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As filed with the U.S. Securities and Exchange Commission on October 2, 2019

Registration No. 333-232232

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Pre-Effective Amendment No. 1
to

FORM S-11

REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933
OF CERTAIN REAL ESTATE COMPANIES

CIM COMMERCIAL TRUST CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

17950 Preston Road, Suite 600
Dallas, Texas 75252
(972) 349-3200
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

David Thompson
Chief Executive Officer
CIM Commercial Trust Corporation
17950 Preston Road, Suite 600
Dallas, Texas 75252
(972) 349-3200
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy To:
Patrick S. Brown
Sullivan & Cromwell LLP
1888 Century Park East, Suite 2100
Los Angeles, California 90067
(310) 712–6600

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date hereof.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o	Non-accelerated filer x	Smaller reporting company x
			Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. o

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Proposed maximum aggregate offering price(1)	Amount of registration fee
Units, each Unit consisting of one share of Series A Preferred Stock, $0.001 par value per share, and one Warrant to purchase shares of Common Stock, $0.001 par value per share(2)	$ 797,378,325	$ (6)
Series A Preferred Stock included as part of the Units(3)	—(5)	—
Warrants included as part of the Units(4)	—(5)	—
Total	$ 797,378,325	$ (6)

(1) Estimated in accordance with Rule 457(o) under the Securities Act of 1933, as amended (the "Securities Act").
(2) We are registering hereunder 31,895,133 Units.
(3) We are registering hereunder 31,895,133 shares of Series A Preferred Stock.
(4) We are registering hereunder 31,895,133 Warrants to purchase 7,973,783 shares of Common Stock.
(5) Pursuant to Rule 416 under the Securities Act, there are also registered hereunder such indeterminate number of additional shares of Series A Preferred Stock and Warrants that may become issuable due to adjustments for changes resulting from stock splits, stock dividends, recapitalizations or similar transactions.
(6) The registrant's Registration Statement on Form S-11 (Reg. No. 333-210880), which was declared effective on July 1, 2016 (the "Prior Registration Statement"), registered the offer and sale of a maximum of $900 million of Units, of which $797,378,325 of Units remain unsold as of the filing of this registration statement (the "Unsold Units"). Pursuant to Rule 415(a)(6) under the Securities Act, the Unsold Units are carried forward to this registration statement and the $80,296 registration fee previously paid in respect of the Unsold Units continues to be applied to the Unsold Units. No additional securities are being registered under this registration statement.

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The information set forth in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion. Dated October 2, 2019.

PROSPECTUS

CIM Commercial Trust Corporation

Maximum of 31,895,133 Units consisting of 31,895,133 Shares of Series A Preferred Stock and Warrants to Purchase 7,973,783 Shares of Common Stock

(Liquidation Preference $25 per share of Series A Preferred Stock (subject to adjustment))

We are a publicly traded real estate investment trust, or REIT, primarily focused on acquiring, owning, and operating Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States. We are operated by affiliates of CIM Group, L.P., which we refer to as CIM Group. Our wholly-owned subsidiary, CIM Urban Partners, L.P., which we refer to as CIM Urban, is party to an Investment Management Agreement with CIM Capital, LLC (formerly CIM Investment Advisors, LLC), an affiliate of CIM Group, which assigned its duties to its four wholly-owned subsidiaries (CIM Capital Securities Management, LLC, a securities manager, CIM Capital RE Debt Management, LLC, a debt manager, CIM Capital Controlled Company Management, LLC, a controlled company manager, and CIM Capital Real Property Management, LLC, a real property manager), which entities we collectively refer to as the Operator, pursuant to which the Operator provides certain services to CIM Urban. In addition, we are party to a Master Services Agreement with CIM Service Provider, LLC, which we refer to as the Administrator, an affiliate of CIM Group, pursuant to which the Administrator agrees to provide or arrange for other service providers to provide administrative services to us and all of our direct and indirect subsidiaries. CIM Group is a vertically-integrated owner and operator of real assets with multi-disciplinary expertise and in-house research, acquisition, credit analysis, development, financing, leasing, and onsite property management capabilities.

This prospectus relates to our offering of up to an aggregate of 31,895,133 shares of our Series A Preferred Stock, $0.001 par value per share, which we refer to as our Series A Preferred Stock, and warrants, which we refer to as the Warrants, to purchase up to 7,973,783 shares of our common stock, $0.001 par value per share, which we refer to as our Common Stock. The Series A Preferred Stock and the Warrants are offered in the form of units, or Units, with each Unit consisting of (i) one share of Series A Preferred Stock with a stated value of $25 per share and (ii) one Warrant to purchase 0.25 of a share of Common Stock. Each Warrant is exercisable by the holder at an exercise price equal to a 15% premium to the Applicable NAV (as defined herein). Each Unit is sold at a public offering price of $25 per Unit. As of September 30, 2019, pursuant to our prior registration statement covering the offering contemplated hereby (Reg. No. 333-210880), which we refer to as the Prior Registration Statement, we issued 4,104,867 Units and received net proceeds of approximately $93,964,000 after commissions, fees and allocated costs. The registration statement, of which this prospectus is a part, will replace the Prior Registration Statement on the date such registration statement is declared effective by the Securities and Exchange Commission, which we refer to as the SEC.

Units are not issued or certificated. The shares of Series A Preferred Stock and the Warrants are immediately detachable and are issued separately. The Warrants are not exercisable until the first anniversary of the date of issuance and expire on the fifth anniversary of the date of issuance. The Series A Preferred Stock ranks senior to our Series L Preferred Stock, par value $0.001 per share, which we refer to as our Series L Preferred Stock (and, together with the Series A Preferred Stock, our Preferred Stock), and our Common Stock with respect to payment of dividends. The Series A Preferred Stock ranks on parity with our Series L Preferred Stock, to the extent of the Series L Stated Value (as described herein), and otherwise ranks senior to our Series L Preferred Stock and our Common Stock with respect to distribution of amounts upon liquidation, dissolution or winding up. Holders of our Series A Preferred Stock have no voting rights.

Our Common Stock is traded on the Nasdaq Global Market, which we refer to as Nasdaq, under the ticker symbol “CMCT,” and the Tel Aviv Stock Exchange, which we refer to as the TASE, under the ticker symbol “CMCT-L.” The last reported closing prices of our Common Stock were $15.24 U.S. dollars, or USD, per share on Nasdaq on October 1, 2019 and 88.14 Israeli new shekels, or ILS, per share on the TASE on September 26, 2019. There is no established trading market for our Series A Preferred Stock or any of the Warrants and we do not expect a market to develop. We do not intend to apply for a listing of the Series A Preferred Stock or any of the Warrants on any national securities exchange.

We have elected to qualify to be taxed as a REIT for U.S. federal income tax purposes. We impose certain restrictions on the ownership and transfer of our capital stock. You should read the information under the section entitled “Description of Capital Stock and Securities Offered—Restrictions on Ownership and Transfer” in this prospectus for a description of these restrictions.

Investing in our securities involves significant risks. See “Risk Factors” beginning on page 9 of this prospectus to read about factors you should consider before investing in our securities.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Maximum Offering
Public offering price	$ 25.0000	$ 797,378,325(1)
Selling commissions(2)(3)	$ 1.2500	$ 39,868,916
Dealer manager fee(2)(3)	$ 0.6875	$ 21,927,904
Proceeds, before expenses, to us	$ 23.0625	$ 735,581,505

(1) Initial gross proceeds from the sale of the Units. Additional gross proceeds may be received assuming exercise of the Warrants, but that amount is not estimable at this time.

(2) The maximum selling commissions and the dealer manager fee are equal to 5.0% and 2.75% of aggregate gross proceeds, respectively. Each is payable to our dealer manager. The sales commissions and the dealer manager fee may be reduced or eliminated with regard to Units sold to or for the account of certain categories of purchasers. See "Plan of Distribution." We or our affiliates also may provide permissible forms of non-cash compensation to registered representatives of our dealer manager and the participating broker-dealers. The value of such items will be considered underwriting compensation in connection with this offering. The combined selling commissions and dealer manager fee and other expenses as described in the "Plan of Distribution" section of this prospectus and such non-cash compensation for this offering will not exceed 10% of the aggregate gross proceeds of this offering.

(3) Our dealer manager has authorized, and we expect our dealer manager to continue to authorize, other broker-dealers that are members of the Financial Industry Regulatory Authority, which we refer to as participating broker-dealers, to sell our Units. Our dealer manager may reallow all or a portion of its selling commissions attributable to a participating broker-dealer. In addition, our dealer manager also may reallow a portion of its dealer manager fee earned on the proceeds raised by a participating broker-dealer, to such participating broker-dealer as a non-accountable marketing or due diligence allowance. The amount of the reallowance to any participating broker-dealer will be determined by the dealer manager in its sole discretion.

The dealer manager of this offering is CCO Capital, LLC, a registered broker-dealer and an affiliate of the Company that is under common control with the Operator and the Administrator, which we refer to as CCO Capital. CCO Capital is not required to sell any specific number or dollar amount of Units, but will use its "reasonable best efforts" to sell the Units offered. The minimum permitted purchase is generally $10,000, but purchases of less than $10,000 may be made in the discretion of CCO Capital. We may sell a maximum of 31,895,133 Units in this offering by , 2021, which may be extended through , 2022, in our sole discretion. If we extend the offering period beyond , 2021, we will supplement this prospectus accordingly. We may terminate this offering at any time or may offer Units pursuant to a new registration statement.

We sell Units primarily through Depository Trust Company, or DTC, settlement, or DTC settlement; or under special circumstances and at the Company's sole discretion, through Direct Registration System settlement, or DRS Settlement. See the section entitled "Plan of Distribution" in this prospectus for a description of these settlement methods.

CCO CAPITAL, LLC

as Dealer Manager

The date of this prospectus is , 2019

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ABOUT THIS PROSPECTUS

You should rely only on the information contained in or incorporated by reference into this prospectus and any supplement hereto. We have not authorized anyone to provide you with information different from that which is contained in this prospectus or to make representations as to matters not stated in this prospectus or any supplement hereto. If anyone provides you with different or inconsistent language, you should not rely on it. We are not making an offer to sell, or soliciting an offer to buy, any securities in any jurisdiction in which it is unlawful to do so. The information contained in this prospectus is accurate only as of the date of this prospectus, and any information incorporated by reference is accurate only as of the date of the document incorporated by reference, in each case, regardless of the time of delivery of this prospectus or any purchase of our securities. Our business, financial condition, results of operations, and prospects may have changed since those dates. To understand this offering fully, you should read this entire document carefully, as well as the "Risk Factors" included in our most recent Annual Report on Form 10-K for the year ended December 31, 2018.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. To the extent there is any inconsistency between the summaries contained herein and the actual terms of these documents, the actual terms will govern. Copies of some of the documents referred to herein have been filed as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under the heading "Where You Can Find More Information."

Unless otherwise indicated in this prospectus, "CIM Commercial," the "Company," "our company," "we," "us" and "our" refer to CIM Commercial Trust Corporation and its subsidiaries.

INCORPORATION BY REFERENCE

The Securities and Exchange Commission, which we refer to as the SEC, allows us to "incorporate by reference" the information that we file with it, which means that we can disclose important information to you by referring you to other documents. The information incorporated by reference is an important part of this prospectus. We incorporate by reference the following documents (other than information furnished rather than filed):

- the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed on March 18, 2019, and the information specifically incorporated by reference therein from our Definitive Proxy Statement on Schedule 14A, filed on April 5, 2019;
- the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, filed on May 13, 2019, and for the quarter ended June 30, 2019, filed on August 8, 2019;
- the Company's Current Reports on Form 8-K filed on January 22, 2019, March 7, 2019, March 18, 2019, March 29, 2019, May 6, 2019, May 31, 2019, June 19, 2019, August 5, 2019, August 8, 2019, August 12, 2019 and September 6, 2019; and
- the Company's Preliminary Information Statement on Schedule 14C, filed on September 20, 2019.

We will provide without charge, upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus and a copy of any or all other contracts or documents which are referred to in this prospectus. Requests should be directed to CIM Commercial, Attn: Stockholder Relations, 17950 Preston Road, Suite 600, Dallas, Texas 75252.

PROSPECTUS SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus and in the documents incorporated by reference in this prospectus and does not contain all the information you will need in making your investment decision. You should read carefully this entire prospectus and the documents incorporated by reference in this prospectus before making your investment decision. On September 3, 2019, we effected a 1-for-3 reverse stock split on our Common Stock, which we refer to as the Reverse Stock Split. All per share and share amounts in this prospectus have been adjusted to give retroactive effect to the Reverse Stock Split, unless otherwise stated.

CIM Commercial Trust Corporation

Company Overview

CIM Commercial is a Maryland corporation and REIT that was originally incorporated in 1993 as PMC Commercial Trust. Our charter and bylaws were amended to their current forms on August 29, 2019 and April 28, 2014, respectively.

Our principal business is to acquire, own, and operate Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States. These communities are located in areas that include traditional downtown areas and suburban main streets, which have high barriers to entry, high population density, positive population trends and a propensity for growth. We believe that the critical mass of redevelopment in such areas creates positive externalities, which enhance the value of real estate assets in the area. We believe that these assets will provide greater returns than similar assets in other markets, as a result of the population growth, public commitment, and significant private investment that characterize these areas.

We are operated by affiliates of CIM Group. CIM Group is a vertically-integrated owner and operator of real assets with multi-disciplinary expertise and in-house research, acquisition, credit analysis, development, financing, leasing, and onsite property management capabilities. CIM Group is headquartered in Los Angeles, California and has offices in Oakland, California; Bethesda, Maryland; Dallas, Texas; New York, New York; Chicago, Illinois; and Phoenix, Arizona.

Our wholly-owned subsidiary, CIM Urban, is party to an investment management agreement, dated as of December 10, 2015, which we refer to as the Investment Management Agreement, with the Operator, pursuant to which the Operator provides certain services to CIM Urban. In addition, we are party to a Master Services Agreement, dated as of March 11, 2014, which we refer to as the Master Services Agreement, with the Administrator, pursuant to which the Administrator provides, or arranges for other service providers to provide, management and administration services to us.

As of June 30, 2019, our real estate portfolio consisted of 14 assets, all of which were fee-simple properties. As of June 30, 2019, our 12 office properties (including two development sites, one of which is being used as a parking lot), totaling approximately 1.9 million rentable square feet, were 88.1% occupied and one hotel with an ancillary parking garage, which has a total of 503 rooms, had revenue per available room, which we refer to as RevPAR, of $140.93 for the six months ended June 30, 2019. Since June 30, 2019, we have completed the sale of two office properties and one development site in Washington, D.C.

We have elected to be taxed as a REIT under the provisions of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. To the extent we qualify for taxation as a REIT, we generally will not be subject to a federal corporate income tax on our taxable income that is distributed to our stockholders. We may, however, be subject to certain federal excise taxes and state and local taxes on our income and property. If we fail to qualify as a REIT in any taxable year, we will be subject to federal income taxes at regular corporate rates and will not be able to qualify as a REIT for four subsequent taxable years. In order to remain qualified as a REIT under the Code, we must satisfy various requirements in each taxable year, including, among others, limitations on share ownership, asset diversification, sources of income, and the distribution of at least 90% of our taxable income within the specified time in accordance with the Code.

Our Common Stock trades on Nasdaq, under the ticker symbol “CMCT,” and the TASE, under the ticker symbol “CMCT-L.” Our Series L Preferred Stock is also traded on Nasdaq and the TASE, in each case under the ticker symbol “CMCTP.” Our principal executive offices are located at 17950 Preston Road, Suite 600, Dallas, Texas 75252 and our telephone number is (972) 349-3200. Our internet address is http://www.cimcommercial.com. The information contained on our website is not part of this prospectus.

Overview and History of CIM Group

CIM Group was founded in 1994 by Shaul Kuba, Richard Ressler and Avraham Shemesh and has owned and operated approximately $30.6 billion of Assets Owned and Operated(1) across its vehicles as of June 30, 2019. CIM Group’s successful track record is anchored by CIM Group’s community-oriented approach to acquisitions as well as a number of other competitive advantages

including its prudent use of leverage, underwriting approach, disciplined capital deployment, vertically-integrated capabilities and strong network of relationships.

CIM Group is headquartered in Los Angeles, California and has offices in Oakland, California; Bethesda, Maryland; Dallas, Texas; New York, New York; Chicago, Illinois; and Phoenix, Arizona. CIM Group has generated strong risk-adjusted returns across multiple market cycles by focusing on improved asset and community performance, and capitalizing on market inefficiencies and distressed situations.

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(1) Assets Owned and Operated, or AOO, represents the aggregate assets owned and operated by CIM Group on behalf of partners (including where CIM Group contributes alongside for its own account) and co-investors, whether or not CIM Group has discretion, in each case without duplication. AOO includes total gross assets at fair value, with real assets presented on the basis described in "Book Value" below and operating companies presented at gross assets less debt, as of the Report Date (as defined below) (including the shares of such assets owned by joint venture partners and co-investments), plus binding unfunded commitments. AOO also includes the $0.3 billion of AOO attributable to CIM Compass Latin America, or CCLA, which is 50% owned and jointly operated by CIM Group. AOO for CMMT Partners, L.P., or CMMT, (which represents assets under management), a perpetual-life real estate debt fund, is $0.9 billion as of the Report Date. "Report Date" is defined to mean as of June 30, 2019. Book Value, for each investment generally represents the investment's book value as reflected in the applicable fund's unaudited financial statements as of the Report Date prepared in accordance with U.S. generally accepted accounting principles on a fair value basis. These book values generally represent the asset's third-party appraised value as of the Report Date, but in the case of CIM Group's Cole Net-Lease Asset strategy, book values generally represent undepreciated cost (as reflected in SEC-filed financial statements). Equity Owned and Operated, or EOO, representing the NAV (as defined below) before incentive fee allocation, plus binding unfunded commitments, is $18.2 billion as of the Report Date, inclusive of $0.3 billion of EOO attributable to CCLA (as described above) and $0.8 billion of EOO for CMMT (which represents equity under management). For calculating the Book Value for CIM Urban REIT, LLC, a fund operated by affiliates of CIM Group, which we refer to as CIM REIT, the underlying assets of CMCT are assumed to be liquidated based upon the third-party appraised value. As of June 30, 2019, CIM Group did not view the price of CMCT's publicly-traded shares to be a meaningful indication of the fair value of CIM REIT's interest in CMCT due to the fact that the publicly traded shares of CMCT represented less than 10% of the outstanding shares of CMCT and were thinly traded. Net Asset Value, or NAV, represents the distributable amount based on a "hypothetical liquidation" assuming that on the date of determination that: (i) investments are sold at their Book Values; (ii) debts are paid and other assets are collected; and (iii) appropriate adjustments and/or allocations between equity partners are made in accordance with applicable documents, as determined in accordance with applicable accounting guidance.

Principles

As described in "Business Objectives and Growth Strategies" and "Competitive Advantages" in the "Our Business and Properties" section of this prospectus, the community qualification process is one of CIM Group's core competencies, which demonstrates a disciplined investing program and strategic outlook on metropolitan communities. Once a community is qualified, CIM Group believes it continues to differentiate itself through the following business principles:

- *Product Non-Specific*: CIM Group has extensive experience owning and operating a diverse range of property types, including retail, residential, office, parking, hotel, signage, and mixed-use, which gives CIM Group the ability to execute and capitalize on its strategy effectively. Successful acquisitions require selecting the right markets coupled with providing the right product. CIM Group's experience with multiple asset types does not predispose CIM Group to select certain asset types, but instead ensures that they deliver a product mix that is consistent with the market's requirements and needs. Additionally, there is a growing trend towards developing mixed-use real estate properties in metropolitan markets which requires a diversified platform to successfully execute.

- *Community-Based Tenanting*: CIM Group's strategy focuses on the entire community and the best use of assets in that community. Owning a significant number of key properties in an area better enables CIM Group to meet the needs of national retailers and office tenants and thus optimize the value of these real estate properties. CIM Group believes that its community perspective gives it a significant competitive advantage in attracting tenants to its retail, office and mixed-use properties and creating synergies between the different tenant types.

- *Local Market Leadership with North American Footprint*: CIM Group maintains local market knowledge and relationships, along with a diversified North American presence, through its 122 qualified communities, which we refer to as Qualified Communities. Thus, CIM Group has the flexibility to deploy capital in its Qualified Communities only when the market environment meets CIM Group's underwriting standards. CIM Group does not need to acquire assets in a given community or product type at a specific time due to its broad proprietary pipeline of communities.

- *Deploying Capital Across the Capital Stack*: CIM Group has extensive experience structuring transactions across the capital stack including equity, preferred equity, debt and mezzanine positions, giving it the flexibility to structure transactions in efficient and creative ways.

Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock

The Company has undertaken a program to unlock embedded value in its portfolio, enhance growth prospects and improve the trading liquidity of its Common Stock as described below, which we refer to as the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock. All components of such program, other than with respect to the CIM REIT Liquidation and the discussion of expected activities with respect to Preferred Stock as described below, have been completed.

Sale of Assets. In accordance with the approval of our principal stockholder in December 2018, which as of the relevant record date owned 95.1% of the issued and outstanding shares of Common Stock, the Company sold eight properties in 2019, which sales we refer to as the Program Sales. Further, as a matter of prudent management, after evaluating each asset within our portfolio as well as the intrinsic value of each property, the Company sold one office property and one development site in Washington, D.C. in 2019, which sales, together with the Program Sales, we refer to collectively as the Asset Sale. The Asset Sale generated aggregate gross sales price to the Company of $990,996,000. No further property sales will be made under the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock.

Repayment of Certain Indebtedness. We used a portion of the net proceeds from the Asset Sale to repay balances on certain of the Company's indebtedness.

Return of Capital to Holders of Common Stock. In accordance with the previously announced intention to return capital to holders of our Common Stock, which we refer to as the Return of Capital Event, we declared and, on August 30, 2019, paid a special dividend of $42.00 per share of Common Stock ($14.00 per share of Common Stock prior to the Reverse Stock Split), or $613,294,000 in the aggregate, which we refer to as the Special Dividend, to stockholders of record at the close of business on August 19, 2019.

CIM REIT Liquidation. As of August 8, 2019, CIM REIT beneficially owned approximately 89.7% of our outstanding Common Stock. CIM Group previously announced that, following the Return of Capital Event, CIM Group intended to liquidate CIM REIT, which event we refer to as the CIM REIT Liquidation. The CIM REIT Liquidation is in process, and CIM REIT currently beneficially owns approximately 19.6% of the outstanding shares of our Common Stock after distributing a portion of its former holdings to certain of its members.

Preferred Stock. The Company is exploring initiating a repurchase program for approximately 30% of the outstanding shares of Series L Preferred Stock beginning no later than the first quarter of 2020. While the Company is reviewing the pricing, methods and exact timing of any such repurchases, such repurchases may be made in the open market, in privately negotiated transactions, or otherwise. Consistent with the targeted capital structure of the Company, the Company anticipates using funds from its revolving credit facility to finance such repurchases. There can be no assurance that the Company will repurchase any shares of Series L Preferred Stock on the foregoing terms or timing, or at all.

The Offering

Issuer	CIM Commercial Trust Corporation.
Preferred Stock Offered by Us	Maximum of 31,895,133 shares of Series A Preferred Stock is offered as part of the Units through our dealer manager in this offering on a reasonable best efforts basis. *Ranking*. The Series A Preferred Stock ranks senior to our Series L Preferred Stock and our Common Stock with respect to payment of dividends. The Series A Preferred

Stock ranks on parity with our Series L Preferred Stock, to the extent of the stated value of the Series L Preferred Stock, which is presently $28.37 (subject to appropriate adjustment in limited circumstances) and which we refer to as the Series L Stated Value, and otherwise ranks senior to our Series L Preferred Stock and our Common Stock with respect to distribution of amounts upon liquidation, dissolution or winding up.

Stated Value. Each share of Series A Preferred Stock has a "Series A Stated Value" of $25, subject to appropriate adjustment in limited circumstances, as set forth in the articles supplementary setting forth the rights, preferences and limitations of the Series A Preferred Stock, which we refer to as the Series A Articles Supplementary.

Dividends. Holders of Series A Preferred Stock are entitled to receive, if, as and when authorized by our board of directors, which we refer to as our Board of Directors, and declared by us out of legally available funds, cumulative cash dividends on each share of Series A Preferred Stock at an annual rate of five and one-half percent (5.5%) of the Series A Stated Value. Dividends are payable on the 15th day of the month following the quarter for which the dividend was declared, or, if such date is not a business day, on the first business day thereafter. We expect to pay dividends quarterly, unless our results of operations, our general financing conditions, general economic conditions, applicable provisions of Maryland law or other factors make it imprudent to do so. The timing and amount of such dividends will be determined by our Board of Directors, in its sole discretion, and may vary from time to time.

Dividends accrue and are paid on the basis of a 360-day year consisting of twelve 30-day months. Dividends on the Series A Preferred Stock accrue and are cumulative from the end of the most recent dividend period for which dividends have been paid, or if no dividends have been paid with respect to a given share, from the date of issuance. Dividends on the Series A Preferred Stock accrue whether or not (i) we have earnings, (ii) there are funds legally available for the payment of such dividends and (iii) such dividends are authorized by our Board of Directors or declared by us. Accrued dividends on the Series A Preferred Stock do not bear interest.

Proposed Amendment Regarding Timing of Dividends. On August 8, 2019, our Board of Directors approved and declared advisable an amendment, which we refer to as the Amendment, to the articles supplementary setting forth the rights, preferences and limitations of the Series A Preferred Stock, which we refer to as the Series A Articles Supplementary, and recommended that the Amendment be submitted for stockholder approval by written consent. On August 8, 2019, Urban Partners II, LLC, an affiliate of CIM Group, which we refer to as Urban II, which owned 13,092,298 shares of Common Stock (39,276,896 shares of Common Stock prior to the Reverse Stock Split), representing approximately 89.7% of the issued and outstanding shares of Common Stock as of such date, voted all of its shares of Common Stock by written consent in favor of the Amendment. Accordingly, the Company has obtained all necessary corporate approvals in connection with the Amendment. However, the Amendment will not become effective unless and until the Company mails an Information Statement on Schedule 14C to its stockholders and, no sooner than 20 days thereafter, files the Amendment with the State Department of Assessments and Taxation of Maryland.

The Amendment, if it becomes effective, will allow our Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors), in its discretion, the flexibility to pay dividends on the Series A Preferred Stock more frequently than quarterly from time to time. For the avoidance of doubt, any determination by the Board of Directors to change the frequency of the payments of dividends on the Series A Preferred Stock will have no effect on the amount of dividends shares of Series A Preferred Stock are entitled to receive. As of October 2, 2019 the Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors) has not taken any such action to increase the frequency of the dividend payments on the Series A Preferred Stock, and there can be no guarantee that the Board of Directors will increase the frequency of such dividend payments.

Redemption at the Option of a Holder. Beginning on the date of original issuance of any given shares of Series A Preferred Stock until but excluding the second anniversary of the date of original issuance of such shares, the holder has the right to require the Company to redeem such shares at a redemption price equal to the Series A Stated Value, initially $25 per share, less a 13% redemption fee, plus any accrued but unpaid dividends.

Beginning on the second anniversary of the date of original issuance of any given shares of Series A Preferred Stock until but excluding the fifth anniversary of the date of original issuance of such shares, the holder has the right to require the Company to redeem such shares at a redemption price equal to the Series A Stated Value, initially $25 per share, less a 10% redemption fee, plus any accrued but unpaid dividends.

From and after the fifth anniversary of the date of original issuance of any shares of Series A Preferred Stock, the holder of such shares has the right to require the Company to redeem such shares at a redemption price equal to 100% of the Series A Stated Value, initially $25 per share, plus any accrued and unpaid dividends.

In addition, subject to restrictions, beginning on the date of original issuance and ending on but not including the second anniversary of the date of original issuance of any shares of Series A Preferred Stock, we will redeem such shares of a holder who is a natural person upon his or her death at the written request

of the holder's estate at a redemption price equal to the Series A Stated Value, initially $25 per share, plus accrued and unpaid dividends thereon through and including the date fixed for such redemption.

If a holder of shares of Series A Preferred Stock causes the Company to redeem such shares, we will pay the redemption price in cash or, on or after the first anniversary of the issuance of the shares of Series A Preferred Stock to be redeemed, at our option and in our sole discretion, in equal value through the issuance of shares of Common Stock, based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption.

If the Company elects to pay the redemption price in shares of Common Stock, the Company shall cause the transfer agent to, as soon as practicable, but not later than three business days after the effective date of such redemption, register the number of shares of Common Stock to which such holder shall be entitled as a result of such redemption. The person or persons entitled to receive the shares of Common Stock issuable upon such redemption shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of the effective date of such redemption.

Proposed Amendment Regarding Redemption at the Option of the Holder. As described above, a redemption price of 87% of the Series A Stated Value per share is applicable for any redemption of the Series A Preferred Stock from the date of issuance until but excluding the second anniversary of the date of issuance, or 90% of the Series A Stated Value per share of Series A Preferred Stock is applicable from the second anniversary of the date of issuance until but excluding the fifth anniversary of the date of issuance.

The Amendment, if it becomes effective, will provide the Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors), upon any such redemption requested by a holder, the ability to increase the redemption price payable per share to 90% to 100% of the Series A Stated Value from time to time in its discretion. As of October 2, 2019, the Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors) has not taken any such action to increase the redemption price under these circumstances, and there can be no guarantee that the Board of Directors will increase the redemption price of the Series A Preferred Stock, or of the extent of any such increase or its duration.

Limitation on Obligation to Redeem. Our obligation to redeem any of the shares of Series A Preferred Stock is limited to the extent that (i) we do not have sufficient funds available to fund any such redemption, in which case we will be required to redeem with shares of Common Stock, or (ii) we are restricted by applicable law, our charter or contractual obligations from making such redemption.

Optional Redemption by the Company. From and after the fifth anniversary of the date of original issuance of any shares of Series A Preferred Stock, we have the right (but not the obligation) to redeem such shares at 100% of the Series A Stated Value, initially $25 per share, plus any accrued but unpaid dividends. If we choose to redeem any shares of Series A Preferred Stock, we have the right, in our sole discretion, to pay the redemption price in cash or in equal value through the issuance of shares of Common Stock, with such value of Common Stock to be determined based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption.

Liquidation. Upon any voluntary or involuntary liquidation, dissolution or winding-up of our affairs, before any distribution or payment shall be made to holders of our Common Stock or any other class or series of capital stock ranking junior to our shares of Series A Preferred Stock, the holders of shares of Series A Preferred Stock are entitled to be paid out of our assets legally available for distribution to our stockholders, after payment or provision for our debts and other liabilities, a liquidation preference equal to the Series A Stated Value per share, plus accrued but unpaid dividends.

Voting Rights. The Series A Preferred Stock has no voting rights.

Warrants Offered by Us

Warrants to purchase up to an aggregate of 7,973,783 shares of Common Stock are offered as a part of the Units through our dealer manager in this offering on a reasonable best efforts basis.

Warrants are exercisable beginning on the first anniversary of the date of original issuance until and including the fifth anniversary of the date of such issuance.

The initial exercise price of a Warrant is equal to a 15% premium to the Applicable NAV. As used herein, the “Applicable NAV” means the fair market net asset value of the Company per share of Common Stock as most recently published by the Company at the time of the issuance of the applicable Warrant. The Applicable NAV, as most recently published by the Company, is currently $29.49 per share of Common Stock as of June 30, 2019, as set forth in “Estimated Net Asset Value” in this prospectus.

	The Company will determine the Applicable NAV on an annual basis or more frequently if, in the Company's discretion, significant developments warrant. The Company's determination of the Applicable NAV is final and binding. If upon any exercise of any Warrant a registration statement covering the sale of the Common Stock issuable upon exercise of a Warrant is not effective and an exemption from such registration is not available, the holder of such Warrant may only satisfy its obligation to pay the exercise price through a "cashless exercise."
Estimated Use of Proceeds	Assuming the maximum offering, we estimate that we will receive net proceeds from the sale of the Units in this offering of approximately $735,581,505 after deducting estimated offering expenses, including selling commissions and the dealer manager fee, payable by us of approximately $61,796,820. We intend to use the net proceeds from this offering for general corporate purposes, acquisitions and additional investments consistent with our investment strategies. See the section entitled "Estimated Use of Proceeds" in this prospectus.
Listing	Our Common Stock trades on Nasdaq, under the ticker symbol "CMCT," and the TASE, under the ticker symbol "CMCT-L." There is no established public trading market for the offered shares of Series A Preferred Stock or the Warrants and we do not expect a market to develop. We do not intend to apply for a listing of the Series A Preferred Stock or the Warrants on any national securities exchange.
Risk Factors	An investment in our securities involves risks. Please read "Risk Factors" beginning on page 9 of this prospectus.

Capital Structure

The Series A Preferred Stock ranks senior to our Series L Preferred Stock and our Common Stock with respect to payment of dividends. Our Series L Preferred Stock ranks senior to our Common Stock with respect to payment of distributions, except with respect to and only to the extent of the Initial Dividend. The "Initial Dividend" for a given fiscal year is a minimum annual amount, in USD, that is announced by us at the end of the prior fiscal year; provided that we are under no obligation to pay any portion of the Initial Dividend unless and until our Board of Directors authorizes and we declare any such distribution on our Common Stock. On December 21, 2018, our Board of Directors announced an Initial Dividend for fiscal year 2019 in the amount of $21,897,536, all of which has been declared by us and paid to holders of Common Stock.

With respect to distribution of amounts upon liquidation, dissolution or winding up, the Series A Preferred Stock ranks on parity with our Series L Preferred Stock, to the extent of the Series L Stated Value, and otherwise ranks senior to our Series L Preferred Stock and our Common Stock with respect to distribution of amounts upon liquidation, dissolution or winding up. Our Series L Preferred Stock ranks, with respect to rights upon our liquidation, dissolution or winding up, senior to our Common Stock to the extent of the Series L Stated Value and, except to the extent of the Initial Dividend, senior to our Common Stock with respect to any accrued and unpaid Series L Preferred Distributions, which reflect the cumulative cash distributions on each share of Series L Preferred Stock at an annual rate of 5.5% of the Series L Stated Value, which rate is subject to temporary increase by 1.0% per year, up to a maximum rate of 8.5%, if the Company fails to timely declare or pay such Series L Preferred Distributions.

Covered Security

The term "covered security" applies to securities exempt from state registration because of their oversight by federal authorities and national-level regulatory bodies pursuant to Section 18 of the Securities Act of 1933, as amended, or the Securities Act. Generally, securities listed on national exchanges are the most common type of covered security exempt from state registration. A non-traded security also can be a covered security if it has a seniority greater than or equal to other securities from the same issuer that are listed on a national exchange, such as Nasdaq. Our Series A Preferred Stock is a covered security because it is senior to our Common Stock and therefore is exempt from state registration.

Although the Warrants are not "covered securities," most states include an exemption from the securities registration requirement for warrants that are exercisable for a listed security. Therefore, the Warrants are subject to state securities registration in any state that does not provide such an exemption and this offering must be registered under the securities regulations of such states in order to sell the Warrants in these states.

There are several advantages to both issuers and investors of a security being deemed a covered security. These include:

- More Investors — Covered securities can be purchased by a broader range of investors than non-covered securities can. Non-covered securities are subject to suitability requirements that vary from state to state. These so-called “Blue Sky” regulations often prohibit the sale of securities to certain investors and may prohibit the sale of securities altogether until a specific volume of sales have been achieved in other states.

- Issuance Costs — Covered securities may have lower issuance costs since they avoid the expense of compliance with the various regulations of each of the 50 states and Washington, D.C. This could save time and money and allows issuers of covered securities the flexibility to enter the real estate markets at a time of their choosing. All investors of the issuer would benefit from any lower issuance costs that may be achieved.

There are several disadvantages to investors of a security being deemed a covered security. These include:

- Lack of Suitability Standards — As there are no investor eligibility requirements, there is no prohibition on the sale of the securities to certain investors, including investors that may not be suitable to purchase the securities.

- No State Review — Investors will not receive an additional level of review and possible protection afforded by the various state regulators.

RISK FACTORS

Investing in our securities involves a high degree of risk. You should carefully read and consider the following risk factors and all other information contained in this prospectus or in the documents incorporated by reference before making a decision to purchase our securities. These factors could have a material impact on our asset valuations, results of operations or financial condition and could also impair our ability to maintain dividend distributions at current or anticipated levels. The risk factors summarized below are categorized as follows: (i) Risks Related to this Offering, (ii) Risks Related to Our Business, (iii) Risks Related to Real Estate Assets, (iv) Risks Related to Our Lending Operations, (v) U.S. Federal Income and Other Tax Risks, (vi) Risks Related to Our Corporate Structure, (vii) Risks Related to Conflicts of Interest and (viii) Risks Related to Debt Financing. However, these categories do overlap and should not be considered exclusive.

Risks Related to This Offering

There is no public market for our Series A Preferred Stock or Warrants and we do not expect one to develop.

There is no public market for our Series A Preferred Stock or Warrants offered in this offering, and we currently have no plan to list these securities on a securities exchange or to include these shares for quotation on any national securities market. Additionally, our charter contains restrictions on the ownership and transfer of our securities, and these restrictions may inhibit your ability to sell the Series A Preferred Stock or Warrants promptly or at all. Furthermore, the Warrants will expire on the fifth anniversary of the date of issuance. If you are able to sell the Series A Preferred Stock or Warrants, you may only be able to sell them at a substantial discount from the price you paid. Therefore, you should purchase the Units only as a long-term investment.

The Series A Preferred Stock has not been rated.

We will not obtain a rating for the Series A Preferred Stock. No assurance can be given, however, that one or more rating agencies might not independently determine to issue such a rating or that such a rating, if issued, would not adversely affect the market price and or liquidity of the Series A Preferred Stock. In addition, we may elect in the future to obtain a rating of the Series A Preferred Stock, which could adversely impact the market price and or liquidity of the Series A Preferred Stock. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on negative outlook or withdrawn entirely at the discretion of the issuing rating agency if in its judgment circumstances so warrant. While ratings do not reflect market prices or the suitability of a security for a particular investor, such downward revision or withdrawal of a rating could have an adverse effect on the market price and or liquidity of the Series A Preferred Stock. It is also likely that the Series A Preferred Stock will never be rated.

Holders of our Series A Preferred Stock have no voting rights with respect to such shares.

The terms of our Series A Preferred Stock and Warrants do not entitle holders to voting rights. Our Common Stock is currently the only class of our capital stock that carries any voting rights. Unless and until a holder of our Series A Preferred Stock or Warrants acquires shares of our Common Stock upon the redemption of such shares, such holder will have no rights with respect to the shares of our Common Stock issuable upon redemption of our Series A Preferred Stock or exercise of our Warrants. If, at our discretion, a holder of our Series A Preferred Stock is issued shares of our Common Stock upon redemption, such holder will be entitled to exercise the rights of holders of our Common Stock only as to matters for which the record date occurs after the effective date of redemption.

The terms of our Series A Preferred Stock do not contain any financial covenants.

The terms of our Series A Preferred Stock do not contain any financial covenants such as limitations on indebtedness and distributions. The Series A Preferred Stock is subordinate to all of our existing and future debt and liabilities. Our future debt may include restrictions on our ability to pay distributions to preferred stockholders or make redemptions in the event of a default under such debt agreements or other circumstances. In addition, (i) while the Series A Preferred Stock ranks senior to our Common Stock with respect to payment of dividends and distributions upon liquidation, dissolution or winding up, we are allowed to pay dividends on our Common Stock so long as we are current in the payment of dividends on shares of our Series A Preferred Stock and (ii) while the Series L Preferred Stock ranks senior to our Common Stock with respect to payment of distributions, except to the extent of the Initial Dividend, and amounts payable upon our liquidation, dissolution or winding up, to the extent of the Series L Stated Value, we are allowed to pay dividends on our Common Stock so long as we are current in the payment of the Series L Preferred Distribution and dividends on shares of our Series A Preferred Stock. Further, the terms of our Series A Preferred Stock do not restrict our ability to repurchase shares of our Common Stock so long as we are current in the payment of dividends on shares of our Series A Preferred Stock. Such dividends on or repurchases of our Common Stock may reduce the amount of cash on hand to pay the redemption price of our Series A Preferred Stock in cash (if we so choose).

We will be required to terminate this offering if our Common Stock is no longer listed on Nasdaq or another national securities exchange.

The Series A Preferred Stock is a "covered security" and therefore is not subject to registration under the state securities, or Blue Sky, regulations in the various states in which it may be sold due to its seniority to our Common Stock, which is listed on Nasdaq. If our Common Stock is no longer listed on Nasdaq or another appropriate exchange, we will be required to register this offering in any state in which we subsequently offer the Units. This would require the termination of this offering and could result in our raising an amount of gross proceeds that is substantially less than the amount of the gross proceeds we expect to raise if the maximum offering is sold.

Although the Warrants are not "covered securities," most states include an exemption from securities registration for warrants that are exercisable into a listed security. Therefore, the Warrants are subject to state securities registration in any state that does not provide such an exemption and this offering must be registered under the securities regulations of such states in order to sell the Warrants in these states.

Shares of Series A Preferred Stock may be redeemed for shares of Common Stock, which ranks junior to the Series A Preferred Stock in all respects and ranks junior to the Series L Preferred Stock with respect to distributions, except to the extent of the Initial Dividend, and upon liquidation to the extent of the Series L Stated Value.

A holder of shares of Series A Preferred Stock may require us to redeem such shares in exchange for a redemption price payable, in our sole discretion, in cash or, from and after the first anniversary of the date of original issuance of such shares, in equal value through the issuance of shares of Common Stock, based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption.

The rights of the holders of shares of our Common Stock as to distributions rank junior to the rights of the holders of shares of our Series A Preferred Stock and, except to the extent of the Initial Dividend, our Series L Preferred Stock. Unless full cumulative dividends on shares of our Series A Preferred Stock and Series L Preferred Stock for all past dividend periods have been declared and paid (or set apart for payment), we will not declare or pay dividends with respect to any shares of our Common Stock for any period.

The rights of the holders of shares of our Common Stock upon any voluntary or involuntary liquidation, dissolution or winding up of our Company also rank junior to the rights of the holders of Series A Preferred Stock and, to the extent of the Series L Stated Value, holders of Series L Preferred Stock. However, holders of our Common Stock are entitled to receive an amount equal to the amount of any unpaid Initial Dividend prior to our payment to holders of our Series L Preferred Stock of any accrued and unpaid Series L Preferred Distribution.

We have the option to redeem your shares of Series A Preferred Stock under certain circumstances without your consent.

From and after the fifth anniversary of the date of original issuance of any shares of Series A Preferred Stock, we will have the right (but not the obligation) to redeem such shares at 100% of the Series A Stated Value, initially $25 per share, plus any accrued but unpaid dividends. We have the right, at our option and in our sole discretion, to pay the redemption price of our Series A Preferred Stock in cash or in equal value through the issuance of shares of Common Stock, based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption. See "Shares of Series A Preferred Stock may be redeemed for shares of Common Stock, which ranks junior to the Series A Preferred Stock with respect to dividends and upon liquidation" above.

Our NAV is an estimate of the fair value of our properties and real estate-related assets and may not necessarily reflect realizable value.

The determination of estimated NAV involves a number of subjective assumptions, estimates and judgments that may not be accurate or complete. Neither the Financial Industry Regulatory Authority, which we refer to as FINRA, nor the SEC provides rules on the methodology we must use to determine our estimated NAV per share. We believe there is no established practice among public REITs for calculating estimated NAV. Different firms using different property-specific, general real estate, capital markets, economic and other assumptions, estimates and judgments could derive an estimated NAV that is significantly different from our estimated NAV.

Our estimated NAV, as determined by us from time to time, is calculated by relying in part on appraisals of our real estate assets and the assets of our lending segment. However, valuations of these assets do not necessarily represent the price at which a willing buyer would purchase such assets; therefore, there can be no assurance that we would realize the values underlying our estimated NAVs if we were to sell our assets and distribute the net proceeds to our stockholders. The values of our assets and

liabilities, and therefore our NAV, are likely to fluctuate over time based on changes in value, investment activities, capital activities, indebtedness levels, and other various activities.

We may issue shares of our Common Stock at prices below the then-current NAV per share of our Common Stock, which could materially reduce our NAV per share of our Common Stock.

Any sale or other issuance of shares of our Common Stock by us at a price below the then-current NAV per share will result in an immediate reduction of our NAV per share. This reduction would occur as a result of a proportionately greater decrease in a stockholder's interest in our earnings and assets than the increase in our assets resulting from such issuance. For example, if we issue a number of shares of Common Stock equal to 5% of our then-outstanding shares at a 2% discount from NAV, a holder of our Common Stock who does not participate in that offering to the extent of its proportionate interest in the Company will suffer NAV dilution of up to 0.1%, or $1 per $1,000 of NAV. Because the number of future shares of our Common Stock that may be issued below our NAV per share and the price and timing of such issuances are not currently known, we cannot predict the resulting reduction in our NAV per share of any such issuance.

The cash distributions you receive may be less frequent or lower in amount than you expect.

Our Board of Directors will determine the amount and timing of distributions on our Series A Preferred Stock and Common Stock. In making this determination, our Board of Directors will consider all relevant factors, including the amount of cash resources available for distributions, capital spending plans, cash flow, financial position, applicable requirements of the Maryland General Corporation Law, which we refer to as the MGCL, and any applicable contractual restrictions. We cannot assure you that we will be able to consistently generate sufficient available cash flow to fund distributions on our Series A Preferred Stock and Common Stock, nor can we assure you that sufficient cash will be available to make distributions on our Series A Preferred Stock and Common Stock (in each case, even to the extent of the Initial Dividend). While holders of our Series A Preferred Stock are entitled to receive, if, as and when authorized by our Board of Directors and declared by us out of legally available funds, cumulative cash dividends on each share of Series A Preferred Stock at an annual rate of five and one-half percent (5.5%) of the Series A Stated Value, we cannot predict with certainty the timing of such distributions and we may be unable to pay or maintain such distributions over time.

We may suffer from delays in deploying capital, which could adversely affect our ability to pay distributions to our stockholders and the value of our securities.

We could suffer from delays in deploying capital, particularly if the capital we raise in this offering outpaces our Operator's ability to identify acquisitions and or close on them. Such delays, which may be caused by a number of factors, including competition in the market for the same real estate opportunities, may adversely affect our ability to pay distributions to our stockholders and or the value of their overall returns on investment in our securities.

Your percentage of ownership may become diluted if we issue new shares of Common Stock or other securities, and issuances of additional Preferred Stock or other securities by us may further subordinate the rights of the holders of our Series A Preferred Stock and Common Stock (which you may become upon receipt of redemption payments in shares of our Common Stock or exercise of any of your Warrants into Common Stock).

Our Board of Directors is authorized, without stockholder approval, to cause us to issue additional shares of our Common Stock or to raise capital through the issuance of shares of preferred stock and equity or debt securities convertible into Common Stock, preferred stock, options, warrants and other rights, on such terms and for such consideration as our Board of Directors in its sole discretion may determine. Any such issuance could result in dilution of the equity of our stockholders. In addition, our Board of Directors may, in its sole discretion, authorize us to issue Common Stock or other equity or debt securities to persons from whom we purchase properties, as part or all of the purchase price of the property. Our Board of Directors, in its sole discretion, may determine the price of any Common Stock or other equity or debt securities issued in consideration of such properties or services provided, or to be provided, to us.

We may make redemption payments under the terms of our Series A Preferred Stock and Series L Preferred Stock in shares of our Common Stock. Although the dollar amounts of such payments are unknown, the number of shares of our Common Stock to be issued in connection with such payments may fluctuate based on the price of our Common Stock. Any sales or perceived sales in the public market of shares of our Common Stock issuable upon such redemption payments could adversely affect prevailing market prices of shares of our Common Stock. The existence of our Series A Preferred Stock and Series L Preferred Stock may encourage

short selling by market participants because the possibility that redemption payments will be made in shares of our Common Stock could depress the market price of shares of our Common Stock. Further, any such issuance could result in dilution of the equity of our stockholders.

Our charter also authorizes our Board of Directors, without stockholder approval, to designate and issue one or more classes or series of preferred stock in addition to our Series A Preferred Stock and our Series L Preferred Stock and equity or debt securities convertible into preferred stock and to set the voting powers, conversion or other rights, preferences, restrictions, limitations as to dividends or other distributions and qualifications or terms or conditions of redemption of each class or series of shares so issued. If any additional preferred stock is publicly offered, the terms and conditions of such preferred stock (or other equity or debt securities convertible into preferred stock) will be set forth in a registration statement registering the issuance of such preferred stock or equity or debt securities convertible into preferred stock. Because our Board of Directors has the power to establish the preferences and rights of each class or series of preferred stock, it may afford the holders of any class or series of preferred stock preferences, powers, and rights senior to the rights of holders of our Series A Preferred Stock or Common Stock. If we ever create and issue additional preferred stock or equity or debt securities convertible into preferred stock with a distribution preference over our Series A Preferred Stock or Common Stock, payment of any distribution preferences of such new outstanding preferred stock would reduce the amount of funds available for the payment of distributions on our Series A Preferred Stock and Common Stock, as applicable. Further, holders of preferred stock are normally entitled to receive a preference payment if we liquidate, dissolve, or wind up before any payment is made to the holders of our Common Stock, likely reducing the amount the holders of our Common Stock would otherwise receive upon such an occurrence. In addition, under certain circumstances, the issuance of additional preferred stock may delay, prevent, render more difficult or tend to discourage, a merger, tender offer, or proxy contest, the assumption of control by a holder of a large block of our securities, or the removal of incumbent management.

No stockholders have rights to buy additional shares of stock or other securities if we issue new shares of stock or other securities. We may issue Common Stock, convertible debt or preferred stock pursuant to subsequent public offerings or private placements. Investors in our Common Stock who do not participate in any future stock issuances will experience dilution in the percentage of the issued and outstanding stock they own. In addition, depending on the terms and pricing of any future offerings and the value of our assets, such investors may experience dilution in the book value and fair market value of, and the amount of distributions paid on, their shares of Common Stock, if any.

Our ability to redeem shares of Series A Preferred Stock or to pay distributions on our Series A Preferred Stock or Common Stock may be limited by Maryland law.

Under Maryland law, a corporation may redeem, or pay distributions on, stock as long as, after giving effect to the redemption or distribution, the corporation is able to pay its debts as they become due in the usual course (the equity solvency test) and its total assets exceed the sum of its total liabilities plus, unless its charter permits otherwise, the amount that would be needed, if the corporation were to be dissolved at the time of the redemption or distribution, to satisfy the preferential rights upon dissolution of stockholders when preferential rights on dissolution are superior to those whose stock is being redeemed or on which the distributions are being paid (the balance sheet solvency test). If the Company is insolvent at any time when a redemption of our Series A Preferred Stock or distribution on our Common Stock or Series A Preferred Stock is required to be made, the Company may not be able to effect such redemption or distribution.

The transfer and ownership restrictions applicable to our securities may impair the ability of stockholders to receive shares of our Common Stock upon exercise of the Warrants and, if the Company elects to pay the redemption price in shares of Common Stock, upon redemption of the Series A Preferred Stock.

Our charter contains restrictions on ownership and transfer of the Preferred Stock and Common Stock that are intended to assist us in maintaining our qualification as a REIT for federal income tax purposes as described in the risk factor “The share transfer and ownership restrictions applicable to REITs and contained in our charter may inhibit market activity in our shares of stock and restrict our business combination opportunities.” Additionally, the Warrant Agreement provides that Warrants may not be exercised to the extent such exercise would result in the holder’s beneficial or constructive ownership of more than 6.25%, in number or value, whichever is more restrictive, of our outstanding shares of capital stock. These restrictions may impair the ability of stockholders to receive shares of our Common Stock upon exercise of the Warrants and, if the Company elects to pay the redemption price in shares of Common Stock, upon redemption of the Series A Preferred Stock.

Holders of our securities are subject to inflation risk.

Inflation is the reduction in the purchasing power of money resulting from the increase in the price of goods and services. Inflation risk is the risk that the inflation-adjusted, or “real,” value of an investment in our Common Stock and Preferred Stock, or the

income from that investment, will be worth less in the future. As inflation occurs, the real value of our Common Stock and Preferred Stock and distributions payable on such shares may decline because the rate of distribution will remain the same.

If market interest rates go up, prospective purchasers of shares of our Common Stock or Preferred Stock may expect a higher distribution rate on their investment. Higher market interest rates would not, however, result in more funds for us to pay distributions and, to the contrary, would likely increase our borrowing costs and potentially decrease funds available for distributions, and higher interest rates will not change the distribution rate on the Preferred Stock. Thus, higher market interest rates could cause the market price of our Common Stock and Preferred Stock to decline.

Holders of our securities may be required to recognize taxable income in excess of any cash or other distributions received from us, and non-U.S. stockholders could be subject to withholding tax on such amounts.

The Warrant Agreement provides that adjustments may be made to the exercise price or the number of shares of Common Stock issuable upon exercise of the Warrants. In certain cases, such an adjustment could result in the recognition of a taxable dividend to holders of Common Stock, Series A Preferred Stock or Warrants even if such holders do not receive any cash or other distribution from us.

Additionally, as discussed in "Material U.S. Federal Income Tax Consequences—Taxation of Holders of Common Stock, Series A Preferred Stock or Warrants—U.S. Stockholders—Allocation of Purchase Price of Unit as Between Series A Preferred Stock and Warrant," holders of Series A Preferred Stock may be required to accrue income in respect of a "redemption premium," depending on the allocation of the purchase price for the Units as between the Series A Preferred Stock and the Warrants.

Non-U.S. Stockholders could also be subject to withholding tax in these cases, as described in "Material U.S. Federal Income Tax Consequences—Taxation of Holders of Common Stock, Series A Preferred Stock or Warrants—Non-U.S. Stockholders."

Holders should consult their tax advisors with respect to the possibility of having to recognize income or the possibility of withholding when no actual distribution is made.

If a Warrant is exercised through a "cashless exercise," the holder of the warrant may recognize gain or loss.

The Warrant Agreement provides that, in certain cases, a holder may be required to satisfy its obligation to pay the exercise price through a "cashless exercise." Upon such a cashless exercise, the holder may recognize taxable gain or loss, as discussed in "Material U.S. Federal Income Tax Consequences—Taxation of Holders of Common Stock, Series A Preferred Stock or Warrants—U.S. Stockholders—Exercise of the Warrants."

The exercise price of our Series A Preferred Warrants is established based on the Applicable NAV (as defined below), and the Applicable NAV may not be indicative of the price at which the shares of Common Stock for which the Series A Preferred Warrants may be exercised would trade.

The exercise price of our Series A Preferred Warrants is based upon the Applicable NAV, or the fair market NAV of the Company per share of Common Stock as most recently published by the Company at the time of the issuance of the applicable Series A Preferred Warrant. The Company determines the Applicable NAV on an annual basis or more frequently if, in the Company's discretion, significant developments warrant. The Company's determination of the Applicable NAV is final and binding. The valuation methodologies underlying our NAVs will involve subjective judgments. See "Estimated Net Asset Value" in this prospectus. Valuations of real properties do not necessarily represent the price at which a willing buyer would purchase our properties; therefore, there can be no assurance that we would realize the values underlying our estimated NAVs if we were to sell our assets and distribute the net proceeds to our stockholders. The values of our assets and liabilities are likely to fluctuate over time. The exercise price for Series A Preferred Warrants may not be indicative of the price at which the shares of Common Stock for which the Series A Preferred Warrants may be exercised would trade or of the proceeds that a stockholder would receive if we were liquidated or dissolved or of the value of our portfolio at the time holders would be able to dispose of their shares.

Shares of Common Stock issuable upon exercise of a Warrant have not been registered under the Securities Act.

If, upon any exercise of a Warrant, a registration statement covering the sale of the Common Stock issuable upon exercise of a Warrant is not effective and an exemption from such registration is not available, the holder of such Warrant may only satisfy its obligation to pay the exercise price through a "cashless exercise." We have no obligation to file a registration statement to register the shares of Common Stock underlying any Warrants.

There are certain disadvantages to investors because the Units consisting of our Series A Preferred Stock and Warrants are deemed a covered security.

The term "covered security" applies to securities exempt from state registration because of their oversight by federal authorities and national-level regulatory bodies pursuant to Section 18 of the Securities Act of 1933, as amended. Generally, securities listed on national exchanges are the most common type of covered security exempt from state registration. A non-traded security also can be covered security if it has a seniority greater than or equal other securities from the same issuer that are listed on a national exchange, such as Nasdaq. Our Series A Preferred Stock is a covered security because it is senior to our Common Stock and therefore is exempt from state registration. Although the Warrants are not "covered securities," almost every state includes an exemption for warrants that are exercisable into a listed security.

There are several disadvantages to investors of a security being deemed a covered security. These include:

- Lack of Suitability Standards — Since there are no specific economic investor eligibility requirements for the purchase of our Units, there is no prohibition on the sale of the securities to certain investors, based on net worth or income as imposed by NASAA guidelines or applicable state blue sky laws.

- No State Review — Investors will not receive an additional level of review and possible protection affordable by the various state regulators.

Future sales of our shares of Common Stock may cause the market price of our Common Stock to drop significantly, even if our business is doing well.

Urban II is entitled to registration rights, subject to certain limitations, with respect to our securities pursuant to the Registration Rights and Lockup Agreement dated March 11, 2014 between us and Urban II, which we refer to as the Registration Rights and Lockup Agreement. Urban II is entitled to require us, on up to eight occasions, to register under the Securities Act, our shares of Common Stock it received in connection with the merger between PMC Commercial Trust and CIM REIT that was completed on March 11, 2014, which we refer to as the Merger. We have registered on behalf of Urban II under the Registration Rights and Lockup Agreement all shares of our Common Stock currently held by Urban II.

As described in "Our Business and Properties—Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock" in this prospectus, CIM Group is in the process of liquidating CIM REIT, which process has included (and may further include) the distribution of certain of the shares of our Common Stock owned by CIM REIT to certain of the members of CIM REIT. Such members of CIM REIT may decide to sell the shares of our Common Stock received by them in the CIM REIT Liquidation. While the CIM REIT Liquidation has increased, and may continue to increase, our public float, a large volume of sales of shares of our Common Stock could decrease the prevailing market price of shares of our Common Stock and could impair our ability to raise additional capital through the sale of equity securities in the future. Even if a substantial number of sales of shares of our Common Stock do not occur, the mere perception of the possibility of these sales could depress the market price of shares of our Common Stock and have a negative effect on our ability to raise capital in the future.

Changes in market conditions could adversely affect the market price of our Common Stock.

The market value of our Common Stock, as with other publicly traded equity securities, will depend on various market conditions, which may change from time to time. In addition to the economic environment and future volatility in the securities and credit markets in general, the market conditions described in the risk factor "We intend to rely in part on external sources of capital to fund future capital needs and, if we encounter difficulty in obtaining such capital, we may not be able to meet maturing obligations or make additional acquisitions" may affect the value of our Common Stock. In addition, increases in market interest rates may lead investors to demand a higher annual yield from our distributions in relation to the price of our securities.

The market value of our Common Stock is based, among other things, upon the market's perception of our growth potential and our current and potential future earnings and cash dividends and our capital structure. Consequently, our Common Stock may trade at prices that are higher or lower than our NAV per share of Common Stock. If our future earnings or cash distributions are less than expected, the market prices of our Common Stock could decline.

The listing of our Common Stock on more than one stock exchange may result in price variations that could adversely affect liquidity of the market for our Common Stock.

Our Common Stock is listed on Nasdaq and the TASE. The dual-listing of our Common Stock may result in price variations of our Common Stock between the two exchanges due to a number of factors. First, trading in our securities on these markets takes place in different currencies (USD on Nasdaq and ILS on the TASE). In addition, the exchanges are open for trade at different times of the day and on different days. For example, Nasdaq opens generally during U.S. business hours, Monday through Friday, while the TASE opens generally during Israeli business hours, Sunday through Thursday. The two exchanges also observe different public holidays. Differences in the trading schedules, as well as volatility in the exchange rate of the two currencies, among other factors, may result in different trading prices for our Common Stock on the two exchanges. Any decrease in the trading price of our Common Stock in one market could cause a decrease in the trading price of such security on the other market.

The dual-listing may adversely affect liquidity and trading prices for our Common Stock on one or both of the exchanges as a result of circumstances that may be outside of our control. For example, transfers by holders of our Common Stock from trading on one exchange to the other could result in increases or decreases in liquidity and or trading prices on either or both of the exchanges. In addition, holders could seek to sell or buy our Common Stock to take advantage of any price differences between the two markets through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in both the prices of and volumes of our Common Stock available for trading on either exchange.

The existing mechanism for the dual listing of securities on Nasdaq and the TASE may be eliminated or otherwise altered such that we may be subject to additional regulatory burden and additional costs.

The existing Israeli regulatory regime provides a mechanism for the dual listing of securities traded on Nasdaq and the TASE that does not impose any significant regulatory burden or significant costs on us. If this dual listing regime is eliminated or otherwise altered such that we are unable or unwilling to comply with the regulatory requirements, we may incur additional costs and we may consider delisting of our Common Stock from the TASE.

Risks Related to Our Business

We may be unable to pay or maintain cash distributions or increase distributions to stockholders over time.

Several factors may affect the availability and timing of cash distributions to our stockholders. Distributions are based primarily on anticipated cash flow from operations over time. The amount of cash available for distributions is affected by many factors, including the performance of our existing assets, including the selection of tenants and the amount of rental income, our operating expense levels, opportunities for acquisition identified by our Operator, the availability of financing arrangements as well as many other variables. We may not always be in a position to pay distributions to our stockholders and the amount of any distributions we do make may not increase over time. In addition, our actual results may differ significantly from the assumptions used by our Board of Directors in establishing our distribution policy. There also is a risk that we may not have sufficient cash flow from operations to fund distributions required to qualify as a REIT or maintain our REIT status.

We have paid, and may in the future pay, some or all of our distributions to stockholders from sources other than cash flow from operations, including borrowings, proceeds from asset sales or the sale of our securities, which may reduce the amount of capital we ultimately deploy in our real estate operations and may negatively impact the value of our Common Stock.

To the extent that cash flow from operations has been or is insufficient to fully cover our distributions to our stockholders, we have paid, and may in the future pay, some or all of our distributions from sources other than cash flow from operations. Such sources may include borrowings, proceeds from asset sales or the sale of our securities. We have no limits on the amounts we may use to pay distributions from sources other than cash flow from operations. The payment of distributions from sources other than cash provided by operating activities may reduce the amount of proceeds available for acquisitions and operations or cause us to incur additional interest expense as a result of borrowed funds. This may negatively impact the price of our Common Stock.

Distributions at any point in time may not reflect the current performance of our properties or our current operating cash flow.

We may make distributions from any source, including the sources described in the risk factor above. Because the amount we pay in distributions may exceed our earnings and our cash flow from operations, distributions may not reflect the current performance of our properties or our current operating cash flow.

Our future success depends on the performance of the Administrator and the Operator, their respective key personnel and their access to the investment professionals of CIM Group. We may not find suitable replacements if such key personnel or investment professionals leave the employment of the Administrator, the Operator or other applicable affiliates of CIM Group or if such key personnel or investment professionals otherwise become unavailable to us.

We rely on the Administrator to provide management and administration services to us, and CIM Urban relies completely on the Operator to provide CIM Urban with certain services.

Our executive officers also serve as officers or employees of the Administrator and or the Operator or other applicable affiliates of CIM Group. The Administrator and the Operator have significant discretion as to the implementation of acquisitions and operating policies and strategies on behalf of us and CIM Urban. Accordingly, we believe that our success depends to a significant extent upon the efforts, experience, diligence, skill and network of business contacts of the officers and key personnel of the Administrator, the Operator and the other applicable affiliates of CIM Group. The departure of any of these officers or key personnel could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

We also depend on access to, and the diligence, skill and network of, business contacts of the professionals within CIM Group and the information and deal flow generated by its investment professionals in the course of their acquisitions and onsite property management and leasing activities. The departure of any of these individuals, or of a significant number of the investment professionals or principals of CIM Group, could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock. We cannot guarantee that we will continue to have access to CIM Group’s investment professionals or its information and deal flow.

Uninsured losses or losses in excess of our insurance coverage could materially adversely affect our financial condition and cash flows, and there can be no assurance as to future costs and the scope of coverage that may be available under insurance policies.

We carry commercial liability, special form/all risk and business interruption insurance on all of the properties in our portfolio. In addition, we carry directors’ and officers’ insurance. While we select policy specifications and insured limits that we believe are appropriate and adequate given the relative risk of loss, the cost of the coverage, and industry practice, there can be no assurance that we will not experience a loss that is uninsured or that exceeds policy limits.

Our business operations in California and Texas are susceptible to, and could be significantly affected by, adverse weather conditions and natural disasters such as earthquakes, tsunamis, hurricanes, wind, blizzards, floods, landslides, drought and fires. These adverse weather conditions and natural disasters could cause significant damage to the properties in our portfolio, the risk of which is enhanced by the concentration of our properties, by aggregate net operating income and square feet, in California. Our insurance may not be adequate to cover business interruption or losses resulting from adverse weather or natural disasters. We carry earthquake insurance on our properties in California in an amount and with deductibles and limitations that we deem to be appropriate. However, the amount of our earthquake insurance coverage may not be sufficient to cover losses from earthquakes in California. Furthermore, we may not carry insurance for certain losses, such as those caused by war or certain environmental conditions, such as mold or asbestos.

As a result of the factors described above, we may not have sufficient coverage against all losses that we may experience for any reason.

If we experience a loss that is uninsured or that exceeds policy limits, we could incur significant costs and lose the capital deployed in the damaged properties as well as the anticipated future cash flows from those properties. Further, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if the properties were irreparable. In addition, our properties may not be able to be rebuilt to their existing height or size at their existing location under current land-use laws and policies. In the event that we experience a substantial or comprehensive loss of one of our properties, we may not be able to rebuild such property to its existing specifications and otherwise may have to upgrade such property to meet current code requirements. Any of the factors described above could have a material adverse effect on our business, financial

condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Cybersecurity risks and cyber incidents may adversely affect our business by causing a disruption to our operations, a compromise or corruption of our confidential information, and or damage to our business relationships, all of which could negatively impact our financial results.

We face cybersecurity risks and risks associated with security breaches or disruptions, such as cyber-attacks or cyber intrusions over the Internet, malware, computer viruses, attachments to emails, social engineering and phishing schemes or persons inside our organization, the Operator and or Administrator. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusions, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. The occurrence of a cyber incident may result in disrupted operations, misstated or unreliable financial data, misappropriation of assets, compromise or corruption of confidential information collected in the course of conducting our business, liability for stolen assets or information, increased cybersecurity protection and insurance costs, litigation, regulatory enforcement, damage to our tenant and stockholder relationships, material harm to our financial condition, cash flows and the market price of our securities or other adverse effects. Our Operator's and Administrator's IT networks and related systems are essential to the operations of our business and our ability to perform day-to-day operations (including managing our building systems). Our Operator and Administrator have implemented processes, procedures and internal controls to help mitigate cyber incidents, but these measures do not guarantee that a cyber incident involving our Operator or Administrator will not occur or that attempted security breaches or disruptions would not be successful or damaging. A cyber incident involving our Operator's or Administrator's IT networks and related systems could materially adversely impact our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Our Operator, Administrator and their respective affiliates, in the course of providing onsite property management, leasing, accounting and or services to us, collect and retain certain personal information provided by our tenants and vendors. Our Operator, Administrator and their respective affiliates rely on computer systems to process transactions and manage our business. We can provide no assurance that the data security measures designed to protect confidential information on such systems established by our Operator, Administrator and their respective affiliates will be able to prevent unauthorized access to such personal information. There can be no assurance that their efforts to maintain the security and integrity of the information collected and their computer systems will be effective or that attempted security breaches or disruptions will not be successful or damaging. Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and, in some cases, are designed not be detected and, in fact, may not be detected. Accordingly, our Operator, Administrator and their respective affiliates may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.

Risks Related to Real Estate Assets

Our operating performance is subject to risks associated with the real estate industry.

Real estate assets are subject to various risks and fluctuations and cycles in value and demand, many of which are beyond our control. Certain events may decrease cash available for distributions, as well as the value of our properties. These events include, but are not limited to:

- adverse changes in economic and socioeconomic conditions;
- vacancies or our inability to rent space on favorable terms;
- adverse changes in financial conditions of buyers, sellers and tenants of properties;
- inability to collect rent from tenants;
- competition from real estate investors with significant capital, including but not limited to real estate operating companies, publicly-traded REITs and institutional investment funds;
- reductions in the level of demand for office and hotel space and changes in the relative popularity of properties;
- increases in the supply of office and hotel space;

- fluctuations in interest rates and the availability of credit, which could adversely affect our ability, or the ability of buyers and tenants of properties, to obtain financing on favorable terms or at all;

- dependence on third parties to provide leasing, brokerage, onsite property management and other services with respect to certain of our assets;

- increases in expenses, including insurance costs, labor costs, utility prices, real estate assessments and other taxes and costs of compliance with laws, regulations and governmental policies, and our inability to pass on some or all of these increases to our tenants; and

- changes in, and changes in enforcement of, laws, regulations and governmental policies, including, without limitation, health, safety, environmental, zoning, real estate tax, federal and state laws, governmental fiscal policies and the Americans with Disabilities Act of 1990, or the ADA.

In addition, periods of economic slowdown or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases. If we cannot operate our properties so as to meet our financial expectations, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock may be negatively impacted.

There can be no assurance that we will achieve our economic objectives.

A significant portion of our properties, by aggregate net operating income and square feet, are located in California. We are dependent on the California real estate market and economy and are therefore susceptible to risks of events in the California market that could adversely affect our business, such as adverse market conditions, changes in local laws or regulations and natural disasters.

Because our properties in California represent a significant portion of our portfolio by aggregate net operating income and square feet, we are exposed to greater economic risks than if we owned a more geographically diverse portfolio. We are susceptible to adverse developments in the California economic and regulatory environments (such as business layoffs or downsizing, industry slowdowns, relocations of businesses, increases in real estate and other taxes, costs of complying with governmental regulations or increased regulation and other factors) as well as natural disasters that occur in these areas (such as earthquakes, floods, fires and other events). In addition, the State of California is regarded as more litigious and more highly regulated and taxed than many states, which may reduce demand for office and hotel space in California. Any adverse developments in the economy or real estate markets in California, or any decrease in demand for office and hotel space resulting from the California regulatory or business environments, could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Capital and credit market conditions may adversely affect demand for our properties and the overall availability and cost of credit.

In periods when the capital and credit markets experience significant volatility, demand for our properties and the overall availability and cost of credit may be adversely affected. No assurances can be given that the capital and credit market conditions will not have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

In addition, we could be adversely affected by significant volatility in the capital and credit markets as follows:

- the tenants in our office properties may experience a deterioration in their sales or other revenue, or experience a constraint on the availability of credit necessary to fund operations, which in turn may adversely impact those tenants' ability to pay contractual base rents and tenant recoveries. Some tenants may terminate their occupancy due to an inability to operate profitably for an extended period of time, impacting our ability to maintain occupancy levels; and

- constraints on the availability of credit to tenants, necessary to purchase and install improvements, fixtures and equipment and to fund business expenses, could impact our ability to procure new tenants for spaces currently vacant in existing office properties or properties under development.

Tenant concentration increases the risk that cash flow could be interrupted.

We are, and expect that we will continue to be, subject to a degree of tenant concentration at certain of our properties and or across multiple properties. In the event that a tenant occupying a significant portion of one or more of our properties or whose rental income represents a significant portion of the rental revenue at such property or properties were to experience financial weakness or file bankruptcy, it could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

If a major tenant declares bankruptcy, we may be unable to collect balances due under relevant leases, which could have a material adverse effect on our financial condition and ability to pay distributions to our stockholders.

The bankruptcy or insolvency of our tenants may adversely affect the income produced by our properties. Under bankruptcy law, a tenant cannot be evicted solely because of its bankruptcy and has the option to assume or reject any unexpired lease. If the tenant rejects the lease, any resulting claim we have for breach of the lease (other than to the extent of any collateral securing the claim) will be treated as a general unsecured claim. Our claim against the bankrupt tenant for unpaid and future rent will be subject to a statutory cap that might be substantially less than the remaining rent actually owed under the lease, and it is unlikely that a bankrupt tenant that rejects its lease would pay in full amounts it owes us under the lease. Even if a lease is assumed and brought current, we still run the risk that a tenant could condition lease assumption on a restructuring of certain terms, including rent, that would have an adverse impact on us. Any shortfall resulting from the bankruptcy of one or more of our tenants could adversely affect our business,

financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

In addition, the financial failure of, or other default by, one or more of the tenants to whom we have exposure could have an adverse effect on the results of our operations. While we evaluate the creditworthiness of our tenants by reviewing available financial and other pertinent information, there can be no assurance that any tenant will be able to make timely rental payments or avoid defaulting under its lease. If any of our tenants' businesses experience significant adverse changes, they may fail to make rental payments when due, exercise early termination rights (to the extent such rights are available to the tenant) or declare bankruptcy. A default by a significant tenant or multiple tenants could cause a material reduction in our revenues and operating cash flows. In addition, if a tenant defaults, we may incur substantial costs in protecting our asset.

We have assumed, and in the future may assume, liabilities in connection with our property acquisitions, including unknown liabilities.

In connection with the acquisition of properties, we may assume existing liabilities, some of which may have been unknown or unquantifiable at the time of the acquisition of assets. Unknown liabilities might include liabilities for cleanup or remediation of undisclosed environmental conditions, claims of tenants or other persons dealing with the sellers prior to our acquisition of the properties, tax liabilities, and accrued but unpaid liabilities whether incurred in the ordinary course of business or otherwise. If the magnitude of such unknown liabilities is high, either singly or in the aggregate, it could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

We may be adversely affected by trends in the office real estate industry.

