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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2006 066393

2006 AUG -1 PH 3: 01

Courtyard, Hammond, Indiana
Hotel #43

MICHAEL A. BROWN
RECORDER

Prepared By:
~~**And After Recording Return To:**~~
Courtney G. Capute, Esquire
Venable LLP
1800 Mercantile Bank and Trust Building
Two Hopkins Plaza, Suite 1800
Baltimore, Maryland 21201
(410) 244-7531

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT
(for Management Agreement)

Document is
NOT OFFICIAL!
By and Between

RLJ II - C HAMMOND LESSEE, LLC,
a Delaware limited liability company and
RLJ II - C HAMMOND, LLC,
a Delaware limited liability company
(collectively, "Owner")

and

WHITE LODGING SERVICES CORPORATION,
an Indiana corporation, ("Manager")

and

WACHOVIA BANK, NATIONAL ASSOCIATION
("Lender")

602-
CK1867014501
LD

Return to:
LandAmerica Financial Group, Inc.
Attn: Dennis Vendetti Asset #43
1015 15th Street NW, Suite 300
Washington, DC, 20005

PREPARED BY:

Above Space for Recorder's Use Only

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

(for Management Agreement)

This Subordination, Non-Disturbance and Attornment Agreement (this "Agreement") effective as of the Effective Date set forth on Schedule 1, by and among RLJ II – C HAMMOND LESSEE, LLC, with an address as set forth on Schedule 1 attached hereto and RLJ II – C HAMMOND, LLC [fee owner], with an address as set forth on Schedule 1 attached hereto (hereinafter collectively called "Owner"), WHITE LODGING SERVICES CORPORATION, an Indiana corporation with an address as set forth on Schedule 1 attached hereto (hereinafter "Manager"), and the Lender identified on and with an address as set forth on Schedule 1 attached hereto (hereinafter "Lender"),

WITNESSETH:

WHEREAS, Owner and Manager have entered into the Management Agreement described on Schedule 1 (together with any amendments, restatements, renewals, modifications, supplements, replacements or extensions thereof, herein referred to as the "Management Agreement") pursuant to which Manager will manage and operate the Hotel described on Schedule 1 (the "Hotel"), located on the Premises described on Schedule 1 (the "Premises");

WHEREAS, Lender is the holder of the Mortgage described on Schedule 1, which encumbers Owner's interest in the Hotel and Premises (such Mortgage, together with (x) any amendments, restatements, renewals, modifications, supplements, replacements or extensions of thereof and (y) any existing or future financing by Lender that is wholly or partially secured by the Hotel and/or the Premises, including, without limitation, any "blanket mortgage" encumbering properties other than the Hotel and the Premises, herein referred to the "Mortgage");

WHEREAS Owner, Manager and Lender desire to confirm certain understandings with respect to the Management Agreement and the Mortgage and, subject to the provisions hereof, to subordinate the Management Agreement to the Loan Documents described on Schedule 1 (the "Loan Documents").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained Owner, Manager and Lender hereby agree and covenant as follows:

