Mortgage Loan No. 5 – Innisfree Hotel Portfolio

J.P.Morgan

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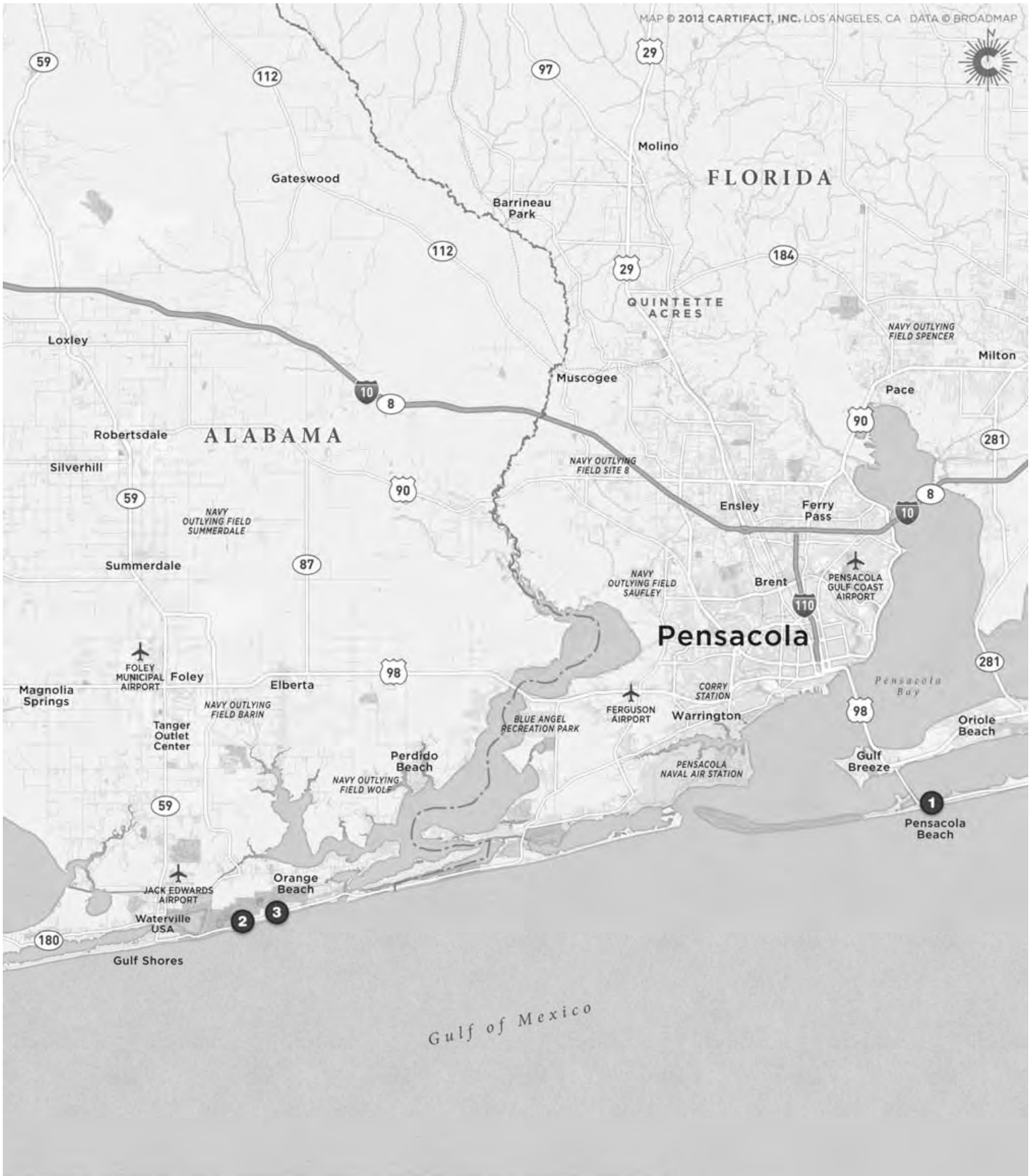

1	Hampton Inn - Pensacola Beach	2 Via De Luna Drive	Pensacola Beach, FL 32561
2	Hilton Garden Inn - Orange Beach	23092 Perdido Beach Boulevard	Orange Beach, AL 36561
3	Holiday Inn Express - Orange Beach	24700 Perdido Beach Boulevard	Orange Beach, AL 36561

