

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

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MICHAEL A. [unclear]  
RECORDER

**ASSUMPTION AND MODIFICATION AGREEMENT  
(Holiday Inn Express)**

This Assumption and Modification Agreement (the "Agreement") is executed this lot day of December, 2004 by and between MSW HOTELS, L.L.C., an Indiana limited liability company ("MSW"); HAMHIM, LLC, an Indiana limited liability company ("HAMHIM"); and FIFTH THIRD BANK (SOUTHERN INDIANA), as successor in interest to The Citizens National Bank of Evansville, a Michigan banking corporation ("Fifth Third").

WHEREAS, on October 24, 1994, MSW executed a certain Promissory Note in favor of Fifth Third in the principal amount of Two Million Two Hundred Thousand Dollars (\$2,200,000.00) (the "Note");

WHEREAS, on October 24, 1994, MSW executed a certain Real Estate Mortgage, Security Agreement and Assignment of Leases (the "Mortgage"), which Mortgage was recorded November 1, 1994 as Document No. 94074950 in the office of the Recorder of Lake County, Indiana.

WHEREAS, on October 24, 1994, MSW executed the following of additional documents in favor of Fifth Third: (1) Construction Loan Agreement ("Loan Agreement"); and (2) Environmental Certificate and Indemnity Agreement ("Environmental Agreement") (collectively, the Note, Mortgage, Loan Agreement and Environmental Agreement are referred to as the "Loan Documents");

WHEREAS, MSW has conveyed the real estate encumbered by the Mortgage (the "Real Estate") to HAMHIM by Warranty Deed dated January 1, 2003, and recorded February 17, 2004 as Document No. 2004-013599 in the office of the Recorder of Lake County, Indiana;

WHEREAS, HAMHIM has agreed to assume all of the obligations of MSW under the Loan Documents;

WHEREAS, MSW, HAMHIM and Fifth Third have also agreed to the following changes to the Note: (a) the maturity date of the Note shall be extended from May 1, 2005 to December 31, 2008; and (b) the interest rate shall be lowered from Fifth Third Prime Rate (as defined in the Note) plus one percent (1%) to Fifth Third Prime Rate plus one-half percent (0.5%).

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NOW THEREFORE, for and in consideration of the foregoing, the continued financing provided by Fifth Third to MSW and HAMHIM, and other good and valuable consideration, the parties agree as follows:

1. Assumption; Release. HAMHIM accepts and assumes each and every obligation and liability of MSW under the Loan Documents. Fifth Third acknowledges and agrees to the assumption of obligations by HAMHIM. Further, Fifth Third agrees that MSW is hereby released from any obligations and liabilities due under the Loan Documents.
2. Extension of Maturity Date; Interest Rate Change. Fifth Third agrees that the Maturity Date of the Note is hereby extended from May 1, 2005 to December 31, 2008. The interest rate applicable to the Note prior to an event of default is also reduced from Fifth Third Prime Rate plus one percent (1%) to the Fifth Third Prime Rate plus one-half percent (0.50%) as subject to change daily by Fifth Third.
3. Reaffirmation of Loan Documents. Except as expressly modified hereunder, HAMHIM and MSW confirm and ratify all warranties, representations, definitions, provisions, conditions, terms, covenants and agreements set forth in the Loan Documents.
4. Approvals and Consents. MSW and HAMHIM represent and warrant to Fifth Third that they have obtained all approvals and consents required in connection with the transfer of the Real Estate to HAMHIM and the future operation of the business of MSW by HAMHIM on the Real Estate, including, but not limited to, all franchise consents and approvals related to the operation of the Holiday Inn Express Hotel. MSW and HAMHIM have provided Fifth Third with copies of the documents evidencing all such consents. In addition, MSW and HAMHIM represent and warrant that the transfer of the Real Estate to HAMHIM does not violate the terms or conditions of any license, permit, contract, agreement or any other obligation binding upon MSW or HAMHIM.
5. No Defaults, Defenses, etc. MSW represents and warrants to Fifth Third that (a) as of the date of this Agreement, there exists no event of default under any of the Loan Documents, or any condition that, with the giving of notice or lapse of time, or both, would constitute an event of default under any of the Loan Documents; (b) MSW has no defenses, setoffs or other claims against Fifth Third or any of the Loan Documents or any agreement, instrument, document or event executed or occurring in connection therewith; and (c) following the conveyance of the Real Estate by MSW to HAMHIM, HAMHIM holds good and valid fee simple title to the Real Estate, subject only to the lien of the Mortgage, the lien of real estate taxes not yet due or delinquent, and all other matters described in ALTA Loan Policy of Title Insurance No. 04-77-858, issued by Chicago Title Insurance Company with an effective date of November 2, 1994 at 8:00 A.M.
6. Costs and Expenses. HAMHIM hereby agrees to promptly reimburse Fifth Third upon demand for all costs and expenses incurred by Fifth Third in connection with this Agreement, including but not limited to all premiums and fees of any title insurance company, all recording fees and all fees and expenses of Fifth Third's counsel. In addition, HAMHIM shall pay Fifth Third the sum of \$425.00 as a documentation fee for the modification of the Note and the separate promissory note related to Hampton Inn in Merrillville, Indiana.