1. **Subordination.** Subject to the provisions hereof (including, without limitation, Section 5 below), the Management Agreement and all of Manager's rights and options thereunder (including, without limitation, any and all right, title and interest of Manager in and to the Hotel and/or the Premises under the Management Agreement) shall be subject and subordinate to the lien of the Mortgage and the lien of any other Loan Documents.
2. **Owner Consent.** Owner agrees to all matters contained in this Agreement insofar as the same affect its interests, and also agrees to furnish Lender, immediately upon receipt or dispatch of same, with copies of all notices which either Manager or Owner send to each other.
3. **Assurances.** The Manager hereby represents and warrants that as of the date hereof, except as may be set forth on Schedule 1: (a) it is now the holder of the Manager's interest in the Management Agreement, and that said Manager's interest in the Management Agreement and its execution of this Agreement is not subject to any consents or approvals of any third party; (b) the Management Agreement is now in full force and effect; (c) the Management Agreement, as described on Schedule 1, has not been modified or amended; (d) Owner is not in default in the observance and/or performance of any of the obligations under the Management Agreement required to be observed and performed by Owner; (e) to Manager's knowledge, no event has occurred, which, with the passing of time or the giving of notice or both would constitute a default under the Management Agreement; (f) all payments due pursuant to the Management Agreement to and including the date hereof (including, without limitation, any amounts payable by Owner to Manager for working capital or other needs pursuant to the Management Agreement) have been paid in full; (g) Manager acknowledges that the Mortgage and other Loan Documents are valid and effective; and (h) as of the date hereof, Manager has entered into no agreements with respect to the Hotel and/or the Premises that have a term longer than one (1) year and would be binding upon any Successor Owner (hereinafter defined) in the event a Successor Owner acquires title to the Premises by Foreclosure (hereinafter defined). As used in this Agreement: (i) the term "Successor Owner" means any individual or entity that acquires title to or possession or control of the Hotel and/or Premises

at or through a Foreclosure (together with any successors or assigns thereof), including, without limitation, (A) Lender, (B) any purchaser of the Premises from Lender, or any lessee of the Premises from Lender, or (C) any purchaser of the Premises at Foreclosure, as applicable; and (ii) the term "Foreclosure" means any exercise of the remedies available to the holder of the Mortgage, upon a default under the Mortgage (or any other Loan Document), which results in a transfer of title to or control or possession of the Premises, and the term "Foreclosure" shall include, without limitation, (A) a transfer by judicial foreclosure, (B) a transfer by deed in lieu of foreclosure, (C) the appointment by a court of a receiver to assume possession of the Premises, (D) a transfer of the direct or indirect ownership or control of Owner, by exercise of a stock pledge or otherwise, (E) a transfer resulting from an order given in a bankruptcy, reorganization, insolvency or similar proceeding, (F) if title to the Premises is held by a tenant under a ground lease, an assignment of the tenant's interest in such ground lease, and (G) a transfer through any similar judicial or non judicial exercise of the remedies held by the holder of the Mortgage.

4. **Modifications.** Manager agrees to the following modifications to the Management Agreement during the term of the Loan and thereafter if a Successor Owner shall acquire title or control of the Premises through foreclosure or deed in lieu of foreclosure, and Lender shall be a third party beneficiary of the Management Agreement as so amended: (a) no amendment, supplement or other modification, including, without limitation, any change in economic terms, shall be made to the Management Agreement except in each case upon the express written consent of Lender (not to be unreasonably withheld, conditioned or delayed); (b) the Manager shall not enter into any leases or concession arrangements or other agreements affecting the Hotel or the Premises that require Owner's approval pursuant to the terms of the Management Agreement, except upon prior written notice to Lender and prior written consent of Lender (not to be unreasonably withheld, conditioned or delayed), and Manager shall so notify Lender at the same time Manager requests such approval from Owner; and (c) Manager hereby acknowledges and agrees that all funds of Owner held by Manager (including, without limitation, FF&E Reserve funds, working capital funds and other operating funds) are held by Manager subject to Lender's security interest in such funds and Manager will cooperate with Lender in order for Lender to obtain perfection of its security interest in Owner's interest in such funds and Manager acknowledges it shall not commingle any of Owner's funds with funds of any other party without the express prior written consent of Lender. Lender's consent to any leases or concession arrangements or other agreements affecting the Hotel or the Premises referred to in clause (b) of the immediately preceding sentence shall be deemed given if (i) the first correspondence from Manager to