Telecommuting, flexible work schedules, open workspaces and teleconferencing are becoming more common. These practices enable businesses to reduce their space requirements. There is also an increasing trend among some businesses to utilize shared office space and co-working spaces. A continuation of the movement towards these practices could over time erode the overall demand for office space and, in turn, place downward pressure on occupancy, rental rates and property valuations.

We may be unable to renew leases or lease vacant office space.

As of June 30, 2019, 11.7% of the rentable square footage of our office portfolio (excluding two office properties in Washington, D.C. that were sold in July 2019) was available for lease, and 5.8% of the occupied square footage of such office properties was scheduled to expire in 2019. Local economic environment may make the renewal of these leases more difficult, or renewal may occur at rental rates equal to or below existing rental rates. As a result, portions of our office properties may remain vacant for extended periods of time. In addition, we may have to offer substantial rent abatements, tenant improvements, concessions, early termination rights or below-market renewal options to attract new tenants or retain existing tenants. The factors described above could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

A significant portion of our net operating income is expected to come from our hotel and, as a result, our operating performance is subject to the cyclical nature of the lodging industry.

The performance of the lodging industry has historically been closely linked to the performance of the general economy and, specifically, growth in U.S. gross domestic product. Fluctuations in lodging demand and, therefore, hotel operating performance, are caused largely by general economic and local market conditions, which subsequently affect levels of business and leisure travel. For instance, increased fuel costs, natural disasters and terrorist attacks are a few factors that could affect an individual's willingness to travel.

In addition to general economic conditions, lodging supply is an important factor that can affect the lodging industry's performance. Industry overbuilding and the introduction of new concepts and products such as Airbnb®, Homeaway® and VRBO® have the potential to further exacerbate the negative impact of an economic recession. Room rates and occupancy, and thus RevPAR, tend to increase when demand growth exceeds supply growth. Further, the success of our hotel property depends largely on the property operator's ability to adapt to dominant trends, competitive pressures and consolidation, as well as disruptions such as consumer spending patterns, changing demographics and the availability of labor.

An adverse change in lodging fundamentals could result in returns that are substantially below our expectations or result in losses, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

The seasonality of the lodging industry may cause quarterly fluctuations in our revenues.

The lodging industry is seasonal in nature, which may cause quarterly fluctuations in our revenues, occupancy levels, room rates, operating expenses and cash flows. Our quarterly earnings may be adversely affected by factors outside our control, including timing of holidays, weather conditions, poor economic factors and competition in the area of our hotel. We can provide no assurances that our cash flows will be sufficient to offset any shortfalls that occur as a result of these fluctuations. As a result, we may have to enter into short-term borrowings in certain quarters in order to make distributions to our stockholders, and we can provide no assurances that such borrowings will be available on favorable terms, if at all. Consequently, volatility in our financial performance resulting from the seasonality of the lodging industry could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Our hotel has an ongoing need for renovations and potentially significant capital expenditures and the costs of such activities may exceed our expectations.

From time to time we will need to make capital expenditures to comply with applicable laws and regulations, to remain competitive with other hotels and to maintain the economic value of our hotel. Occupancy and average daily rate, or ADR, are often affected by the maintenance and capital improvements at a hotel, especially in the event that the maintenance or improvements are not completed on schedule or if the improvements require significant closures at the hotel. The costs of capital improvements we need or choose to make could harm our financial condition and reduce amounts available for distribution to our stockholders. These capital improvements may give rise to the following additional risks, among others:

- construction cost overruns and delays;
- a possible shortage of available cash to fund capital improvements and the related possibility that financing for these capital improvements may not be available to us on affordable terms;
- uncertainties as to market demand or a loss of market demand after capital improvements have begun;
- disruption in service and room availability causing reduced demand, occupancy and rates;
- possible environmental problems; and
- disputes with our manager/franchise owner regarding our compliance with the requirements under our management or franchise agreements.

The increasing use of online travel intermediaries by consumers may adversely affect our profitability.

Some of our hotel rooms are booked through online travel intermediaries, including, but not limited to, Travelocity.com, Expedia.com and Priceline.com. As online bookings increase, these intermediaries may demand higher commissions, reduced room rates or other significant contract concessions. Moreover, some of these online travel intermediaries are attempting to offer hotel rooms as a commodity, by increasing the importance of price and general indicators of quality (such as “three-star downtown hotel”) at the expense of brand identification. These intermediaries hope that consumers will develop brand loyalties to their reservations systems rather than to particular hotels. Although most of the business for our hotel is expected to be derived from consumer direct and traditional hotel channels, such as travel agencies, corporate accounts, meeting planners and recognized wholesale operators, if the amount of sales made through online intermediaries increases significantly, room revenues may be lower than expected, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Increased use of technology may reduce the need for business-related travel.

The increased use of teleconference and video-conference technology by businesses could result in decreased business travel as companies increase the use of technologies that allow multiple parties from different locations to participate at meetings without traveling to a centralized meeting location. To the extent that such technologies play an increased role in day-to-day business and the necessity for business-related travel decreases, hotel room demand may decrease, which could adversely affect our business, financial

condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

We are subject to risks associated with the employment of hotel personnel, particularly with respect to unionized labor.

Our third-party manager is responsible for hiring and maintaining the labor force at our hotel. As owner of our hotel, we are responsible for and subject to many of the costs and risks generally associated with the hotel labor force, particularly with respect to unionized labor. From time to time, hotel operations may be disrupted as a result of strikes, lockouts, public demonstrations or other negative actions and publicity. We also may incur increased legal costs and indirect labor costs as a result of contract disputes or other events. The resolution of labor disputes or re-negotiated labor contracts could lead to increased labor costs, either by increases in wages or benefits or by changes in work rules that raise hotel operating costs. We do not have the ability to affect the outcome of these negotiations.

We face significant competition.

Our office portfolio competes with a number of developers, owners and operators of office real estate, many of which own properties similar to ours in the same markets in which our properties are located. If our competitors offer space at rental rates below current market rates, or below the rental rates we currently charge our tenants, we may lose existing or potential tenants and may not be able to replace them, and we may be pressured to reduce our rental rates below those we currently charge or to offer more substantial rent abatements, tenant improvements, early termination rights or below-market renewal options in order to retain tenants when our tenants' leases expire. As a result of any of the foregoing factors, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock may be materially adversely affected.

Our hotel property competes for guests primarily with other hotels in the immediate vicinity of our hotel and secondarily with other hotels in the geographic market of our hotel. An increase in the number of competitive hotels in these areas could have a material adverse effect on the occupancy, ADR and RevPAR of our hotel.

We may be unable to deploy capital in a way that grows our business and, even if consummated, we may fail to successfully integrate and operate acquired properties.

We plan to deploy capital in additional real estate assets as opportunities arise. Our ability to do so on favorable terms and or successfully integrate and operate them is subject to the following significant risks:

- we may be unable to deploy capital in additional real estate assets because of competition from real estate investors with better access to less expensive capital, including real estate operating companies, publicly-traded REITs and investment funds;
- we may acquire properties that are not accretive to our results upon acquisition, and we may not successfully manage and lease those properties to meet our expectations;
- competition from other potential acquirers may significantly increase purchase prices;
- acquired properties may be located in new markets where we may face risks associated with a lack of market knowledge or understanding of the local economy, lack of business relationships in the area and unfamiliarity with local governmental and permitting procedures;
- we may be unable to generate sufficient cash from operations or obtain the necessary debt or equity financing to consummate a transaction on favorable terms or at all;
- we may need to spend more money than anticipated to make necessary improvements or renovations to acquired properties;
- we may spend significant time and money on potential transactions that we do not consummate;
- we may be unable to quickly and efficiently integrate new acquisitions into our existing operations;
- we may suffer higher than expected vacancy rates and or lower than expected rental rates; and

- we may acquire properties without any recourse, or with only limited recourse, for liabilities against the former owners of the properties.

If we cannot complete real estate transactions on favorable terms, or operate acquired assets to meet our goals or expectations, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock could be materially adversely affected.

We may be unable to successfully expand our operations into new markets.

The risks described in the immediately preceding risk factor that are applicable to our ability to acquire and successfully integrate and operate properties in the markets in which our properties are located are also applicable to our ability to acquire and successfully integrate and operate properties in new markets. In addition to these risks, we may not possess the same level of familiarity with the dynamics and market conditions of certain new markets that we may enter, which could adversely affect our ability to expand into those markets. We may be unable to build a significant market share or achieve a desired return on our assets in new markets. If we are unsuccessful in expanding into new markets, it could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

We may deploy capital outside of the United States, which would subject us to additional risks that may affect our operations unfavorably.

We may deploy some of our capital outside of the United States. Such deployment of capital in foreign countries could be affected unfavorably by changes in exchange rates due to political and economic factors, including inflation. Because non-U.S. companies are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable with those applicable to U.S. companies, there may be different types of, and lower quality, information available about non-U.S. companies and their assets. This may affect our ability to underwrite and evaluate proposed deployment of capital in foreign countries or to obtain appropriate financial reports relating to such deployment. In addition, with respect to certain countries, there may be an increased potential for corrupt business practices, or the possibility of expropriation or confiscatory taxation, political or social instability, or diplomatic developments that could affect our deployment of capital in those countries. Moreover, individual economies could differ unfavorably from the U.S. economy in such respects as growth of gross national product, rate of inflation, changes in currency rates and exchange control regulations and capital reinvestment. As a result of the factors described in this paragraph, any capital deployed outside of the United States may be subject to a higher degree of risk; there can also be no assurance that any such deployment will generate returns comparable to similar deployment of capital made in the United States.

We are subject to risks and liabilities unique to joint venture relationships.

We may contemplate acquisitions of properties through joint ventures and sales to institutions of partial ownership of properties that we wholly own. Joint venture involves certain risks, including for example:

- disputes with joint venture partners might affect our ability to develop, operate or dispose of a property;

- the refinancing of unconsolidated joint venture debt may require additional equity commitments on our part;

- joint venture partners may control or share certain approval rights over major decisions or might have economic or other business interests or goals that are inconsistent with our business interests or goals that would affect our ability to operate the property;

- we may be forced to fulfill the obligations of a joint venture or of joint venture partners who default on their obligations including those related to debt or interest rate swaps; and

- there may be conflicts of interests because our joint venture partners may have varying interests such as different needs for liquidity, different assessments of the market, different tax objectives or ownership of competing interests in properties in our markets.

The occurrence of one or more of the foregoing events could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Our properties may be subject to impairment charges.

We routinely evaluate our assets for impairment indicators. The judgment regarding the existence and magnitude of impairment indicators is based on factors such as market conditions, tenant performance and lease structure. For example, the early termination of, or default under, a lease by a tenant may lead to an impairment charge. If we determine that an impairment has occurred, we will be required to make a downward adjustment to the net carrying value of the property, which could have a material adverse effect on our results of operations in the period in which the impairment charge is recorded. Negative developments in the real estate market may cause management to reevaluate the business and macro-economic assumptions used in its impairment analysis. Changes in management's assumptions based on actual results may have a material impact on the Company's financial statements.

We may obtain only limited warranties when we purchase a property and typically have only limited recourse in the event our due diligence did not identify any issues that lower the value of our property.

The seller of a property often sells such property in "as is" condition on a "where is" basis and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose. In addition, purchase agreements may contain only limited warranties, representations and indemnifications that survive for only a limited period after the closing and with a cap on recoverable damages. In the event we purchase a property with a limited warranty, there will be an increased risk that we will lose some or all of our capital in the property.

Our operating results may be negatively affected by development and construction delays and the resultant increased costs and risks.

If we engage in development or construction projects, we will be subject to uncertainties associated with re-zoning for development, environmental and land use concerns of governmental entities and or community groups, and our builder's ability to build in conformity with plans, specifications, budgeted costs, and timetables. If a builder fails to perform, we may resort to legal action to rescind the breached agreement or to compel performance. A builder's performance may also be affected or delayed by conditions beyond the builder's control. Delays in completion of construction could also give tenants the right to terminate preconstruction leases. We may incur additional risks if we make periodic progress payments or other advances to builders before they complete construction. These and other such factors can result in increased costs of a project or loss of our asset. In addition, we will be subject to normal lease-up risks relating to newly constructed projects. We also must rely on rental income and expense projections and estimates of the fair market value of property upon completion of construction when agreeing upon a price at the time we acquire the property. If our projections are inaccurate, we may pay too much for a property, and our return on our assets could suffer.

We may deploy capital in unimproved real property. Returns from development of unimproved properties are also subject to risks associated with re-zoning the land for development and environmental and land use concerns of governmental entities and or community groups.

We may be unable to sell a property if or when we decide to do so, including as a result of uncertain market conditions.

Real estate assets are, in general, relatively illiquid and may become even more illiquid during periods of economic downturn. As a result, we may not be able to sell our properties quickly or on favorable terms in response to changes in the economy or other conditions when it otherwise may be prudent to do so. In addition, certain significant expenditures generally do not change in response to economic or other conditions, including debt service obligations, real estate taxes, and operating and maintenance costs. This combination of variable revenue and relatively fixed expenditures may result, under certain market conditions, in reduced earnings. Therefore, we may be unable to adjust our portfolio promptly in response to economic, market or other conditions, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Some of our leases may not include periodic rental increases, or the rental increases may be less than the fair market rate at a future point in time. In either case, the value of the leased property to a potential purchaser may not increase over time, which may restrict our ability to sell that property, or if we are able to sell that property, may result in a sale price less than the price that we paid to purchase the property or the price that could be obtained if the rental income was at the then-current market rate.

We expect to hold our various real properties until such time as we decide that a sale or other disposition is appropriate given our business objectives. Our ability to dispose of properties on advantageous terms or at all depends on certain factors beyond our control, including competition from other sellers and the availability of attractive financing for potential buyers of our properties. We cannot predict the various market conditions affecting real estate assets which will exist at any particular time in the future. Due to the uncertainty of market conditions which may affect the disposition of our properties, we cannot assure our stockholders that we will be able to sell such properties at a profit or at all in the future. Accordingly, the extent to which our stockholders will receive cash

distributions and realize potential appreciation on our real estate assets will depend upon fluctuating market conditions. Furthermore, we may be required to expend funds to correct defects or to make improvements before a property can be sold. We cannot assure our stockholders that we will have funds available to correct such defects or to make such improvements.

We may be unable to secure funds for our future long-term liquidity needs.

Our long-term liquidity needs will consist primarily of funds necessary for acquisitions of assets, development or repositioning of properties, capital expenditures, refinancing of indebtedness, paying distributions on our Preferred Stock or any other preferred stock we may issue, redemption of our Preferred Stock (if we choose, or are required, to pay the redemption price in cash instead of in shares of our Common Stock), and distributions on our Common Stock. We may not have sufficient funds on hand or may not be able to obtain additional financing to cover all of these long-term cash requirements. The nature of our business, and the requirements imposed by REIT rules that we distribute a substantial majority of our REIT taxable income on an annual basis in the form of dividends, may cause us to have substantial liquidity needs over the long-term. We may seek to satisfy our long-term liquidity needs through one or more of the following methods: (i) offerings of shares of Common Stock, preferred stock, senior unsecured securities, and or other equity and debt securities; (ii) credit facilities and term loans; (iii) the addition of senior recourse or non-recourse debt using target acquisitions as well as existing assets as collateral; (iv) the sale of existing assets; and or (v) cash flows from operations. These sources of funding may not be available on attractive terms or at all. If we cannot obtain additional funding for our long-term liquidity needs, our assets may generate lower cash flow or decline in value, or both, which may cause us to sell assets at a time when we would not otherwise do so and could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Income from our long-term leases is an important source of our cash flow from operations and is subject to risks related to increases in expenses and inflation.

We are exposed to risks related to increases in market lease rates and inflation, as income from long-term leases is an important source of our cash flow from operations. Leases of long-term duration or which include renewal options that specify a maximum rate increase may result in below-market lease rates over time if we do not accurately estimate inflation or market lease rates. Provisions of our leases designed to mitigate the risk of inflation and unexpected increases in market lease rates, such as periodic rental increases, may not adequately protect us from the impact of inflation or unexpected increases in market lease rates. If we are subject to below-market lease rates on a significant number of our properties pursuant to long-term leases and our operating and other expenses are increasing faster than anticipated, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock could be materially adversely affected.

We may finance properties with lock-out provisions, which may prohibit us from selling a property or may require us to maintain specified debt levels for a period of years on some properties.

A lock-out provision is a provision that prohibits the prepayment of a loan during a specified period of time. Lock-out provisions may include terms that provide strong financial disincentives for borrowers to prepay their outstanding loan balance. If a property is subject to a lock-out provision, we may be materially restricted from or delayed in selling or otherwise disposing of or refinancing such property. Lock-out provisions may prohibit us from reducing the outstanding indebtedness with respect to any properties, refinancing such indebtedness at maturity, or increasing the amount of indebtedness with respect to such properties. Lock-out provisions could impair our ability to take other actions during the lock-out period that could be in the best interests of our stockholders and, therefore, may have an adverse impact on the value of our securities relative to the value that would result if the lock-out provisions did not exist. In particular, lock-out provisions could preclude us from participating in major transactions that could result in a disposition of our assets or a change of control even though that disposition or change of control might be in the best interests of our stockholders.

Increased operating expenses could reduce cash flow from operations and funds available to deploy capital or make distributions.

Our properties are subject to operating risks common to real estate in general, any or all of which may negatively affect us. If any property is not fully occupied or if rents are payable (or are being paid) in an amount that is insufficient to cover operating expenses that are our responsibility under the lease, we could be required to expend funds in excess of such rents with respect to that property for operating expenses. Our properties are subject to increases in tax rates, utility costs, insurance costs, repairs and maintenance costs, administrative costs and other operating and ownership expenses. Our property leases may not require the tenants to pay all or a portion of these expenses, in which event we may be responsible for these costs. If we are unable to lease properties on terms that require the tenants to pay all or some of the properties' operating expenses, if our tenants fail to pay these expenses as

required or if expenses we are required to pay exceed our expectations, we could have less funds available for future acquisitions or cash available for distributions to our stockholders.

The market environment may adversely affect our operating results, financial condition and ability to pay distributions to our stockholders.

Any deterioration of domestic or international financial markets could impact the availability of credit or contribute to rising costs of obtaining credit and therefore, could have the potential to adversely affect the value of our assets, the availability or the terms of financing, our ability to make principal and interest payments on, or refinance, any indebtedness and or, for our leased properties, the ability of our tenants to enter into new leasing transactions or satisfy their obligations, including the payment of rent, under existing leases. The market environment also could affect our operating results and financial condition as follows:

- *Debt Markets*—The debt market is sensitive to the macro environment, such as Federal Reserve policy, market sentiment, or regulatory factors affecting the banking and commercial mortgage backed securities (CMBS) industries. Should overall borrowing costs increase, due to either increases in index rates or increases in lender spreads, our operations may generate lower returns.

- *Real Estate Markets*—While incremental demand growth has helped to reduce vacancy rates and support modest rental growth in recent years, and while improving fundamentals have resulted in gains in property values, in many markets property values, occupancy and rental rates continue to be below those previously experienced before the most recent economic downturn. If recent improvements in the economy reverse course, the properties we acquire could substantially decrease in value after we purchase them. Consequently, we may not be able to recover the carrying amount of our properties, which may require us to recognize an impairment charge or record a loss on sale in our earnings.

Real estate-related taxes may increase, and if these increases are not passed on to tenants, our income will be reduced.

We are required to pay property taxes for our properties, which can increase as property tax rates increase or as properties are assessed or reassessed by taxing authorities. In California, pursuant to an existing state law commonly referred to as Proposition 13, all or portions of a property are reassessed to market value only at the time of “change in ownership” or completion of “new construction,” and thereafter, annual property tax increases are limited to 2% of previously assessed values. As a result, Proposition 13 generally results in significant below-market assessed values over time. From time to time, including recently, lawmakers and political coalitions have initiated efforts to repeal or amend Proposition 13. If successful in the future, these proposals could substantially increase the assessed values and property taxes for our properties in California. Although some tenant leases may permit us to pass through such tax increases to the tenants for payment, renewal leases or future leases may not be negotiated on the same basis. Tax increases not passed through to tenants could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Terrorism and war could harm our operating results.

The strength and profitability of our business depends on demand for and the value of our properties. Future terrorist attacks in the United States, such as the attacks that occurred in New York and the District of Columbia on September 11, 2001 and in Boston on April 15, 2013, and other acts of terrorism or war may have a negative impact on our operations. Terrorist attacks in the United States and elsewhere may result in declining economic activity, which could harm the demand for and the value of our properties. In addition, the public perception that certain locations are at greater risk for attack, such as major airports, ports, and rail facilities, may decrease the demand for and the value of our properties near these sites. A decrease in demand could make it difficult for us to renew or re-lease our properties at these sites at lease rates equal to or above historical rates. Such terrorist attacks could have an adverse impact on our business even if they are not directed at our properties.

Previous terrorist attacks and subsequent terrorist alerts have adversely affected the U.S. travel and hospitality industries since 2001, often disproportionately to the effect on the overall economy. The extent of the impact that actual or threatened terrorist attacks in the United States or elsewhere could have on domestic and international travel and our business in particular cannot be determined, but any such attacks or the threat of such attacks could have a material adverse effect on travel and hotel demand and our ability to finance our hospitality business.

In addition, the terrorist attacks of September 11, 2001 have substantially affected the availability and price of insurance coverage for certain types of damages or occurrences, and our insurance policies for terrorism include large deductibles and co-payments. Although we maintain terrorism insurance coverage on our portfolio, the amount of our terrorism insurance coverage may

not be sufficient to cover losses inflicted by terrorism and therefore could expose us to significant losses and have a negative impact on our operations.

In connection with the ownership and operation of real estate assets, we may be potentially liable for costs and damages related to environmental matters.

Environmental laws regulate, and impose liability for, releases of hazardous or toxic substances into the environment. Under some of these laws, an owner or operator of real estate may be liable for costs related to soil or groundwater contamination on or migrating to or from its property. In addition, persons who arrange for the disposal or treatment of hazardous or toxic substances may be liable for the costs of cleaning up contamination at the disposal site.

These laws often impose liability regardless of whether the person knew of, or was responsible for, the presence of the hazardous or toxic substances that caused the contamination. The presence of, or contamination resulting from, any of these substances, or the failure to properly remediate them, may adversely affect our ability to sell or rent our property, to borrow using the property as collateral or create lender's liability for us. In addition, third parties exposed to hazardous or toxic substances may sue for personal injury damages and or property damages. For example, some laws impose liability for release of or exposure to asbestos-containing materials. As a result, in connection with our former, current or future ownership, operation, and development of real estate assets, or our role as a lender for loans secured directly or indirectly by real estate properties, we may be potentially liable for investigation and cleanup costs, penalties and damages under environmental laws.

Although many of our properties have been subjected to preliminary environmental assessments, known as Phase I assessments, by independent environmental consultants that identify certain liabilities, Phase I assessments are limited in scope, and may not include or identify all potential environmental liabilities or risks associated with a property. Unless required by applicable law, we may decide not to further investigate, remedy or ameliorate the liabilities disclosed in the Phase I assessments.

Further, these or other environmental studies may not identify all potential environmental liabilities or accurately assess whether we will incur material environmental liabilities in the future. If we do incur material environmental liabilities in the future, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock could be materially adversely affected.

Compliance with the ADA and fire, safety and other regulations may require us to make unanticipated expenditures that could significantly reduce the cash available for distributions on our Common Stock or Preferred Stock.

Our properties are subject to regulation under federal laws, such as the ADA, pursuant to which all public accommodations must meet federal requirements related to access and use by disabled persons. Although we believe that our properties substantially comply with present requirements of the ADA, we have not conducted an audit or investigation of all of our properties to determine our compliance. If one or more of our properties or future properties are not in compliance with the ADA, we might be required to take remedial action, which would require us to incur additional costs to bring the property into compliance. Noncompliance with the ADA could also result in imposition of fines or an award of damages to private litigants.

Additional federal, state and local laws also may require modifications to our properties or restrict our ability to renovate our properties. We cannot predict the ultimate amount of the cost of compliance with the ADA or other legislation.

In addition, our properties are subject to various federal, state and local regulatory requirements, such as state and local earthquake, fire and life safety requirements. Local regulations, including municipal or local ordinances, zoning restrictions and restrictive covenants imposed by community developers may restrict our use of our properties and may require us to obtain approval from local officials or community standards organizations at any time with respect to our properties, including prior to acquiring a property or when undertaking renovations of any of our existing properties. If we were to fail to comply with these various requirements, we might incur governmental fines or private damage awards. If we incur substantial costs to comply with the ADA or any other regulatory requirements, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock could be materially adversely affected.

Changes in U.S. accounting standards regarding operating leases may make the leasing of our properties less attractive to our potential tenants, which could reduce overall demand for our leasing services.

Previously, tenants were required to classify a lease of real property as a capital lease, with the leased asset and liability reflected on its balance sheet, only if the significant risks and rewards of ownership were considered to reside with the tenant; otherwise, the lease was

considered an operating lease not reflected on the balance sheet (except that the contractual future minimum payment obligations of such lease were disclosed in the footnotes to the financial statements). Thus, entering into an operating lease could have appeared to enhance a tenant's balance sheet in comparison to direct ownership.

The U.S. Financial Accounting Standards Board, or the FASB, and the International Accounting Standards Board conducted a joint project to re-evaluate lease accounting. In February 2016, the FASB issued Accounting Standards Update, or ASU 2016-02, which applied to fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Under ASU 2016-02, tenants must recognize assets and liabilities on the balance sheet for all leases with a term of more than 12 months, with the result being the recognition of a right of use asset and a lease liability and the disclosure of key information about the entity's leasing arrangements. These and other changes to the accounting guidance could affect both our accounting for leases as well as that of our current and potential tenants. These changes may affect how our real estate leasing business is conducted. For example, companies may be less willing to enter into real property leases in general or may seek leases with shorter terms because the apparent benefits to their balance sheets may have been reduced or eliminated given the changes in accounting treatment. This impact in turn could make it more difficult for us to enter into leases on terms we find favorable.

Changes in accounting standards may adversely impact our financial condition and or results of operations.

We are subject to the rules and regulations of the FASB related to generally accepted accounting principles in the United States, which we refer to as GAAP. Various changes to GAAP are constantly being considered, some of which could materially impact our reported financial condition and or results of operations. Also, to the extent publicly traded companies in the United States would be required in the future to prepare financial statements in accordance with International Financial Reporting Standards instead of the current GAAP, this change in accounting standards could materially affect our financial condition or results of operations.

Risks Related to Our Lending Operations

Our lending operations expose us to a high degree of risk associated with real estate.

The performance and value of our loans depends upon many factors beyond our control. The ultimate performance and value of our loans are subject to risks associated with the ownership and operation of the properties which collateralize our loans, including the property owner's ability to operate the property with sufficient cash flow to meet debt service requirements. The performance and value of the properties collateralizing our loans may be adversely affected by:

- changes in national or regional economic conditions;
- changes in real estate market conditions due to changes in national, regional or local economic conditions or property market characteristics;
- competition from other properties;
- changes in interest rates and the condition of the debt and equity capital markets;
- the ongoing need for capital repairs and improvements;
- increases in real estate tax rates and other operating expenses (including utilities);
- adverse changes in governmental rules and fiscal policies; acts of God, including earthquakes, hurricanes, fires and other natural disasters; acts of war or terrorism; or a decrease in the availability of or an increase in the cost of insurance;
- adverse changes in zoning laws;
- the impact of environmental legislation and compliance with environmental laws; and
- other factors that are beyond our control or the control of the commercial property owners.

In the event that any of the properties underlying our loans experience any of the foregoing events or occurrences, the value of, and return on, such loans may be negatively impacted, which in turn could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

There are significant risks related to loans originated under the Small Business Administration's 7(a) Program, which we refer to as the SBA 7(a) Program.

Many of the borrowers under our SBA 7(a) Program are privately-owned businesses. There is typically no publicly available information about these businesses; therefore, we must rely on our own due diligence to obtain information in connection with our decisions. Our borrowers may not meet net income, cash flow and other coverage tests typically imposed by banks. A borrower's ability to repay its loan may be adversely impacted by numerous factors, including a downturn in its industry or other negative local or macro-economic conditions. Deterioration in a borrower's financial condition and prospects may be accompanied by deterioration in the collateral for the loan. In addition, small businesses typically depend on the management talents and efforts of one person or a small group of people for their success. The loss of services of one or more of these persons could have an adverse impact on the operations of the small business. Small companies are typically more vulnerable to customer preferences, market conditions and economic downturns and often need additional capital to maintain the business, expand or compete. These factors may have an impact on the ultimate recovery of our loans receivable from such businesses. Loans to small businesses, therefore, involve a high degree of business and financial risk, which can result in substantial losses and accordingly should be considered speculative. The factors described above could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Our loans secured by real estate and our real estate owned properties are typically illiquid and their values may decrease.

Our loans secured by real estate and our real estate acquired through foreclosure are typically illiquid. Therefore, we may be unable to vary our portfolio promptly in response to changing economic, financial and investment conditions. As a result, the fair market value of these assets may decrease in the future and losses may result. The illiquid nature of our loans may adversely affect our ability to dispose of such loans at times when it may be advantageous or necessary for us to liquidate such assets, which in turn could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Our lending operations have an industry concentration, which may negatively impact our financial condition and results of operations.

A majority of our revenue from the lending operations is generated from loans collateralized by hospitality properties. At June 30, 2019, our loans subject to credit risk were 98.7% concentrated in the hospitality industry. Any factors that negatively impact the hospitality industry, including recessions, severe weather events (such as hurricanes, blizzards, floods, etc.), depressed commercial real estate markets, travel restrictions, bankruptcies or other political or geopolitical events or the introduction of new concepts and products such as Airbnb®, Homeaway® and VRBO®, could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Establishing loan loss reserves entails significant judgment and may negatively impact our results of operations.

We have a quarterly review process to identify and evaluate potential exposure to loan losses. The determination of whether significant doubt exists and whether a loan loss reserve is necessary requires judgment and consideration of the facts and circumstances existing at the evaluation date. Additionally, further changes to the facts and circumstances of the individual borrowers, the limited service hospitality industry and the economy may require the establishment of additional loan loss reserves and the effect to our results of operations would be adverse. If our judgments underlying the establishment of our loan loss reserves are not correct, our results of operations may be negatively impacted.

Whenever our borrowers experience significant operating difficulties and we are forced to liquidate the collateral underlying the loans, losses may be relatively substantial and could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Our SBA 7(a) Program loans are subject to delinquency, foreclosure and loss, any or all of which could result in losses.

Our loans originated pursuant to the SBA 7(a) Program are collateralized by income-producing properties and typically have personal guarantees. These loans are predominantly to operators of limited service hospitality properties. As a result, these operators are subject to risks associated with the hospitality industry, including recessions, severe weather events, depressed commercial real estate markets, travel restrictions, bankruptcies or other political or geopolitical events.

Our SBA 7(a) loans that have real estate as collateral are subject to risks of delinquency and foreclosure. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of and or

cash flow from the property is reduced, the borrower's ability to repay the loan may be impaired. Net operating income of and or cash flow from an income-producing property can be affected by, among other things, tenant mix, success of tenant businesses, onsite property management decisions, property location and condition, competition from comparable types of properties, changes in laws that increase operating expenses or limit rents that may be charged, any need to address environmental contamination at the property, the occurrence of any uninsured casualty at the property, changes in national, regional or local economic conditions and or specific industry segments, declines in regional or local real estate values, declines in regional or local rental or occupancy rates, increases in interest rates, real estate tax rates and other operating expenses, changes in governmental rules, regulations and fiscal policies, including environmental legislation, acts of God, terrorism, social unrest and civil disturbances.

In the event of a loan default, we will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral multiplied by our percentage ownership and the unguaranteed portion of the principal and accrued interest on the loan. In the event of the bankruptcy of the borrower, the loan to such borrower will be deemed collateralized only to the extent of the value of the underlying property at the time of the bankruptcy (as determined by the bankruptcy court). In addition to losses related to collateral deficiencies, during the foreclosure process we may incur costs related to the protection of our collateral including unpaid real estate taxes, legal fees, franchise fees, insurance and operating shortfalls to the extent the property is being operated by a court-appointed receiver.

Foreclosure and bankruptcy are complex and sometimes lengthy processes that are subject to federal and state laws and regulations. An action to foreclose on a property is subject to many of the delays and expenses of other lawsuits if the defendant raises defenses or counterclaims. In the event of a default by a mortgagor, these restrictions, among other things, may impede our ability to foreclose on or sell the mortgaged property or to obtain proceeds sufficient to repay all amounts due under the note. Further, borrowers have the option of seeking federal bankruptcy protection which could delay the foreclosure process. In conjunction with the bankruptcy process, the terms of the loan agreements may be modified. Typically, delays in the foreclosure process will have a negative impact on our results of operations and or financial condition due to direct and indirect costs incurred and possible deterioration of the value of the collateral. After foreclosure has been completed, a lack of funds or capital may force us to sell the underlying property resulting in a lower recovery even though developing the property prior to a sale could result in a higher recovery.

As a result of the factors described above, defaults on SBA 7(a) Program loans could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Mezzanine loans are subject to delinquency, foreclosure and loss, any or all of which could result in losses.

We may originate mezzanine loans, which are loans made to entities that have subsidiaries which own real property and are secured by pledges of such entity's equity ownership in its property-owning subsidiary. Mezzanine loans are by their nature structurally and legally subordinated to more senior property-level financings. Accordingly, if a borrower defaults on our mezzanine loan or if there is a default by our borrower's subsidiary on debt senior to our loan, or in the event of a borrower bankruptcy, our mezzanine loan will be satisfied only after the property-level debt and other senior debt is paid in full.

We may also retain, from whole loans we originate, subordinate interests referred to as B-notes. B-notes are commercial real estate loans secured by a first mortgage on a single large commercial property or group of related properties and subordinated to a senior interest, referred to as an A-note. As a result, if a borrower defaults, there may not be sufficient funds remaining for B-note owners after payment to the A-note owners.

Moreover, under the terms of intercreditor arrangements governing mezzanine loans, B-notes and other similar subordinated loans originated by us, we may have to satisfy certain liquidity and capital requirements before we can step into a borrower's position after it has defaulted. There can be no assurance that we will be able to satisfy such requirements, resulting in potentially lower recovery. After a foreclosure on the pledged equity interest has been completed, a lack of funds may force us to sell the underlying property without developing it further (which sale may result in a lower recovery) instead of injecting funds into and developing the property prior to a sale (which may result in a higher recovery).

As a result of the factors described above, defaults on commercial real estate loans could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

We operate in a competitive market for real estate opportunities and future competition for commercial real estate collateralized loans may limit our ability to originate or dispose of our target loans and could also affect the yield of these loans.

We are in competition with a number of entities for the types of commercial real estate collateralized loans that we may originate. These entities include, among others, debt funds, specialty finance companies, savings and loan associations, banks and financial institutions. Some of these competitors may be substantially larger and have considerably greater financial, technical and marketing resources than we do. Some of these competitors may also have a lower cost of funds and access to funding sources that may not be available to us currently. In addition, many of our competitors may not be subject to operating constraints associated with REIT qualification or maintenance of exclusions from registration under the Investment Company Act. Furthermore, competition may further limit our ability to generate desired returns. Due to this competition, we may not be able to take advantage of attractive opportunities from time to time, and can offer no assurance that we will be able to identify and deploy our capital in a manner consistent with our objective. We cannot guarantee that the competitive pressures we face will not have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

We may be subject to lender liability claims.

In recent years, a number of judicial decisions have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories, collectively termed “lender liability.” Generally, lender liability is founded on the premise that a lender has either violated a duty, whether implied or contractual, of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or our other creditors or stockholders. There can be no assurance that that such claims will not arise or that we will not be subject to significant liability if a claim of this type did arise.

Curtailment of our ability to utilize the SBA 7(a) Program by the federal government could adversely affect our results of operations.

We are dependent upon the federal government to maintain the SBA 7(a) Program. There can be no assurance that the program will be maintained or that loans will continue to be guaranteed at current levels. In addition, there can be no assurance that our SBA lending subsidiary, First Western SBLC, Inc., which we refer to as First Western, will be able to maintain its status as a “Preferred Lender” under PLP (as defined below) or that we can maintain our SBA 7(a) license.

If we cannot continue originating and selling government guaranteed loans at current levels, we could experience a decrease in future servicing spreads and earned premiums. From time-to-time the SBA has reached its internal budgeted limits and ceased to guarantee loans for a stated period of time. In addition, the SBA may change its rules regarding loans or Congress may adopt legislation or fail to approve a budget that would have the effect of discontinuing, reducing availability of funds for, or changing loan programs. Non-governmental programs could replace government programs for some borrowers, but the terms might not be equally acceptable. If these changes occur, the volume of loans to small businesses that now qualify for government guaranteed loans could decline, as could the profitability of these loans.

First Western has been granted national preferred lender program, or PLP, status and originates, sells and services small business loans and is authorized to place SBA guarantees on loans without seeking prior SBA review and approval. Being a national lender, PLP status allows First Western to expedite loans since First Western is not required to present applications to the SBA for concurrent review and approval. The loss of PLP status could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

U.S. Federal Income and Other Tax Risks

Failure to qualify and maintain our qualification as a REIT would have significant adverse consequences to us and the value of our securities.

We believe that we are organized and qualify as a REIT and intend to operate in a manner that will allow us to continue to qualify as a REIT. However, we cannot guarantee that we are qualified as such, or that we will remain qualified as such in the future. This is because qualification as a REIT involves the application of highly technical and complex provisions of the Code as to which there are only limited judicial and administrative interpretations and involves the determination of facts and circumstances not entirely within our control. Future legislation, new regulations, administrative interpretations or court decisions may significantly change the tax laws or the application of the tax laws with respect to qualification as a REIT for federal income tax purposes or the federal income tax consequences of such qualification.

If we fail to qualify as a REIT, we could face serious tax consequences that could substantially reduce our funds available for payment of distributions to our stockholders for each of the years involved because:

- we would not be allowed a deduction for dividends paid to stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates;

- we also could be subject to increased state and local taxes; and

- unless we are entitled to relief under statutory provisions, we could not elect to be subject to be taxed as a REIT for four taxable years following the year during which we are disqualified.

Any such corporate tax liability could be substantial and would reduce our cash available for, among other things, our operations and distributions to stockholders. As a result of these factors, our failure to qualify as a REIT could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock. If we fail to qualify as a REIT for federal income tax purposes and are able to avail ourselves of one or more of the relief provisions under the Code in order to maintain our REIT status, we might nevertheless be required to pay certain penalty taxes for each such failure.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

Income from "qualified dividends" payable to U.S. stockholders that are individuals, trusts and estates are generally subject to tax at preferential rates. Dividends payable by REITs, however, generally are not eligible for the preferential tax rates applicable to qualified dividend income. Although these rules do not adversely affect the taxation of REITs or dividends payable by REITs, to the extent that the preferential rates continue to apply to regular corporate qualified dividends, investors that are individuals, trusts and estates may perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could materially and adversely affect the value of the shares of REITs, including the per share trading price of our securities. However, under the Tax Cuts and Jobs Act of 2017, which we refer to as the "Tax Cuts and Jobs Act," for taxable years prior to 2026, non-corporate U.S. stockholders of REITs may deduct up to 20% of any "qualified REIT dividends." A qualified REIT dividend is defined as any dividend from a REIT that is not a capital gain dividend or a dividend attributable to dividend income from U.S. corporations or certain non-U.S. corporations. A non-corporate U.S. stockholder's ability to claim a deduction equal to 20% of qualified REIT dividends received may be limited by the stockholder's particular circumstances.

Our ownership of and relationship with our taxable REIT subsidiaries will be limited, and a failure to comply with the limits would jeopardize our REIT status and may result in the application of a 100% excise tax.

Subject to certain restrictions, a REIT may own up to 100% of the stock of one or more taxable REIT subsidiaries, which we refer to as TRSs. A TRS may hold assets and earn income that would not be qualifying assets or income if held or earned directly by the REIT. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation of which a TRS directly or indirectly owns more than 35% of the voting power or value of the stock will automatically be treated as a TRS. Overall, no more than 20% of the value of a REIT's assets may consist of stock or securities of one or more TRSs. A TRS generally will pay income tax at regular corporate rates on any taxable income that it earns. In addition, the TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. The rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis.

Our TRSs are subject to normal corporate income taxes. We continuously monitor the value of our investments in TRSs for the purpose of ensuring compliance with the rule that no more than 20% of the value of our assets may consist of TRS stock and securities (which is applied at the end of each calendar quarter). The aggregate value of our TRS stock and securities was less than 20% of the value of our total assets (including our TRS stock and securities) as of June 30, 2019. In addition, we scrutinize all of our transactions with our TRSs for the purpose of ensuring that they are entered into on arm's-length terms in order to avoid incurring the 100% excise tax described above. There are no distribution requirements applicable to the TRSs and after-tax earnings may be retained. There can be no assurance, however, that we will be able to comply with the 20% limitation on ownership of TRS stock and securities on an ongoing basis so as to maintain REIT status or to avoid application of the 100% excise tax imposed on certain non-arm's-length transactions.

We may be subject to adverse legislative or regulatory tax changes that could increase our tax liability or reduce our operating flexibility, including changes resulting from the recently passed Tax Cuts and Jobs Act.

In recent years, numerous legislative, judicial and administrative changes have been made in the provisions of U.S. federal income tax laws applicable to investments similar to an investment in shares of our capital stock. Additional changes to the tax laws are likely to continue to occur, and we cannot assure our stockholders that any such changes will not adversely affect our taxation and our ability to continue to qualify as a REIT or the taxation of a stockholder. Any such changes could have an adverse effect on an

investment in our shares or on the market value or the resale potential of our assets. Our stockholders are urged to consult with their tax advisors with respect to the impact of recent legislation on their investment in our shares and the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in our shares or on our ability to continue to qualify as a REIT. Even changes that do not impose greater taxes on us could potentially result in adverse consequences to our stockholders. Although REITs generally receive better tax treatment than entities taxed as regular corporations, it is possible that future legislation (such as a decrease in corporate tax rates) would result in a REIT having fewer tax advantages, and it could decrease the attractiveness of the REIT structure relative to companies that are not organized as REITs. As a result, our charter provides our Board of Directors with the power, under certain circumstances, to revoke or otherwise terminate our REIT election and cause us to be taxed as a regular corporation, without the vote of our stockholders. Our Board of Directors has fiduciary duties to us and our stockholders and could only cause such changes in our tax treatment if it determines in good faith that such changes are in the best interests of our stockholders.

In addition, the Tax Cuts and Jobs Act makes significant changes to the U.S. federal income tax rules for taxation of individuals and businesses, generally effective for taxable years beginning after December 31, 2017. In addition to reducing corporate and individual tax rates, the Tax Cuts and Jobs Act eliminates or restricts various deductions. Many of the changes applicable to individuals are temporary and apply only to taxable years beginning after December 31, 2017 and before January 1, 2026. The Tax Cuts and Jobs Act makes numerous large and small changes to the tax rules that do not affect the REIT qualification rules directly but may otherwise affect us or our stockholders and could impact the geographic markets in which we operate as well as our tenants in ways, both positive and negative, that are difficult to anticipate. For example, the limitation in the Tax Cuts and Jobs Act on the deductibility of certain state and local taxes may make operating in jurisdictions that impose such taxes at higher rates less desirable than operating in jurisdictions imposing such taxes at lower rates.

While the changes in the Tax Cuts and Jobs Act generally appear to be favorable with respect to REITs, the extensive changes to non-REIT provisions in the Code may have unanticipated effects on us or our stockholders. Moreover, certain provisions of the Tax Cuts and Jobs Act give rise to issues needing clarification and unintended consequences that will have to be revisited in subsequent tax legislation or administrative guidance. At this point, it is not clear if or when Congress or the Internal Revenue Service, or the IRS, will resolve these issues.

In certain circumstances, we may be subject to certain federal, state and local taxes as a REIT, which would reduce our cash available for distribution to our stockholders.

Even if we qualify and maintain our status as a REIT, we may be subject to certain federal, state and local taxes. For example, net income from the sale of properties that are “dealer” properties sold by a REIT (a “prohibited transaction” under the Code) will be subject to a 100% excise tax, and some state and local jurisdictions may tax some or all of our income because not all states and localities treat REITs the same as they are treated for federal income tax purposes. Any federal, state or local taxes we pay will reduce our cash available for distribution to our stockholders. Moreover, as discussed above, our TRSs are generally subject to corporate income taxes and excise taxes in certain cases. Additionally, if we are not able to make sufficient distributions to eliminate our REIT taxable income, we may be subject to tax as a corporation on our undistributed REIT taxable income. We may also decide to retain income we earn from the sale or other dispositions of our properties and pay income tax directly on such income. In that event, our stockholders would be treated as if they earned that income and paid the tax on it directly. However, stockholders that are tax-exempt, such as charities or qualified pension plans, would have no benefit from their deemed payment of such tax liability.

REIT annual distribution requirements may force us to forgo otherwise attractive opportunities or borrow funds during unfavorable market conditions. This could delay or hinder our ability to meet our objectives and reduce our stockholders’ overall return.

In order to qualify as a REIT, we must distribute annually to our stockholders at least 90% of our REIT taxable income (which does not equal net income as calculated in accordance with GAAP), determined without regard to the deduction for dividends paid and excluding any net capital gain. We will be subject to U.S. federal income tax on our undistributed taxable income and net capital gain and to a 4% nondeductible excise tax on any amount by which dividends we pay with respect to any calendar year are less than the sum of (i) 85% of our ordinary income, (ii) 95% of our capital gain net income and (iii) 100% of our undistributed income from prior years.

Further, to maintain our qualification as a REIT, we must ensure that we meet the REIT gross income tests annually and that at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and qualified REIT real estate assets, including certain mortgage loans and certain kinds of mortgage-related securities. The remainder of our investment in securities (other than government securities, qualified real estate assets and stock of a TRS) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our assets (other than government securities, qualified real

estate assets and stock of a TRS) can consist of the securities of any one issuer, no more than 20% of the value of our total assets can be represented by securities of one or more TRSs and no more than 25% of the value of our total assets can be represented by certain debt securities of publicly offered REITs. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences.

The foregoing requirements could cause us to distribute amounts that otherwise would be spent on deploying capital in real estate assets and it is possible that we might be required to borrow funds, possibly at unfavorable rates, or sell assets to fund these dividends or make taxable stock dividends. Although we intend to make distributions sufficient to meet the annual distribution requirements and to avoid U.S. federal income and excise taxes on our earnings, it is possible that we might not always be able to do so.

Complying with REIT requirements may limit our ability to hedge our liabilities effectively and may cause us to incur tax liabilities.

The REIT provisions of the Code may limit our ability to hedge our liabilities. Any income from a hedging transaction we enter into to manage risk of interest rate changes, price changes or currency fluctuations with respect to borrowings made or to be made to acquire or carry real estate assets or to offset certain other positions, if properly identified under applicable U.S. Treasury regulations, does not constitute "gross income" for purposes of the 75% or 95% gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions will likely be treated as non-qualifying income for purposes of one or both of the gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because our TRSs would be subject to tax on gains or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear. In addition, losses in a TRS generally will not provide any tax benefit, except for being carried forward against future taxable income of such TRS.

Non-U.S. stockholders may be subject to U.S. federal withholding tax and may be subject to U.S. federal income tax upon the disposition of our shares.

Gain recognized by a non-U.S. stockholder upon the sale or exchange of shares of our capital stock generally will not be subject to U.S. federal income taxation unless such stock constitutes a "U.S. real property interest," which we refer to as a USRPI, under the Foreign Investment in Real Property Tax Act of 1980, which we refer to as FIRPTA. Shares of our capital stock will not constitute a USRPI so long as we are a "domestically-controlled qualified investment entity." A domestically-controlled qualified investment entity includes a REIT if at all times during a specified testing period, less than 50% in value of such REIT's stock is held directly or indirectly by non-U.S. stockholders. We believe that we are a domestically-controlled qualified investment entity. However, because our capital stock is and will be freely transferable (other than restrictions on ownership and transfer that are intended to, among other purposes, assist us in maintaining our qualification as a REIT for federal income tax purposes as described in the risk factor "The share transfer and ownership restrictions applicable to REITs and contained in our charter may inhibit market activity in our shares of stock and restrict our business combination opportunities"), no assurance can be given that we are or will be a domestically-controlled qualified investment entity.

Even if we do not qualify as a domestically-controlled qualified investment entity at the time a non-U.S. stockholder sells or exchanges shares of our capital stock, gain arising from such a sale or exchange would not be subject to U.S. taxation under FIRPTA as a sale of a USRPI if: (i) the class of shares of capital stock sold or exchanged is "regularly traded," as defined by applicable U.S. Treasury regulations, on an established securities market, and (ii) such non-U.S. stockholder owned, actually or constructively, 10% or less of the outstanding shares of such class of capital stock at all times during the shorter of the five-year period ending on the date of the sale and the period that such non-U.S. stockholder owned such shares. If the class of shares of capital stock sold or exchanged is not "regularly traded," gain arising from such sale or exchange would not be subject to U.S. taxation under FIRPTA as a sale of a USRPI if: (A) on the date the shares were acquired by the non-U.S. stockholder, such shares did not have a fair market value greater than the fair market value on that date of 5% of the "regularly traded" class of our outstanding shares of capital stock with the lowest fair market value, and (B) the test in clause (A) is also satisfied as of the date of any subsequent acquisition by such non-U.S. stockholder of additional shares of the same non-"regularly traded" class of our capital stock, including all such shares owned as of such date by such non-U.S. stockholder. Complex constructive ownership rules apply for purposes of determining the amount of shares held by a non-U.S. stockholder for these purposes.

Our property taxes could increase due to property tax rate changes or reassessment, which would impact our cash flows.

We will be required to pay some state and local taxes on our properties. The real property taxes on our properties may increase as property tax rates change or as our properties are assessed or reassessed by taxing authorities. Therefore, the amount of property taxes we pay in the future may increase substantially. If the property taxes we pay increase and if any such increase is not

reimbursable under the terms of our lease, then our cash flows will be impacted, which in turn could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

REIT stockholders can receive taxable income without cash distributions.

Under certain circumstances, REITs are permitted to pay required dividends in shares of their stock rather than in cash. If we were to avail ourselves of that option, our stockholders could be required to pay taxes on such stock distributions without the benefit of cash distributions to pay the resulting taxes.

The share transfer and ownership restrictions applicable to REITs and contained in our charter may inhibit market activity in our shares of stock and restrict our business combination opportunities.

In order to continue to qualify as a REIT, five or fewer individuals, as defined in the Code, may not own, actually or constructively, more than 50% in value of our issued and outstanding shares of stock at any time during the last half of each taxable year, other than the first year for which a REIT election is made. Attribution rules in the Code determine if any individual or entity actually or constructively owns our shares of stock under this requirement. Additionally, at least 100 persons must beneficially own our shares of stock during at least 335 days of a taxable year for each taxable year, other than the first year for which a REIT election is made. To help ensure that we meet these tests, among other purposes, our charter restricts the acquisition and ownership of our shares of stock.

Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary and advisable to preserve our qualification as a REIT. Unless exempted by the Board of Directors, for as long as we continue to qualify as a REIT, our charter prohibits, among other limitations on ownership and transfer of shares of our stock, any person from beneficially or constructively owning (applying certain attribution rules under the Code) more than 6.25% (in value or in number of shares, whichever is more restrictive) of the aggregate of our outstanding shares of capital stock and more than 6.25% (in value or in number of shares, whichever is more restrictive) of our Common Stock. The Board of Directors, in its sole discretion and upon receipt of certain representations and undertakings, may exempt a person (prospectively or retrospectively) from the ownership limits. However, the Board of Directors may not, among other limitations, grant an exemption from these ownership restrictions to any proposed transferee whose ownership, direct or indirect, in excess of the 6.25% ownership limit would result in the termination of our qualification as a REIT. These restrictions on transfer and ownership will not apply, however, if the Board of Directors determines that it is no longer in our best interest to continue to qualify as a REIT or that compliance with the restrictions is no longer required in order for us to continue to so qualify as a REIT.

These ownership limits could delay or prevent a transaction or a change in control that might involve a premium price for our capital stock or otherwise be in the best interest of our stockholders.

Risks Related to Our Corporate Structure

The power of the Board of Directors to revoke our REIT election without stockholder approval may cause adverse consequences to our stockholders.

Our organizational documents permit our Board of Directors to revoke or otherwise terminate our REIT election, without the approval of our stockholders, if the Board of Directors determines that it is no longer in our best interest to continue to qualify as a REIT. In such a case, we would become subject to U.S. federal, state and local income tax on our net taxable income and we would no longer be required to distribute most of our net taxable income to our stockholders, which could have adverse consequences on the total return to our holders of Common Stock.

Certain provisions of Maryland law could inhibit changes in control.

Certain provisions of the MGCL, if applied to us, would have the effect of inhibiting a third-party from making a proposal to acquire us or impeding a change of control under circumstances that otherwise could provide our stockholders with the opportunity to realize a premium over the then-prevailing market price of our Common Stock, including:

- "business combination" provisions that, subject to limitations, prohibit certain business combinations between us and an "interested stockholder" (defined generally as any person who beneficially owns, directly or indirectly, 10% or more of the voting power of our shares or an affiliate thereof) for five years after the most recent date on which the stockholder becomes an interested stockholder, and thereafter impose special appraisal rights and special stockholder voting requirements on these combinations; and

- "control share" provisions that provide that "control shares" of our Company (defined as shares which, when aggregated with other shares controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a "control share acquisition" (defined as the direct or indirect acquisition of ownership or control of "control shares") have no voting rights except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

We have elected to opt out of these provisions of the MGCL, in the case of the business combination provisions of the MGCL, by resolution of our Board of Directors and, in the case of the control share provisions of the MGCL, pursuant to a provision in our bylaws. However, our Board of Directors may by resolution elect to repeal the foregoing opt-outs from the business combination provisions of the MGCL and we may, by amendment to our bylaws, opt in to the control share provisions of the MGCL in the future.

Our charter, bylaws, the partnership agreement for CIM Urban and Maryland law also contain other provisions that may delay, defer or prevent a transaction or a change of control that might involve a premium price for our Common Stock or otherwise be in the best interest of our stockholders. See "Certain Provisions of the Maryland General Corporation Law and Our Charter and Bylaws."

The Operator may change its acquisition process, or elect not to follow it, without stockholder consent at any time, which may adversely affect returns on our assets.

While we are principally focused on Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States (including improving and developing such assets), we may also participate more actively in other CIM Group real estate strategies and product types in order to broaden our participation in CIM Group's platform and capabilities for the benefit of all classes of stockholders. This may include, without limitation, engaging in real estate development activities as well as investing in other product types directly, side-by-side with one or more funds of CIM Group, through direct deployment of capital in a CIM Group real estate or debt fund, or deploying capital in or originating loans that are secured directly or indirectly by properties primarily located in Qualified Communities that meet our strategy. Such loans may include limited and or non-recourse junior (mezzanine, B-note or 2nd lien) and senior acquisition, bridge or repositioning loans. Stockholders will not have any approval rights with respect to any expansion or change in strategies or future composition of our assets. Our Operator determines our policies regarding deployment of capital into real estate assets, financing, growth and debt capitalization. Our Operator may change these and other policies without a vote of our stockholders. In addition, there can be no assurance that the Operator will follow its acquisition process in relation to the identification and acquisition or origination of prospective assets. As a result, the nature of the composition of our assets could change without the consent of our stockholders. Changes in the Operator's acquisition process and or philosophy may result in, among other things, inferior due diligence and transaction standards, which may adversely affect the performance of our assets. If we are unsuccessful in expanding into new real estate activities or our changes in strategies or future deployment of our capital turn out to be unsuccessful, it could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

If we were to be deemed an investment company under the Investment Company Act of 1940, as amended, which we refer to as the Investment Company Act, applicable restrictions could make it impractical for us to continue our business as contemplated and could have an adverse effect on our business.

We are not an investment company under the Investment Company Act and intend to conduct our operations so that we will not be deemed an investment company. However, if we were to be deemed an investment company, restrictions imposed by the Investment Company Act, including limitations on the nature of assets and ability to transact with affiliates, could make it impractical for us to continue our business as contemplated. In addition, the Investment Company Act imposes certain requirements on companies deemed to be within its regulatory scope, including registration as an investment company, adoption of a specific form of corporate structure and compliance with certain burdensome reporting, record keeping, voting, proxy, disclosure and other rules and regulations. In the event we were to be characterized as an investment company, the failure by us to satisfy such regulatory requirements, whether on a timely basis or at all, would, under certain circumstances, also have a material adverse effect on us.

The MGCL or our Charter may limit the ability of our stockholders or us to recover on a claim against a director or officer who negligently causes us to incur losses.

The MGCL provides that a director has no liability in such capacity if he or she performs his or her duties in good faith, in a manner he or she reasonably believes to be in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. A director who performs his or her duties in accordance with the foregoing standards should not be liable to us or any other person for failure to discharge his or her obligations as a director.

In addition, our charter provides that our directors and officers will not be liable to us or our stockholders for monetary damages unless the director or officer actually received an improper benefit or profit in money, property or services, or is adjudged to be liable to us or our stockholders based on a finding that his or her action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. Our charter and bylaws also require us, to the maximum extent permitted by Maryland law, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to any individual who is a present or former director or officer and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity or any individual who, while a director or officer and at our request, serves or has served as a director, officer, partner, trustee, member or manager of another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity. With the approval of our Board of Directors, we may provide such indemnification and advance for expenses to any individual who served a predecessor of the Company in any of the

capacities described above and any employee or agent of the Company or a predecessor of the Company, including our Administrator and its affiliates.

We also are permitted to purchase and we currently maintain insurance or provide similar protection on behalf of any directors, officers, employees and agents, including our Administrator and its affiliates, against any liability asserted which was incurred in any such capacity with us or arising out of such status. This may result in us having to expend significant funds, which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Risks Related to Conflicts of Interest

Neither the Master Services Agreement nor the Investment Management Agreement may be terminated by us (except in limited circumstances for cause in the case of the Master Services Agreement) and the Master Services Agreement may be assigned by the Administrator in certain circumstances without our consent, either or both of which may have a material adverse effect on us.

We and our lending subsidiaries are parties to the Master Services Agreement pursuant to which the Administrator provides, or arranges for other service providers to provide, management and administrative services to us (which we refer to as the Base Service) and all of our direct and indirect subsidiaries. We are obligated to pay the Administrator a fee, which we refer to as the Base Service Fee, and market rate transaction fees for transactional and other services that the Administrator elects to provide to us. Pursuant to the terms of the Master Services Agreement, the Administrator has the right to provide any transactional services to us that we would otherwise engage a third-party to provide.

The Master Services Agreement continues in full force and effect until December 31, 2019, and thereafter will renew automatically each year. The Administrator may assign the Master Services Agreement without our consent to one of its affiliates or an entity that is a successor through merger or acquisition of the business of the Administrator. We generally may terminate the Master Services Agreement only in the event of a material breach, fraud, gross negligence or willful misconduct by or, in certain limited circumstances, a change of control of the Administrator that our independent directors determine to be materially detrimental to us and our subsidiaries as a whole. We do not have the right to terminate the Master Services Agreement solely for the poor performance of our operations. In addition, CIM Urban does not have the right to terminate the Investment Management Agreement under any circumstances.

Moreover, any removal of the affiliate of CIM Group, which we refer to as Urban GP Administrator, as manager of CIM Urban Partners GP, LLC, which we refer to as CIM Urban GP, pursuant to the Master Services Agreement or the CIM Urban Partnership Agreement would not affect the rights of the Administrator under the Master Services Agreement or the Operator under the Investment Management Agreement. Accordingly, the Administrator would continue to provide the Base Services and receive the Base Service Fee, and the Administrator or the applicable service provider would continue to provide the transactional services and receive related transaction fees, under the Master Services Agreement, and the Operator would continue to receive the management fee under the Investment Management Agreement. See “Our Business and Properties—Master Services Agreement” in this prospectus.

The liability of the Administrator and the Operator to us under the Master Services Agreement and the Investment Management Agreement, respectively, is limited and we and CIM Urban have agreed to indemnify the Administrator and the Operator, respectively, against certain liabilities. As a result, we could experience poor performance or losses for which neither the Administrator nor the Operator would be liable.

Pursuant to the Master Services Agreement, the Administrator has no responsibility other than to provide its services in good faith and will not be responsible for any action of our Board of Directors that follows or declines to follow the Administrator’s advice or recommendations. Under the terms of the Master Services Agreement, none of the Administrator or any of its affiliates providing services under the Master Services Agreement will be liable to us, any subsidiary of ours party to the Master Services Agreement, any governing body (including any director or officer), stockholder or partner of any such entity for acts or omissions made pursuant to or in accordance with the Master Services Agreement, other than acts or omissions constituting fraud, willful misconduct, gross negligence or violation of certain laws or any other intentional or criminal wrongdoing or breach of the Master Services Agreement. Moreover, the aggregate liability of any such entities and persons pursuant to the Master Services Agreement is capped at the aggregate amount of the Base Service Fee and any transaction fees previously paid to the Administrator in the two most recent calendar years. In addition, we have agreed to indemnify the Administrator and any of its affiliates providing services under the Master Services Agreement, any affiliates of the Administrator and any directors, officers, stockholders, agents, subcontractors, contractors, delegates, members, partners, shareholders, employees and other representatives of each of them from and against all actions, lawsuits, investigations, proceedings or claims except to the extent resulting from such person’s fraud, willful misconduct,

gross negligence or violation of certain laws or any other intentional or criminal wrongdoing or breach of the Master Services Agreement.

Pursuant to the Investment Management Agreement, the Operator is not liable to CIM Urban, CIM Urban GP or any manager or director of CIM Urban GP for, and CIM Urban has agreed to indemnify the Operator against any losses, claims, damages or liabilities to which it may become subject in connection with, among other things, (1) any act or omission performed or omitted by it or for any costs, damages or liabilities arising therefrom, in the absence of fraud, gross negligence, willful misconduct or a breach of the Investment Management Agreement or (2) any losses due to the negligence of any employees, brokers, or other agents of CIM Urban.

The Administrator and Operator are entitled to receive fees for the services they provide regardless of our performance, which may reduce their incentive to devote time and resources to our portfolio.

Pursuant to the Master Services Agreement, the Administrator is entitled to receive the Base Service Fee, regardless of our performance, and additional fees for the provision of transactional and other services at fair market rates approved by our independent directors. Additionally, the Operator is entitled to receive an asset management fee based upon the adjusted fair value of CIM Urban's assets, including any assets acquired by CIM Urban in the future. See "Our Business and Properties—Investment Management Agreement" in this prospectus. The Administrator's and the Operator's entitlement to substantial non-performance based compensation might reduce their incentive to devote time and effort to seeking profitable opportunities for our portfolio.

The Operator may undertake transactions that are motivated, in whole or in part, by a desire to increase its compensation.

The Operator's fees are based on the adjusted fair value of CIM Urban's assets, including any assets acquired by CIM Urban in the future, which may provide an incentive for the Operator to deploy our capital to assets that are riskier than we would otherwise acquire, regardless of the anticipated long-term performance of such assets. For instance, if CIM Urban, or we on its behalf, incurs debt or uses leverage to acquire an asset, the adjusted fair value of our assets will increase by an amount greater than the amount of cash used in such levered acquisition, which leads to greater compensation payable to the Operator. In this manner, the Operator may seek to maximize its compensation by recommending a deployment of capital to assets that are not necessarily in the best interest of our stockholders. The Operator may also recommend the disposition of assets that are beneficial to CIM Urban's operations in order to fund such acquisitions. For a discussion of the broad discretion that may be exercised by the Operator in our business, see "—Each of the Administrator and Operator provides services to us under broad mandates, and our Board of Directors may not necessarily be involved in each acquisition, disposition or financing decision made by the Administrator or Operator" below.

Each of the Administrator and Operator provides services to us under broad mandates, and our Board of Directors may not necessarily be involved in each acquisition, disposition or financing decision made by the Administrator or Operator.

Each of the Administrator, under the Master Services Agreement, and the Operator, under the Investment Management Agreement, has broad discretion and authority over our day-to-day operations and deployment of our capital in assets. While our Board of Directors periodically reviews the performance of our businesses, our Board of Directors does not review all activities conducted by the Administrator and the Operator, and may not review certain proposed acquisitions, dispositions or the implementation of other strategic initiatives before they occur. In addition, in reviewing our business operations, our directors may rely on information provided to them by the Administrator or the Operator, as the case may be. The Administrator or the Operator may cause us to enter into significant transactions or undertake significant activities that may be difficult or impossible to unwind, exit or otherwise remediate. Each of the Administrator and the Operator has great latitude in the implementation of our strategies, including determining the types of assets that are appropriate for us. The decisions of the Administrator and the Operator could therefore result in losses or returns that are substantially below our expectations, which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

The Operator, the Administrator and their respective affiliates engage in real estate activities that could compete with us and our subsidiaries, which could result in decisions that are not in the best interests of our stockholders.

The Investment Management Agreement with the Operator and the Master Services Agreement with the Administrator do not prevent the Operator or the Administrator, as applicable, and their respective affiliates from operating additional real estate assets or participating in other real estate opportunities, some of which could compete with us and our subsidiaries. The Operator, the Administrator and their respective affiliates operate real estate assets and participate in additional real estate activities having objectives that overlap with our own, and may thus face conflicts in the operation and allocation of real estate opportunities between us, on the one hand, and such other real estate operations and activities, on the other hand. Allocation of real estate opportunities is at

the discretion of the Operator and or the Administrator and there is no guarantee that this allocation will be made in the best interest of our stockholders.

There may be conflicts of interest in allocating real estate opportunities to CIM Urban and other funds, vehicles and ventures operated by the Operator. For example, the Operator serves as the operator of private funds formed to deploy capital in real estate and real estate-related assets located in metropolitan areas that CIM Group has already qualified. There may be a significant overlap in the assets and strategies between us and such funds, and many of the same investment personnel will provide services to both entities. Further, the Operator and its affiliates may in the future operate funds, vehicles and ventures that have overlapping objectives with CIM Urban and therefore may compete with CIM Urban for opportunities. The ability of the Operator, the Administrator and their officers and employees to engage in other business activities, including the operation of other vehicles operated by CIM Group or its affiliates, may reduce the time the Operator and the Administrator spend managing our activities.

Certain of our directors and executive officers may face conflicts of interest related to positions they hold with the Operator, the Administrator, CIM Group and their affiliates, which could result in decisions that are not in the best interest of our stockholders.

Some of our directors and executive officers are also part-owners, officers and or directors of the Operator, the Administrator, CIM Group and or their respective affiliates. As a result, such directors and executive officers may owe fiduciary duties to these various other entities and their equity owners that may from time to time conflict with the duties such persons owe to us. Further, these multiple responsibilities may create conflicts of interest for these individuals if they are presented with opportunities that may benefit us and our other affiliates. These individuals may be incentivized to allocate opportunities to other entities rather than to us. Their loyalties to other affiliated entities could result in actions or inactions that are detrimental to our business, strategy and opportunities.

If we seek to internalize the management functions provided pursuant to the Master Services Agreement and the Investment Management Agreement, we could incur substantial costs and lose certain key personnel.

The Board of Directors may determine that it is in our best interest to become self-managed by internalizing the functions performed by the Administrator and or the Operator and to terminate the Master Services Agreement and or the Investment Management Agreement, respectively. However, we do not have the unilateral right to terminate the Master Services Agreement and CIM Urban does not have the unilateral right to terminate the Investment Management Agreement, and neither the Administrator nor the Operator would be obligated to enter into an internalization transaction with us. There is no assurance that a mutually acceptable agreement with these entities as to the terms of the internalization could be reached.

The costs that would be incurred by us in any such internalization transaction are uncertain and could be substantial. Inadequate management of an internalization transaction could cause us to incur excess costs or suffer deficiencies in our disclosure controls and procedures or our internal control over financial reporting. An internalization transaction may divert management’s attention from effectively managing our assets. Further, following any internalization of our management functions, certain key employees may remain employees of the Administrator and the Operator or their respective affiliates instead of becoming our employees, especially if the Administrator and the Operator are not acquired by us.

The business of CIM Urban is managed by Urban GP Administrator and we agreed in the Master Services Agreement to appoint an affiliate of CIM Group as the manager of the general partner of CIM Urban; in addition, the general partner of CIM Urban can be removed from that position under certain circumstances as provided in the CIM Urban Partnership Agreement.

Pursuant to the Master Services Agreement, we agreed to appoint an affiliate of CIM Group as the manager of the general partner of CIM Urban. While currently that designated entity, Urban GP Administrator, is an affiliate of CIM Group, there can be no assurances that a different entity would not be appointed the manager of the general partner of CIM Urban in the future. Moreover, we may only remove the Urban GP Administrator as the manager of CIM Urban GP for “cause” (as defined in the Master Services Agreement). Removal for “cause” also requires the approval of the holders of at least 66 2/3% of our outstanding shares (excluding for this purpose any shares held by the Administrator and any affiliates of the Administrator, except to the extent set forth in the immediately following sentence). Notwithstanding the foregoing, CIM REIT has the right to vote any shares of our Common Stock that it owns with respect to any vote held to remove the Urban GP Administrator as the manager of the CIM Urban GP; provided, however, if any such removal vote is held after the second anniversary of the Master Services Agreement, CIM REIT must obtain voting instructions from certain of its non-affiliated members with respect to voting the shares beneficially owned by such non-affiliated members and CIM REIT must vote the number of shares beneficially owned by each such non-affiliated members as so instructed by such non-affiliated members. Upon removal, a replacement manager will be appointed by the independent directors. Finally, under the CIM Urban Partnership Agreement, the general partner of CIM Urban may be removed under certain circumstances with the consent of 66 2/3% of the class A members of CIM REIT (in the event the CIM REIT Liquidation occurs, the class A members of CIM REIT will not have any such removal right).

Subject to the limitations set forth in the governing documents of CIM Urban and CIM Urban GP, Urban GP Administrator is given the power and authority under the Master Services Agreement to manage, to direct the management, business and affairs of and to make all decisions to be made by or on behalf of (1) CIM Urban GP and (2) CIM Urban. Subject to the other terms of the CIM Urban Partnership Agreement, CIM Urban GP has broad discretion over the operations of CIM Urban. Accordingly, while we own indirectly all of the partnership interests in CIM Urban, except as set forth in the Master Services Agreement and the rights specifically reserved to limited partners by the CIM Urban Partnership Agreement and applicable law, we will have no part in the management and control of CIM Urban.

The CIM Urban Partnership Agreement contains provisions that give rights to certain unaffiliated members of CIM REIT to influence the business and operations of CIM Urban; such members may have interests that are adverse to our stockholders and the exercise of such rights may negatively impact the rights of our stockholders, or our business.

The CIM Urban Partnership Agreement requires the consent of a majority in interest of certain members of CIM REIT in order to amend the CIM Urban Partnership Agreement; the Investment Management Agreement can be amended only with the consent of at least 66 2/3% of the class A members of CIM REIT who are not affiliates of CIM Urban GP (in the event the CIM REIT Liquidation occurs, the class A members of CIM REIT will not have any such consent right). As noted above, in certain situations, upon a two-thirds vote of certain members of CIM REIT, the CIM Urban GP may be removed and replaced. The refusal to permit amendment of the CIM Urban Partnership Agreement or the removal of the general partner by the members of CIM REIT may adversely impact us.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results.

An effective system of internal control over financial reporting is necessary for us to provide reliable financial reports, prevent fraud and operate successfully as a public company. As part of our ongoing monitoring of internal controls, we may discover material weaknesses or significant deficiencies in our internal controls that we believe require remediation. If we discover such weaknesses, we will make efforts to improve our internal controls in a timely manner. Any system of internal controls, however well designed and operated, is based in part on certain assumptions and can only provide reasonable, not absolute, assurance that the objectives of the system are met. Any failure to maintain effective internal controls, or implement any necessary improvements in a timely manner, could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock, or cause us to not meet our reporting obligations, which could affect our ability to remain listed with Nasdaq and the TASE. Ineffective internal controls could also cause holders of our securities to lose confidence in our reported financial information, which would likely have a negative effect on the trading price of our securities.

Risks Related to Debt Financing

We have incurred significant indebtedness and may incur significant additional indebtedness on a consolidated basis.

We have incurred significant indebtedness and may incur significant additional indebtedness to fund future acquisitions, development activities and operational needs. The degree of leverage could make us more vulnerable to a downturn in business or the economy generally.

Payments of principal and interest on our borrowings may leave us with insufficient cash resources to operate our properties and or pay distributions on our Common Stock or Preferred Stock. The incurrence of substantial outstanding indebtedness, and the limitations imposed by our debt agreements, could have significant other adverse consequences, including the following:

- our cash flows may be insufficient to meet our required principal and interest payments;
- we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our liquidity for acquisitions or operations;
- we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our existing indebtedness;
- we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms;
- we may violate restrictive covenants in our debt documents, which would entitle the lenders to accelerate our debt obligations;

- we may default on our obligations and the lenders or mortgagees may foreclose on our properties and take possession of any collateral that secures their loans; and

- our default under any of our indebtedness with cross-default provisions could result in a default on other indebtedness.

If any one of these events occurs, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock may be materially adversely affected. In addition, any foreclosure on our properties could create taxable income without the accompanying cash proceeds, which could adversely affect our ability to meet the REIT distribution requirements imposed by the Code.

We intend to rely in part on external sources of capital to fund future capital needs and, if we encounter difficulty in obtaining such capital, we may not be able to meet maturing obligations or make additional acquisitions.

In order to qualify and maintain our qualification as a REIT under the Code, we are required, among other things, to distribute annually to our stockholders at least 90% of our REIT taxable income (which does not equal net income as calculated in accordance with GAAP), determined without regard to the deduction for dividends paid and excluding any net capital gain. Because of this dividend requirement, we may not be able to fund from cash retained from operations all of our future capital needs, including capital needed to refinance maturing obligations or make new acquisitions.