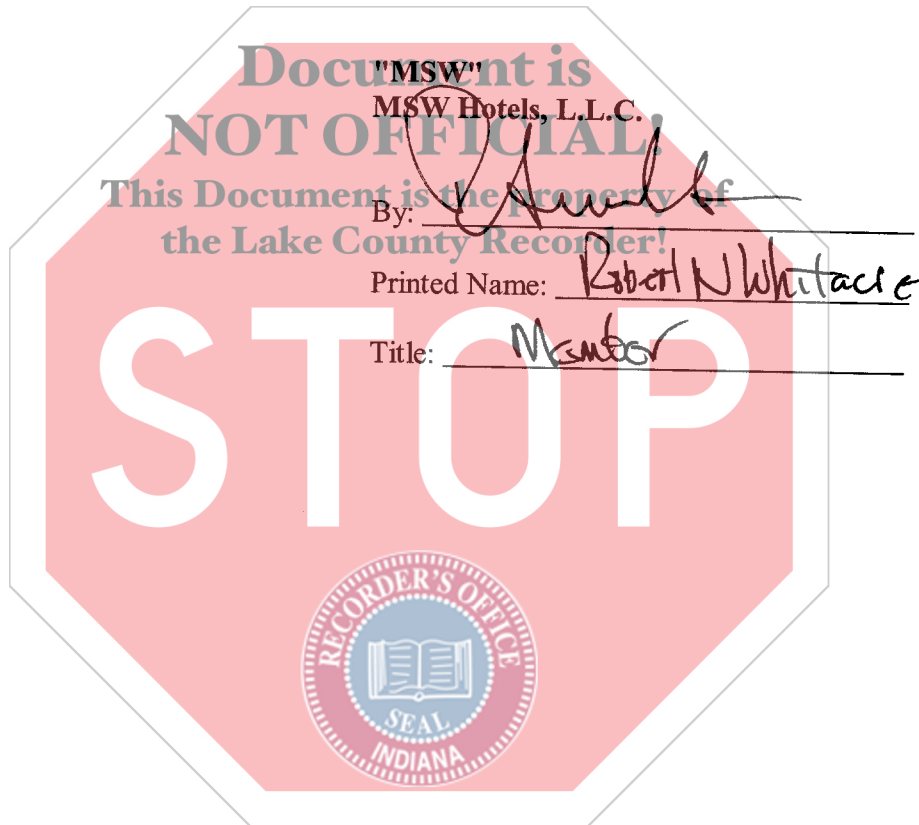
7. Authority. The undersigned persons have executed this Agreement in the representative capacity indicated below, certify and represent to each other that the undersigned is duly authorized by all action necessary for the represented entity to execute and deliver this Agreement and that this Agreement constitutes a legal, valid and binding obligation of the entity represented by the undersigned.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representative to be effective as of the day and year first written above.

"HAMHIM"  
HAMHIM, LLC

By: White~~s~~ Lodging Services Corporation  
Its: Manager

By: Lawrence E. Burnell  
Lawrence E. Burnell, Chief Operating Officer



"Fifth Third"

Fifth Third Bank (Southern Indiana)

By: [Signature]