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Mortgage Loan Information

Mortgage Loan Seller:	LCF
Original Principal Balance:	$53,000,000
Cut-off Date Principal Balance:	$53,000,000
% of Pool by IPB:	4.7%
Loan Purpose:	Refinance
Borrower:	CRR Hospitality, L.L.C.; Seaside Hospitality, L.L.C.; H&S Development, LLC
Sponsor:	Innisfree Hotels
Interest Rate:	6.04100%
Note Date:	3/26/2012
Maturity Date:	4/6/2022
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(36),Grtr1%orYM(80),O(4)
Lock Box:	CMA
Additional Debt:	Yes
Additional Debt Balance:	$4,000,000
Additional Debt Type:	Mezzanine Loan

Property Information

Single Asset/Portfolio:	Portfolio
Title:	Fee/Leasehold
Property Type - Subtype:	Hotel – Limited Service
Rooms:	437
Location:	Various
Year Built/Renovated:	Various/Various
Occupancy:	71.8%
Occupancy Date:	12/31/2011
Number of Tenants:	N/A
2009 NOI:	$5,400,990
2010 NOI:	$4,559,939
2011 NOI:	$5,860,273
UW Economic Occupancy:	71.8%
UW Revenues:	$16,820,406
UW Expenses:	$10,916,406
UW NOI:	$5,904,000
UW NCF:	$5,904,000
Appraised Value:	$89,900,000
Appraisal Date:	3/1/2012

Escrows and Reserves(1)

	Initial	Monthly	Initial
Taxes:	$135,644	$24,329	N/A
Insurance:	$185,685	$46,421	N/A
FF&E Reserve:	$0	4% of Gross Revenues	N/A
Other:	$35,000	Variable	N/A

Financial Information

Cut-off Date Loan/Room:	$121,281
Maturity Date Loan/Room:	$102,973
Cut-off Date LTV:	59.0%
Maturity Date LTV:	50.1%
UW NCF DSCR:	1.54x
UW NOI Debt Yield:	11.1%

(1) For a full description of Escrows and Reserves, please refer to the "*Escrows and Reserves*" section herein.

The Loan. The Innisfree Hotel Portfolio loan is a $53,000,000 ($121,281/Room) first mortgage secured by three limited-service beachfront hotels, including a 181-room Hampton Inn located in Pensacola Beach, Florida, a 137-room Hilton Garden Inn located in Orange Beach, Alabama, and a 119-room Holiday Inn Express located in Orange Beach, Alabama. The properties, all located along the Gulf Coast, benefit from direct access to the beach as well as direct water views from many of the properties' rooms. The proceeds of the loan were used to refinance the previously existing debt on the properties, which totaled $49,096,718. The remaining proceeds were used to fund closing costs, fees, and reserves, and return approximately $7.0 million in equity to the sponsor of the borrowers. The borrowers acquired the properties in June 2003 (with respect to the Hilton Garden Inn and Holiday Inn Express properties in Orange Beach, Alabama) and in December 2005 (with respect to the Hampton Inn in Pensacola Beach, Florida) for a total cost of $59.5 million. The borrowers have invested approximately $12.0 million in hard costs and furniture, fixtures and equipment ("FF&E") and $1.1 million in soft costs since acquisition of the properties. Including closing costs, reserves and fees of $868,203, the borrowers had a total cost basis of approximately $73.4 million at closing of the loan, with the borrowers maintaining $16,438,503 in hard equity in the properties. The sponsor is Innisfree Hotels.

The Borrowers. The borrowing entities for the loan are H&S Development, LLC, CRR Hospitality, L.L.C. and Seaside Hospitality, L.L.C. Each borrower is a single purpose entity and an Alabama limited liability company, except for H&S Development, LLC, which is a Florida limited liability company.

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The Sponsor. The sponsor of the borrowers is Innisfree Hotels. Innisfree Hotels was founded in 1985 by Julian MacQueen. Innisfree Hotels is a closely held and managed hotel operator that focuses on the development, operation and management of gulf region hospitality properties, currently owning and managing eight hotels in the region totaling approximately 1,248 rooms and third party managing an additional four hotels totaling 442 rooms. Innisfree Hotels has relationships with both InterContinental Hotels Group and Hilton.

