

THIS ASSIGNMENT OF MANAGEMENT AGREEMENT, OTHER PROJECT DOCUMENTS AND DEVELOPMENT RIGHTS IS SUBJECT TO THAT CERTAIN SUBORDINATION AND INTERCREDITOR AGREEMENT DATED AS OF APRIL 12, 2012, BY AND AMONG PERE MARQUETTE HOTEL, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; PERE MARQUETTE COURTYARD, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; PERE MARQUETTE GARAGE MT, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; PERE MARQUETTE GARAGE, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; IBEW-NECA DIVERSIFIED UNDERWRITTEN REAL ESTATE FUND, LLC, A DELAWARE LIMITED LIABILITY COMPANY; THE CITY OF PEORIA, ILLINOIS, AN ILLINOIS MUNICIPAL CORPORATION; MAIN STREET LAND TRUST, AN ILLINOIS LAND TRUST; PERE MARQUETTE HOTEL ASSOCIATES, L.P., A KANSAS LIMITED PARTNERSHIP; STONEHENGE SCD XXI E, LLC, A DELAWARE LIMITED LIABILITY COMPANY; AND PERE MARQUETTE TIF, INC., AN ILLINOIS CORPORATION (AS AMENDED, SUPPLEMENTED, RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "SUBORDINATION AGREEMENT").

**ASSIGNMENT OF MANAGEMENT AGREEMENT,
OTHER PROJECT DOCUMENTS AND DEVELOPMENT RIGHTS**

This ASSIGNMENT OF MANAGEMENT AGREEMENT, OTHER PROJECT DOCUMENTS AND DEVELOPMENT RIGHTS dated as of ~~March~~^{APRIL} 12, 2012 (this "Assignment"), is executed by PERE MARQUETTE HOTEL, LLC, an Illinois limited liability company ("Landlord"), and PERE MARQUETTE HISTORIC, LLC, an Illinois limited liability company ("Tenant"; each an "Assignor" and collectively with Landlord, the "Assignors") to and for the benefit of the City of Peoria, Illinois, an Illinois municipal corporation, and its successors and assigns (the "Assignee"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Redevelopment Agreement (as defined below).

RECITALS:

A. Landlord is the owner of certain real estate situated in the City of Peoria, County of Peoria, State of Illinois, legally described on Exhibit A attached hereto and by this reference made a part hereof (the "Premises").

B. As of the date hereof, Landlord has leased the Premises to Tenant pursuant to that certain Lease (Pere Hotel) of even date herewith by and between Landlord and Tenant.

C. Landlord and Tenant, by way of that certain Assignment, Assumption, Joinder and Amendment of Management Agreement and Pooling Agreement by and among GEM Hospitality, LLC, an Illinois limited liability company, Landlord, Tenant, Pere Marquette Garage MT, LLC, an Illinois limited liability company ("Garage Tenant"), and Pere Marquette Garage, LLC, an Illinois

limited liability company ("**Garage Subtenant**"), dated as of the date hereof, entered into that certain Management Agreement dated as of August 17, 2011 (as amended, the "**Management Agreement**") with Marriott Hotel Services, Inc., a Delaware corporation (the "**Manager**"), as well as that certain Shared Services and Pooling Agreement dated as of August 17, 2011 with the Manager and Courtyard Management Corporation, a Delaware corporation (the "**Pooling Agreement**"), true, correct and complete copies of each of which Landlord and Tenant represent and warrant are attached hereto as Exhibits B-1 and B-2, pursuant to which the Manager has agreed to operate and manage the Premises.

D. Landlord, Tenant, Garage Tenant, Garage Subtenant, and the Manager, desiring to set forth certain obligations of the parties with respect to the ownership and operation of the Premises and to address certain portions of the Management Agreement and Pooling Agreement which affect the rights and obligations of all such parties, entered into that certain Owner Agreement dated as of the date hereof (the "**Owner Agreement**"; and together with the Management Agreement and the Pooling Agreement, each a "**Hotel Agreement**" or collectively, the "**Hotel Agreements**").