Lender requesting such consent is in an envelope marked "PRIORITY" and the correspondence contains a bold-faced, conspicuous legend at the top of the first page thereof stating that "IF YOU FAIL TO RESPOND TO OR TO EXPRESSLY DENY THIS REQUEST FOR APPROVAL IN WRITING WITHIN TEN (10) BUSINESS DAYS, YOUR APPROVAL MAY BE DEEMED GIVEN", and is accompanied by the document with respect to which Lender's consent is requested and any other information reasonably requested by Lender in writing prior to the expiration of such ten (10) business day period in order to adequately review the same has been delivered and (ii) Lender fails to respond or to expressly deny such request for consent in writing within such ten (10) business day period and a second notice is delivered to Lender from Manager in an envelope marked "PRIORITY" and the correspondence requesting such consent containing a bold-faced, conspicuous legend at the top of the first page thereof stating that "IF YOU FAIL TO RESPOND TO OR EXPRESSLY DENY THIS REQUEST FOR APPROVAL IN WRITING WITHIN FIVE (5) BUSINESS DAYS, YOUR APPROVAL SHALL BE DEEMED GIVEN" and Lender fails to respond or to expressly deny such request for approval within the five (5) business day period.

5. *Nondisturbance.* If any Successor Owner comes into possession of or acquires title to or possession or control of the Premises either at or following a Foreclosure, Lender agrees (which agreement shall be binding on all Successor Owners) that if, at such time, (a) the Management Agreement (including, without limitation, any extensions or renewals thereof) is in force and effect, and (b) Manager is not in Default (after giving effect to any applicable grace or cure period) in the payment of amounts due Owner under the Management Agreement or in the performance of any of the terms, covenants or conditions of the Management Agreement on Manager's part to be performed which would entitle Owner to terminate the Management Agreement, then Lender will recognize the rights of Manager under the Management Agreement (subject to the terms of this Agreement) and will not (i) take any action to disturb Manager's possession and occupancy of the Premises, or Manager's operation of the Hotel, pursuant to the provisions of the Management Agreement (including, notwithstanding the terms of that certain (x) Rent Account Agreement and (y) Recurring Replacement Account Agreement among Lender, Owner, and LaSalle Bank National Association both of even date herewith, Manager's access to funds needed for the Hotel's operating and the payment of Manager's fees) (but Lender may exercise rights pursuant to this Agreement), or (ii) unless required by applicable law (but provided such joinder will not result in the termination of the Management Agreement), join Manager as a party defendant in any Foreclosure action or proceeding. Notwithstanding the foregoing, if, at anytime following a Foreclosure, Manager shall be in default under the Management Agreement, Successor Owner shall have such rights and

remedies of Owner against Manager as may be available under the Management Agreement with respect to such default.

6. **Attornment.** If any Successor Owner comes into possession of or acquires title to or possession or control of the Premises either at or following a Foreclosure, Manager shall attorn to the Successor Owner, shall recognize the Successor Owner as "Owner" under the Management Agreement and shall remain bound by all of the terms, covenants and conditions of the Management Agreement for the balance of the remaining term thereof (and any renewals or extensions thereof which may be effected in accordance with the terms thereof) with the same force and effect as if the Successor Owner were the "Owner" under the Management Agreement, subject to the provisions of the Management Agreement and this Agreement. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of any of the parties hereto. Manager agrees, however, to execute and deliver at any time and from time to time, upon the request of Owner or Lender or any such Successor Owner any instrument or certificate which may reasonably be necessary or appropriate in any Foreclosure proceeding or otherwise to evidence such attornment. In addition, upon the written request of Lender, Manager shall periodically execute and deliver a statement, in a form reasonably satisfactory to Lender, reaffirming Manager's obligation to attorn as set forth in this Section 6. Notwithstanding the foregoing, subject to the terms of Section 7 and Section 8, the parties acknowledge and agree that nothing in this Agreement shall restrict Manager's ability to terminate the Management Agreement in accordance with the terms thereof (and to the extent that Manager has such rights under the Management Agreement) in the event of a default in the performance of any of the terms, covenants or conditions of the Management Agreement on Owner's part to be performed, either with respect to events of default by Owner which occur prior to the date on which the Successor Owner acquires the Premises upon any Foreclosure or from and after the date on which the Successor Owner acquires the Premises following a Foreclosure.
7. **Limited Responsibility.** If any Successor Owner acquires the Premises upon any Foreclosure, (i) such Successor Owner shall have the same rights and remedies for any breach of the Management Agreement by Manager as would be available to Owner under the Management Agreement if such Successor Owner had not succeeded to the interest of Owner, and (ii) such Successor Owner shall not be subject to any liability or obligation under the Management Agreement or otherwise unless and until such Successor Owner shall have acquired the interest of Owner in the Premises by Foreclosure, and then only to the extent of liabilities or obligations of Owner accruing subsequent to the date that such Successor Owner has