Printed Name: DAN TURBEN

Title: VP

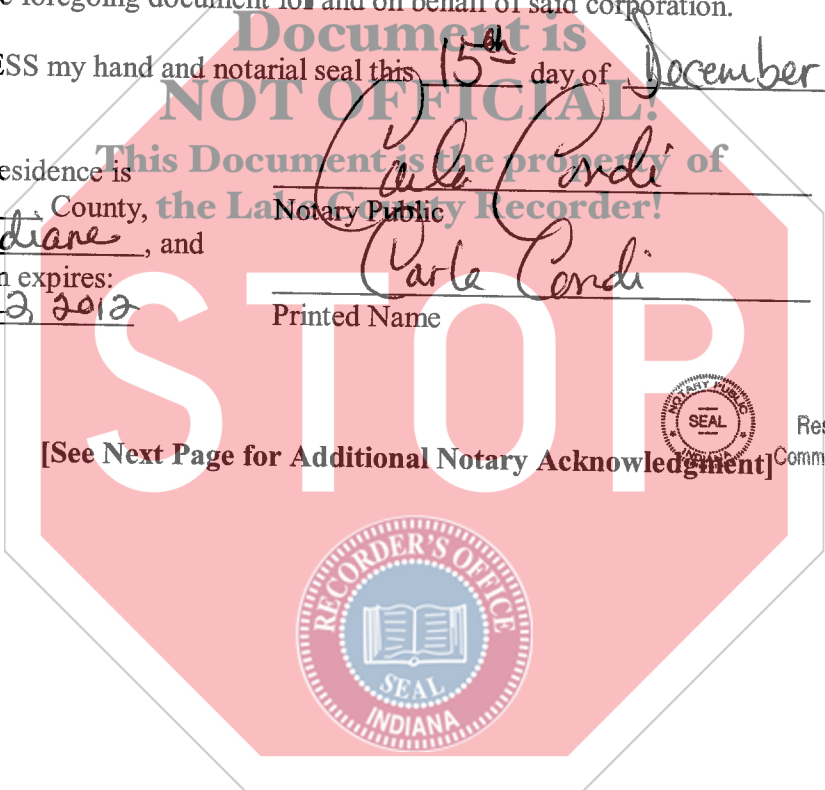
STATE OF Indiana )  
COUNTY OF Wanderburgh ) SS:

Before me, the undersigned Notary Public in and for said County and State, came **FIFTH THIRD BANK (SOUTHERN INDIANA)**, a Michigan banking corporation, by Dan Turben, its Vice-president, who, as such officer, acknowledged the execution of the foregoing document for and on behalf of said corporation.

WITNESS my hand and notarial seal this 15<sup>th</sup> day of December, 2004.

My county of residence is Posey County,  
State of Indiana, and  
My commission expires: January 22, 2012

[Signature]  
Notary Public  
[Signature]  
Printed Name



CARLA CONDI  
Resident of Posey County IN  
Commission Expires January 22, 2012

[See Next Page for Additional Notary Acknowledgment]



STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

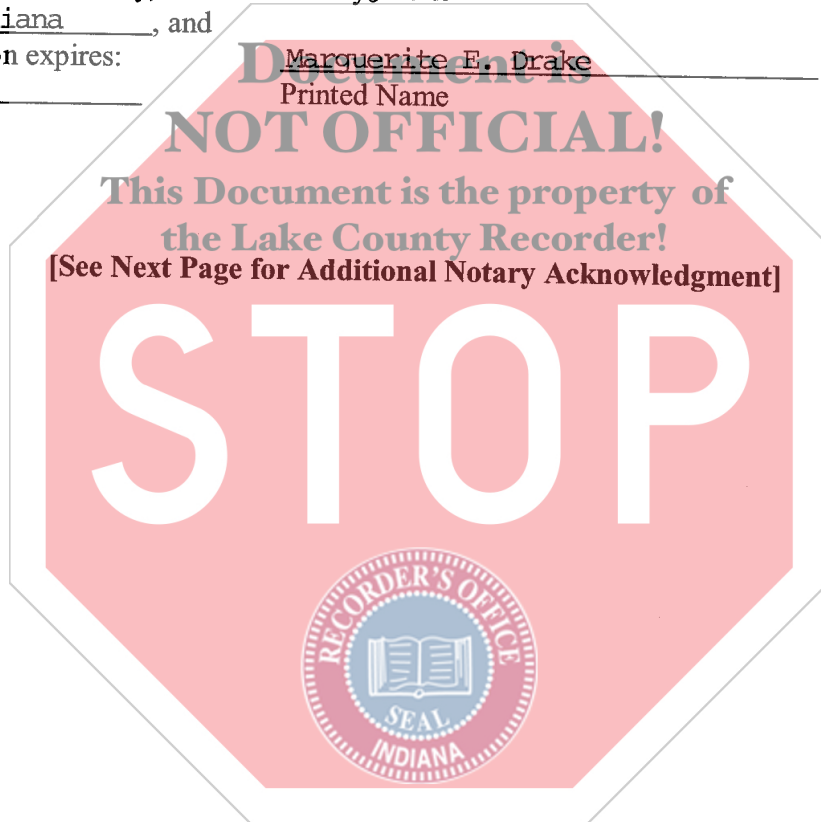
Before me, the undersigned Notary Public in and for said County and State, came **HAMHIM, LLC**, an Indiana limited liability company, by **White Lodging Services Corporation**, an Indiana corporation and the Manager of said limited liability company, by Lawrence E. Burnell, its COO, who, as such officer, acknowledged the execution of the foregoing document for and on behalf of said corporation as the Manager of said limited liability company.