E. The Assignee has agreed to make a loan (the "**Loan**") to Landlord and other co-borrowers (the "**Borrower Parties**") in the amount of Seven Million and NO/100 Dollars (\$7,000,000.00). The Loan is subject to that certain Amended and Restated Redevelopment Agreement dated November 10, 2011, as amended (the "**Redevelopment Agreement**") and evidenced by, *inter alia*, that certain Subordinated Promissory Note of even date herewith (the "**Note**") executed by the Borrower Parties and made payable to the order of the Assignee in the principal amount of the Loan. The Note is secured by, *inter alia*, that certain Second Mortgage, Leasehold Mortgage and Security Agreement with Assignment of Rents of even date herewith (the "**Mortgage**") executed by the Borrower Parties to and for the benefit of the Assignee, granting a lien on the Premises and other "**Mortgaged Property**" (as defined in the Mortgage), which is to be recorded in the Office of the Recorder of Deeds of Peoria County, Illinois. The Borrower Parties have also executed certain other instruments and agreements as additional security for repayment of the Loan (collectively, the "**Loan Documents**").

F. The Assignee requires, as a condition precedent to its making the Loan, that except as expressly set forth in that certain Subordination, Non-Disturbance and Attornment Agreement dated as of the date hereof and executed by Landlord, Tenant, the Manager and the Assignee (the "**SNDA**"), the indebtedness evidenced by the Note and the lien and security interests created by the Mortgage and the other Loan Documents be paramount and prior to any and all obligations, expenses and indebtedness owing to the Manager which arise from the Hotel Agreements (collectively, the "**Junior Liabilities**") and any and all existing liens and security interests or future rights to liens and security interests of the Manager or anyone claiming by, through or under the Manager which arise from the Junior Liabilities.

G. As additional security for the Loan, the Assignee has also required an assignment of the interest of the Assignors in, to and under the Hotel Agreements, any and all other agreements, contracts or other documents relating to the acquisition, construction, development, marketing, leasing, maintenance, management and operation of the Project (all such documents, "**Project Documents**"), and any building permits, certificates of occupancy, concurrency certificates, entitlements, development rights, zoning and variance approvals, rights with respect

to all sewer and/or water taps and connections and similar type rights and any other approval, permit, consent or authorization issued to or acquired by either Assignor at any time and from time to time prior to, upon and after the date hereof from any governmental authority or agency with respect to the acquisition, construction, renovation, development, management or ownership of the Project or any portion thereof, including, without limitation, any demolition and site preparation required for the construction of the Premises (any and all of the foregoing, the "**Development Rights**") in connection with the Project.

H. The Assignors are willing to transfer, assign and convey their rights, privileges, powers and interest in, to and under the Hotel Agreements, the other Project Documents, and the Development Rights to the Assignee, subject to the terms and conditions herein contained and in the SNDA.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignors each hereby agrees as follows:

A G R E E M E N T S:

1. **Assignment and Security Interest.** As security for the Secured Obligations (as defined below), each Assignor hereby transfers, assigns and conveys all of its rights, powers, privileges and interests in, to and under the Hotel Agreements, the other Project Documents, and the Development Rights to the Assignee, its successors and assigns, fully intending that the Assignee, its successors and assigns, shall have the rights and powers and be entitled to the benefits thereunder to the same degree and extent as though the Hotel Agreements had been made between the Assignee and the Manager, and the other Project Documents and Development Rights had been made between the Assignee and any other parties to such documents.

2. **Secured Obligations.** The security interest hereby granted shall secure the due and punctual payment and performance in full of any and all obligations, liabilities and indebtedness of the Borrower Parties to the Assignee, whether direct or indirect, absolute or contingent, due or to become due or now existing or hereafter arising, in each case, under or in connection with the Mortgage, this Agreement and any of the other Loan Documents (herein called the "**Secured Obligations**").

3. **Exercise of Assignee's Remedies.** Although it is the intention of the parties that the assignment hereunder is a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that the Assignee shall not exercise any of the rights and powers conferred upon it herein until and unless there shall occur an event of default under the Redevelopment Agreement, the Note, the Mortgage or any of the Loan Documents (an "Event of Default"). Upon the occurrence of an Event of Default, subject to and as permitted under the terms of the SNDA as they apply to the Hotel Agreements, the Assignee shall have the right (but not the obligation) to (i) terminate any or all of the Hotel Agreements, other Project Documents and/or the Development Rights upon written notice to the Manager and thereafter, such terminated Hotel Agreement(s), other Project Documents and/or Development Rights shall be of no further force or effect, or (ii) assume all obligations of the Assignor(s), as applicable, under any or all of the Hotel Agreements, other Project Documents and/or the Development Rights. Nothing

herein contained shall be deemed to affect or impair any rights which the Assignee may have under the Note, the Mortgage or the other Loan Documents.