The Properties. The Innisfree Hotel Portfolio consists of three beachfront limited-service hotel properties totaling 437 rooms, located in Pensacola Beach, Florida and Orange Beach, Alabama, along the Gulf Coast. The hotel properties include the 181 room Hampton Inn – Pensacola Beach, the 137 room Hilton Garden Inn – Orange Beach and the 119 room Holiday Inn Express – Orange Beach. The properties are all beachfront hotels with direct access to the Gulf of Mexico shores, the primary amenity for both the properties and their respective markets. The properties were all constructed in the mid-1990's and were renovated at various times between 2009 and 2011. The properties are all interior corridor hotels and feature property amenities in addition to the direct beach access including outdoor pools, poolside food and beverage services, fitness centers, business centers, and meeting spaces. Guestrooms at all of the properties feature flat-screen televisions, microwaves, refrigerators, and other amenities typical for limited service hotels of similar quality. All of the properties feature balconies along their Gulf-Coast (ocean view) rooms.

The Pensacola Beach, Florida and Orange Beach, Alabama areas are driving vacation destinations for families and groups from the Southeast United States up through the Midwest United States and Canada. The areas experience high season for leisure travelers during the summer months with group business travel dominating the fall shoulder seasons. The British Petroleum oil spill from 2010 caused significant declines in transient reservations during the peak summer months. The markets have since demonstrated recovery of approximately 8.2% year-over-year RevPAR growth in 2011.

Property Summary

Property/Flag	Location	Allocated Loan Amount	Rooms	Occupancy	Year Built	Year Renovated	Franchise Expiration Date
Hampton Inn	Pensacola Beach, FL	$21,600,000	181	76.0%	1995	2011	Dec 2025
Hilton Garden Inn	Orange Beach, AL	16,000,000	137	66.2%	1997	2009	July 2017
Holiday Inn Express	Orange Beach, AL	15,400,000	119	71.8%	1996	2011	June 2018
Total/Weighted Average		**$53,000,000**	**437**	**71.8%**			

Hampton Inn – Pensacola Beach. The Hampton Inn - Pensacola Beach property is located along approximately 600 feet of Gulf of Mexico beachfront at 2 Via De Luna Drive, within Escambia County, Florida. The site consists of a 4.38-acre irregular-shaped parcel, developed with a four-story limited service Hampton Inn hotel with a total of 181 rooms. The property is the first hotel along Via De Luna Drive, when entering Pensacola Beach from mainland Pensacola. Considering the significant drive-in business generated at the property, this location provides an advantage to the other beachfront properties in the market. The beach and Gulf of Mexico are the main demand generators for the area along with local retail outlets and restaurants within walking distance of the property. The property opened as a Hampton Inn in 1995 and consists of 181 rooms in an interior corridor, 4-story rectangular-shape structure. The building was completely renovated in 2006 after Hurricane Ivan forced the property to close in 2004. The property was again renovated in 2011. The entrance of the hotel and porte cochere are located in the northern end of the building which houses the front desk, management offices, meeting space, fitness center, business center and breakfast area/restaurant.

Guestrooms are located on all 4 floors of the interior corridor property. The guestrooms consist of 113 double queen rooms, 67 king rooms, and 1 suite with full kitchen. Each of the 181 rooms is equipped with either a single king bed or two queen beds. King bedded guestrooms also include a sleep sofa. Each guestroom is provided with a high-definition LCD flat panel television, work desk, high-speed internet access, coffee maker, microwave oven, mini-refrigerator, tea maker and iron w/ ironing board. Gulf-front (ocean view) rooms feature a balcony.

The property is operated as a Hampton Inn under a franchise agreement with Promus Hotels, Inc. dated as of December 16, 2005. The franchise agreement has an original 20-year term and will expire in December 2025. The franchise agreement stipulates a franchise fee of five percent (5%) of the hotel's gross room revenues. The franchise agreement additionally stipulates monthly program fees equal to four percent (4%) (subject to annual increases of 1% provided that cumulative increases will not exceed 5%) of the hotel's gross room revenues will be taken. These program fees are included in the marketing expense within the underwriting.

The Hampton Inn – Pensacola Beach property is ground leased to the applicable borrower by the Santa Rosa Island Authority ("SRIA"). The entirety of Pensacola Beach is owned by Escambia County, Florida and is under the direction of the SRIA. The ground lease, dated November 17, 1968 runs through May 1, 2090 (approximately 68 years beyond the term of the Loan). The ground lease provides for a restricted use of the property as either a hotel or amusement park. Additionally, the ground lease provides that the leasehold owner, the applicable borrower, will pay percentage rent based upon a percentage of gross receipts from room revenues and other revenue sources (with a minimum annual payment of $50,000). It is noted that all percentage rent to become payable under the ground lease is billed directly to hotel guests on their individual folios, so that the ground lease fees are passed directly through to the guests. This practice is in line with that of the other hotel properties along Pensacola Beach.