acquired the Premises as a result of such Foreclosure. In furtherance of the foregoing, such Successor Owner shall not be:

- (a) responsible for any obligation of Owner under the Management Agreement relating to any period prior to the date on which such Successor Owner shall have acquired the interest of Owner in the Premises by Foreclosure; or
- (b) liable for any action or omission of any prior owner (including Owner); or
- (c) subject to any offsets or defenses which Manager might have against any prior owner (including Owner), specifically including without limitation, any set off rights Manager may have pursuant to the Management Agreement as to any revenues or Owner's deposits held by Manager with respect to obligations of the Owner arising prior to the date on which such Successor Owner shall have acquired the Premises by Foreclosure; provided, however, that Manager's rights to offsets under the Management Agreement for obligations and defenses which arise subsequent to the date that such Successor Owner acquires the Premises by Foreclosure shall not be affected by this Section 7(b); or
- (d) bound by any amendment, supplement or other modification of the Management Agreement made without its prior written consent as required by Section 4 hereof; or
- (e) personally liable for any default under the Management Agreement or any covenant on its part to be performed thereunder as Owner, it being acknowledged that Manager's sole remedy in the event of such default shall be to exercise Manager's rights against Lender or such Successor Owner, as the case may be, as Owner, pursuant to the terms of the Management Agreement, provided that recovery of any damages against Lender or such Successor Owner, as the case may be, shall be limited to Lender's or such Successor Owner's, as the case may be, interest in the Premises.

Upon any assignment or other transfer of Successor Owner's interest in the Premises, the transferor Successor Owner shall be discharged and released from any obligation or liability under the Management Agreement arising or accruing after the date of such assignment or transfer by such transferor.

8. ***Notice of Default; Opportunity to Cure.*** Manager agrees to give Lender written notice of any default by Owner under the Management Agreement at the same time as Manager gives written notice to the Owner. Lender

shall be entitled, but shall not be obligated, to remedy the default of the Owner within thirty (30) days (but with respect to defaults which can be cured by the payment of money, within ten (10) business days) after expiration of the applicable cure period available to the Owner as set forth in the Management Agreement (or if no such cure period is specified, within thirty (30) days (but with respect to defaults which can be cured by the payment of money, within ten (10) business days) after receipt of Manager's written notice of such default); provided, however, the parties agree that if Lender notifies Manager of Lender's intent to cure such default within such cure period allowed Lender and such default is not reasonably capable of being cured by Lender within such cure period allowed Lender, Lender shall have such reasonable additional period as may be necessary to cure such default under the Management Agreement, provided Lender promptly commences such cure and proceeds with due diligence to complete the action necessary to cure such default (including efforts to gain control of the Premises to the extent necessary). Manager shall forbear from taking any action to terminate the Management Agreement on account of such default during any period during which Lender has the right to cure such default. Notwithstanding anything to the contrary, Lender shall in no event be obliged to cure a default which is personal to Owner and, therefore, not reasonably susceptible of cure by Lender. No notice given by Manager to Owner shall be effective as a notice under the Management Agreement unless the applicable duplicate notice to Lender which is required under this Section 8 is given to Lender in accordance with this Agreement; provided, however, it is understood that any failure by Manager to give such a duplicate notice to Lender shall not be a default by Manager either under this Agreement or under the Management Agreement, but rather shall operate only to void the effectiveness of any such notice by Manager to Owner under the Management Agreement. Manager agrees to accept performance by Lender with the same force and effect as if same were performed by Owner, in accordance with the provisions and within the cure periods prescribed in the Management Agreement (except that Lender shall have such additional cure periods, not available to Owner, as are set forth in this Section 8). Except as specifically limited in this Section 8 or Section 7, nothing herein shall preclude Manager from exercising any of its rights or remedies against Owner with respect to any default by Owner under the Management Agreement. Lender shall provide Manager with a courtesy copy of any notice of default by Owner under the Mortgage or other Loan Documents sent to Owner after hotel operations have commenced at the Premises, but failure to do so shall not invalidate any notice as against Owner.