4. Assignee's Right to Cure. In the event of any default by either Assignor under any Hotel Agreement, other Project Document(s), or Development Rights (as and if applicable) or the occurrence of an Event of Default and during the continuation thereof, the Assignee shall have the right, upon notice to the Assignors and the Manager, and until expiration of applicable cure periods, to cure any default and take any action under any Hotel Agreement, the other Project Documents or the Development Rights (as and if applicable) to preserve the same. Each Assignor hereby grants to the Assignee the right of access to the Premises for this purpose, if such action is necessary. Such action by the Assignee shall not be deemed an election by the Assignee as provided in Section 3 hereof. Each Assignor hereby authorizes the Manager to accept the performance of the Assignee in such event, without question. Any advances made by the Assignee to cure a default hereunder shall bear interest at the Default Rate (as defined in the Note) under the Note and shall be secured by the Mortgage and the other Loan Documents.

5. Representations and Warranties of Assignor. Each Assignor hereby represents and warrants to the Assignee that (a) other than as described in the Subordination Agreement, it has not executed any prior assignment of any Hotel Agreement, other Project Documents, or Development Rights nor has it performed any acts or executed any other instrument which might prevent the Assignee from operating under any of the terms and conditions of this Assignment, or which would limit the Assignee in such operation; (b) it has not executed or granted any modification whatsoever of any Hotel Agreement, other Project Document(s), or the Development Rights either orally or in writing; and (c) each Hotel Agreement, other Project Document, and Development Right (if and as applicable) is in full force and effect and constitutes a valid and legally enforceable obligation of the parties thereto and that there are no defaults now existing thereunder as of the date hereof.

6. Other Agreements. The Assignee shall not be obligated to perform or discharge any obligation, duty or liability under any Hotel Agreement, other Project Document(s), or the Development Rights by reason of this Assignment, until its election as provided in Section 3 hereof and in such event, only to the extent expressly required by the SNDA, and neither this Assignment nor the Assignee's performance hereunder shall release either Assignor of any liability under the Hotel Agreements, the other Project Documents, or the Development Rights.

7. Covenants of Assignors. Each Assignor agrees not to do, or suffer or permit to be done by any third party, any of the following acts without the prior written consent of the Assignee first being had and obtained, to-wit: (a) cancel, terminate or surrender any Hotel Agreement, other Project Document(s), or Development Rights; (b) forgive any material obligation thereunder; (c) materially modify any of the foregoing; (d) assign either Assignor's interest in any of the foregoing or any portion thereof; or (e) fail to perform any obligation in accordance with the provisions thereof, which failure would constitute a default under any of the Hotel Agreement, the other Project Documents, or the Development Rights and which failure shall continue beyond any applicable cure period provided thereunder. Any of said acts, if done or suffered to be done without the Assignee's prior written consent, shall constitute an Event of Default.

8. Election of Remedies. The provisions set forth in this Assignment shall be deemed a special remedy given to the Assignee and shall not be deemed exclusive of any of the remedies

granted in the Note or the Loan Documents but shall be deemed an additional remedy and shall be cumulative with the remedies therein and elsewhere granted the Assignee, all of which remedies shall be enforceable concurrently or successively. No exercise by the Assignee of any of its rights hereunder shall cure, waive or affect any default hereunder or any Event of Default under the Mortgage or the other Loan Documents. No inaction or partial exercise of rights by the Assignee shall be construed as a waiver of any of its rights and remedies, and no waiver by the Assignee of any such rights and remedies shall be construed as a waiver by the Assignee of any of its other rights and remedies.