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	Historical Occupancy, ADR, RevPAR								
	Competitive Set[1]			Hampton Inn Pensacola Beach[2]			Penetration Factor[3]		
Year	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2009	64.7%	$130.03	$84.12	68.7%	$140.85	$96.76	106.2%	108.3%	115.0%
2010	62.1%	$122.90	$76.30	67.2%	$129.69	$87.19	108.2%	105.5%	114.3%
2011	64.9%	$130.98	$84.99	76.0%	$135.34	$102.85	117.1%	103.3%	121.0%

(1) Competitive Set Data based upon information provided in the appraisal. Competitive set contains the following properties: Hampton Inn Pensacola Beach (181 rooms, opened in 1995), Days Inn Pensacola Beach (123 rooms, opened in 1991), Holiday Inn Express Pensacola Beach (76 rooms, opened in 1989), Travelodge Pensacola Beach (100 rooms, opened in 1995), and Springhill Suites Pensacola Beach (117 rooms, opened in 1997).
(2) Based on operating statements provided by the borrower.
(3) Penetration Factor is calculated based on data provided in the appraisal for the competitive set and based on operating statements provided by the borrower for the Hampton Inn Pensacola Beach.

Hilton Garden Inn – Orange Beach. The property is located directly on the Gulf of Mexico at 23092 Perdido Beach Blvd., within Baldwin County, Alabama. The site consists of a 3.20-acre slightly irregular-shaped parcel, developed with a six-story limited service Hilton Garden Inn hotel with a total of 137 rooms. The property was built in 1997 and most recently underwent a renovation in 2009. The beach and Gulf of Mexico are the main demand generators for the area. Amenities at the property include an indoor/outdoor swimming pool and whirlpool, poolside snack bar, beach access, fitness facility, business center, and 2,000 square feet of meeting space that can be divided into two rooms and hold a combined 120 people. The property features one restaurant, Gulf Breeze Café, which is open for breakfast daily. Additionally, a poolside snack bar is open seasonally for drinks and light snacks.

Guestrooms were updated with flat-screen TVs in 2011, and are considered to be in overall good physical condition. Each of the 137 rooms is equipped with either a single king bed or two queen beds. King bedded guestrooms also include a chair and ottoman. All guestrooms include a work desk, flat-screen TV, microwave, refrigerator, and other amenities typically associated with a limited service hotel. Gulf-front (pool and/or ocean view) rooms feature a balcony.

The property is operated as a Hilton Garden Inn under a franchise agreement with Hilton Inns, Inc. dated as of December 16, 1996. The franchise agreement has an original 20-year term and will expire in July 2017. The franchise agreement stipulates a franchise fee of five percent (5%) of the hotel's gross room revenue. Additionally the franchisee is required to pay a monthly advertising fee for each fractional or full calendar month in the amount of one percent (1%) of the gross revenues of the hotel which is included in the marketing expense within the underwriting.

	Historical Occupancy, ADR, RevPAR								
	Competitive Set[1]			Hilton Garden Inn Orange Beach[2]			Penetration Factor[3]		
Year	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2009	51.2%	$127.12	$65.13	62.6%	$144.74	$90.65	122.3%	113.9%	139.2%
2010	54.6%	$114.72	$62.66	63.2%	$131.04	$82.88	115.8%	114.2%	132.3%
2011	60.5%	$134.36	$81.33	66.2%	$146.34	$96.78	109.4%	108.9%	119.0%

(1) Competitive Set Data based upon information provided in the appraisal. Competitive set contains the following properties: Hilton Garden Inn Orange Beach (137 rooms, opened in 1997), Sleep Inn Orange Beach (117 rooms, opened in 1994), Courtyard Gulf Shores Craft Farms (90 rooms, opened in 1997), Holiday Inn Express Orange Beach (119 rooms, opened in 1996), Fairfield Inn and Suites Orange Beach (116 rooms, opened in 2008), Holiday Inn Express Gulf Shores (89 rooms, opened in 2009), and Hampton Inn and Suites Orange Beach (160 rooms, opened in 2011).
(2) Based on operating statements provided by the borrower.
(3) Penetration Factor is calculated based on data provided in the appraisal for the competitive set and based on operating statements provided by the borrower for the Hilton Garden Inn Orange Beach.