The capital and credit markets have experienced extreme volatility and disruption in recent years. Market volatility and disruption could hinder our ability to obtain new debt financing or refinance our maturing debt on favorable terms or at all or to raise debt and equity capital. Our access to capital will depend upon a number of factors, including:

- general market conditions;

- government action or regulation, including changes in tax law;

- the market's perception of our future growth potential;

- the extent of stockholder interest;

- analyst reports about us and the REIT industry;

- the general reputation of REITs and the attractiveness of their equity securities in comparison to other equity securities, including securities issued by other real estate-based companies;

- our financial performance and that of our tenants;

- our current debt levels;

- our current and expected future earnings; and

- our cash flow and cash distributions, including our ability to satisfy the dividend requirements applicable to REITs.

If we are unable to obtain needed capital on satisfactory terms or at all, we may not be able to meet our obligations and commitments as they mature or make any new acquisitions.

Increases in interest rates could increase the amount of our debt payments and adversely affect our ability to pay distributions on our Common Stock or Preferred Stock.

We have incurred indebtedness, and in the future may incur additional indebtedness, that bears interest at a variable rate. To the extent that we incur variable rate debt and do not hedge our exposure thereunder, increases in interest rates would increase the amounts payable under such indebtedness, which could reduce our operating cash flows and our ability to pay distributions to our stockholders. In addition, if our existing indebtedness matures or otherwise becomes payable during a period of rising interest rates, we could be required to liquidate one or more of our assets at times that may prevent realization of the maximum return on such assets.

High interest rates may make it difficult for us to finance or refinance assets, which could reduce the number of properties we can acquire and the amount of cash distributions we can make.

We run the risk of being unable to finance or refinance our assets on favorable terms or at all. If interest rates are high when we desire to mortgage our assets or when existing loans come due and the assets need to be refinanced, we may not be able to, or may choose not to, finance the assets and we would be required to use cash to purchase or repay outstanding obligations. Our inability to use debt to finance or refinance our assets could reduce the number of assets we can acquire, which could reduce our operating cash flow and the amount of cash distributions we can make on our Common Stock or Preferred Stock. Higher costs of capital also could negatively impact our operating cash flow and returns on our assets.

We may not be able to generate sufficient cash flow to meet our debt service obligations.

Our ability to make payments on and to refinance our indebtedness, and to fund our operations, working capital and capital expenditures, depends on our ability to generate cash. To a certain extent, our cash flow is subject to general economic, industry, financial, competitive, operating, legislative, regulatory and other factors, many of which are beyond our control.

We cannot assure our stockholders that our business will generate sufficient cash flow from operations or that future sources of cash will be available to us in an amount sufficient to enable us to pay amounts due on our indebtedness or to fund our other liquidity needs.

Additionally, if we incur additional indebtedness in connection with any future deployment of capital or development projects or for any other purpose, our debt service obligations could increase. We may need to refinance all or a portion of our indebtedness before maturity. Our ability to refinance our indebtedness or obtain additional financing will depend on, among other things:

- our financial condition and market conditions at the time;
- restrictions in the agreements governing our indebtedness;
- general economic and capital market conditions;
- the availability of credit from banks or other lenders; and
- our results of operations.

As a result, we may not be able to refinance our indebtedness on commercially reasonable terms, or at all. If we do not generate sufficient cash flow from operations, and additional borrowings or refinancing or proceeds of asset sales or other sources of cash are not available to us, we may not have sufficient cash to enable us to meet all of our obligations. Accordingly, if we cannot service our indebtedness, we may have to take actions such as seeking additional equity, or delaying any strategic acquisitions and alliances or capital expenditures, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to make distributions on our Common Stock or Preferred Stock.

In connection with providing us financing, a lender could impose restrictions on us that affect our distribution and operating policies and our ability to incur additional debt. Loan documents we enter into may contain covenants that limit our ability to further mortgage the property or discontinue insurance coverage. These or other limitations imposed by a lender may adversely affect our flexibility and limit our ability to pay distributions on our Common Stock or Preferred Stock.

Interest-only indebtedness may increase our risk of default and ultimately may reduce our funds available for distribution to our stockholders.

We may finance some of our property acquisitions using interest-only mortgage indebtedness. During the interest-only period, the amount of each scheduled payment will be less than that of a traditional amortizing mortgage loan. The principal balance of the mortgage loan will not be reduced (except in the case of prepayments) because there are no scheduled monthly payments of principal during this period. After the interest-only period, we will be required either to make scheduled payments of amortized principal and interest or to make a lump-sum or “balloon” payment at maturity. These required payments will increase the amount of our scheduled payments and may increase our risk of default under the related mortgage loan. If the mortgage loan has an adjustable interest rate, the amount of our scheduled payments also may increase at a time of rising interest rates. Increased payments and

substantial principal or balloon payments will reduce the funds available for distribution to our stockholders because cash otherwise available for distribution will be required to pay principal and interest associated with these mortgage loans.

Our ability to make a balloon payment at maturity is uncertain and may depend upon our ability to obtain additional financing or our ability to sell the property. At the time the balloon payment is due, we may or may not be able to refinance the loan on terms as favorable as the original loan or sell the property at a price sufficient to make the balloon payment. The effect of a refinancing or sale could affect the rate of return to stockholders and the projected time of disposition of our assets. In addition, payments of principal and interest made to service our debts may leave us with insufficient cash to pay the distributions that we are required to pay to maintain our qualification as a REIT. Any of these results would have a significant, negative impact on the value of our securities.

We may in the future enter, into hedging transactions that could expose us to contingent liabilities in the future and materially adversely impact our financial condition and results of operations.

Subject to maintaining our qualification as a REIT, we may in the future enter, into hedging transactions that could require us to fund cash payments in certain circumstances (e.g., the early termination of the hedging instrument caused by an event of default or other early termination event, or the decision by a counterparty to request margin securities it is contractually owed under the terms of the hedging instrument), which could in turn result in economic losses to us.

In addition, certain of the hedging instruments that we may enter into could involve additional risks if they are not traded on regulated exchanges, guaranteed by an exchange or our clearing house, or regulated by any U.S. or foreign governmental authorities. It cannot be assured that a liquid secondary market will exist for hedging instruments that we may enter into in the future, and we may be required to maintain a position until exercise or expiration, which could result in significant losses.

We intend to record any derivative and hedging transactions we enter into in accordance with GAAP. However, we may choose not to pursue, or fail to qualify for, hedge accounting treatment relating to such derivative instruments. As a result, our operating results may suffer because losses, if any, on these derivative instruments may not be offset by a change in the fair value of the related hedged transaction or item. Any losses sustained as a result of our hedging transactions would be reflected in our results of operations, and our ability to fund these obligations will depend on the liquidity of our assets and access to capital at the time, and the need to fund these obligations could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information set forth herein contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act, including a description of certain potential events. You can identify these statements by the fact that they do not relate strictly to historical or current facts, or that they discuss the business and affairs of CIM Commercial on a prospective basis. Statements that include words such as “may,” “will,” “project,” “might,” “expect,” “believe,” “anticipate,” “intend,” “target,” “could,” “would,” “should,” “estimate,” “continue,” “pursue,” “potential,” among others, or the negative of such words, may identify forward-looking statements.

As you read and consider the information herein, you are cautioned to not place undue reliance on these forward-looking statements. CIM Commercial bases these forward-looking statements on particular assumptions that it has made in light of its experience, as well as its perception of expected future developments and other factors that it believes are appropriate under the circumstances. These statements are not guarantees of performance or results and speak only as of the date of this prospectus. These forward-looking statements involve risks, uncertainties and assumptions. In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements contained herein will in fact transpire. New factors emerge from time to time, and it is not possible for CIM Commercial to predict all of them. Nor can CIM Commercial assess the impact of each such factor or the extent to which any factor, or combination of factors may cause results to differ materially from those contained in any forward-looking statement.

Forward-looking statements are necessarily estimates reflecting the judgment of CIM Commercial and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include but are not limited to:

- global, national, regional and local economic conditions;
- competition from other available space;
- local conditions such as an oversupply of space or a reduction in demand for real estate in the area;
- management of our properties;
- the development and or redevelopment of our properties;
- changes in market rental rates;
- the timing and costs associated with property improvements and rentals;
- whether we are able to pass all or portions of any increases in operating costs through to tenants;
- changes in real estate taxes and other expenses;
- whether tenants and users such as customers and shoppers consider a property attractive;
- the financial condition of our tenants, including the extent of tenant bankruptcies or defaults;
- availability of financing on acceptable terms or at all;
- inflation, interest rate, securities market and monetary fluctuations;
- movements in interest rates;

- negative trends in our market capitalization and adverse changes in the price of our Common Stock;
- political instability;
- acts of war or terrorism;
- changes in consumer spending, borrowings and savings habits;
- technological changes;
- our ability to obtain adequate insurance;
- changes in zoning laws and taxation;
- government regulation;
- consequences of any armed conflict involving, or terrorist attacks against, the United States or individual acts of violence in public spaces including retail centers;
- potential liability under environmental or other laws or regulations;
- natural disasters;
- general competitive factors;
- climate changes;
- the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters;
- ability to retain and attract skilled employees;
- changes in our organization, compensation and benefit plans; and
- our success at managing the risks involved in the foregoing items.

Forward-looking statements speak only as of the date on which such statements are made. We undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events, except as required by law.

ESTIMATED USE OF PROCEEDS

Assuming the maximum offering, we estimate that we will receive net proceeds from the sale of the Units in this offering of approximately $735,581,505 after deducting estimated offering expenses, including selling commissions and the dealer manager fee as described in the "Plan of Distribution" section payable by us of approximately $61,796,820.

We intend to use the net proceeds from this offering for general corporate purposes, acquisitions of shares of our Common Stock, at or below NAV, and preferred stock, whether through one or more tender offers, share repurchases or otherwise, and acquisitions consistent with our acquisition and asset management strategies. We have not given effect to any special sales discounts that could reduce the sales commissions or dealer manager fees payable by us. See "Plan of Distribution" for a description of the special sales discounts.

DIVIDENDS ON OUR COMMON STOCK

Shares of our Common Stock trade on Nasdaq, under the ticker symbol “CMCT,” and the TASE, under the ticker symbol “CMCT-L.” The following table sets forth the dividends per share declared for each period indicated. On September 3, 2019, we effected the Reverse Stock Split. The per share amounts below have been adjusted to give retroactive effect to the Reverse Stock Split for all periods presented.

Quarter Ended	Regular Quarterly Dividends per Share	Special Dividends per Share Declared During Quarter
September 30, 2019	$ 0.07500	$ 42.00000(1)
June 30, 2019	$ 0.37500	—
March 31, 2019	$ 0.37500	—
December 31, 2018	$ 0.37500	—
September 30, 2018	$ 0.37500	—
June 30, 2018	$ 0.37500	—
March 31, 2018	$ 0.37500	—
December 31, 2017	$ 0.37500	$ 2.19000(2)
September 30, 2017	$ 0.37500	—
June 30, 2017	$ 0.37500	$ 6.78000(2)
March 31, 2017	$ 0.65625	—

(1) In connection with the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock, on August 8, 2019, we declared the Special Dividend of $42.00 per share of Common Stock ($14.00 per share of Common Stock prior to the Reverse Stock Split), or $613,294,000 in the aggregate, which was paid on August 30, 2019 to stockholders of record at the close of business on August 19, 2019.

(2) Urban II waived its right to receive these special dividends as to its shares of our Common Stock owned as of the applicable record dates.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Our Directors and Executive Officers

The following table sets forth information regarding the beneficial ownership of our Common Stock, Series A Preferred Stock and Series L Preferred Stock as of September 30, 2019 by (1) each named executive officer, (2) each current director and (3) all executive officers and directors as a group.

	Common Stock		Series A Preferred Stock		Series L Preferred Stock	
Name of Beneficial Owner (1)	No. of Shares	Percent of Class	No. of Shares	Percent of Class	No. of Shares	Percent of Class
Douglas Bech	7,291	*	—	—	—	—
Robert Cresci	5,705	*	—	—	—	—
Nathan D. DeBacker	—	—	—	—	—	—
Kelly Eppich	2,691	*	—	—	—	—
Frank Golay, Jr.	5,625	*	—	—	—	—
Shaul Kuba	3,140,103(3)	21.5%	—	—	—	—
Richard Ressler	3,145,118(3)	21.5%	—	—	—	—
Jan F. Salit	17,533(2)	*	—	—	—	—
Avraham Shemesh	3,140,103(3)	21.5%	—	—	—	—
David Thompson	—	—	—	—	—	—
Directors and Executive Officers as a group (10 persons)	**3,194,372**	**21.9%**	—	—	—	—

* Less than 1%.

(1) The business address of Messrs. Thompson, Salit, DeBacker, Bech, Cresci, Golay and Eppich, for the purposes hereof, is c/o CIM Commercial Trust Corporation, 17950 Preston Road, Suite 600, Dallas, Texas 75252. The business address of Messrs. Ressler, Shemesh and Kuba, for the purposes hereof, is c/o CIM Group, 4700 Wilshire Boulevard, Los Angeles, California 90010.

(2) Mr. Salit has sole voting and investment power over these shares, which include 40 shares held in an investment retirement account, or IRA.

(3) CIM Group, LLC is the sole manager of CIM Urban GP which in turn is the sole managing member of Urban Partners II, LLC. CIM Group, LLC is also the sole equity member of each of the Administrator and CIM Urban Sponsor, LLC. Because of their positions with CIM Group, LLC, Shaul Kuba, Richard Ressler and Avraham Shemesh, the founders of CIM Group, LLC, may be deemed to beneficially own the 2,860,190 shares of Common Stock owned by Urban Partners II, LLC, the 117,981 shares of Common Stock owned by the Administrator and the 156,728 shares of Common Stock owned by CIM Urban Sponsor, LLC. Messrs. Ressler, Shemesh and Kuba have shared voting and investment power over all of these shares. Each of Messrs. Ressler, Shemesh and Kuba disclaims beneficial ownership of all of these shares except to the extent of his pecuniary interest therein.

Beneficial Owners of More than 5% of our Common Stock

The following table sets forth certain information regarding the beneficial ownership of our Common Stock, Series A Preferred Stock and Series L Preferred Stock based on filings with the SEC as of September 30, 2019 by each person known by us to beneficially own more than 5% of our Common Stock.

	Common Stock		Series A Preferred Stock		Series L Preferred Stock	
Name and Address of Beneficial Owner	No. of Shares	Percent of Class	No. of Shares	Percent of Class	No. of Shares	Percent of Class
California Public Employees' Retirement System 400 Q Street Sacramento, California 95814	3,468,852(1)	23.8%	—	—	—	—
Urban Partners II, LLC c/o CIM Group 4700 Wilshire Boulevard Los Angeles, California 90010	2,860,190	19.6%	—	—	—	—
Richard Ressler(2)	3,145,118(3)	21.5%	—	—	—	—
Avraham Shemesh(2)	3,140,103(3)	21.5%	—	—	—	—
Shaul Kuba(2)	3,140,103(3)	21.5%	—	—	—	—

(1) This information is based solely upon information provided to the Company by California Public Employees' Retirement System, which we refer to as CalPERS, in connection with the Company's filing of a Registration Statement (No. 333-233256) on August 13, 2019 on behalf of CalPERS.

(2) The business address of Messrs. Ressler, Shemesh and Kuba, for the purposes hereof, is c/o CIM Group, 4700 Wilshire Boulevard, Los Angeles, California 90010.

(3) CIM Group, LLC is the sole manager of CIM Urban GP which in turn is the sole managing member of Urban Partners II, LLC. CIM Group, LLC is also the sole equity member of each of the Administrator and CIM Urban Sponsor, LLC. Because of their positions with CIM Group, LLC, Shaul Kuba, Richard Ressler and Avraham Shemesh, the founders of CIM Group, LLC, may be deemed to beneficially own the 2,860,190 shares of Common Stock owned by Urban Partners II, LLC, the 117,981 shares of Common Stock owned by the Administrator and the 156,728 shares of Common Stock owned by CIM Urban Sponsor, LLC. Messrs. Ressler, Shemesh and Kuba have shared voting and investment power over all of these shares. Each of Messrs. Ressler, Shemesh and Kuba disclaims beneficial ownership of all of these shares except to the extent of his pecuniary interest therein.

OUR BUSINESS AND PROPERTIES

Company Overview

Business Overview

Our principal business is to acquire, own, and operate Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States. These communities are located in areas that include traditional downtown areas and suburban main streets, which have high barriers to entry, high population density, positive population trends and a propensity for growth. We believe that the critical mass of redevelopment in such areas creates positive externalities, which enhance the value of real estate assets in the area. We believe that these assets will provide greater returns than similar assets in other markets, as a result of the population growth, public commitment, and significant private investment that characterize these areas.

We are operated by affiliates of CIM Group. CIM Group is a vertically-integrated owner and operator of real assets with multi-disciplinary expertise and in-house research, acquisition, credit analysis, development, financing, leasing, and onsite property management capabilities. CIM Group is headquartered in Los Angeles, California and has offices in Oakland, California; Bethesda, Maryland; Dallas, Texas; New York, New York; Chicago, Illinois; and Phoenix, Arizona.

Our wholly-owned subsidiary, CIM Urban, is party to an Investment Management Agreement with the Operator, pursuant to which the Operator provides certain services to CIM Urban. In addition, we are party to a Master Services Agreement with the Administrator, pursuant to which the Administrator provides, or arranges for other service providers to provide, management and administration services to us.

Our office and hotel assets are located in five U.S. markets. The breakdown by segment, market and submarket, as of June 30, 2019, is as follows:

Overview of our Real Estate Portfolio as of June 30, 2019 (1)

Property	Market	Sub-Market	Office and Retail Rentable Square Feet	Hotel Rooms
Office				
1 Kaiser Plaza	Oakland, CA	Lake Merritt	539,917	—
11620 Wilshire Boulevard	Los Angeles, CA	West Los Angeles	194,985	—
3601 S Congress Avenue (2)	Austin, TX	South	183,885	—
4750 Wilshire Boulevard	Los Angeles, CA	Mid-Wilshire	138,294	—
9460 Wilshire Boulevard	Los Angeles, CA	Beverly Hills	94,547	—
11600 Wilshire Boulevard	Los Angeles, CA	West Los Angeles	56,186	—
Lindblade Media Center (3)	Los Angeles, CA	West Los Angeles	32,428	—
1130 Howard Street	San Francisco, CA	South of Market	21,194	—
Total Office (8 Properties)			**1,261,436**	**—**
Other Ancillary Properties within Office Portfolio				
2 Kaiser Plaza Parking Lot (4)	Oakland, CA	Lake Merritt	—	—
Total Ancillary Office (1 Property)			**—**	**—**
Total Office including Other Ancillary (9 Properties)			**1,261,436**	**—**
Hotel Portfolio (1 Property)				
Sheraton Grand Hotel	Sacramento, CA	Downtown/Midtown	—	503
Other Ancillary Properties within Hotel Portfolio (1 Property)				
Sheraton Grand Hotel Parking Garage & Retail (5)	Sacramento, CA	Downtown/Midtown	9,453	—
Total Portfolio (11 Properties)			**1,270,889**	**503**

(1) This table omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) 3601 S Congress Avenue consists of ten buildings. The Company expects to complete the development of an existing surface parking lot into approximately 42,000 square feet of additional rentable office space by mid-2020.

(3) Lindblade Media Center consists of three buildings.

(4) 2 Kaiser Plaza Parking Lot is a 44,642 square foot parcel of land currently being used as a surface parking lot. We are entitled to develop a building, which we are in the process of designing, having approximately 425,000 to 800,000 rentable square feet.

(5) The site of the Sheraton Grand Hotel Parking Garage & Retail is being evaluated for potential development.

Our Common Stock trades on Nasdaq, under the ticker symbol “CMCT,” and the TASE, under the ticker symbol “CMCT-L.” Our Series L Preferred Stock is also traded on Nasdaq and the TASE, in each case under the ticker symbol “CMCTP.” Our principal executive offices are located at 17950 Preston Road, Suite 600, Dallas, Texas 75252 and our telephone number is (972) 349-3200. Our internet address is http://www.cimcommercial.com. The information contained on our website is not part of this prospectus.

Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock

The Company has undertaken the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock, as described below. All components of such program, other than with respect to the CIM REIT Liquidation and the discussion of expected activities with respect to Preferred Stock as described below, have been completed.

Sale of Assets. In accordance with the approval of our principal stockholder in December 2018, which as of the relevant record date owned 95.1% of the issued and outstanding shares of Common Stock, the Company sold eight properties in 2019, which sales we refer to as the Program Sales. Further, as a matter of prudent management, after evaluating each asset within our portfolio as well as the intrinsic value of each property, the Company sold one office property and one development site in Washington, D.C. in 2019, which sales, together with the Program Sales, we refer to collectively as the Asset Sale. The Asset Sale generated aggregate gross sales price to the Company of $990,996,000. No further property sales will be made under the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock.

Repayment of Certain Indebtedness. We used a portion of the net proceeds from the Asset Sale to repay balances on certain of the Company’s indebtedness.

Return of Capital to Holders of Common Stock. In accordance with the previously announced intention to return capital to holders of our Common Stock, we declared and, on August 30, 2019, paid the Special Dividend of $42.00 per share of Common Stock ($14.00 per share of Common Stock prior to the Reverse Stock Split), or $613,294,000 in the aggregate, to stockholders of record at the close of business on August 19, 2019.

CIM REIT Liquidation. As of August 8, 2019, CIM REIT beneficially owned approximately 89.7% of our outstanding Common Stock. CIM Group previously announced that, following the Return of Capital Event, CIM Group intended to liquidate CIM REIT. The CIM REIT Liquidation is in process, and CIM REIT currently beneficially owns approximately 19.6% of the outstanding shares of our Common Stock after distributing a portion of its former holdings to certain of its members.

Preferred Stock. The Company is exploring initiating a repurchase program for approximately 30% of the outstanding shares of Series L Preferred Stock beginning no later than the first quarter of 2020. While the Company is reviewing the pricing, methods and exact timing of any such repurchases, such repurchases may be made in the open market, in privately negotiated transactions, or otherwise. Consistent with the targeted capital structure of the Company, the Company anticipates using funds from its revolving credit facility to finance such repurchases. There can be no assurance that the Company will repurchase any shares of Series L Preferred Stock on the foregoing terms or timing, or at all.

Strategy

Our strategy is principally focused on the acquisition of Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States (including improving and developing such assets) in a manner that will consistently grow our NAV and cash flow per share of Common Stock.

Our strategy is centered around CIM Group’s community qualification process. We believe this strategy provides us with a significant competitive advantage when making real estate acquisitions. The qualification process generally takes between six months

and five years and is a critical component of CIM Group's evaluation. CIM Group examines the characteristics of a market to determine whether the district justifies the extensive efforts CIM Group undertakes in reviewing and making potential acquisitions in its Qualified Communities. Qualified Communities generally fall into one of two categories: (i) transitional metropolitan districts that have dedicated resources to become vibrant metropolitan communities and (ii) well-established, thriving metropolitan areas (typically major central business districts). Qualified Communities are distinct districts which have dedicated resources to become or are currently vibrant communities where people can live, work, shop and be entertained, all within walking distance or close proximity to public transportation. These areas also generally have high barriers to entry, high population density, positive population trends and support for investment. CIM Group believes that a vast majority of the risks associated with acquiring real estate are mitigated by accumulating local market knowledge of the community where the asset is located. CIM Group typically spends significant time and resources qualifying targeted communities prior to making any acquisitions. Since 1994, CIM Group has qualified 122 communities and has deployed capital in 72 of these Qualified Communities. Although we may not deploy capital exclusively in Qualified Communities, it is expected that most of our assets will be identified through this systematic process.

CIM Group seeks to maximize the value of its holdings through active onsite property management and leasing. CIM Group has extensive in-house research, acquisition, credit analysis, development, financing, leasing and onsite property management capabilities, which leverage its deep understanding of metropolitan communities to position properties for multiple uses and to maximize operating income. As a vertically-integrated owner and operator, CIM Group has in-house onsite property management and leasing capabilities. Property managers prepare annual capital and operating budgets and monthly operating reports, monitor results and oversee vendor services, maintenance and capital improvement schedules. In addition, they ensure that revenue objectives are met, lease terms are followed, receivables are collected, preventative maintenance programs are implemented, vendors are evaluated and expenses are controlled. In addition, CIM Group's Real Assets Management Committee reviews and approves strategic plans for each asset, including financial, leasing, marketing, property positioning and disposition plans. The Real Assets Management Committee reviews and approves the annual business plan for each property, including its capital and operating budget. CIM Group's organizational structure provides for continuity through multi-disciplinary teams responsible for an asset from the time of the original investment recommendation, through the implementation of the asset's business plan, and any disposition activities.

CIM Group's investments and development teams are separate groups that work very closely together on transactions requiring development expertise. While the investments team is responsible for acquisition analysis, both the investments and development teams perform the due diligence, evaluate and determine underwriting assumptions and participate in the development management and ongoing asset management of CIM Group's opportunistic assets. The development team is also responsible for the oversight and or execution of securing entitlements and the development/repositioning process. In instances where CIM Group is not the lead developer, CIM Group's in-house development team continues to provide development and construction oversight to co-sponsors through a shadow team that oversees the progress of the development from beginning to end to ensure adherence to the budgets, schedules, quality and scope of the project to maintain CIM Group's vision for the final product. The investments and development teams interact as a cohesive team when sourcing, underwriting, acquiring, executing and managing the business plan of an opportunistic acquisition.

We seek to utilize the CIM Group platform to acquire, improve and develop real estate assets within CIM Group's Qualified Communities. We believe that these assets will provide greater returns than similar assets in other markets, as a result of population growth, public commitment, and significant private investment that characterize these areas. Over time, we seek to expand our real estate assets in communities targeted by CIM Group, supported by CIM Group's broad real estate capabilities, as part of our plan to prudently grow NAV and cash flow per share. As a matter of prudent management, we also regularly evaluate each asset within our portfolio as well as our strategies. Such review may result in dispositions when an asset no longer fits our overall objectives or strategies, or when our view of the market value of such asset is equal to or exceeds its intrinsic value. As a result of such review, we sold two hotels in 2016; six office properties, one parking garage, and five multifamily properties in 2017; and one office property and one development site in Washington, D.C. in 2019. In connection with the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock, we sold an additional four office properties and one parking garage in Oakland, California; two office properties in Washington, D.C.; and one office property in San Francisco, California during 2019. In 2016 and 2017, we used a substantial portion of the net proceeds of dispositions during such years to provide liquidity to our common stockholders at prices reflecting our NAV and cash flow prospects, and on August 8, 2019, we declared the Special Dividend of $42.00 per share of Common Stock ($14.00 per share of Common Stock prior to the Reverse Stock Split), or $613,294,000 in the aggregate, that was paid on August 30, 2019 to stockholders of record at the close of business on August 19, 2019.

While we are principally focused on Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States (including improving and developing such assets), we may also participate more actively in other CIM Group real estate strategies and product types in order to broaden our participation in CIM Group's platform and capabilities for the benefit of all classes of stockholders. This may include, without limitation, engaging in real estate development activities as well as investing in other product types directly, side-by-side with one or more funds of CIM Group, through direct deployment of capital in a

CIM Group real estate or debt fund, or deploying capital in or originating loans that are secured directly or indirectly by properties primarily located in Qualified Communities that meet our strategy. Such loans may include limited and or non-recourse junior (mezzanine, B-note or 2nd lien) and senior acquisition, bridge or repositioning loans.

Segments

Our reportable segments consist of two types of commercial real estate properties, namely office and hotel, as well as a segment for our lending business, which primarily originates loans to small businesses.

As of June 30, 2019, our real estate portfolio consisted of 14 assets, all of which were fee-simple properties. As of June 30, 2019, our 12 office properties (including two development sites, one of which is being used as a parking lot), totaling approximately 1.9 million rentable square feet, were 88.1% occupied and one hotel with an ancillary parking garage, which has a total of 503 rooms, had RevPAR of $140.93 for the six months ended June 30, 2019. For the quarter ended June 30, 2019, our office portfolio contributed approximately 63% of revenue from our segments, while our hotel contributed approximately 29%, and our lending segment contributed approximately 8%. Since June 30, 2019, we have completed the sale of two office properties and one development site in Washington, D.C.

Competitive Advantages

We believe that CIM Group's experienced team and vertically-integrated and multi-disciplinary organization, coupled with its community-focused and disciplined real estate philosophy, results in a competitive advantage that benefits us. Additionally, CIM Group's strategy is complemented by a number of other competitive advantages including its prudent use of leverage, underwriting approach, disciplined capital deployment, and strong network of relationships. CIM Group's competitive advantages include:

- Vertically-Integrated Organization and Team

  CIM Group is managed by its senior management team, which is composed of its three founders, Shaul Kuba, Richard Ressler and Avraham Shemesh, and includes 11 other principals. CIM Group is vertically-integrated and organized into 13 functional groups including Compliance; Operations; Human Resources; Legal; Finance & Capital Markets; Onsite Property Management; Real Estate Services; Hospitality Services; Development; Investments; Portfolio Oversight; Partner & Co-Investor Relations; and Marketing & Communications.

  To support CIM Group's organic growth and related platforms, CIM Group has invested substantial time and resources in building a strong and integrated team of approximately 540 experienced professionals. Each of CIM Group's teams is managed by seasoned professionals and CIM Group continues to develop its management team, which represents the next generation of CIM Group's leaders. In addition to developing a core team of principals and senior level management, CIM Group has proactively managed its growth through career development and mentoring at both the mid and junior staffing levels, and has hired ahead of its needs, thus ensuring appropriate management and staffing.

  CIM Group leverages the deep operating and industry experience of its principals and professionals, as well as their extensive relationships, to source and execute opportunistic, stabilized, and infrastructure acquisitions. Each opportunity is overseen by a dedicated team including an oversight principal (one of Richard Ressler, Avraham Shemesh, Shaul Kuba, Charles E. Garner II, our former Chief Executive Officer, Jennifer Gandin, John Bruno and Jason Schreiber), a team lead (vice president level and above), associate vice presidents and associates, as necessary, who are responsible for managing the asset from sourcing through underwriting, acquisition, development (if required), onsite property management, and disposition. As part of this process, the team draws upon CIM Group's extensive in-house expertise in legal matters, finance, development, leasing, and onsite property management. Each dedicated investment team is purposefully staffed with professionals from multiple CIM Group offices, regardless of the location of the asset being evaluated. As a result, all investment professionals work across a variety of Qualified Communities and CIM Group's knowledge base is shared across all of its offices.

- Community Qualification

  Since inception, CIM Group's proven community qualification process has served as the foundation for its strategy. CIM Group targets high barrier to entry markets and submarkets with high population density and applies rigorous research to qualify for potential acquisitions. Since 1994, CIM Group has qualified 122 communities in high barrier to entry markets and has deployed capital in 72 of these Qualified Communities. CIM Group examines the characteristics of a market to determine whether the district justifies the extensive efforts its investment professionals undertake in reviewing and making potential acquisitions in its Qualified Communities. Qualified Communities generally fall into one of two

categories: (i) transitional densely-populated districts that have dedicated resources to become vibrant metropolitan communities and (ii) well-established, thriving metropolitan areas (typically major central business districts).

As more fully described in "Our Business and Properties—Competition—Principles" in this prospectus, once a community is qualified, CIM Group believes it continues to differentiate itself through the following business principles: (i) product non-specific— CIM Group has extensive experience owning and operating a diverse range of property types, including retail, residential, office, parking, hotel, signage, and mixed-use, which gives CIM Group the ability to execute and capitalize on its strategy effectively; (ii) community-based tenanting— CIM Group's strategy focuses on the entire community and the best use of assets in that community; owning a significant number of key properties in an area better enables CIM Group to meet the needs of national retailers and office tenants and thus optimize the value of these real estate properties; (iii) local market leadership with North American footprint— CIM Group maintains local market knowledge and relationships, along with a diversified North American presence, through its 122 Qualified Communities (thus, CIM Group has the flexibility to deploy capital in its Qualified Communities only when the market environment meets CIM Group's underwriting standards); and (iv) deploying capital across the capital stack — CIM Group has extensive experience structuring transactions across the capital stack including equity, preferred equity, debt and mezzanine positions, giving it the flexibility to structure transactions in efficient and creative ways.

- Discipline

CIM Group's strategy relies on its sound business plan and value creation execution to produce returns, rather than financial engineering. CIM Group's underwriting of its potential acquisitions is performed generally both on a leveraged and unleveraged basis. Additionally, with certain exceptions, CIM Group has generally not utilized recourse or cross-collateralized debt due to its conservative underwriting standards.

CIM Group employs multiple underwriting scenarios when evaluating potential acquisition opportunities. CIM Group generally underwrites potential acquisitions utilizing long-term average exit capitalization rates for similar product types and long-term average interest rates. Where possible, these long-term averages cross multiple market cycles, thereby mitigating the risk of cyclical volatility. CIM Group's "long-term average" underwriting is based on its belief, reinforced by its experience through multiple market cycles, that over the life of any given fund that it manages, such fund should be able to exit its holdings at long-term historical averages. CIM Group also underwrites a "current market case" scenario, which generally utilizes current submarket specific exit assumptions and interest rates, in order to reflect anticipated results under current market conditions. CIM Group believes that utilizing multiple underwriting scenarios enables CIM Group to assess potential returns relative to risk within a range of potential outcomes.

Policies with Respect to Certain Activities

The following is a discussion of our policies with respect to certain activities. These policies may be amended or revised from time to time by our Board of Directors without a vote of our stockholders.

Financing Our Operations

We currently have substantial unrestricted cash and borrowing capacity, and may finance our future activities through one or more of the following methods: (i) offerings of shares of Common Stock, preferred stock, senior unsecured securities, and or other equity and debt securities; (ii) credit facilities and term loans; (iii) the addition of senior recourse or non-recourse debt using target acquisitions as well as existing assets as collateral; (iv) the sale of existing assets; and or (v) cash flows from operations. During the prior three years, we have not offered our Common Stock or other securities in exchange for property, but may engage in such activities in the future. We expect to employ indebtedness levels that are comparable to those of other commercial REITs engaged in business strategies similar to our own.

We have used a portion of our unrestricted cash and net proceeds from the Asset Sale to repay balances on certain of the Company's indebtedness. Upon completion of the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock, we expect to continue to have substantial borrowing capacity.

Recent Issuances of Senior Securities

On November 21, 2017, we received net proceeds of $207,845,000, after commissions, fees, allocated costs, and a discount, from the issuance of 808,074 units consisting of an aggregate of 8,080,740 shares of Series L Preferred Stock.

Other than the ongoing offer of Series A Preferred Stock, we have no plans to issue senior securities.

Recent Debt Financing

For a discussion regarding the Company's policies with respect to debt financing, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Sources and Uses of Funds" in the Company's Annual Report on Form 10-K for the annual period ended December 31, 2018, filed with the SEC on March 18, 2019, and the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019, filed with the SEC on August 8, 2019.

Repurchases of Our Securities

In June 2016, we completed a tender offer for 10,000,000 shares of Common Stock at a price of $21.00 per share of Common Stock; in September 2016, we repurchased in a privately negotiated transaction 3,628,116 shares of our Common Stock at a price of $22.00 per share from Urban II, an affiliate of CIM Group; in June 2017, we repurchased in a privately negotiated transaction 26,181,818 shares of our Common Stock at a price of $22.00 per share from Urban II; and in December 2017, we repurchased in a privately negotiated transaction, 14,090,909 shares of our Common Stock at a price of $22.00 per share from Urban II. Additionally, in April 2017, we declared and paid a special cash dividend of $0.28 per share of Common Stock, or $601,000, to the common stockholders that did not participate in the September 2016 private repurchase; in June 2017, we declared and paid a special cash dividend of $1.98 per share of Common Stock, or $4,271,000, to the common stockholders that did not participate in the June 2017 private repurchase; and in December 2017, we declared a special cash dividend of $0.73 per share of Common Stock ($2.19 per share of Common Stock after the Reverse Stock Split), or $1,575,000, to the common stockholders that did not participate in the December 2017 private repurchase, which was paid in January 2018. These special cash dividends allowed common stockholders that did not participate in the September 2016, June 2017 and December 2017 private repurchases to receive the economic benefits of such repurchases. Other than as expressly stated above, none of the per share and share amounts in this paragraph have been adjusted for the Reverse Stock Split.

In the future, we may continue to undertake any of the transactions described above, depending on, among other things, market conditions, our cashflows and the trading price of CMCT's Common Stock relative to the NAV of the Company.

Investment in Real Estate or Interests in Real Estate

Our strategy is to continue to primarily acquire Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States in a manner that will allow us to increase our NAV and cash flows per share of Common Stock. Our strategy is centered around CIM Group's community qualification process. We believe this strategy provides us with a significant competitive advantage when making real estate acquisitions. The qualification process generally takes between six months and five years and is a critical component of CIM Group's evaluation. CIM Group examines the characteristics of a market to determine whether the district justifies the extensive efforts CIM Group undertakes in reviewing and making potential acquisitions in its Qualified Communities. Qualified Communities generally fall into one of two categories: (i) transitional metropolitan districts that have dedicated resources to become vibrant metropolitan communities and (ii) well-established, thriving metropolitan areas (typically major central business districts). Qualified Communities are distinct districts which have dedicated resources to become or are currently vibrant communities where people can live, work, shop and be entertained—all within walking distance or close proximity to public transportation. These areas also generally have high barriers to entry, high population density, positive population trends and support for investment. CIM Group believes that a vast majority of the risks associated with acquiring real estate are mitigated by accumulating local market knowledge of the community where the asset is located. CIM Group typically spends significant time and resources qualifying targeted communities prior to making any acquisitions. Since 1994, CIM Group has qualified 122 communities and has deployed capital in 72 of these Qualified Communities. Although we may not deploy capital exclusively in Qualified Communities, it is expected that most of our assets will be identified through this systematic process. While we are principally focused on Class A and creative office assets in vibrant and improving metropolitan communities throughout the United States (including improving and developing such assets), we may also participate more actively in other CIM Group real estate strategies and product types in order to broaden our participation in CIM Group's platform and capabilities for the benefit of all classes of stockholders. This may include, without limitation, engaging in real estate development activities as well as investing in other product types directly, side-by-side with one or more funds of CIM Group, through direct deployment of capital in a CIM Group real estate or debt fund, or deploying capital in or originating loans that are secured directly or indirectly by properties primarily located in Qualified Communities that meet our strategy. Such loans may include limited and or non-recourse junior (mezzanine, B-note or 2nd lien) and senior acquisition, bridge or repositioning loans.

As a matter of prudent management, we also regularly evaluate each asset within our portfolio as well as our strategies. Such review may result in dispositions when an asset no longer fits our overall objectives or strategies or when our view of the market value of such asset is equal to or exceeds its intrinsic value.

In addition to the business described above, we are a national lender that primarily originates loans to small businesses. We sell the portion of the loan that is guaranteed by the SBA to third parties. We identify loan origination opportunities through personal contacts, internet referrals, attendance at trade shows and meetings, direct mailings, advertisements in trade publications and other marketing methods. We also generate loans through referrals from real estate and loan brokers, franchise representatives, existing borrowers, lawyers and accountants.

Other than as described above, we have no current plan to, and did not at any time during the past three years, purchase debt or equity securities of other REITs, other entities engaged in real estate activities or securities of other issuers. However, subject to the percentage of ownership limitations and the income and asset tests necessary for REIT qualification, we may make such purchases in the future, including for the purpose of exercising control over such entities. We also have not engaged in trading or underwriting of securities, and do not intend to do so as of the date of this prospectus.

We may in the future invest in securities, including common stock, preferred stock and bonds, and including securities of or interests in persons engaged in real estate activities such as interests in real estate investment trusts, partnership interests and joint venture interests. Future investment activities in such securities or interests will not be limited to a specified percentage of our assets or to specified types of securities or industry groups.

During the prior three years, we did not, and have no existing plans to, offer our Common Stock or other securities in exchange for property, but we may engage such activity in the future.

While we seek to provide periodic distributions and achieve long-term capital appreciation through increases in the value of our assets, we have not established a specific policy regarding the relative priority of these objectives.

Subject to the limitations described in “Risk Factors” in this prospectus, we believe that our insurance policy specifications and insured limits are appropriate and adequate given the relative risk of loss and the cost of the coverage.

The Company had a total of $9,716,000 in future obligations under leases to fund tenant improvements and other future construction obligations at June 30, 2019, which excludes $396,000 related to assets held for sale, net, at June 30, 2019. At June 30, 2019, $2,813,000 was funded to reserve accounts included in restricted cash on our consolidated balance sheet for these tenant improvement obligations in connection with the mortgage loan agreements entered into in June 2016. Additionally, the Company has commenced development of an existing surface parking lot at 3601 S Congress Avenue into approximately 42,000 square feet of additional office space. The development is expected to cost approximately $15,000,000, which the Company expects to finance using cash flows from operations, borrowings under the Company’s revolving credit facility and or proceeds from offerings of shares of Common Stock, preferred stock, senior unsecured securities or other equity and debt securities.

The Company has also commenced a repositioning of an existing office building at 4750 Wilshire Boulevard into vibrant, collaborative office space.

In addition, the Company has commenced renovations of the Sheraton Grand Hotel in Sacramento, California, which will renovate guest rooms, food and beverage amenities, public areas, meeting rooms and other amenities. The renovation is expected to cost approximately $26,000,000, which the Company expects to finance using cash flows from operations, borrowings under the Company’s revolving credit facility and or proceeds from offerings of shares of Common Stock, preferred stock, senior unsecured securities or other equity and debt securities.

Aside from the contractual obligations relating to tenant improvements and construction and the foregoing development plan, as of the date of this prospectus, the Company has no current active plans for major renovation, improvement or development of the Company’s properties, other than ongoing repair and maintenance. Additionally, following completion of the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock, the Company may evaluate redeveloping its parking garage in Sacramento, California and its development site in Oakland, California.

Investments in Real Estate Mortgages

See “—Investment in Real Estate or Interests in Real Estate” above.

Investments in Securities of or Interests in Persons Primarily Engaged in Real Estate Activities and Investments in Other Securities

See “—Investment in Real Estate or Interests in Real Estate” above.

Conflicts of Interests

Our governing instruments do not restrict any of our directors, officers, stockholders or affiliates from having a pecuniary interest in a transaction in which we have an interest or from conducting, for their own account, business activities of the type we conduct. However, our code of business conduct and ethics contains a conflicts of interest policy that requires our directors, officers and employees, as well as employees, officers, directors and members of CIM Group and its affiliates who provide services to us, to avoid any conflict, or the appearance of a conflict between their personal interest and the interests of the Company and to advance the legitimate interest of the Company. Persons subject to our code of business conduct and ethics are prohibited from (i) taking for themselves personally (or direct to a third party) opportunities, including investment opportunities, discovered through the use of their positions with the Company or through use of the Company’s property or information, (ii) using the Company’s property, information or position for their personal gain or the gain of a family member or (iii) competing or preparing to compete with the Company.

Additionally, our Board of Directors has adopted a written related person transaction policy. Under the policy, a "Related Person Transaction" includes certain transactions, arrangements or relationships (or any series of similar transactions, arrangements or relationships) in which the Company (including any of its subsidiaries) was, is or will be a participant, and in which a related person had, has or will have a direct or indirect material interest.

A "Related Person" is:

- any person who was in any of the following categories during the applicable period:
  - a director or nominee for director;
  - any executive officer; or
  - any immediate family member of a director or executive officer, or of any nominee for director, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the director, executive officer, or nominee for director and any person (other than a tenant or employee) sharing the household of such security holder.
- any person who was in any of the following categories when a transaction in which such person had a direct or indirect material interest occurred or existed:
  - any person who is known to the Company to be the beneficial owner of more than 5% of our Common Stock; and
  - any immediate family member of any such security holder, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of such security holder and any person (other than a tenant or employee) sharing the household of such security holder.

A person who has a position or relationship within a firm, corporation or other entity that engages in a transaction with the Company will not be deemed to have an "indirect material interest" within the meaning of "Related Person Transaction" when the interest arises only:

- from such person's position as a director of another corporation or organization that is a party to the transaction;
- from the direct or indirect ownership by such person and all other persons specified in the definition of "Related Person" in the aggregate of less than 10% equity interest in another person (other than a partnership) which is a party to the transaction;
- from both such position and ownership; or
- from such person's position as a limited partner in a partnership in which the person and all other persons specified in the definition of "Related Person" have an interest of less than 10%, and the person is not a general partner of and does not hold another position in the partnership.

Each of the Company's executive officers is encouraged to help identify any potential Related Person Transaction. If a new Related Person Transaction is identified, it will initially be brought to the attention of the Chief Financial Officer, who will then prepare a recommendation to our Board of Directors and or a committee thereof regarding whether the proposed transaction is reasonable and fair to the Company.

A committee comprised solely of independent directors, who are also independent of the Related Person Transaction in question, will determine whether to approve a Related Person Transaction. In general, the committee will only approve or ratify a Related Person Transaction if it determines, among other things, that the Related Person Transaction is reasonable and fair to the Company.

Reports to Stockholders

We are subject to the information reporting requirements of the Exchange Act. Pursuant to these requirements, we file periodic reports, proxy statements and other information, including audited financial statements, with the SEC. We will furnish our

stockholders with annual reports containing financial statements audited by our independent registered public accounting firm and make available our quarterly reports containing unaudited financial statements for each of the first three quarters of each fiscal year.

Risk Management

As part of its risk management strategy, CIM Group continually evaluates our assets and actively manages the risks involved in our business strategies. CIM Group's Investments and Portfolio Oversight teams share asset management responsibilities, setting the strategy for and monitoring the performance of our assets relative to market and industry benchmarks and internal underwriting assumptions using direct knowledge of local markets provided by CIM Group's in-house onsite property management, and leasing professionals. In-house onsite property management capabilities include monthly and annual budgeting and reporting as well as vendor services management, property maintenance and capital expenditures management. Property management seeks to ensure that revenue objectives are met, lease terms are followed, receivables are collected, preventative maintenance programs are implemented, vendors are evaluated and expenses are controlled. The Real Assets Management Committee oversees onsite property management and consists of certain of the Oversight Principals, each of whom has extensive experience in acquisitions, development, onsite property management and leasing, who are ultimately responsible for the performance of the asset, and the chief compliance officer. The Oversight Principals work with each CIM Group team to ensure that every asset benefits from the full range of CIM Group's real estate expertise. CIM Group believes that empowering its most seasoned investment professionals to bring their breadth of experience to bear directly on assets will optimize returns.

The Oversight Principals meet informally on a frequent basis, generally weekly, to review and discuss the performance of assets, and meet formally at least annually to review and approve strategic plans for our assets based on their review of: financial and operational analyses, operating strategies and agreements, tenant composition and marketing, asset positioning, market conditions affecting our assets, hold/sell analyses and timing considerations, and the annual business plan for each asset, including its capital and operating budget.

The size, composition, and policies of the Real Assets Management Committee may change from time to time.

Regulatory Matters

Environmental Matters

Environmental laws regulate, and impose liability for, the release of hazardous or toxic substances into the environment. Under some of these laws, an owner or operator of real estate may be liable for costs related to soil or groundwater contamination on or migrating to or from its property. In addition, persons who arrange for the disposal or treatment of hazardous or toxic substances may be liable for the costs of cleaning up contamination at the disposal site.

These laws often impose liability regardless of whether the person knew of, or was responsible for, the presence of the hazardous or toxic substances that caused the contamination. The presence of, or contamination resulting from, any of these substances, or the failure to properly remediate them, may adversely affect our ability to sell or rent our property, to borrow using the property as collateral or create lender's liability for us. In addition, third parties exposed to hazardous or toxic substances may sue for personal injury damages and or property damages. For example, some laws impose liability for release of or exposure to asbestos-containing materials. As a result, in connection with our former, current or future ownership, operation, and development of real properties, or our role as a lender for loans secured directly or indirectly by real estate properties, we may be potentially liable for investigation and cleanup costs, penalties and damages under environmental laws.

Although many of our properties have been subjected to preliminary environmental assessments, known as Phase I assessments, by independent environmental consultants that identify certain liabilities, Phase I assessments are limited in scope, and may not include or identify all potential environmental liabilities or risks associated with a property. Unless required by applicable law, we may decide not to further investigate, remedy or ameliorate the liabilities disclosed in the Phase I assessments.

Further, these or other environmental studies may not identify all potential environmental liabilities or accurately assess whether we will incur material environmental liabilities in the future. If we do incur material environmental liabilities in the future, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Common Stock or Preferred Stock could be materially adversely affected.

Americans with Disabilities Act of 1990

Under the ADA, all public accommodations must meet federal requirements related to access and use by disabled persons. Although we believe that our properties substantially comply with present requirements of the ADA, we have not conducted an audit or investigation of all of our properties to determine our compliance. If one or more of our properties or future properties are not in

compliance with the ADA, we might be required to take remedial action which would require us to incur additional costs to bring the property into compliance. We cannot predict the ultimate amount, if any, of the cost of compliance with the ADA.

Competition

We compete with others engaged in the acquisition, origination, development, and operation of real estate and real estate-related assets. Our competitors include REITs, insurance companies, pension funds, private equity funds, sovereign wealth funds, hedge funds, mortgage banks, investment banks, commercial banks, savings and loan associations, specialty finance companies, and private and institutional investors and financial companies that pursue strategies similar to ours. Some of our competitors may be larger than us with greater access to capital and other resources and may have other advantages over us. In addition, some of our competitors may have higher risk tolerances or lower profitability targets than us, which could allow them to pursue new business more aggressively than us. We believe that our relationship with CIM Group gives us a competitive advantage that allows us to operate more effectively in the markets in which we conduct our business.

Overview and History of CIM Group

CIM Group was founded in 1994 by Shaul Kuba, Richard Ressler and Avraham Shemesh and has owned and operated approximately $30.6 billion of AOO(2) across its vehicles as of June 30, 2019. CIM Group's successful track record is anchored by CIM Group's community-oriented approach to acquisitions as well as a number of other competitive advantages including its prudent use of leverage, underwriting approach, disciplined capital deployment, vertically-integrated capabilities and strong network of relationships.

CIM Group is headquartered in Los Angeles, California and has offices in Oakland, California; Bethesda, Maryland; Dallas, Texas; New York, New York; Chicago, Illinois; and Phoenix, Arizona. CIM Group has generated strong risk-adjusted returns across multiple market cycles by focusing on improved asset and community performance, and capitalizing on market inefficiencies and distressed situations.

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(2) See note 1 in "Prospectus Summary—CIM Commercial Trust Corporation— Overview and History of CIM Group" in this prospectus.

Principles

As described above in "—Competitive Advantages" in this "Our Business and Properties" section, the community qualification process is one of CIM Group's core competencies, which demonstrates a disciplined investing program and strategic outlook on metropolitan communities. Once a community is qualified, CIM Group believes it continues to differentiate itself through the following business principles:

- *Product Non-Specific*: CIM Group has extensive experience owning and operating a diverse range of property types, including retail, residential, office, parking, hotel, signage, and mixed-use, which gives CIM Group the ability to execute and capitalize on its strategy effectively. Successful acquisitions require selecting the right markets coupled with providing the right product. CIM Group's experience with multiple asset types does not predispose CIM Group to select certain asset types, but instead ensures that they deliver a product mix that is consistent with the market's requirements and needs. Additionally, there is a growing trend towards developing mixed-use real estate properties in metropolitan markets which requires a diversified platform to successfully execute.

- *Community-Based Tenanting*: CIM Group's strategy focuses on the entire community and the best use of assets in that community. Owning a significant number of key properties in an area better enables CIM Group to meet the needs of national retailers and office tenants and thus optimize the value of these real estate properties. CIM Group believes that its community perspective gives it a significant competitive advantage in attracting tenants to its retail, office and mixed-use properties and creating synergies between the different tenant types.

- *Local Market Leadership with North American Footprint*: CIM Group maintains local market knowledge and relationships, along with a diversified North American presence, through its 122 Qualified Communities. Thus, CIM Group has the flexibility to deploy capital in its Qualified Communities only when the market environment meets CIM Group's underwriting standards. CIM Group does not need to acquire assets in a given community or product type at a specific time due to its broad proprietary pipeline of communities.

- *Deploying Capital Across the Capital Stack*: CIM Group has extensive experience structuring transactions across the capital stack including equity, preferred equity, debt and mezzanine positions, giving it the flexibility to structure transactions in efficient and creative ways.

CIM Urban Partnership Agreement

Our subsidiary, CIM Urban, is governed by the CIM Urban Partnership Agreement. The general partner of CIM Urban, CIM Urban GP, is an affiliate of CIM Group and has the full, exclusive and complete right, power, authority, discretion and responsibility vested in or assumed by a general partner of a limited partnership under the Delaware Revised Uniform Limited Partnership Act and as otherwise provided by law and is vested with the full, exclusive and complete right, power and discretion to operate, manage and control the affairs of CIM Urban, subject to the terms of the CIM Urban Partnership Agreement.

Removal of General Partner

The class A members of CIM REIT, upon a two-thirds vote of the interests of such members, may remove and replace CIM Urban GP as the general partner of CIM Urban if (i) certain affiliates and related parties of CIM Urban GP cease to own at least 85% of the class A membership units of CIM REIT that they have acquired or (ii) any two of Shaul Kuba, Richard Ressler or Avraham Shemesh cease to be actively engaged in the management of the general partner. In the event the CIM REIT Liquidation occurs, the class A members of CIM REIT will not have any such removal right.

Amendments

Subject to certain limited exceptions, amendments of the CIM Urban Partnership Agreement may be adopted only with the consent of the majority in interest of the class A members of CIM REIT who are not affiliates of CIM Urban GP. In the event the CIM REIT Liquidation occurs, the class A members of CIM REIT will not have any such consent right.

Liability for Acts and Omissions

None of CIM Urban GP or any of its affiliates, members, stockholders, partners, managers, officers, directors, employees, agents and representatives will have any liability in damages or otherwise to any limited partner, any investors in CIM REIT or CIM Urban, and CIM Urban will indemnify such persons from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, lawsuits, proceedings, costs, expenses and disbursements of any kind which may be imposed on, incurred by or asserted against such persons in any way relating to or arising out of any action or inaction on the part of such persons when acting on behalf of CIM Urban or any of its investments, except for those liabilities that result from such persons' fraud, gross negligence, willful misconduct or breach of the terms of the CIM Urban Partnership Agreement or any other agreement between such person and CIM Urban or its affiliates.

Investment Management Agreement

In December 2015, CIM Urban and CIM Capital, LLC (formerly CIM Investment Advisors, LLC), an affiliate of CIM REIT and CIM Group, entered into the Investment Management Agreement, pursuant to which CIM Urban engaged CIM Capital, LLC (formerly CIM Investment Advisors, LLC) to provide certain services to CIM Urban. On January 1, 2019, CIM Capital, LLC assigned its duties under the Investment Management Agreement to its four wholly-owned subsidiaries: CIM Capital Securities Management, LLC, a securities manager, CIM Capital RE Debt Management, LLC, a debt manager, CIM Capital Controlled Company Management, LLC, a controlled company manager, and CIM Capital Real Property Management, LLC, a real property manager. For purposes of this section, the "Operator" refers to CIM Investment Advisors, LLC from December 10, 2015 to December 31, 2018 and to CIM Capital, LLC and its four wholly-owned subsidiaries on and after January 1, 2019.

CIM Urban pays asset management fees to the Operator on a quarterly basis in arrears. The fee is calculated as a percentage of the daily average adjusted fair value of CIM Urban's assets:

Daily Average Adjusted Fair Value of CIM Urban's Assets		Quarterly Fee Percentage
From Greater of	To and Including	
(in thousands)		
$ —	$ 500,000	0.2500%
500,000	1,000,000	0.2375%
1,000,000	1,500,000	0.2250%
1,500,000	4,000,000	0.2125%
4,000,000	20,000,000	0.1000%

For the years ended December 31, 2018, 2017 and 2016, the Operator earned asset management fees of $17,880,000, $22,229,000 and $25,753,000, respectively.

The Operator is responsible for the payment of all costs and expenses relating to the general operation of its business, including administrative expenses, employment expenses and office expenses. All costs and expenses incurred by the Operator on behalf of CIM Urban are borne by CIM Urban. In addition, CIM Urban agreed to indemnify the Operator against losses, claims, damages or liabilities, and reimburse the Operator for its legal and other expenses, in each case incurred in connection with any action, proceeding or investigation arising out of or in connection with CIM Urban's business or affairs, except to the extent such losses or expenses result from fraud, gross negligence or willful misconduct of, or a breach of the terms of the Investment Management Agreement by the Operator.

Nothing in the Investment Management Agreement limits or restricts the right of any partner, officer or employee of the Operator to engage in any other business or to devote his time and attention in part to any other business. Nothing in the Investment Management Agreement limits or restricts the right of the Operator to engage in any other business or to render services of any kind to any other person.

The Investment Management Agreement will remain in effect until CIM Urban is dissolved or CIM Urban and the Operator otherwise mutually agree.

Master Services Agreement

On March 11, 2014, we entered the Master Services Agreement with the Administrator, an affiliate of CIM Group, pursuant to which the Administrator has agreed to provide the Base Services, which are to provide, or arrange for other service providers to provide, management and administration services to CIM Commercial and its subsidiaries. Pursuant to the Master Services Agreement, we appointed Urban GP Administrator as the administrator of CIM Urban GP. Under the Master Services Agreement, CIM Commercial pays the Base Service Fee to the Administrator initially set at $1,000,000 per year (subject to an annual escalation by a specified inflation factor beginning on January 1, 2015), payable quarterly in arrears. For the years ended December 31, 2018, 2017 and 2016, the Administrator earned a Base Service Fee of $1,079,000, $1,060,000 and $1,043,000, respectively. In addition, pursuant to the terms of the Master Services Agreement, the Administrator may receive compensation and or reimbursement for performing certain services for CIM Commercial and its subsidiaries that are not covered under the Base Service Fee. During the years ended December 31, 2018, 2017 and 2016, such services performed by the Administrator and its affiliates included accounting, tax, reporting, internal audit, legal, compliance, risk management, IT, human resources, corporate communications, and in September 2018, operational and on-going support in connection with our offering of the Series A Preferred Stock. The Administrator's compensation is based on the salaries and benefits of the employees of the Administrator and or its affiliates who performed these services (allocated based on the percentage of time spent on the affairs of CIM Commercial and its subsidiaries). For the years ended December 31, 2018, 2017 and 2016, we expensed $2,783,000, $3,065,000 and $3,120,000, respectively, for such services which are included in asset management and other fees to related parties.

Other Services

CIM Management, Inc. and certain of its affiliates, which we refer to collectively as the CIM Management Entities, all affiliates of CIM REIT and CIM Group, provide property management, leasing, and development services to CIM Urban. The CIM Management Entities earned property management fees, which are included in rental and other property operating expenses, totaling $4,365,000, $5,034,000 and $5,630,000 for the years ended December 31, 2018, 2017 and 2016, respectively. CIM Urban also

reimbursed the CIM Management Entities $6,065,000, $8,465,000 and $8,630,000 during the years ended December 31, 2018, 2017 and 2016, respectively, for onsite management costs incurred on behalf of CIM Urban, which is included in rental and other property operating expenses. The CIM Management Entities earned leasing commissions of $1,548,000, $982,000 and $2,522,000 for the years ended December 31, 2018, 2017, and 2016, respectively, which were capitalized to deferred charges. In addition, the CIM Management Entities earned construction management fees of $580,000, $1,654,000 and $942,000 for the years ended December 31, 2018, 2017 and 2016, respectively, which were capitalized to investments in real estate.

On January 1, 2015, we entered into a Staffing and Reimbursement Agreement with CIM SBA Staffing, LLC, an affiliate of CIM Group, which we refer to as CIM SBA, and our subsidiary, PMC Commercial Lending, LLC. The agreement provides that CIM SBA will provide personnel and resources to us and that we will reimburse CIM SBA for the costs and expenses of providing such personnel and resources. For the years ended December 31, 2018, 2017, and 2016, we incurred expenses related to services subject to reimbursement by us under this agreement of $2,445,000, $3,464,000, and $3,555,000, respectively, which are included in asset management and other fees to related parties for lending segment costs included in continuing operations, $264,000, $433,000, and $411,000, respectively, for corporate services, which are included in asset management and other fees to related parties, and $0, $0, and $550,000, respectively, which are included in discontinued operations. In addition, for the years ended December 31, 2018, 2017 and 2016, we deferred personnel costs of $330,000, $429,000 and $249,000, respectively, associated with services provided for originating loans.

On May 10, 2018, the Company executed a wholesaling agreement, which we refer to as the Wholesaling Agreement, with International Assets Advisory, LLC, which we refer to as IAA, and CCO Capital. IAA was the exclusive dealer manager for the Company's public offering of the Units under the Prior Registration Statement until May 31, 2019. Under the Wholesaling Agreement, among other things, CCO Capital, in its capacity as the wholesaler for the offering, assisted IAA with the sale of the Units. In exchange for such services, IAA paid CCO Capital a fee equal to 2.75% of the selling price of each Unit for which a sale was completed, reduced by any applicable fee reallowances payable to soliciting dealers pursuant to separate soliciting dealer agreements between IAA and soliciting dealers. The foregoing fee was reduced, and could have been exceeded, by a fixed monthly payment by CCO Capital to IAA for IAA's services in connection with periodic closings and settlements for the offering.

On May 31, 2019, the Company, IAA and CCO Capital entered into an Amendment, Assignment and Assumption Agreement, which we refer to as the Assignment Agreement, pursuant to which CCO Capital assumed all of the rights and obligations of IAA under the dealer manager agreement, dated as of June 28, 2016, as amended, by and between the Company and IAA. As a result of the Assignment Agreement, CCO Capital became the exclusive dealer manager for the Company's public offering of the Units effective as of May 31, 2019. In connection with the execution of the Assignment Agreement, the Company terminated the Wholesaling Agreement effective as of May 31, 2019. See "Plan of Distribution" in this prospectus for further information.

On October 1, 2015, an affiliate of CIM Group entered into a 5-year lease renewal with respect to a property owned by the Company, which lease was amended to a month-to-month term in February 2019. For each of the years ended December 31, 2018, 2017 and 2016, we recorded rental and other property income related to this tenant of $108,000.

On May 15, 2019, CIM Group entered into an approximately eleven-year lease for approximately 32,000 rentable square feet with respect to a property owned by the Company, for an annual rental income, excluding tenant reimbursements of certain costs, of $1,596,000. The lease was amended on August 7, 2019 to reduce the rentable square feet to approximately 30,000 rentable square feet.

Lending Segment

Through our loans originated under the SBA 7(a) Program, we are a national lender that primarily originates loans to small businesses. We identify loan origination opportunities through personal contacts, internet referrals, attendance at trade shows and meetings, direct mailings, advertisements in trade publications and other marketing methods. We also generate loans through referrals from real estate and loan brokers, franchise representatives, existing borrowers, lawyers and accountants.

On December 29, 2016, we sold our commercial real estate lending subsidiary, which was classified as held for sale and had a carrying value of $27,587,000, which was equal to management's estimate of fair value, to a fund managed by an affiliate of CIM Group. We did not recognize any gain or loss in connection with the transaction. Management's estimate of fair value was determined with assistance from an independent third-party valuation firm.

During 2018, 2017 and 2016, we funded an aggregate of $74,234,000, $76,316,000 and $104,235,000, respectively, of loans in our lending business and received principal payments (including prepayments) of $16,468,000, $17,557,000 and $37,336,000, respectively (included in the amount funded during 2016 was $53,256,000 for commercial real estate loans).

In addition to our retained SBA 7(a) portfolio described above, we service $171,596,000 of aggregate principal balance remaining on secondary market loan sales.

Employees

As of October 2, 2019, we had five employees.

Offices

We are headquartered in Dallas, Texas.

Properties

As of June 30, 2019, our real estate portfolio consisted of 14 assets, all of which were fee-simple properties. As of June 30, 2019, our 12 office properties (including two development sites, one of which is being used as a parking lot), totaling approximately 1.9 million rentable square feet, were 88.1% occupied and one hotel with an ancillary parking garage, which has a total of 503 rooms, had RevPAR of $140.93 for the six months ended June 30, 2019. Since June 30, 2019, we have completed the sale of two office properties and one development site in Washington, D.C.

Office Portfolio— Office Portfolio Summary as of June 30, 2019 (1)

Office Properties

Location	Sub-Market	Rentable Square Feet	% Occupied	% Leased (2)	Annualized Rent (3) (in thousands)	Annualized Rent Per Occupied Square Foot
Northern California						
Oakland, CA						
1 Kaiser Plaza	Lake Merritt	539,917	96.1%	96.6%	$ 22,025	$ 42.45
Total Oakland, CA		**539,917**	**96.1%**	**96.6%**	**22,025**	**42.45**
San Francisco, CA						
1130 Howard Street	South of Market	21,194	100.0%	100.0%	1,614	76.15
Total San Francisco, CA		**21,194**	**100.0%**	**100.0%**	**1,614**	**76.15**
Total Northern California		**561,111**	**96.2%**	**96.7%**	**$ 23,639**	**$ 43.79**
Southern California						
Los Angeles, CA						
11620 Wilshire Boulevard	West Los Angeles	194,985	95.1%	95.1%	$ 7,889	$ 42.54
4750 Wilshire Boulevard	Mid-Wilshire	138,294	23.2%	23.2%	1,537	47.91
9460 Wilshire Boulevard	Beverly Hills	94,547	95.0%	95.0%	8,765	97.58
11600 Wilshire Boulevard	West Los Angeles	56,186	92.8%	92.8%	2,944	56.46
Lindblade Media Center (4)	West Los Angeles	32,428	100.0%	100.0%	1,501	46.29
Total Los Angeles, CA		**516,440**	**75.9%**	**75.9%**	**22,636**	**57.75**
Total Southern California		**516,440**	**75.9%**	**75.9%**	**$ 22,636**	**$ 57.75**
Southwest						
Austin, TX						
3601 S Congress Avenue (5)	South	183,885	97.5%	97.5%	$ 6,643	$ 37.05
Total Southwest		**183,885**	**97.5%**	**97.5%**	**$ 6,643**	**$ 37.05**
Total Office (8 Properties)		**1,261,436**	**88.1%**	**88.3%**	**$ 52,918**	**$ 47.62**

Other Ancillary Properties within Office Portfolio

Location	Sub-Market	Rentable Square Feet	% Occupied	% Leased (2)	Annualized Rent (3) (in thousands)	Annualized Rent Per Occupied Square Foot
Northern California						
Oakland, CA						
2 Kaiser Plaza Parking Lot (6)	Lake Merritt	N/A	N/A	N/A	N/A	N/A
Total Ancillary Office (1 Property)		N/A	N/A	N/A	N/A	N/A
Total Office and Ancillary (9 Properties)		**1,261,436**	**88.1%**	**88.3%**	**$ 52,918**	**$ 47.62**

(1) This table omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) Based on leases signed as of June 30, 2019.

(3) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursement to base rent.

(4) Lindblade Media Center consists of three buildings.

(5) 3601 S Congress Avenue consists of ten buildings. The Company expects to complete the development of an existing surface parking lot into approximately 42,000 square feet of additional rentable office space by mid-2020.

(6) 2 Kaiser Plaza Parking Lot is a 44,642 square foot parcel of land currently being used as a surface parking lot. We are entitled to develop a building, which we are in the process of designing, having approximately 425,000 to 800,000 rentable square feet.

Hotel Portfolio Summary as of June 30, 2019

Property	Market	Rooms	% Occupied (1)	Revenue Per Available Room (2)
Sheraton Grand Hotel (3)	Sacramento, CA	503	81.9%	$ 140.93
Total Hotel (1 Property)		**503**	**81.9%**	**$ 140.93**

Other Ancillary Properties within Hotel Portfolio

Property	Market	Rentable Square Feet (Retail)	% Occupied (Retail)	% Leased (Retail) (4)	Annualized Rent (Parking and Retail) (5) (in thousands)
Sheraton Grand Hotel Parking Garage & Retail (6)	Sacramento, CA	9,453	100.0%	100.0%	$ 2,945
Total Ancillary Hotel (1 Property)		**9,453**	**100.0%**	**100.0%**	**$ 2,945**

(1) Represents trailing 6-month occupancy as of June 30, 2019, calculated as the number of occupied rooms divided by the number of available rooms.

(2) Represents trailing 6-month RevPAR as of June 30, 2019, calculated by dividing the amount of room revenue by the number of available rooms.

(3) The Sheraton Grand Hotel is part of the Sheraton franchise and is managed by Starwood Hotels and Resorts Worldwide, Inc.

(4) Based on leases commenced as of June 30, 2019.

(5) Represents gross monthly contractual rent under parking and retail leases commenced as of June 30, 2019, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(6) The site of the Sheraton Grand Hotel Parking Garage & Retail is being evaluated for potential development.

Office Portfolio—Top 5 Tenants by Annualized Rental Revenue as of June 30, 2019 (1)

Tenant	Property	Credit Rating (S&P / Moody's / Fitch)	Lease Expiration	Annualized Rent (2) (in thousands)	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet
Kaiser Foundation Health Plan, Inc.	1 Kaiser Plaza	AA- / - / AA-	2025 - 2027 (3)	$ 15,510	29.3%	374,038	29.7%
MUFG Union Bank, N.A.	9460 Wilshire Boulevard	A / Aa2 / A	2029	3,411	6.4%	27,569	2.2%
3 Arts Entertainment, Inc	9460 Wilshire Boulevard	- / - / -	2026	2,063	3.9%	27,112	2.1%
CIM Group, L.P.	Various	- / - / -	2019-2030	1,935	3.7%	44,449	3.5%
Homeaway, Inc.	3601 S Congress Avenue	- / - / -	2020	1,614	3.1%	42,545	3.4%
Total for Top Five Tenants				**24,533**	**46.4%**	**515,713**	**40.9%**
All Other Tenants				28,385	53.6%	595,568	47.2%
Vacant				—	—%	150,155	11.9%
Total Portfolio				**$ 52,918**	**100.0%**	**1,261,436**	**100.0%**

(1) This table omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursement to base rent.

(3) Prior to February 2023, the tenant may terminate up to 140,000 square feet of space in the aggregate (of which no more than 100,000 rentable square feet may be terminated with respect to the rentable square feet expiring in 2027) in exchange for a termination penalty. From and after February 28, 2023 with respect to the rentable square feet expiring in 2025, and February 28, 2025 with respect to rentable square feet expiring in 2027, the tenant has the right to terminate all or any portions of its lease with us, effective as of any date specified by the tenant in a written notice given to us at least 15 months prior to the termination, in each case in exchange for a termination penalty.

Office Portfolio—Lease Expirations as of June 30, 2019 (1)

Year of Lease Expiration	Number of Tenants	Square Feet of Expiring Leases	% of Square Feet Expiring	Annualized Rent (2) (in thousands)	% of Annualized Rent Expiring	Annualized Rent Per Occupied Square Foot
2019 (3)	42	65,755	5.8%	$ 2,718	5.2%	$ 41.34
2020	37	163,227	14.7%	7,460	14.1%	45.70
2021	23	80,238	7.2%	4,305	8.1%	53.65
2022	24	132,855	12.0%	5,630	10.6%	42.38
2023	13	48,568	4.4%	2,247	4.2%	46.27
2024	12	39,851	3.6%	1,838	3.5%	46.12
2025	12	378,327	34.0%	16,274	30.8%	43.02
2026	3	36,324	3.3%	2,492	4.7%	68.60
2027	4	88,440	8.0%	3,957	7.5%	44.74
2028	4	15,335	1.4%	904	1.7%	58.95
Thereafter	4	62,361	5.6%	5,093	9.6%	81.67
Total Occupied	**178**	**1,111,281**	**100.0%**	**$ 52,918**	**100.0%**	**$ 47.62**
Vacant		150,155				
Total Portfolio		**1,261,436**				

(1) This table omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(3) Includes 32,743 square feet of month-to-month leases.

Office Portfolio—Diversification by NAICS code as of June 30, 2019 (1)

NAICS Code	Annualized Rent (2) (in thousands)	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet
Health Care and Social Assistance	$ 21,191	40.0%	485,768	38.5%
Professional, Scientific, and Technical Services	9,771	18.5%	213,313	16.9%
Finance and Insurance	5,909	11.2%	66,433	5.3%
Real Estate and Rental and Leasing	5,301	10.0%	112,928	9.0%
Arts, Entertainment, and Recreation	2,853	5.4%	43,214	3.4%
Accommodation and Food Services	1,900	3.6%	47,139	3.7%
Information	1,172	2.2%	20,311	1.6%
Public Administration	1,101	2.1%	26,378	2.1%
Manufacturing	968	1.8%	30,811	2.4%
Retail Trade	658	1.2%	18,075	1.4%
Other Services (except Public Administration)	478	0.9%	10,069	0.8%
Management of Companies and Enterprises	408	0.8%	9,671	0.8%
Agriculture, Forestry, Fishing and Hunting	321	0.6%	7,120	0.6%
Administrative and Support and Waste Management and Remediation Services	285	0.5%	5,453	0.4%
Wholesale Trade	211	0.4%	4,938	0.4%
Educational Services	200	0.4%	5,155	0.4%
Construction	191	0.4%	4,505	0.4%
Vacant	—	—%	150,155	11.9%
Total Portfolio	**$ 52,918**	**100.0%**	**1,261,436**	**100.0%**

(1) This table omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursement to base rent.

Office Portfolio—Historical Occupancy (1)

Property	June 30, 2019 Rentable Square Feet	Occupancy Rates (2) December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	June 30, 2019
1 Kaiser Plaza	539,917	91.0%	96.7%	96.4%	93.4%	93.5%	96.1%
11620 Wilshire Boulevard	194,985	84.5%	91.5%	93.0%	98.6%	94.1%	95.1%
3601 S Congress Avenue (3)	183,885	91.1%	97.4%	94.0%	92.2%	94.7%	97.5%
4750 Wilshire Boulevard	138,294	100.0%	100.0%	100.0%	100.0%	100.0%	23.2%
9460 Wilshire Boulevard (4)	94,547	N/A	N/A	N/A	N/A	94.9%	95.0%
11600 Wilshire Boulevard	56,186	78.5%	84.7%	80.0%	87.6%	90.4%	92.8%
Lindblade Media Center (5)	32,428	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1130 Howard Street (6)	21,194	N/A	N/A	N/A	100.0%	100.0%	100.0%
2 Kaiser Plaza Parking Lot (7)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Weighted Average (9 Properties)	**1,261,436**	**90.7%**	**95.9%**	**95.2%**	**94.9%**	**94.7%**	**88.1%**

(1) The information presented in this table is with respect to our office properties owned as of June 30, 2019, except that it omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) Historical occupancies for office properties are shown as a percentage of rentable square feet and are based on leases commenced as of the indicated date.