9. Notices. Any notice, demand or other communication required or permitted hereunder shall be (a) delivered in person, (b) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (c) by overnight express carrier, addressed in each case as follows:

To the Assignee:

City Clerk
City of Peoria
419 Fulton Street, Room 401
Peoria, IL 61602

With a copy to:

City Manager
City of Peoria
419 Fulton, Room 207
Peoria, IL 61602

and

Corporation Counsel City of Peoria
419 Fulton, Room 200
Peoria, IL 61602

To the Assignors:

Pere Marquette Hotel, LLC
450 N. Main Street
East Peoria, IL 61611
Attention: Gary E. Matthews
Facsimile No. (309) 694-1599

and

Pere Marquette Historic, LLC
450 N. Main Street
East Peoria, IL 61611
Attention: Gary E. Matthews
Facsimile No. (309) 694-1599

With a copy to:

Husch Blackwell LLP
190 Carondelet Plaza, Suite 600
St. Louis, MO 63105
Attention: David G. Richardson, Esq.
Facsimile No. (314) 480-1505

and

Jane E. Ohaver, P.C.
245 NE Perry Avenue
Peoria, IL 61603
Attention: Jane E. Ohaver
Facsimile No. (309) 637-5433

To the Manager:

Marriott Hotel Services, Inc.
c/o Marriott International, Inc.
10400 Fernwood Road
Bethesda, MD 20817
Attention: Law Dept 52/923 – Hotel Operations

With a copy to:

Marriott Hotel Services, Inc.
c/o Marriott International, Inc.
10400 Fernwood Road
Bethesda, MD 20817
Attention: Senior Vice President, Finance & Accounting
Dept. 51/918.04

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other parties hereto. All notices sent pursuant to the terms of this Section 9 shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received. Except as otherwise specifically required herein, no notice of the exercise of any right or option granted to the Assignee herein is required to be given.

10. Power of Attorney. Each Assignor hereby irrevocably appoints the Assignee as such Assignor's attorney-in-fact to exercise any or all of the Assignor's rights in, to, and under the Hotel Agreements, the other Project Documents, and the Development Rights as provided herein, to give appropriate receipts, releases, and satisfactions on behalf of either Assignor in connection with the Manager's performance under the Hotel Agreements, or any other parties' performance under any other Project Documents or Development Rights, and to do any or all other acts, in either Assignor's name or in the Assignee's own name, that either Assignor could do under the Hotel Agreements, other Project Documents, or the Development Rights with the same force and effect as if this Assignment had not been made. This power of attorney is coupled with an interest and cannot be revoked, modified or amended without the written consent of the Assignee. Notwithstanding the foregoing, the Assignee agrees that it shall not exercise its rights under this Section 10 unless or until an Event of Default has occurred under the Mortgage or the other Loan Documents.

11. No Third Party Beneficiaries. Nothing herein shall be construed to impose upon the Assignee any duty to see to the application of the proceeds of the Loan by the Borrower Parties, and each Assignor acknowledges that the Assignee is obligated under the Redevelopment Agreement only as expressly stated therein and that neither Tenant nor the Manager, nor any other party to any other Project Document or Development Right, is a third party beneficiary of the Redevelopment Agreement.

12. Successors and Assigns. All the covenants and agreements on the part of the Assignee and the Assignors contained herein shall inure to the benefit of and bind their respective successors and assigns, including any purchaser at a foreclosure sale other than the Assignee.

13. Counterparts; Facsimile Signatures. This Assignment may be executed in any number of counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Assignment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page follows]

IN WITNESS WHEREOF, each Assignor has caused this Assignment of Management Agreement, Other Project Documents and Development-Rights to be executed as of the day and year first above written.

ASSIGNOR/LANDLORD:

PERE MARQUETTE HOTEL, LLC, an Illinois limited liability company

By: **GEM HOSPITALITY, LLC**,
an Illinois limited liability company,
its Manager

By: **EM PROPERTIES, LTD.**,
an Illinois corporation,
its Manager

By: 
Gary E. Matthews, President

ASSIGNOR/TENANT:

PERE MARQUETTE HISTORIC, LLC, an Illinois limited liability company

By: **GEM HOSPITALITY, LLC**,
an Illinois limited liability company,
its Manager

By: **EM PROPERTIES, LTD.**,
an Illinois corporation,
its Manager

By: 
Gary E. Matthews, President

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