Holiday Inn Express – Orange Beach. The property is located directly on the Gulf of Mexico at 24700 Perdido Beach Blvd., within Baldwin County, Alabama. The site consists of a 3.60-acre slightly irregular-shaped parcel, developed with a six-story limited service Holiday Inn Express hotel with a total of 119 rooms. The beach and Gulf of Mexico are the main demand generators for the area. The entrance to the hotel and porte cochere are located on the northern end of the building. Amenities at the property include complimentary continental breakfast, outdoor swimming pool and whirlpool, poolside snack bar, beach access, fitness facility, business center, and 920 square feet of meeting space. Internet access is available throughout the property free of charge.

Guestrooms were renovated in 2010 and were updated with flat-screen TVs in 2011. Each of the 119 rooms is equipped with either a single king bed or two queen beds. King bedded guestrooms also include a sleep sofa. All guestrooms include a work desk, flat-screen TV, microwave, refrigerator, and other amenities typically associated with a limited service hotel. Gulf-front (ocean view) rooms feature a balcony.

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The property is operated as a Holiday Inn Express under a franchise agreement with Holiday Hospitality Franchising, Inc. dated as of April 8, 2008. The franchise agreement has an original 10-year term and will expire in June 2018. The franchise agreement stipulates a franchise fee of six percent (6%) of the hotel's gross rooms revenue payable monthly in advance. Along with the base franchise fee the franchisor charges a marketing and technology fee of $11.91 per guest room per month and a “services contribution” fee of three percent (3%) of the hotel's gross room revenues which are included in the marketing expense within the underwriting.

Historical Occupancy, ADR, RevPAR

	Competitive Set[1]			Holiday Inn Express Orange Beach[2]			Penetration Factor[3]		
Year	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2009	52.6%	$130.53	$68.67	65.4%	$146.05	$95.58	124.3%	111.9%	139.2%
2010	54.9%	$117.84	$64.66	62.5%	$131.08	$81.94	113.8%	111.2%	126.7%
2011	61.5%	$138.23	$85.07	71.8%	$149.88	$107.64	116.7%	108.4%	126.5%

(1) Competitive Set Data based upon information provided in the appraisal. Competitive set contains the following properties: Holiday Inn Express Orange Beach (119 rooms, opened in 1996), Sleep Inn Orange Beach (117 rooms, opened in 1994), Hilton Garden Inn Orange Beach (137 rooms, opened in 1997), Fairfield Inn and Suites Orange Beach (116 rooms, opened in 2008), Holiday Inn Express and Suites Gulf Shores (89 rooms, opened in 2009), and Hampton Inn and Suites Orange Beach (160 rooms, opened in 2011).
(2) Based on operating statements provided by the borrower.
(3) Penetration Factor is calculated based on data provided in the appraisal for the competitive set and based on operating statements provided by the borrower for the Holiday Inn Express Orange Beach.

Operating History and Underwritten Net Cash Flow

	2008	2009	2010	2011	Underwritten	Per Room	% of Total Revenue
Occupancy	67.5%	65.9%	64.7%	71.8%	71.8%		
ADR	$144.22	$143.41	$130.47	$142.45	$142.45		
RevPar	$97.33	$94.50	$84.41	$102.25	$102.25		
Room Revenue	$15,525,243	$15,073,359	$13,463,999	$16,309,824	$16,309,824	$37,322	97.0%
Other Revenue	547,734	547,324	456,034	510,582	510,582	1,168	3.0
Total Revenue	**$16,072,977**	**$15,620,683**	**$13,920,033**	**$16,820,406**	**$16,820,406**	**$38,491**	**100.0%**
Departmental Expenses	3,637,538	3,473,041	3,150,763	3,811,852	3,811,852	8,723	22.7%
Departmental Profit	**$12,435,439**	**$12,147,642**	**$10,769,270**	**$13,008,554**	**$13,008,554**	**$29,768**	**77.3%**
Operating Expenses	4,119,262	4,110,224	3,796,370	4,304,888	4,304,888	9,851	25.6
Gross Operating Profit	**$8,316,177**	**$8,037,418**	**$6,972,900**	**$8,703,666**	**$8,703,666**	**$19,917**	**51.7%**
Fixed Expenses	1,064,951	810,111	772,327	733,548	759,994	1,739	4.5
Management Fee	670,096	469,655	431,387	574,595	504,612	1,155	3.0
Franchise Fee	747,665	731,835	652,446	862,434	862,244	1,973	5.1
FF&E[1]	642,919	624,827	556,801	672,816	672,816	1,540	4.0
Total Other Expenses	**$3,125,631**	**$2,636,428**	**$2,412,961**	**$2,843,393**	**$2,799,666**	**$6,407**	**16.6%**
Net Operating Income	**$5,190,546**	**$5,400,990**	**$4,559,939**	**$5,860,273**	**$5,904,000**	**$13,510**	**35.1%**
Net Cash Flow	**$5,190,546**	**$5,400,990**	**$4,559,939**	**$5,860,273**	**$5,904,000**	**$13,510**	**35.1%**