9. ***Assignment of Revenues; Payment of Owner's Revenues.***

(a) Owner has, pursuant to the applicable provisions of the Mortgage and the Loan Documents, collaterally assigned to Lender, as additional security for the indebtedness evidenced by the Mortgage, all of Owner's right, title and interest in and to the Management Agreement, including the right to distributions payable to Owner pursuant to the Management Agreement. Manager hereby acknowledges that it has been given a copy of the foregoing assignment and consents to such assignment. In addition, in consideration for the execution of this Agreement by Lender in favor of Manager, Manager hereby agrees that (i) the Loan shall be deemed to be a Qualified Loan for purposes of Sections 4.03.A, 5.02.A, 8.01.A.3, 8.02, 10.01.C and Schedule 1, paragraph 16 of the Management Agreement, as well as item 16 of Schedule 1 of the Management Agreement and (ii) Lender shall be deemed to be a "Qualified Lender" under and within the meaning set forth in the Management Agreement. In the event Manager receives written notice from Lender (which Lender may give from time to time) that amounts due Owner under the Management Agreement are to be paid to Lender (or as directed by Lender in such written notice) pursuant to the terms of such assignment (or subsequent loan documentation entered into between Owner and Lender with a similar purpose), Manager shall pay to Lender, or in accordance with the directions of Lender, all revenues and other monies due or to become due to Owner under the Management Agreement, and Owner hereby expressly authorizes Manager to make such payments to Lender, or as otherwise directed by Lender, and hereby releases and discharges Manager of and from any liability to Owner on account of any such payments (such authorization by Owner shall be deemed to be irrevocable until the entire debt secured by the Mortgage has been discharged, as evidenced either by the recordation of a satisfaction or release executed by Lender, or by the delivery of a written statement to that effect from Lender to Manager). Manager shall continue to make payments in compliance with any such written notice from Lender until Manager receives subsequent written notice to the contrary from Lender, in which event Manager shall make payment in compliance with such subsequent written notice. It is understood that Manager shall comply with the direction set forth in any such notice from Lender without any necessity to investigate the reasons for such notice.

(b) From and after the date of this Agreement, until directed by Lender otherwise pursuant to Section 9(a), Manager shall deliver all revenues and other monies due or to become due to Owner under

the Management Agreement to the account at the Bank identified on Schedule 1.

- (c) Manager acknowledges and agrees that (i) Manager is collecting and processing the gross revenues of the Hotel and Premises ("Gross Revenues") under the Management Agreement solely on behalf of Owner, (ii) such Gross Revenues are the sole property of Owner, encumbered by the lien of the Mortgage and other Loan Documents in favor of Lender, and (iii) Manager has no right, title or interest in or to such Gross Revenues except as expressly provided in the Management Agreement, or at law or equity. In any bankruptcy, insolvency or similar proceeding, the Manager, or any trustee acting on behalf of the Manager, waives any claim to such Gross Revenues other than pursuant to the terms and conditions of the Management Agreement or at law or equity. Notwithstanding anything herein to the contrary, as long as the Management Agreement has not expired or otherwise been earlier terminated in accordance with its terms, the parties agree that as long as Manager is operating and managing the Premises in accordance with the terms of the Management Agreement, Manager shall not be disturbed in its right to utilize the Gross Revenues pursuant to the provisions of the Management Agreement.