WITNESS my hand and notarial seal this 11th day of November, 2004.

My county of residence is  
Lake County,  
State of Indiana, and  
My commission expires:  
02/26/09

Marguerite E. Drake  
Notary Public

Marguerite E. Drake  
Printed Name



STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

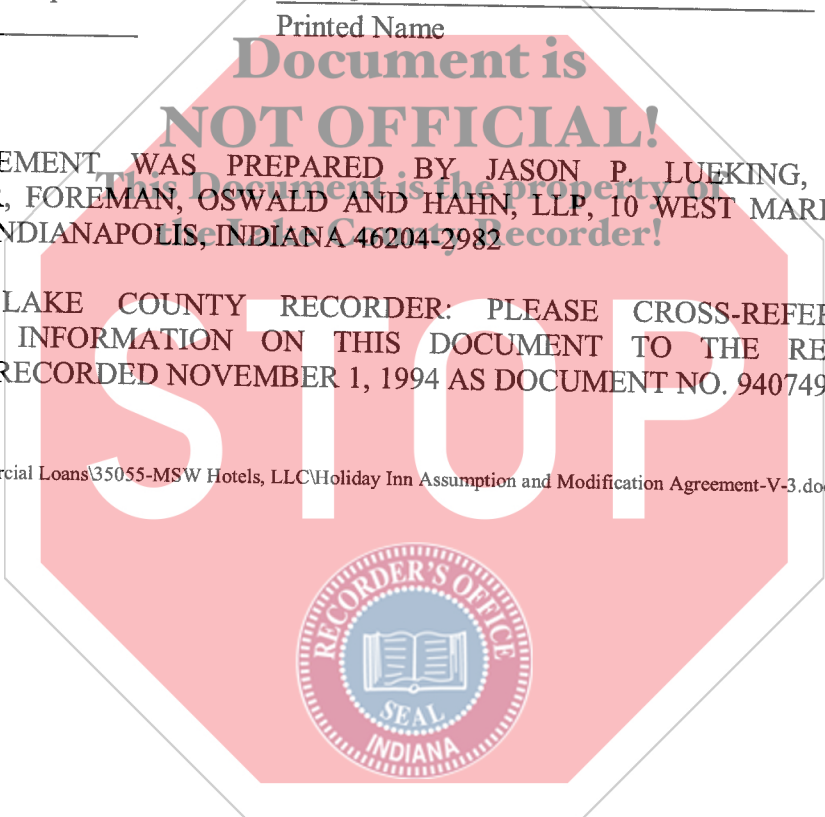
Before me, the undersigned Notary Public in and for said County and State, came **MSW Hotels, L.L.C.** an Indiana limited liability company, by Robert N. Whitacre, its member, who, as such member, acknowledged the execution of the foregoing document for and on behalf of said company.

WITNESS my hand and notarial seal this 11th day of November, 2004.

My county of residence is  
Lake County,  
State of Indiana, and  
My commission expires:  
02/26/09

  
Notary Public

Marguerite E. Drake  
Printed Name



THIS AGREEMENT WAS PREPARED BY JASON P. LUEKING, ATTORNEY, BAMBERGER, FOREMAN, OSWALD AND HAHN, LLP, 10 WEST MARKET STREET, SUITE 2950, INDIANAPOLIS, INDIANA 46204-2982

NOTE TO LAKE COUNTY RECORDER: PLEASE CROSS-REFERENCE THE RECORDING INFORMATION ON THIS DOCUMENT TO THE REAL ESTATE MORTGAGE RECORDED NOVEMBER 1, 1994 AS DOCUMENT NO. 94074950.

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