(1) A 4% FF&E charge has been assumed for display purposes in each year from 2008 through 2011.

Property Management. The property is managed by Innisfree Hotels Inc., an affiliate of the sponsor.

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Escrows and Reserves. The borrowers deposited $135,644 in escrow for annual real estate taxes at loan origination and are required to escrow 1/12 of the annual estimated tax payments monthly, which currently equates to $24,329. The borrowers also deposited $185,685 in escrow for insurance at loan origination and are required to escrow (i) 1/12 of the annual insurance premiums monthly or (ii) to the extent any coverage is being maintained under a blanket insurance policy approved by lender, 1/12 of the product of (x) 125% and (y) the annual insurance premiums allocable to the properties in order to accumulate sufficient funds to pay all such insurance premiums. The current monthly escrow for insurance premiums equates to $46,421. If any of the insurance policies are subject to an approved premium finance agreement, the lender will release, absent an event of default, a portion of the insurance reserve allocable to the required payment under such agreement upon receipt of evidence that the borrowers have paid such amount for the succeeding quarterly period. The borrowers are required to deposit 4% of monthly gross revenues each month in the FF&E reserve. An upfront ground rent reserve in the amount of $35,000 (calculated as approximately 110% of the highest monthly percentage rent payment due under the ground lease in 2011) was taken at loan origination with respect to the Hilton Garden Inn – Orange Beach property. The borrowers are required to deposit on a monthly basis an amount sufficient to make the associated monthly payment under the ground lease, provided, however, so long as (i) no event of default or Cash Management Event (as defined below) has occurred and is continuing and (ii) the borrowers have paid all ground rent directly to the ground lessor and the borrowers provide the lender with evidence of the payment of the prior month's ground rent payment, the borrowers are not required to make deposits to the ground rent reserve. A seasonality reserve was also established at loan origination to fund shortfalls of mortgage and mezzanine loan debt service, reserves and operating expenses during low season at the properties. During the term of the loan, the borrowers will be required to make monthly deposits into the seasonality reserve during the high season months based upon the following schedule: May - $185,000, June - $185,000, July - $650,000, August - $650,000, and September - $180,000, with a cumulative amount of $1,850,000 being swept during the high season months. The franchise agreements for the Hilton Garden Inn – Orange Beach property and the Holiday Inn Express – Orange Beach property expire in July 2017 and June 2018, respectively. On the date that is 18 months prior to the expiration of the respective franchise agreements, all excess cash flow will be swept into a PIP reserve (a "PIP Reserve Trigger"). The lender will deposit into the PIP reserve all excess cash until such time as (i) the borrower has delivered either a renewal of the expiring franchise agreement or a replacement franchise agreement for that property in form and substance acceptable to the lender for a term of at least 10 years, (ii) the borrower has delivered, if required by the franchisor, an acceptable property improvement plan ("PIP"), (iii) the borrower has delivered an acceptable comfort letter from the applicable franchisor and (iv) 125% of the cost of the PIP, as determined based on the average of two cost bids for the PIP work acceptable to lender (the "PIP Reserve Amount"), is accumulated in the PIP reserve or deposited by borrower into the PIP reserve ((i) through (iv) the "Cure Conditions"). Upon determination of the PIP Reserve Amount, the borrower may request funds held in the FF&E reserve in excess of $1.0 million to be reallocated to such PIP reserve. Funds in the PIP reserve may be used to pay for all costs associated with the PIP. Upon receipt of documentation from the respective franchisor stating that all PIP work is complete, and satisfaction of the Cure Conditions, excess proceeds in the PIP reserve will first be used to refill the FF&E reserve to the extent funds were drawn from the FF&E reserve, and any excess proceeds after refilling the FF&E reserve will be released to the borrowers so long as no event of default or Cash Management Event has occurred and remains uncured.