10. **No Impairment.** Nothing herein contained is intended, nor shall it be construed, to abridge or adversely affect any right or remedy of Owner under the Management Agreement in the event of any default by Manager in the performance of any of the terms, covenants or conditions of the Management Agreement. Nothing contained in this Agreement shall in any way impair or affect the lien created by the Mortgage.
11. **Estoppel Certificate.** Manager shall, at any time and from time to time upon, within twenty (20) days after written request from Lender, execute, acknowledge and deliver to Lender, or to any third party specified by Lender, a statement in writing: (A) certifying (i) that the Management Agreement is unmodified and in full force and effect (or if there have been modifications, that the Management Agreement, as modified, is in full force and effect and stating the modifications), (ii) the date through which fees due Manager under the Management Agreement have been paid, (iii) amounts, if any, payable by Owner to Manager for working capital or other needs pursuant to the Management Agreement, and (iv) the date of the commencement of the term of the Management Agreement; (B) stating whether or not to the best knowledge of Manager (i) there is any default, or state of facts which with the passage of time or giving of notice or both would constitute a default, by either party to the Management Agreement in the performance or observance of any covenant, agreement or condition

contained in the Management Agreement, and, if so, specifying each such default or occurrence of which Manager may have knowledge; and (C) stating such other matters as Lender may reasonably request. Such statement shall be binding upon Manager and may be relied upon by Lender and/or such third party specified by Lender as aforesaid.

12. **Notices.** Any notice or communication required or permitted hereunder shall be given in writing, sent by hand delivery or by nationally recognized overnight courier, addressed to the recipient party at its address set forth on Schedule 1, or to such other address or in the care of such other person as hereafter shall be designated in writing by the applicable party and shall be deemed to have been given as of the date of receipt.
13. **Authority.** Manager is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has the corporate power and authority and the legal right to execute and deliver, and to perform its obligations under this Agreement and has taken all necessary limited liability company action to authorize its execution, delivery and performance of this Agreement.

14. **Miscellaneous.**

(a) This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.

(b) This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns, and any Successor Owner, and their respective heirs, personal representatives, successors and assigns; provided, however, that in the event of the assignment or transfer of the interest of Lender to a party that assumes Lender's obligations and liabilities hereunder, all obligations and liabilities of the transferor Lender under this Agreement arising or accruing after the date of such assignment or transfer shall terminate, and thereafter all such obligations and liabilities shall be the responsibility of the party to whom Lender's interest is assigned or transferred.

(c) Notwithstanding anything herein to the contrary, the commencement and prosecution of Foreclosure proceedings under the Mortgage is a matter entirely within the discretion of Lender.

(d) In the event the Management Agreement shall be amended, modified or supplemented, the Management Agreement, as so amended, modified or supplemented, shall continue to be subject to the provisions of this Agreement without the necessity of any further act by the parties hereto.

(e) If any term, covenant or condition of this Agreement is held to be invalid, illegal or unenforceable in any respects, all other terms and conditions of this Agreement shall remain in full force and effect.

(f) The waiver by any party of the performance of any covenant, condition or promise shall not invalidate this Agreement and shall not be considered a waiver of any other covenant, condition or promise. No such waiver shall constitute a waiver of the time for performing any other act or identical act required to be performed at a later time. The exercise of any remedy provided in this Agreement shall not constitute a waiver of any remedy provided by law or in equity, and the provision in this Agreement of any remedy shall not exclude any other remedy unless such remedy is expressly excluded hereby.

(g) This Agreement and its validity, interpretation and enforcement shall be governed by the laws of the state in which the Premises is located.

(h) Captions are for convenience in reference only and shall not be used to limit the interpretation of any provision of this Agreement.