(3) 3601 S Congress Avenue consists of ten buildings. The Company expects to complete the development of an existing surface parking lot into approximately 42,000 square feet of additional rentable office space by mid-2020.

(4) 9460 Wilshire Boulevard was acquired on January 18, 2018.

(5) Lindblade Media Center consists of three buildings.

(6) 1130 Howard Street was acquired on December 29, 2017.

(7) 2 Kaiser Plaza Parking Lot is a 44,642 square foot parcel of land currently being used as a surface parking lot. We are entitled to develop a building, which we are in the process of designing, having approximately 425,000 to 800,000 rentable square feet.

Office Portfolio—Historical Annualized Rents (1)

Property	June 30, 2019 Rentable Square Feet	Annualized Rent Per Occupied Square Foot (2) December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	June 30, 2019
1 Kaiser Plaza	539,917	$ 36.50	$ 34.24	$ 37.13	$ 39.26	$ 41.77	$ 42.45
11620 Wilshire Boulevard	194,985	30.50	35.07	38.55	39.28	41.23	42.54
3601 S Congress Avenue (3)	183,885	27.28	30.21	31.84	33.65	35.66	37.05
4750 Wilshire Boulevard	138,294	25.45	25.03	25.71	26.17	26.92	47.91
9460 Wilshire Boulevard (4)	94,547	N/A	N/A	N/A	N/A	93.78	97.58
11600 Wilshire Boulevard	56,186	45.89	49.23	50.62	50.86	52.43	56.46
Lindblade Media Center (5)	32,428	31.51	39.88	41.60	43.27	44.59	46.29
1130 Howard Street (6)	21,194	N/A	N/A	N/A	67.90	70.26	76.15
2 Kaiser Plaza Parking Lot (7)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Weighted Average (9 Properties)	**1,261,436**	**$ 32.77**	**$ 33.32**	**$ 35.70**	**$ 37.88**	**$ 43.92**	**$ 47.62**

(1) The information presented in this table is with respect to our office properties owned as of June 30, 2019, except that it omits information with respect to 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which were sold to an unrelated third party on July 30, 2019.

(2) Other than as set forth in (6) below, Annualized Rent Per Occupied Square Foot represents annualized gross rent divided by total occupied square feet as of the indicated date. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(3) 3601 S Congress Avenue consists of ten buildings. The Company expects to complete the development of an existing surface parking lot into approximately 42,000 square feet of additional rentable office space by mid-2020.

(4) 9460 Wilshire Boulevard was acquired on January 18, 2018.

(5) Lindblade Media Center consists of three buildings.

(6) 1130 Howard Street was acquired on December 29, 2017. The annualized rent as of December 31, 2017 for 12,944 rentable square feet of the building is presented using the actual rental income under a signed lease with a different tenant who took possession in March 2018, as the space was occupied by the prior owner and annualized rent under the short-term lease was de minimis.

(7) 2 Kaiser Plaza Parking Lot is a 44,642 square foot parcel of land currently being used as a surface parking lot. We are entitled to develop a building, which we are in the process of designing, having approximately 425,000 to 800,000 rentable square feet.

Hotel—Historical Operating Data

The table below sets forth selected historical operating data of the Sheraton Grand Hotel, which is a 503-room hotel located in Sacramento, California.

Metric	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	June 30, 2019
Occupancy (%) (1)	75.3%	77.5%	78.1%	81.5%	80.1%	81.9%
Average Daily Rate ("ADR") Per Room/Suite ($) (2)	$ 140.75	$ 148.24	$ 152.89	$ 157.64	$ 161.95	$ 172.12
Revenue Per Available Room/Suite ($) (3)	$ 105.95	$ 114.83	$ 119.44	$ 128.43	$ 129.73	$ 140.93

(1) Historical occupancies for the hotel are shown as a percentage of rentable rooms and represent the trailing 12-month occupancy as of December 31st of each historical year, or the trailing 6-month occupancy as of June 30, 2019.

(2) Represents trailing 12-month average daily rate as of December 31st of each historical year, or the trailing 6-month average daily rate as of June 30, 2019, calculated by dividing the amount of room revenue by the number of occupied rooms.

(3) Represents trailing 12-month RevPAR as of December 31st of each historical year, or the trailing 6-month RevPAR as of June 30, 2019, calculated by dividing the amount of room revenue by the number of available rooms.

Property Indebtedness as of June 30, 2019

Property	Outstanding Principal Balance (in thousands)	Interest Rate	Maturity Date	Balance Due at Maturity Date (in thousands)	Prepayment/ Defeasance
1 Kaiser Plaza	$ 97,100	4.14%	7/1/2026	$ 97,100	(1)
Total	**$ 97,100**	**4.14%**		**$ 97,100**	

(1) Loan is generally not prepayable prior to April 1, 2026.

Principal Lease Terms

Our office leases generally have terms ranging from three to ten years. Most of our leases for office properties are for fixed rentals with periodic pre-negotiated increases and are not based on the income, profits or sales of any person. Our office leases typically provide that the landlord is responsible for some property related expenses during the lease term, but some of the expenses are reimbursed to us by the tenant in various proportions. In these office leases, the tenant may have the right to terminate the lease or abate rent due to a major casualty or condemnation affecting a significant portion of the property or due to the landlord's failure to perform its obligations under the lease.

Key Properties

1 Kaiser Plaza

Built in 1970 and renovated in 2008, 1 Kaiser Plaza is a class A office property located in Oakland, California. The Company acquired a 100% fee-simple interest in the property on October 8, 2008 from an unrelated third party.

In June 2016, the Company entered into a mortgage loan agreement with JPMorgan Chase Bank, National Association. The mortgage loan agreement consists of two promissory notes, both having a fixed interest rate of 4.14% per annum, with monthly payments of interest only and combined principal totaling $97,100,000 due on July 1, 2026, and are secured by deeds of trust on the property and assignments of rents. The loans are non-recourse.

The following table sets forth the principal provisions of the leases of tenants occupying 10% or more of the rentable square footage:

Tenant	NAICS Code	Lease Expiration	Annualized Rent (1) (in thousands)	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet	Renewal Option (2)
Kaiser Foundation Health Plan, Inc.	Health Care and Social Assistance	2025-2027(3) (4)	$ 15,510(3)	70.4%	374,038(3)	72.1%	Yes
Total			**$ 15,510**	**70.4%**	**374,038**	**72.1%**	

(1) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. The amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(2) The Kaiser Foundation Health Plan, Inc. lease agreements include a renewal option, except with respect to 30,481 of the occupied square feet.

(3) Includes 7,261 square feet of month-to-month leases.

(4) Prior to February 2023, the tenant may terminate up to 140,000 square feet of space in the aggregate (of which no more than 100,000 rentable square feet may be terminated with respect to the rentable square feet expiring in 2027) in exchange for a termination penalty. From and after February 28, 2023 with respect to the rentable square feet expiring in 2025, and February 28, 2025 with respect to rentable square feet expiring in 2027, the tenant has the right to terminate all or any portions of its lease with us, effective as of any date specified by the tenant in a written notice given to us at least 15 months prior to the termination, in each case in exchange for a termination penalty.

The following table sets forth the lease expirations for leases for the next 10 years, assuming that tenants do not exercise any renewal options or early termination options:

Year of Lease Expiration	Number of Tenants	Square Feet of Expiring Leases	% of Square Feet Expiring	Annualized Rent (1) (in thousands)	% of Annualized Rent Expiring	Annualized Rent Per Occupied Square Foot
2019 (2)	15	20,130	4.0%	$ 395	1.7%	$ 19.62
2020	12	40,062	7.7%	1,838	8.3%	45.88
2021	10	40,548	7.8%	2,000	9.1%	49.32
2022	5	19,450	3.7%	938	4.3%	48.23
2023	4	22,550	4.3%	1,059	4.8%	46.96
2024	—	—	—	—	—	—
2025	3	292,436	56.4%	12,081	54.9%	41.31
2026	—	—	—	—	—	—
2027	1	83,696	16.1%	3,714	16.9%	44.37
2028	—	—	—	—	—	—
Thereafter	—	—	—	—	—	—
Total Occupied	**50**	**518,872**	**100.0%**	**$ 22,025**	**100.0%**	**$ 42.45**
Vacant		21,045				
Total		**539,917**				

(1) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. The amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(2) Includes 20,130 square feet of month-to-month leases.

9460 Wilshire Boulevard

Built in 1959 and renovated in 2008, 9460 Wilshire Boulevard is a class A office property located in Beverly Hills, California. The Company acquired a 100% fee-simple interest in the property on January 18, 2018 from an unrelated third party.

The following table sets forth the principal provisions of the leases of tenants occupying 10% or more of the rentable square footage:

Tenant	NAICS Code	Lease Expiration	Annualized Rent (1) (in thousands)	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet	Renewal Option
MUFG Union Bank, N.A.	Finance and Insurance	2029	$ 3,411	38.9%	27,569	30.7%	Yes
3 Arts Entertainment, Inc.	Arts, Entertainment, and Recreation	2026(2)	2,063(2)	23.5%	27,112(2)	30.2%	Yes
Teles Properties, Inc.	Real Estate and Rental and Leasing	2020	1,234	14.1%	12,712	14.2%	Yes
Total			**$ 6,708**	**76.5%**	**67,393**	**75.0%**	

(1) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. The amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(2) Includes 300 square feet of month-to-month leases.

The following table sets forth the lease expirations for leases for the next 10 years, assuming that tenants do not exercise any renewal options or early termination options:

Year of Lease Expiration	Number of Tenants	Square Feet of Expiring Leases	% of Square Feet Expiring	Annualized Rent (1) (in thousands)	% of Annualized Rent Expiring	Annualized Rent Per Occupied Square Foot
2019 (2)	3	6,085	6.7%	$ 471	5.4%	$ 77.40
2020	2	14,287	15.9%	1,348	15.4%	94.35
2021	2	11,278	12.6%	1,159	13.2%	102.77
2022	2	3,786	4.2%	327	3.7%	86.37
2023	—	—	—	—	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	1	26,812	29.9%	2,049	23.4%	76.42
2027	—	—	—	—	—	—
2028	—	—	—	—	—	—
Thereafter	1	27,569	30.7%	3,411	38.9%	123.73
Total Occupied	**11**	**89,817**	**100.0%**	**$ 8,765**	**100.0%**	**$ 97.58**
Vacant		4,730				
Total		**94,547**				

(1) Represents gross monthly base rent, as of June 30, 2019, multiplied by twelve. The amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

(2) Includes 300 square feet of month-to-month leases.

Sheraton Grand Hotel

Built in 2001, the Sheraton Grand is a full service hotel comprised of a 26-story tower with 503 rooms which is part of the Sheraton franchise and is managed by Starwood Hotels and Resorts Worldwide, Inc. The property is adjacent to the Sacramento Convention Center, three blocks from the State Capitol. The Company purchased the hotel from an unrelated third party on May 2, 2018, while the seller retained a non-controlling interest of less than 0.5%. The Company has commenced renovations of the Sheraton Grand Hotel, which will renovate guest rooms, food and beverage amenities, public areas, meeting rooms and other amenities. The renovation is expected to cost approximately $26,000,000, which the Company expects to finance using cash flows from operations, borrowings under the Company's revolving credit facility and or proceeds from offerings of shares of Common Stock, preferred stock, senior unsecured securities, or other equity and debt securities. As of June 30, 2019, the Company had spent approximately $1,200,000 on the renovation.

Depreciable Federal Income Tax Basis and Real Estate Taxes

The following table sets forth certain information regarding federal income tax basis and real estate taxes for our key properties:

Property	Federal Income Tax Basis (1) (in thousands)	Annual Real Estate Taxes (2) (in thousands)
1 Kaiser Plaza (3)	$ 150,622	$ 2,050
9460 Wilshire Boulevard (3)	128,967	1,530
Sheraton Grand Hotel (4) (5)	145,543	1,216

(1) As of December 31, 2018.

(2) Represents total annual property taxes billed for the fiscal year ended June 30, 2019.

(3) For federal income tax purposes, building and improvements are depreciated over a 40-year recovery period and furnishings and equipment are depreciated over a 10-year recovery period, each using the straight-line method.

(4) For federal income tax purposes, building and improvements are depreciated over a 15-year, 39-year, or 40-year recovery period, and furnishings and equipment are depreciated over a 9-year recovery period, each using the straight-line method.

(5) The federal income tax basis for Sheraton Grand Hotel of $145,543,000 includes the federal tax basis of Sheraton Grand Hotel Parking Garage & Retail. Annual real estate taxes of $1,216,000 includes $322,000 related to Sheraton Grand Hotel Parking Garage & Retail.

DESCRIPTION OF CAPITAL STOCK AND SECURITIES OFFERED

In this section, references to "the Company," "we," "our," and "us" refer only to CIM Commercial Trust Corporation and not its consolidated subsidiaries.

The following is a summary description of our capital stock. This description is not complete and is qualified in its entirety by reference to the provisions of charter and bylaws and the applicable provisions of the MGCL. Our charter and bylaws are incorporated by reference, as exhibits, in the registration statement of which this prospectus forms a part (see "Where You Can Find More Information" in this prospectus).

General

Our charter provides that we may issue up to 900,000,000 shares of our Common Stock, and up to 100,000,000 shares of Preferred Stock, of which 36,000,000 shares are classified as our Series A Preferred Stock and 9,000,000 shares are classified as our Series L Preferred Stock. Our charter authorizes our Board of Directors, with the approval of a majority of our entire Board of Directors and without stockholder approval, to amend our charter to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we are authorized to issue.

As of September 30, 2019 there were 14,602,149 shares of our Common Stock, 4,091,980 shares of our Series A Preferred Stock, 4,104,867 Warrants (as defined below) and 8,080,740 shares of our Series L Preferred Stock issued and outstanding. Our Common Stock was held by approximately 344 stockholders of record as of September 30, 2019. Under Maryland law, our stockholders are not generally liable for our debts or obligations solely as a result of their status as stockholders.

Common Stock

Subject to the preferential rights of our Preferred Stock and any other class or series of our stock and to the provisions of our charter regarding the restrictions on ownership and transfer of our stock, holders of shares of our Common Stock are entitled to receive dividends and other distributions on such shares if, as and when authorized by our Board of Directors out of funds legally available therefor and declared by us and to share ratably in the assets of our Company legally available for distribution to our stockholders in the event of our liquidation, dissolution or winding up after payment or establishment of reserves for all known debts and liabilities of our Company.

Subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock and except as may otherwise be specified in the terms of any class or series of our stock, each outstanding share of our Common Stock entitles the holder to one vote on all matters submitted to a vote of stockholders, including the election of directors, and, except as provided with respect to any other class or series of stock, the holders of shares of Common Stock will possess the exclusive voting power. There is no cumulative voting in the election of our directors. A plurality of all the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to elect a director. Each share of Common Stock entitles the holder thereof to vote for as many individuals as there are directors to be elected and for whose election the holder is entitled to vote. A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by the MGCL or by our charter.

Except as set forth in the terms of our Series L Preferred Stock and described below (see "—Series L Preferred Stock"), holders of shares of our Common Stock have no preference, conversion, exchange, sinking fund or redemption rights and have no preemptive rights to subscribe for any securities of our Company. Our charter provides that our common stockholders generally have no appraisal rights unless our Board of Directors determines prospectively that appraisal rights will apply to one or more transactions in which holders of our Common Stock would otherwise be entitled to exercise appraisal rights. Subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock, holders of our Common Stock will have equal dividend, liquidation and other rights.

Our Common Stock is traded on Nasdaq, under the ticker symbol "CMCT," and the TASE, under the ticker symbol "CMCT-L."

Series L Preferred Stock

On November 21, 2017, the Company issued 8,080,740 shares of Series L Preferred Stock following a public auction process conducted in Israel. Our Series L Preferred Stock is listed on Nasdaq and on the TASE, in each case under the ticker symbol "CMCTP."

Our Series L Preferred Stock has no voting rights. Subject to certain exceptions, holders of our Series L Preferred Stock are entitled to receive the Series L Preferred Distribution at an annual rate of 5.5%, which rate is subject to increase under certain circumstances summarized below, of the Series L Stated Value, which is presently $28.37 (subject to appropriate adjustment in limited circumstances), in cash. The Series L Preferred Distribution is cumulative. If the Company fails to timely declare distributions or fails to timely pay distributions on the Series L Preferred Stock, the annual dividend rate of the Series L Preferred Stock will temporarily increase by 1.0% per year, up to a maximum rate of 8.5%, until the Company has paid all accrued distributions on the Series L Preferred Stock for all past dividend periods.

We must declare and pay the Initial Dividend, which for a given fiscal year is a minimum annual amount that is announced by us at the end of the prior fiscal year, on shares of our Common Stock prior to declaring and paying any portion of the Series L Preferred Distribution. While there are no limitations on the maximum amount of the Initial Dividend that can be paid in a particular year, it is our intention that we will not announce an Initial Dividend for any given year that, based on the information then reasonably available to us at the time of announcement, we believe will cause us to be unable to make a future distribution on our Series L Preferred Stock or on any other outstanding share of preferred stock. On December 21, 2018, our Board of Directors announced an Initial Dividend for fiscal year 2019 in the amount of $21,897,536, all of which has been declared by us and paid to holders of Common Stock.

Our Series L Preferred Stock ranks, with respect to payment of distributions, senior to our Common Stock, except with respect to and only to the extent of the Initial Dividend, and junior to our Series A Preferred Stock. Additionally, our Series L Preferred Stock ranks, with respect to rights upon our liquidation, dissolution or winding up, senior to our Common Stock to the extent of the Series L Stated Value and, except to the extent of the Initial Dividend, senior to our Common Stock with respect to any accrued and unpaid Series L Preferred Distributions. Our Series L Preferred Stock ranks, with respect to rights upon our liquidation, dissolution or winding up, on parity with our Series A Preferred Stock, to the extent of the Series L Stated Value, and junior to our Series A Preferred Stock, with respect to any accrued and unpaid Series L Preferred Distributions.

Unless full cumulative Series L Preferred Distributions for all past annual periods have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment, we will not:

- declare and pay or declare and set apart for payment dividends and we will not declare and make any other distribution of cash or other property (other than dividends or other distributions paid in shares of stock ranking junior to the Series L Preferred Stock as to the distribution rights or rights on our liquidation, winding-up or dissolution, and options, warrants or rights to purchase such shares), directly or indirectly, on or with respect to any shares of our Common Stock other than in amounts up to but not exceeding the Initial Dividend, if any, or any class or series of our stock ranking junior to or on parity with the Series L Preferred Stock as to distribution rights for any period; or

- except by conversion into or exchange for shares of stock ranking junior to the Series L Preferred Stock as to distribution rights or rights on our liquidation, winding-up or dissolution, or options, warrants or rights to purchase such shares, redeem, purchase or otherwise acquire (other than a redemption, purchase or other acquisition of Common Stock made for purposes of an employee incentive or benefit plan) for any consideration, or pay or make available any monies for a sinking fund for the redemption of, any Common Stock or any class or series of our stock ranking junior to or on parity with the Series L Preferred Stock as to distribution rights.

However, to the extent necessary to preserve our status as a REIT, the foregoing sentence will not prohibit declaring or paying or setting apart for payment any dividend or other distribution on the Common Stock or the redemption, purchase or acquisition of our capital stock pursuant to the restrictions on ownership and transfer contained in our charter.

Prior to November 21, 2022, we are not permitted to issue any preferred stock ranking senior to or on parity with the Series L Preferred Stock with respect to the payment of dividends, other distributions, liquidation, and or our dissolution or winding up unless the Minimum Fixed Charge Coverage Ratio (as defined in our charter) is equal to or greater than 1.25:1.00 as of the last day of the trailing 12-month period ending on the last day of the quarter preceding the date of such issuance. As of June 30, 2019, we were in compliance with the Minimum Fixed Charge Coverage Ratio requirement.

From and after November 21, 2022, subject to certain conditions, we may redeem shares of Series L Preferred Stock at a redemption price equal to the Series L Stated Value, plus all accrued and unpaid distributions. Additionally, from and after November 21, 2022, each holder of shares of Series L Preferred Stock may require us to redeem such shares at a redemption price equal to the Series L Stated Value, plus, provided certain conditions are met, all accrued and unpaid distributions. Notwithstanding the foregoing, a holder of shares of our Series L Preferred Stock may require us to redeem such shares at any time prior to November 21, 2022 if (1) we do not declare and pay in full the distributions on the Series L Preferred Stock for any annual period prior to such date and (2) we do not declare and pay all accrued and unpaid distributions on the Series L Preferred Stock for all past dividend periods prior to the applicable holder redemption date.

Our obligation to redeem any shares of our Series L Preferred Stock is limited to the extent that (i) we do not have sufficient funds available to fund any such redemption, in which case we will be required to redeem with shares of Common Stock, or (ii) we are restricted by applicable law, our charter, including the terms of our Series A Preferred Stock, or contractual obligations from making such redemption.

The redemption price will be paid at the election of the Company, in its sole discretion, (1) in cash in ILS, (2) in shares of our Common Stock based on the lower of (i) the NAV of the Company per share of Common Stock as most recently published by the Company as of the redemption date and (ii) the 20-day volume-weighted average price per share of the Common Stock as described in the Articles Supplementary describing the terms of the Series L Preferred Stock, or (3) in any combination of cash in ILS and Common Stock, based on the foregoing conversion mechanisms.

Securities Offered In This Offering

Our Board of Directors has created out of the authorized and unissued shares of our Preferred Stock, a series of redeemable preferred stock, designated as the Series A Preferred Stock. As of September 30, 2019, we have issued 4,104,867 shares of Series A Preferred Stock as part of the offering of Units pursuant to the Prior Registration Statement.

Our Series A Preferred Stock is being offered pursuant to this prospectus and will be issued as a part of up to 31,895,133 Units, with each Unit consisting of one share of Series A Preferred Stock and one Warrant to purchase 0.25 of a share of our Common Stock.

Series A Preferred Stock

The following is a brief description of the terms of our Series A Preferred Stock. The description of our Series A Preferred Stock contained herein does not purport to be complete and is qualified in its entirety by reference to the Series A Articles Supplementary, which are filed as an exhibit to the registration statement of which this prospectus forms a part. On June 28, 2016, our Series A Articles Supplementary were filed with and accepted for record by the State Department of Assessments and Taxation of Maryland.

Rank. Our Series A Preferred Stock ranks, with respect to dividend rights:

- senior to our Series L Preferred Stock, Common Stock and any other class or series of our capital stock, the terms of which expressly provide that our Series A Preferred Stock ranks senior to such class or series as to dividend rights;
- on parity with each class or series of our capital stock, including capital stock issued in the future, the terms of which expressly provide that such class or series ranks on parity with the Series A Preferred Stock as to dividend rights;
- junior to each class or series of our capital stock, including capital stock issued in the future, the terms of which expressly provide that such class or series ranks senior to the Series A Preferred Stock as to dividend rights; and
- junior to all our existing and future debt obligations.

Our Series A Preferred Stock ranks, with respect to rights upon our liquidation, winding-up or dissolution:

- senior to our Series L Preferred Stock (except as described below), Common Stock and any other class or series of our capital stock, the terms of which expressly provide that our Series A Preferred Stock ranks senior to such class or series as to rights on our liquidation, winding-up and dissolution;
- on parity with our Series L Preferred Stock (to the extent of the Series L Stated Value) and with each class or series of our capital stock, including capital stock issued in the future, the terms of which expressly provide that such class or series ranks on parity with the Series A Preferred Stock as to rights on our liquidation, winding up and dissolution;
- junior to each class or series of our capital stock, including capital stock issued in the future, the terms of which expressly provide that such class or series ranks senior to the Series A Preferred Stock as to rights on our liquidation, winding up and dissolution; and
- junior to all our existing and future debt obligations.

Stated Value. Each share of Series A Preferred Stock has a "Series A Stated Value" of $25, subject to appropriate adjustment in limited circumstances described below under "—Adjustment to the Stated Value in Connection with a Redemption".

Dividends. Subject to the preferential rights of the holders of any class or series of our capital stock ranking senior to our Series A Preferred Stock, if any such class or series of stock is authorized in the future, the holders of our Series A Preferred Stock are entitled to receive, if, as and when authorized by our Board of Directors and declared by us out of legally available funds, cumulative cash dividends on each share of Series A Preferred Stock at an annual rate of five and one-half percent (5.5%) of the Series A Stated Value. Dividends on each share of Series A Preferred Stock begin accruing on, and are cumulative from, the date of issuance. Except as described below, we expect to authorize, declare and pay dividends on the Series A Preferred Stock on a quarterly basis, unless our results of operations, our general financing conditions, general economic conditions, applicable provisions of Maryland law or other factors make it imprudent to do so. Dividends are payable on the 15th day of the month following the quarter for which the dividend was declared or, if such date is not a business day, on the first business day thereafter. The timing and amount of such dividends will be determined by our Board of Directors, in its sole discretion, and may vary from time to time. For further information regarding the Company's dividend policy, refer to "—Distribution Policy and Distributions."

Dividends will accrue and be paid on the basis of a 360-day year consisting of twelve 30-day months. Dividends on the Series A Preferred Stock will accrue and be cumulative from the end of the most recent dividend period for which dividends have been paid, or if no dividends have been paid, from the date of issuance. Dividends on the Series A Preferred Stock will accrue whether or not (i) we have earnings, (ii) there are funds legally available for the payment of such dividends and (iii) such dividends are authorized by our Board of Directors or declared by us. Accrued dividends on the Series A Preferred Stock will not bear interest.

On August 8, 2019, our Board of Directors approved and declared advisable the Amendment to the Series A Articles Supplementary and recommended that the Amendment be submitted for stockholder approval by written consent. On August 8, 2019, Urban II, which owned 13,092,298 shares of Common Stock (39,276,896 shares of Common Stock prior to the Reverse Stock Split), representing approximately 89.7% of the issued and outstanding shares of Common Stock as of such date, voted all of its shares of Common Stock by written consent in favor of the Amendment. Accordingly, the Company has obtained all necessary corporate approvals in connection with the Amendment. However, the Amendment will not become effective unless and until the Company mails an Information Statement on Schedule 14C to its stockholders and, no sooner than 20 days thereafter, files the Amendment with the State Department of Assessments and Taxation of Maryland.

The Amendment, if it becomes effective, will allow our Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors), in its discretion, the flexibility to pay dividends on the Series A Preferred Stock more frequently than quarterly from time to time. For the avoidance of doubt, any determination by the Board of Directors to change the frequency of the payments of dividends on the Series A Preferred Stock will have no effect on the amount of dividends shares of Series A Preferred Stock are entitled to receive. As of October 2, 2019 the Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors) has not taken any such action to increase the frequency of the dividend payments on the Series A Preferred Stock, and there can be no guarantee that the Board of Directors will increase the frequency of such dividend payments.

Holders of our shares of Series A Preferred Stock are not entitled to any dividend in excess of full cumulative dividends on such shares. Unless full cumulative dividends on our shares of Series A Preferred Stock for all past dividend periods have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment, we will not:

- declare and pay or declare and set apart for payment dividends and we will not declare and make any other distribution of cash or other property (other than dividends or other distributions paid in shares of stock ranking junior to the Series A Preferred Stock as to the dividend rights or rights on our liquidation, winding-up or dissolution, and options, warrants or rights to purchase such shares), directly or indirectly, on or with respect to any shares of our Common Stock, Series L Preferred Stock or any other class or series of our stock ranking junior to or on parity with the Series A Preferred Stock as to dividend rights or rights on our liquidation, winding-up or dissolution for any period; or

- except by conversion into or exchange for shares of stock ranking junior to the Series A Preferred Stock as to dividend rights or rights on our liquidation, winding-up or dissolution, or options, warrants or rights to purchase such shares, redeem, purchase or otherwise acquire (other than a redemption, purchase or other acquisition of Common Stock made for purposes of an employee incentive or benefit plan) for any consideration, or pay or make available any monies for a sinking fund for the redemption of, any Common Stock, Series L Preferred Stock or any class or any other class or series of our stock ranking junior to or on parity with the Series A Preferred Stock as to dividend rights or rights on our liquidation, winding-up or dissolution.

To the extent necessary to preserve our status as a REIT, the foregoing sentence, however, will not prohibit declaring or paying or setting apart for payment any dividend or other distribution on the Common Stock or the redemption of our capital stock pursuant to the restrictions on ownership and transfer contained in our charter.

Redemption at the Option of a Holder. Beginning on the date of original issuance of any shares of our Series A Preferred Stock until but excluding the second anniversary of the date of original issuance of such shares, the holder will have the right to require the Company to redeem such shares at a redemption price equal to the Series A Stated Value, initially $25 per share, less a 13% redemption fee, plus any accrued but unpaid dividends.

Beginning on the second anniversary of the date of original issuance of any shares of our Series A Preferred Stock until but excluding the fifth anniversary of the date of original issuance of such shares, the holder will have the right to require the Company to redeem such shares at a redemption price equal to the Series A Stated Value, initially $25 per share, less a 10% redemption fee, plus any accrued but unpaid dividends.

From and after the fifth anniversary of the date of original issuance of any shares of Series A Preferred Stock, the holder of such shares will have the right to require the Company to redeem such shares at a redemption price equal to 100% of the Series A Stated Value, initially $25 per share, plus any accrued and unpaid dividends.

Notwithstanding the foregoing, the Amendment, if it becomes effective, will provide the Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors), upon any such redemption requested by a holder, the ability to increase the redemption price payable per share to 90% to 100% of the Series A Stated Value from time to time in its discretion. As of October 2, 2019, the Board of Directors (or an authorized officer of the Company, if one is delegated such power by the Board of Directors) has not taken any such action to increase the redemption price under these circumstances, and there can be no guarantee that the Board of Directors will increase the redemption price of the Series A Preferred Stock, or of the extent of any such increase or its duration.

Each holder of Series A Preferred Stock may exercise their redemption right by delivering a written notice thereof to the Company and the redemption price shall be paid by the Company on a date selected by the Company that is no later than 45 days after such notice is received by the Company.

If a holder of shares of Series A Preferred Stock causes the Company to redeem such shares, we will pay the redemption price in cash or, on or after the first anniversary of the issuance of shares of Series A Preferred Stock to be redeemed, at our option and in our sole discretion, in equal value through the issuance of shares of Common Stock, based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption.

If the Company elects to pay the redemption price in Common Stock, the Company shall cause the transfer agent to, as soon as practicable, but not later than three business days after the effective date of such redemption, register the number of shares of Common Stock to which such holder shall be entitled as a result of such redemption. The person or persons entitled to receive the shares of Common Stock issuable upon such redemption shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of the effective date of such redemption.

Our obligation to redeem any shares of our Series A Preferred Stock is limited to the extent that (i) we do not have sufficient funds available to fund any such redemption, in which case we will be required to redeem with shares of Common Stock, or (ii) we are restricted by applicable law, our charter or contractual obligations from making such redemption.

Optional Redemption Following Death of a Holder. Beginning on the date of original issuance and ending on but not including the second anniversary of the date of original issuance of any shares of our Series A Preferred Stock, we will redeem such shares held by a natural person upon his or her death at the written request of the holder's estate at a redemption price equal to the Series A Stated Value, plus accrued and unpaid dividends thereon through and including the date fixed for such redemption; provided, however, that our obligation to redeem any of the shares of Series A Preferred Stock is limited to the extent that (i) we do not have sufficient funds available to fund any such redemption, in which case we will be required to redeem with shares of Common Stock, or (ii) we are restricted by applicable law, our charter or contractual obligations from making such redemption. Upon any such redemption request from a holder's estate, we will pay the redemption price in cash or, on or after the first anniversary of the issuance of the shares of Series A Preferred Stock to be redeemed, at our option and in our sole discretion, in equal value through the issuance of shares of Common Stock, based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption.

Optional Redemption by the Company. We will have the right to redeem any or all shares of our Series A Preferred Stock from and after the fifth anniversary of the date of original issuance of such shares. We may redeem such shares at a redemption price equal to 100% of the Series A Stated Value, initially $25 per share, plus any accrued but unpaid dividends. We have the right, in our sole discretion, to pay the redemption price in cash or in equal value through the issuance of shares of Common Stock, with such value of Common Stock to be determined based on the volume weighted average price of our Common Stock for the 20 trading days prior to the redemption.

If fewer than all the outstanding shares of Series A Preferred Stock are to be redeemed, the Company will select those shares to be redeemed pro rata or in such manner as the Board of Directors may determine.

We may exercise our redemption right by delivering a written notice thereof to the holders of shares of Series A Preferred Stock to be redeemed. Each such notice will state the date on which the redemption by us shall occur, which date will be no fewer than 10 nor more than 20 days following the notice date.

If full cumulative dividends on all outstanding shares of Series A Preferred Stock have not been declared and paid or declared and set apart for payment for all past dividend periods, no shares of the Series A Preferred Stock may be redeemed at the option of the Company, unless all outstanding shares of the Series A Preferred Stock are simultaneously redeemed, and, except as provided by the restrictions on ownership and transfer set forth in our charter, neither the Company nor any of its affiliates may purchase or otherwise acquire shares of Series A Preferred Stock otherwise than pursuant to a purchase or exchange offer made on the same terms to all holders of shares of Series A Preferred Stock.

Adjustment to Stated Value in Connection with a Redemption. If certain events affecting our Common Stock, such as recapitalizations, stock dividends, stock splits, stock combinations, reclassifications, mergers or similar events, occur during the 20 trading days prior to a redemption of Series L Preferred Stock, we will adjust the Series A Stated Value so that such redemption shall entitle the holder to receive the aggregate number of shares of Common Stock or cash which, if the redemption had occurred immediately prior to such event, such holder would have owned upon such redemption and been entitled to received pursuant to the event affecting our Common Stock.

Fractional Shares. No fractional shares of Common Stock will be issued upon redemption of any shares of Series A Preferred Stock. Rather, we shall round down to the nearest whole number of shares of Common Stock to be issued upon redemption.

Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding-up of our affairs, before any distribution or payment shall be made to holders of our Common Stock or any other class or series of capital stock ranking junior to shares of Series A Preferred Stock, the holders of shares of Series A Preferred Stock will be entitled to be paid out of our assets legally available for distribution to our stockholders, after payment or provision for our debts and other liabilities, a liquidation preference equal to the Series A Stated Value per share, plus an amount equal to any accrued and unpaid dividends (whether or not declared) to and including the date of payment.

If upon the voluntary or involuntary liquidation, dissolution or winding up of the Company, the available assets of the Company, or proceeds thereof, distributable among the holders of the Series A Preferred Stock is insufficient to pay in full the above described liquidation preference and the liquidating payments on any shares of any class or series of stock ranking on parity to the Series A Preferred Stock, such stock we refer to as Parity Stock, then such assets, or the proceeds thereof, will be distributed among the holders of the Series A Preferred Stock and any such Parity Stock ratably in the same proportion as the respective amounts that would be payable on such Series A Preferred Stock and any such Parity Stock if all amounts payable thereon were paid in full.

After payment of the full amount of the liquidating distributions to which they are entitled, the holders of our shares of Series A Preferred Stock will have no right or claim to any of our remaining assets. Our consolidation or merger with or into any other corporation, trust or other entity, the consolidation or merger of any other corporation, trust or entity with or into us, the sale or transfer of any or all our assets or business, or a statutory share exchange will not be deemed to constitute a liquidation, dissolution or winding-up of our affairs.

In determining whether a distribution (other than upon voluntary or involuntary liquidation), by dividend, redemption or other acquisition of shares of our stock or otherwise, is permitted under the MGCL, amounts that would be needed, if we were to be dissolved at the time of distribution, to satisfy the preferential rights upon dissolution of holders of the Series A Preferred Stock will not be added to our total liabilities.

The consolidation, merger or conversion of the Company with or into any other corporation, trust or entity or of any other corporation, trust or entity with or into the Company, or the sale or transfer of all or substantially all of the assets or business of the Company or a statutory share exchange, shall not be deemed to constitute a voluntary or involuntary liquidation, dissolution or winding up of the Company.

Voting Rights. Our Series A Preferred Stock has no voting rights, and thus has no rights to vote on any dissolution, charter amendment, merger, sale of all or substantially all of our assets, share exchange or conversion. See “Certain Provisions of the Maryland General Corporation Law and Our Charter and Bylaws—Dissolution, Amendment to the Charter and Other Extraordinary Actions.”

Exchange Listing. We have not made, and do not plan on making, an application to list the shares of our Series A Preferred Stock on Nasdaq, any other national securities exchange or any other nationally recognized trading system, or the TASE.

Common Stock Warrants

The following is a brief summary of the Warrants and is subject to, and qualified in its entirety by, the terms set forth in the Warrant Agreement (as defined below) and global warrant certificate filed as exhibits to the registration statement of which this prospectus forms a part.

Warrant Agreement. The Warrants to be issued in this offering will be governed by a warrant agreement, or the Warrant Agreement. The Warrants shall be issued either in certificated form or by “book-entry” form, in either case to DTC, and evidenced by one or more global warrants. Those investors who own beneficial interests in a global warrant do so through participants in DTC’s system, and the rights of these indirect owners will be governed solely by the Warrant Agreement and the applicable procedures and requirements of the DTC. The Warrants may be exercised by the holders of beneficial interest in the Warrants by delivering to the warrant agent, through a broker who is a DTC participant, prior to the expiration of such Warrants, a duly signed exercise notice and payment of the exercise price for the shares of our Common Stock for which such Warrants are being exercised, as described in more detail below.

Exercisability. Holders may exercise the Warrants at any time beginning on the first anniversary of their date of issuance up to 5:00 p.m., New York time, on the date that is the fifth anniversary of such date of issuance. The Warrants are exercisable, at the option of each holder, in whole, but not in part, for no less than 50 shares of Common Stock (it being understood that in the case of a “cashless exercise,” the number of shares of Common Stock to be received by a holder of a Warrant will be reduced to pay for the exercise price as provided in the Warrant Agreement), unless such holder does not at the time of exercise own a sufficient number of Warrants to do so, by delivering to the warrant agent a duly executed exercise notice accompanied by payment in full for the number

of shares of our Common Stock purchased upon such exercise (except in the case of a cashless exercise in the circumstances discussed below). Each Warrant is exercisable for 0.25 of a share of our Common Stock (subject to adjustment, as discussed below). A holder of Warrants does not have the right to exercise any portion of a Warrant to the extent that, after giving effect to the issuance of shares of our Common Stock upon such exercise, the holder (together with its affiliates and any other persons acting as a group together with such holder or any of its affiliates) would beneficially or constructively own shares of Common Stock (i) in excess of 6.25% in value or number of shares, whichever is more restrictive, of the shares of Common Stock outstanding or (ii) that would otherwise result in the violation of any of the restrictions on ownership transfer of our stock contained in our charter, in each case, immediately after giving effect to the issuance of shares of Common Stock upon exercise of the Warrant. Our charter prohibits the beneficial or constructive ownership of more than 6.25%, in number or value, whichever is more restrictive, of our outstanding shares of Common Stock, or more than 6.25% in value of our capital stock.

Cashless Exercise. If, on the date of any exercise of any Warrant, a registration statement covering the issuance of the shares of Common Stock issuable upon exercise of the Warrant is not effective and an exemption from registration is not available for the resale of such shares issuable upon exercise of the Warrant, the holder may only satisfy its obligation to pay the exercise price upon the exercise of its Warrant on a cashless basis in accordance with the terms of the Warrant Agreement. When exercised on a cashless basis, a portion of the Warrant is cancelled in payment of the purchase price payable in respect of the number of shares of our Common Stock purchasable upon such exercise. The shares of Common Stock cancelled in a cashless exercise will be valued at the closing price of the Common Stock on the trading day immediately preceding the date as of which such value is being determined.

Outstanding Warrants After Termination Date. Any Warrant that is outstanding on the termination date of the Warrant shall be automatically terminated.

Exercise Price. The exercise price of the Common Stock purchasable upon exercise of the Warrants will equal a 15% premium to the Applicable NAV, or the fair market NAV per share of Common Stock as most recently published by the Company at the time of the issuance of the applicable Warrant. The Company will determine the Applicable NAV on an annual basis or more frequently if, in the Company's discretion, significant developments warrant. The exercise price and the number of shares of Common Stock issuable upon exercise of the Warrants are subject to appropriate adjustment from time to time in relation to the following events or actions in respect of the Company: (i) we declare a dividend or make a distribution on outstanding shares of Common Stock in shares of Common Stock; (ii) we subdivide or reclassify our outstanding shares of Common Stock into a greater number of shares of Common Stock; (iii) we combine or reclassify our outstanding shares of Common Stock into a smaller number of shares of Common Stock; or (iv) we enter into any transaction whereby the outstanding shares of Common Stock are at any time changed into or exchanged for a different number or kind of shares or other securities of the Company or of another entity through reorganization, merger, consolidation, liquidation or recapitalization.

Transferability. Subject to applicable law, the Warrants may be transferred at the option of the holder upon surrender of the Warrants with the appropriate instruments of transfer.

Exchange Listing. We do not plan on making an application to list the Warrants on Nasdaq, any other national securities exchange or other nationally recognized trading system, or the TASE. Our Common Stock is listed on Nasdaq, under the ticker symbol "CMCT," and the TASE, under the ticker symbol "CMCT-L."

Rights as Stockholder. Except by virtue of such holder's ownership of shares of our Common Stock, the holders of the Warrants will not have the rights or privileges of holders of our Common Stock, including any voting rights, until they exercise their Warrants.

Fractional Shares. Warrants may only be exercised by a holder or the holder of beneficial interests therein for a whole number of shares of Common Stock not less than 50 shares of Common Stock (it being understood that in the case of a "cashless exercise," the number of shares of Common Stock to be received by a holder of a Warrant will be reduced to pay for the exercise price as provided in the Warrant Agreement), unless such holder does not at the time of exercise own a sufficient number of Warrants to do so. No fractional shares of Common Stock will be issued upon the exercise of the Warrants. Rather, we shall, at our election, either pay a cash adjustment in respect of such fraction in an amount equal to such fraction multiplied by the exercise price or round down the number of shares of Common Stock to be issued to the nearest whole number.

Distribution Policy and Distributions

Holders of our Series A Preferred Stock are entitled to receive, if, as and when authorized by our Board of Directors and declared by us out of legally available funds, cumulative cash dividends on each share of our Series A Preferred Stock at an annual rate of five and one-half percent (5.5%) of the Series A Stated Value. Dividends on each share of our Series A Preferred Stock begin accruing on, and are cumulative from, the date of issuance. Except as described in "—Securities Offered in This Offering—Series A Preferred Stock—Dividends", we expect to authorize, declare and pay dividends on the Series A Preferred Stock quarterly, unless our results of operations, our general financing conditions, general economic conditions, applicable provisions of Maryland law

or other factors make it imprudent to do so. Dividends are payable on the 15th day of the month following the quarter for which the dividend was declared, or, if such date is not a business day, on the first business day thereafter. The timing and amount of such dividends will be determined by our Board of Directors, in its sole discretion, and may vary from time to time.

Distributions will be paid to our stockholders if, as and when authorized by our Board of Directors and declared by us out of legally available funds as of the record dates selected by our Board of Directors. We expect to continue to declare and pay distributions to our common stockholders quarterly unless our results of operations, our general financial condition, general economic conditions or other factors make it imprudent to do so. Distributions will be authorized at the discretion of our Board of Directors, which will be influenced in part by its intention to comply with the REIT requirements of the Code. We intend to make distributions sufficient to meet the annual distribution requirement and to avoid U.S. federal income and excise taxes on our earnings; however, it may not always be possible to do so. Our ability to maintain payment of dividends to our stockholders may be impacted by various factors, including the following:

- we may not have enough capital resources to pay such dividends due to changes in our cash requirements, capital spending plans, cash flow or financial position;

- decisions on whether, when and in which amounts to make any future dividends will remain at all times entirely at the discretion of the Board of Directors, which reserves the right to change our dividend practices at any time and for any reason; and

- we may desire to retain cash to maintain or improve any credit ratings we have or may obtain in the future.

We must distribute to our stockholders at least 90% of our REIT taxable income each year in order to meet the requirements for being treated as a REIT under the Code. This requirement is described in greater detail in the section entitled “Material U.S. Federal Income Tax Consequences—Annual Distribution Requirements” of this prospectus. Our directors may authorize distributions in excess of this percentage as they deem appropriate. Because we may receive income from interest or rents at various times during our fiscal year, distributions may not reflect our income earned in that particular distribution period, but may be made in anticipation of cash flow that we expect to receive during a later period and may be made in advance of actual receipt of funds in an attempt to make distributions relatively uniform. To allow for such differences in timing between the receipt of income and the payment of distributions, and the effect of required debt payments, among other things, could require us to borrow funds from third parties on a short-term basis, issue new securities, or sell assets to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT. These methods of obtaining funding could affect future distributions by increasing operating costs and decreasing available cash. In addition, such distributions may constitute a return of capital. See the section entitled “Material U.S. Federal Income Tax Consequences—Requirements for Qualification—General” in this prospectus.

Transfer Agent and Registrar

The transfer agent and registrar for our shares of Series A Preferred Stock and the Warrants is American Stock Transfer and Trust Company. American Stock Transfer and Trust Company currently acts as the transfer agent and registrar for our Common Stock.

Select Charter Provisions Related to Our Capital Stock

Classification or Reclassification of Capital Stock

Our charter authorizes our Board of Directors to classify and reclassify any unissued shares of Common Stock or Preferred Stock into other classes or series of stock, including one or more classes or series of stock that have priority with respect to voting rights, dividends or upon liquidation over our Common Stock, our Series A Preferred Stock, or our Series L Preferred Stock, and authorizes us to issue the newly-classified shares, subject to the limitations contained in the terms of our Series L Preferred Stock described above. Prior to the issuance of shares of each new class or series, our Board of Directors is required by Maryland law and by our charter to set, subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock and the express terms of any other class or series of our stock then outstanding, the preferences, conversion or other rights, voting powers, restrictions (including restrictions as to transferability), limitations as to dividends and other distributions, qualifications and terms and conditions of redemption for each class or series. Our Board of Directors may take these actions without stockholder approval unless stockholder approval is required by the rules of any stock exchange or automatic quotation system on which our securities may be listed or traded or the terms of any other class or series of our stock. Therefore, our Board of Directors could authorize the issuance of shares of Common Stock or Preferred Stock with terms and conditions that could have the effect of delaying, deferring or preventing a change in control or other

transaction that might involve a premium price for shares of our Common Stock or otherwise be in the best interest of our stockholders.

Restrictions on Ownership and Transfer

Our charter, subject to certain exceptions, contains certain restrictions on the number of shares of our stock that a person may own. Our charter contains a stock ownership limit that prohibits any person, unless exempted by our Board of Directors, from acquiring or holding, directly or indirectly, applying attribution rules under the Code, shares of our capital stock in excess of 6.25% in number of shares or value, whichever is more restrictive, of the aggregate of the outstanding shares of our stock or 6.25% of the number of shares or value, whichever is more restrictive, of the outstanding shares of our Common Stock. Pursuant to our charter, our Board of Directors has the power to increase or decrease the percentage of stock that a person may beneficially or constructively own. However, any decreased stock ownership limit will not apply to any person whose percentage ownership of our stock is in excess of such decreased stock ownership limit until that person's percentage ownership of our stock equals or falls below the decreased stock ownership limit. Until such a person's percentage ownership of our stock falls below such decreased stock ownership limit, any further acquisition of stock will be in violation of the decreased stock ownership limit.

Our charter further prohibits (1) any person from beneficially or constructively owning our stock that (i) would result in us being "closely held" under Section 856(h) of the Code (without regard to whether the shares are owned during the last half of a taxable year), (ii) would cause us to constructively own 10% or more of the ownership interests in a tenant of our real property within the meaning of Section 856(d)(2)(B) of the Code or (iii) would otherwise cause us to fail to qualify as a REIT, or (2) any person from transferring our stock if such transfer would result in our stock being beneficially owned by fewer than 100 persons. Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of our stock that will or may violate any of the foregoing restrictions on ownership and transfer, or who is the intended transferee of shares of our stock that are transferred to the trust (as described below), is required to give written notice immediately to us or, in the event of a proposed or attempted transfer, at least 15 days prior written notice to us and provide us with such other information as we may request in order to determine the effect of such transfer on our qualification as a REIT. The foregoing restrictions on transfer and ownership will not apply if our Board of Directors determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT or that compliance with such restrictions is no longer required in order for us to qualify as a REIT.

Our Board of Directors, in its sole discretion, may exempt, prospectively or retroactively, a person from each of the foregoing restrictions except those listed under (1)(i), (iii) and (2) in the preceding paragraph. The person seeking an exemption must provide such representations, covenants and undertakings as our Board of Directors may deem appropriate to conclude that granting the exemption will not cause us to lose our qualification as a REIT. Our Board of Directors may also require a ruling from the IRS or an opinion of counsel in order to determine or ensure our qualification as a REIT in the context of granting such exemptions. Our Board of Directors has (i) waived the 6.25% ownership limits and the restrictions listed under (1)(ii) in the preceding paragraph for Urban II, CIM REIT, CIM Urban Partners GP, LLC, the Administrator, CalPERS and persons owning a direct or indirect interest in Urban II, CIM REIT, CIM Urban Partners GP, LLC or the Administrator and (ii) created an excepted holder limit that allows CalPERS to hold up to 23.756% of our outstanding Common Stock.

Any attempted transfer of shares of our stock which, if effective, would result in a violation of the foregoing restrictions will cause the number of shares of our stock causing the violation (rounded up to the nearest whole share) to be automatically transferred to a trust for the benefit of one or more charitable beneficiaries, and the proposed transferee will not acquire any rights in such stock. The automatic transfer will be deemed to be effective as of the close of business on the business day (as defined in our charter) prior to the date of the transfer. If, for any reason, the transfer to the trust does not occur or would not prevent a violation of the restrictions on ownership and transfer contained in our charter, our charter provides that the purported transfer will be treated as invalid from the outset. Shares of stock held in the trust will be issued and outstanding shares. The proposed transferee will not benefit economically from ownership of any stock held in the trust, will have no rights to dividends and no rights to vote or other rights attributable to the shares of stock held in the trust. The trustee of the trust will have all voting rights and rights to dividends or other distributions with respect to shares held in the trust. These rights will be exercised for the exclusive benefit of the charitable beneficiary. Any dividend or other distribution paid prior to our discovery that shares of our stock have been transferred to the trust will be paid by the recipient to the trustee upon demand. Any dividend or other distribution authorized but unpaid will be paid when due to the trustee. Any dividend or other distribution paid to the trustee will be held in trust for the charitable beneficiary. Subject to Maryland law, the trustee will have the authority to rescind as void any vote cast by the proposed transferee prior to our discovery that the shares have been transferred to the trust and to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary. However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast the vote.

Within 20 days of receiving notice from us that shares of our stock have been transferred to the trust, the trustee will sell the shares to a person designated by the trustee, whose ownership of the shares will not violate the above ownership limitations. Upon such sale, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of

the sale to the proposed transferee and to the charitable beneficiary as follows: the proposed transferee will receive the lesser of (1) the price paid by the proposed transferee for the shares, or, if the proposed transferee did not give value for the shares in connection with the event causing the shares to be held in the trust (e.g., a gift, devise or other similar transaction), the market price (as defined in our charter) of the shares on the day of the event causing the shares to be held in the trust and (2) the price per share received by the trustee from the sale or other disposition of the shares. The trustee may reduce the amount payable to the proposed transferee by the amount of dividends and other distributions paid to the proposed transferee and owed by the proposed transferee to the trust.

Any net sale proceeds in excess of the amount payable to the proposed transferee will be paid immediately to the charitable beneficiary. If, prior to our discovery that our stock have been transferred to the trust, the shares are sold by the proposed transferee, then (1) the shares shall be deemed to have been sold on behalf of the trust and (2) to the extent that the proposed transferee received an amount for the shares that exceeds the amount the proposed transferee was entitled to receive, the excess shall be paid to the trustee upon demand.

In addition, shares of our stock held in the trust will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of the price per share in the transaction that resulted in the transfer to the trust (or, in the case of a devise or gift, the market price at the time of the devise or gift) and the market price on the date we, or our designee, accept the offer. We may reduce the amount payable to the proposed transferee by the amount of dividends and other distributions paid to the proposed transferee and owned by the proposed transferee to the trust. We will have the right to accept the offer until the trustee has sold the shares. Upon a sale to us, the interest of the charitable beneficiary in the shares sold will terminate, and the trustee will distribute the net proceeds of the sale to the proposed transferee and any dividends or other distributions held by the trustee shall be paid to the charitable beneficiary.

Every owner of more than 5% (or such lower percentage as required by the Code or the regulations promulgated thereunder) in number or in value of the outstanding shares of our stock, including our Common Stock, within 30 days after the end of each taxable year, will be required to give written notice to us stating the name and address of such owner, the number of shares of each class and series of shares of our stock that the owner beneficially owns and a description of the manner in which the shares are held. Each owner shall provide to us such additional information as we may request to determine the effect, if any, of the beneficial ownership on our qualification as a REIT and to ensure compliance with the ownership limitations. In addition, each beneficial or constructive owner and each person who is holding shares of our stock for such owner will, upon demand, be required to provide to us such information as we may request to determine our qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance and to ensure compliance with the ownership limits.

These ownership limitations could delay, defer or prevent a transaction or a change in control that might involve a premium price for our Common Stock or might otherwise be in the best interests of our stockholders.

ESTIMATED NET ASSET VALUE

Estimated Net Asset Value

We have established an estimated NAV per share of Common Stock of $29.49 as of June 30, 2019. Neither FINRA nor the SEC provides rules on the methodology we must use to determine our estimated NAV per share. The determination of estimated NAV involves a number of subjective assumptions, estimates and judgments that may not be accurate or complete. We believe there is no established practice among public REITs for calculating estimated NAV. Different firms using different property-specific, general real estate, capital markets, economic and other assumptions, estimates and judgments could derive an estimated NAV that could be significantly different from our estimated NAV. Thus, other public REITs' methodologies used to calculate estimated NAV may differ materially from ours. In addition, this estimated NAV per share of Common Stock of $29.49 takes into consideration the pro forma adjustments described herein for the occurrence of certain events that occurred after June 30, 2019 relating to the Program to Unlock Embedded Value in Our Portfolio and Improve Trading Liquidity of Our Common Stock. However, other than those events, the estimated NAV per share of Common Stock of $29.49 does not give effect to changes in value, investment activities, capital activities, indebtedness levels, and other various activities occurring after June 30, 2019 that would have an impact on our estimated NAV.

Overview

The estimated NAV per share of $29.49 was calculated by our Operator, relying in part on appraisals of our investments in real estate and the assets of our lending segment. The table below sets forth the material items included in the calculation of our estimated NAV.

	($ in thousands, except per share amount) (unaudited)
Investments in real estate - at fair value (1) (2)	$ 901,445
Loans receivable - at fair value (1)	74,925
Debt (1) (3)	(189,170)
Other liabilities, cash, and other assets (1) (2) (4)	(36,618)
Redeemable Series L Preferred Stock (1)	(229,251)
Redeemable Series A Preferred Stock (1)	(90,043)
Noncontrolling interests (1)	(711)
Estimated NAV attributable to common shareholders (4)	**$ 430,577**
Shares of Common Stock outstanding (1) (5)	**14,601,913**
Estimated NAV per share of Common Stock (5)	**$ 29.49**

(1) As of June 30, 2019.

(2) Investments in real estate — at fair value and other liabilities, cash, and other assets are adjusted for the pro forma impact of the sale of 899 North Capitol Street, 901 North Capitol Street, and 999 North Capitol Street, which we refer to collectively as the Union Square Properties, which sale to an unrelated third party was consummated on July 30, 2019, as if such sale had occurred on June 30, 2019.

(3) Includes pro forma borrowings on our revolving credit facility of $65,000,000, at face value.

(4) Other liabilities, cash, and other assets has been adjusted for the pro forma impact of a special cash dividend of $42.00 per share of Common Stock ($14.00 per share of Common Stock prior to the Reverse Stock Split), or $613,294,000 in the aggregate, that was paid on August 30, 2019 to stockholders of record at the close of business on August 19, 2019.

(5) The shares of Common Stock outstanding have been adjusted retroactively to reflect the impact of the Reverse Stock Split.

We engaged various third party appraisal firms to perform appraisals of our investments in real estate and the assets of our lending segment as of December 31, 2018. These appraisals were performed in accordance with standards set forth by the American Institute of Certified Public Accountants. Each of our appraisals were prepared by personnel who are subject to and in compliance with the code of professional ethics and the standards of professional conduct set forth by the certification programs of the professional appraisal organizations of which they are members.

The estimated NAV per share does not represent the fair value of our assets less liabilities in accordance with U.S. generally accepted accounting principles, and such estimated NAV per share is not a representation, warranty or guarantee that (i) the exercise price for the Warrants, which is established based on Applicable NAV, will be indicative of the price at which the shares of Common Stock for which the Warrants may be exercised would trade, or that the shares of Common Stock would trade at the estimated NAV per share; (ii) a stockholder would be able to realize an amount equal to the estimated NAV per share if such stockholder attempts to sell his or her shares of Common Stock; (iii) a stockholder would ultimately realize distributions per share equal to the estimated NAV per share upon our liquidation or sale; or (iv) a third party would offer the estimated NAV per share in an arm's-length transaction to purchase all or substantially all of our shares of Common Stock.

Further, the estimated NAV per share was calculated as of a point in time, and, although the values of shares of our Common Stock will fluctuate over time as a result of, among other things, developments related to individual assets, purchases and sales of additional assets, changes in the real estate and capital markets, distributions by us and changes in corporate policies and strategies, we do not undertake to update the estimated NAV per share on a regular basis.

Fair Value of Real Estate

As of June 30, 2019, our pro forma investments in real estate consisted of (i) 9 office properties (including one development site, which is being used as a parking lot), totaling approximately 1.3 million rentable square feet, and (ii) one hotel with an ancillary parking garage, which has a total 503 rooms. As of June 30, 2019, our pro forma investments in real estate had an aggregate estimated fair value of approximately $901,445,000, which is based on appraisals obtained as of December 31, 2018 plus capital expenditures, at cost, incurred thereafter through June 30, 2019. The pro forma investments in real estate are adjusted for the pro forma impact of the sale of the Union Square Properties, which sale to an unrelated third party was consummated on July 30, 2019, as if such sale had occurred on June 30, 2019. The aggregate contract sales price was $181,000,000.

The fair values of all our pro forma investments in real estate, with the exception of our development site, were determined using the income capitalization approach and more specifically utilizing discounted cash flow analyses as the primary methodology with the sales comparison approach being used as a secondary methodology. The sales comparison approach was utilized exclusively to value the development site.

The discounted cash flow approach to valuing investments in real estate involves projecting annual cash flows over a defined holding period as well as calculating a residual value for an investment at the end of the holding period. The residual value is calculated by applying a capitalization rate to the projected net operating income in the year following the projected sale. The present value of the future cash flows, including the residual value, is then calculated using an appropriate discount rate and the summation of these present values is the basis for an investment's fair value.

The sales comparison approach to valuing investments in real estate uses actual sales prices for comparable assets to determine the investment's fair value. The sales prices of the comparable assets are adjusted to reflect their condition relative to the subject property, the time and resources necessary to ready the comparable properties for sale, and the terms of the comparable properties sales.

The ranges of certain key assumptions used in the fair value measurement of the pro forma investments in real estate as of June 30, 2019 were as follows:

Asset Type / Key Assumption	Range	Weighted Average
Office and hotel assets		
Discount rate	6.0% - 9.5%	7.4%
Capitalization rate	5.5% - 8.0%	6.5%

Fair Value of Loans Receivable

As of June 30, 2019, we held 178 loans whose aggregate fair value was approximately $74,925,000, which is based on an appraisal obtained as of December 31, 2018 plus loan activity, at cost, incurred thereafter through June 30, 2019. The fair values were determined using a present value technique for the anticipated future cash flows of the loans using certain key assumptions. Credit risk, or lack of credit risk in the case of our government guaranteed loans, was considered in the determination of the key assumptions used to fair value our loans receivable.

Debt

As of June 30, 2019, our outstanding debt consisted of a fixed rate property-level mortgage loan, floating rate junior subordinated notes, and a floating rate revolving credit facility. This excludes secured borrowings—government guaranteed loans and SBA 7(a) loan-backed notes, both of which are included in other liabilities, cash and other assets. The debt includes pro forma borrowings on our revolving credit facility of $65,000,000, at face value, which was used to partially fund the Special Dividend together with the net proceeds (after repayment of certain debt) received from the sale of ten properties during 2019.

As of June 30, 2019, the carrying amount of our fixed rate mortgage debt, at face value, was approximately $97,100,000 and the carrying amount of our floating rate debt, which includes our junior subordinated notes and pro forma borrowings on our revolving credit facility, at face value, was approximately $92,070,000.

The fair value of our debt is calculated for disclosure purposes only and we do not include the mark to market adjustments related to our debt in our estimated NAV calculation. As of June 30, 2019, the estimated fair value of our debt was approximately $666,000 lower than the carrying amount of our debt, at face value.

Fair Value of Other Liabilities, Cash, and Other Assets

As of June 30, 2019, the carrying amounts of our other liabilities, cash, and other assets approximates their fair values due to the liquid nature of such assets and the short-term nature of such liabilities, other than our secured borrowings—government guaranteed loans and SBA 7(a) loan-backed notes. The carrying amounts of our secured borrowings—government guaranteed loans and SBA 7(a) loan-backed notes approximate their fair values, as the interest rates on these securities are variable and approximate current market interest rates.

Other liabilities, cash, and other assets are adjusted for the pro forma impact of the sale of the Union Square Properties, which sale to an unrelated third party was consummated on July 30, 2019, as if such sale had occurred on June 30, 2019. The aggregate contract sales price was $181,000,000. Additionally, other liabilities, cash, and other assets are adjusted for the pro forma impact of the Special Dividend, which was partially funded with the net proceeds (after repayment of certain debt) received from the sale of ten properties during 2019.

Redeemable Series L Preferred Stock

As of June 30, 2019, our redeemable Series L Preferred Stock represents total shares outstanding as of June 30, 2019 of 8,080,740 times the stated value of $28.37 per share. Gross proceeds have not been reduced by commissions, fees, allocated costs or discounts, if applicable.

Redeemable Series A Preferred Stock

As of June 30, 2019, our redeemable Series A Preferred Stock represents total shares outstanding as of June 30, 2019 of 3,601,721, times the stated value of $25.00 per share. Gross proceeds have not been reduced by commissions, fees, allocated costs or discounts, if applicable.

Sensitivity Analysis

While we believe that the assumptions used in determining the appraised values of our pro forma investments in real estate are reasonable, certain changes in these assumptions could impact the calculation of such values.

The table below illustrates the impact on the estimated NAV per share if the capitalization rates or discount rates were adjusted by 25 basis points, assuming all other factors remain unchanged.

	Change in the Estimated NAV Per Share Due To	
	Decrease of 25 bps	Increase of 25 bps
Capitalization rates	$ 1.52	$ (1.51)
Discount rates	$ 1.16	$ (1.24)

CERTAIN PROVISIONS OF THE MARYLAND GENERAL CORPORATION LAW AND OUR CHARTER AND BYLAWS

The following summary of certain provisions of the MGCL and our charter and bylaws contains the material terms of our charter and bylaws and is subject to, and qualified in its entirety by, reference to the MGCL and to our charter and bylaws. Our charter and bylaws are incorporated by reference as exhibits to the registration statement of which this prospectus forms a part (see "Where You Can Find More Information").

Our Board of Directors

Our charter and bylaws provide that the number of directors may be established, increased or decreased by a majority of our entire Board of Directors, but may not be fewer than the minimum number required by the MGCL (which currently is one) or, unless our bylaws are amended, more than 25. Any vacancy on our Board of Directors, whether resulting from an increase in the number of directors or otherwise, may only be filled by the affirmative vote of a majority of the remaining directors, even if such a majority constitutes less than a quorum. Except as may be provided with respect to any class or series of our stock, at each annual meeting of our stockholders, each of our directors will be elected by the holders of our Common Stock to serve until the next annual meeting of our stockholders and until his or her successor is duly elected and qualifies.

Removal of Directors

Our charter provides that, subject to the rights of holders of any class or series of our stock, a director may be removed with or without cause and by the affirmative vote of at least two-thirds of the votes entitled to be cast by our stockholders generally in the election of our directors. This provision, when coupled with the exclusive power of our Board of Directors to fill vacant directorships, may preclude stockholders from removing incumbent directors except by a substantial affirmative vote and filling the vacancies created by such removal with their own nominees.

Limitation of Liability and Indemnification

Maryland law permits a Maryland corporation to include in its charter a provision eliminating the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (i) actual receipt of an improper benefit or profit in money, property or services or (ii) active or deliberate dishonesty established in a judgment or other final adjudication to be material to the cause of action. Our charter contains a provision that eliminates the liability of our directors and officers to the maximum extent permitted by Maryland law.

Maryland law requires a Maryland corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service in that capacity. Maryland law permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that:

- an act or omission of the director or officer was material to the matter giving rise to the proceeding and
  - was committed in bad faith or
  - was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that personal benefit was improperly received, unless in either case a court orders indemnification and then only for expenses. In addition, Maryland law permits a Maryland corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of:

- a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation; and

- a written undertaking by the director or officer or on the director's or officer's behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the director or officer did not meet the standard of conduct.

Our charter and bylaws obligate us, to the maximum extent permitted by Maryland law, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to:

- any present or former director or officer who is made, or threatened to be made, a party to, or witness in, the proceeding by reason of his or her service in that capacity; or

- any individual who, while a director or officer of our Company and at our Company's request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or any other enterprise as a director, officer, trustee, member, manager or partner and who is made, or threatened to be made, a party to, or witness in, the proceeding by reason of his or her service in that capacity.

Our charter and bylaws also permit us, subject to approval from our Board of Directors, to indemnify and advance expenses to any person who served a predecessor of our Company in any of the capacities described above and to any employee or agent of our Company or a predecessor of our Company.

Indemnification Agreements

We have entered into indemnification agreements with each of our directors and named executive officers. Each indemnification agreement provides that we will indemnify and hold harmless each such director or named executive officer to the fullest extent permitted by law.

Business Combinations

Under the MGCL, certain "business combinations," including a merger, consolidation, statutory share exchange or, in certain circumstances, an asset transfer or issuance or reclassification of equity securities, between a Maryland corporation and an "interested stockholder" or an affiliate of such an interested stockholder, are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. An "interested stockholder" is, generally, any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting shares or an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding voting shares of the corporation.

After such five-year period, any such business combination must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least (i) 80% of the votes entitled to be cast by holders of outstanding voting shares of the corporation and (ii) two-thirds of the votes entitled to be cast by holders of voting shares of the corporation other than shares held by the interested stockholder with whom (or with whose affiliate) the business combination is to be effected or held by an affiliate or associate of the interested stockholder, unless, among other conditions, the corporation's common stockholders receive a minimum price (as defined in the MGCL) for their shares and the consideration is received in cash or in the same form as previously paid by the interested stockholder for its shares.

Under the MGCL, a person is not an "interested stockholder" if the board of directors approved in advance the transaction by which the person otherwise would have become an interested stockholder. A corporation's board of directors may provide that its approval is subject to compliance with any terms and conditions determined by it.

We have elected to opt out of these provisions of the MGCL by resolution of our Board of Directors. However, our Board of Directors may by resolution elect to repeal the foregoing opt-outs from the business combination provisions of the MGCL in the future.

Control Share Acquisitions

The MGCL provides that a holder of "control shares" of a Maryland corporation acquired in a "control share acquisition" has no voting rights with respect to such shares except to the extent approved by the affirmative vote of at least two-thirds of the votes entitled to be cast on the matter, excluding any of the following persons entitled to exercise or direct the exercise of the voting power of such shares in the election of directors: (i) a person who makes or proposes to make a control share acquisition, (ii) an officer of the corporation or (iii) an employee of the corporation who is also a director of the corporation. "Control shares" are voting shares of

stock that, if aggregated with all other such shares previously acquired, directly or indirectly, by the acquirer, or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise voting power in electing directors within one of the following ranges of voting power: (A) one-tenth or more but less than one-third, (B) one-third or more but less than a majority or (C) a majority or more of all voting power.

Control shares do not include shares that the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from the corporation. A "control share acquisition" means the acquisition, directly or indirectly, of ownership of, or the power to direct the exercise of voting power with respect to, issued and outstanding control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition, upon satisfaction of certain conditions (including an undertaking to pay expenses and making an acquiring person statement (as described in the MGCL)), may compel the board of directors to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the control shares. If no request for a special meeting is made, the corporation may itself present the question at any stockholders' meeting.

If voting rights of control shares are not approved at the meeting or if the acquiring person does not deliver an "acquiring person statement" as required by the statute, then, subject to certain conditions and limitations, the corporation may redeem any or all of the control shares (except those for which voting rights have previously been approved) for fair value determined, without regard to the absence of voting rights for the control shares, as of the date of any meeting of stockholders at which the voting rights of such shares are considered and not approved or, if no such meeting is held, as of the date of the last control share acquisition. If voting rights for control shares are approved at a stockholders' meeting and the acquirer becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share paid by the acquirer in the control share acquisition.

The control share acquisition statute does not apply to (i) shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or (ii) acquisitions approved or exempted by the charter or bylaws of the corporation.

We have elected to opt out of these provisions of the MGCL pursuant to a provision in our bylaws. However, we may, by amendment to our bylaws, opt in to the control share provisions of the MGCL in the future.

Subtitle 8

Subtitle 8 of Title 3 of the MGCL permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of the following five provisions:

- a classified board consisting of three classes;
- a two-thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the directors;
- a requirement that a vacancy on the board be filled only by the remaining directors and for the remainder of the full term of the class of directors in which the vacancy occurred; or
- a majority stockholder vote requirement for the calling of a stockholder-requested special meeting of stockholders.

Our charter provides that, except as may be provided by our Board of Directors in setting the terms of any class or series of stock, we elect to be subject to the provisions of Subtitle 8 relating to the filling of vacancies on our Board of Directors. Through provisions in our charter and bylaws unrelated to Subtitle 8, we already (1) require a two-thirds vote for the removal of any director from the Board of Directors, (2) vest in the Board of Directors the exclusive power to fix the number of directorships, subject to limitations set forth in our charter and bylaws, and (3) require, unless called by the chairman of our Board of Directors, our president, our chief executive officer or our Board of Directors, the request of stockholders entitled to cast not less than a majority of all votes entitled to be cast on a matter at such meeting to call a special meeting. We have not elected to classify our Board of Directors.

Dissolution, Amendment to the Charter and Other Extraordinary Actions

Under the MGCL, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, engage in a share exchange or convert into another entity unless declared advisable by the board of directors and approved

by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter. Our charter provides for approval of any of these matters by the affirmative vote of stockholders entitled to cast a majority of the votes entitled to be cast on such matters, except that the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on such matter is required to amend the provisions of our charter relating to the removal of directors, the indemnification of our officers and directors, restrictions on ownership and transfer of our stock or the vote required to amend such provisions. Maryland law also permits a Maryland corporation to transfer all or substantially all of its assets without the approval of the stockholders of the corporation to an entity if all of the equity interests of the entity are owned, directly or indirectly, by the corporation. Because our operating assets may be held by our operating partnership or its subsidiaries, these subsidiaries may be able to merge or transfer all or substantially all of their assets without the approval of our stockholders.

Meetings of Stockholders

Under our bylaws, annual meetings of holders of our Common Stock must be held each year at a date, time and place determined by our Board of Directors. Special meetings of holders of our Common Stock may be called by the chairman of our Board of Directors, our chief executive officer, our president and our Board of Directors. Subject to the provisions of our bylaws, a special meeting of stockholders to act on any matter that may properly be considered at a meeting of stockholders must be called by our secretary upon the written request of stockholders entitled to cast a majority of all of the votes entitled to be cast on the matter at such meeting who have requested the special meeting in accordance with the procedures specified in our bylaws and provided the information and certifications required by our bylaws. Only matters set forth in the notice of a special meeting of stockholders may be considered and acted upon at such a meeting.

Advance Notice of Director Nominations and New Business

Our bylaws provide that with respect to an annual meeting of stockholders, nominations of persons for election to our Board of Directors and the proposal of business to be considered by stockholders may be made only (i) pursuant to our notice of the meeting, (ii) by or at the direction of our Board of Directors, or (iii) by a holder of our Common Stock who was a stockholder of record at the time of giving notice and at the time of our annual meeting, who is entitled to vote at the meeting and who has complied with the advance notice procedures set forth in our bylaws. Our bylaws provide that with respect to special meetings of our stockholders, only the business specified in our notice of meeting may be brought before the meeting, and nominations of persons for election to our Board of Directors may be made only (A) by or at the direction of our Board of Directors, or (B) provided that the special meeting has been called in accordance with our bylaws for the purpose of electing directors, by any holder of our Common Stock who was a stockholder of record at the time of giving notice and at the time of the special meeting, who is entitled to vote at the meeting and who has complied with the advance notice procedures set forth in our bylaws.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes the taxation of CIM Commercial Trust Corporation, which we refer to as CIM Commercial, and the material U.S. federal income tax consequences to holders of CIM Commercial's Series A Preferred Stock, Warrants and Common Stock received upon exercise of the Warrants. This discussion is for your general information only. For purposes of this section under the heading "Material U.S. Federal Income Tax Consequences," references to "CIM Commercial" mean only CIM Commercial Trust Corporation and not its subsidiaries or other lower-tier entities, except as otherwise indicated. This summary is not tax advice. The tax treatment of a holder will vary depending upon the holder's particular situation, and this summary addresses only holders that hold these securities as capital assets and does not deal with all aspects of taxation that may be relevant to particular holders in light of their personal investment or tax circumstances. This summary also does not deal with all aspects of taxation that may be relevant to certain types of holders to which special provisions of the U.S. federal income tax laws apply, including:

- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for such traders' securities holdings;
- banks;
- insurance companies;
- tax-exempt organizations;
- persons liable for the alternative minimum tax;
- persons that hold securities that are a hedge, that are hedged against interest rate or currency risks or that are part of a straddle or conversion transaction;
- persons that purchase or sell shares or warrants as part of a wash sale for tax purposes; and
- a U.S. stockholder (as defined below) whose functional currency is not the U.S. dollar.

