the Loan. Lender has no obligation to advance any additional sums to Borrower under the Loan Documents. All sums advanced prior to the Effective Date pursuant to the Original Loan Documents and all sums advanced hereafter pursuant to the Original Loan Documents shall be secured by the Original Loan Documents. Borrower shall make principal and interest payments in accordance with the payment terms described in that certain Amended and Restated Promissory Note dated as of October 22, 2010 but effective as of September 23, 2010 (the "Amended and Restated Promissory Note").

5. **Covenant Regarding Guarantor Liquidity.** As a material part of the consideration for Lender's agreements herein, **Guarantors** shall (a) maintain Liquidity at all times of at least \$20,000,000 and (b) within ten (10) days of each calendar quarter end, upon request by Lender, provide to Lender a **Covenant Compliance Certificate**, in each case, in form, substance and detail acceptable to Lender, together with supporting documentation, evidencing **Guarantors' Liquidity** of at least \$20,000,000. "Liquidity" means "at any time, the aggregate sum of each Guarantor's cash, cash equivalents, marketable securities and unrestricted availability under committed lines of credit."

6. **Loan Documents.** The term "Loan Documents" as used in the Original Loan Documents shall, as of the Effective Date, include (i) the Modification Loan Documents, (ii) the Original Loan Documents, and (iii) any other instrument or document now or hereafter securing the Loan or any renewals or extensions thereof, without any further obligation by Lender to so extend the Maturity Date. As of the Effective Date, any and all reference in any of the Loan Documents (including in any exhibits thereto) to the Loan amount of "\$42,000,000" shall be deleted and replaced with "\$40,000,000".

All of the terms and provisions of any and all Loan Documents in any way describing, evidencing or securing the Loan, except as specifically modified hereby, shall remain in full force and effect and are hereby reaffirmed, readopted and ratified in their entirety and incorporated herein by reference, with the changes as provided herein. In connection herewith, Borrower hereby acknowledges the validity and enforceability of all of the Loan Documents and affirmatively represents and acknowledges that Borrower neither has nor claims any defenses, offsets or counterclaims to the validity or enforceability thereof or to the validity and enforceability of the Loan Documents.

Notwithstanding anything to the contrary herein contained or otherwise provided, Borrower, Guarantors and Lender intend that this instrument be an extension, confirmation, ratification and reaffirmation of the Loan Documents, and shall also operate as an extension of all other documents, agreements or other instruments securing or relating to the Loan. In this regard, Borrower and Guarantors covenant, represent and warrant to Lender that the Recorded Documents, as extended hereby, continue to constitute valid, binding and enforceable security interests and real estate liens and encumbrances on all real property described on Exhibit A paramount over all other security interests and liens except with respect to the Permitted Encumbrances set forth in the Mortgage and any other liens and encumbrances on the real property described on Exhibit A as reflected in the endorsement to the Lender's policy of title insurance dated on or about the date hereof.

7. **Expenses.** Borrower shall pay all actual expenses, including reasonable attorney's fees and out-of-pocket costs, incurred by it and by Lender in connection with this Modification.

8. **Acknowledgment of Lender's Performance.** Borrower and Guarantors hereby acknowledge and agree that Lender has acted in good faith throughout the business transacted by and among Lender, Borrower and Guarantors, and that Lender has fully and in good faith performed all of its obligations under all of the loan documents describing, evidencing, securing or pertaining to the Loan as of the Agreement Date. Borrower and Guarantors further acknowledge that the Loan evidenced by the Original Note and the Amended and Restated

Promissory Note now matures on September 23, 2011, and that no statements, representations, promises, assurances or agreements have been made by Lender, its stockholders, directors, officers, employees, attorneys or agents, or any other person or entity that would indicate that any additional advances or further extensions or renewals of the Loan will be granted by Lender.

As a material part of the consideration for Lender's agreements herein, each Borrower and Guarantors hereby, jointly and severally, forever release, acquit and discharge Lender, its stockholders, directors, officers, employees, attorneys and agents, past and present, from any and all claims and/or causes of action, known and unknown, which they presently have against Lender, arising out of or in any way related to the business relationship of the parties in respect of the Loan, the Loan Documents, this Modification or any other instruments in any way related to the Loan or any other business transactions of the parties as of the Agreement Date. Upon payment in full and satisfaction in full of the Loan and the interest thereon, the parties hereto shall thereupon automatically each be fully, finally and forever released and discharged from any further claim, liability or obligation in any way related to or arising out of said Loan Documents.

9. Additional Documents; Further Assurances. Borrower and Guarantors shall execute, file, or refile (or cause to be executed, filed or refiled) such security instruments, assignments, financing statements, continuation statements, modification agreements, guaranties and like documents as Lender may from time to time reasonably require to create, perfect and maintain, or continue to perfect and maintain, the priority of its lien(s) pursuant to the Loan Documents. Borrower and Guarantors shall and hereby agree to execute, acknowledge and deliver (or cause to be executed, acknowledged and delivered) to Lender such other and further assurances and documents as Lender shall reasonably require to cure or eliminate any omission, mistake or ambiguity in this Agreement or any of the documents executed in connection herewith or pertaining hereto.

Lender agrees to return the Original Note to Borrower or to provide a copy of the same marked as amended and restated promptly following the delivery of the Amended and Restated Promissory Note to Lender by Borrower and the closing of the transaction contemplated by this Modification.