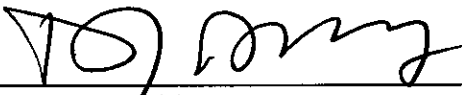
(i) Capitalized terms not defined in this Agreement shall have the meanings set forth in the Management Agreement. As used in this Agreement, the term "Lender" means: (i) the entity identified as the "Lender" in the preamble; (ii) any successors or assigns of that entity, including, without limitation, any trustee in a "Securitization" (as defined in the Mortgage); (iii) any nominee or designee of that entity (or any other entity described in this definition); (iv) any initial or subsequent assignee of all or any portion of the interest of that entity in the Mortgage; or (v) any entity that is a participant in the financing secured by the Mortgage or that otherwise acquires an equitable interest in the Mortgage or the financing secured by the Mortgage.

15. ***Entire Agreement.*** This Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto (including the Management Agreement) and together with any instruments to be executed and delivered pursuant to this Agreement, constitutes the entire agreement between the parties with respect to the matters herein contained and supersedes all prior understandings and writings with respect to the matters herein contained, and may be changed only by a written non-electronic instrument that has been duly executed by the non-electronic signature of an authorized representative of the parties hereto. In the event of any inconsistency in or conflict of the terms of this Agreement with the terms of the Management Agreement, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be duly executed as of the day and year first above written.


“OWNER”

RLJ II – C HAMMOND LESSEE, LLC,
a Delaware limited liability company

By: 
Name: Thomas J. Baltimore, Jr.
Title: President



RLJ II – C HAMMOND, LLC,
a Delaware limited liability company

By: 
Name: Thomas J. Baltimore, Jr.
Title: President



“MANAGER”

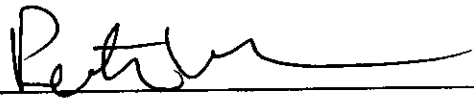
WHITE LODGING SERVICES
CORPORATION, an Indiana corporation

By: *Lawrence E. Burnell*
Name: Lawrence E. Burnell
Title: Chief Operating Officer



'LENDER'

WACHOVIA BANK, NATIONAL
ASSOCIATION

By: 
Name: Pietro Scola
Title: Managing Director



DISTRICT OF COLUMBIA)
) SS.

The foregoing instrument was acknowledged before me this 6th day of June, 2006, by Thomas J. Baltimore, Jr., President of RLJ II - C HAMMOND LESSEE, LLC, on behalf of the company.

Deborah A. Crouse
NOTARY PUBLIC

Print Name: Deborah J. Crouse

My commission expires: December 14, 2009



DISTRICT OF COLUMBIA)
) SS.

The foregoing instrument was acknowledged before me this 6th day of June, 2006, by Thomas J. Baltimore, Jr., President of RLJ II - C HAMMOND, LLC, on behalf of the company.

Deborah J. Crouse
NOTARY PUBLIC

Print Name: Deborah J. Crouse

My commission expires: December 14, 2009



COMMONWEALTH OF VIRGINIA)

COUNTY OF FAIRFAX)

SS:

The foregoing instrument was acknowledged before me this 6th day of June, 2006, by Lawrence E. Burnell, Chief Operating Officer of WHITE LODGING SERVICES CORPORATION, on behalf of the company.

Lori J. Chaplin
NOTARY PUBLIC

Print Name: Lori J. Chaplin

My commission expires: 12.31.2006



STATE OF New York,
COUNTY OF New York SS:

The foregoing instrument was acknowledged before me this 17 day of July, 2006, by Pietro Scola, as Managing Director of WACHOVIA BANK, NATIONAL ASSOCIATION, on behalf of the company.