This summary is based on the Code, its legislative history, existing and proposed regulations under the Code, published rulings and court decisions. This summary describes the provisions of these sources of law only as they are currently in effect. All of these sources of law may change at any time, and any change in the law may apply retroactively. Changes in U.S. federal, state and local tax laws or regulations, with or without retroactive application, could have a negative effect on us. New legislation, U.S. Treasury regulations, administrative interpretations or court decisions could significantly and negatively affect our ability to qualify to be taxed as a REIT and or the U.S. federal income tax consequences to holders of our securities and to us of such qualification. In addition, recent events and the shortfall in tax revenues for states and municipalities in recent years may lead to an increase in the frequency and size of such tax law changes. The federal tax legislation enacted in December 2017, commonly known as the Tax Cuts and Jobs Act, includes numerous significant tax law changes. Even changes that do not impose greater taxes on CIM Commercial could potentially result in adverse consequences to holders of our securities. For example, the Tax Cuts and Jobs Act includes a decrease in corporate tax rates, which could decrease the attractiveness of REITs relative to corporations that are not qualified as REITs. The Tax Cuts and Jobs Act does, however, permit noncorporate holders of CIM Commercial stock to deduct an amount equal to 20 percent of certain REIT dividends (see below under "—Taxation of Holders of Common Stock, Series A Preferred Stock or Warrants—U.S. Stockholders—Dividends").

If a partnership holds shares of our stock or warrants, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding shares of stock or warrants should consult such partner's tax advisor with regard to the U.S. federal income tax treatment of an investment in the shares or warrants.

We urge you to consult with your own tax advisors regarding the tax consequences to you of acquiring, owning and selling Common Stock, Series A Preferred Stock and Warrants, including the federal, state, local and non-U.S. tax consequences of acquiring, owning and selling these securities in your particular circumstances and potential changes in applicable laws.

As used in this section, the term "U.S. stockholder" means a holder of shares of CIM Commercial Common Stock, Series A Preferred Stock or Warrants that, for U.S. federal income tax purposes, is:

- a citizen or resident of the United States;
- a domestic corporation;
- an estate whose income is subject to U.S. federal income taxation regardless of the income's source; or
- a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons have authority to control all substantial decisions of the trust.

In this section, references to "CIM Commercial stock" include Common Stock and Series A Preferred Stock, unless otherwise specified.

Owners of CIM Commercial stock or Warrants that are nonresident alien individuals, non-U.S. corporations, non-U.S. partnerships and estates or trusts that in either case are not subject to U.S. federal income tax on a net income basis are referred to in this section as non-U.S. stockholders.

Taxation of CIM Commercial as a REIT

In the opinion of Sullivan & Cromwell LLP, commencing with CIM Commercial's taxable year ended December 31, 2014, CIM Commercial has been organized and operated in conformity with the requirements for qualification and taxation as a REIT under the Code for taxable years ending prior to the date hereof, and CIM Commercial's proposed method of operation will enable CIM Commercial to continue to meet the requirements for qualification and taxation as a REIT under the Code for subsequent taxable years. Please be aware, however, that opinions of counsel are not binding upon the IRS or any court.

In providing this opinion, Sullivan & Cromwell LLP is relying, without independent investigation, as to certain factual matters upon the statements and representations contained in certificates provided to Sullivan & Cromwell LLP with respect to CIM Commercial and its subsidiary that is also a REIT, which we refer to as the REIT Subsidiary.

CIM Commercial's qualification as a REIT under the Code will depend upon the continuing satisfaction by CIM Commercial and, given CIM Commercial's current ownership interests in the REIT Subsidiary, by the REIT Subsidiary, of requirements of the Code relating to qualification for REIT status. Some of these requirements depend upon actual operating results, distribution levels, diversity of stock ownership, asset composition, source of income and record keeping. Accordingly, while CIM Commercial intends to qualify to be taxed as a REIT for U.S. federal income tax purposes, the actual results of CIM Commercial or the REIT Subsidiary for any particular year might not satisfy these requirements. Neither Sullivan & Cromwell LLP nor any other law firm will monitor the compliance of CIM Commercial or the REIT Subsidiary with the requirements for REIT qualification on an ongoing basis.

The sections of the Code applicable to REITs are highly technical and complex. The following discussion summarizes material aspects of these sections of the Code.

As a REIT, CIM Commercial generally will not have to pay U.S. federal corporate income taxes on CIM Commercial's net income that CIM Commercial currently distributes to its stockholders. This treatment substantially eliminates the "double taxation" at the corporate and stockholder levels that generally results from investment in a regular corporation. CIM Commercial's dividends, however, generally will not be eligible for (i) the corporate dividends received deduction and (ii) the reduced rates of tax applicable to qualified dividends received by noncorporate holders, although, as described below under "Taxation of Holders of Common Stock, Series A Preferred Stock or Warrants—U.S. Stockholders—Dividends," noncorporate U.S. stockholders of CIM Commercial stock will generally be entitled to a deduction equal to 20 percent of certain dividends paid by CIM Commercial.

Notwithstanding the above, CIM Commercial may have to pay U.S. federal income tax as follows:

- First, if CIM Commercial has any undistributed REIT taxable income, including undistributed net capital gains, CIM Commercial would have to pay tax at the regular corporate rate on such income and gains.
- Second, if CIM Commercial has (i) net income from the sale or other disposition of "foreclosure property," as defined in the Code, which is held primarily for sale to customers in the ordinary course of business or (ii) other non-qualifying income from foreclosure property, CIM Commercial would have to pay tax at the corporate rate on that income.

- Third, if CIM Commercial has net income from "prohibited transactions," as defined in the Code, CIM Commercial would have to pay a 100% tax on that income. Prohibited transactions are, in general, certain sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business.

- Fourth, if CIM Commercial should fail to satisfy the 75% gross income test or the 95% gross income test, as discussed below under "Requirements for Qualification—Income Tests," but has nonetheless maintained CIM Commercial's qualification as a REIT because CIM Commercial has satisfied certain other requirements, CIM Commercial would have to pay a 100% tax on an amount equal to (i) the gross income attributable to the greater of (A) 75% of CIM Commercial's gross income over the amount of gross income that is qualifying income for purposes of the 75% test, and (B) 95% of CIM Commercial's gross income over the amount of gross income that is qualifying income for purposes of the 95% test, multiplied by (ii) a fraction intended to reflect CIM Commercial's profitability.

- Fifth, if CIM Commercial should fail to distribute during each calendar year at least the sum of (i) 85% of CIM Commercial's REIT ordinary income for that year, (ii) 95% of CIM Commercial's REIT capital gain net income for that year and (iii) any undistributed taxable income from prior periods, CIM Commercial would have to pay a 4% excise tax on the excess of that required distribution over the sum of the amounts actually distributed and retained amounts on which income tax is paid at the corporate level.

- Sixth, if CIM Commercial acquires any asset from a C corporation in a carryover basis transaction and recognizes gain on the disposition of that asset within five years of acquiring that asset, then CIM Commercial would have to pay tax on the built-in gain at the regular corporate rate.

- Seventh, if CIM Commercial derives "excess inclusion income" from a residual interest in a real estate mortgage investment conduit, or REMIC, or certain interests in a taxable mortgage pool, or TMP, CIM Commercial could be subject to corporate-level U.S. federal income tax at the corporate rate to the extent that such income is allocable to certain types of tax-exempt stockholders that are not subject to unrelated business income tax, such as government entities.

- Eighth, if CIM Commercial receives non-arm's-length income from a TRS (as defined under "Requirements for Qualification—Asset Tests"), or as a result of services provided by a TRS to tenants of CIM Commercial, CIM Commercial would be subject to a 100% tax on the amount of CIM Commercial's non-arm's-length income.

- Ninth, if CIM Commercial fails to satisfy a REIT asset test, as described below, due to reasonable cause and CIM Commercial nonetheless maintains its REIT qualification because of specified cure provisions, CIM Commercial would generally be required to pay a tax equal to the greater of $50,000 or the corporate tax rate multiplied by the net income generated by the nonqualifying assets that caused CIM Commercial to fail such test.

- Tenth, if CIM Commercial fails to satisfy any provision of the Code that would result in CIM Commercial's failure to qualify as a REIT (other than a violation of the REIT gross income tests or asset tests described below) and the violation is due to reasonable cause, CIM Commercial could retain its REIT qualification but would be required to pay a penalty of $50,000 for each such failure.

Requirements for Qualification

The Code defines a REIT as a corporation, trust or association:

- that is managed by one or more trustees or directors;

- the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;

- that would otherwise be taxable as a domestic corporation, but for the sections of the Code defining and providing special rules for REITs;

- that is neither a financial institution nor an insurance company to which certain provisions of the Code apply;

- the beneficial ownership of which is held by 100 or more persons;

- during the last half of each taxable year, not more than 50% in value of the outstanding stock of which is owned, directly or constructively, by five or fewer individuals, as defined in the Code to include certain entities (the "not closely held requirement") and

- that meets certain other tests, including tests described below regarding the nature of its income and assets.

The Code provides that the conditions described in the first through fourth bullet points above must be met during the entire taxable year and that the condition described in the fifth bullet point above must be met during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months.

CIM Commercial has satisfied the conditions described in the first through fifth bullet points of the second preceding paragraph and believes that CIM Commercial has also satisfied the condition described in the sixth bullet point of the second preceding paragraph. In addition, CIM Commercial's charter provides for restrictions regarding the ownership and transfer of CIM Commercial stock. These restrictions are intended to, among other things, assist CIM Commercial in continuing to satisfy the share ownership requirements described in the fifth and sixth bullet points of the preceding paragraph. The ownership and transfer restrictions pertaining to CIM Commercial stock are described in this proxy statement under the heading "Description of Capital Stock and Securities Offered —Restrictions on Ownership and Transfer."

Disregarded Entity Subsidiaries. A corporation that is a qualified REIT subsidiary, or QRS, as defined in the Code, will not be treated as a separate corporation, and all assets, liabilities and items of income, deduction and credit of a QRS of CIM Commercial will be treated as assets, liabilities and items of these kinds of CIM Commercial, unless CIM Commercial makes an election to treat such corporation as a TRS. Thus, in applying the requirements described in this section, CIM Commercial's QRSs (if any) will be ignored, and all assets, liabilities and items of income, deduction and credit of these subsidiaries will be treated as assets, liabilities and items of these kinds of CIM Commercial. References to "disregarded entity subsidiaries" in this section include QRSs.

Investments in Partnerships. If a REIT is a partner in a partnership, Treasury regulations provide that the REIT will be deemed to own its proportionate share of the assets of the partnership and will be deemed to be entitled to the income of the partnership attributable to that proportionate share. In addition, the character of the assets and gross income of the partnership will retain the same character in the hands of the REIT for purposes of the rules of the Code defining REITs, including satisfying the gross income tests and the asset tests. Thus, CIM Commercial's proportionate share of the assets, liabilities and items of income of any partnership in which CIM Commercial is a partner will be treated as assets, liabilities and items of income of CIM Commercial for purposes of applying the requirements described in this section, and actions taken by partnerships in which CIM Commercial owns an interest, either directly or through one or more tiers of partnerships or disregarded entity subsidiaries, can affect CIM Commercial's ability to satisfy the REIT income and asset tests and the determination of whether CIM Commercial has net income from prohibited transactions. See the third bullet point under the heading "Taxation of CIM Commercial as a REIT" above for a brief description of prohibited transactions.

Taxable REIT Subsidiaries. A TRS is any corporation in which a REIT directly or indirectly owns stock, provided that the REIT and that corporation make a joint election to treat that corporation as a TRS. The election can be revoked at any time as long as the REIT and the TRS revoke such election jointly. In addition, if a TRS holds, directly or indirectly, more than 35% of the securities of any other corporation other than a REIT or a QRS (by vote or by value), then that other corporation is also treated as a TRS. A corporation can be a TRS with respect to more than one REIT.

A TRS is subject to U.S. federal income tax at the regular corporate rate (currently 21%), and may also be subject to state and local taxation. Any dividends paid or deemed paid by any one of CIM Commercial's TRSs will also be taxable, either (1) to CIM Commercial to the extent the dividend is retained by CIM Commercial or (2) to CIM Commercial's stockholders to the extent the dividends received from the TRS are paid to CIM Commercial's stockholders. CIM Commercial may hold more than 10% of the stock of a TRS without jeopardizing CIM Commercial's qualification as a REIT under the Code notwithstanding the rule described below under "Asset Tests" that generally precludes ownership of more than 10% of any issuer's securities. However, as noted below, in order for CIM Commercial to qualify as a REIT under the Code, the securities of all of the TRSs in which CIM Commercial holds either directly or indirectly may not represent more than 20% of the total value of CIM Commercial's assets (25% with respect to CIM Commercial's taxable years ending after December 31, 2009 and on or before December 31, 2017). CIM Commercial believes that the aggregate value of all of CIM Commercial's interests in TRSs has represented and will continue to represent less than 20% (and for taxable years ending after December 31, 2009 and on or before December 31, 2017, represented less than 25%) of the total value of CIM Commercial's assets; however, CIM Commercial cannot assure that this will always be true. Other than certain activities related to operating or managing a lodging or health care facility, a TRS may generally engage in any business including the provision of customary or non-customary services to tenants of the parent REIT.

Income Tests. In order to maintain CIM Commercial's qualification as a REIT, CIM Commercial annually must satisfy two gross income requirements.

- First, CIM Commercial must derive at least 75% of its gross income, excluding gross income from prohibited transactions, for each taxable year directly or indirectly from investments relating to real property, mortgages on real property or investments in REIT equity securities, including "rents from real property," as defined in the Code, or from certain types of temporary investments. Rents from real property generally include expenses of CIM Commercial that are paid or reimbursed by tenants.

- Second, at least 95% of CIM Commercial's gross income, excluding gross income from prohibited transactions, for each taxable year must be derived from real property investments as described in the preceding bullet point, dividends, interest and gain from the sale or disposition of stock or securities, or from any combination of these types of sources.

Rents that CIM Commercial receives will qualify as rents from real property in satisfying the gross income requirements for a REIT described above only if the rents satisfy several conditions.

- First, the amount of rent must not be based in whole or in part on the income or profits of any person. However, an amount received or accrued generally will not be excluded from rents from real property solely because the rent is based on a fixed percentage or percentages of receipts or sales.

- Second, the Code provides that rents received from a tenant will not qualify as rents from real property in satisfying the gross income tests if CIM Commercial, directly or under the applicable attribution rules, owns a 10% or greater interest in that tenant; except that rents received from a TRS under certain circumstances qualify as rents from real property even if CIM Commercial owns more than a 10% interest in the subsidiary. We refer to a tenant in which CIM Commercial owns a 10% or greater interest as a "related party tenant."

- Third, if rent attributable to personal property leased in connection with a lease of real property is greater than 15% of the total rent received under the lease, then the portion of rent attributable to the personal property will not qualify as rents from real property.

- Finally, for rents received to qualify as rents from real property, except as described below, CIM Commercial generally must not operate or manage the property or furnish or render services to the tenants of the property, other than through an independent contractor from whom CIM Commercial derives no revenue or through a TRS. However, CIM Commercial may directly perform certain services that landlords usually or customarily render when renting space for occupancy only or that are not considered rendered to the occupant of the property.

CIM Commercial does not and will not derive rental income attributable to personal property, other than personal property leased in connection with the lease of real property, the amount of which is less than 15% of the total rent received under the lease.

CIM Commercial directly performs services for some of CIM Commercial's tenants. CIM Commercial does not believe that the provision of these services will cause CIM Commercial's gross income attributable to these tenants to fail to be treated as rents from real property. If CIM Commercial were to provide services to a tenant of a property of CIM Commercial other than those services landlords usually or customarily provide to tenants of properties of a similar class in the same geographic market when renting space for occupancy only, amounts received or accrued by CIM Commercial for any of these services will not be treated as rents from real property for purposes of the REIT gross income tests. However, the amounts received or accrued for these services will not cause other amounts received with respect to the property to fail to be treated as rents from real property unless the amounts treated as received in respect of the service, together with amounts received for certain management services, exceed 1% of all amounts received or accrued by CIM Commercial during the taxable year with respect to the property. If the sum of the amounts received in respect of the services to tenants and management services described in the preceding sentence exceeds the 1% threshold, then all amounts received or accrued by CIM Commercial with respect to the property will not qualify as rents from real property, even if CIM Commercial provides the impermissible service to some, but not all, of the tenants of the property.

The term "interest" generally does not include any amount received or accrued, directly or indirectly, if the determination of that amount depends in whole or in part on the income or profits of any person. However, an amount received or accrued generally will not be excluded from the term interest solely because the amount of the interest is based on a fixed percentage or percentages of receipts or sales.

From time to time, CIM Commercial may enter into hedging transactions with respect to one or more of CIM Commercial's assets or liabilities. CIM Commercial's hedging activities may include entering into interest rate swaps, caps, and floors, options to

purchase these items, and futures and forward contracts. Except to the extent provided by Treasury regulations, any income CIM Commercial derives from a hedging transaction that is clearly identified as such as specified in the Code, including gain from the sale or disposition of such a hedging transaction, will not constitute gross income for purposes of the 75% or 95% gross income tests, and therefore will be excluded for purposes of these tests, but only to the extent that the transaction hedges indebtedness incurred or to be incurred by us to acquire or carry real estate. Income from any hedging transaction is however, nonqualifying for purposes of the 75% gross income test with respect to transactions entered into on or prior to July 30, 2008. The term "hedging transaction," as used above, generally means any transaction CIM Commercial enters into in the normal course of its business primarily to manage risk of interest rate or price changes or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, by CIM Commercial. For transactions entered into after July 30, 2008, the term "hedging transaction" also includes any transaction entered into primarily to manage the risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the 75% or 95% gross income test (or any property that generates such income or gain), including gain from the termination of such a transaction. The term "hedging transaction" also includes hedges of other hedging transactions described in this paragraph, and, effective for taxable years beginning after December 31, 2015, a REIT's gross income also excludes the income from hedging transactions that are hedges of previously-acquired hedging transactions that a REIT entered into to manage interest rate or currency fluctuation risks, even when the previously hedged indebtedness is extinguished or the property is disposed. CIM Commercial intends to structure any hedging transactions in a manner that does not jeopardize CIM Commercial's status as a REIT.

Effective for taxable years beginning after December 31, 2015, interest income and gain from the sale of a debt instrument issued by a "publicly offered REIT," unless the debt instrument is secured by real property or an interest in real property, is not treated as qualifying income for purposes of the 75% gross income test (even though such instruments are treated as "real estate assets" for purposes of the asset tests described below) but is treated as qualifying income for purposes of the 95% gross income test. A "publicly offered REIT" means a REIT that is required to file annual and periodic reports with the SEC under the Exchange Act.

As a general matter, certain foreign currency gains recognized after July 30, 2008 by CIM Commercial will be excluded from gross income for purposes of one or both of the gross income tests, as follows.

"Real estate foreign exchange gain" will be excluded from gross income for purposes of both the 75% and 95% gross income test. Real estate foreign exchange gain generally includes foreign currency gain attributable to any item of income or gain that is qualifying income for purposes of the 75% gross income test, foreign currency gain attributable to the acquisition or ownership of (or becoming or being the obligor under) obligations secured by mortgages on real property or on interests in real property and certain foreign currency gain attributable to certain qualified business units of a REIT.

"Passive foreign exchange gain" will be excluded from gross income for purposes of the 95% gross income test. Passive foreign exchange gain generally includes real estate foreign exchange gain as described above, and also includes foreign currency gain attributable to any item of income or gain that is qualifying income for purposes of the 95% gross income test and foreign currency gain attributable to the acquisition or ownership of (or becoming or being the obligor under) obligations that would not fall within the scope of the definition of real estate foreign exchange gain.

If CIM Commercial fails to satisfy one or both of the 75% or 95% gross income tests for any taxable year, CIM Commercial may nevertheless qualify as a REIT for that year if CIM Commercial satisfies the requirements of other provisions of the Code that allow relief from disqualification as a REIT. These relief provisions will generally be available if:

- CIM Commercial's failure to meet the income tests was due to reasonable cause and not due to willful neglect and
- CIM Commercial files a schedule of each item of income in excess of the limitations described above in accordance with regulations to be prescribed by the IRS.

CIM Commercial may not be entitled to the benefit of these relief provisions, however. Even if these relief provisions apply, CIM Commercial would have to pay a tax on the excess income. The tax will be a 100% tax on an amount equal to (i) the gross income attributable to the greater of (A) 75% of CIM Commercial's gross income over the amount of gross income that is qualifying income for purposes of the 75% test and (B) 95% of CIM Commercial's gross income over the amount of gross income that is qualifying income for purposes of the 95% test, multiplied by (ii) a fraction intended to reflect CIM Commercial's profitability.

Asset Tests. CIM Commercial, at the close of each quarter of its taxable year, must also satisfy four tests relating to the nature of CIM Commercial's assets.

- First, at least 75% of the value of CIM Commercial's total assets must be represented by real estate assets, including (i) real estate assets held by CIM Commercial's disregarded entity subsidiaries (if any), CIM Commercial's allocable share of real estate assets held by partnerships in which CIM Commercial owns an interest and stock issued by another

REIT, (ii) for a period of one year from the date of CIM Commercial's receipt of proceeds of an offering of the shares of CIM Commercial stock or publicly offered debt with a term of at least five years, stock or debt instruments purchased with these proceeds and (iii) cash, cash items and government securities.

- Second, not more than 25% of CIM Commercial's total assets may be represented by securities other than those in the 75% asset class (except that not more than 25% of CIM Commercial's total assets may be represented by "nonqualified" publicly offered debt instruments issued by REITs).

- Third, not more than 20% of CIM Commercial's total assets may constitute securities issued by TRSs (25% with respect to CIM Commercial's taxable years ending after December 31, 2009 and on or before December 31, 2017) and of the investments included in the 25% asset class, the value of any one issuer's securities, other than equity securities issued by another REIT or securities issued by a TRS, owned by CIM Commercial may not exceed 5% of the value of CIM Commercial's total assets. In addition, not more than 25% of the value of CIM Commercial's total assets may consist of "nonqualified" publicly offered debt issued by a REIT, as defined in Section 856(c)(5)(L) of the Code.

- Fourth, CIM Commercial may not own more than 10% of the vote or value of the outstanding securities of any one issuer, except for issuers that are REITs, disregarded entity subsidiaries or TRSs, or certain securities that qualify under a safe harbor provision of the Code (such as so-called "straight-debt" securities). Solely for the purposes of the 10% value test described above, the determination of CIM Commercial's interest in the assets of any entity treated as a partnership for U.S. federal income tax purposes in which CIM Commercial owns an interest will be based on CIM Commercial's proportionate interest in any securities issued by such entity, excluding for this purpose certain securities described in the Code.

If the IRS successfully challenges the partnership status of any of the partnerships in which CIM Commercial maintains a more than 10% vote or value interest, and the partnership is reclassified as a corporation or a publicly traded partnership taxable as a corporation, CIM Commercial could lose its REIT status. In addition, in the case of such a successful challenge, CIM Commercial could lose its REIT status if such recharacterization results in CIM Commercial otherwise failing one of the asset tests described above.

Certain relief provisions may be available to CIM Commercial if it fails to satisfy the asset tests described above after a 30-day cure period. Under these provisions, CIM Commercial will be deemed to have met the 5% and 10% REIT asset tests if the value of CIM Commercial's nonqualifying assets (i) does not exceed the lesser of (A) 1% of the total value of CIM Commercial's assets at the end of the applicable quarter and (B) $10,000,000, and (ii) CIM Commercial disposes of the nonqualifying assets within (A) six months after the last day of the quarter in which the failure to satisfy the asset tests is discovered or (B) the period of time prescribed by U.S. Treasury regulations to be issued. For violations due to reasonable cause and not willful neglect that are not described in the preceding sentence, CIM Commercial may avoid disqualification as a REIT under any of the asset tests, after the 30-day cure period, by taking steps including (i) the disposition of the nonqualifying assets to meet the asset test within (A) six months after the last day of the quarter in which the failure to satisfy the asset tests is discovered or (B) the period of time prescribed by U.S. Treasury regulations to be issued, (ii) paying a tax equal to the greater of (A) $50,000 or (B) the corporate tax rate multiplied by the net income generated by the nonqualifying assets, and (iii) disclosing certain information to the IRS.

Annual Distribution Requirements. CIM Commercial, in order to qualify as a REIT, is required to distribute dividends, other than capital gain dividends, to CIM Commercial's stockholders in an amount at least equal to (i) the sum of (A) 90% of CIM Commercial's "REIT taxable income," computed without regard to the dividends paid deduction and CIM Commercial's net capital gain, and (B) 90% of CIM Commercial's net after-tax income, if any, from foreclosure property minus (ii) the sum of certain items of non-cash income.

In addition, if CIM Commercial acquired an asset from a C corporation in a carryover basis transaction and disposes of such asset within five years of acquiring the asset, CIM Commercial may be required to distribute dividends in an amount at least equal to 90% of the after-tax built-in gain, if any, recognized on the disposition of the asset.

These dividends must be paid in the taxable year to which the dividends relate, or in the following taxable year if declared before CIM Commercial timely files its tax return for the year to which the dividends relate and if paid on or before the first regular dividend payment after the declaration. However, for U.S. federal income tax purposes, dividends that are declared in October, November or December as of a record date in such month and actually paid in January of the following year will be treated as if the dividends were paid on December 31 of the year declared.

To the extent that CIM Commercial does not distribute all of its net capital gain or distributes at least 90%, but less than 100%, of CIM Commercial's REIT taxable income, as adjusted, CIM Commercial will have to pay tax on the undistributed amounts

at regular ordinary and capital gain corporate tax rates. Furthermore, if CIM Commercial fails to distribute during each calendar year at least the sum of (i) 85% of CIM Commercial's ordinary income for that year, (ii) 95% of CIM Commercial's capital gain net income for that year and (iii) any undistributed taxable income from prior periods, CIM Commercial would have to pay a 4% excise tax on the excess of the required distribution over the sum of the amounts actually distributed and retained amounts on which income tax is paid at the corporate level.

CIM Commercial intends to satisfy the annual distribution requirements.

From time to time, CIM Commercial may not have sufficient cash or other liquid assets to meet the 90% distribution requirement due to timing differences between (i) when CIM Commercial actually receives income and when CIM Commercial actually pays deductible expenses and (ii) when CIM Commercial includes the income and deducts the expenses in arriving at CIM Commercial's taxable income. If timing differences of this kind occur, in order to meet the 90% distribution requirement, CIM Commercial may find it necessary to arrange for short-term, or possibly long-term, borrowings or to pay dividends in the form of taxable stock dividends.

Under certain circumstances, CIM Commercial may be able to rectify a failure to meet the distribution requirement for a year by paying "deficiency dividends" to stockholders in a later year, which may be included in CIM Commercial's deduction for dividends paid for the earlier year. Thus, CIM Commercial may be able to avoid being taxed on amounts distributed as deficiency dividends; however, CIM Commercial will be required to pay interest based upon the amount of any deduction taken for deficiency dividends.

Failure to Qualify as a REIT

If CIM Commercial would otherwise fail to qualify as a REIT because of a violation of one of the requirements described above, CIM Commercial's qualification as a REIT will not be terminated if the violation is due to reasonable cause and not willful neglect and CIM Commercial pays a penalty tax of $50,000 for the violation. The immediately preceding sentence does not apply to violations of the income tests described above or a violation of the asset tests described above, each of which has specific relief provisions that are described above.

If CIM Commercial fails to qualify for taxation as a REIT in any taxable year, and the relief provisions do not apply, CIM Commercial would have to pay tax on CIM Commercial's taxable income at the regular corporate rate. CIM Commercial would not be able to deduct distributions to stockholders in any year in which CIM Commercial fails to qualify, nor would CIM Commercial be required to make distributions to stockholders. In this event, to the extent of current and accumulated earnings and profits, all distributions to stockholders would be taxable to the stockholders as dividend income (which, in the case of noncorporate stockholders, may be subject to tax at the preferential rate applicable to qualified dividends but would not be eligible for the 20% deduction in respect of certain REIT dividends) and corporate distributees may be eligible for the dividends-received deduction if such distributees satisfy the relevant provisions of the Code. Unless entitled to relief under specific statutory provisions, CIM Commercial would also be disqualified from taxation as a REIT for the four taxable years following the year during which qualification was lost. CIM Commercial might not be entitled to the statutory relief described above in all circumstances.

Excess Inclusion Income

If CIM Commercial holds a residual interest in a REMIC or certain interests in a TMP from which CIM Commercial derives "excess inclusion income," CIM Commercial may be required to allocate such income among CIM Commercial's stockholders in proportion to the dividends received by CIM Commercial's stockholders, even though CIM Commercial may not receive such income in cash. To the extent that excess inclusion income is allocable to a particular stockholder, the income (1) would not be allowed to be offset by any net operating losses otherwise available to the stockholder, (2) would be subject to tax as unrelated business taxable income in the hands of most types of stockholders that are otherwise generally exempt from U.S. federal income tax, and (3) would result in the application of U.S. federal income tax withholding at the maximum rate (30%), without reduction pursuant to any otherwise applicable income tax treaty, to the extent allocable to most types of non-U.S. stockholders.

Taxation of Holders of Common Stock, Series A Preferred Stock or Warrants

U.S. Stockholders

Allocation of Purchase Price of Unit as Between Series A Preferred Stock and Warrant. For U.S. federal income tax purposes, the purchase of each Unit will be treated as the purchase of (i) a share of Series A Preferred Stock and (ii) a Warrant to purchase 0.25 of a share of Common Stock. The purchase price for the Unit must be allocated as between the Series A Preferred Stock and the Warrant in proportion to their relative fair market values on the date that the Unit is purchased. The allocation of the purchase

price will establish your initial tax basis for U.S. federal income tax purposes in your Series A Preferred Stock and the Warrant. You should consult your own tax advisor regarding the allocation of the purchase price between the share of Series A Preferred Stock and the Warrant.

If the allocation of the purchase price between the Series A Preferred Stock and the Warrant results in an "issue price" for the Series A Preferred Stock that is lower than the price at which the Series A Preferred Stock may be redeemed under certain circumstances, this difference in price (the "redemption premium") would be treated as a constructive distribution of additional stock on Series A Preferred Stock under Section 305(c) of the Code, unless the redemption premium is less than a statutory de minimis amount. If shares of the Series A Preferred Stock may be redeemed at more than one time, the time and price at which redemption is most likely to occur must be determined based on all the facts and circumstances as of the issue date. Any such constructive distribution must be taken into account under principles of the Code similar to the principles governing the inclusion of accrued original issue discount. Under those principles, a U.S. stockholder is required to include the redemption premium in gross income as the redemption premium accrues under a constant yield method. For taxable years beginning after December 31, 2017 and on or before December 31, 2025, a noncorporate U.S. stockholder should be entitled to a deduction equal to 20% of the value of any such constructive distribution as described below under "—Dividends."

We intend to take a position, through an appropriate valuation methodology, on an allocation of the purchase price for each Unit between the share of Series A Preferred Stock and the Warrant that comprise the Unit. If the allocation results in a value for the Warrant in excess of the statutory de minimis amount, we would report the redemption premium in gross income of U.S. stockholders as the redemption premium accrues under a constant yield method and include the amount on the annual dividend reporting form, Form 1099-DIV, to the extent such an amount is treated as a dividend for U.S. federal income tax purposes. However, our position on the allocation of the purchase price to the Warrants is not binding on the IRS. If the IRS were to take a different position regarding such allocation, U.S. stockholders could be required to include a different amount of redemption premium in gross income as the redemption premium accrues under a constant yield method and may be required to treat any gain recognized on the disposition of the Series A Preferred Stock as ordinary income rather than as capital gain.

Dividends. As long as CIM Commercial qualifies as a REIT, distributions made by CIM Commercial out of its current or accumulated earnings and profits, and not designated as capital gain dividends, will constitute dividends taxable to CIM Commercial's taxable U.S. stockholders as ordinary income. Noncorporate U.S. stockholders, however, will generally not be entitled to the preferential tax rate applicable to certain types of dividends except with respect to the portion of any distribution (i) that represents income from dividends CIM Commercial received from a corporation in which CIM Commercial owns shares (but only if such dividends would be eligible for the lower rate on dividends if paid by the corporation to its individual stockholders) or (ii) that is equal to the sum of CIM Commercial's REIT taxable income (taking into account the dividends paid deduction available to CIM Commercial) and certain net built-in gain with respect to property acquired from a C corporation in certain transactions in which CIM Commercial must adopt the basis of the asset in the hands of the C corporation for CIM Commercial's previous taxable year and less any taxes paid by CIM Commercial during its previous taxable year, in each case, provided that certain holding period and other requirements are satisfied at both CIM Commercial and individual stockholder level and that CIM Commercial designates the distribution (or portion thereof) as "qualified dividend income."

Under the Tax Cuts and Jobs Act, for taxable years beginning after December 31, 2017 and on or before December 31, 2025, noncorporate holders of shares in a REIT such as CIM Commercial are entitled to a deduction equal to 20% of any "qualified REIT dividends." Qualified REIT dividends are defined as any dividend from a REIT that is not a capital gain dividend or qualified dividend income. A noncorporate U.S. stockholder's ability to claim a deduction equal to 20% of qualified REIT dividends received may be limited by the stockholder's particular circumstances. In addition, for any noncorporate U.S. stockholder that claims a deduction in respect of qualified REIT dividends, the maximum threshold for the accuracy-related penalty with respect to substantial understatements of income tax could be reduced from 10% to 5%.

Noncorporate U.S. stockholders should consult their own tax advisors to determine the tax rates on dividends received from CIM Commercial and the ability to claim a deduction in respect of such dividends.

Distributions made by CIM Commercial will not be eligible for the dividends received deduction in the case of U.S. stockholders that are corporations. Distributions made by CIM Commercial that CIM Commercial properly designates as capital gain dividends will be taxable to U.S. stockholders as gain from the sale of a capital asset held for more than one year, to the extent that such dividends do not exceed CIM Commercial's actual net capital gain for the taxable year, without regard to the period for which a U.S. stockholder has held the shares of CIM Commercial stock. Thus, with certain limitations, capital gain dividends received by an individual U.S. stockholder may be eligible for preferential rates of taxation. U.S. stockholders that are corporations may, however, be required to treat up to 20% of certain capital gain dividends as ordinary income. Effective for taxable years beginning after December 31, 2015, the maximum amount of dividends that may be designated by CIM Commercial as capital gain dividends and as "qualified dividend income" with respect to any taxable year may not exceed the dividends paid by CIM Commercial with respect to

such year, including the amounts of distributions paid by CIM Commercial in the succeeding taxable year that relate back to the prior taxable year for purposes of determining CIM Commercial's dividends paid deduction. In addition, the IRS has been granted authority to prescribe regulations or other guidance requiring the proportionality of the designation for particular types of dividends (for example, capital gain dividends) among REIT shares.

To the extent that CIM Commercial makes distributions not designated as capital gain dividends in excess of CIM Commercial's current and accumulated earnings and profits, these distributions will be treated first as a tax-free return of capital to each U.S. stockholder. Thus, these distributions will reduce the adjusted basis that the U.S. stockholder has in the shares of CIM Commercial stock for tax purposes by the amount of the distribution, but not below zero. Distributions in excess of a U.S. stockholder's adjusted basis in the shares of CIM Commercial stock will be taxable as capital gains, provided that the shares of CIM Commercial stock have been held as a capital asset. For purposes of determining the portion of distributions on separate classes of shares of CIM Commercial stock that will be treated as dividends for U.S. federal income tax purposes, current and accumulated earnings and profits will be allocated to distributions resulting from priority rights of Series A Preferred Stock before being allocated to other distributions.

Dividends declared by CIM Commercial in October, November, or December of any year and payable to a stockholder of record on a specified date in any of these months will be treated as both paid by CIM Commercial and received by the stockholder on December 31 of that year, provided that CIM Commercial actually pays the dividend on or before January 31 of the following calendar year.

CIM Commercial may make distributions to holders of shares of CIM Commercial stock that are paid in shares of CIM Commercial stock. In certain circumstances, CIM Commercial may intend that such distributions be treated as dividends for U.S. federal income tax purposes and a U.S. stockholder would, therefore, generally have taxable income with respect to such distributions of shares of CIM Commercial stock and may have a tax liability on account of such distribution in excess of the cash (if any) that is received.

U.S. stockholders holding shares of CIM Commercial stock at the close of CIM Commercial's taxable year will be required to include, in computing the U.S. stockholders' long-term capital gains for the taxable year in which the last day of CIM Commercial's taxable year falls, the amount of CIM Commercial's undistributed net capital gain that CIM Commercial designates in a written notice mailed to CIM Commercial's stockholders. CIM Commercial may not designate amounts in excess of CIM Commercial's undistributed net capital gain for the taxable year. Each U.S. stockholder required to include the designated amount in determining the stockholder's long-term capital gains will be deemed to have paid, in the taxable year of the inclusion, the tax paid by CIM Commercial in respect of the undistributed net capital gains. U.S. stockholders to whom these rules apply will be allowed a credit or a refund, as the case may be, for the tax such stockholders are deemed to have paid. U.S. stockholders will increase their basis in the shares of CIM Commercial stock by the difference between the amount of the includible gains and the tax deemed paid by the stockholders in respect of these gains. Stockholders may not include in their own income tax returns any net operating losses or capital losses of CIM Commercial.

Distributions made by CIM Commercial and gain arising from a U.S. stockholder's sale or exchange of shares of CIM Commercial stock will not be treated as passive activity income. As a result, U.S. stockholders generally will not be able to apply any passive losses against that income or gain.

Sale or Exchange of CIM Commercial Stock or Warrants. When a U.S. stockholder sells or otherwise disposes of CIM Commercial stock or Warrants, the stockholder will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between (i) the amount of cash and the fair market value of any property received on the sale or other disposition, and (ii) the holder's adjusted basis in the shares or Warrants for tax purposes. This gain or loss will be capital gain or loss if the U.S. stockholder has held the shares as capital assets. The gain or loss will be long-term gain or loss if the U.S. stockholder has held the shares or Warrants for more than one year. Long-term capital gain of an individual U.S. stockholder is generally taxed at preferential rates. In general, any loss recognized by a U.S. stockholder when the stockholder sells or otherwise disposes of CIM Commercial stock that the stockholder has held for six months or less, after applying certain holding period rules, will be treated as a long-term capital loss, to the extent of distributions received by the stockholder from CIM Commercial that were treated as long-term capital gains.

Redemption of Series A Preferred Stock. CIM Commercial's Series A Preferred Stock may be redeemable by CIM Commercial under certain circumstances as described under "Description of Capital Stock and Securities Offered—Securities Offered In This Offering—Series A Preferred Stock." Any redemption of Series A Preferred Stock for cash will be a taxable transaction for U.S. federal income tax purposes. If a redemption for cash by a U.S. stockholder is treated as a sale or redemption of such Series A Preferred Stock for U.S. federal income tax purposes, the holder will recognize capital gain or loss equal to the difference between the purchase price and the U.S. stockholder's adjusted tax basis in the Series A Preferred Stock redeemed by us. The gain or loss would be

long-term capital gain or loss if the holding period for the Series A Preferred Stock exceeds one year. The deductibility of capital losses may be subject to limitations.

The receipt of cash by a stockholder in redemption of Series A Preferred Stock will be treated as a sale or redemption for United States federal income tax purposes if the redemption:

- is "not essentially equivalent to a dividend" with respect to the holder under the Code;
- is a "substantially disproportionate" redemption with respect to the holder under the Code; or
- results in a "complete termination" of the holder's stock interest in CIM Commercial under the Code.

In determining whether any of these tests has been met, a holder must take into account not only Series A Preferred Stock or any other class of CIM Commercial stock the holder actually owns, but also any of CIM Commercial's stock regardless of class the holder constructively owns within the meaning of the Code (stock that is owned, directly or indirectly, by certain members of the holder's family and certain entities (such as corporations, partnerships, trusts and estates) in which the holder has an equity interest as well as stock that may be acquired through options that the holder owns (which include Warrants)).

A distribution to a stockholder will be treated as "not essentially equivalent to a dividend" if the distribution results in a "meaningful reduction" in the stockholder's stock interest (taking into account all shares owned, regardless of class or series) in CIM Commercial. Whether the receipt of cash by a stockholder will result in a meaningful reduction of the stockholder's proportionate interest will depend on the stockholder's particular facts and circumstances. If, however, as a result of a redemption of Series A Preferred Stock, a U.S. stockholder whose relative stock interest (actual or constructive) in CIM Commercial is minimal and who exercises no control over corporate affairs suffers a reduction in the holder's proportionate interest in CIM Commercial (including any ownership of stock constructively owned), the holder generally should be regarded as having suffered a "meaningful reduction" in the holder's interest in CIM Commercial.

Satisfaction of the "substantially disproportionate" and "complete termination" exceptions is dependent upon compliance with certain objective tests set forth in the Code. A distribution to a stockholder will be "substantially disproportionate" if the percentage of CIM Commercial's outstanding voting stock actually and constructively owned by the stockholder immediately following the redemption of Series A Preferred Stock (treating Series A Preferred Stock redeemed as not outstanding) is less than 80% of the percentage of CIM Commercial's outstanding voting stock actually and constructively owned by the stockholder immediately before the redemption (treating Series A Preferred Stock redeemed pursuant to the tender offer as not outstanding), and immediately following the redemption the stockholder actually and constructively owns less than 50% of the total combined voting power of CIM Commercial. Because CIM Commercial's Series A Preferred Stock is nonvoting stock, a holder would have to reduce such holder's holdings in any of CIM Commercial's classes of voting stock to satisfy this test.

A distribution to a stockholder will result in a "complete termination" if either (1) all of the Series A Preferred Stock and all other classes of CIM Commercial's stock actually and constructively owned by the stockholder are redeemed or (2) all of the Series A Preferred Stock and CIM Commercial's other classes of stock actually owned by the stockholder are redeemed or otherwise disposed of and the stockholder is eligible to waive, and effectively waives, the attribution of CIM Commercial's stock constructively owned by the stockholder in accordance with the procedures described in the Code.

Any redemption may not be a redemption of all of CIM Commercial's Series A Preferred Stock. If CIM Commercial were to redeem less than all of the Series A Preferred Stock, a stockholder's ability to meet any of the three tests described above might be impaired. In consulting with their tax advisors, stockholders should discuss the consequences of a partial redemption of CIM Commercial's Series A Preferred Stock on the amount of CIM Commercial's stock actually and constructively owned by such holder required to produce the desired tax treatment.

If a U.S. stockholder's receipt of cash attributable to a redemption of CIM Commercial's Series A Preferred Stock for cash does not meet one of the tests described above, then the cash received by such holder in the tender offer will be treated as a distribution and taxed as described under "Dividends" above.

If the Series A Preferred Stock is redeemed for shares of Common Stock, you would not recognize gain or loss (except in respect of any Common Stock received that is attributable to accrued but unpaid dividends, which would be taxed as a dividend as described under "Dividends") and your basis in the Common Stock received would be the same as your basis in the redeemed Series A Preferred Stock. Your holding period in the Common Stock received would include your holding period in the redeemed Series A Preferred Stock.

Exercise of the Warrants. Upon the exercise of a Warrant for cash, you will not recognize gain or loss, and the amount paid for the Warrant plus the amount paid at exercise will be added to your basis in the Common Stock received. Your holding period for the Common Stock purchased pursuant to exercise of a Warrant for cash will generally begin on the day following the exercise and will not include the period during which you held the Warrant.

The tax consequences of the cashless exercise of a warrant are not clear. Cashless exercise of the Warrants may be treated as a tax-free non-recognition event (except with respect to any cash received in lieu of a fractional share) for U.S. federal income tax purposes, either because (i) the Warrants are treated as options to acquire a variable number of shares of Common Stock on exercise with no exercise price or (ii) the exchange of Warrants for shares of our Common Stock is treated as a recapitalization. In either case, your tax basis in the Common Stock received will equal your adjusted tax basis in the Warrants, less any basis attributable to any fractional share. Your receipt of cash in lieu of a fractional share of Common Stock will generally be treated as if you received the fractional share and then received such cash in redemption of the share. If the characterization described in clause (i) above applies, the holding period of Common Stock received upon the exercise of a Warrant should commence on the day after the Warrant is exercised, or possibly on the date of exercise. Alternatively, if the exercise of Warrants is treated as a recapitalization, the holding period of Common Stock received upon the exercise of a Warrant would include the holding period for the Warrant.

It is also possible that a cashless exercise of the Warrants could be treated as a taxable exchange in which gain or loss would be recognized. The amount of gain or loss recognized on such exchange and the character of the gain or loss as short-term or long-term would depend on the characterization of that exchange. If a U.S. stockholder is treated as selling a portion of the Warrants or underlying shares of our Common Stock for cash that is used to pay the exercise price for the Warrants, the amount of gain or loss would be the difference between that exercise price and such U.S. stockholder's adjusted tax basis attributable to the Warrants or shares of our Common Stock deemed to have been sold. If the U.S. stockholder is treated as selling Warrants, such U.S. stockholder would have long-term capital gain or loss if the U.S. stockholder has held the Warrants for more than one year. If the U.S. stockholder is treated as selling underlying shares of our common stock, such U.S. stockholder would have short-term capital gain or loss. In either case, a U.S. stockholder of a Warrant would also recognize gain or loss in respect of the cash received in lieu of any fractional share of our Common Stock otherwise issuable upon exercise in an amount equal to the difference between the amount of cash received and the portion of such U.S. stockholder's tax basis attributable to such fractional share. The deductibility of capital losses is subject to limitations. If a U.S. stockholder is treated as selling a portion of the Warrants or underlying shares of our common stock for cash that is used to pay the exercise price for the Warrants, such U.S. stockholder would have a tax basis in the shares of our Common Stock received equal to the aggregate basis in the Warrants plus the amount of gain recognized on such deemed exchange, and a holding period beginning on the day after the date of the exchange, or possibly on the day of the exchange.

Alternatively, if the U.S. stockholder is treated as exchanging, in a taxable exchange, the Warrants for shares of our Common Stock received on exercise, the amount of gain or loss would be the difference between (1) the fair market value of our Common Stock and cash in lieu of any fractional share received on exercise and (2) the holder's adjusted tax basis in the Warrants. In that case, the U.S. stockholder would have long-term capital gain or loss with respect to the exchange if the U.S. stockholder has held the Warrants for more than one year and such U.S. stockholder would have a tax basis in the shares of our Common Stock received equal to their fair market value and a holding period beginning on the day after the date of the exchange.

Due to the absence of authority on the U.S. federal income tax treatment of the exercise of Warrants through net share settlement, there can be no assurance as to which, if any, of the alternative tax consequences and holding periods described above will be adopted by the IRS or a court. Accordingly, U.S. stockholders should consult their tax advisors regarding the tax consequences of the exercise of the Warrants.

Expiration of the Warrants. If the Warrant is allowed to lapse unexercised, you would generally have a capital loss equal to your basis in the Warrant. Such loss would be a long-term capital loss provided you held the Warrant for more than one year at the time the Warrant is allowed to lapse.

Adjustments to the Warrants. Pursuant to the terms of the Warrants, the exercise price at which the Common Stock may be purchased and or the number of shares of Common Stock that may be purchased on exercise is subject to adjustment from time to time upon the occurrence of certain events. To the extent an adjustment, or failure to adjust, the number of shares of our Common Stock underlying the Warrants and or the exercise price of the Warrants results in an increase in the proportionate interest of a holder in our assets or our earnings and profits, such holder will be treated as having received a distribution of property. Any such distribution will be taxable in accordance with the rules described under "Dividends" above. In the event such a deemed distribution is taxable, a U.S. stockholder's basis in its Warrants will be increased by an amount equal to the taxable distribution.

Backup Withholding. CIM Commercial will report to its U.S. stockholders and the IRS the amount of dividends paid during each calendar year, and the amount of tax withheld, if any. Under the backup withholding rules, backup withholding may apply to a stockholder with respect to dividends paid unless the holder (i) is a corporation or comes within certain other exempt categories and,

when required, demonstrates this fact or (ii) provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. The IRS may also impose penalties on a U.S. stockholder that does not provide CIM Commercial with such stockholder's correct taxpayer identification number. A stockholder may credit any amount paid as backup withholding against the stockholder's income tax liability. In addition, CIM Commercial may be required to withhold a portion of capital gain distributions to any stockholders who fail to certify their non-foreign status to CIM Commercial.

Taxation of Tax-Exempt Stockholders. The IRS has ruled that amounts distributed as dividends by a REIT generally do not constitute unrelated business taxable income when received by a tax-exempt entity. Based on that ruling, provided that a tax-exempt stockholder is not one of the types of entities described below and has not held shares of our stock as "debt financed property" within the meaning of the Code, and the shares are not otherwise used in a trade or business, the dividend income from the shares will not be unrelated business taxable income to a tax-exempt stockholder. Similarly, income from the sale of shares will not constitute unrelated business taxable income unless the tax-exempt stockholder has held the shares as "debt financed property" within the meaning of the Code or has used the shares in a trade or business.

Notwithstanding the above paragraph, tax-exempt stockholders will be required to treat as unrelated business taxable income any dividends paid by CIM Commercial that are allocable to CIM Commercial's "excess inclusion" income, if any.

Income from an investment in CIM Commercial stock or Warrants will constitute unrelated business taxable income for tax-exempt stockholders that are social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts, and qualified group legal services plans exempt from U.S. federal income taxation under the applicable subsections of Section 501(c) of the Code, unless the organization is able to properly deduct amounts set aside or placed in reserve for certain purposes so as to offset the income generated by the CIM Commercial stock or Warrants. Prospective investors of the types described in the preceding sentence should consult such investors' own tax advisors concerning these "set aside" and reserve requirements.

Notwithstanding the foregoing, however, a portion of the dividends paid by a "pension-held REIT" will be treated as unrelated business taxable income to any trust that:

- is described in certain provisions of the Code relating to qualified pension, profit-sharing and stock bonus plans;
- is described in certain provisions of the Code relating to tax-exempt organizations and
- holds more than 10% (by value) of the equity interests in the REIT.

Tax-exempt pension, profit-sharing and stock bonus funds described in the first bullet point above are referred to below as qualified trusts. A REIT is a "pension-held REIT" if:

- the REIT would not have qualified as a REIT but for the fact that the Code provides that stock owned by qualified trusts will be treated, for purposes of the "not closely held" requirement, as owned by the beneficiaries of the trust (rather than by the trust itself); and
- either (i) at least one qualified trust holds more than 25% by value of the outstanding capital stock of the REIT or (ii) one or more qualified trusts, each of which owns more than 10% by value of the outstanding capital stock of the REIT, hold in the aggregate more than 50% by value of the outstanding capital stock of the REIT.

The percentage of any REIT dividend treated as unrelated business taxable income to a qualifying trust is equal to the ratio of (i) the gross income of the REIT from unrelated trades or businesses, determined as though the REIT were a qualified trust, less direct expenses related to this gross income to (ii) the total gross income of the REIT, less direct expenses related to the total gross income. A de minimis exception applies where this percentage is less than 5% for any year. CIM Commercial does not expect to be classified as a "pension-held REIT."

The rules described above under the heading "U.S. Stockholders" concerning the inclusion of CIM Commercial's designated undistributed net capital gains in the income of CIM Commercial's stockholders will apply to tax-exempt entities. Thus, tax-exempt entities will be allowed a credit or refund of the tax deemed paid by these entities in respect of the includible gains.

Medicare Tax. A U.S. stockholder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the U.S. stockholder's "net investment income" (or "undistributed net investment income" in the case of an estate or trust) for the relevant taxable year and (2) the excess of the U.S. stockholder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between $125,000 and

$250,000, depending on the individual's circumstances). A holder's net investment income generally includes the holder's dividend income and the holder's net gains from the disposition of CIM Commercial stock or Warrants, unless such dividends or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). The temporary 20% deduction added by the Tax Cuts and Jobs Act with respect to ordinary REIT dividends received by non-corporate taxpayers is not allowed as a deduction for purposes of determining the amount of net investment income subject to the 3.8% Medicare tax. If you are a U.S. stockholder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in CIM Commercial stock and Warrants.

Non-U.S. Stockholders

The rules governing U.S. federal income taxation of non-U.S. stockholders are highly technical and complex. The following discussion is only a limited summary of these rules. Prospective non-U.S. stockholders should consult with their own tax advisors to determine the impact of U.S. federal, state and local income tax laws with regard to an investment in CIM Commercial stock and Warrants, including any reporting requirements.

Ordinary Dividends. Distributions, other than distributions that are treated as attributable to gain from sales or exchanges by CIM Commercial of U.S. real property interests, as discussed below, and other than distributions designated by CIM Commercial as capital gain dividends, will be treated as ordinary income to the extent that the distributions are made out of CIM Commercial's current or accumulated earnings and profits. A withholding tax equal to 30% of the gross amount of the distribution will ordinarily apply to distributions of this kind to non-U.S. stockholders (other than stockholders described below in "Qualified Stockholders and Qualified Foreign Pension Funds"), unless an applicable tax treaty reduces that tax. However, if income from the investment in CIM Commercial stock or Warrants is treated as effectively connected with the non-U.S. stockholder's conduct of a U.S. trade or business or is attributable to a permanent establishment that the non-U.S. stockholder maintains in the United States if that is required by an applicable income tax treaty as a condition for subjecting the non-U.S. stockholder to U.S. taxation on a net income basis, the non-U.S. stockholder would generally be taxed in the same manner as U.S. stockholders are taxed with respect to dividends, and the 30% branch profits tax may also apply if the stockholder is a non-U.S. corporation. CIM Commercial expects that it or the required withholding agent will withhold U.S. tax at the rate of 30% on the gross amount of any dividends, other than dividends treated as attributable to gain from sales or exchanges of U.S. real property interests and capital gain dividends, paid to a non-U.S. stockholder, unless (i) a lower treaty rate applies and the required form evidencing eligibility for that reduced rate is filed with CIM Commercial or the appropriate withholding agent or (ii) the non-U.S. stockholder files an IRS Form W-8-ECI or a successor form with CIM Commercial or the appropriate withholding agent claiming that the distributions are effectively connected with the non-U.S. stockholder's conduct of a U.S. trade or business and in either case other applicable requirements were met.

If a non-U.S. stockholder receives an allocation of "excess inclusion income" with respect to a REMIC residual interest or an interest in a TMP owned by CIM Commercial, the non-U.S. stockholder would be subject to U.S. federal income tax withholding at the maximum rate of 30% with respect to such allocation, without reduction pursuant to any otherwise applicable income tax treaty.

Return of Capital. Distributions in excess of CIM Commercial's current and accumulated earnings and profits, which are not treated as attributable to the gain from CIM Commercial's disposition of a U.S. real property interest, will not be taxable to a non-U.S. stockholder to the extent that the distributions do not exceed the non-U.S. stockholder's adjusted basis in such stockholder's CIM Commercial stock. Distributions of this kind will instead reduce the adjusted basis of such shares. To the extent that distributions of this kind exceed the non-U.S. stockholder's adjusted basis in such stockholder's shares of CIM Commercial stock, the distributions will give rise to tax liability if the non-U.S. stockholder otherwise would have to pay tax on any gain from the sale or disposition of the shares, as described below. If it cannot be determined at the time a distribution is made whether the distribution will be in excess of current and accumulated earnings and profits, withholding will apply to the distribution at the rate applicable to dividends. However, the non-U.S. stockholder may seek a refund of these amounts from the IRS if it is subsequently determined that the distribution was, in fact, in excess of CIM Commercial's current and accumulated earnings and profits.

Also, CIM Commercial (or applicable withholding agent) could potentially be required to withhold at least 15% of any distribution in excess of CIM Commercial's current and accumulated earnings and profits, even if the non-U.S. stockholder is not liable for U.S. tax on the receipt of that distribution. However, a non-U.S. stockholder may seek a refund of these amounts from the IRS if the non-U.S. stockholder's tax liability with respect to the distribution is less than the amount withheld. Such withholding should generally not be required if a non-U.S. stockholder would not be taxed under FIRPTA, upon a sale or exchange of CIM Commercial stock. See discussion below under "Sales of CIM Commercial Stock and Warrants."

Capital Gain Dividends. Distributions that are attributable to gains from sales or exchanges by CIM Commercial of U.S. real property interests that are paid with respect to any class of CIM Commercial stock that is regularly traded on an established securities market located in the United States and held by a non-U.S. stockholder who does not own more than 10% of such class of stock at any

time during the one year period ending on the date of distribution will be treated as a normal distribution by CIM Commercial, and such distributions will be taxed as described above in "Ordinary Dividends."

Distributions that are not described in the preceding paragraph that are attributable to gains from sales or exchanges by CIM Commercial of U.S. real property interests will be taxed to a non-U.S. stockholder under the provisions of FIRPTA, except as described below under "Qualified Stockholders and Qualified Foreign Pension Funds." Under FIRPTA, these distributions are taxed to a non-U.S. stockholder as if the gains were effectively connected with a U.S. business. Thus, non-U.S. stockholders will be taxed on the distributions at the normal capital gain rates applicable to U.S. stockholders, subject, in the case of non-corporate holders, to any applicable alternative minimum tax and special alternative minimum tax in the case of individuals, and the 30% branch profits tax may also apply if the stockholder is a non-U.S. corporation. CIM Commercial (or applicable withholding agent) is required by applicable Treasury regulations under FIRPTA to withhold 21% of any distribution that CIM Commercial could designate as a capital gain dividend. However, if CIM Commercial designates as a capital gain dividend a distribution made before the day CIM Commercial actually effects the designation, then although the distribution may be taxable to a non-U.S. stockholder, withholding does not apply to the distribution under FIRPTA. Rather, CIM Commercial must effect the 21% withholding from distributions made on and after the date of the designation, until the distributions so withheld equal the amount of the prior distribution designated as a capital gain dividend. The non-U.S. stockholder may credit the amount withheld against the non-U.S. stockholder's U.S. tax liability.

Distributions to a non-U.S. stockholder that are designated by CIM Commercial at the time of distribution as capital gain dividends that are not attributable to or treated as attributable to the disposition by CIM Commercial of a U.S. real property interest generally will not be subject to U.S. federal income taxation, except as described above.

Share Distributions. CIM Commercial has not made, but in the future may make distributions to holders of shares of CIM Commercial stock that are paid in shares of CIM Commercial stock. In certain circumstances, these distributions may be intended to be treated as dividends for U.S. federal income tax purposes and, accordingly, would be treated in a manner consistent with the discussion above under "Ordinary Dividends" and "Capital Gain Dividends." If CIM Commercial (or applicable withholding agent) is required to withhold an amount in excess of any cash distributed along with the shares of CIM Commercial stock, some of the shares that would otherwise be distributed would be retained and sold in order to satisfy such withholding obligations.

Sales of CIM Commercial Stock and Warrants. Gain recognized by a non-U.S. stockholder upon a sale or exchange of CIM Commercial stock or Warrants generally will not be taxed under FIRPTA if CIM Commercial is a "domestically controlled REIT," defined generally as a real estate investment, less than 50% in value of the stock of which is and was held directly or indirectly by non-U.S. persons at all times during a specified testing period (provided that, if any class of CIM Commercial's stock or Warrants is regularly traded on an established securities market in the United States, a person holding less than 5% of such class during the testing period is presumed not to be a non-U.S. person, unless CIM Commercial has actual knowledge otherwise). CIM Commercial believes that it is a "domestically controlled REIT," and, therefore, assuming that CIM Commercial continues to be a "domestically controlled REIT," that taxation under FIRPTA generally will not apply to the sale of CIM Commercial stock or Warrants. However, gain to which FIRPTA does not apply will nonetheless be taxable to a non-U.S. stockholder if its investment in the CIM Commercial stock or Warrants is treated as effectively connected with the non-U.S. stockholder's U.S. trade or business or is attributable to a permanent establishment that the non-U.S. stockholder maintains in the United States if that is required by an applicable income tax treaty as a condition for subjecting the non-U.S. stockholder to U.S. taxation on a net income basis. In this case, the same treatment will apply to the non-U.S. stockholder as to U.S. stockholders with respect to the gain. In addition, gain to which FIRPTA does not apply will be taxable to a non-U.S. stockholder if the non-U.S. stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, or maintains an office or a fixed place of business in the United States to which the gain is attributable. In this case, a 30% tax will apply to the nonresident alien individual's capital gains. A similar rule will apply to capital gain dividends to which FIRPTA does not apply.

If CIM Commercial does not qualify as a "domestically controlled REIT," the tax consequences to a non-U.S. stockholder of a sale of CIM Commercial stock or Warrants depends upon whether such stock or Warrants are regularly traded on an established securities market and the amount of such stock or Warrants that is held by the non-U.S. stockholder. Specifically, a non-U.S. stockholder that holds a class of CIM Commercial stock that is traded on an established securities market will only be subject to FIRPTA in respect of a sale of such stock if the stockholder owned more than 10% of the interests of such class at any time during a specified period. This period is generally the shorter of the period that the non-U.S. stockholder owned such shares or Warrants or the five-year period ending on the date when the stockholder disposed of the shares or Warrants. A non-U.S. stockholder that holds shares or warrants of a class of CIM Commercial stock or Warrants that is not traded on an established securities market will only be subject to FIRPTA in respect of a sale of such shares or warrants if on the date the shares or warrants were acquired by the stockholder such shares or warrants had a fair market value greater than the fair market value on that date of 5% of (i) in the case of shares, the regularly traded class of CIM Commercial's outstanding shares with the lowest fair market value and (ii) in the case of warrants, CIM Commercial Common Stock. If a non-U.S. stockholder holds a class of CIM Commercial stock or Warrants that is not regularly traded on an established securities market, and subsequently acquires additional shares or warrants of the same class, then all such shares or

warrants must be aggregated and valued as of the date of the subsequent acquisition for purposes of the 5% test that is described in the preceding sentence. If tax under FIRPTA applies to the gain on the sale of CIM Commercial stock or Warrants, the same treatment would apply to the non-U.S. stockholder as to U.S. stockholders with respect to the gain, subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals.

Qualified Stockholders and Qualified Foreign Pension Funds. CIM Commercial stock will not be treated as a U.S. real property interest subject to FIRPTA if the stock is held directly (or indirectly through one or more partnerships) by a "qualified stockholder" or "qualified foreign pension fund." Similarly, any distribution made to a "qualified stockholder" or "qualified foreign pension fund" with respect to CIM Commercial stock will not be treated as gain from the sale or exchange of a U.S. real property interest to the extent CIM Commercial stock held by such qualified stockholder or qualified foreign pension fund is not treated as a U.S. real property interest.

A "qualified stockholder" generally means a non-U.S. person which (i) (x) is eligible for certain income tax treaty benefits and the principal class of interests of which is listed and regularly traded on at least one recognized stock exchange or (y) a non-U.S. limited partnership that has an agreement with the United States for the exchange of information with respect to taxes, has a class of limited partnership units which is regularly traded on the New York Stock Exchange or Nasdaq, and such units' value is greater than 50% of the value of all the partnership's units; (ii) is a "qualified collective investment vehicle;" and (iii) maintains certain records with respect to certain of its owners. A "qualified collective investment vehicle" is a non-U.S. person which (i) is entitled, under a comprehensive income tax treaty, to certain reduced withholding rates with respect to ordinary dividends paid by a REIT even if such person holds more than 10% of the stock of the REIT; (ii) (x) is a publicly traded partnership that is not treated as a corporation, (y) is a withholding non-U.S. partnership for purposes of chapters 3, 4 and 61 of the Code, and (z) if the non-U.S. partnership were a United States corporation, it would be a United States real property holding corporation, at any time during the five year period ending on the date of disposition of, or distribution with respect to, such partnership's interest in a REIT; or (iii) is designated as a qualified collective investment vehicle by the Secretary of the U.S. Treasury and is either fiscally transparent within the meaning of Section 894 of the Code or is required to include dividends in its gross income, but is entitled to a deduction for distribution to a person holding interests (other than interests solely as a creditor) in such non-U.S. person.

Notwithstanding the foregoing, if a non-U.S. investor in a qualified stockholder directly or indirectly, whether or not by reason of such investor's ownership interest in the qualified stockholder, holds more than 10% of CIM Commercial stock, then a portion of the CIM Commercial stock held by the qualified stockholder (based on the non-U.S. investor's percentage ownership of the qualified stockholder) will be treated as a U.S. real property interest in the hands of the qualified stockholder and will be subject to FIRPTA.

A "qualified foreign pension fund" is any trust, corporation, or other organization or arrangement (A) which is created or organized under the law of a country other than the United States, (B) which is established to provide retirement or pension benefits to participants or beneficiaries that are current or former employees (or persons designated by such employees) of one or more employers in consideration for services rendered, (C) which does not have a single participant or beneficiary with a right to more than 5% of its assets or income, (D) which is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which it is established or operates, and (E) with respect to which, under the laws of the country in which it is established or operates, (i) contributions to such organization or arrangement that would otherwise be subject to tax under such laws are deductible or excluded from the gross income of such entity or taxed at a reduced rate, or (ii) taxation of any investment income of such organization or arrangement is deferred or such income is taxed at a reduced rate. Recently proposed U.S. Treasury Regulations could affect a non-US holder's ability to qualify as a qualified foreign pension fund. Non-U.S. stockholders should consult their tax advisors with respect to whether these proposed Treasury Regulations affect such stockholders' ability to qualify as a qualified foreign pension fund.

Adjustments under the Warrants. Pursuant to the terms of the Warrants, the exercise price at which the Common Stock may be purchased and or the number of shares of Common Stock that may be purchased on exercise is subject to adjustment from time to time upon the occurrence of certain events. To the extent an adjustment, or failure to adjust, the number of shares of our Common Stock underlying the Warrants and or the exercise price of the Warrants results in an increase in the proportionate interest of a holder in our assets or our earnings and profits, such holder will be treated as having received a distribution of property. Any such distribution will be taxable in accordance with the rules described under "Ordinary Dividends" above. To the extent such a distribution is subject to U.S. federal withholding tax, the tax may be set off against shares of our Common Stock to be delivered upon exercise of the Warrants.

For purposes of determining the amount of shares owned by a non-U.S. stockholder for the 5% and 10% thresholds described above, complex constructive ownership rules apply. Non-U.S. stockholders should consult their tax advisors regarding such rules in order to determine such stockholders' ownership in the relevant period.

Additionally, under U.S. Treasury Regulations proposed by the IRS and the U.S. Treasury Department, we or a withholding agent may satisfy the withholding tax discussed in the second preceding paragraph from future distributions we or the withholding agent pay to you or from other property owned by you that we or the withholding agent have in our custody.

This withholding tax could also apply if the Series A Preferred Stock is issued with a redemption premium, as discussed above under "U.S. Stockholders—Allocation of Purchase Price of Unit as Between Series A Preferred Stock and Warrant." The amount of any redemption premium would be subject to withholding as described above under "Ordinary Dividends" as the redemption premium accrues, but, as described in the immediately preceding paragraph, we may satisfy the withholding tax from future distributions we would otherwise pay to you.

Backup Withholding and Information Reporting. If you are a non-U.S. stockholder, we and other payors are required to report payments of dividends on IRS Form 1042-S even if the payments are exempt from withholding. However, you are otherwise generally exempt from backup withholding and information reporting requirements with respect to:

- dividend payments and
- the payment of the proceeds from the sale of CIM Commercial stock or Warrants effected at a U.S. office of a broker,

as long as the income associated with these payments is otherwise exempt from U.S. federal income tax, and:

- the payor or broker does not have actual knowledge or reason to know that you are a U.S. person and you have furnished to the payor or broker:
  - a valid IRS Form W-8BEN or W-8BEN-E, as applicable, or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-U.S. person, or
  - other documentation upon which the payor or broker may rely to treat the payments as made to a non-U.S. person in accordance with U.S. Treasury regulations or
- you otherwise establish an exemption.

Payment of the proceeds from the sale of CIM Commercial stock or Warrants effected at a non-U.S. office of a broker generally will not be subject to information reporting or backup withholding. However, a sale of such shares that is effected at a non-U.S. office of a broker will be subject to information reporting and backup withholding if:

- the proceeds are transferred to an account maintained by you in the United States,
- the payment of proceeds or the confirmation of the sale is mailed to you at a United States address, or
- the sale has some other specified connection with the United States as provided in U.S. Treasury regulations,

unless the broker does not have actual knowledge or reason to know that you are a U.S. person and the documentation requirements described above are met or you otherwise establish an exemption.

In addition, a sale of CIM Commercial stock or Warrants will be subject to information reporting if the sale is effected at a non-U.S. office of a broker that is:

- a U.S. person,
- a controlled foreign corporation for U.S. federal tax purposes,
- a non-U.S. person 50% or more of whose gross income is effectively connected with the conduct of a U.S. trade or business for a specified three-year period, or
- a non-U.S. partnership, if at any time during its tax year:
- one or more of such non-U.S. partnership's partners are "U.S. persons," as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership or
- such non-U.S. partnership is engaged in the conduct of a U.S. trade or business,

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above are met or you otherwise establish an exemption. Backup withholding will apply if the sale is subject to information reporting and the broker has actual knowledge that you are a U.S. person.

You generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed your income tax liability by filing a refund claim with the IRS.

FATCA Withholding

Pursuant to legislation commonly known as the Foreign Account Tax Compliance Act, which we refer to as FATCA, a 30% withholding tax, which we refer to as FATCA Withholding, may be imposed on certain payments to you or to certain foreign financial institutions, investment funds and other non-U.S. persons receiving payments on your behalf if you or such persons fail to comply with certain information reporting requirements. Such payments will include U.S.-source dividends. Payments of dividends (including deemed dividends) that you receive in respect of CIM Commercial stock or Warrants could be affected by this withholding if you are subject to the FATCA information reporting requirements and fail to comply with them or if you hold CIM Commercial stock or Warrants through a non-U.S. person (e.g., a foreign bank or broker) that fails to comply with these requirements (even if payments to you would not otherwise have been subject to FATCA Withholding). You should consult your own tax advisors regarding the relevant U.S. law and other official guidance on FATCA Withholding.

Federal Estate Taxes

CIM Commercial stock or Warrants held by a non-U.S. stockholder at the time of death will be included in the stockholder's gross estate for U.S. Federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

Other Tax Consequences

State or local taxation may apply to CIM Commercial and its stockholders in various state or local jurisdictions, including those in which CIM Commercial or its stockholders transact business or reside. The state and local tax treatment of CIM Commercial and its stockholders may not conform to the U.S. Federal income tax consequences discussed above. Consequently, prospective stockholders should consult their own tax advisors regarding the effect of state and local tax laws on an investment in CIM Commercial.

CERTAIN BENEFIT PLAN INVESTOR CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended, which we refer to as ERISA, imposes certain requirements on (i) "employee benefit plans" subject to Title I of ERISA, (ii) IRAs, and other arrangements subject to Section 4975 of the Code and (iii) entities whose underlying assets include "plan assets" within the meaning of ERISA by reason of the investments by such plans or accounts or arrangements therein. We refer to each of (i)-(iii) as a Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Plan and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plan, unless an exemption is applicable to the transaction. A party in interest or disqualified person who engaged in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and or the Code.

A prohibited transaction within the meaning of ERISA and the Code could arise if the Units are acquired by a Plan to which the issuer, underwriters or any of their respective affiliates is a party in interest and such acquisition is not entitled to an applicable exemption, of which there are many. Any Plan fiduciary, which we refer to as a Fiduciary, which proposes to cause a Plan to purchase the Units should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such purchase will not constitute or result in a non-exempt prohibited transaction.

Each Fiduciary should consult with its legal advisor concerning the potential consequences to the plan under Title I of ERISA or Section 4975 of the Code of an investment in the Units. Each purchaser of Units or any interest therein will be deemed to have represented by its purchase of the Units that (i) it is not a Plan and its purchase of the Units is not made on behalf of or with "plan assets" of any Plan or (ii) its purchase of the Units will not result in a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

PLAN OF DISTRIBUTION

General

This offering is a continuance of the Company's program to issue up to $900,000,000 of Units, which was announced on July 1, 2016. As of September 30, 2019, we have issued 4,104,867 Units pursuant to the Prior Registration Statement. The Units offered pursuant to this prospectus reflect the unsold portion of Units registered under the program as of September 30, 2019.

We are offering up to an aggregate of 31,895,133 shares of our Series A Preferred Stock and Warrants to purchase up to 7,973,783 shares of our Common Stock in this offering through CCO Capital, our dealer manager, on a "reasonable best efforts" basis, which means that the dealer manager is only required to use its good faith efforts and reasonable diligence to sell the Series A Preferred Stock and Warrants and has no firm commitment or obligation to purchase any specific number or dollar amount of the Series A Preferred Stock or Warrants. The Series A Preferred Stock and Warrants are sold in Units, with each Unit consisting of (i) one share of Series A Preferred Stock with a stated value of $25 per share, and (ii) one Warrant to purchase 0.25 of a share of common stock. Each Warrant is exercisable by the holder at an exercise price equal to a 15% premium to the Applicable NAV. Each Unit is sold at a public offering price of $25 per Unit. The shares of Series A Preferred Stock and Warrants are immediately detachable and are issued separately.

This offering is scheduled to expire on , 2021. Under rules promulgated by the SEC, in some circumstances we could continue this offering until as late as , 2022, in our sole discretion. If we decide to continue this offering beyond , 2021, we will supplement this prospectus accordingly. We may terminate this offering at any time.

We will sell Units using DTC Settlement or, under special circumstances, through DRS Settlement. Investors purchasing Units through DTC Settlement will coordinate with their registered representatives to pay the full purchase price for their Units. See "Settlement Procedures" for a description of the settlement procedures with respect to each of these settlement methods.