Lock Box / Cash Management. The Innisfree Hotel Portfolio loan is structured with a CMA lockbox and springing cash management. Each account debtor and each credit card clearing bank will be required to remit all amounts due with respect to the property directly to a clearing account controlled by the lender during the term of the loan. All funds in the lockbox account are swept daily to the borrowers. Cash management will spring upon the occurrence of a "Cash Management Event", which will occur if and when: (i) an event of default occurs under the loan or the property management agreement ("Default Trigger"), (ii) DSCR for the properties falls below 1.215x ("DSCR Cash Management Trigger"), (iii) the property manager (or such manager's parent, if applicable) becomes insolvent and/or files for bankruptcy ("Manager Event") or (iv) a PIP Reserve Trigger occurs, as described under the heading "Escrows and Reserves" above. In the event that there is a Cash Sweep Event, all excess cash flow will be trapped. A "Cash Sweep Event" means the occurrence of (i) a Default Trigger, (ii) DSCR for the properties falls below 1.114x ("DSCR Sweep Trigger"), (iii) a Manager Event, or (iv) a PIP Reserve Trigger.

Release of Properties. The borrower has the right to a release of an individual property (a "Release Property") from the cross-collateralization provisions of the mortgage, a severance of the mortgage loan and a partial assumption of the portion of the mortgage loan to be secured by the Release Property, all in connection with a third-party, arms-length sale of the Release Property, provided the following conditions are met for the first release: (i) no event of default exists, (ii) a Combined LTV of the Release Property no greater than 63%, (iii) a Combined LTV of the remaining crossed properties no greater than 63%, (iv) a Combined DSCR of the Release Property no less than 1.43x, (v) a Combined DSCR of the remaining crossed properties no less than 1.43x, (vi) the purchaser of the Release Property assumes the relevant portion of the mortgage loan subject to the lender's customary loan assumption requirements, and (vii) payment of all other costs and expenses of the lender in connection with the release. The conditions for the second release are: (i) no event of default, (ii) a Combined LTV of the Release Property no greater than 60%, (iii) a Combined LTV of the remaining property no greater than 60%, (iv) a Combined DSCR of the Release Property no less than 1.50x, (v) a Combined DSCR of the remaining property no less than 1.50x, (vi) the purchaser of the Release Property assumes the relevant portion of the mortgage loan subject to lender's customary loan assumption requirements, and (vii) payment of all other costs and expenses of lender in connection with the release.

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The release of any property from the cross-collateralization provisions (as detailed above) will require the borrower to pay down the mortgage loan in an amount equal to 25% of the allocated loan amount for the Release Property and to pay a yield maintenance charge. In connection with the release of any property from the cross collateralization provisions, there will also be a similar requirement to pay down the mezzanine loan. The borrower must also pay for any assumption fees.

References to the "Combined LTV" and "Combined DSCR" in second preceding paragraph are references to the loan-to-value ratio and debt service coverage ratio, respectively, based upon the respective portions of the mortgage loan and mezzanine loan, collectively, that are to be directly or indirectly secured by either (i) the Release Property or (ii) the remaining property or properties, as the case may be.

Hilton Garden Inn Release Parcel. A 1.30 acre portion along the eastern portion of the Hilton Garden Inn – Orange Beach property is included in the collateral (the "HI PB Release Parcel"). The HI PB Release Parcel currently houses a miniature golf operation and landscaped areas. The HI PB Release Parcel may be released from the collateral upon request from the borrowers, without payment of any consideration, subject to certain conditions, including no event of default, proper subdivision, conformance with zoning, and other standard lender requirements.

Additional Debt. A mezzanine loan of $4.0 million secured by the equity interest in the borrower was provided by an affiliate of LCF. The mezzanine loan has a coterminous maturity with the mortgage loan. The total debt of $57.0 million will amortize based on a 30-year schedule. The mortgage loan and the mezzanine loan, together have a Cut-off Date LTV equal to 63.4%, a Maturity Date LTV equal to 53.8%, a UW DSCR equal to 1.43x and an UW NCF Debt Yield equal to 10.4%.