Madeline Zorrilla
NOTARY PUBLIC

Print Name: _____

My commission expires: _____

MADELINE ZORRILLA
Notary Public, State of New York
No. 01Z06043997
Qualified in Westchester County
My Commission Expires June 26, 2006



SCHEDULE 1
To Subordination, Non-Disturbance and Attornment Agreement

1. **Effective Date:** June 14, 2006
2. **Address of the Parties:**
 - a. **Owner:** : RLJ II – C Hammond Lessee, LLC
Fee Owner: RLJ II – C Hammond, LLC

Address for Notices:

c/o RLJ Development, LLC
3 Bethesda Metro Center, Suite 1000
Bethesda, MD 20814
Attn: Thomas J. Baltimore, Jr.
Phone: 301-280-7777
Fax: 301-280-7750

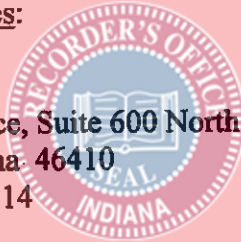
With a copy to:

STOP
Document is NOT OFFICIAL!
This Document is the property of
Stake County Recorder!
Arent Fox PLLC
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5339
Attn: Gerard Leval, Esq.
Phone: 202-857-6198
Fax: 202-857-6395

- b. **Manager:** White Lodging Services Corporation

Address for Notices:

Deno Yiankes
1000 East 80th Place, Suite 600 North
Merrillville, Indiana 46410
Fax: (219) 685-6114



With a copy to:

Carol Ann Bowman, Esq.
1000 East 80th Place, Suite 700 North
Merrillville, Indiana 46410
Fax: (219) 680-4226

- c. Lender: Wachovia Bank, National Association.

Address for Notices:

Commercial Real Estate Services
8739 Research Drive URP 4
NC 1075
Charlotte, North Carolina 28262
Loan Number: _____
Attention: Portfolio Management
Fax No.: (704) 715-0036

3. Management Agreement: Of even date herewith by and between Owner and Manager.
4. Description of Hotel: That certain hotel known as the "Hammond Courtyard," located at 7730 Corinne Drive, Hammond, Indiana 46323, containing 85 guest rooms, a lobby, meeting rooms, administrative offices, parking and certain amenities and related facilities located on the Site.
5. The Premises: As described on Exhibit A attached hereto.
6. The Mortgage: That certain mortgage/deed of trust of even date herewith by Owner in favor of Lender encumbering the Hotel and Premises and intended to be recorded among the Official Records immediately prior hereto.
7. The Loan Documents: The Mortgage and each of the other Loan Documents (as defined in the Mortgage) executed in connection the Loan. The term "Loan Documents" as used in this Agreement includes any amendments, restatements, renewals, modifications, supplements, replacements or extensions of the original "Loan Documents."
8. The Loan: That certain loan in the original principal amount of \$7,956,000.00 by Lender to Fee Owner, and secured by the Mortgage on the Premises.
9. Paragraph 3 Assurances Carve-outs:

LodgeNet
Golden Tree Communications

4/29/05
11/24/03

10. Bank Account into which Manager is to deliver Owner distributions or other payments under the Management Agreement:

Bank Name/Address: LaSalle Bank National Association, 135 South LaSalle Street, Chicago, Illinois 60603

Account No.:5800933359



Exhibit "A"

Property is located in the County of Lake, State of Indiana, and is described as follows:

Lot 2, Whiteco First Addition to the City of Hammond, as per plat thereof, recorded in Plat Book 82, page 95, in Lake County, Indiana

Together with Beneficial Easements set forth in Agreement Concerning Joint Improvements and Use of Easement Areas from Hotel Properties, LLC dated August 4, 1998 and recorded October 22, 1998 as Document Number 98083369 in the Office of the Recorder of Lake County, Indiana.

Together with Benefits set forth in Covenants and Restrictions for Whiteco First Addition by Whiteco Industries, Inc. dated July 10, 1997 and recorded August 16, 1997, as Document Number 97053364 and corrected by Certificate of Correction recorded August 27, 1997 as Document Number 97056547.



In accordance with IC 36-2-11-15, I affirm, under penalty of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

Courtney G. Capute
Signature of Preparer

COURTNEY G. CAPUTE
Printed Name of Preparer