Compensation of Dealer Manager and Participating Broker-Dealers

We pay to CCO Capital selling commissions of up to 5% of the gross offering proceeds from this offering. We also pay to CCO Capital up to 2.75% of the gross offering proceeds from this offering as compensation for acting as dealer manager. As dealer manager, CCO Capital manages, directs and supervises its associated persons who are wholesalers in connection with the offering.

The combined selling commission, dealer manager fee and properly documented expenses associated with the offer, sale or distribution of the Units, which are paid by or reimbursed by the Company and are deemed components of underwriting compensation under this offering will not exceed 10% of the offering proceeds. We will not pay referral or similar fees to any accountants, attorneys or other persons in connection with the distribution of the Units.

In the event any of our directors and officers, both current and retired, and their family members, as well as affiliates of our Advisor, Manager and their directors, officers and employees, both current and retired, and their family members, entities owned substantially by such individuals, affiliated entities, and, if approved by our management, joint venture partners, consultants, service providers and business associates and family members thereof purchase Units in this offering, there will be no selling commissions paid by us in connection with any such sales. There will also be a discounted dealer manager fee of 1%. For purposes of this discount, we consider a family member to be a spouse, parent, child, sibling, cousin, mother- or father-in-law, son- or daughter-in-law or brother- or sister-in-law. We will receive increased net offering proceeds from such sales to such persons. Such persons will be expected to hold their Units purchased as stockholders for investment and not with a view towards distribution.

CCO Capital has authorized, and we expect CCO Capital to continue to authorize, other broker-dealers that are members of FINRA, which we refer to as participating broker-dealers, to sell our Units. CCO Capital may reallow all or a portion of its selling commissions attributable to a participating broker-dealer. CCO Capital may also reallow a portion of its dealer manager fee earned on the proceeds raised by a participating broker-dealer, to such participating broker-dealer as a non-accountable marketing allowance. The amount of the reallowance to any participating broker-dealer will be determined by the dealer manager in its sole discretion.

We may also sell Units at a discount to the primary offering price of $25.00 per share through the following distribution channels in the event that the investor

- purchases Units through fee-based programs, also known as wrap accounts;
- purchases Units through participating broker-dealers that have alternative fee arrangements with their clients;

- purchases Units through certain registered investment advisors;
- purchases Units through bank trust departments or any other organization or person authorized to act in a fiduciary capacity for its clients or customers; or
- is an endowment, foundation, pension fund or other institutional investor.

If an investor purchases Units through one of these distribution channels in the offering, we will sell the Units at a 5.0% discount, or at $23.75 per Unit, reflecting that selling commissions are not being paid in connection with such purchases. The net proceeds to us will not be affected by any such reduction in selling commissions.

Dealer Manager and Participating Broker-Dealer Compensation

The table below sets forth the nature and estimated amount of all items viewed as "underwriting compensation" by FINRA, assuming we sell all the Units offered hereby.

For purposes of this table, we have assumed no reduced or waived commissions or fees as discussed elsewhere in this "Plan of Distribution" section.

Selling commissions (maximum)	$	39,868,916
Dealer manager fee (maximum)		21,927,904
Total	$	61,796,820

We will reimburse CCO Capital or its designee for its bona fide due diligence expenses that are supported by a detailed and itemized invoice. We will also reimburse CCO Capital for reimbursements it may make to selected dealers and RIAs for bona fide and documented due diligence expenses that have actually been incurred and are supported by detailed and itemized invoice(s), to the extent approved in advance by the Company. Also, to the extent approved in advance by the Company, we will reimburse CCO Capital for bona fide and documented expenses associated with the offer, sale or distribution of the Units subject to FINRA rules in respect of underwriter compensation. The total of the selling commissions, dealer management fee, and bona fide and properly documented expenses associated with the offer, sale or distribution of the Units, which are paid by or reimbursed by the Company and are deemed components of underwriter compensation will not exceed 10% of the offering proceeds pursuant to FINRA Rule 2310(b)(4)(ii).

We or our affiliates also may provide permissible forms of non-cash compensation to registered representatives of our dealer manager and the participating broker-dealers. For instance, our dealer manager incurs expense reimbursements relating to: business meal and entertainment costs incurred by wholesalers employed by our dealer manager; travel, lodging and meal costs of participating broker-dealers and their registered representatives who attend training and education meetings sponsored by our dealer manager; and other costs of such training and education meetings sponsored by our dealer manager.

The value of such items will be considered underwriting compensation in connection with this offering. The combined selling commissions and dealer manager fee and such non-cash compensation under this offering will not exceed 10% of the offering proceeds. The dealer manager's legal expenses will be paid by the dealer manager from the dealer manager fee, except the Company will pay for expenses related to the FINRA filing and other expenses pre-approved by the Company.

To the extent permitted by law and our charter, we will indemnify the participating broker-dealers and CCO Capital against certain civil liabilities, including certain liabilities arising under the Securities Act. However, the SEC takes the position that indemnification against liabilities arising under the Securities Act is against public policy and is not enforceable.

We will be responsible for the expenses of issuance and distribution of the Units in this offering, including registration fees, printing expenses and the Company's legal and accounting fees, which we estimate will total approximately $4.5 million (excluding selling commissions and dealer manager fees).

The obligations of the dealer manager may be terminated in the event of a material adverse change in economic, political or financial conditions or upon the occurrence of certain other conditions specified in the dealer manager agreement, as amended and assigned, between the Company and the dealer manager.

Settlement Procedures

If your broker-dealer uses DTC Settlement, then you can place an order for the purchase of Units through your broker-dealer. A broker-dealer using this service will have an account with DTC in which your funds are placed. We anticipate monthly closing cycles and you should coordinate with your registered representative to pay the full purchase price for your Units by the future monthly settlement dates.

If the Company allows the alternative of DRS Settlement, you will have the option to elect to use DRS Settlement. If you elect to use DRS Settlement and the Company is accepting DRS subscriptions, you should complete and sign a subscription agreement similar to the one filed as an exhibit to the registration statement of which this prospectus is a part, which is available from your registered representative and which will be delivered to the escrow agent or its designee. Subscriptions will be effective upon our acceptance, and we reserve the right to reject any subscription in whole or in part.

Other methods of settlement, at the Company's sole discretion, may be available depending on your broker-dealer.

Irrespective of whether you purchase Units using DTC Settlement or DRS Settlement, by accepting Units you will be deemed to have accepted the terms of our charter.

Suitability

Each participating dealer who sells Units on our behalf has the responsibility to make every reasonable effort to determine that the purchase of our Units is appropriate for the investor. In making this determination, the participating broker-dealer will rely on relevant information provided by the investor, including information as to the investor's age, investment objectives, investment experience, income, net worth, financial situation, other investments and other pertinent information, including that purchase of our Units is only suitable as a long-term investment for persons of adequate financial means with no need for immediate liquidity. Each investor should be aware that the participating broker-dealer will be responsible for determining whether this investment is appropriate for his or her portfolio.

However, you are required to represent and warrant in the subscription agreement or, if placing an order through your registered representative not through a subscription agreement in connection with a DTC Settlement, to the registered representative, that you have received a copy of this prospectus and have had sufficient time to review this prospectus. CCO Capital and each participating broker-dealer shall maintain records of the information used to determine that an investment in the Units is suitable and appropriate for an investor. These records are required to be maintained for a period of at least six years.

FINRA Estimated Per Share Value

We have prepared an estimate of the per share value of our Series A Preferred Stock as of December 31, 2018 in order to assist broker-dealers that are participating in our public offering of Series A Preferred Stock in meeting their obligations under applicable FINRA rules. This estimate utilizes the fair values of our investments in real estate and certain lending assets as well as the carrying amounts of our other assets and liabilities, in each case as of December 31, 2018, which we refer to as the Calculated Assets and Liabilities. Specifically, we divided (i) the fair values of our investments in real estate and certain lending assets and the carrying amounts of our other assets less the carrying amounts of our liabilities, in each case as of December 31, 2018, by (ii) the number of shares of Series A Preferred Stock outstanding as of that date. The fair values of our investments in real estate and certain lending assets were determined with material assistance from third-party appraisal firms engaged to value our investments in real estate and certain lending assets, in each case in accordance with standards set forth by the American Institute of Certified Public Accountants. We believe our methodology of determining the Calculated Assets and Liabilities conforms to standard industry practices and is reasonably designed to ensure it is reliable.

The terms of the Series A Preferred Stock expressly provide that the amount that a holder of Series A Preferred Stock would be entitled to receive upon the redemption of the Series A Preferred Stock or the liquidation of the Company would be equal to the Series A Preferred Stock Stated Value, plus all accumulated, accrued and unpaid dividends thereon, which we refer to as the Maximum Value, subject to any applicable redemption fee in the case of a redemption by such holder. As a result, in no event would a holder of Series A Preferred Stock be entitled to receive an amount greater than the Maximum Value upon the redemption of such shares or the liquidation of the Company. Accordingly, although the estimated value of the Series A Preferred Stock, calculated based on the Calculated Assets and Liabilities as described above, exceeded the Maximum Value, the Company determined that the estimated value of the Series A Preferred Stock, as of December 31, 2018, was equal to $25.00 per share, plus accrued and unpaid dividends.

Liquidity Track Record

Prior Public Programs

Of the nine publicly offered REITs that CCO Group LLC and its subsidiaries, which we refer to as CCO Group, is currently sponsoring or has sponsored, four programs, Cole Credit Property Trust, Inc., which we refer to as CCPT I, Cole Credit Property Trust II, Inc., which we refer to as CCPT II, Cole Real Estate Investments, Inc., which we refer to as Cole, and Cole Corporate Income Trust, Inc., which we refer to as CCIT, have completed liquidity events.

Cole Credit Property Trust, Inc. (CCPT I). On May 19, 2014, the merger of CCPT I with VEREIT, Inc., which we refer to as VEREIT, and Desert Acquisition, Inc., a Delaware corporation and wholly-owned subsidiary of VEREIT, which we refer to as Desert Merger Sub, was completed. Pursuant to the agreement and plan of merger, which we refer to as the CCPT Merger Agreement, among CCPTI, VEREIT and Desert Merger Sub, VEREIT commenced a cash tender offer, which we refer to as the Offer, to purchase all of the outstanding shares of common stock of CCPT I (other than shares held by VEREIT, any of its subsidiaries or any wholly-owned subsidiaries of CCPT I) at a price of $7.25 per share, which we refer to as the Offer Price. As of the expiration of the Offer, a total of 7,735,069 shares of CCPT I common stock were validly tendered and not withdrawn, representing approximately 77% of the shares of CCPT I common stock outstanding. Immediately following the Offer, VEREIT exercised its option, which we refer to as the Top-Up Option, granted pursuant to the CCPT Merger Agreement, to purchase, at a price per share equal to the Offer Price, 13,457,874 newly issued shares of CCPT I common stock, which we refer to as the Top-Up Shares. The Top-Up Shares, taken together with the shares of CCPT I common stock owned, directly or indirectly, by VEREIT and its subsidiaries immediately following the acceptance for payment and payment for the shares of CCPT I common stock that were validly tendered in the Offer, constituted one share more than 90% of the outstanding shares of CCPT I common stock (after giving effect to the issuance of all shares subject to the Top-Up Option), the applicable threshold required to effect a short-form merger under applicable Maryland law without stockholder approval. Following the consummation of the Offer and the exercise of the Top-Up Option, in accordance with the CCPT Merger Agreement, VEREIT completed its acquisition of CCPT I by effecting a short-form merger under Maryland law, pursuant to which CCPT I was merged with and into Desert Merger Sub, with Desert Merger Sub surviving as a direct wholly-owned subsidiary of VEREIT.

Cole Credit Property Trust II, Inc. (CCPT II). On July 17, 2013, the merger of CCPT II with Spirit Realty Capital Inc., which we refer to as Spirit, was completed. Pursuant to the agreement and plan of merger, each Spirit stockholder received 1.9048 shares of CCPT II common stock for each share of Spirit common stock held immediately prior to the effective time of the merger (which equated to an inverse exchange ratio of 0.525 shares of Spirit common stock for one share of CCPT II common stock). The shares of the combined company's common stock closed trading on July 17, 2013 at $9.28 per share on the New York Stock Exchange, which we refer to as the NYSE, under the symbol "SRC."

Cole Real Estate Investments, Inc. (Cole). On April 5, 2013, Cole completed a transaction whereby Cole Holdings Corporation merged with and into CREInvestments, LLC, a wholly-owned subsidiary of Cole, which we refer to as the Cole Holdings Merger. Cole changed its name from Cole Credit Property Trust III, Inc. to Cole Real Estate Investments, Inc. and its shares of common stock were listed on the NYSE on June 20, 2013 at an initial price of $11.50 per share. In connection with the Cole Holdings Merger, the sole stockholder of Cole Holdings Corporation and certain of Cole Holdings Corporation's executive officers, which we refer to as the Holdings Executives, received a total of $21.9 million in cash, which included $1.9 million paid related to an excess working capital adjustment, and approximately 10,700,000 newly-issued shares of common stock of Cole, inclusive of approximately 661,000 shares that were withheld to satisfy applicable tax withholdings, which we refer to jointly as the Upfront Stock Consideration. In addition, as a result of the listing of Cole's common stock on the NYSE, an aggregate of approximately 2,100,000 newly-issued shares of common stock of Cole, inclusive of approximately 135,000 shares that were withheld to satisfy applicable tax withholdings, which we refer to jointly as the Listing Consideration, were issued to the Holdings Executives. In accordance with the merger agreement and as further discussed below, approximately 4,300,000 shares of the Upfront Stock Consideration and the Listing Consideration were placed into escrow, which we refer to as the Escrow Shares, and were scheduled to be released on April 5, 2014, subject to meeting certain requirements. The Upfront Stock Consideration and the Listing Consideration were subject to a three-year lock-up with approximately one-third of the shares released each year following the merger date.

Pursuant to the merger agreement and certain preexisting transaction bonus entitlements, additional shares of Cole's common stock were potentially payable in 2017 by Cole to the Holdings Executives as an "earn-out" contingent upon the acquired business' demonstrated financial success during the years ending December 31, 2015 and 2016, which we refer to as the Earnout Consideration. The Earnout Consideration was subject to a lockup until December 31, 2017. Additionally, the Holdings Executives were potentially entitled to additional shares of Cole's common stock, which we refer to as the Incentive Consideration, and collectively with the Earnout Consideration, the Merger Contingent Consideration, based on the terms of Cole's advisory agreement with Cole REIT

Advisors III, LLC, which was a wholly-owned subsidiary of Cole Holdings Corporation, in effect prior to the Cole Holdings Merger. However, the sole stockholder of Cole Holdings Corporation agreed as part of the Cole Holdings Merger to reduce the amount that would have been payable as Incentive Consideration by 25%. The Incentive Consideration was based on 11.25% (reduced from 15% in Cole's advisory agreement) of the amount by which the market value of Cole's common stock raised in Cole's initial offering, follow-on offering and distribution reinvestment plan offering, which we refer to as the Capital Raised, plus all distributions paid on such shares through the Incentive Consideration Test Period, as defined below, exceeded the amount of Capital Raised and the amount of distributions necessary to generate an 8% cumulative, non-compounded annual return to investors. The market value of the Capital Raised was based on the average closing price over a period of 30 consecutive trading days, which we refer to as the Incentive Consideration Test Period, beginning 180 days after June 20, 2013, the date Cole's shares of common stock were listed on the NYSE.

On October 22, 2013, Cole entered into an Agreement and Plan of Merger, which we refer to as the VEREIT Merger Agreement, with VEREIT and Clark Acquisition, LLC, which we refer to as Merger Sub. The VEREIT Merger Agreement provided for the merger of Cole with and into Merger Sub, with Merger Sub surviving the merger as a wholly-owned subsidiary of VEREIT, which we refer to as the VEREIT Merger. On February 7, 2014, the VEREIT Merger and the other transactions contemplated by the VEREIT Merger Agreement were completed.

In connection with the execution of the VEREIT Merger Agreement, the Holdings Executives entered into letter agreements with VEREIT, which we refer to as the Letter Agreements, pursuant to which, among other arrangements, such persons would receive the Incentive Consideration from Cole in the form of shares of Cole common stock in the event the VEREIT Merger was not consummated before the end of the Incentive Consideration Test Period. The Incentive Consideration Test Period ended January 30, 2014 and, in accordance with the terms of the merger agreement for the Cole Holdings Merger and the Letter Agreements, on January 31, 2014 Cole issued a total of 15,744,370 shares of Cole common stock to the Holdings Executives (before applicable tax withholding).

The Letter Agreements also provided that the shares of VEREIT common stock issued to the Holdings Executives in connection with the VEREIT Merger would generally be subject to a three-year lock-up with approximately one-third of the shares released each year following the merger date of the Cole Holdings Merger. The shares of VEREIT common stock issued to the Holdings Executives that were attributable to the Merger Contingent Consideration under the Cole Holdings Merger Agreement were released from their lock-up (which generally prohibited transfer of such shares until December 31, 2017) on a quarterly basis on the last day of each calendar quarter, beginning with the first full calendar quarter following the consummation of the VEREIT Merger through December 31, 2017.

The Letter Agreements also provided for the conversion of the Escrow Shares into shares of VEREIT common stock or cash, depending on the applicable Holdings Executive's election under the terms of the VEREIT Merger Agreement.

Cole Corporate Income Trust, Inc. (CCIT). On January 29, 2015, CCIT merged with and into SC Merger Sub LLC, which we refer to as SIR Merger Sub. Pursuant to the an Agreement and Plan of Merger, which we refer to as the CCIT Merger Agreement, with Select Income REIT, a publicly listed Maryland and real estate investment trust, which we refer to as SIR, and SIR Merger Sub, each share of CCIT common stock, which we refer to as CCIT Common Stock, issued and outstanding was converted into the right to receive either (1) $10.50 in cash, which we refer to as the Cash Consideration; or (2) 0.360 of a common share of beneficial interest, par value $0.01, of SIR, which we refer to as the Share Consideration. The Cash Consideration and the Share Consideration were allocated in accordance with the CCIT Merger Agreement so that the aggregate number of shares of CCIT Common Stock converted into the right to receive the Cash Consideration did not exceed 60% of the shares of CCIT common stock issued and outstanding immediately prior to the effective time of the merger. No fractional common shares of beneficial interest, par value $0.01, of SIR were issued in the merger, and cash was paid in lieu thereof. The shares of the combined company's common stock closed trading on January 29, 2015 at $25.20 per share on the NYSE under the symbol "SIR."

Current Public Programs

CIM Real Estate Finance Trust, Inc. (CMFT). CIM Real Estate Finance Trust, which we refer to as CMFT, and which was formerly known as Cole Credit Property Trust IV, Inc., has not established a targeted date or time frame for pursuing a liquidity event, although it has disclosed in its prospectus that it expects to engage in a strategy to provide its investors with liquidity at a time and in a method determined by its independent directors to be in the best interests of its stockholders beginning five to seven years following the termination of its initial public offering. CMFT ceased issuing shares in its primary offering on April 4, 2014, although it continues to sell shares of its common stock pursuant to its distribution reinvestment plan. The timing and method of any liquidity event for CMFT was undetermined as of December 31, 2018.

CIM Income NAV, Inc. (CIM Income NAV). CIM Income NAV, Inc., which we refer to as CIM Income NAV, and which was formerly known as Cole Real Estate Income Strategy (Daily NAV), Inc., is structured as a perpetual-life, non-exchange traded REIT, which means that, subject to regulatory approval of registrations for additional future offerings, it will be selling shares of its common stock on a continuous basis and for an indefinite period of time.

Cole Office & Industrial REIT (CCIT II), Inc. (CCIT II). Cole Office & Industrial REIT (CCIT II), Inc., which we refer to as CCIT II, has not established a targeted date or time frame for pursuing a liquidity event, although it has disclosed in its prospectus that it expects to engage in a strategy to provide its investors with liquidity at a time and in a method determined by its independent directors to be in the best interests of its stockholders beginning five to seven years following the termination of its initial public offering. CCIT II ceased issuing shares in its primary offering on September 17, 2016, although it continues to sell shares of its common stock pursuant to its distribution reinvestment plan. The timing and method of any liquidity event for CCIT II was undetermined as of December 31, 2018.

Cole Credit Property Trust V, Inc. (CCPT V). Cole Credit Property Trust V, Inc., which we refer to as CCPT V, has not established a targeted date or time frame for pursuing a liquidity event, although it has disclosed in its prospectus that it expects to engage in a strategy to provide its investors with liquidity at a time and in a method determined by its independent directors to be in the best interests of its stockholders beginning three to six years following the termination of its initial public offering. CCPT V terminated its initial public offering on August 1, 2017 and commenced a follow-on public offering on August 1, 2017. CCPT V ceased issuing shares in its follow-on offering on April 30, 2019, although it continues to sell shares of its common stock pursuant to its distribution reinvestment plan. The timing and method of any liquidity event for CCPT V was undetermined as of December 31, 2018.

Cole Office & Industrial REIT (CCIT III), Inc. (CCIT III). Cole Office & Industrial REIT (CCIT III), Inc., which we refer to as CCIT III, has not established a targeted date or time frame for pursuing a liquidity event, although it has disclosed in its prospectus that it expects to engage in a strategy to provide its investors with liquidity at a time and in a method determined by its independent directors to be in the best interests of its stockholders beginning five to seven years following the termination of its initial public offering. CCIT III ceased issuing shares in its initial public offering on April 30, 2019, although it continues to sell shares of its common stock pursuant to its distribution reinvestment plan. The timing and method of any liquidity event for CCIT III was undetermined as of December 31, 2018.

LEGAL MATTERS

The validity of the shares of Series A Preferred Stock and the issuance of the Warrants offered by this prospectus and certain other matters of Maryland law have been passed upon for us by Venable LLP. The description of the federal income tax consequences contained in the section of this prospectus captioned “Material U.S. Federal Income Tax Consequences” have been passed upon for us by Sullivan & Cromwell LLP.

EXPERTS

Our consolidated financial statements and schedules as of December 31, 2018 and 2017 and for each of the three years in the period ended December 31, 2018 and management’s assessment of the effectiveness of internal control over financial reporting as of December 31, 2018 incorporated by reference in this Prospectus have been so incorporated in reliance on the reports of BDO USA, LLP, an independent registered public accounting firm, incorporated herein by reference, given on the authority of said firm as experts in auditing and accounting.

SUPPLEMENTAL SALES MATERIAL

In addition to this prospectus, we may utilize certain sales material in connection with the offering of the Units, although only when accompanied by or preceded by the delivery of this prospectus. The sales materials may include information relating to this offering and the past performance of our Advisor, Manager and their affiliates. In certain jurisdictions, some or all of our sales material may not be permitted and will not be used in those jurisdictions.

The offering of Units is made only by means of this prospectus. The supplemental materials do not purport to be complete, and should not be considered a part of this prospectus or the registration statement of which this prospectus is a part, or as incorporated in this prospectus or said registration statement by reference, or as forming the basis of this offering.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Exchange Act and file with the SEC proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as required of a U.S. listed company. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, accessible to the public at www.sec.gov. We also make available through our website at http://shareholders.cimcommercial.com/sec-filings our annual reports, quarterly reports, current reports and other materials we file or furnish to the SEC as soon as reasonably practicable after we file such materials with the SEC. Written requests for copies of the documents we file with the SEC should be directed to: CIM Commercial, Attn: Stockholder Relations, 17950 Preston Road, Suite 600, Dallas, Texas 75252.

, 2019

CIM COMMERCIAL TRUST CORPORATION

Maximum of 31,895,133 Units consisting of 31,895,133 Series A Preferred Stock and Warrants to Purchase 7,973,783 Shares of Common Stock

(Liquidation Preference $25 per share of Series A Preferred Stock (subject to adjustment))

PROSPECTUS

CCO CAPITAL, LLC

as Dealer Manager

You should only rely on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. You must not rely on unauthorized information. We are not, and the dealer manager and dealers are not, making an offer to sell securities in any jurisdiction in which the offer or sale is not permitted. Neither the delivery of this prospectus nor any sales made hereunder after the date of this prospectus shall create an implication that the information contained herein or the affairs of the Company have not changed since the date of this prospectus.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 31. Other Expenses of Issuance and Distribution*

Securities and Exchange Commission Registration Fee	$	—**
FINRA Filing Fee	$	145,000
Printing and Mailing Expenses	$	365,000
Blue Sky Filing Fees and Expenses	$	25,000
Legal Fees and Expenses	$	500,000
Accounting Fees and Expenses	$	250,000
Transfer Agent and Escrow Fees	$	250,000
Advertising and Sales Literature	$	80,000
Due Diligence Expenses	$	400,000
Miscellaneous Expenses	$	2,485,000
Total	$	4,500,000

* All expenses are estimates

** The Company previously paid a registration fee in connection with the filing of the Company's registration statement on Form S- 11 (Reg. No. 333-210880) relating to the offering in the amount of $90,630, of which $80,296 is applied to this registration statement in respect of unsold Units under such earlier registration statement.

Item 32. Sales to Special Parties

None.

Item 33. Recent Sales of Unregistered Securities and Use of Proceeds

None.

Item 34. Indemnification of Directors and Officers

Maryland law permits a Maryland corporation to include in its charter a provision eliminating the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (i) actual receipt of an improper benefit or profit in money, property or services or (ii) active or deliberate dishonesty established in a judgment or other final adjudication to be material to the cause of action. Our charter contains a provision that eliminates the liability of our directors and officers to the maximum extent permitted by Maryland law.

Maryland law requires a Maryland corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service in that capacity. Maryland law permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that:

- an act or omission of the director or officer was material to the matter giving rise to the proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that personal benefit was improperly received, unless in either case a court orders indemnification and then only for expenses. In addition, Maryland law permits a Maryland corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of:

- a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation; and

- a written undertaking by the director or officer or on the director's or officer's behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the director or officer did not meet the standard of conduct.

Our charter and bylaws obligate us, to the maximum extent permitted by Maryland law, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to:

- any present or former director or officer who is made, or threatened to be made, a party to, or witness in, the proceeding by reason of his or her service in that capacity; or

- any individual who, while a director or officer of our Company and at our Company's request, serves or has served another corporation, REIT, limited liability company, partnership, joint venture, trust, employee benefit plan or any other enterprise as a director, officer, trustee, member, manager or partner and who is made, or threatened to be made, a party to, or witness in, the proceeding by reason of his or her service in that capacity.

Our charter and bylaws also permit us, subject to approval from our Board of Directors, to indemnify and advance expenses to any person who served a predecessor of our Company in any of the capacities described above and to any employee or agent of our Company or a predecessor of our Company.

Insofar as the foregoing provisions permit indemnification of directors, officer or persons controlling us for liability arising under the Securities Act, we have been informed that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Further, we have entered into an Indemnification Agreement with each of our directors and certain executive officers. Each Indemnification Agreement provides that we will indemnify and hold harmless each such director or named executive officer to the fullest extent permitted by law.

In addition, the merger agreement, dated July 8, 2013, between PMC Commercial Trust and CIM Urban REIT, LLC, which we refer to as the Merger Agreement, provides further indemnification through March 10, 2020 to each manager, director or officer of the Company or any of its subsidiaries, together with such person's heirs, executors and administrators in the event of any threatened or actual claim, action, suit, demand, proceeding or investigation, whether civil, criminal or administrative, including any such claim, action, suit, demand, proceeding or investigation based in whole or in part on, or arising in whole or in part out of, or pertaining to (i) the fact that he or she is or was a manager, director or officer of the Company or any of its subsidiaries, or is or was serving at the request of the Company or any of its subsidiaries as a manager, director, officer, employee, fiduciary or agent of another corporation, partnership, joint venture, trust or other enterprise, or (ii) the discussion, negotiation, execution or performance of the Merger Agreement or any arrangement, agreement or document contemplated thereby or delivered in connection therewith, or otherwise directly or indirectly relating to the Merger Agreement or any such arrangement, agreement or document, or any of the transactions contemplated thereunder.

Item 35. Treatment of Proceeds From Stock Being Registered.

Not applicable.

Item 36. Exhibits

The exhibits and financial statement schedules filed as part of this registration statement are as follows:

(a) Financial Statements. The financial statements set forth in the documents that are incorporated by reference as part of the prospectus included in this registration statement are set forth in the section of the prospectus entitled "Incorporation by Reference."

(b) Exhibits. See Exhibit Index below.

Item 37. Undertakings

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser: (i) any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424; (ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant; (iii) the portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and (iv) any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(5) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(6) For the purpose of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1), or (4), or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(7) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

EXHIBIT INDEX

Exhibit No.	Document
*1.1	Amended and Restated Dealer Manager Agreement by and between CIM Commercial Trust Corporation and CCO Capital, LLC.
1.2	Form of Soliciting Dealer Agreement (incorporated by reference to Exhibit 1.3 to the Registrant's Registration Statement on Form S-11 filed with the SEC on August 11, 2016).
*1.3	Form of Soliciting Dealer Agreement.
3.1	Articles of Amendment and Restatement of PMC Commercial Merger Sub, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).
3.1(a)	Articles of Amendment (Name Change) (incorporated by reference to Exhibit 3.4 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).
3.1(b)	Articles of Amendment (Reverse Stock Split) (incorporated by reference to Exhibit 3.5 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).
3.1(c)	Articles of Amendment (Par Value Decrease) (incorporated by reference to Exhibit 3.6 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).
3.1(d)	Articles of Amendment (Reverse Stock Split) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 6, 2019).
3.1(e)	Articles of Amendment (Par Value Decrease) (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on September 6, 2019).
3.2	Articles Supplementary to the Articles of Amendment and Restatement of CIM Commercial Trust Corporation, designating the Series A Preferred Stock (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 27, 2016).
3.3	Articles Supplementary to the Articles of Amendment and Restatement of CIM Commercial Trust Corporation, designating the Series L Preferred Stock (incorporated by reference to Exhibit 4.1 to the Registrant's Pre-Effective Amendment No. 4 to the Form S-11 Registration Statement (Reg. No. 333-218019) filed with the SEC on November 15, 2017).
3.4	Bylaws (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).
4.1	Articles Supplementary to the Articles of Amendment and Restatement of CIM Commercial Trust Corporation, designating the Series A Preferred Stock (included in Exhibit 3.2).
4.2	Warrant Agreement, dated June 28, 2016, between CIM Commercial Trust Corporation and American Stock Transfer & Trust Company, LLC (incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-11/A (Reg. No. 333-210880) filed with the SEC on June 29, 2016).

4.3	Subscription Agreement (incorporated by reference to Exhibit 4.3 to the Registrant's Registration Statement on Form S-11 filed with the SEC on August 11, 2016).
4.4	Form of Warrant Certificate (incorporated by reference to Exhibit 4.4 to the Registrant's Registration Statement on Form S-11 filed with the SEC on June 29, 2016).
4.5	Purchase Agreement among PMC Commercial Trust, PMC Preferred Capital Trust-A and Taberna Preferred Funding I, Ltd. dated March 15, 2005 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005).
4.6	Junior Subordinated Indenture between PMC Commercial Trust and JPMorgan Chase Bank, National Association as Trustee dated March 15, 2005 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005).
4.7	Amended and Restated Trust Agreement among PMC Commercial Trust, JPMorgan Chase Bank, National Association, Chase Bank USA, National Association and The Administrative Trustees Named Herein dated March 15, 2005 (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10- Q filed with the SEC on May 10, 2005).
4.8	Floating Rate Junior Subordinated Note due 2035 (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005).
**5.1	Opinion of Venable LLP.
8.1	Opinion of Sullivan & Cromwell LLP (incorporated by reference to Exhibit 8.1 to the Registrant's Registration Statement on Form S-11 (Reg. No. 333-232232) filed with the SEC on June 20, 2019).
+10.1	2015 Equity Incentive Plan (incorporated by reference to Annex A to the Registrant's Definitive Proxy Statement related to its 2015 annual meeting of stockholders, as filed with the SEC on April 17, 2015).
+10.2	Amended and Restated Executive Employment Contract with Jan F. Salit dated August 30, 2013 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 30, 2013).
+10.3	Amended and Restated Executive Employment Contract with Barry N. Berlin dated August 30, 2013 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on August 30, 2013).
10.4	Master Services Agreement dated March 11, 2014 by and among PMC Commercial Trust, certain of its subsidiaries, and CIM Service Provider, LLC (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 11, 2014).
10.5	Registration Rights and Lockup Agreement dated March 11, 2014 by and among Urban Partners II, LLC and PMC Commercial Trust (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on March 11, 2014).
10.6	Service Agreement, dated as of August 7, 2014, by and among CIM Commercial Trust Corporation and CIM Service Provider, LLC, under the Master Services Agreement dated March 11, 2014, by and among PMC Commercial Trust, certain of its subsidiaries, and CIM Service Provider, LLC (incorporated by reference to Exhibit 10.8 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 11, 2014).

10.7	Form of Indemnification Agreement for directors and officers of CIM Commercial Trust Corporation (incorporated by reference to Exhibit 10.9 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 11, 2014).
10.8	Staffing and Reimbursement Agreement, dated as of January 1, 2015, by and among CIM SBA Staffing, LLC, PMC Commercial Lending, LLC and CIM Commercial Trust Corporation (incorporated by reference to Exhibit 10.15 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2015).
10.9	Investment Management Agreement, dated as of May 20, 2005, between CIM Urban Partners, L.P. and CIM Urban REIT Management, Inc. (incorporated by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2015).
10.10	Assignment Agreement, dated as of January 1, 2019, by and among CIM Capital, LLC (formerly known as CIM Investment Advisors, LLC, CIM Capital Controlled Company Management, LLC, CIM Capital RE Debt Management, LLC, CIM Capital Real Property Management, LLC and CIM Capital Securities Management, LLC (incorporated by reference to Exhibit 10.12 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 18, 2019).
10.11	Second Amended and Restated Agreement of Limited Partnership of CIM Urban Partners, L.P., dated as of December 22, 2005, by and among CIM Urban Partners GP, Inc. and CIM Urban REIT, LLC (incorporated by reference to Exhibit 10.17 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2015).
*10.12	Credit Agreement, dated as of October 30, 2018, by and among certain subsidiary borrowers of CIM Commercial Trust Corporation, JPMorgan Chase Bank, N.A., as administrative agent, Bank of America, as syndication agent, and the other lenders party thereto.
21.1	Subsidiaries of the Registrant. (incorporated by reference to Exhibit 21.1 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 18, 2019).
*23.1	Consent of BDO USA, LLP.
**23.2	Consent of Venable LLP (included in Exhibit 5.1).
23.3	Consent of Sullivan & Cromwell LLP (included in Exhibit 8.1).
24.1	Powers of Attorney (incorporated by reference to the signature page of the Registrant's Registration Statement on Form S-11 (Reg. No. 333-232232) filed with the SEC on June 20, 2019).

* Filed herewith.
** To be filed by amendment.
\+ Management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-11 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Los Angeles, state of California, on October 2, 2019.

CIM COMMERCIAL TRUST CORPORATION

By: /s/ DAVID THOMPSON
David Thompson
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ DAVID THOMPSON David Thompson	*Chief Executive Officer (Principal Executive Officer)*	October 2, 2019
* Nathan D. DeBacker	*Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)*	October 2, 2019
* Douglas Bech	*Director*	October 2, 2019
* Robert Cresci	*Director*	October 2, 2019
* Kelly Eppich	*Director*	October 2, 2019
* Frank Golay, Jr.	*Director*	October 2, 2019
* Shaul Kuba	*Director*	October 2, 2019
* Richard Ressler	*Director*	October 2, 2019
* Avraham Shemesh	*Director*	October 2, 2019
*By: /s/ DAVID THOMPSON David Thompson *Attorney-in-Fact*		October 2, 2019

CIM COMMERCIAL TRUST CORPORATION

OFFERING OF UP TO 36,000,000 UNITS
CONSISTING OF UP TO 36,000,000 SERIES A PREFERRED STOCK AND
WARRANTS TO PURCHASE UP TO 9,000,000 SHARES OF COMMON STOCK

FORM OF AMENDED AND RESTATED DEALER MANAGER AGREEMENT

This AMENDED AND RESTATED DEALER MANAGER AGREEMENT (this "**Agreement**") is entered into as of [·], 2019, by and among CIM Commercial Trust Corporation, a Maryland corporation (the "**Company**"), CIM Service Provider, a Delaware limited liability company (the "**Manager**"), and CCO Capital, LLC, a Delaware limited liability company (the "**Dealer Manager**") in connection with the public offering by the Company of up to 36,000,000 units (the "**Units**") at a purchase price of up to $25.00 per Unit (the "**Offering**"), with each Unit consisting of (a) one share of Series A Preferred Stock, par value $0.001 per share, of the Company (a "**Preferred Share**"), and (b) one warrant (a "**Warrant**") to purchase 0.25 of a share of common stock, par value $0.001 per share, of the Company (each a "**Common Share**"). Each of the Company, the Manager, and the Dealer Manager is from time to time referred to as a "**Party**" and, collectively, the "**Parties**".

WHEREAS, the Company and the Manager entered into that certain Dealer Manager Agreement, dated as of June 28, 2016, as amended by Amendment No. 1 thereto, dated as of August 11, 2016 (the "**Original Agreement**"), with International Assets Advisory, LLC ("**IAA**"), pursuant to which IAA was engaged as the exclusive dealer manager of the Company with respect to the Offering;

WHEREAS, the Company commenced the Offering upon the declaration on July 1, 2016 by the Securities Exchange Commission (the "**Commission**") of the effectiveness of that certain registration statement on Form S-11 (Reg. No. 333-210880) relating to the Offering (as amended, the "**Original Registration Statement**");

WHEREAS, the Company and the Manager entered into that certain Amendment, Assignment and Assumption Agreement, effective as of May 31, 2019, with IAA and the Dealer Manager, pursuant to which, among other things, IAA assigned to the Dealer Manager, and the Dealer Manager accepted and assumed from IAA, all of the rights and obligations of the IAA under (a) the Original Agreement and (b) the agreements between IAA and the securities dealers invited to solicit subscriptions for the Units in connection with the Offering existing as of such time;

WHEREAS, on June 20, 2019, the Company filed with the Commission a new registration statement on Form S-11 (Reg. No. 333-232232) relating to the Offering (the "**Replacement Registration Statement**") pursuant to Rule 415 promulgated under the Securities Act of 1933, as amended (the "**Securities Act**"), which filing allows the Company to continue the Offering under the Original Registration Statement until the effective date of the Replacement Registration Statement; and

WHEREAS, the Company, the Manager and the Dealer Manager desire that the Dealer Manager continue to serve as the exclusive dealer manager of the Company with respect to the Offering as conducted under Original Registration Statement and, when declared effective by the Commission, the Replacement Registration Statement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend and restate the Original Agreement as follows:

1. **Appointment**. Upon the terms and subject to the conditions contained in this Agreement, the Company and the Dealer Manager hereby confirm the appointment of the Dealer Manager as the exclusive dealer manager for the Offering.

2. **Representations and Warranties of the Company**. The Company hereby represents and warrants to the Dealer Manager, as of the date of this Agreement and on each Effective Date (as defined below), as follows:

(a) Registration Statement and Prospectus. The Company has filed with the Commission the Original Registration Statement for the registration of the Units and the Common Shares that may be issuable upon exercise of the Warrants or redemption of the Preferred Shares under the Securities Act and the rules and regulations of the Commission promulgated thereunder (the "**Securities Act Rules and Regulations**"). Except where the context otherwise requires, the term "**Registration Statement**" shall refer to the most recently declared effective of (i) the Original Registration Statement or, to the extent the Company notifies the Dealer Manager in writing of the use of such registration statement for purposes of the Offering, the shelf registration statement on Form S-3 (Reg. No. 333-233255) (the "**Shelf Registration Statement**"), (ii) any subsequent registration statement in respect of the Offering filed with the Commission pursuant to Rule 415(a)(6) under the Securities Act (including the Replacement Registration Statement) and (iii) any post-effective amendment to the Original Registration Statement or any subsequent registration statement (or, to the extent the Company notifies the Dealer Manager in writing of the use of the Shelf Registration Statement for purposes of the Offering, the Shelf Registration Statement), in each case including any information contained in a Prospectus (as defined below) subsequently filed with the Commission pursuant to Rule 424(b) under the Securities Act or deemed to be a part of such registration statement pursuant to Rule 430B of the Securities Act. The term "**Prospectus**" shall refer to the prospectus contained in the Registration Statement or, to the extent such prospectus differs from the prospectus contained in the Registration Statement, the prospectus filed by the Company pursuant to Rule 424(b) of the Securities Act Rules and Regulations from and after the date on which it was filed. The term "**preliminary Prospectus**" shall refer to a preliminary prospectus related to the Units as contemplated by Rule 430 or Rule 430A of the Securities Act Rules and Regulations included at any time as part of the Registration Statement. As used herein, the terms "Registration Statement", "Prospectus" and "preliminary Prospectus" shall include the documents, if any, incorporated or deemed to be incorporated by reference therein. Except where the context otherwise requires, the term "**Effective Date**" shall refer to the effective date of the Registration Statement.

(b) Documents Incorporated by Reference. The documents incorporated or deemed to be incorporated by reference in the Prospectus (if any), at the time they were filed with the Commission, complied in all material respects with the requirements of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the rules and regulations promulgated thereunder (the "**Exchange Act Rules and Regulations**"), and did not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) Compliance with the Securities Act, Etc.

(i) On (A) each applicable Effective Date of each Registration Statement, (B) the date of the preliminary Prospectus as to the preliminary Prospectus, (C) the date of each Prospectus as to the Prospectus, and (D) the date any supplement to the Prospectus is filed with the Commission as to such supplement, the Registration Statement, the Prospectus and any amendments or supplements thereto, as applicable, have complied, and will comply, in all material respects with the Securities Act, the Securities Act Rules and Regulations, the Exchange Act and the Exchange Act Rules and Regulations, as applicable; and

(ii) The Original Registration Statement does not, and any future Registration Statement will not, in each case as of the applicable Effective Date, include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and the Prospectus does not, and any amendment or supplement thereto will not, as of the applicable filing date, include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

provided, however, that the foregoing provisions of this Section 2(c) will not extend to any statements contained in, incorporated by reference in or omitted from the Registration Statement, the Prospectus or any amendment or supplement thereto that are based upon written information furnished to the Company by the Dealer Manager expressly for use therein.

(d) Securities Matters. There has not been (i) any request by the Commission for any further amendment to the Registration Statement or the Prospectus or for any additional information in respect of the Offering that has not been complied with, (ii) any issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution or, to the Company's knowledge, threat of any proceeding for that purpose, or (iii) any notification with respect to the suspension of the qualification of the Units for sale in any jurisdiction or any initiation or, to the Company's knowledge, threat of any proceeding for such purpose. The Company is in compliance in all material respects with all federal and state securities laws, rules and regulations applicable to it and its activities, including, without limitation, with respect to the Offering and the sale of the Units.

(e) Company Status. The Company is a corporation duly incorporated and validly existing under the general laws of the State of Maryland, with all requisite power and authority to enter into this Agreement and to carry out its obligations hereunder.

(f) Authorization of Agreement. This Agreement has been duly and validly authorized, executed and delivered by or on behalf of the Company and, assuming due authorization, execution and delivery of this Agreement by the Dealer Manager, will constitute a valid and binding agreement of the Company enforceable in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws of the United States, any state or any political subdivision thereof which affect creditors' rights generally or by equitable principles relating to the availability of remedies or except to the extent that the enforceability of the indemnity and contribution provisions contained in this Agreement may be limited under applicable securities laws).

The execution and delivery of this Agreement by the Company and the performance of this Agreement by the Company and the consummation of the transactions contemplated herein, do not and will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under: (i) the Company's or any of its subsidiaries' charter, by-laws, or other organizational documents, as applicable; (ii) any indenture, mortgage, stockholders' agreement, note, lease or other material agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries or any of their properties is bound; or (iii) any statute, rule or regulation or order of any court or other governmental agency or body having jurisdiction over the Company, any of its subsidiaries or any of their properties, except in the case of clause (ii) or (iii), for such conflicts, breaches or defaults that do not result in and would not reasonably be expected to result in, individually or in the aggregate, a Company MAE (as defined below in this Section 2(f)). No consent, approval, authorization or order of any court or other governmental agency or body has been obtained by the Company or is required for the performance of this Agreement by the Company or for the consummation by the Company of any of the transactions contemplated hereby, other than (A) such as have been obtained or will have been obtained at the Effective Date under the Securities Act or the

Exchange Act, or from the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), (B) as may be required under state securities or applicable blue sky laws in connection with the offer and sale of the Units or under the laws of states in which the Company may own real properties in connection with its qualification to transact business in such states or as may be required by subsequent events which may occur or (C) any such approvals the failure of which to obtain would not reasonably be expected to result in, individually or in the aggregate, a Company MAE. Neither the Company nor any of its subsidiaries is in violation of its charter, by-laws or other organizational documents, as applicable, in any material respect.

As used in this Agreement, "**Company MAE**" means any event, circumstance, occurrence, fact, condition, change or effect, individually or in the aggregate, that is materially adverse to (A) the financial condition, business affairs, properties or results of operations of the Company and its subsidiaries considered as one enterprise, or (B) the ability of the Company to perform its obligations under this Agreement or the validity or enforceability of this Agreement or the Units; *provided*, *however*, that clause (A) excludes any development resulting from any event, circumstance, development, change or effect (1) in general economic or business conditions, (2) in financial or securities markets generally, or (3) generally affecting the business or industry in which the Company operates.

(g) Actions or Proceedings. As of the date of this Agreement, there are no actions, suits or proceedings against, or investigations of, the Company or its subsidiaries pending or, to the knowledge of the Company, threatened, before any court, arbitrator, administrative agency or other tribunal (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the issuance of the Units or the consummation of any of the transactions contemplated by this Agreement, (iii) that would reasonably be expected to materially and adversely affect the performance by the Company of its obligations under, or the validity or enforceability of, this Agreement or the Units, (iv) that would reasonably be expected to result in a Company MAE, or (v) seeking to affect materially and adversely the U.S. federal income tax attributes of the Units, except as described in the Prospectus. The Company promptly will give notice to the Dealer Manager of the occurrence of any action, suit, proceeding or investigation of the type referred to in this Section 2(g) arising or occurring on or after the date of this Agreement.

(h) Sales Literature. Any supplemental sales literature or advertisement (including without limitation any "broker-dealer use only" material), regardless of how labeled or described, used in addition to the Prospectus in connection with the Offering which previously has been, or hereafter is, furnished or approved by the Company (collectively, "**Approved Sales Literature**"), shall, to the extent required, be filed with and approved by the appropriate securities agencies and bodies, provided that the Dealer Manager will make all FINRA filings, to the extent required. Any and all Approved Sales Literature, taken together with the Prospectus as then supplemented or amended, did not or will not at the time provided for use include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(i) Authorization of Shares and Warrants. The Preferred Shares and the Warrants have been duly authorized and, when issued and sold as contemplated by the Prospectus and upon payment therefor as provided in this Agreement and the Prospectus, will be validly issued, fully paid and nonassessable and will conform in all material respects to the description thereof contained in the Prospectus. The Common Shares that may be issuable upon exercise of the Warrants or redemption of the Preferred Shares have been duly authorized and, when issued and sold (in the case of the Warrants) as contemplated by the Prospectus and upon payment (in the case of the Warrants) therefor as provided in the Warrants and the Prospectus, will be validly issued, fully paid and nonassessable and will conform in all material respects to the description thereof contained in the Prospectus.

(j) Taxes. Any taxes, fees and other governmental charges in connection with the execution and delivery of this Agreement or the execution, delivery and sale of the Units have been or will be paid when due.

(k) Investment Company. The Company is not, and after giving effect to the offer and sale of the Units will not be, an "investment company", as such term is defined in the Investment Company Act of 1940, as amended.

(l) Tax Returns. Except as described in the Registration Statement and Prospectus, the Company has filed all federal, state and foreign income tax returns required to be filed by or on behalf of the Company on or before the due dates therefor (taking into account all extensions of time to file), except where failure to file such returns would not reasonably be expected to result in a Company MAE and has paid or provided for the payment of all such taxes indicated by such tax returns and all assessments received by the Company to the extent that such taxes or assessments have become due, except for any such taxes that are currently being contested in good faith or as would not reasonably be expected to result in a Company MAE.

(m) REIT Qualifications. The Company is organized and, since the date of its inception for federal income tax purposes, has operated in conformity with the requirements for qualification and taxation as a real estate investment trust ("**REIT**"). The Company intends to continue to operate in a manner that would permit it to continue to meet the requirements for qualification and taxation as a REIT under the Internal Revenue Code of 1986, as amended (the "**Code**").

(n) Independent Registered Public Accounting Firm. BDO USA, LLP, which has certified certain financial statements appearing in the Prospectus, is an independent registered public accounting firm within the meaning of the Securities Act and the Securities Act Rules and Regulations.

The Company and its subsidiaries each maintains a system of internal accounting and other controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with general or specific authorizations of the Company's management; (ii) transactions are recorded as necessary to permit preparation of the Company's financial statements in conformity with generally accepted accounting principles as applied in the United States ("**GAAP**") and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with general or specific authorization of the Company's management or directors or the Manager; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Except as described in the Registration Statement, since the end of the Company's most recent audited fiscal year, there has been (A) no material weakness in the Company's internal control over financial reporting (whether or not remediated), and (B) no significant changes in the Company's internal control over financial reporting that has materially adversely affected, or is reasonably likely to materially adversely affect, the Company's internal control over financial reporting.

(o) Preparation of the Financial Statements. The financial statements filed with the Commission as a part of the Registration Statement and included in or incorporated by reference into the Prospectus present fairly in all material respects the consolidated financial position of the Company and its subsidiaries as of and at the dates indicated and the results of their operations and cash flows for the periods specified. Such financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto. No pro forma financial statements or supporting schedules other than those included in or

incorporated by reference into the Registration Statement or any applicable Prospectus are required to be included in the Registration Statement or any applicable Prospectus.

(p) Material Adverse Change. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as may otherwise be stated therein or contemplated thereby, there has not occurred a Company MAE, whether or not arising in the ordinary course of business.

(q) Government Permits. The Company and its subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, other than those which the failure to possess or own would not have, individually or in the aggregate, reasonably be expected to result in, a Company MAE. Neither the Company nor any of its subsidiaries has received any written notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to result in a Company MAE.

(r) Properties. Except as otherwise disclosed in the Prospectus and except as would not reasonably be expected to result in, individually or in the aggregate, a Company MAE, (i) all properties and assets described in the Prospectus are owned with good and marketable title by the Company or one or more of its subsidiaries, and (ii) all liens, charges, encumbrances, claims or restrictions on or affecting any of the properties and assets of the Company or any of its subsidiaries which are required to be disclosed in the Prospectus are disclosed therein.

(s) Hazardous Materials. The Company does not have any knowledge of (i) the unlawful presence of any hazardous substances, hazardous materials, toxic substances or waste materials (collectively, "**Hazardous Materials**") on any of the properties owned by it or its subsidiaries or subject to mortgage loans owned by the Company or any of its subsidiaries, or (ii) any unlawful spills, releases, discharges or disposal of Hazardous Materials that have occurred or are presently occurring off such properties as a result of any construction on or operation and use of such properties, which presence or occurrence in the case of clauses (i) and (ii) would reasonably be expected to result in, individually or in the aggregate, a Company MAE. In connection with the properties owned by the Company and its subsidiaries or subject to mortgage loans owned by the Company or any of its subsidiaries, the Company has no knowledge of any failure to comply with all applicable local, state and federal environmental laws, regulations, ordinances and administrative and judicial orders relating to the generation, recycling, reuse, sale, storage, handling, transport and disposal of any Hazardous Materials, except where such failure to comply would not reasonably be expected to result in a Company MAE.

(t) Authorization of the MSA. The Manager is the current manager of the Company and provides services to the Company pursuant to the Master Services Agreement, dated as of March 11, 2014 (the "**MSA**"), by and between the Company and the Manager. The MSA has been duly and validly authorized, executed and delivered by or on behalf of the Company and constitutes a valid and binding agreement of the Company enforceable in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws of the United States, any state or any political subdivision thereof which affect creditors' rights generally or by equitable principles relating to the availability of remedies or except to the extent that the enforceability of the indemnity and contribution provisions contained in such agreement may be limited under applicable securities laws).

(u) Relationships with FINRA Members. Except as described in the applicable Registration Statement and Prospectus, neither the Company nor any subsidiary of the Company directly or

indirectly controls, is controlled by, or is under common control with, or is an associated person (within the meaning of Article I, Section 1(ee) of the By-laws of FINRA) of, any member firm of FINRA.

3. Representations and Warranties of the Manager. The Manager hereby represents and warrants to the Dealer Manager, as of the date of this Agreement and on each Effective Date, as follows:

(a) Organization Status. The Manager is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization of the MSA. The MSA has been duly and validly authorized, executed and delivered by or on behalf of the Manager and constitutes a valid and binding agreement of the Manager enforceable in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws of the United States, any state or any political subdivision thereof which affect creditors' rights generally or by equitable principles relating to the availability of remedies or except to the extent that the enforceability of the indemnity and contribution provisions contained in such agreement may be limited under applicable securities laws).

(c) Actions or Proceedings. As of the date of this Agreement, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Manager, threatened against the Manager (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the issuance of the Units or the consummation of any of the transactions contemplated by this Agreement, (iii) that would reasonably be expected to materially and adversely affect the validity or enforceability of this Agreement or the Units, (iv) that would reasonably be expected to result in a Company MAE, or (v) seeking to affect adversely the U.S. federal income tax attributes of the Units, except as described in the Prospectus.

(d) Government Permits. The Manager possesses such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now operated by it, other than those which the failure to possess or own would not have, individually or in the aggregate, reasonably be expected to result in (i) a material adverse effect on the financial condition, business affairs, properties or results of operations of the Manager, (ii) a Company MAE or (iii) a material adverse effect on the performance of the services under the Management Agreement by the Manager. The Manager has not received any written notice of proceedings relating to the revocation or modification of any such certificate, authority or permit, which, individually or in the aggregate, if subject of an unfavorable decision, ruling or finding, would reasonably be expected to result in (A) a material adverse effect on the financial condition, business affairs, properties or results of operations of the Manager, (B) a Company MAE or (C) a material adverse effect on the performance of the services under the Management Agreement by the Manager.

4. Representations and Warranties of the Dealer Manager. The Dealer Manager hereby represents and warrants to the Company, as of the date of this Agreement and on each Effective Date, as follows:

(a) Organization Status. The Dealer Manager is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware, with all requisite power and authority to enter into this Agreement and to carry out its obligations hereunder.

(b) Authorization of Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Dealer Manager, and assuming due authorization, execution and delivery of this Agreement by the Company and the Manager, will constitute a valid and legally binding agreement of the Dealer Manager enforceable against the Dealer Manager in accordance with its terms (except as

such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws of the United States, any state or any political subdivision thereof which affect creditors' rights generally or by equitable principles relating to the availability of remedies or except to the extent that the enforceability of the indemnity and contribution provisions contained in this Agreement may be limited under applicable securities laws).

(c) Absence of Conflict or Default. The execution and delivery of this Agreement by the Dealer Manager and the performance of this Agreement by the Dealer Manager and the consummation of the transactions contemplated herein, do not and will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under: (i) the Dealer Manager's articles of formation, bylaws or other organizational documents, as applicable, (ii) any indenture, mortgage, stockholders' agreement, note, lease or other material agreement or instrument to which the Dealer Manager is a party or by which the Dealer Manager may be bound, or to which any of the property or assets of the Dealer Manager is subject, or (iii) any rule, regulation, writ, injunction or decree of any government, governmental instrumentality or court, domestic or foreign, having jurisdiction over the Dealer Manager or its assets, properties or operations, except in the case of clause (ii) or (iii), for such conflicts or defaults that would not, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on the financial condition, business affairs, properties or results of operations of the Dealer Manager.

(d) Broker-Dealer Registration; FINRA Membership. The Dealer Manager is, and during the term of this Agreement will be, (i) duly registered as a broker-dealer pursuant to the provisions of the Exchange Act, (ii) a member in good standing of FINRA, and (iii) a broker or dealer duly registered as such in those states where the Dealer Manager is required to be registered in order to carry out the Offering as contemplated by this Agreement and the Prospectus. Each of the Dealer Manager's employees and representatives has all required licenses and registrations to act under this Agreement and to carry out the Offering as contemplated thereby. There is no provision in the Dealer Manager's FINRA membership agreement that would restrict the ability of the Dealer Manager to carry out the Offering as contemplated by this Agreement and the Prospectus.

(e) Disclosure. The information under the caption "Plan of Distribution" in the Prospectus insofar as it relates to the Dealer Manager, and all other information furnished to the Company by the Dealer Manager in writing specifically for use in the Registration Statement, any preliminary Prospectus or the Prospectus, does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. Offering and Sale of the Units. Upon the terms and subject to the conditions set forth in this Agreement, the Company confirms the appointment of the Dealer Manager as its agent and exclusive distributor to solicit securities dealers to solicit subscriptions for the Units in connection with the Offering at the subscription price to be paid in cash (the "**Soliciting Dealers**") and to retain the Soliciting Dealers now or hereafter subject to Soliciting Dealer Agreements (as defined below). Upon the terms and subject to the conditions set forth in this Agreement, the Dealer Manager hereby confirms its acceptance of such agency and exclusive distributorship and agrees to use its reasonable best efforts during the Offering Period (as defined below) or until this Agreement is earlier terminated pursuant to Section 12 to sell or cause to be sold the Units in such quantities and to such Persons in accordance with such terms as are set forth in this Agreement, the Prospectus and the Registration Statement. As used herein, "**Person**" means any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, governmental authority or agency, or other entity

of any kind.

For purposes of this Agreement, "**Offering Period**" shall mean the period commencing on the date hereof and ending on the date on which the Company has sold and issued an aggregate of 36,000,000 Units since July 1, 2016. During the period from the date hereof until the end of the Offering Period (or and the earlier termination of this Agreement by the Company or the Dealer Manager pursuant to Section 12), the Company will not (and will cause its affiliates to not) engage or appoint any Person other than the Dealer Manager to solicit, or to retain any securities dealers to solicit, subscriptions for the Units, Warrants or Preferred Shares in a public offering.

The number of Units, if any, to be reserved for sale by each Soliciting Dealer may be determined, from time to time, by the Dealer Manager upon prior approval of the Company. In the absence of such determination, the Company shall, subject to the provisions of Section 5(b), accept Subscription Agreements based upon a first-come, first accepted reservation or other similar method. Under no circumstances will the Dealer Manager be obligated to underwrite or purchase any Units for its own account. In soliciting purchases of Units, the Dealer Manager will act solely as the Company's agent and not as an underwriter or principal.

(a) Soliciting Dealers. The Units offered and sold through the Dealer Manager under this Agreement shall be offered and sold only by the Dealer Manager and the Soliciting Dealers; *provided, however,* that (i) all Soliciting Dealers are registered with the Commission, are members in good standing of FINRA and are duly licensed or registered by the regulatory authorities in the jurisdictions in which they offer and sell Units or are exempt from broker-dealer registration with the Commission and all other applicable regulatory authorities, (ii) all Soliciting Dealers may lawfully offer and sell Units in the jurisdiction in which they offer and sell Units, (iii) all such engagements are evidenced by written agreements, the terms and conditions of which substantially conform to the form of Soliciting Dealer Agreement approved by the Company and the Dealer Manager (the "**Soliciting Dealer Agreement**"), and (iv) the Company shall have previously approved each Soliciting Dealer (such approval not to be unreasonably withheld or delayed).

(b) Subscription Documents. Each Person desiring to purchase Units through the Dealer Manager, or any other Soliciting Dealer, will be required to complete and execute the subscription documents described in the Prospectus.

(c) Completed Sale. A sale of a Unit shall be deemed by the Company to be completed for purposes of Section 5(d) if and only if (i) the Company has received payment of the full purchase price of each purchased Unit and, in the case Direct Registration Service is used for settlement, a properly completed and executed subscription agreement from an investor who satisfies the applicable suitability standards and minimum purchase requirements set forth in the Registration Statement as determined by the Soliciting Dealer, or the Dealer Manager, as applicable, in accordance with the provisions of this Agreement, (ii) the Company or its agent has accepted such subscription, and (iii) such investor has been admitted as a stockholder of the Company. In addition, no sale of Units shall be completed until at least five business days after the date on which the subscriber receives a copy of the Prospectus. The Dealer Manager hereby acknowledges and agrees that the Company, in its sole and absolute discretion, may accept or reject any subscription, in whole or in part, for any reason whatsoever or no reason, and no commission or dealer manager fee will be paid to the Dealer Manager with respect to that portion of any subscription which is rejected. As used in this Agreement, "**business day**" means any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York, the State of Texas or the State of California are authorized or obligated by law or executive order to close.

(d) Dealer-Manager Compensation.

(i) Subject to the discounts and other special circumstances described in or otherwise provided in the "Plan of Distribution" section of the Prospectus or this Section 5(d), the Company agrees to pay the Dealer Manager selling commissions in the amount of five percent (5%) of the selling price of each Unit for which a sale is completed from the Units offered in the Offering. The Company will pay reduced selling commissions or may eliminate commissions on certain sales of Units, including the reduction or elimination of selling commissions in accordance with, and on the terms set forth in, the Prospectus. The Dealer Manager will reallow all the selling commissions, subject to federal and state securities laws, to the Soliciting Dealer who sold the Units, as described more fully in the Soliciting Dealer Agreement.

(ii) Subject to the special circumstances described in or otherwise provided in the "Plan of Distribution" section of the Prospectus or this Section 5(d), as compensation for acting as the dealer manager, the Company will pay the Dealer Manager, a dealer manager fee in the amount of two and three-quarters percent (2.75%) of the selling price of each Unit for which a sale is completed from the Units offered in the Offering (the "**Dealer Manager Fee**"). The Dealer Manager may retain or re-allow all or a portion of the Dealer Manager Fee, subject to federal and state securities laws, to the Soliciting Dealer who sold the Units, as described more fully in the Soliciting Dealer Agreement.

(iii) The Dealer Manager Fee and all selling commissions payable to the Dealer Manager will be paid on the day the investor subscribing for the Unit is admitted as a stockholder of the Company, or as promptly thereafter as practical in an amount equal to the Dealer Manager Fee and selling commissions payable with respect to such Units.

(iv) In no event shall the total aggregate compensation payable from any source to (A) the Dealer Manager and any Soliciting Dealers participating in the Offering, including, but not limited to, selling commissions and the Dealer Manager Fee, and (B) other expenses incurred by the Dealer Manager or Soliciting Dealers associated with the Offering, which are paid by or reimbursed by the Company, Manager or other Person, which are deemed components of underwriter compensation, exceed ten percent (10.0%) of gross offering proceeds from the Offering in the aggregate.

(v) Notwithstanding anything to the contrary contained herein, if the Company pays any selling commission to the Dealer Manager for sale by a Soliciting Dealer of one or more Units and the subscription is rescinded as to one or more of the Units covered by such subscription, then the Company shall decrease the next payment of selling commissions or other compensation otherwise payable to the Dealer Manager by the Company under this Agreement by an amount equal to the commission rate established in this Section 5(d), multiplied by the number of Units as to which the subscription is rescinded. If no payment of selling commissions or other compensation is due to the Dealer Manager after such rescission occurs, then the Dealer Manager shall pay the amount specified in the preceding sentence to the Company within a reasonable period of time not to exceed fifteen (15) days following receipt of notice by the Dealer Manager from the Company stating the amount owed as a result of rescinded subscriptions.

(vi) Reasonable Bona Fide Due Diligence Expenses. In addition to compensation payable to the Dealer Manager or any Soliciting Dealer, but subject to the next sentence, the Company or the Manager shall reimburse the Dealer Manager or any Soliciting Dealer for reasonable *bona fide* due diligence expenses incurred by the Dealer Manager or any Soliciting Dealer. The Company shall only reimburse the Dealer Manager or any Soliciting Dealer for any *bona fide* due diligence expenses to the extent such expenses have been approved in each case by the Company in advance, actually been incurred and are supported by detailed and itemized invoice(s) provided to the Company and permitted pursuant to the rules and regulations of FINRA.

6. **Conditions to the Dealer Manager's Obligations**. The Dealer Manager's obligations hereunder shall be subject to the following terms and conditions:

(a) The representations and warranties on the part of the Company contained in this Agreement shall be true and correct in all material respects and the Company shall have complied with its covenants, agreements and obligations contained in this Agreement in all material respects.

(b) The Registration Statement shall be effective and no stop order suspending the effectiveness of the Registration Statement shall have been issued by the Commission and, to the knowledge of the Company, no proceedings for that purpose shall have been instituted, threatened or contemplated by the Commission; and any request by the Commission for additional information (to be included in the Registration Statement or Prospectus or otherwise) shall have been complied with to the reasonable satisfaction of the Dealer Manager.

(c) The Prospectus, as then supplemented or amended, shall not contain any untrue statement of material fact, or omit to state a material fact that is required to be stated therein or is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

7. **Covenants of the Company**. The Company covenants and agrees with the Dealer Manager as follows (and, where applicable, the Dealer Manager covenants and agrees with the Company):

(a) Registration Statement. The Company will use commercially reasonable efforts to maintain the effective status of the Registration Statement. The Company will comply in all material respects with all federal and state securities laws, rules and regulations which are required to be complied with in order to permit the continuance of offers and sales of the Units in accordance with the provisions hereof and of the Prospectus.

(b) Commission Orders. If the Commission shall issue any stop order or any other order preventing or suspending the use of the Prospectus, or to the Company's knowledge, shall institute any proceedings for that purpose, then the Company will promptly notify the Dealer Manager and use commercially reasonable efforts to prevent the issuance of any such order and, if any such order is issued, to use commercially reasonable efforts to obtain the removal thereof as promptly as possible.

(c) Blue Sky Qualifications. The Company will use commercially reasonable efforts to qualify the Units for offering and sale under the securities or blue sky laws of such jurisdictions as the Dealer Manager and the Company shall mutually agree upon and to make such applications, file such documents and furnish such information as may be reasonably required for that purpose. The Company will, at the Dealer Manager's request, furnish the Dealer Manager with a copy of such papers filed by the Company in connection with any such qualification. The Company will promptly advise the Dealer Manager of the issuance by such securities administrators of any stop order preventing or suspending the use of the Prospectus or to the Company's knowledge of the institution of any proceedings for that purpose, and will use commercially reasonable efforts to prevent the issuance of any such order and if any such order is issued, to use commercially reasonable efforts to obtain the removal thereof as promptly as possible. The Dealer Manager will cause its outside counsel to furnish it and the Company with supplements to an initial Blue Sky Survey, dated as of each initial Effective Date, reflecting any changes or additions to the information disclosed in such survey.

(d) Amendments and Supplements. If, at any time when a Prospectus relating to the Units (or any portion thereof) is required to be delivered under the Securities Act, any event shall have occurred to the knowledge of the Company as a result of which the Prospectus as then supplemented or amended or

any Approved Sales Literature as then amended or supplemented, taken together with the Prospectus as then supplemented or amended, would include any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading at the time it is so required to be delivered to a subscriber, or if it is necessary at any time to amend the Registration Statement or supplement the Prospectus relating to the Units (or any portion thereof) to comply with the Securities Act, then the Company will reasonably promptly notify the Dealer Manager thereof (unless the information shall have been received from the Dealer Manager) and will prepare and file with the Commission an amendment or supplement which will correct such statement or effect such compliance to the extent required, and shall make available to the Dealer Manager thereof sufficient copies for its own use and/or distribution to the Soliciting Dealers.

(e) Requests from Commission. The Company will promptly advise the Dealer Manager of any request made by the Commission or a state securities administrator for amending the Registration Statement, supplementing the Prospectus or for additional information in connection with the Offering.

(f) Copies of Registration Statement. The Company will furnish the Dealer Manager with such copies of the Registration Statement and the Prospectus, and all amendments and supplements thereto, as the Dealer Manager may reasonably request in connection with the sale of the Units.

(g) Authority to Perform Agreements. The Company undertakes to obtain all consents, approvals, authorizations or orders of any court or governmental agency or body which are required for the Company's performance of this Agreement and under the Company's articles of incorporation (as the same may be amended, supplemented or otherwise modified from time to time) and by-laws for the consummation of the transactions contemplated hereby.

(h) Sales Literature. The Company will furnish to the Dealer Manager as promptly as shall be reasonably practicable upon request any Approved Sales Literature (provided that the use of said material has been first approved for use by all appropriate regulatory agencies). Any supplemental sales literature or advertisement, regardless of how labeled or described, used in addition to the Prospectus in connection with the Offering which is furnished or approved by the Company (including, without limitation, Approved Sales Literature) shall, to the extent required, be filed with and, to the extent required, approved by the appropriate securities agencies and bodies, provided that the Dealer Manager will make all FINRA filings, to the extent required. The Company will be responsible for all Approved Sales Literature. The Company and the Dealer Manager agree that all sales literature developed in connection with the Offering shall be the property of the Company and the Company shall have control of all such sales literature. Each of the Company and the Manager will not (and will cause its affiliates to not): (i) show or give to any investor or prospective investor or reproduce any material or writing that is marked "broker-dealer use only" or otherwise bearing a legend denoting that it is not to be used in connection with the sale of Units to members of the public, and (ii) show or give to any investor or prospective investor in a particular jurisdiction any material or writing if such material bears a legend denoting that it is not to be used in connection with the sale of Units to members of the public in such jurisdiction.

(i) Certificates of Compliance. The Company shall provide, from time to time upon reasonable request of the Dealer Manager, certificates of its chief executive officer and chief financial officer of compliance by the Company of the requirements of this Agreement.

(j) Use of Proceeds. The Company will apply the proceeds from the sale of the Units as set forth in the Prospectus in all material respects.

(k) Certain Payments. Without the prior consent of the Dealer Manager, neither the Company nor the Manager will make any payment (cash or non-cash) to any associated Person or registered representative of the Dealer Manager.

8. Covenants of the Dealer Manager. The Dealer Manager covenants and agrees with the Company as follows (and, where applicable, the Company covenants and agrees with the Dealer Manager):

(a) Compliance with Laws. With respect to the Dealer Manager's participation and the participation by each Soliciting Dealer in the offer and sale of the Units (including, without limitation, any resales and transfers of Units), the Dealer Manager agrees, and each Soliciting Dealer in its Soliciting Dealer Agreement has agreed or will agree, to comply in all material respects with all applicable requirements of (i) the Securities Act, the Securities Act Rules and Regulations, the Exchange Act, the Exchange Act Rules and Regulations and all other federal regulations applicable to the Offering and the sale of Units, (ii) all applicable state securities or blue sky laws and regulations, from time to time in effect and (iii) the Rules of FINRA applicable to the Offering, from time to time in effect, specifically including, but not in any way limited to, FINRA Conduct Rules 2111, 2040, 2340, 5130 and 5141 therein. The Dealer Manager has not offered and will not offer the Units for sale in any jurisdiction unless and until it has been advised that the Units are either registered in accordance with, or exempt from, the securities and other laws applicable thereto.

In addition, the Dealer Manager shall, in accordance with applicable law or as prescribed by any state securities administrator, provide, or require in the Soliciting Dealer Agreement that the Soliciting Dealer shall provide, to any prospective investor copies of the Prospectus and any supplements thereto during the course of the Offering and prior to the sale of any Units. The Company may provide the Dealer Manager with certain Approved Sales Literature to be used by the Dealer Manager and the Soliciting Dealers in connection with the solicitation of purchasers of the Units. If the Dealer Manager elects to use Approved Sales Literature, then the Dealer Manager agrees that such material shall not be used by it in connection with the solicitation of purchasers of the Units and that it will direct Soliciting Dealers not to make such use unless accompanied or preceded by the Prospectus, as then amended or supplemented. The Dealer Manager will not use any Approved Sales Literature other than those provided to the Dealer Manager by the Company specifically for use in the Offering.

(b) No Additional Information. In offering the Units for sale, the Dealer Manager shall not, and each Soliciting Dealer shall agree not to, give or provide any information or make any representation other than those contained in the Prospectus or the Approved Sales Literature. The Dealer Manager shall not and each Soliciting Dealer shall agree not to (i) show or give to any investor or prospective investor or reproduce any material or writing that is supplied to it by the Company and marked "broker-dealer use only" or otherwise bearing a legend denoting that it is not to be used in connection with the sale of Units to members of the public, (ii) show or give to any investor or prospective investor in a particular jurisdiction any material or writing that is supplied to it by the Company if such material bears a legend denoting that it is not to be used in connection with the sale of Units to members of the public in such jurisdiction or (iii) make any public oral communications relating to the Offering that have not been previously approved by the Company.

(c) Materials for Broker-Dealer Use Only. The Dealer Manager will not use, provide, make available, distribute or otherwise use any "broker-dealer use only" Approved Sales Literature with members of the public in connection with offers or sales of the Units.

(d) Sales of Shares. The Dealer Manager shall, and each Soliciting Dealer shall agree to, solicit purchases of the Units only in the jurisdictions in which the Dealer Manager and such Soliciting Dealer are legally qualified to so act.

(e) Subscription Agreement. The Dealer Manager has complied and will comply in all material respects with the subscription procedures and "Plan of Distribution" set forth in the Prospectus. Subscriptions will be submitted by the Dealer Manager and each Soliciting Dealer to the Company only on the form of Subscription Agreement which is included as an exhibit to the Registration Statement. The Dealer Manager understands and acknowledges, and each Soliciting Dealer shall acknowledge, that the Subscription Agreement must be executed and initialed by the subscriber as provided for by the Subscription Agreement.