10. Binding Effect. This Modification shall be binding upon and inure to the benefit of the parties, their respective heirs, successors and assigns, and personal and legal representatives.

11. Construction. Each party and counsel for each party have reviewed this Modification and, accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting parties shall not be employed in the interpretation of this Modification. In the event one or more of the provisions (or portions thereof) of this Modification is determined to be illegal or unenforceable, the remainder of this Modification shall not be affected thereby and each remaining provision or portion thereof shall continue to be valid and effective and shall be enforceable to the fullest extent permitted by law. Captions used in this Modification are for convenience only and shall not be construed in interpreting this Modification.

12. Counterparts. This Modification may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original. It shall not be necessary that the signature of, or on behalf of, each party, or that the signatures of the persons required to bind any party, appear on more than one counterpart.

13. Applicable Law. This Modification and the Security Documents shall be governed by and construed in accordance with the laws of the State of Arkansas and the laws of the United States of America applicable to transactions within such State. This Modification was negotiated in the State of Arkansas and the proceeds of the Original Note delivered pursuant to the Original Loan Agreement were disbursed from the State of Arkansas, which State the parties agree has a substantial relationship to the parties and to the Loan embodied hereby, including matters of construction, validity and performance. This Modification and the obligations arising hereunder shall be governed by and construed in accordance with the laws of the State of Arkansas and any applicable law of the United States of America, except that at all times the provisions for the creation, perfection, and enforcement of the liens created pursuant to the Security Documents shall be governed by and construed according to the law of the State in which the Property is located, it being understood that, to the fullest extent permitted by the law of such State, the law of the State of Arkansas shall govern the validity and enforceability of all Security Documents and the indebtedness.

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IN WITNESS WHEREOF, this Modification is ~~executed as~~ ^{effective} of September 23, 2010.


BORROWER:

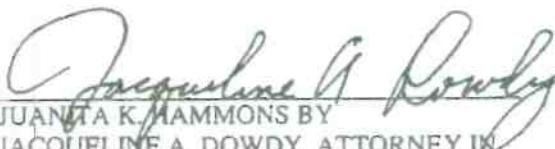
JQH -- NORMAL DEVELOPMENT, LLC

By: 

Jacqueline A. Dowdy, President

GUARANTORS:


JOHN Q. HAMMONS BY
JACQUELINE A. DOWDY, ATTORNEY IN
FACT UNDER DURABLE POWER OF
ATTORNEY FOR FINANCIAL AND
BUSINESS MATTERS DATED
AUGUST 11, 2008


JUANITA K. HAMMONS BY
JACQUELINE A. DOWDY, ATTORNEY IN
FACT UNDER DURABLE POWER OF
ATTORNEY FOR LIMITED FINANCIAL
MATTERS DATED JANUARY 31, 2000

REVOCABLE TRUST OF JOHN Q.
HAMMONS,
DATED DECEMBER 28, 1989, as Amended
and
Restated

By: 

Name: Jacqueline A. Dowdy

Title: Successor Trustee

By: _____

Name: John J. Slaboch

Title: Successor Trustee

effective
IN WITNESS WHEREOF, this Modification is executed as of September 23, 2010.

BORROWER:

JQH - NORMAL DEVELOPMENT, LLC

By: _____

Jacqueline A. Dowdy, President

GUARANTORS:

JOHN Q. HAMMONS BY
JACQUELINE A. DOWDY, ATTORNEY IN
FACT UNDER DURABLE POWER OF
ATTORNEY FOR FINANCIAL AND
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AUGUST 11, 2008

JUANITA K. HAMMONS BY
JACQUELINE A. DOWDY, ATTORNEY IN
FACT UNDER DURABLE POWER OF
ATTORNEY FOR LIMITED FINANCIAL
MATTERS DATED JANUARY 31, 2000

REVOCABLE TRUST OF JOHN Q.
HAMMONS,
DATED DECEMBER 28, 1989, as Amended
and
Restated

By: _____

Name: Jacqueline A. Dowdy

Title: Successor Trustee

By: _____

Name: John J. Slaboch

Title: Successor Trustee

District of Kansas Claims Register

[16-21142 John Q. Hammons Fall 2006, LLC](#)

Judge: Robert D. Berger

Chapter: 11

Office: Kansas City

Last Date to file claims: 12/23/2016

Trustee:

Last Date to file (Govt):

Creditor: (8510989) [History](#)

Claim No: 251

Status:

SIMMONS BANK

Original Filed

Filed by: CR

Kennedy Berkley c/o John
Thompson

Date: 11/17/2016

Entered by: John F Thompson, II

5350 College Blvd

Original Entered

Modified:

Overland Park KS 66211

Date: 11/17/2016

Amount claimed: \$27155133.33

History:

[Details](#) [251-1](#) 11/17/2016 Claim #251 filed by SIMMONS BANK, Amount claimed: \$27155133.33 (Thompson, John)

Description: (251-1) Case No. 16-21194

Remarks: (251-1) FMV of collateral unknown at this time

Claims Register Summary

Case Name: John Q. Hammons Fall 2006, LLC

Case Number: 16-21142

Chapter: 11

Date Filed: 06/26/2016

Total Number Of Claims: 1

Total Amount Claimed*	\$27155133.33
Total Amount Allowed*	

*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
Secured		
Priority		
Administrative		