(f) Suitability. The Dealer Manager has and will offer Units, and in its agreement with each Soliciting Dealer requires or will require that the Soliciting Dealer offer Units, only to Persons in the states in which the Dealer Manager is advised in writing by its counsel that the Units are qualified for sale or that such qualification is not required. In offering Units, the Dealer Manager has complied and will comply and, in its agreements with the Soliciting Dealers, the Dealer Manager has required and will require that the Soliciting Dealers (i) comply, with the provisions of all applicable laws, rules and regulations relating to suitability of investors, including without limitation the FINRA Conduct Rules and (ii) in making such suitability determination, consider, based on the information provided by a given purchaser: such purchaser's age, investment objectives, investment experience, income, net worth, financial situation and other investments held by such purchaser; whether such purchaser can reasonably benefit from an investment in the Units based on his, her or its overall investment objectives and portfolio structure and is able to bear the economic risk of the investment based on his, her or its overall financial situation; and whether such purchaser has an apparent understanding of the fundamental risks of an investment in the Units, the risk that he, she or it may lose the entire investment, the lack of liquidity of the Preferred Shares, the restrictions on transferability of the Units, the background and qualifications of the Company's advisor, and the tax, including ERISA, consequences of an investment in the Units. Notwithstanding the foregoing, the Dealer Manager shall not, and each Soliciting Dealer shall agree not to, execute any transaction with respect to the Units in a discretionary account without prior written approval of the transaction by the customer.

(g) Suitability Records. The Dealer Manager shall, and each Soliciting Dealer shall agree to, maintain, for at least six years or for a period of time not less than that required in order to comply with all applicable federal, state and other regulatory requirements, whichever is later, a record of the information obtained to determine that an investor meets the suitability standards imposed on the offer and sale of the Units (both at the time of the initial subscription and at the time of any additional subscriptions) and a representation of the investor that the investor is investing for the investor's own account or, in lieu of such representation, information indicating that the investor for whose account the investment was made met the suitability standards. Except to the extent that the Dealer Manager makes any direct sales to investors, the Company agrees that the Dealer Manager can satisfy its obligation by contractually requiring such information to be maintained by the investment advisers or banks referred to in Section 3(b) of the Soliciting Dealer Agreement.

(h) Soliciting Dealer Agreements. All engagements of the Soliciting Dealers are and shall be evidenced by a Soliciting Dealer Agreement.

(i) Electronic Delivery. If the Dealer Manager uses electronic delivery to distribute the Prospectus to any Person, it will comply with all applicable requirements of the Commission, the blue sky laws and/or FINRA and any other laws or regulations related to the electronic delivery of documents.

(j) Anti-Money Laundering Compliance. Although acting as a wholesale distributor and not itself selling securities of the Company directly to investors, the Dealer Manager represents and warrants to the Company that it has established and implemented anti-money laundering compliance programs ("**AML Program**") in accordance with applicable law, including applicable FINRA Conduct Rules, the Exchange Act Rules and Regulations and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001, as amended (the "**USA PATRIOT Act**"), specifically including, but not limited to, Section 352 of the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001 (the "**Money Laundering Abatement Act**", and together with the USA PATRIOT Act, the "**AML Rules**"), reasonably expected to detect and cause the reporting of suspicious transactions in connection with the Offering. The Dealer Manager further represents and warrants that it is currently in compliance with all AML Rules, specifically including, but not limited to, the Customer Identification Program requirements under Section 326 of the Money Laundering Abatement Act, and the Dealer Manager hereby covenants to remain in compliance with such requirements and shall, upon request by the Company, provide a certification to the Company that, as of the date of such certification (i) its AML Program is consistent with the AML Rules, and (ii) it is currently in compliance with all AML Rules, specifically including, but not limited to, the Customer Identification Program requirements under Section 326 of the Money Laundering Abatement Act.

(k) Cooperation. Following the Offering Period or the earlier termination of this Agreement, upon the Company's request, the Dealer Manager will cooperate fully with the Company and any other Person that may be necessary to accomplish an orderly transfer and/or the transfer to a successor dealer manager of the operation and management of any services the Dealer Manager is providing to the Company under this Agreement. The Dealer Manager will not be entitled to receive any additional fee in connection with the foregoing provisions of this Section 8(k), but the Company will pay or reimburse the Dealer Manager for any out-of-pocket expenses reasonably incurred by the Dealer Manager in connection therewith and approved in advance by the Company.

(l) Customer Information. The Dealer Manager will use commercially reasonable efforts to provide the Company with any and all subscriber information that the Company requests.

(m) Customer Information. The Dealer Manager shall:

(i) abide by and comply with (A) the privacy standards and requirements of the Gramm-Leach-Bliley Act of 1999 (the "**GLB Act**"), (B) the privacy standards and requirements of any other applicable federal or state law, and (C) its own internal privacy policies and procedures, each as may be amended from time to time;

(ii) refrain from the use or disclosure of nonpublic personal information (as defined under the GLB Act) of all customers who have opted out of such disclosures except as necessary to service the customers or as otherwise necessary or required by applicable law; and

(iii) determine which customers have opted out of the disclosure of nonpublic personal information by periodically reviewing and, if necessary, retrieving an aggregated list of such customers from the Soliciting Dealers (the "**List**") to identify customers that have exercised their opt-out rights. If any Party uses or discloses nonpublic personal information of any customer for purposes other than servicing the customer, or as otherwise required by applicable law, that Party will consult the List to determine whether the affected customer has exercised his or her opt-out rights. Each Party understands that it is prohibited from using or disclosing any nonpublic personal information of any customer that is identified on the List as having opted out of such disclosures.

9. Expenses.

(a) Subject to Section 9(b), the Dealer Manager shall pay all its own costs and expenses incident to the performance of its obligations under this Agreement.

(b) The Company agrees to pay all costs and expenses related to:

(i) the registration fee payable to the Commission in connection with the offer and sale of the Units;

(ii) expenses of printing the Registration Statement and the Prospectus and any amendment or supplement thereto as herein provided;

(iii) fees and expenses incurred in connection with any required filing with FINRA for the offer and sale of the Units;

(iv) all the expenses of agents of the Company, excluding the Dealer Manager and any Soliciting Dealers, incurred in connection with the offer and sale of the Units; and

(v) expenses of qualifying the Units for offering and sale under state blue sky and securities laws (other than the expenses in connection with the preparation and printing of the Blue Sky Survey referred to above); and

(vi) any other reasonable, documented out-of-pocket costs and expenses directly related to the offer, sale and distribution of the Units pre-approved by the Company, subject to FINRA rules in respect of underwriter compensation.

(c) The Company shall reimburse the Dealer Manager and Soliciting Dealers for approved or deemed approved reasonable bona fide due diligence expenses in accordance with Section 5(d)(vi).

10. Indemnification.

(a) Indemnified Parties Defined. For the purposes of this Agreement, an "**Indemnified Party**" shall mean a Person entitled to indemnification under this Section 10, as well as such Person's officers, directors (including with respect to the Company, any Person named in the Registration Statement with his or her consent as becoming a director in the future), employees, members, managers, partners, affiliates, agents and representatives, and each Person, if any, who controls such Person within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act.

(b) Indemnification of the Dealer Manager and Soliciting Dealers. The Company will indemnify, defend and hold harmless the Dealer Manager and the Soliciting Dealers, and their respective Indemnified Parties, from and against any losses, claims, expenses (including reasonable legal and other expenses incurred in investigating and defending such claims or liabilities), damages or liabilities, joint or several, to which any of the aforesaid parties may become subject under the Securities Act, the Exchange Act, the Securities Act Rules and Regulations, the Exchange Act Rules and Regulations or otherwise, insofar as such losses, claims, expenses, damages or liabilities (or actions in respect thereof) arise out of or are based upon or are related to (in whole or in part): (i) any material inaccuracy in a representation or warranty contained herein by the Company, any material breach of a covenant contained herein by the Company, or any material failure by the Company to perform its obligations hereunder or to comply with state or federal securities laws applicable to the Offering; (ii) any untrue statement or alleged untrue statement of a material fact contained (A) in any Registration Statement or any post-effective amendment

thereto or in the Prospectus or any amendment or supplement to the Prospectus or (B) in any Approved Sales Literature; or (iii) the omission or alleged omission to state a material fact required to be stated in the Registration Statement or any post-effective amendment thereto to make the statements therein not misleading or the omission or alleged omission to state a material fact required to be stated in the Prospectus or any amendment or supplement to the Prospectus to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided, however*, that the Company will not be liable in any such case to the extent that any such loss, claim, expense, damage or liability arises out of, or is based upon (x) an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with written information furnished to the Company by the Dealer Manager expressly for use in the Registration Statement or any post-effective amendment thereof or the Prospectus or any such amendment thereof or supplement thereto or (y) a violation of federal or state securities laws by the Dealer Manager. The Company will reimburse each Soliciting Dealer or the Dealer Manager, and their respective Indemnified Parties, for any reasonable legal or other expenses incurred by such Soliciting Dealer or the Dealer Manager, and their respective Indemnified Parties, in connection with investigating or defending such loss, claim, expense, damage, liability or action. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(c) Dealer Manager Indemnification of the Company and the Manager. The Dealer Manager will indemnify, defend and hold harmless the Company, the Manager, each of their Indemnified Parties and each Person who has signed the Registration Statement, from and against any losses, claims, expenses (including the reasonable legal and other expenses incurred in investigating and defending any such claims or liabilities), damages or liabilities to which any of the aforesaid parties may become subject under the Securities Act, the Securities Act Rules and Regulations, the Exchange Act, the Exchange Act Rules and Regulations or otherwise, insofar as such losses, claims, expenses, damages or liabilities (or actions in respect thereof) arise out of or are based upon or are related to (in whole or in part): (i) any material inaccuracy in a representation or warranty contained herein by the Dealer Manager, any material breach of a covenant contained herein by the Dealer Manager, or any material failure by the Dealer Manager to perform its obligations hereunder or to comply with state or federal securities laws applicable to the Offering; (ii) any untrue statement or any alleged untrue statement of a material fact contained (A) in any Registration Statement or any post-effective amendment thereto or in the Prospectus or any amendment or supplement to the Prospectus or (B) in any Approved Sales Literature; (iii) the omission or alleged omission to state a material fact required to be stated in the Registration Statement or any post-effective amendment thereof to make the statements therein not misleading or the omission or alleged omission to state a material fact required to be stated in the Prospectus or any amendment or supplement to the Prospectus to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided, however*, that the Dealer Manager will not be liable in any such case to the extent that any such loss, claim, expense, damage or liability arises out of, or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with written information furnished to the Dealer Manager by the Company in the Registration Statement or any such post-effective amendments thereof or the Prospectus or any such amendment thereof or supplement thereto; or (iv) any use of sales literature, including "broker-dealer use only" materials, by the Dealer Manager or any Soliciting Dealer that is not Approved Sales Literature or use of unauthorized oral communications relating to the Offering by the Dealer Manager or any Soliciting Dealer. The Dealer Manager will reimburse the aforesaid parties for any reasonable legal or other expenses incurred in connection with investigation or defense of such loss, claim, expense, damage, liability or action. This indemnity agreement will be in addition to any liability which the Dealer Manager may otherwise have.

(d) Soliciting Dealer Indemnification of the Company. By virtue of entering into the Soliciting Dealer Agreement, each Soliciting Dealer severally will agree to indemnify, defend and hold

harmless the Company, the Dealer Manager, each of their respective Indemnified Parties, and each Person who signs the Registration Statement, from and against any losses, claims, expenses, damages or liabilities to which the Company, the Dealer Manager, any of their respective Indemnified Parties or any Person who signs or signed the Registration Statement, may become subject, under the Securities Act or otherwise, as more fully described in the Soliciting Dealer Agreement.

(e) Action Against Parties; Notification. Promptly after receipt by any Indemnified Party under this Section 10 of notice of the commencement of any action, such Indemnified Party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 10, promptly notify the indemnifying party of the commencement thereof; *provided*, *however*, that the failure to give such notice shall not relieve the indemnifying party of its obligations hereunder except to the extent it shall have been actually prejudiced by such failure. In case any such action is brought against any Indemnified Party, and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled, to the extent it may wish, jointly with any other indemnifying party similarly notified, to participate in the defense thereof, with counsel (including local counsel) (the "Chosen Counsel") satisfactory to such Indemnified Party (who shall not, except with the consent of the Indemnified Party, be counsel to the indemnifying party), and after notice from the indemnifying party to such Indemnified Party of its election so to assume the defense thereof, the indemnifying party will not be liable to such Indemnified Party under this Section 10 for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof, other than reasonable costs of investigation, unless (i) the use of counsel (including local counsel) chosen by the indemnifying party to represent the Indemnified Party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the Indemnified Party and the indemnifying party and the Indemnified Party shall have reasonably concluded that there may be one or more legal defenses available to it and/or other Indemnified Party that are different from or additional to those available to the indemnifying party, (iii) the indemnifying party shall not have employed counsel reasonably satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after receipt by the indemnifying party of notice of the institution of such action, or (iv) the indemnifying party has authorized in writing the employment of counsel for the Indemnified Party at the expense of the indemnifying party; provided, however, that the indemnifying party shall not, in connection with any one such action or proceeding or separate but substantially similar actions or proceedings arising out of the same general allegations, be liable for the fees and expenses of more than one separate firm of attorneys in addition to the Chosen Counsel at any time for all Indemnified Parties hereunder. Upon assumption by the indemnifying party of the defense thereof, the Indemnified Party shall have the right to participate in such action or claim and to retain its own counsel but, except as set forth in clauses (i) through (iv) of the preceding sentence, the indemnifying party shall not be liable to such Indemnified Party for any legal fees and expenses of other counsel subsequently incurred by such Indemnified Party in connection with the defense thereof. Any such indemnifying party shall not be liable to any such Indemnified Party on account of any settlement of any claim or action effected without the consent of such indemnifying party, such consent not to be unreasonably withheld or delayed.

11. Contribution.

(a) If the indemnification provided for in Section 10 is for any reason unavailable to or insufficient to hold harmless an Indemnified Party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such Indemnified Party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, the Dealer Manager and the Soliciting Dealer, respectively, from the proceeds received in the Offering pursuant to this Agreement and the relevant Soliciting Dealer Agreement, or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative

benefits referred to in clause (i) above but also the relative fault of the Company, the Dealer Manager and the Soliciting Dealer, respectively, in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

(b) The relative benefits received by the Company, the Dealer Manager and the Soliciting Dealer, respectively, in connection with the proceeds received in the Offering pursuant to this Agreement and the relevant Soliciting Dealer Agreement shall be deemed to be in the same respective proportion as the total net proceeds from the Offering pursuant to this Agreement and the relevant Soliciting Dealer Agreement (before deducting expenses), received by the Company, and the total selling commissions and Dealer Manager Fees received by the Dealer Manager and the Soliciting Dealer, respectively, in each case as set forth on the cover of the Prospectus bear to the aggregate offering price of the Units sold in the Offering as set forth on such cover.

(c) The relative fault of the Company, the Dealer Manager and the Soliciting Dealer, respectively, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact related to information supplied by the Company, by the Dealer Manager or by the Soliciting Dealer, respectively, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(d) The Company, the Dealer Manager and the Soliciting Dealer (by virtue of entering into the Soliciting Dealer Agreement) agree that it would not be just and equitable if contribution pursuant to this Section 11 were determined by *pro rata* allocation or by any other method of allocation which does not take account of the equitable contributions referred to above in this Section 11. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an Indemnified Party and referred to above in this Section 11 shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission or alleged omission.

(e) Notwithstanding the provisions of this Section 11, the Dealer Manager and the Soliciting Dealer shall not be required to contribute any amount by which the total price at which the Units sold in the Offering to the public by them exceeds the amount of any damages which the Dealer Manager and the Soliciting Dealer have otherwise been required to pay by reason of any untrue or alleged untrue statement or omission or alleged omission.

(f) No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Party who was not guilty of such fraudulent misrepresentation.

(g) For the purposes of this Section 11, the Dealer Manager's officers, directors, employees, members, partners, agents and representatives, and each Person, if any, who controls the Dealer Manager within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution of the Dealer Manager, and each officers, directors, employees, members, partners, agents and representatives of the Company, each officer of the Company who signed the Registration Statement and each Person, if any, who controls the Company, within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution of the Company. The Soliciting Dealers' respective obligations to contribute pursuant to this Section 11 are several in proportion to the number of Units sold by each Soliciting Dealer in the Offering and not joint.

12. Termination of this Agreement.

(a) Term; Expiration. Unless sooner terminated by the Company pursuant to Section 12(b) or by the Dealer Manager pursuant to Section 12(c), this Agreement shall expire at the end of the Offering Period. The date upon which this Agreement shall have so expired or been terminated earlier shall be referred to as the "**Termination Date**". For the avoidance of doubt, from and after the occurrence of the Termination Date, the Company shall have the right to commence and undertake preparations to commence a public offering of Units, Warrants or Preferred Shares.

(b) Termination by the Company. This Agreement may be terminated by the Company:

(i) At any time for convenience, upon at least thirty (30) days' prior written notice to the Dealer Manager; or

(ii) Upon written notice of termination from the Company to the Dealer Manager if any of the following events shall occur:

(A) A Cause Event (as defined below);

(B) A court of competent jurisdiction enters a decree or order for relief in respect of the Dealer Manager in any involuntary case under the applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Dealer Manager or for any substantial part of its property or orders the winding up or liquidation of the Dealer Manager's affairs;

(C) The Dealer Manager commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, or consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Dealer Manager or for any substantial part of its property, or makes any general assignment for the benefit of creditors, or fails generally to pay its debts as they become due;

As used herein, a "**Cause Event**" means (1) fraud, criminal conduct or willful misconduct by or on the part of the Dealer Manager, (2) a representation or warranty made by the Dealer Manager herein shall prove to be untrue in any material respect, or (3) a default in the due performance or observance by the Dealer Manager of any covenant or agreement contained in this Agreement and such default shall continue unremedied for a period of thirty (30) days after written notice thereof to the Dealer Manager by the Company.

(c) Termination by Dealer Manager. This Agreement may be terminated by the Dealer Manager immediately upon written notice of termination from the Dealer Manager to the Company if any of the following events occur:

(i) A Good Reason Event (as defined below);

(ii) A court of competent jurisdiction enters a decree or order for relief in respect of the Company or any of its subsidiaries in any involuntary case under the applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or any of its subsidiaries or for any substantial part of its property or orders the winding up or liquidation of the Company's or any of its subsidiaries' affairs;

(iii) The Company or any of its subsidiaries commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, or consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or any of its subsidiaries or for any substantial part of their property, or makes any general assignment for the benefit of creditors, or fails generally to pay its debts as they become due;

(iv) A stop order suspending the effectiveness of the Registration Statement shall have been issued by the Commission and is not rescinded within 15 business days after the issuance thereof;

(v) There shall have occurred a Company MAE, whether or not in the ordinary course of business; or

(vi) A material action, suit, proceeding or investigation of the type referred to in Section 2(g) shall have occurred or arisen after the date of this Agreement.

As used herein, a "**Good Reason Event**" means (A) fraud, criminal conduct or willful misconduct by or on the part of the Company, (B) a representation or warranty made by the Company herein shall prove to be untrue in any material respect, or (C) a default in the due performance or observance by the Company of any covenant or agreement contained in this Agreement and such default shall continue unremedied for a period of thirty (30) days after written notice thereof to the Company by the Dealer Manager.

(d) Delivery of Records Upon Expiration or Early Termination. Upon the expiration or early termination of this Agreement for any reason, the Dealer Manager shall (i) promptly forward any and all funds, if any, in its possession which were received from investors for the sale of Units for the deposit of investor funds, (ii) to the extent not previously provided to the Company, provide a list of all investors who have subscribed for or purchased shares and all broker-dealers with whom the Dealer Manager has entered into a Soliciting Dealer Agreement, (iii) notify Soliciting Dealers of such termination, and (iv) promptly deliver to the Company copies of any sales literature designed for use specifically for the Offering that it is then in the process of preparing. Upon expiration or earlier termination of this Agreement, the Company shall pay to the Dealer Manager all compensation to which the Dealer Manager is then entitled under Section 5(d) at such time as such compensation becomes payable.

13. Miscellaneous.

(a) Survival. The following provisions of the Agreement shall survive the expiration or earlier termination of this Agreement: Section 8(g); Section 8(l); Section 9; Section 10; Section 11; Section 12; and Section 13. Notwithstanding anything else that may be to the contrary herein, the expiration or earlier termination of this Agreement shall not relieve a Party for liability for any breach occurring prior to such expiration or earlier termination. In no event shall the Dealer Manager be entitled to payment of any compensation in connection with the Offering, other than for completed sales of Units pursuant to Section 5 hereof.

(b) Notices. All notices, consents, approvals, waivers or other communications (each, a "**Notice**") required or permitted hereunder, except as herein otherwise specifically provided, shall be in writing and shall be: (i) delivered personally or by commercial messenger; (ii) sent via a recognized overnight courier service; or (iii) sent by facsimile transmission, provided confirmation of receipt is received by sender and such Notice is sent or delivered contemporaneously by an additional method

provided in this Section 13(b); in each case so long as such Notice is addressed to the intended recipient thereof as set forth below:

If to the Company:

CIM Commercial Trust Corporation
17950 Preston Road, Suite 600
Dallas, Texas 75252
Tel: (972) 349-3200
Fax: (972) 349-3269
Attention: Jan Salit / David Thompson

With a copy to

CIM Commercial Trust Corporation
c/o CIM Investment Advisors, LLC
4700 Wilshire Boulevard
Los Angeles, California 90010
Fax: (323) 860-4901
Attention: General Counsel
E-mail: generalcounsel@cimgroup.com

If to the Dealer Manager:

CCO Capital, LLC
2398 East Camelback Road, 4th Floor
Phoenix, Arizona 85016
Attention: President

Any Party may change its address specified above by giving each Party a Notice of such change in accordance with this Section 13(b). Any Notice shall be deemed given upon actual receipt (or refusal of receipt).

(c) Successors and Assigns. No Party shall assign (voluntarily, by operation of law or otherwise) this Agreement or any right, interest or benefit under this Agreement without the prior written consent of each other Party. Subject to the foregoing, this Agreement shall be fully binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and assigns.

(d) Invalid Provision. The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

(e) Applicable Law. This Agreement and any disputes relative to the interpretation or enforcement hereto shall be governed by and construed under the internal laws, as opposed to the conflicts of laws provisions, of the State of New York.

(f) WAIVER. EACH OF THE PARTIES HERETO WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) RELATED TO OR ARISING OUT OF THIS AGREEMENT. The parties hereto each hereby irrevocably submits to the exclusive jurisdiction of the courts of the State of New York and the Federal courts of the United States of America located in the Borough of

Manhattan, New York City, in respect of the interpretation and enforcement of the terms of this Agreement, and in respect of the transactions contemplated hereby, and each hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts, and the parties hereto each hereby irrevocably agrees that all claims with respect to such action or proceeding shall be heard and determined in such a New York State or Federal court.

(g) Attorneys' Fees. If a dispute arises concerning the performance, meaning or interpretation of any provision of this Agreement or any document executed in connection with this Agreement, then the prevailing party in such dispute shall be awarded any and all costs and expenses incurred by the prevailing party in enforcing, defending or establishing its rights hereunder or thereunder, including, without limitation, court costs and attorneys and expert witness fees. In addition to the foregoing award of costs and fees, the prevailing party also shall be entitled to recover its attorneys' fees incurred in any post-judgment proceedings to collect or enforce any judgment.

(h) No Partnership. Nothing in this Agreement shall be construed or interpreted to constitute the Dealer Manager or the Soliciting Dealers as being in association with or in partnership with the Company or one another, and instead, this Agreement only shall constitute the Dealer Manager as a broker authorized by the Company to sell and to manage the sale by others of the Units according to the terms set forth in the Registration Statement, the Prospectus or this Agreement. Nothing herein contained shall render the Dealer Manager or the Company liable for the obligations of any of the Soliciting Dealers or one another.

(i) Third Party Beneficiaries. Except for the Persons referred to in Section 10 and Section 11, there shall be no third party beneficiaries of this Agreement, and no provision of this Agreement is intended to be for the benefit of any Person not a Party, and no third party shall be deemed to be a beneficiary of any provision of this Agreement. Except for the Persons referred to in Section 10 and Section 11, no third party shall by virtue of any provision of this Agreement have a right of action or an enforceable remedy against any Party. Each of the Persons referred to in Section 10 and Section 11 shall be a third party beneficiary of this Agreement.

(j) Entire Agreement. This Agreement contains the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing.

(k) Nonwaiver. The failure of any Party to insist upon or enforce strict performance by any other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such Party's right to assert or rely upon any such provision or right in that or any other instance; rather, such provision or right shall be and remain in full force and effect.

(l) Access to Information. The Company may authorize the Company's transfer agent to provide information to the Dealer Manager and each Soliciting Dealer regarding recordholder information about the clients of such Soliciting Dealer who have invested with the Company on an on-going basis for so long as such Soliciting Dealer has a relationship with such clients. The Dealer Manager shall require in the Soliciting Dealer Agreement that Soliciting Dealers not disclose any password for a restricted website

or portion of a restricted website provided to such Soliciting Dealer in connection with the Offering and not disclose to any Person, other than an officer, director, employee or agent of such Soliciting Dealers, any material downloaded from such a restricted website or portion of a restricted website.

(m) Counterparts. This Agreement may be executed (including by facsimile transmission) with counterpart signature pages or in counterpart copies, each of which shall be deemed an original but all of which together shall constitute one and the same instrument comprising this Agreement.

(n) Absence of Fiduciary Relationships. The Parties acknowledge and agree that (i) the Dealer Manager's responsibility to the Company and the Manager is solely contractual in nature, and (ii) the Dealer Manager does not owe the Company, the Manager, any of their respective affiliates or any other Person any fiduciary (or other similar) duty as a result of this Agreement or any of the transactions contemplated hereby.

(o) Dealer Manager Information. The Parties will expressly acknowledge and agree as to the information furnished to the Company by the Dealer Manager expressly for use in the Registration Statement.

(p) Promotion of Dealer Manager Relationship. The Company and the Dealer Manager shall not promote or advertise their relationship without the approval of the other Party in advance, provided that nothing in this Section 13(p) shall prevent or restrict the Company from making any disclosures required by securities laws, rules or regulations or applicable stock exchange rules or listing standards.

(q) Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return it to us, whereupon this instrument will become a binding agreement between you and the Company in accordance with its terms.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have each duly executed this Amended and Restated Dealer Manager Agreement as of the date first set forth above.

CIM COMMERCIAL TRUST CORPORATION

By: _____
Name: David Thompson
Title: Chief Executive Officer

CIM SERVICE PROVIDER, LLC

By: _____
Name: David Thompson
Title: Chief Executive Officer

CCO CAPITAL, LLC

By: _____
Name: Bill Miller
Title: President

(*Signature Page to Amended and Restated Dealer Manager Agreement*)

CIM COMMERCIAL TRUST CORPORATION
FORM OF SOLICITING DEALER AGREEMENT

Ladies and Gentlemen:

CCO Capital, LLC, a Delaware as the dealer manager (the "Dealer Manager") for CIM Commercial Trust Corporation (the "**Company**"), a Maryland corporation, invites you "**Dealer**") to participate in the distribution of units of the Company (each a "**Unit**" and., collectively, the "**Units**"), with each Unit consisting of (a) one share of Series A Preferred Stock, $0.001 par value per share, of the Company and (b) one warrant to purchase 0.25 of a share of Common Stock, $0.001 par value per share, of the Company subject to the following terms:

1. Dealer Manager Agreement. The Dealer Manager entered into the Amended and Restated Dealer Manager Agreement, dated as of [ ], 2019 (the "**Dealer Manager Agreement**"), with the Company pursuant to which the Dealer Manager has agreed to use its reasonable best efforts to solicit subscriptions in connection with the public offering (the "**Offering**") of a maximum of 36,000,000 Units. Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings therefor as in the Dealer Manager Agreement.

In connection with the performance of the Dealer Manager's obligations under Section 4 of the Dealer Manager Agreement, the Dealer Manager is authorized to retain the services of securities dealers (collectively, the "**Soliciting Dealers**") who are members of the Financial Industry Regulatory Authority, Inc. ("**FINRA**") to solicit subscriptions for the Units in connection with the Offering. You are hereby invited to become one of the Soliciting Dealers and, as such, to use your reasonable best efforts to solicit subscribers for the Units, in accordance with the following terms and conditions of this Soliciting Dealer Agreement (this "**Agreement**"). The Company will sell Units using both electronic subscription and settlement processes ("**Electronic Settlement**") and physical subscription and settlement processes ("**Physical Settlement**").

1. Registration Statement. A registration statement on Form S-11 (File No. 333-232232), including a preliminary prospectus, has been prepared by the Company and filed with the Securities and Exchange Commission (the "**Commission**"), in accordance with the applicable requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the applicable rules and regulations of the Commission promulgated thereunder (the "**Securities Act Rules and Regulations**") for the registration of the Units. The Company has prepared and filed such amendments and supplements to the registration statement, including such amended prospectus, as may have been required to the date hereof, and will file such additional amendments and supplements thereto as may hereafter be required. The registration statement on Form S-11 and the prospectus contained therein, as of the date the registration statement was declared effective by the Commission (the "**Effective Date**"), are respectively hereinafter referred to as the "**Registration Statement**" and the "**Prospectus**", except that (a) if the Company files a post-effective amendment to such registration statement, then the term "**Registration Statement**" shall, from and after the declaration of the effectiveness of such post-effective amendment by the Commission, refer to such registration statement as amended by such post-effective amendment, and the term "**Prospectus**" shall refer to the amended prospectus then on file with the Commission, and (b) if the prospectus filed by the Company pursuant to Rule 424(b) of the Securities Act Rules and Regulations shall differ from the prospectus on file at the time the Registration Statement or the most recent post-effective amendment thereto, if any, shall have become effective, then the term "Prospectus" shall refer to such prospectus filed

pursuant to Rule 424(b) from and after the date on which it shall have been filed. The term "**preliminary Prospectus**" as used herein shall mean a preliminary prospectus related to the Units as contemplated by Rule 430 or Rule 430A of the Securities Act Rules and Regulations included at any time as part of the Registration Statement. As used herein, the terms "**Registration Statement**", "**preliminary Prospectus**" and "**Prospectus**" shall include the documents, if any, incorporated or deemed to be incorporated by reference therein. As used herein, the term "**Effective Date**" also shall refer to the effective date of each post-effective amendment to the Registration Statement, unless the context otherwise requires.

2. Compliance with Applicable Rules and Regulations; License and Association Membership.

Upon the effectiveness of this Agreement, the undersigned dealer will become one of the "Soliciting Dealers" referred to in the Dealer Manager Agreement and is referred to herein as **"Soliciting Dealer"**. Soliciting Dealer agrees that solicitation and other activities by it hereunder shall comply with, and shall be undertaken only in accordance with, the terms of the Dealer Manager Agreement, the terms of this Agreement, the Securities Act, the Securities Act Rules and Regulations, the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and the applicable rules and regulations promulgated thereunder (including, without limitation, the provisions of Regulation M applicable to the Offering, as interpreted by the Commission and after giving effect to any applicable exemptions) (the "**Exchange Act Rules and Regulations**"), the Rules of Fair Practice of FINRA, the FINRA Rules (including, without limitation, Rules 2111, 2040, 2340, 5130 and 5141 of the FINRA Rules), and all other applicable federal and state laws and regulations promulgated thereunder.

Soliciting Dealer will not offer the Units for sale in any jurisdiction unless and until it has been advised that the Units are either registered in accordance with, or exempt from, the securities and other laws applicable thereto. Soliciting Dealer will offer Units only to persons in the states in which it is advised in writing by its counsel that the Units are qualified for sale or that such qualification is not required. In offering the Units, Soliciting Dealer will comply with the provisions of all applicable rules and regulations relating to suitability of investors, including without limitation the FINRA Conduct Rules. Notwithstanding the foregoing, Soliciting Dealer shall not execute any transaction with respect to the Units in a discretionary account without prior written approval of the transaction by the customer.

Soliciting Dealer's acceptance of this Agreement constitutes a representation and warranty to the Company and to the Dealer Manager that Soliciting Dealer is a properly registered or licensed broker-dealer, duly authorized to sell the Units under federal securities laws and regulations and that it is a member in good standing of FINRA. Soliciting Dealer represents and warrants that it is currently licensed as a broker-dealer in the state in which its principal office is located. This Agreement shall automatically terminate with no further action by either party if Soliciting Dealer ceases to be a member in good standing of FINRA or with the securities commission of the state in which Soliciting Dealer's principal office is located. Soliciting Dealer agrees to notify the Dealer Manager immediately if Soliciting Dealer ceases to be a member in good standing of FINRA or with the securities commission of the state in which Soliciting Dealer's principal office is located.

3. Limitation of Offer.

(a) Soliciting Dealer will not offer Units and will not permit any of its registered representatives to offer Units in any jurisdiction unless both Soliciting Dealer and such registered representative are duly licensed to transact business in securities in such jurisdiction. In offering Units, Soliciting Dealer shall comply with the provisions of the Rules of Fair Practice set forth in the FINRA Manual, as well as all other applicable rules and regulations.

(b) Soliciting Dealer shall maintain all Subscription Agreements (as defined below) for at least six years or for a period of time not less than that required in order to comply with all applicable federal and other regulatory requirements. Soliciting Dealer may satisfy its obligation by contractually requiring Subscription Agreements to be maintained by the investment advisers or banks it engages. Soliciting Dealer further agrees to comply with the record keeping requirements of the Exchange Act, including, but not limited to, Rules 17a-3 and 17a-4 promulgated under the Exchange Act. Soliciting Dealer agrees to make such documents and records available to the Dealer Manager and the Company upon request, and representatives of the Commission and FINRA upon Soliciting Dealer's receipt of an appropriate document subpoena or other appropriate request for documents from any such agency.

4. Delivery of Prospectus and Approved Sales Literature.

(a) Soliciting Dealer will: (i) deliver a Prospectus, as then supplemented or amended, to each person who subscribes for Units prior to the tender of such person's subscription agreement (the "**Subscription Agreement**"); (ii) promptly comply with the written request of any person for a copy of the Prospectus, as then supplemented or amended, prior to the termination of the Offering; (iii) deliver to any person, in accordance with applicable law or as prescribed by any state securities administrator, a copy of any prescribed document included within the Registration Statement and any supplements thereto during the course of the Offering; (iv) not use any sales materials in connection with the solicitation of purchasers of the Units except Approved Sales Literature (as defined below); (v) to the extent the Company provides Approved Sales Literature, not use such Approved Sales Literature unless accompanied or preceded by the Prospectus, as then amended or supplemented; and (vi) not give or provide any information or make any representation or warranty other than information or representations contained in the Prospectus or the Approved Sales Literature. Soliciting Dealer will not publish, circulate or otherwise use any other advertisement or solicitation material in connection with the Offering without the Dealer Manager's express prior written approval. As used in this Agreement, "Approved Sales Literature" has the meaning set forth in the Dealer Manager Agreement, but excludes material or writing marked "broker-dealer use only" or otherwise bearing a legend denoting that it is not to be used in connection with the offer or sale of Units.

(b) Nothing contained in this Agreement shall be deemed or construed to make Soliciting Dealer an employee, agent, representative or partner of the Dealer Manager or the Company, and Soliciting Dealer is not authorized to act for the Dealer Manager or the Company.

(c) Soliciting Dealer will not send or provide supplements to the Prospectus or any Approved Sales Literature to any prospective investor unless it has previously sent or provided a Prospectus and all supplements thereto to that prospective investor or has simultaneously sent or provided a Prospectus and all supplements thereto with such Prospectus supplement or Approved Sales Literature.

(d) Soliciting Dealer will not make any public oral communications relating to the Offering that have not been previously approved by the Company.

(e) Notwithstanding anything to the contrary that may be contained in this Agreement, Soliciting Dealer will not show to, or provide any prospective investor with, or reproduce any material or writing which is supplied to it by the Dealer Manager and marked "broker-dealer use only" or otherwise bearing a legend denoting that it is not to be used in connection with the offer or sale of Units, to members of the public.

(f) The Dealer Manager will supply Soliciting Dealer with reasonable quantities of the Prospectus (including any supplements thereto), as well as any Approved Sales Literature, for delivery to prospective investors as soon as reasonably practicable after sufficient quantities thereof have been made available to the Dealer Manager by the Company in accordance with the Dealer Manager Agreement.

(g) Soliciting Dealer shall furnish a copy of any revised preliminary Prospectus to each person to whom it has furnished a copy of any previous preliminary Prospectus, and further agrees that it will mail or otherwise deliver all preliminary and final Prospectuses required for compliance with the provisions of Rule 15c2-8 under the Exchange Act.

(h) Soliciting Dealer agrees that it will rely upon no statement whatsoever, written or oral, other than the statements in the final Prospectus (as amended or supplemented from time to time) or in Approved Sales Literature. Soliciting Dealer is not authorized by the Dealer Manager nor the Company to give any information or to make any representation not contained in the final Prospectus (as amended or supplemented from time to time) or in Approved Sales Literature in connection with the sale of the Units.

5. Submission of Orders; Right to Reject Orders.

(a) With respect to Soliciting Dealer's participation in any resales or transfers of the Units, Soliciting Dealer agrees to comply with any applicable requirements set forth in Section 2.

(b) If using Physical Settlement:

(i) Payments for Units shall be made by checks payable to "CIM Commercial Trust Corporation" or as otherwise directed by the Dealer Manager. Soliciting Dealer shall forward original checks for the purchase of Units together with an original Subscription Agreement (if required by the Dealer Manager), completed, executed and initialed where indicated by the subscriber as provided for in the Subscription Agreement, to an institution directed by the Dealer Manager (the "**Closing Agent**") at the address provided in the Subscription Agreement.

(ii) When Soliciting Dealer's internal supervisory procedures are conducted at the site at which the Subscription Agreement and check for the purchase of Units were initially received by Soliciting Dealer from the subscriber, Soliciting Dealer shall transmit the Subscription Agreement and check for the purchase of Units to the Closing Agent (or such other third party as directed by the Dealer Manager) by the end of the next business day following receipt of the check and Subscription Agreement. When, pursuant to Soliciting Dealer's internal supervisory procedures, Soliciting Dealer's final internal supervisory procedures are conducted at a different location (the "**Final Review Office**"), Soliciting Dealer shall transmit the check for the purchase of Units and Subscription Agreement to the Final Review Office by the end of the next business day following Soliciting Dealer's receipt of the Subscription Agreement and check for the purchase of Units. The Final Review Office will, by the end of the next

business day following its receipt of the Subscription Agreement and check for the purchase of Units, forward both the Subscription Agreement and check for the purchase of Units to the Closing Agent (or such other third party as directed by the Dealer Manager). If any Subscription Agreement solicited by Soliciting Dealer is rejected by the Company, then the Subscription Agreement and check will be returned to the rejected subscriber within ten business days from the date of rejection. As used in this Agreement, "business day" means any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York, the State of Texas or the State of California are authorized or obligated by law or executive order to close.

(iii) Notwithstanding the foregoing, in accordance with the applicable Exchange Act Rules and Regulations, if Soliciting Dealer has net capital of $250,000 or more, it may instruct its customers to make their checks payable to Soliciting Dealer. In such case, Soliciting Dealer shall issue a check made payable to the Closing Agent in accordance with the foregoing provisions of this Section 5(b), as applicable.

(c) If using Electronic Settlement, the Soliciting Dealer will coordinate for payment in connection with their electronically placed orders.

(d) All orders, whether initial or additional, are subject to acceptance by and shall become effective upon confirmation by the Company, which reserves the right to reject any order in its sole discretion for any or no reason. Orders not accompanied by the required instrument of payment for Units may be rejected. Issuance and delivery of a Unit will be made only after a sale of a Unit is deemed by the Company to be completed in accordance with Section 4(c) of the Dealer Manager Agreement. If an order is rejected, cancelled or rescinded for any reason, then Soliciting Dealer will return to the Dealer Manager any selling commissions or Dealer Manager Fees theretofore paid with respect to such order, and, if Soliciting Dealer fails to so return any such selling commissions or Dealer Manager Fees, the Dealer Manager shall have the right to offset amounts owned against future commissions or Dealer Manager Fees due and otherwise payable to Soliciting Dealer (it being understood and agreed that such right to offset shall not be in limitation of any other rights or remedies that the Dealer Manager may have in connection with such failure).

6. Soliciting Dealer's Compensation.

(a) Subject to the terms and conditions set forth herein and in the Dealer Manager Agreement, the Dealer Manager shall pay to Soliciting Dealer a selling commission of up to 5.0% of the gross proceeds from the Units sold by it and accepted and confirmed by the Company. For purposes of this Section 6(a), Units are "sold" only if an executed Subscription Agreement is accepted by the Company and the Company has thereafter distributed the selling commission to the Dealer Manager in connection with such transaction pursuant to the Dealer Manager Agreement.

(b) Notwithstanding the foregoing, it is understood and agreed that no selling commission shall be payable with respect to particular Units if the Company rejects a proposed subscriber's Subscription Agreement. Accordingly, Soliciting Dealer shall have no authority to issue a confirmation (pursuant to Exchange Act Rule 10b-10) to any subscriber; such authority residing solely in the Dealer Manager, as the dealer manager and processing broker-dealer of the Offering.

(c) The Dealer Manager may, in its sole discretion, re-allow all or any portion of the Dealer Manager Fee received by it to Soliciting Dealer. Subject to the immediately succeeding paragraph, the Dealer Manager or the Soliciting Dealer may, in its respective sole discretion, request the Company to reimburse to Soliciting Dealer for any *bona fide* due diligence expenses to the extent that such expenses have been approved in each case by the Company in advance, actually been incurred and are supported by detailed and itemized invoice(s) provided to the Company and permitted pursuant to the rules and regulations of FINRA.

(d) Allowable marketing expenses, such as Soliciting Dealer conferences, that have been pre-approved by the Company, may be advanced to Soliciting Dealer and later deducted from the portion of the Dealer Manager Fee re-allowed to that Soliciting Dealer (or, if not so deducted, the Soliciting Dealer hereby agrees to reimburse the Company directly for any portion of such allowable marketing expenses). If the Offering is not consummated, Soliciting Dealer will repay any such advance to the Dealer Manager and/or the Company, as the case may be, to the extent not expended on marketing expenses, and to the extent permitted by FINRA Rule 2310. Any such advance shall be deducted from the maximum amount of the Dealer Manager Fee that may otherwise be re-allowable to Soliciting Dealer. Notwithstanding anything herein to the contrary, Soliciting Dealer will not be entitled to receive any portion of the Dealer Manager Fee which would cause the aggregate amount of selling commissions, dealer manager fees, other expenses incurred by the Dealer Manager or Soliciting Dealers associated with the Offering, which are paid by or reimbursed by the Company, CIM Service Provider, LLC or other party, which are deemed components of underwriter compensation and other forms of underwriting compensation, including non-cash compensation (as defined in accordance with applicable FINRA rules, including, but not limited to FINRA Rule 2310(c)(2)(iii)) received by the Dealer Manager and all Soliciting Dealers to exceed 10% of the gross proceeds raised from the sale of Units in the Offering.

(e) The Company will not be liable or responsible to Soliciting Dealer for the payment of any selling commissions or fees or any reallowance of selling commissions or fees to Soliciting Dealer, such payment and reallowance of selling commissions and fees being the sole and exclusive responsibility of the Dealer Manager (to the extent set forth in this Agreement). Soliciting Dealer acknowledges and agrees that the Dealer Manager's liability for selling commissions and fees payable to Soliciting Dealer is limited solely to selling commissions and fees received by the Dealer Manager from the Company pursuant to the Dealer Manager Agreement in connection with Soliciting Dealer's sale of Units.

7. Reserved Units. The number of Units, if any, to be reserved for sale by each Soliciting Dealer may be decided by, from time to time, the Dealer Manager with the prior approval of the Company. The Dealer Manager reserves the right to notify Soliciting Dealer by United States mail or by other means of the number of Units reserved for sale by Soliciting Dealer, if any. Such Units will be reserved for sale by Soliciting Dealer until the time specified in the Dealer Manager's notification to Soliciting Dealer. Sales of any reserved Units after the time specified in the notification to Soliciting Dealer or any requests for additional Units will be subject to rejection in whole or in part.

8. Dealer Manager's Authority. Subject to the Dealer Manager Agreement, the Dealer Manager shall have full authority to take such action as it may deem advisable with respect to all matters pertaining to the Offering or arising thereunder. Except for obligations and liabilities expressly assumed by the Dealer Manager hereunder, the Dealer Manager shall not have any liability to Soliciting Dealer for

or in respect of: (a) the validity or value of or title to, the Units; (b) the form of, or the statements contained in, or the validity of, the Registration Statement, the Prospectus or any amendment or supplement thereto; (c) any instrument executed by the Company or by others; (d) the form or validity of the Dealer Manager Agreement or this Agreement; (e) the delivery of the Units; (f) the performance by the Company or by others of any agreement on its or their part; (g) the qualification of the Units for sale under the laws of any jurisdiction; or (h) any matter in connection with any of the foregoing; *provided, however*, that nothing in this Section 8 shall be deemed to relieve the Company or the Dealer Manager from any liability imposed by the Securities Act. No obligations or liability on the part of the Company or the Dealer Manager shall be implied or inferred herefrom.

9. Conditions to the Effectiveness of this Agreement. This Agreement and the rights and obligations of the parties hereunder shall be subject to the following conditions:

(a) The Dealer Manager Agreement shall have been executed and be in force and effect.

(b) The Registration Statement shall be effective and no stop order suspending the effectiveness of the Registration Statement shall have been issued by the Commission.

(c) FINRA shall have confirmed that it has not raised any objection with respect to the fairness and reasonableness of the terms and arrangements of the distribution of Units pursuant to the Offering.

10. Indemnification.

(a) Under the Dealer Manager Agreement, the Company has agreed to indemnify Soliciting Dealer and the Dealer Manager and each person, if any, who controls Soliciting Dealer or the Dealer Manager, in certain instances and against certain liabilities, including liabilities under the Securities Act in certain circumstances. Soliciting Dealer hereby agrees to indemnify the Company and each person who controls it as provided in the Dealer Manager Agreement and to indemnify the Dealer Manager to the extent and in the manner that Soliciting Dealer agrees to indemnify the Company in the Dealer Manager Agreement.

(b) In furtherance of, and not in limitation of the foregoing, Soliciting Dealer will indemnify, defend and hold harmless the Dealer Manager and the Company, and their officers, directors, employees, members, partners, affiliates, agents and representatives, and each person, if any, who controls such entity within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and each person who has signed the Registration Statement ("**Indemnified Parties**"), from and against any losses, claims, damages or liabilities to which any of the Indemnified Parties, and each person who signed the Registration Statement, may become subject, under the Securities Act or the Exchange Act, or otherwise, insofar as such losses, claims and expenses (including the reasonable legal and other expenses incurred in investigating and defending any such claims or liabilities), damages or liabilities (or actions in respect thereof) arise out of or are based upon or are related to (in whole or in part): (i) any material inaccuracy in a representation or warranty contained herein by the Soliciting Dealer, any material breach of a covenant contained herein by the Soliciting Dealer, or any material failure by the Soliciting Dealer to perform its obligations hereunder or to comply with state or federal securities laws applicable to the Offering; (ii) any use of sales literature, including "broker dealer use only" materials, by

Soliciting Dealer that is not Approved Sales Literature or use of unauthorized oral communications relating to the Offering by the Dealer Manager or any Soliciting Dealer; (iii) any untrue statement or any alleged untrue statement made by Soliciting Dealer or its representatives or agents or omission or alleged omission by Soliciting Dealer or its representatives or agents to state a fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in connection with the offer and sale of the Units in each case, other than statements or omissions made in conformity with the Registration Statement, Prospectus, Approved Sales Literature or any other materials or information furnished by or on behalf of the Company; or (iv) any failure by Soliciting Dealer to comply with applicable laws governing money laundry abatement and anti-terrorist financing efforts in connection with the Offering, including applicable FINRA Rules, Exchange Act Rules and Regulations and the USA PATRIOT Act (as defined below). Soliciting Dealer will reimburse the aforesaid parties for any reasonable legal or other expenses incurred in connection with investigation or defense of such loss, claim, expense, damage, liability or action. This indemnity agreement will be in addition to any liability which Soliciting Dealer may otherwise have.

(c) Promptly after receipt by any Indemnified Party under this Section 10 of notice of the commencement of any action, such Indemnified Party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 10, promptly notify the indemnifying party of the commencement thereof; *provided*, *however*, that the failure to give such notice shall not relieve the indemnifying party of its obligations hereunder except to the extent it shall have been actually prejudiced by such failure. In case any such action is brought against any Indemnified Party, and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled, to the extent it may wish, jointly with any other indemnifying party similarly notified, to participate in the defense thereof, with counsel (including local counsel) (the "Chosen Counsel") satisfactory to such Indemnified Party (who shall not, except with the consent of the Indemnified Party, be counsel to the indemnifying party), and after notice from the indemnifying party to such Indemnified Party of its election so to assume the defense thereof, the indemnifying party will not be liable to such Indemnified Party under this Section 10 for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof, other than reasonable costs of investigation, unless (i) the use of counsel (including local counsel) chosen by the indemnifying party to represent the Indemnified Party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the Indemnified Party and the indemnifying party and the Indemnified Party shall have reasonably concluded that there may be one or more legal defenses available to it and/or other Indemnified Party that are different from or additional to those available to the indemnifying party, (iii) the indemnifying party shall not have employed counsel reasonably satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after receipt by the indemnifying party of notice of the institution of such action, or (iv) the indemnifying party has authorized in writing the employment of counsel for the Indemnified Party at the expense of the indemnifying party; provided, however, that the indemnifying party shall not, in connection with any one such action or proceeding or separate but substantially similar actions or proceedings arising out of the same general allegations, be liable for the fees and expenses of more than one separate firm of attorneys in addition to the Chosen Counsel at any time for all Indemnified Parties hereunder. Upon assumption by the indemnifying party of the defense thereof, the Indemnified Party shall have the right to participate in such action or claim and to retain its own counsel but, except as set forth in clauses (i) through (iv) of the preceding sentence, the indemnifying party

shall not be liable to such Indemnified Party for any legal fees and expenses of other counsel subsequently incurred by such Indemnified Party in connection with the defense thereof. Any such indemnifying party shall not be liable to any such Indemnified Party on account of any settlement of any claim or action effected without the consent of such indemnifying party, such consent not to be unreasonably withheld or delayed.

11. Contribution. If the indemnification provided for in Section 10 is for any reason unavailable to or insufficient to hold harmless an Indemnified Party in respect of any losses, liabilities, claims, damages or expenses referred to therein, the contributions provisions set forth in Section 10 of the Dealer Manager Agreement shall be applicable.

12. Company as Party to Agreement. Each of the Company and the Manager shall be a third-party beneficiary of Soliciting Dealer's representations, warranties, covenants and agreements contained in this Agreement. No provision of this Agreement may be amended or waived without the prior written consent of the Company and the Manager. The Company shall have all enforcement rights in law and in equity with respect to those portions of this Agreement as to which it is third party beneficiary.

13. Privacy Laws; Compliance. Soliciting Dealer agrees to: (a) abide by and comply with (i) the privacy standards and requirements of the Gramm-Leach-Bliley Act of 1999 (the "**GLB Act**"); (ii) the privacy standards and requirements of any other applicable federal or state law; and (iii) Soliciting Dealer's own internal privacy policies and procedures, each as may be amended from time to time; (b) refrain from the use or disclosure of nonpublic personal information (as defined under the GLB Act) of all customers who have opted out of such disclosures, except as necessary to service the customers or as otherwise necessary or required by applicable law; and (c) determine which customers have opted out of the disclosure of nonpublic personal information by periodically reviewing and, if necessary, retrieving an aggregated list of such customers (the "**List**") as provided by each to identify customers that have exercised their opt-out rights. If either party uses or discloses nonpublic personal information of any customer for purposes other than servicing the customer, or as otherwise required by applicable law, that party will consult the List to determine whether the affected customer has exercised his or her opt-out rights. Each party understands that it is prohibited from using or disclosing any nonpublic personal information of any customer that is identified on the List as having opted out of such disclosures.

14. Anti-Money Laundering Compliance Programs. Soliciting Dealer represents to the Dealer Manager and to the Company that it has established and implemented anti-money laundering compliance programs ("**AML Program**") in accordance with applicable law, including applicable FINRA Conduct Rules, the Exchange Act Rules and Regulations and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "**USA PATRIOT Act**"), specifically including, but not limited to, Section 352 of the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001 (the "**Money Laundering Abatement Act**," and together with the USA PATRIOT Act, the "**AML Rules**") reasonably expected to detect and cause the reporting of suspicious transactions in connection with the offering and sale of the Units. Soliciting Dealer further represents that it currently is in compliance with all AML Rules, specifically including, but not limited to, the Customer Identification Program requirements under Section 326 of the Money Laundering Abatement Act, and Soliciting Dealer hereby covenants to remain in compliance with such requirements and shall, upon request by the Dealer Manager or the Company, provide a certification to the Dealer Manager or the Company that, as of the date of such certification (a) its AML Program is consistent with the AML Rules, and (b) it is currently in compliance with all AML Rules, specifically

including, but not limited to, the Customer Identification Program requirements under Section 326 of the Money Laundering Abatement Act. Upon request by the Dealer Manager at any time, Soliciting Dealer will (i) furnish a written copy of its AML Program to the Dealer Manager for review, and (ii) furnish a copy of the findings and any remedial actions taken in connection with its most recent independent testing of its AML Program.

15. Confidentiality. Each party to this Agreement agrees to maintain all information received from the other party pursuant to this Agreement in confidence, and each party to this Agreement agrees not to use any such information for any purpose, or disclose any such information to any person or entity, except as permitted by this Agreement or applicable laws, rules and regulations. This Section 15 shall survive the termination or expiration of this Agreement.

16. Non-Solicitation. Subject to this Section 16, the Dealer Manager agrees that it will not (and the Dealer Manager will use reasonable good faith efforts to ensure that its employees and representatives do not) solicit business from any of Soliciting Dealer's contacts or customers or knowingly recruit any of Soliciting Dealer's independent registered representatives. Notwithstanding the foregoing, the Dealer Manager may solicit Soliciting Dealer's contacts, customers or independent registered representatives but only to the extent that the Dealer Manager can demonstrate a relationship with such contacts, customers or independent registered representatives that was not derived through the efforts of Soliciting Dealer's representatives who are engaged in selling efforts directly in connection with the Offering. This Section 16 shall survive the termination or expiration of this Agreement.

17. Miscellaneous.

(a) Soliciting Dealer hereby authorizes and ratifies the execution and delivery of the Dealer Manager Agreement by the Dealer Manager as the dealer manager of the Offering for itself and on behalf of all Soliciting Dealers, including Soliciting Dealer party hereto, and authorizes the Dealer Manager to agree to any variation of the terms or provisions of the Dealer Manager Agreement and to execute and deliver any amendment, modification or supplement thereto. Soliciting Dealer hereby agrees to be bound by all provisions of the Dealer Manager Agreement relating to Soliciting Dealers. Soliciting Dealer also authorizes the Dealer Manager to exercise, in the Dealer Manager's discretion, all the authority or discretion now or hereafter vested in the Dealer Manager by the provisions of the Dealer Manager Agreement and to take all such actions as the Dealer Manager may believe desirable in order to carry out the provisions of the Dealer Manager Agreement and of this Agreement.

(b) This Agreement, except for the provisions of Sections 8, 10, 11, 12, 13, 15, 16, and 17, may be terminated at any time by either party hereto upon five business days' prior written notice to the other party and, in all events, this Agreement shallterminate on the termination date of the Dealer Manager Agreement, except for the provisions of Sections 8, 10, 11, 12, 13, 15, 16, and 17, which shall survive the expiration or earlier termination of this Agreement.

(c) Any notice, waiver, consent, approval or other communication (each, a "**Notice**") from Soliciting Dealer shall be in writing addressed to the Dealer Manager at:

CCO Capital, LLC
2398 East Camelback Road, 4th Floor
Phoenix, AZ 85016
Attention: President

Any notice from the Dealer Manager to Soliciting Dealer shall be in writing and addressed to Soliciting Dealer at Soliciting Dealer's address appearing following its signature below, or if such address is no longer valid, then at the address set forth in reports filed by Soliciting Dealer with FINRA. Any such notice will take effect upon receipt thereof.

Each Notice shall be deemed to have been duly given and effective upon actual receipt (or refusal of receipt). Any party may by Notice to the other parties given in accordance with this Section 17(c) designate another address or person for receipt of Notices hereunder. If the address of a party has changed, then such party promptly shall by Notice to the other parties given in accordance with this Section 17(c) designate a new address for receipt of Notices hereunder. For the avoidance of doubt, if a Notice given in accordance with this Section 17(c) to a party is returned to the sender as being refused or undeliverable (or having a similar status), then such Notice to such party shall be deemed to have been duly given and effective on the date that such Notice was originally sent.

(d) Nothing herein contained shall constitute the Dealer Manager, Soliciting Dealer, the other Soliciting Dealers or any of them as an association, partnership, limited liability company, unincorporated business or other separate entity.

(e) This Agreement shall be effective for all sales by Soliciting Dealer on and after the date of this Agreement.

(f) The Company may authorize the Company's transfer agent to provide information to the Dealer Manager and Soliciting Dealer regarding record holder information about the clients of Soliciting Dealer who have invested with the Company on an on-going basis for so long as Soliciting Dealer has a relationship with such client. Soliciting Dealer shall not disclose any password for a restricted website or portion of a restricted website provided to Soliciting Dealer in connection with the Offering and shall not disclose to any person, other than an officer, director, employee or agent of Soliciting Dealer, any material downloaded from such restricted website or portion of a restricted website.

(g) Soliciting Dealer shall have no right to assign this Agreement or any of its rights hereunder or to delegate any of its obligations hereunder. Any purported assignment or delegation by Soliciting Dealer shall be null and void. The Dealer Manager shall have the right to assign any or all of its rights and obligations under this Agreement to any other third party by written notice, and Soliciting Dealer shall be deemed to have consented to such assignment by execution hereof.

(h) This Agreement may be amended from time to time by consent of the parties hereto. Soliciting Dealer's consent will be deemed to have been given to an amendment to this Agreement, and such amendment will be effective, five business days following written notice to Soliciting Dealer of such amendment if it does not notify the Dealer Manager in writing prior to the close of business on such fifth business day that Soliciting Dealer does not consent to such amendment. Notwithstanding the foregoing, Soliciting Dealer agrees that (i) it shall consent to any amendment, supplement or modification of the terms of this Agreement requested by FINRA, and (ii) any amendment, supplement or modification of the terms of this Agreement will be effective

immediately and Soliciting Dealer's consent will be deemed to have been given to any such amendment, supplement or modification by its sale of Units or otherwise receiving and retaining an economic benefit for participating in the Offering as a Soliciting Dealer.

(i) This Agreement may be executed (including by facsimile or other electronic transmission) with counterpart signature pages or in counterpart copies, each of which shall be deemed an original but all of which together shall constitute one and the same instrument comprising this Agreement.

(j) The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

(k) The failure of any party to insist upon or enforce strict performance by any other party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such party's right to assert or rely upon any such provision or right in that or any other instance; rather, such provision or right shall be and remain in full force and effect.

(l) This Agreement and all claims arising out of or relating to it and the relationships created hereby, shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, U.S.A. applicable to contracts made and to be performed wholly within such state. The parties agree to waive trial by jury in any action, proceeding or counterclaim brought by or on behalf of any of them with respect to any matter whatsoever relating to or arising out of this Agreement. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of any state or Federal court sitting in New York County, New York over any suit, action or proceeding arising out of or relating to this Agreement. Each party irrevocably hereby agrees that, without prejudice to use of other methods of service, service of any process, summons, notice or document by U.S. certified mail, return receipt requested, addressed to the applicable party at the address that appears on the first page of this Agreement shall be effective service of process for any action, suit or proceeding brought in any such court.

[Signatures on following page]

If the foregoing is in accordance with Soliciting Dealer's understanding and agreement, please sign and return the attached duplicate of this Agreement. Soliciting Dealer's indicated acceptance thereof shall constitute a binding agreement between Soliciting Dealer and the Dealer Manager.

Very truly yours,

CCO Capital, LLC

By: _____
Name:
Title:

Dealer Manager Signature Page to
Soliciting Dealer Agreement

The undersigned dealer confirms its agreement to act as a Soliciting Dealer pursuant to all the terms and conditions of the above Soliciting Dealer Agreement and the Dealer Manager Agreement attached as Exhibit A hereto. The undersigned dealer hereby represents that it will comply with the applicable requirements of the Securities Act, the Securities Act Rules and Regulations, the Exchange Act and the Exchange Act Rules and Regulations. The undersigned dealer represents and warrants that it is duly registered as a broker-dealer under the provisions of the Exchange Act and the Exchange Act Rules and Regulations or is exempt from such registration. The undersigned dealer confirms that it and each salesperson acting on its behalf are members in good standing of FINRA and duly licensed by the regulatory authority in the state in which its principal office is located, or are exempt from registration with such authorities. The undersigned dealer hereby represents that it will comply with the Rules of FINRA, all rules and regulations promulgated by FINRA and all applicable laws, rules and regulations.

Dated: , 2019

_____
Name of Soliciting Dealer

_____
Federal Identification Number

By: _____
Name:
Authorized Signatory

Kindly have checks representing selling commissions forwarded as follows (if different than above): (Please type or print)

Name of Firm: _____

Address: _____
Street

_____
City

_____
State and Zip Code

_____
Telephone No.

_____
Fax No.

Attention:

EXHIBIT A

(Amended and Restated Dealer Manager Agreement)

Exhibit 10.12

Published CUSIP Number: 12552KAA0
Revolver CUSIP Number: 12552KAB8

CREDIT AGREEMENT

Dated as of October 30, 2018

among

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
9460 WILSHIRE BLVD (BH) OWNER, L.P.,
CIM/11600 WILSHIRE (LOS ANGELES), LP,
CIM/11620 WILSHIRE (LOS ANGELES), LP,
1130 HOWARD (SF) OWNER, L.P.,
LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
and
CIM URBAN REIT PROPERTIES IX, L.P.,
individually, collectively, jointly and severally, as Borrower,

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and L/C Issuer,

BANK OF AMERICA, N.A.,
as Syndication Agent and L/C Issuer,

and

THE LENDERS PARTY HERETO

Arranged by:

JPMORGAN CHASE BANK, N.A.,
and
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
as Joint Lead Arrangers and Joint Bookrunners

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EXHIBITS

A	Form of Notice of Borrowing
B	Form of Designation Notice
C	Form of Note
D	Form of Borrowing Base Compliance Certificate
E-1	Form of Assignment and Assumption
E-2	Form of Administrative Questionnaire
F	Form of Joinder Agreement
G	Form of U.S. Tax Compliance Certificates
H	Form of Contribution Agreement

CREDIT AGREEMENT

THIS CREDIT AGREEMENT (as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, this ***"Agreement"***) is entered into as of October 30, 2018, among 4750 WILSHIRE BLVD. (LA) OWNER, LLC, a Delaware limited liability company, 9460 WILSHIRE BLVD (BH) OWNER, L.P., a Delaware limited partnership, CIM/11600 WILSHIRE (LOS ANGELES), LP, a Delaware limited partnership, CIM/11620 WILSHIRE (LOS ANGELES), LP, a Delaware limited partnership, 1130 HOWARD (SF) OWNER, L.P., a Delaware limited partnership, LINDBLADE MEDIA CENTER (LA) OWNER, LLC, a Delaware limited liability company, and CIM URBAN REIT PROPERTIES IX, L.P., a Delaware limited partnership (each, an ***"Initial Borrower"*** and, collectively, the ***"Initial Borrowers"***), each lender from time to time party hereto (collectively, the ***"Lenders"*** and individually, a ***"Lender"***), and JPMORGAN CHASE BANK, N.A., as Administrative Agent.

WHEREAS, Administrative Agent, the Lenders and the L/C Issuers desire to make available to Borrower a revolving secured credit facility in the initial amount of $250,000,000, which will include a $25,000,000 letter of credit subfacility, on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

ARTICLE I DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Additional Borrower" means a Special Purpose Entity which (i) is a party to the Contribution Agreement, (ii) assumes, on a joint and several basis, the obligations of Borrower under the Loan Documents pursuant to a Joinder Agreement and such other documents as shall be reasonably acceptable to Administrative Agent, and (iii) delivers to Administrative Agent a Security Instrument encumbering a Borrowing Base Property owned in fee (or ground leased pursuant to an Eligible Ground Lease) by such Special Purpose Entity.

"Additional Borrowing Base Property Request" has the meaning specified in Section 4.03.

"Additional Obligations" means all obligations arising under Swap Agreements or Cash Management Agreements.

"Adjusted LIBO Rate" means, with respect to any LIBOR Loan for the relevant Interest Period, or for any Base Rate Loan, an interest rate per annum equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Administrative Agent" means JPMorgan Chase Bank, N.A., in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"*Administrative Agent's Office*" means Administrative Agent's address and, as appropriate, account as set forth on Schedule 10.02, or such other address or account as Administrative Agent may from time to time notify in writing to Borrower and the Lenders.

"*Administrative Questionnaire*" means an Administrative Questionnaire in substantially the form of Exhibit E-2 or any other form approved by Administrative Agent.

"*Affiliate*" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"*Agreement*" has the meaning set forth in the introductory paragraph hereof.

"*Anti-Corruption Laws*" means all laws, rules, and regulations of any jurisdiction applicable to the Loan Parties from time to time concerning or relating to bribery or corruption.

"*Applicable L/C Issuer*" means, as to a requested or an issued Letter of Credit, the L/C Issuer from whom the Letter of Credit is requested, or the L/C Issuer that issued the Letter of Credit, as applicable, all pursuant to Section 2.03 below.

"*Applicable Letter of Credit*" means a Letter of Credit issued by the Applicable L/C Issuer.

"*Applicable Percentage*" means, with respect to each Lender, the percentage (carried out to the ninth decimal place) of the aggregate Commitments represented by such Lender's Commitment at such time; provided that if the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions has been terminated pursuant to Section 8.02 or if the aggregate Commitments have expired or been terminated pursuant to Section 2.05, then the Applicable Percentage of each Lender shall be the ratio, expressed as a percentage, of (A) the sum of the unpaid principal amount of all outstanding Loans and L/C Obligations of such Lender as of such date to (B) the sum of the aggregate unpaid principal amount of all outstanding Loans and L/C Obligations of all Lenders as of such date.

"*Applicable Rate*" means, (i) with respect to any LIBOR Loan or Letter of Credit Fee, one and fifty-five hundredths percent (1.55%), and (ii) with respect to any Base Rate Loan, fifty-five hundredths percent (0.55%).

"*Approved Franchisor*" means the licensor or franchisor of (i) any of the following hotel brands (including any applicable sub-brands) and each of its successors: Hilton, Marriott, Starwood, Accor, Omni, Two Roads, Radisson, Loews, IHG, Wyndham and Hyatt and (ii) any other hotel brands (including any applicable sub-brands) approved by the Administrative Agent (such approval not to be unreasonably withheld, conditioned or delayed).

"*Approved Fund*" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"*Arranger*" means JPMorgan Chase Bank, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, in their capacity as joint lead arrangers.

"Assignee Group" means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by Administrative Agent, in substantially the form of Exhibit E-1 or any other form (including electronic documentation generated by use of an electronic platform) approved by Administrative Agent.

"Assignment and Subordination of Management Agreements" means, collectively, (a) with respect to each Initial Borrower, the Assignment and Subordination of Management Agreement set forth on Schedule 1.01, and (b) with respect to the Projects to be included in the Borrowing Base following the Closing Date, an Assignment and Subordination of Management Agreement, made by the applicable Borrower and the applicable property manager, for the benefit of Administrative Agent, substantially in the form of the Assignment and Subordination of Management Agreement entered into on or around the Closing Date or otherwise in a form reasonably acceptable to Administrative Agent, as each of the same may be amended, restated, supplemented or otherwise modified from time to time.

"Assignment of Contribution Agreement" means a Collateral Assignment of Indemnity and Contribution Agreement in form and substance reasonably satisfactory to Administrative Agent executed by a Borrower in favor of Administrative for the benefit of Administrative Agent and Lenders, pursuant to which each such Person has assigned to Administrative Agent, subject to and in accordance with the provisions thereof, all of such Person's right, title and interest in, to and under the Contribution Agreement.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease.

"Auto-Extension Letter of Credit" has the meaning specified in Section 2.03(b)(iii).

"Availability Period" means the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Facility pursuant to Section 2.05, and (iii) the date of termination of the Commitments of each Lender to make Loans and of the obligation of each L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02(a).

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%, provided that, for the purpose of this definition, the Adjusted LIBO Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one month Interest Period, the Interpolated Rate) at approximately 11:00 a.m. London time on such day. Any change in the Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate, respectively. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03 hereof, then the Base Rate shall be the greater of clause (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Base Rate Loan" means a Loan (or any portion thereof) that bears interest based on the Base Rate.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Borrower" or ***"Borrowers"*** means, individually and collectively, or as the context shall require, each and all of the Initial Borrowers and each Additional Borrower that executes a Joinder Agreement and thereby becomes a Borrower hereunder pursuant to the provisions of Section 4.03 below, in each case, until the release of such Initial Borrower or Additional Borrower as a "Borrower" hereunder pursuant to Section 6.13(b). Unless otherwise specified in this Agreement or the context shall otherwise require, the term ***"Borrower"*** shall be deemed to be a reference to all of Borrowers collectively and each Borrower individually.

"Borrower Materials" has the meaning specified in Section 6.01.

"Borrowing" means a borrowing consisting of simultaneous Loans of the same Type and, in the case of LIBOR Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01 and/or, if applicable, Section 2.13.

"Borrowing Base" (determined with reference to all Projects then included in the calculation of the Borrowing Base) shall be defined as the sum of the following:

(a) for all Borrowing Base Properties that are Standard Assets, the lesser of (i) sixty percent (60%) of the Current Value of such Borrowing Base Properties on a combined basis, and (ii) the Standard Mortgageability Amount;

(b) for all Borrowing Base Properties that are Hotel Assets, the lesser of (i) forty-five percent (45%) of the Current Value of such Borrowing Base Properties on a combined basis, and (ii) the Hotel Mortgageability Amount.

provided, however, that (x) all Ineligible Projects shall be excluded from the calculation of the Borrowing Base, (y) to the extent that the amount under clause (b) above attributable to any Hotel Asset exceeds twenty-five percent (25%) of the Borrowing Base, such excess amount shall be excluded from the calculation of the Borrowing Base, and (z) if, on any date of calculation, any TI/LC Obligations are then outstanding, availability under the Borrowing Base in an amount equal to the aggregate amount of all such TI/LC Obligations shall be reserved solely for Loans to pay such TI/LC Obligations (such reserve against availability under the Borrowing Base being referred to herein as the ***"TI/LC Holdback"***) and the Borrowing Base shall be reduced by the amount of the TI/LC Holdback for all purposes other than the calculation thereof pursuant to Section 2.01 in connection with a requested Borrowing to fund or reimburse TI/LC Obligations.

"Borrowing Base Compliance Certificate" means a certificate substantially in the form of Exhibit D.

"Borrowing Base Property" means, at any time, any Project that (i) is listed on Schedule 1.01 or (ii) is included in the Borrowing Base pursuant to Section 4.03, but excluding any Project that has been released from the Borrowing Base pursuant to Section 6.13.

"Borrowing Base Property Release" has the meaning specified in Section 6.13.

"Borrowing Notice" means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other, or (c) a continuation of LIBOR Loans, pursuant to Section 2.02(a), which shall be substantially in the form of Exhibit A or such other form as may be approved by Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by Administrative Agent), appropriately completed and signed by a Responsible Officer of Borrower.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the State of New York and, if such day relates to any LIBOR Loan, means any such day that is also a London Banking Day.

"Capital Expenditure Reserve" means, for any Measurement Period, an amount equal to:

(a) $0.25 per square foot for each office Project;

(b) $0.10 per square foot for each warehouse, industrial or distribution Project;

(c) $0.15 per square foot for each retail Project;

(d) $0.20 per square foot for each flex office/industrial Project;

(e) $200.00 multiplied by the number of units in each residential Project; and

(f) 4% of the average of the quarterly gross revenues of each hotel Project for the applicable Measurement Period.

For purposes of determining a Project's Capital Expenditure Reserve, the property type (retail, office, etc.) will be determined for the Project as a whole based on the source of the majority of the Project's Gross Revenue (as determined in good faith by the applicable Borrower).

"Capitalized Lease" means a lease under which the discounted future rental payment obligations of the lessee or the obligor are required to be capitalized on the balance sheet of such Person in accordance with GAAP.

"Cash Collateralize" means to pledge and deposit with or deliver to Administrative Agent, for the benefit of Administrative Agent or the L/C Issuers (as applicable) and the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect thereof (as the context may require), cash or deposit account balances or, if the L/C Issuer benefitting from such collateral and Borrower shall agree, other credit support, in each case pursuant to documentation in form and substance satisfactory to (a) Administrative Agent and (b) the Applicable L/C Issuers. ***"Cash Collateral"*** shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Management Agreement" means any agreement entered into between any Borrower and any Cash Management Bank to provide cash management services, including treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management arrangements.

"Cash Management Bank" means any Person that is a Lender or an Affiliate of a Lender, in its capacity as a party to such Cash Management Agreement, provided that the applicable Cash Management Bank (other than Administrative Agent or an Affiliate of Administrative Agent) must have delivered a Designation Notice to Administrative Agent, acknowledged by Borrower. If any Person that is a Lender ceases to be a Lender, then (a) such Person and any applicable Affiliate of such Person shall concurrently cease to be a Cash Management Bank for all purposes under the Loan Documents, and (b) all obligations of Borrower to such Person under Cash Management Agreements shall concurrently cease to be secured by the Loan Documents.

"Change in Law" means the occurrence after the date of this Agreement of any of the following: (a) the adoption of or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the interpretation or application thereof by any Governmental Authority or (c) compliance by any Lender or L/C Issuer (or, for purposes of Section 3.04(b), by any Lending Office of such Lender or by such Lender's or such L/C Issuer's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a ***"Change in Law,"*** regardless of the date enacted, adopted or issued.

"***Change of Control***" means an event or series of events by which:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934), other than Permitted Investors, becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of 40% or more of the equity securities of CMCT entitled to vote for members of the board of directors or equivalent governing body of CMCT on a fully-diluted basis; or

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of CMCT cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; unless, in each case, the Permitted Investors have, at such time, the right or ability by voting power, contract or otherwise to elect or designate for election at least a majority of the board of directors or equivalent governing body of Guarantor (and the general partner of Guarantor); or

(c) CMCT, CIM Holdings, Inc., CIM Group, LLC, CIM Service Provider, LLC, or any Person Controlled by, or under common Control with, any of the foregoing fails to Control the general partner of Guarantor; or

(d) Guarantor fails to Control any Borrower.

Notwithstanding the preceding or any provision of Rule 13d-3 of the Exchange Act (as in effect on the Closing Date), a "person" or "group" shall not be deemed to beneficially own securities subject to an equity or asset purchase agreement, merger agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the transactions contemplated by such agreement.

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.01.

"CMCT" means CIM Commercial Trust Corporation, a Maryland corporation

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitment" means, as to each Lender, its obligation to (a) make Loans to Borrower pursuant to Section 2.01 or Section 2.13, as applicable, and (b) purchase participations in L/C Obligations in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 under the caption "Commitment" or opposite such caption in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.).

"Competitor" means any Person, who is primarily engaged in any material line of business as those lines of business conducted by any Loan Party on the Closing Date or any business substantially related thereto, or who is otherwise directly competing with any Loan Party. For clarification, a Competitor shall not include a bank, a similar financial institution, or an insurance company unless such Person is a Competitor Affiliate.

"Competitor Affiliate" means any Affiliate of a Competitor, other than a bona fide debt fund or any investment vehicle that is regularly engaged in making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit in the ordinary course of business and with respect to which no Competitor or a Person that Controls or is Controlled by a Competitor makes investment decisions or has the power, directly or indirectly, to direct or cause the direction of such fund's or investment vehicle's investment decisions.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Contribution Agreement" means an Indemnity and Contribution Agreement substantially in the form attached hereto as Exhibit H, by and among each Borrower or in such other form and substance reasonably satisfactory to Administrative Agent.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. ***"Controlling"*** and ***"Controlled"*** have meanings correlative thereto.

"Controlled Substances Act" means the Controlled Substances Act (21 U.S.C. Sections 801 et seq.), as amended from time to time, and any successor statute.

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Creditor Parties" means, collectively, Administrative Agent, the Lenders, the L/C Issuers, the Hedge Banks, the Cash Management Banks and each co-agent or sub-agent appointed by Administrative Agent from time to time pursuant to Section 9.05, and the other Persons to whom the Obligations are owing.

"Current Appraisal" means, as of any date of determination with respect to any Project, an MAI appraisal setting forth the "as is" appraised value of such Project, which appraisal is (a) in form satisfactory to Administrative Agent, (b) prepared by an independent appraisal firm that is satisfactory to and engaged by Administrative Agent, and (c) is dated as of (i) for purposes of admitting such Project into the Borrowing Base, a date that is no more than twelve months prior

to the date such Project is added to the Borrowing Base, or (ii) for purposes of Section 2.16, a date that is no more than twelve months prior to the Initial Maturity Date, as applicable.

"Current Value" means as at any date of determination, the "as is" appraised value of such Project, as set forth in the Current Appraisal of such Project.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means (a) when used with respect to Obligations other than Letter of Credit Fees, Base Rate Loans and LIBOR Loans, an interest rate equal to (i) the Base Rate, plus (ii) the Applicable Rate applicable to Base Rate Loans, plus (iii) 2.00% per annum, (b) when used with respect to a Base Rate Loan, an interest rate equal to (i) the Base Rate, plus (ii) the Applicable Rate applicable to Base Rate Loans, plus (iii) 2.00% per annum, (c) when used with respect to a LIBOR Loan, an interest rate equal to (i) LIBOR for the applicable Interest Period, plus (ii) the Applicable Rate applicable to LIBOR Loans, plus (iii) 2.00% per annum and (d) when used with respect to Letter of Credit Fees, a rate equal to (i) the Base Rate, plus (ii) the Applicable Rate applicable to Letter of Credit Fees, plus (iii) 2.00% per annum.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies Administrative Agent and Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Administrative Agent, any L/C Issuer or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or amounts payable pursuant to Section 10.04(c)) within two (2) Business Days of the date when due, (b) has notified Borrower, Administrative Agent or any L/C Issuer in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's good faith determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by Administrative Agent or Borrower, to confirm in writing to Administrative Agent and Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by Administrative Agent and Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation

of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by Administrative Agent in a written notice of such determination, which shall be delivered by Administrative Agent to Borrower, each L/C Issuer and each other Lender promptly following such determination.

"Designation Notice" means a notice from any Lender or an Affiliate of a Lender acknowledged by the Borrower substantially in the form of Exhibit B.

"Disposition" or ***"Dispose"*** means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Disqualified Institution" means, on any date, (a) any Person designated by Borrower as a "Disqualified Institution" by written notice delivered to Administrative Agent on or prior to the date hereof, (b) any other Person that Borrower determines in good faith is a Competitor or a Competitor Affiliate, which Person (i) has been designated by Borrower as a "Disqualified Institution" by written notice to Administrative Agent (including by posting such notice to the Platform) prior to such date and (ii) unless such Person is a REIT or Competitor Affiliate of a REIT, such determination by Borrower is acceptable to Administrative Agent, in its sole discretion, or (c) any Competitor Affiliate of any Person described in clause (a) or (b) to the extent such Competitor Affiliate is clearly identifiable solely on the basis of such Competitor Affiliate's name; provided that (i) except for its review of the DQ List, neither Administrative Agent (except as provided in clause (b)(ii) above) nor any Lender shall have any obligation to carry out due diligence in order to identify such Competitor Affiliates and (ii) the DQ List shall be posted to all Lenders by Administrative Agent (and Administrative Agent, in its capacity as such, shall have the authority to do so), and Administrative Agent shall further have the express authority to provide the DQ List to each Lender requesting the same.

"Dollar" and ***"$"*** mean lawful money of the United States.

"DQ List" means a list of Disqualified Institutions provided to Administrative Agent by Borrower and any updates thereto from time to time. The initial DQ List shall be delivered to Administrative Agent not less than five (5) Business Days before the Closing Date. Upon the

Closing Date, all Lenders are deemed (i) to have acknowledged such DQ List and (ii) not to have objected to such DQ List.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 10.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

"Eligible Ground Lease" means a ground lease with respect to a Project executed by a Borrower, as lessee (a) that has a remaining term, including any optional extension terms exercisable unilaterally by the tenant, of no less than twenty-five (25) years from the later of (i) the Closing Date, or (ii) the date the Project is included in the calculation of the Borrowing Base, provided that the remaining term can be less than twenty-five (25) years if there is an option to purchase and the amount of the option purchase price is either nominal or is deducted from the Current Value of the applicable Borrowing Base Property; (b) that provides the lessee the right to mortgage and encumber its interest in the leased property without the consent of the lessor (or if consent is required, such consent has been obtained), and (c) that is a financeable lease by providing reasonable and customary protections for a leasehold mortgagee.

"Employee Benefit Plan" means an employee benefit plan as defined in Section 3(3) of ERISA, maintained, sponsored by, or contributed to by any Borrower or any ERISA Affiliate, or with respect to which any Borrower or any ERISA Affiliate has any liability, and which is subject to Title IV of ERISA.

"Environment" means ambient air, indoor air, surface water, groundwater, drinking water, soil, surface and subsurface strata, and natural resources such as wetland, flora and fauna.

"Environmental Indemnity Agreement" means the Environmental Indemnity Agreement of even date herewith, executed (or joined into pursuant to a Joinder Agreement) by Borrower and Guarantor in favor of Administrative Agent, for the benefit of the Lenders, as amended from time to time.

"Environmental Laws" means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, agreements or governmental restrictions relating to pollution or the protection of the Environment or human health (to the extent

related to exposure to Hazardous Materials), including those relating to the manufacture, generation, handling, transport, storage, treatment, Release or threat of Release of Hazardous Materials.

"Environmental Permit" means any permit, approval, identification number, license or other authorization required under any Environmental Law.

"Environmental Report" means, individually and collectively, (a) with respect to each initial Borrowing Base Property, the "Phase I" environmental site assessment set forth on Schedule 1.01, and (b) with respect to each Project to be included in the Borrowing Base following the Closing Date, the "Phase I" and, if applicable, "Phase II" environmental site assessment included in the Project Information delivered to Administrative Agent with respect to such Project pursuant to Section 4.03 hereof.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" has the meaning specified in Section 8.01.

"Exchange Act" means the Securities Exchange Act of 1934.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of such Swap Obligation (or any Guarantee thereof) is or becomes illegal or not permitted under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to any "keepwell, support or other agreement" for the benefit of such Guarantor and any and all guarantees of such Guarantor's guaranty obligations with respect to the Swap Obligations of any Borrower) at the time the Guarantee of such Guarantor becomes

effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty is or becomes excluded in accordance with the first sentence of this definition.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan, Letter of Credit or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan, Letter of Credit or Commitment (other than pursuant to an assignment request by Borrower under Section 10.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(ii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any Taxes imposed pursuant to FATCA.

"Existing Credit Facilities" means the credit facilities provided pursuant to: (a) that certain Credit Agreement entered into as of September 30, 2014, as amended prior to the date hereof, among CMCT and its Subsidiaries from time to time party thereto, each lender from time to time party thereto, and Bank of America, N.A., as Administrative Agent, and (b) that certain Term Loan Agreement dated as of May 8, 2015, as amended prior to the date hereof, among CMCT and its Subsidiaries from time to time party thereto, each lender from time to time party thereto, and Wells Fargo Bank, N.A., as Administrative Agent.

"Extended Maturity Date" has the meaning specified in Section 2.16(a).

"Extension Fee" has the meaning specified in Section 2.08(a).

"Extension Notice" has the meaning specified in Section 2.16(a).

"Facility" means the Commitments and the extensions of credit made thereunder, including the issuance of Letters of Credit, in an aggregate amount not to exceed the Facility Amount.

"Facility Amount" means the sum of the aggregate Commitments, as adjusted from time to time pursuant to the terms and conditions of this Agreement. On the Closing Date, the Facility Amount is Two Hundred Fifty Million and No/100 Dollars ($250,000,000.00).

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental

agreement in respect of FATCA and any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA.

"Federal Funds Effective Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate, provided that if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to zero for the purposes of this Agreement.

"Fee Letter" means, collectively, (a) the letter agreement, dated October 1, 2018, between Guarantor (on behalf of Borrower) and JPMorgan Chase Bank, N.A., and (b) the letter agreement, dated October 24, 2018, 2018, between Guarantor (on behalf of Borrower), Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith, Incorporated.

"Flood Laws" means the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, the National Flood Insurance Reform Act of 1994, the Biggert-Waters Flood Insurance Act of 2012, and all other Laws relating to flood insurance.

"Foreign Lender" means a Lender that is not a U.S. Person.

"Franchise Documents" means, with respect to each Hotel Asset, the documents and agreements relating to the design and operation of such Hotel Asset as a hotel under the brand of the Approved Franchisor specified in such documents and agreements, as the same may be amended, restated or otherwise modified from time to time in accordance with the terms hereof.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fronting Exposure" means, at any time there is a Lender that is Defaulting Lender, with respect to each Applicable L/C Issuer, such Defaulting Lender's Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit in the ordinary course of its activities.

"GAAP" means, subject to Section 1.03(b), generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Governmental Authority" means, with respect to a Person, the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising

executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank), in each case, with competent jurisdiction over such Person.

"Gross Revenues" means, with respect to any Project, all revenues of any kind derived from owning or operating such real estate property determined in accordance with GAAP.

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the ***"primary obligor"***) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term ***"Guarantee"*** as a verb has a corresponding meaning.

"Guarantor" means CIM Urban Partners, L.P., a Delaware limited partnership.

"Guaranty" means the Limited Guaranty, dated as of the date hereof, made by the Guarantor in favor of the Creditor Parties, as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Hazardous Materials" means and includes (a) all hazardous and toxic substances, wastes or materials, hydrocarbons (including naturally occurring or man-made petroleum and hydrocarbons), flammable explosives, urea formaldehyde insulation, radioactive materials, biological substances and any other kind and/or type of pollutants or contaminates (including, without limitation, asbestos and raw materials which include hazardous constituents), sewage sludge, industrial slag, solvents and/or any other similar substances, or materials which are included under or regulated by any Environmental Laws, (b) those substances listed as hazardous substances by the United States Department of Transportation (or any successor agency) (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) (40 C.F.R. Part 302 and amendments thereto), and (c) any substance, material, or waste that is petroleum, petroleum-related, or a petroleum by-product, asbestos or asbestos-containing material, polychlorinated biphenyls, flammable, explosive, radioactive, freon gas, radon, or a pesticide, herbicide, or any other agricultural chemical; provided, however, that

"Hazardous Materials" shall not include (y) materials customarily used in the construction, renovation and demolition of buildings, or (z) cleaning materials, office products and other materials customarily used in the operation or maintenance of properties such as the Borrowing Base Property, to the extent such materials described in the preceding clauses (y) and (z) are stored, handled, used and disposed of in compliance with all Environmental Laws.

"Hedge Bank" means any Lender or an Affiliate of a Lender in its capacity as a party to a Swap Contract; provided that the applicable Hedge Bank (other than Administrative Agent or an Affiliate of Administrative Agent) must have delivered a Designation Notice to Administrative Agent, acknowledged by Borrower. If any Person that is a Lender ceases to be a Lender, then (a) such Person and any applicable Affiliate of such Person shall concurrently cease to be a Hedge Bank for all purposes under the Loan Documents, and (b) all obligations of Borrower to such Person under Swap Contracts shall concurrently cease to be secured by the Loan Documents.

"Honor Date" has the meaning specified in Section 2.03(c).

"Hotel Agreements" means, for each Hotel Asset, if applicable, the Franchise Documents, the Hotel Management Agreement and the other agreements relating to the opening and operation of such Hotel Asset.

"Hotel Asset" means a hotel Project (including associated parking lots and structures).

"Hotel Management Agreement" means any management agreement or operating agreement pursuant to which a Hotel Operator manages the operations of a Hotel Asset.

"Hotel Mortgageability Amount" means, on any date of determination, with respect to all Borrowing Base Properties that are Hotel Assets, an amount equal (a) to the combined Net Operating Income attributable to all such Hotel Assets, divided by (b) twelve percent (12%).

"Hotel Operator" means an Approved Franchisor or an Affiliate of an Approved Franchisor engaged by a Borrower to manage the operations of a Hotel Asset owned by such Borrower or leased by such Borrower pursuant to an Eligible Ground Lease.

"IFRS" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements delivered under or referred to herein.

"Impacted Interest Period" has the meaning assigned to it in the definition of "LIBO Rate."

"Impacted Loans" has the meaning specified in Section 3.03(a).

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services;

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien (other than a Lien for taxes not yet due and payable) on property owned by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) amount of any Capitalized Lease or Synthetic Lease Obligation as of any date; and

(g) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, (i) Indebtedness shall not include (A) current expenses, (B) intercompany liabilities which are expressly subordinated to the Obligations, (C) prepaid or deferred revenues arising in the ordinary course of business, including prepaid rent, (D) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy unperformed obligations of the seller of such asset, and (E) security deposits, and (ii) the amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date and (iii) the amount of any Capitalized Lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Borrower or Guarantor under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitee" has the meaning specified in Section 10.04(b).

"Ineligible Project" has the meaning specified in Section 4.04(a).

"Information" has the meaning specified in Section 10.07.

"Initial Maturity Date" means October 30, 2022.

"Interest Payment Date" means, (a) as to any LIBOR Loan, the last day of each Interest Period applicable to such LIBOR Loan and the applicable Maturity Date; provided, however, that if any Interest Period for a LIBOR Loan exceeds three (3) months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December and the applicable Maturity Date.

"Interest Period" means as to each LIBOR Loan, the period commencing on the date such LIBOR Loan is disbursed or converted to or continued as a LIBOR Loan and ending on the date one, two, three or six months thereafter (in each case, subject to availability), as selected by Borrower in its Borrowing Notice, or such other period that is less than one month and requested by Borrower and consented to by all the Lenders; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a LIBOR Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a LIBOR Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the then applicable Maturity Date.

"Interpolated Rate" means, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) determined by Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period that is shorter than the Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period that exceeds the Impacted Interest Period, in each case, at such time.

"IRS" means the United States Internal Revenue Service.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the Applicable L/C Issuer and Borrower or in favor of the Applicable L/C Issuer and relating to such Letter of Credit.

"Joinder Agreement" means a Joinder Agreement substantially in the form of Exhibit F attached hereto and made a part hereof, executed by an Additional Borrower in favor of Administrative Agent for itself and the Lenders, and any amendments, supplements and other modifications thereto.

"JPMC" means JPMorgan Chase Bank, N.A., and its successors.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable

administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"L/C Advance" means, with respect to each Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Loan.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means JPMC and Bank of America, N.A., each in its capacity as an issuer of Letters of Credit hereunder, any other Lender that agrees in writing to be an L/C Issuer, in its capacity as issuer of Letters of Credit hereunder or any successor issuer of Letters of Credit hereunder.

"L/C Obligations" means, as of any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lease" means any lease or other agreement for the use and occupancy of all or any portion of any Borrowing Base Property, whether now in existence or hereafter arising, excluding Eligible Ground Leases.

"Lender" has the meaning specified in the introductory paragraph hereto.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify in writing Borrower and Administrative Agent, which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

"Lessee" means a tenant under a Lease.

"Letter of Credit" means any standby letter of credit issued hereunder.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the Applicable L/C Issuer.

"Letter of Credit Expiration Date" means the day that is twelve (12) months after the Maturity Date (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Sublimit" means Twenty-Five Million and No/100 Dollars ($25,000,000.00).

"LIBO Rate" means, with respect to any LIBOR Loan for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period; provided that if the LIBO Screen Rate shall not be available at such time for such Interest Period (an ***"Impacted Interest Period"***) then the LIBO Rate shall be the Interpolated Rate.

"LIBO Screen Rate" means, for any day and time, with respect to any LIBOR Loan for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for U.S. Dollars for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by Administrative Agent in its reasonable discretion), provided that if the LIBO Screen Rate shall be less than zero, such rate shall be deemed to zero for the purposes of this Agreement.

"LIBOR" means, for any Interest Period, a per annum rate of interest equal to the Adjusted LIBO Rate for such Interest Period.

"LIBOR Illegality Event" has the meaning specified in Section 3.02.

"LIBOR Loan" means a Borrowing that bears interest at a rate determined by reference to the Adjusted LIBO Rate (and not the Base Rate).

"Lien" or ***"Encumbrance"*** and ***"Liens and Encumbrances"*** means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing). For the avoidance of doubt, a precautionary filing in respect of an operating lease shall not constitute a Lien.

"Loan" means an extension of credit by a Lender to Borrower under Article II.

"Loan Documents" means this Agreement, each Note, the Guaranty, the Environmental Indemnity, the Security Instruments, each Joinder Agreement, each Issuer Document, the Assignment and Subordinations of Management Agreement, the Fee Letter, and such other documents evidencing, securing or pertaining to the Loans as shall, from time to time, be executed

and/or delivered by any Borrower, Guarantor, or any other party to Administrative Agent pursuant to this Agreement or any other Loan Document (in each case as the same may be amended, modified, restated, supplemented, extended, renewed or replaced from time to time).

"Loan Parties" means, collectively, each Borrower and Guarantor.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Major Lease" means any Lease demising more than twenty-five percent (25%) of the net rentable area of the applicable Borrowing Base Property.

"Management Fees" means, with respect to each Borrowing Base Property for any period, an amount equal to the greater of (a) actual management, advisory or similar fees payable with respect thereto and (b) three percent (3.0%) per annum of the Gross Revenues, adjusted to eliminate the straight lining of rents and the impact of non-cash adjustments of above and below market lease amortization, and lease incentive amortization, derived from the operation of such Borrowing Base Property.

"Market Disruption Event" has the meaning specified in Section 3.03(a).

"Material Adverse Effect" means (a) a material adverse effect on the operations, business, assets, liabilities (actual or contingent) or financial condition of any Loan Party; (b) a material adverse effect on the rights and remedies of Administrative Agent or any Lender (but not due to the specific circumstances of such Lender) under any Loan Document, or of the ability of any Borrower or Guarantor, to perform their respective obligations under any Loan Document; and (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document. Notwithstanding the foregoing or anything else in this Agreement to the contrary, the determination of any actual or prospective Material Adverse Effect shall be made without reference to any Project that is an Ineligible Project at the time of such determination.

"Maturity Date" means the Initial Maturity Date unless the maturity is extended pursuant to Section 2.16, then the Extended Maturity Date; provided, however, that, in every case, if such date is not a Business Day, the Maturity Date shall be the immediately preceding Business Day.

"Measurement Period" means, as of any date, the four Quarterly Periods ending on or directly preceding such date.

"Minimum Property Condition" means, as of any date of determination that, (a) there are at least five (5) Borrowing Base Properties and (b) the aggregate Current Value of such Borrowing Base Properties is at least equal to Three Hundred Million and No/100 ($300,000,000.00).

"Net Casualty Proceeds" has the meaning specified in Section 6.16(g)(ii).

"Net Condemnation Proceeds" has the meaning specified in Section 6.17.

"Net Operating Income" means, with respect to any Borrowing Base Property for any Measurement Period, (a) property rental and other income derived from the operation of such Borrowing Base Property, including proceeds of rent loss and business interruption insurance received by applicable Borrower or Additional Borrower that owns or ground leases such Project, but excluding prepaid rents and revenues and security deposits, except to the extent applied in satisfaction of tenants' obligations for rent (as determined in accordance with GAAP), adjusted to eliminate the straight lining of rents, minus (b) the sum of (i) all expenses (as determined in accordance with GAAP) incurred in connection with and directly attributable to the ownership and operation of such Borrowing Base Property for such period, including, without limitation, amounts accrued for the payment of real estate taxes and property insurance premiums, but excluding any general and administrative expenses related to the operation of each Borrower, any interest expense or other debt service charges and any non-cash charges such as depreciation or amortization of financing costs and (ii) Management Fees, minus (c) the applicable Capital Expenditure Reserve; provided, however, that notwithstanding anything to the contrary contained in the foregoing, Net Operating Income shall be calculated net of non-cash operating items such as below-market lease assets and liabilities and other non-cash items, and the amortization of acquired in place lease valuations; and provided further, however, that (x) if such Borrowing Base Property has been owned by the applicable Borrower for less than twelve (12) months then the Net Operating Income for such Borrowing Base Property will be calculated as specified in clauses (a), (b), and (c) above based upon the income and expenses for the most recently ended Quarterly Period multiplied by four (4); (y) if the Borrowing Base Property has been owned by the applicable Borrower for twelve (12) months or more but has not generated property rental and other income for four (4) complete fiscal quarters, the Net Operating Income for such Borrowing Base Property will be calculated as specified in clauses (a), (b), and (c) above but on an annualized basis based upon the complete consecutive fiscal quarter(s) most recently ended for which such Borrowing Base Property has generated property rental and other income, provided, that once such Borrowing Base Property has generated property rental and other income for four (4) complete fiscal quarters, it is agreed that the Net Operating Income for such Borrowing Base Property will be calculated as specified in clauses (a), (b) and (c) above based on the above-described four (4) consecutive fiscal quarters most recently ended; and (z) to the extent such Borrowing Base Property is not owned or operated for one complete fiscal quarter, the calculation of Net Operating Income for such Measurement Period shall be such Borrowing Base Property's appraised Net Operating Income for an entire Measurement Period, as reasonably calculated and suggested by Borrower and approved by Administrative Agent in its reasonable discretion.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 10.01 and (b) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Extension Notice Date" has the meaning specified in Section 2.03(b)(iii).

"Note" means a promissory note made by Borrower in favor of a Lender evidencing Loans made by such Lender, substantially in the form of Exhibit C.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB Rate" means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day; provided that if both such rates are not so published for any day that is a Business Day, the term "NYFRB Rate" means the rate quoted for such day, for a federal funds transaction at 11:00 a.m. on such day received by Administrative Agent from a Federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Obligations" means (a) all unpaid principal of and accrued and unpaid interest on the Loans, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other indebtedness, liabilities, or obligations of Borrower to the Lenders or to any Lender, Administrative Agent or any indemnified party arising under the Loan Documents, (b) all Additional Obligations with respect to any Borrower, and (c) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the documented and out of pocket fees, charges and disbursements of outside counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided, that the Obligations of a Borrower shall exclude any Excluded Swap Obligations with respect to such Borrower.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security

interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"Outstanding Amount" means (a) with respect to Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Loans occurring on such date; and (b) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by Borrower of Unreimbursed Amounts.

"Overnight Bank Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight LIBOR borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate (from and after such date as the NYFRB shall commence to publish such composite rate).

"Participant" has the meaning specified in Section 10.06(d).

"Participant Register" has the meaning specified in Section 10.06(d).

"Patriot Act" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"Permits" means all governmental permits, licenses, certificates and approvals now or hereafter issued or assigned to Borrower for the ownership, construction and/or operation of the Borrowing Base Property.

"Permitted Encumbrances" means:

(a) Liens pursuant to any Loan Document (including, without limitation, the Security Instruments);

(b) easements, zoning restrictions, covenants, rights of way, reservations, encroachments, licenses and similar restrictions or encumbrances on real property (i) imposed by law or (ii) arising in the ordinary course of business or (iii) that are reasonably necessary for the operation, construction, development or maintenance of such real property, which, in any such case, do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the applicable Borrower;

(c) mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not yet overdue for a period of more than thirty (30) days or are being contested in good faith and, if applicable, by appropriate proceedings diligently conducted (which proceedings have the effect of preventing the forfeiture or sale

of the property or assets subject to any such Lien), if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(d) Liens for taxes not yet due and payable or that are being contested in good faith by appropriate proceedings diligently conducted, and for which reserves in accordance with GAAP or otherwise reasonably acceptable to the Administrative Agent have been provided;

(e) Liens securing assessments or charges payable to a property owner association or similar entity, which assessments are not yet due and payable or that are being contested in good faith by appropriate proceedings diligently conducted, and for which reserves in accordance with GAAP or otherwise reasonably acceptable to the Administrative Agent have been provided;

(f) Leases and any interest of a lessee of a Project under any Lease;

(g) Eligible Ground Leases and rights of lessors under any Eligible Ground Lease;

(h) Liens and other matters disclosed in (i) any Title Policy, or (ii) in any survey consented to by Administrative Agent;

(i) subordination, non-disturbance and attornment agreements executed by Administrative Agent with respect to any Lease;

(j) memoranda of Eligible Ground Leases and Leases;

(k) Liens on the fee interest in any Borrowing Base Property leased by Borrower pursuant to an Eligible Ground Lease; provided, that, in each case, such Liens are subordinate to such Eligible Ground Lease and subject to the Lien granted to Administrative Agent pursuant to the applicable Security Instrument;

(l) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(p);

(m) other Liens consented to by the Required Lenders in writing from time to time and subject to such requirements as the Required Lenders may reasonably impose; and

(n) contractual obligations arising under any purchase and sale agreement in connection with a transaction anticipated to be expressly permitted by the terms of this Agreement.

"Permitted Indebtedness" means, with respect to each Borrower, (i) unsecured trade payables or accounts payable incurred in the ordinary course of its business, (ii) any Borrowings hereunder (including any L/C Borrowings), (iii) Swap Obligations, (iv) other customary indebtedness not for borrowed money, provided, however, that the amount of outstanding indebtedness under this clause (iv) shall not at any one time exceed $2,000,000, (v) unsecured

indebtedness incurred in the ordinary course of operating the any Project for financing equipment and other personal property used on the premises of such Project, provided, however, that the amount of outstanding indebtedness under this clause (v) shall not at any one time exceed $4,000,000, (vi) costs and expenses with respect to capital expenditure obligations in respect of the Borrowing Base Properties, including amounts incurred under any construction, architectural and related agreements with respect to capital improvements, (vii) insurance premiums, (viii) claims and obligations that are covered by insurance and with respect to which the applicable insurer has not denied coverage, (ix) costs and expenses with respect to the performance of obligations under and arising under the terms of the Project Documents and any other Permitted Encumbrances, including Leases, (x) costs and expenses which are being contested in accordance with the Loan Documents, and (xi) non-delinquent management fees owing to the Property Manager under the Property Management Agreement.

"Permitted Investors" means (a) CIM Holdings, Inc., CIM Group, LLC, CIM Service Provider, LLC, and any Persons Controlled by, or under common Control with, any of the foregoing; (b) Richard Ressler, Shaul Kuba or Avraham Shemesh, any of their respective present and former spouses and lineal descendants, (c) a trust, the then current beneficiaries of which, include only Richard Ressler, Shaul Kuba, Avraham Shemesh, and/or their respective lineal descendants and present and former spouses; and/or (d) any "group" (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) of which the majority of the voting securities of such group are owned by persons listed in subclauses (a) or (b).

"Permitted Transfers" shall refer to the following:

(a) sales, exchanges, conveyances, assignments and/or transfers of any direct or indirect interest in Borrower, so long as, after giving effect thereto, one or more entities Controlled by Guarantor or CIM Group, LLC separately or in the aggregate, continue(s) to (i) hold, directly or indirectly, not less fifty-one percent (51%) of the membership interests in each Borrower, and (ii) Control Borrower; and

(b) any pledge, encumbrance or mortgage of any direct or indirect interest in Borrower, so long as any transfer of any such direct or indirect interest in Borrower pursuant to the enforcement of such pledge, encumbrance or mortgage, as the case may be, would satisfy the requirements of clause (a) above;

provided, however, after giving effect to any of the foregoing, (x) no Change of Control shall occur, (y) in no event shall any Sanctioned Person own any direct or indirect ownership interest in Borrower or Guarantor, and (z) if the transferee in any transfer described above holds, directly or indirectly, on an aggregate basis, less than ten percent (10%) of the ownership interest in Borrower or Guarantor immediately prior to such transfer and, after giving effect to such transfer, will hold ten percent (10%) or more of the ownership interest in Borrower or Guarantor, Borrower shall provide to Administrative Agent (1) notice of each such transfer within ten (10) days after the consummation thereof, and (2) all such information with respect to the applicable transferee(s) as Administrative Agent may reasonably request in connection with the "Know Your Customer" requirements of the Patriot Act within ten (10) days after Administrative Agent's request therefor.

"Person" means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, permitted joint venture, Governmental Authority or other entity of whatever nature, whether public or private.

"Plan Asset Regulations" means 29 C.F.R. 2510.3-101 et seq. as modified by Section 3(42) of ERISA, as amended from time to time.

"Platform" has the meaning specified in Section 6.01.

"Preliminary Project Information" means the following information and other items with respect to each Project which Borrower is requesting that the Required Lenders approve as a Borrowing Base Property, in form and substance reasonably satisfactory to Administrative Agent:

(a) all documents and agreements relating to the acquisition of such Project by the applicable Borrower, including, without limitation, the terms and conditions of any proposed leaseback of such Project;

(b) copies of any existing leases of space covering any portion of such Project; and

(c) such other information, documents and materials with respect to such Project as Administrative Agent may reasonably request.

"Prime Rate" means, at any time, the rate of interest per annum publicly announced from time to time by Administrative Agent as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by Administrative Agent as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

"Project" means any real estate asset directly owned by any Borrower. For purposes hereof and of the Loan Documents, "owned" shall mean any real estate asset owned in fee or leased by any such Person, or any combination thereof.

"Project Documents" means any material agreement relating to the leasing, financing, development or operation of the Borrowing Base Property to which Borrower is a party or beneficiary, whether now existing or hereafter arising, but excluding any agreement that (a) is terminable on not more than sixty (60) days' notice without the payment of any termination fee or penalty, or (b) is not binding upon Administrative Agent, any Lender or any successor ground tenant of the applicable Borrowing Base Property in the event that all or any portion of such Borrowing Base Property is foreclosed upon or is conveyed by an assignment in lieu of foreclosure; provided, however, that Project Documents shall not include the Loan Documents, any Swap Agreement, any Cash Management Agreement, the Leases or any Eligible Ground Lease.

"Project Information" means the following information and other items with respect to each Project which Borrower is requesting that the Required Lenders approve as a Borrowing Base Property, in form and substance reasonably satisfactory to Administrative Agent:

(a) a Security Instrument for such Project, together with a financing statement with respect to all personal property related to such Project, pursuant to which the applicable Borrower shall grant to Administrative Agent a first-priority Lien on such Project and related personal property;

(b) if such Project is owned or leased by an Additional Borrower, (i) a duly executed Joinder Agreement executed by such Additional Borrower, each other Borrower and Guarantor, and (ii) a duly executed Assignment of Contribution Agreement;

(c) a Current Appraisal of such Project;

(d) a Title Policy for such Project;

(e) a "Phase I" and, if applicable, "Phase II" environmental site assessment (as reasonably required by Administrative Agent) for such Project, dated as of a recent date, prepared by a qualified firm reasonably acceptable to Administrative Agent, indicating, among other things, that such Project does not contain any Hazardous Materials in violation of, or requiring investigation or remediation under, any Environmental Law;

(f) a property condition assessment for such Project;

(g) evidence indicating whether any improvements or any part thereof located on such Project are or will be located within a one hundred year flood plain or other area identified by Administrative Agent as having high or moderate risk of flooding or identified as a special flood hazard area as defined by the Federal Emergency Management Agency, and, if so, a flood notification form signed by the applicable Borrower and evidence that the flood insurance required under Section 6.16 below is in place for such improvements and contents, if applicable, all in form, substance and amount reasonably satisfactory to Administrative Agent and the Lenders;

(h) evidence confirming that such Project is zoned to permit the operation of the business as currently operated on such Project;

(i) certificates of insurance (or, if applicable, copies of policies) and loss payable endorsements for all insurance coverages required under Section 6.16 below, showing the same to be in full force and effect with respect to the such Project;

(j) an ALTA Survey of such Project certified in a manner reasonably acceptable to Administrative Agent;

(k) a copy of the property management agreement, if any, relating to such Project, together with an Assignment and Subordination of Management Agreement with respect thereto, upon Administrative Agent's request;

(l) a favorable opinion of counsel to Borrower and Guarantor, addressed to Administrative Agent and each Lender, as to such customary matters covered in borrower's counsel's opinions for mortgage financings concerning the applicable Borrower, the Liens

granted in favor of Administrative Agent pursuant to subsection (a) above and such other matters as Administrative Agent may reasonably request;

(m) for each Project that is a Standard Asset, copies of leases and rent rolls for the Project certified by Borrower as accurate and complete;

(n) with respect to any Project subject to an Eligible Ground Lease, an estoppel certificate and agreement from the ground lessor thereunder, in form and substance reasonably acceptable to Administrative Agent;

(o) with respect to each Project that is a Hotel Asset, (i) a true and correct copy of all Hotel Agreements, (ii) a comfort letter or subordination agreement in form and substance reasonably satisfactory to Administrative Agent, executed by the applicable Approved Franchisor or Hotel Operator, as the case may be, in favor of Administrative Agent, and (iii) the list, if any, of material furniture, fixtures and equipment included in the Current Appraisal for such Project; and

(p) such other information, documents and materials with respect to such Project as Administrative Agent may reasonably request and are customarily provided to mortgage lenders in the jurisdiction where such Project is located.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Property Improvement Plan" means any property improvement plan implemented with respect to any Borrowing Base Property that is a Hotel Asset pursuant to the terms of any Hotel Agreements.

"Public Lender" has the meaning specified in Section 6.01.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualifies at such time as an ***"eligible contract participant"*** under the Commodity Exchange Act and can cause another person to qualify as an ***"eligible contract participant"*** at such time under §1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Quarterly Period" means, on any date of determination, the most recently-ended three (3) calendar month period for which Borrower has provided the financial information required under Section 6.01(b) of this Agreement.

"Recipient" means Administrative Agent, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party.

"Register" has the meaning specified in Section 10.06(c).

"REIT" means a Person qualifying for treatment as a "real estate investment trust" under the Code.

"REIT Status" means, with respect to any Person, (a) the qualification of such Person as a real estate investment trust under the provisions of Sections 856 et seq. of the Code and (b) the applicability to such Person and its shareholders of the method of taxation provided for in Sections 857 et seq. of the Code.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, auditors (including internal auditors), attorneys and representatives of such Person and of such Person's Affiliates.

"Release" means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection or leaching into the Environment, or into, from or through any building, structure or facility.

"Release Notice" has the meaning specified in Section 6.13(i).

"Removal Effective Date" has the meaning specified in Section 9.06(b).

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Request for Credit Extension" means (a) with respect to a Borrowing, conversion or continuation of Committed Loans, a Borrowing Notice and (b) with respect to an L/C Credit Extension, a Letter of Credit Application.

"Required Lenders" means, as of any date of determination, Lenders having greater than fifty percent (50%) (or, for purposes of the requirement for Required Lender approval of the inclusion of any Project as a Borrowing Base Property pursuant to Section 4.03(b) only, sixty-six and two-thirds percent (66.66%)) of the aggregate Commitments then in effect or, if the aggregate Commitments have been terminated pursuant to Section 2.05 or Section 8.02, the Total Outstandings (with the aggregate amount of each Lender's risk participation and funded participation in L/C Obligations being deemed "held" by such Lender for purposes of this definition), provided that (x) the Commitment of, and the Outstanding Amount held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders, (y) the amount of any participation in any Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Applicable L/C Issuer, and (z) at all times when two (2) or more Lenders are party to this Agreement, the term "Required Lenders" shall require at least two (2) Lenders.

"Required Insurance Policies" means, with respect to each Borrowing Base Property, (a) (i) property insurance with respect to each insurable Borrowing Base Property, against loss or damage by fire, lightning, windstorm, explosion, hail, tornado and such additional hazards as are presently included in "Special Form" (also known as "all-risk") coverage and against any and all acts of terrorism and such other insurable hazards as Administrative Agent may reasonably require, in an amount not less than 100% of the full replacement cost, including the cost of debris removal, without deduction for depreciation and sufficient to prevent the Borrower or Additional Borrower that owns or ground leases such Borrowing Base Property and Administrative Agent from

becoming a coinsurer and (ii) from and during any construction on any Borrowing Base Property, such applicable insurance to be in "builder's risk" completed value (non reporting) form; (b) if at any time, the improvements, or any part thereof, located on such Borrowing Base Property lies within a "special flood hazard area" as designated on maps prepared by the Federal Emergency Management Agency (FEMA), a one hundred year flood plain or other area identified by the Administrative Agent as having a high or moderate risk of flooding, a flood insurance policy or policies (whether or not coverage is available from the National Flood Insurance Program and whether or not required by the Flood Laws), in form and substance acceptable to the Administrative Agent and Lenders covering the improvements and contents that lie within a "special flood hazard area" as designated on maps prepared by the Federal Emergency Management Agency (FEMA), a one hundred year flood plain or other area identified by the Administrative Agent as having a high or moderate risk of flooding (to the extent the contents then secure the Facility) located on such Borrowing Base Property and are within a "special flood hazard area" as designated on maps prepared by the Federal Emergency Management Agency (FEMA), a one hundred year flood plain or other area identified by the Administrative Agent as having a high or moderate risk of flooding, for the duration of the Facility in an amount at least equal to the full insurable value on a replacement cost basis (without deduction for depreciation) of the improvements and contents, if applicable, located on such Borrowing Base Property, or the Facility Amount, whichever is less; (c) general liability insurance, on an "occurrence" basis, against claims for "personal injury" liability, including bodily injury, death or property damage liability, for the benefit of the Borrower or Additional Borrower that owns or ground leases such Borrowing Base Property as named insured and the Administrative Agent as additional insured; (d) umbrella/excess liability in excess of commercial general liability, automobile liability and employers' liability coverages which is at least as broad as these underlying policies with a limit of liability of $10,000,000.00); (e) statutory workers' compensation insurance with respect to any work on or about the Borrowing Base Property (including employer's liability insurance, if required by the Administrative Agent), covering all employees, if any, of the Borrower or Additional Borrower that owns or ground leases such Borrowing Base Property (it being understood and agreed that Borrower or Additional Borrower, in each case if applicable, will ensure that any contractor performing any material work on any Borrowing Base Property carries statutory workers' compensation insurance); (f) if there is a general contractor, commercial general liability insurance, including products and completed operations coverage, and in other respects similar to that described in clause (c) above, for the benefit of the general contractor as named insured and the Borrower or Additional Borrower that owns or ground leases such Borrowing Base Property and the Administrative Agent as additional insureds, in addition to statutory workers' compensation insurance with respect to any work on or about the Borrowing Base Property (including employer's liability insurance, if required by the Administrative Agent), covering all employees of the general contractor and any contractor; and (g) such other insurance on the Borrowing Base Property and endorsements as may from time to time be reasonably required by Administrative Agent and that is customary for similarly situated properties (including soft cost coverage, automobile liability insurance, business interruption insurance or delayed rental insurance, boiler and machinery insurance, earthquake insurance, wind insurance, volcano insurance, sinkhole coverage, and/or permit to occupy endorsement) and against other insurable hazards or casualties which at the time are commonly insured against in the case of premises similarly situated in the same jurisdiction, due regard being given to the height, type, construction, location, use and occupancy of buildings and improvements.

"Resignation Effective Date" has the meaning specified in Section 9.06(a).

"Responsible Officer" means the chief executive officer, president, vice president, chief financial officer, secretary, assistant secretary, treasurer, assistant treasurer or controller of a Loan Party or of any general partner, member or manager thereof, as applicable, and, solely for purposes of notices given pursuant to Article II, any other officer of the applicable Loan Party or of any general partner, member or manager thereof, as applicable, so designated by any of the foregoing officers in a notice to Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person or any Subsidiary thereof, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to such Person's stockholders, partners or members (or the equivalent of any thereof), or any option, warrant or other right to acquire any such dividend or other distribution or payment.

"Sanction(s)" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

"Sanctioned Country" means, at any time, any country or territory to the extent that such country or territory itself, or its government, is the subject or target of any Sanctions (at the time of this Agreement, Cuba, Iran, North Korea, Syria and Crimea).

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Security Instrument" means (a) with respect to the Initial Borrowers, the Security Instruments set forth on Schedule 1.01, and (b) with respect to each Project to be included in the Borrowing Base following the Closing Date, a deed of trust, mortgage or deed to secure debt, to be dated as of the effective date of the inclusion of such Project in the Borrowing Base, made by the applicable Borrower for the benefit of Administrative Agent, in the form of the initial Security Instruments delivered as of the Closing Date (or such other form as may be reasonably acceptable

to Administrative Agent and the applicable Borrower), subject to customary requirements of the jurisdiction in which the applicable Project is located and reasonably acceptable to Administrative Agent, as each of the same may be amended, restated, supplemented or otherwise modified from time to time. Unless otherwise specified in this Agreement or the context shall otherwise require, the term ***"Security Instrument"*** shall be deemed to be a reference to all of the Security Instruments collectively and each Security Instrument individually.

"Solvent" and ***"Solvency"*** mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Special Purpose Entity" means a Person that (a) is a limited liability company or limited partnership (or other corporate form reasonably acceptable to Administrative Agent) organized in the United States and (x) is at least fifty-one percent (51%) owned and (y) is Controlled, in each case directly or indirectly, by Guarantor; (b) only owns or ground leases pursuant to an Eligible Ground Lease one or more Borrowing Base Property(ies) and/or cash or cash equivalents and other assets of nominal value incidental to such Person's ownership of such Borrowing Base Property(ies); (c) is engaged only in the business of owning, developing and/or leasing such Borrowing Base Property(ies); (d) receives substantially all of its gross revenues from such Borrowing Base Property(ies); (e) owes no Indebtedness (other than Permitted Indebtedness) to any Person; (f) is not a Sanctioned Person and no portion of the ownership interest in such Person is owned, directly or indirectly, by a Sanctioned Person; and (g) has provided to Administrative Agent and each Lender all information as Administrative Agent and such Lender may reasonably request in connection with the "Know Your Customer" requirements of the USA PATRIOT Act of 2001 and Administrative Agent and each Lender shall have satisfactorily completed its "Know Your Customer" review.

"Specified Loan Party" means any Loan Party that is not an "eligible contract participant" under the Commodity Exchange Act (determined prior to giving effect to Section 26 of the Guaranty).

"Standard Asset" means an office building Project or an industrial, retail, multi-family or flex Project (including, in each case, associated parking lots and structures).

"Standard Mortgageability Amount" means, on any date of determination, with respect to all Borrowing Base Properties that are Standard Assets, an amount equal to (a) the combined Net

Operating Income attributable to all such Standard Assets, divided by (b) nine and one-half of one percent (9.5%).

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentage shall include those imposed pursuant to such Regulation D. LIBOR Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of Guarantor.

"Swap Agreement" means any Swap Contract that is entered into by and between any Borrower and any Hedge Bank.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a ***"Master Agreement"***), including any such obligations or liabilities under any Master Agreement.

"Swap Obligations" means with respect to any Borrower any obligation to pay or perform under any agreement, contract or transaction that constitutes a ***"swap"*** within the meaning of Section 1a(47) of the Commodity Exchange Act, under (a) any and all Swap Agreements, and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Agreement transaction.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amounts determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so- called synthetic, off-balance sheet or tax retention lease or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as indebtedness of such Person (without regard to accounting treatment).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"TI/LC Holdback" has the meaning set forth in the definition of the term "Borrowing Base."

"TI/LC Obligations" means all tenant improvement obligations, tenant improvement allowances, leasing commissions and similar concessions which are the unfunded obligations of any Borrower arising pursuant to any Leases; provided, however, that if the tenant under any Lease does not have (pursuant to such Lease or applicable Law) or has waived any right of offset or claim against Administrative Agent, Lenders and any successor landlord with respect to all such tenant improvement obligations, tenant improvement allowances and similar concessions pursuant to a subordination, non-disturbance and attornment agreement executed by such tenant and Administrative Agent, then all such tenant improvement obligations, tenant improvement allowances and similar concessions arising pursuant to or in connection with such Lease shall be excluded from the calculation of the "TI/LC Obligations."

"Title Company" means First American Title Insurance Company.

"Title Policy" means, with respect to each Borrowing Base Property, a Loan Policy of Title Insurance in form and substance reasonably satisfactory to Administrative Agent issued by Title Company.

"Total Outstandings" means the aggregate Outstanding Amount of all Loans and all L/C Obligations.

"Transfer" means any sale, installment sale, exchange, mortgage, pledge, hypothecation, assignment, encumbrance or other transfer, conveyance or disposition, whether voluntary, involuntary or by operation of law or otherwise.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a LIBOR Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York.

"UCP" means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"United States" and ***"U.S."*** mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c).

"Unused Amount" has the meaning specified in Section 2.08(b).

"Unused Fee" has the meaning specified in Section 2.08(b).

"U.S. Person" means any Person that is a ***"United States Person"*** as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(3).

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words ***"include," "includes"*** and ***"including"*** shall be deemed to be followed by the phrase ***"without limitation."*** The word ***"will"*** shall be construed to have the same meaning and effect as the word ***"shall."*** Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, supplemented or otherwise modified (subject to any restrictions on such amendments, amendments and restatements, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words ***"hereto," "herein," "hereof"*** and ***"hereunder,"*** and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, interpreting or re-codifying such law and any successor statute to such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented

from time to time, and (vi) the words ***"asset"*** and ***"property"*** shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word ***"from"*** means ***"from and including;"*** the words ***"to"*** and ***"until"*** each mean ***"to but excluding;"*** and the word ***"through"*** means ***"to and including."***

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that which are used in preparing the financial statements delivered to Administrative Agent by Initial Borrowers prior to the Closing Date, except as otherwise specifically prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to (i) any election under Accounting Standards Codification 825 (or any other Financial Accounting Standard or Accounting Standards Codification having a similar result or effect) to value any Indebtedness or other liabilities of the Loan Parties at "fair value," as defined therein and (ii) except to the extent elected otherwise by Borrower to Administrative Agent, any change in accounting for leases pursuant to GAAP, including those resulting from the implementation of Financial Accounting Standards Board ASU No. 2016-02, Leases (Topic 842).

(b) Changes in GAAP. If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either Borrower or the Required Lenders shall so request, Administrative Agent, the Lenders and Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) Borrower shall provide to Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.04 Rounding. Any financial ratios required to be maintained by Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is

expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day; Rates. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable). Administrative Agent does not warrant, nor accept responsibility, nor shall Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Adjusted LIBO Rate" or with respect to any comparable or successor rate thereto.

1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments. Subject to the terms and conditions set forth in this Agreement, including without limitation, Section 2.13, each Lender severally and not jointly agrees to make Loans denominated in U.S. Dollars to Borrower during the Availability Period, in an aggregate principal amount at any one time outstanding up to, but not exceeding, the amount of such Lender's Commitment; provided, however, that (a) after giving effect to any Borrowing, (i) the Total Outstandings shall not exceed the lesser of (A) the Facility Amount and (B) the Borrowing Base then in effect, and (ii) the aggregate Outstanding Amount of the Loans of any Lender, plus such Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, shall not exceed such Lender's Commitment, and (b) Loans funded from the TI/LC Holdback shall be made solely to pay or reimburse TI/LC Obligations (and associated costs and expenses, including legal fees), and Lenders shall have no obligation to make any Loans funded from the TI/LC Holdback for any other purpose. Within the foregoing limits and subject to the terms and conditions of this Agreement, Borrower may borrow, repay and reborrow Loans. Upon the expiration of the Availability Period, the commitments of the Lenders to make Loans shall irrevocably cease. For the avoidance of doubt, subject to the limitations set forth in Section 6.11 and 6.22(c) below, Borrower may use the proceeds of the Loans to make Restricted Payments.

2.02 Borrowings, Conversions and Continuations.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of LIBOR Loans shall be made upon Borrower's irrevocable notice to Administrative Agent, which may be given by (A) telephone or (B) a Borrowing Notice; provided that any telephone notice must be confirmed immediately by delivery to Administrative Agent of a Borrowing Notice. Each such Borrowing Notice must be received by Administrative Agent not later than 11:00 a.m. (i) three (3) Business Days (or such shorter period as shall have been agreed to by Administrative Agent and the Lenders) prior to the requested date of any Borrowing of, conversion to or continuation of LIBOR Loans or of any conversion of LIBOR Loans to Base Rate Loans, and (ii) on the requested

date of any Borrowing of Base Rate Loans; provided, however, that if Borrower wishes to request LIBOR Loans having an Interest Period other than one, two, three or six months in duration as provided in the definition of ***"Interest Period,"*** the applicable notice must be received by Administrative Agent not later than 11:00 a.m. four (4) Business Days prior to the requested date of such Borrowing, conversion or continuation, whereupon Administrative Agent shall give prompt notice to the Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. Not later than 11:00 a.m. three (3) Business Days before the requested date of such Borrowing, conversion or continuation, Administrative Agent shall notify Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by the Lenders. Each Borrowing of, conversion to or continuation of LIBOR Loans or Base Rate Loans shall be in a minimum principal amount of Five Hundred Thousand and No/100 Dollars ($500,000.00), and in multiples of One Hundred Thousand and No/100 Dollars ($100,000.00) in excess thereof; provided, however, that, notwithstanding the foregoing but subject to Section 2.01 above, a Borrowing of Loans may be in the aggregate amount of the unused Commitments. Each Borrowing Notice shall specify (i) whether Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans as LIBOR Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If Borrower fails to specify a Type of Loan in a Borrowing Notice or if Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable LIBOR Loans. If Borrower requests a Borrowing of, conversion to, or continuation of LIBOR Loans in any such Borrowing Notice, but fails to specify an Interest Period, Borrower will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Borrowing Notice, Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by Borrower, Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans described in the preceding subsection. Each Lender shall make the amount of its Loan available to Administrative Agent in immediately available funds at Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Borrowing Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Borrowing, Section 4.01), Administrative Agent shall make all funds so received available to Borrower in like funds as received by Administrative Agent either by (i) crediting the account of Borrower on the books of JPMC with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) Administrative Agent by Borrower; provided, however, that if, on the date the Borrowing Notice with respect to such Borrowing is given by Borrower, there are L/C Borrowings outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in

full of any such L/C Borrowings, and second, shall be made available to Borrower as provided above.

(c) Except as otherwise provided herein, a LIBOR Loan may be continued or converted only on the last day of an Interest Period for such LIBOR Loan. During the existence of a Default or an Event of Default, no Loans may be requested as, converted to or continued as LIBOR Loans without the consent of the Required Lenders.

(d) Administrative Agent shall promptly notify Borrower and the Lenders of the interest rate applicable to any Interest Period for LIBOR Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, Administrative Agent shall notify Borrower and the Lenders of any change in JPMC's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than ten (10) Interest Periods in effect with respect to LIBOR Loans.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 2.03, and subject to the terms and conditions set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit for the account of any Loan Party, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under such Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of any Loan Party and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (1) without duplication, the aggregate Outstanding Amount of the Loans of any Lender, plus such Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations shall not exceed such Lender's Commitment, (2) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit, and (3) the Total Outstandings shall not exceed the lesser of (aa) the Facility Amount and (bb) the Borrowing Base then in effect. Notwithstanding the above (except that at no time shall the Outstanding Amount of the L/C Obligations exceed the Letter of Credit Sublimit), unless the applicable L/C Issuer shall otherwise consent in its sole discretion, no L/C Issuer shall be obligated to issue Letters of Credit hereunder having a maximum aggregate amount in excess of Twelve Million Five Hundred Thousand Dollars ($12,500,000) at any one time outstanding. Each request by Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and

conditions hereof, Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) No L/C Issuer shall issue any Letter of Credit, if the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all Lenders have approved such expiry date.

(iii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing such Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which such L/C Issuer reasonably deems material to it;

(B) the Letter of Credit is a commercial letter of credit or the issuance of such Letter of Credit would violate one or more policies of such L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by Administrative Agent and such L/C Issuer, such Letter of Credit is in an initial stated amount less than One Hundred Thousand and No/100 Dollars ($100,000.00);

(D) such Letter of Credit is to be denominated in a currency other than U.S. Dollars;

(E) any Lender is at that time a Defaulting Lender, unless such L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to such L/C Issuer (in its sole discretion) with Borrower or such Lender to eliminate such L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iii)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which such L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(F) any proceeds of the Letter of Credit would be made to any Person (i) to fund any activity or business of or with any Sanctioned Person, or in any country or territory, that at the time of such funding is the subject of any Sanctions, or (ii) in any manner that would result in a violation of any Sanctions by a party to this Agreement, in any material respect.

(iv) No L/C Issuer shall amend any Letter of Credit if such L/C Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(v) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) The Applicable L/C Issuer shall act on behalf of the Lenders with respect to any Applicable Letters of Credit issued by it and the documents associated therewith, and such L/C Issuer shall have all of the benefits and immunities (A) provided to Administrative Agent in Article IX with respect to any acts taken or omissions suffered by an Applicable L/C Issuer in connection with any Applicable Letters of Credit issued by it or proposed to be issued by it and any Issuer Documents pertaining to such Applicable Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the Applicable L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Applicable L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of Borrower delivered to the Applicable L/C Issuer (with a copy to Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of Borrower. Such Letter of Credit Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the L/C Issuer, by personal delivery or by any other means acceptable to the L/C Issuer. Such Letter of Credit Application must be received by the Applicable L/C Issuer and Administrative Agent not later than 11:00 a.m. at least two (2) Business Days (or such later date and time as Administrative Agent and the Applicable L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the Applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary

in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the Applicable L/C Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the Applicable L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the Applicable L/C Issuer may require. Additionally, Borrower shall furnish to the Applicable L/C Issuer and Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the Applicable L/C Issuer or Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the Applicable L/C Issuer will confirm with Administrative Agent (by telephone or in writing) that Administrative Agent has received a copy of such Letter of Credit Application from Borrower and, if not, the Applicable L/C Issuer will provide Administrative Agent with a copy thereof. Unless the Applicable L/C Issuer has received written notice from any Lender, Administrative Agent or any Loan Party, at least one (1) Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the Applicable L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of Borrower (or Guarantor) or enter into the applicable amendment, as the case may be, in each case in accordance with the Applicable L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Applicable L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Percentage multiplied by the amount of such Letter of Credit.

(iii) If Borrower so requests in any applicable Letter of Credit Application, the Applicable L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an ***"Auto-Extension Letter of Credit"***); provided that any such Auto-Extension Letter of Credit must permit the Applicable L/C Issuer to prevent any such extension at least once in each twelve (12) month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the ***"Non-Extension Notice Date"***) in each such twelve (12) month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Applicable L/C Issuer, Borrower shall not be required to make a specific request to the Applicable L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the

Letter of Credit Expiration Date; provided, however, that the Applicable L/C Issuer shall not permit any such extension if (A) the Applicable L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clauses (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (1) from Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from Administrative Agent, any Lender or Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing the Applicable L/C Issuer not to permit such extension.

(iv) Reserved.

(v) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the Applicable L/C Issuer will also deliver to Borrower and Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(vi) If the expiry date of any Letter of Credit would occur after the Maturity Date (giving effect to any pending Extension Notice that has been delivered pursuant to Section 2.16 and for which the conditions precedent to the extension requested therein are then satisfied), Borrower hereby agrees that it will at least thirty (30) days prior to such Maturity Date (or, in the case of a Letter of Credit issued or extended on or after thirty (30) days prior to the Maturity Date, on the date of such issuance or extension, as applicable) Cash Collateralize such Letter of Credit in an amount equal to 103% of the L/C Obligations arising or expected to arise in connection with such Letter of Credit.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the Applicable L/C Issuer shall notify Borrower and Administrative Agent thereof (such notification provided by the Applicable L/C Issuer to Borrower and Administrative Agent being referred to herein as an "***L/C Draw Notice***"). If an L/C Draw Notice with respect to a Letter of Credit is received by Borrower (x) on or prior to 11:00 a.m. on the date of any payment by the Applicable L/C Issuer under such Letter of Credit (each such date a payment is made by the L/C Issuer under a Letter of Credit being referred to herein as, an ***"Honor Date"***), then, not later than 12:00 p.m. on the Honor Date, Borrower shall reimburse the Applicable L/C Issuer through Administrative Agent in an amount equal to the amount of such drawing or (y) after 11:00 a.m. on the Honor Date, then, not later than 11:00 a.m. on the first Business Day following the Honor Date, Borrower shall reimburse the Applicable L/C Issuer through Administrative Agent in an amount equal to the amount of such drawing (such date on which Borrower, pursuant to clauses (x) and (y) of this sentence, is required to

reimburse the Applicable L/C Issuer for a drawing under a Letter of Credit is referred to herein as the ***"L/C Reimbursement Date"***); provided, however, that if the L/C Reimbursement Date for a drawing under a Letter of Credit is the Business Day following the Honor Date pursuant to clause (y) of this sentence, the Unreimbursed Amount shall accrue interest from and including the Honor Date until such time as the Applicable L/C Issuer is reimbursed in full therefor (whether through payment by Borrower and/or through a Loan or L/C Borrowing made in accordance with paragraph (ii) or (iii) of this Section 2.03(c)) at a rate equal to (A) for the period from and including the Honor Date to but excluding the first Business Day to occur thereafter, the rate of interest then applicable to a Loan that is a Base Rate Loan and (B) thereafter, at the Default Rate applicable to a Loan that is a Base Rate Loan. Interest accruing on the Unreimbursed Amount pursuant to the proviso to the immediately preceding sentence shall be payable by Borrower upon demand to Administrative Agent, solely for the account of the Applicable L/C Issuer. If Borrower fails to so reimburse the Applicable L/C Issuer by such time, Administrative Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (the ***"Unreimbursed Amount"***), and the amount of such Lender's Applicable Percentage thereof. In such event, Borrower shall be deemed to have requested a Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the aggregate Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Borrowing Notice). Any notice given by the Applicable L/C Issuer or Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and Administrative Agent may apply Cash Collateral for this purpose) to Administrative Agent for the account of the Applicable L/C Issuer at Administrative Agent's Office in an amount equal to its Applicable Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to Borrower in such amount. Administrative Agent shall remit the funds so received to the Applicable L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Borrowing of Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, Borrower shall be deemed to have incurred from the Applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Lender's payment to Administrative Agent for the account of the Applicable L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed

payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Lender funds its Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the Applicable L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Percentage of such amount shall be solely for the account of the Applicable L/C Issuer.

(v) Each Lender's obligation to make Loans or L/C Advances to reimburse the Applicable L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Applicable L/C Issuer, Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by Borrower of a Borrowing Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of Borrower to reimburse the Applicable L/C Issuer for the amount of any payment made by the Applicable L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to Administrative Agent for the account of an Applicable L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), such Applicable L/C Issuer shall be entitled to recover from such Lender (acting through Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Applicable L/C Issuer at a rate per annum equal to the greater of the NYFRB Rate and a rate determined by such Applicable L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by such Applicable L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Loan included in the relevant Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of such Applicable L/C Issuer submitted to any Lender (through Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after an Applicable L/C Issuer has made a payment under any Applicable Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section

2.03(c), if Administrative Agent receives for the account of an Applicable L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from Borrower or otherwise, including proceeds of Cash Collateral applied thereto by Administrative Agent), Administrative Agent will distribute to such Lender its Applicable Percentage thereof in the same funds as those received by Administrative Agent.

(ii) If any payment received by Administrative Agent for the account of an Applicable L/C Issuer pursuant to Section 2.03(c)(ii) is required to be returned under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by the Applicable L/C Issuer in its discretion), each Lender shall pay to Administrative Agent for the account of the Applicable L/C Issuer its Applicable Percentage thereof on demand of Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the NYFRB Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of Borrower to reimburse each Applicable L/C Issuer for each drawing under each Applicable Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that Borrower may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the Applicable L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by the Applicable L/C Issuer of any requirement that exists for such Applicable L/C Issuer's protection and not the protection of Borrower or any waiver by such Applicable L/C Issuer which does not in fact materially prejudice Borrower;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by the Applicable L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

(vii) any payment by the Applicable L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the Applicable L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(viii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, Borrower.

Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with Borrower's instructions or other irregularity, Borrower will promptly notify the Applicable L/C Issuer. Borrower shall be conclusively deemed to have waived any such claim against the Applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and Borrower agree that, in paying any drawing under a Letter of Credit, the Applicable L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of any L/C Issuer, Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence, bad faith or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of any L/C Issuer, Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (viii) of Section 2.03(e); provided,

however, that anything in such clauses to the contrary notwithstanding, Borrower may have a claim against any Applicable L/C Issuer, and any Applicable L/C Issuer may be liable to Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by Borrower which Borrower proves were caused by the Applicable L/C Issuer's willful misconduct or gross negligence or the Applicable L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the Applicable L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Applicable L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign an Applicable Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. The Applicable L/C Issuer may send an Applicable Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("***SWIFT***") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(g) Applicability of ISP. Unless otherwise expressly agreed by the Applicable L/C Issuer and Borrower when an Applicable Letter of Credit is issued, the rules of the ISP shall apply to each Applicable Letter of Credit. Notwithstanding the foregoing, the Applicable L/C Issuer shall not be responsible to Borrower for, and the Applicable L/C Issuer's rights and remedies against Borrower shall not be impaired by, any action or inaction of the Applicable L/C Issuer required under any Law that is required to be applied to any Letter of Credit, including the Law or any order of a jurisdiction where the Applicable L/C Issuer or the beneficiary is located, the practice stated in the ISP or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such Law or practice.

(h) Letter of Credit Fees. Borrower shall pay to Administrative Agent for the account of each Lender in accordance with its Applicable Percentage a Letter of Credit fee (the ***"Letter of Credit Fee"***) for each Letter of Credit equal to the Applicable Rate for calculation of Letter of Credit Fees multiplied by the daily amount available to be drawn under such Letter of Credit; provided, however, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the Applicable L/C Issuer pursuant to this Section 2.03 shall be payable, to the maximum extent permitted by applicable Law, to the other Lenders in accordance with the upward adjustments in their respective Applicable Percentages allocable to such Letter of Credit pursuant to Section 2.15(a)(iii), with the balance of such fee, if any, payable to the Applicable L/C Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (i) due and payable on the first Business Day after the end of each March, June, September and

December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(i) Fronting Fee and Documentary and Processing Charges Payable to the Applicable L/C Issuer. Borrower shall pay directly to the Applicable L/C Issuer for its own account a fronting fee with respect to each Applicable Letter of Credit, at the rate per annum specified in the Fee Letter, computed on the daily amount available to be drawn under such Applicable Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Applicable Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, Borrower shall pay directly to the Applicable L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the Applicable L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for the Account of Guarantor. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, Guarantor, Borrower shall be obligated to reimburse each Applicable L/C Issuer hereunder for any and all drawings under and L/C Borrowings relating to such Letter of Credit. Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Guarantor inures to the benefit of Borrower, and that Borrower's business derives substantial benefits from the businesses of Guarantor.

2.04 Prepayments.

(a) Optional Prepayment. Borrower may, upon notice to Administrative Agent, at any time or from time to time voluntarily prepay Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by Administrative Agent not later than 11:00 a.m. (A) three (3) Business Days prior to any date of prepayment of LIBOR Loans and (B) on the date of prepayment of Base Rate Loans, in each case, or such later time as is reasonably acceptable to Administrative Agent; and (ii) any prepayment of LIBOR Loans or Base Rate Loans shall be in a minimum principal amount of $500,000 or, in each case, if less, the entire principal amount thereof then outstanding.

Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if LIBOR Loans are to be prepaid, the Interest Period(s) of such LIBOR Loans. Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's Applicable Percentage). If such notice is given by Borrower, Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein; provided, that such prepayment obligation may be conditioned on the occurrence of any subsequent event (including a Change of Control, asset sale or refinancing transaction). Any prepayment of a LIBOR Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be promptly paid to the Lenders in accordance with their respective Applicable Percentages.

(b) Mandatory Prepayment.

(i) Commitment Overadvance. If at any time the aggregate principal amount of all outstanding Loans, together with the aggregate amount of all L/C Obligations, exceeds the aggregate amount of the Commitments, Borrower shall within three (3) Business Days after demand pay to Administrative Agent for the account of the Lenders the amount of such excess.

(ii) Borrowing Base Overadvance. If, at any time, (A) the Total Outstandings exceed (B) the Borrowing Base then in effect, Borrower shall within three (3) Business Days after demand prepay Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount not less than such excess; provided, however, that Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.04(b)(ii) above unless after the prepayment in full of the Loans the Total Outstandings exceed the Borrowing Base then in effect.

(c) Application of Mandatory Prepayments. Amounts paid under the preceding subsection (b) shall be applied to pay all amounts of principal outstanding on the Loans. If Borrower is required to pay any outstanding LIBOR Loans by reason of this Section prior to the end of the applicable Interest Period therefor, Borrower shall pay all amounts due under Section 3.05.

2.05 Termination or Reduction of Commitments. Borrower may, upon notice to Administrative Agent, terminate the aggregate Commitments, or from time to time permanently reduce the aggregate Commitments; provided that (i) any such notice shall be received by Administrative Agent not later than 11:00 a.m. three (3) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of Ten Million and No/100 Dollars ($10,000,000.00) or any whole multiple of One Million and No/100 Dollars ($1,000,000.00) in excess thereof, and (iii) Borrower shall not terminate or reduce the aggregate Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Outstandings would exceed the aggregate Commitments, the L/C Obligations would exceed the Letter of Credit Sublimit, or the Total Outstandings would exceed the lesser of

(A) the Facility Amount, or (B) the Borrowing Base then in effect. Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the aggregate Commitments; provided, that such termination or reduction may be conditioned on the occurrence of any subsequent event (including a Change of Control, asset sale or refinancing transaction). Any reduction of the aggregate Commitments shall be applied to the Commitment of each Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the aggregate Commitments shall be paid on the effective date of such termination.

2.06 Repayment of Loans. Borrower shall repay to the Lenders on the Maturity Date, the aggregate outstanding principal amount of all Loans on such date.

2.07 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each LIBOR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to LIBOR for such Interest Period plus the Applicable Rate for LIBOR Loans; and (ii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans.

(b) (i) While any Event of Default arising under Section 8.01(a)(i), (f) or (g) exists, Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) Upon the request of the Required Lenders, while any Event of Default has occurred and is then continuing (other than as set forth in clause (b)(i) above), Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.08 Fees.

(a) Extension Fee. If the Maturity Date is extended in accordance with Section 2.16, Borrower shall pay to Administrative Agent for the account of each Lender a fee (the ***"Extension Fee"***) equal to 0.15% of each Lender's Commitment being extended on the effective date of such extension. Such Extension Fee shall be due and payable in full on, and subject to the occurrence of, the effective date of such extension.

(b) Unused Fee. During the period from the Closing Date to and including the Maturity Date, Borrower agrees to pay to Administrative Agent for the ratable account of the Lenders an unused facility fee (the ***"Unused Fee"***), equal to the amount (the ***"Unused Amount"***) by which the aggregate amount of the Commitments exceeds the aggregate Outstanding Amount of the Loans and the L/C Obligations, multiplied by the applicable per annum rate set forth in the table below:

Unused Amount	Unused Fee (percent per annum)
Greater than 50% of the aggregate amount of Commitments	0.25%
Less than or equal to 50% of the aggregate amount of Commitments	0.15%

Such Unused Fee shall be computed on a daily basis and payable quarterly in arrears on the last Business Day of each calendar quarter and on the Maturity Date, with the first such payment being due on December 31, 2018.

(c) Other Fees. Borrower shall pay to the Arranger and Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.09 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to LIBOR) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which such Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which such Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.11(a), bear interest for one day. Each determination by Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.10 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by Administrative Agent in the ordinary course of business. The accounts or records maintained by Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender

and the accounts and records of Administrative Agent in respect of such matters, the accounts and records of Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through Administrative Agent, Borrower shall execute and deliver to such Lender (through Administrative Agent) a Note or Notes, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note(s) and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Lender and Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit. In the event of any conflict between the accounts and records maintained by Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of Administrative Agent shall control in the absence of manifest error.

2.11 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by any Loan Party shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by any Loan Party hereunder shall be made to Administrative Agent, for the account of the respective Lenders to which such payment is owed, at Administrative Agent's Office in U.S. Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. Administrative Agent will promptly distribute to each Lender its Applicable Percentage in respect of the Facility (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by any Loan Party shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of LIBOR Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to Administrative Agent such Lender's share of such Borrowing, Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of any Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to Administrative Agent, then the applicable Lender and Borrower severally agree to pay to Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to Borrower to but excluding the date of

payment to Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the NYFRB Rate and a rate determined by Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by Borrower, the interest rate applicable to Base Rate Loans under the applicable Facility. If Borrower and such Lender shall pay such interest to Administrative Agent for the same or an overlapping period, Administrative Agent shall promptly remit to Borrower the amount of such interest paid by Borrower for such period. If such Lender pays its share of the applicable Borrowing to Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by Borrower shall be without prejudice to any claim Borrower may have against a Lender that shall have failed to make such payment to Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless Administrative Agent shall have received notice from Borrower prior to the date on which any payment is due to Administrative Agent for the account of the Lenders or the L/C Issuers hereunder that Borrower will not make such payment, Administrative Agent may assume that Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the L/C Issuers, as the case may be, the amount due. In such event, if Borrower has not in fact made such payment, then each of the Lenders or the L/C Issuers, as the case may be, severally agrees to repay to Administrative Agent forthwith on demand the amount so distributed to such Lender or such Applicable L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to Administrative Agent, at the greater of the NYFRB Rate and a rate determined by Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of Administrative Agent to any Lender or Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to Administrative Agent funds for any Loan to be made by such Lender to Borrower as provided in the foregoing provisions of this Article II, and such funds are not made available to Borrower by Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans, to fund participations in Letters of Credit and to make payments pursuant to Section 10.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to

so make its Loan, to purchase its participation or to make its payment under Section 10.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Insufficient Funds. If at any time insufficient funds are received by and available to Administrative Agent to pay fully all amounts of principal, L/C Borrowings, interest and fees then due hereunder, such funds shall be applied (i) first, toward payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due such parties, and (ii) second, toward payment of principal and L/C Borrowings then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and L/C Borrowings then due such parties.

2.12 Sharing of Payments by Lenders. If any Lender shall obtain payment in respect of any principal of or interest on any of the Loans made by it, or the participations in L/C Obligations held by it, resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or Disqualified Institution), (y) the application of Cash Collateral provided for in Section 2.14, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations to any assignee or participant, other than an assignment to Borrower or any Affiliate thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such

participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.13 Increase in Commitments.

(a) Request for Increase. Provided no Default or Event of Default exists and is continuing, upon notice to Administrative Agent (which shall promptly notify the Lenders if requested by Borrower), Borrower may request increases in the Facility so long as the Facility Amount (after giving effect thereto) shall not exceed, in the aggregate, Five Hundred Million and No/100 Dollars ($500,000,000.00). Borrower may request an increase in the aggregate Commitments, provided that any such request for an increase must be in an aggregate minimum amount of Twenty-Five Million and No/100 Dollars ($25,000,000.00). At the time of sending such notice, Borrower (in consultation with Administrative Agent) shall specify the time period within which each Lender is requested to respond and Borrower may also invite prospective lenders to respond. Borrower may provide the notice to any Lender or instruct Administrative Agent to only send the notice to certain Lenders.

(b) Lender Elections to Increase. To the extent applicable, each Lender shall notify Administrative Agent within such time period whether or not it agrees to increase its Commitment, and, if so, whether by an amount equal to, greater than, or less than its Applicable Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Commitment. Each prospective lender shall notify Administrative Agent within such time period whether or not it agrees to fund any portion of the requested increase in the aggregate Commitments, and, if so, by what amount. Any prospective lender not responding within such time period shall be deemed to have declined to fund any portion of the requested increase in the aggregate Commitments. No Lender shall be obligated in any way whatsoever to increase its Commitment. Borrower shall not be obligated to offer to any Lender an opportunity to increase its Commitment.

(c) Notification by Administrative Agent; Additional Lenders. Administrative Agent shall notify Borrower of the Lenders' and prospective lenders' responses to each request made hereunder. To achieve the full amount of a requested increase and subject to the approval of Administrative Agent (only in its capacity as such) and each L/C Issuer (which approvals shall not be unreasonably withheld), Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement in form and substance reasonably satisfactory to Administrative Agent. If any prospective lender agrees to fund any portion of the requested increase in the aggregate Commitments (an ***"Additional Lender"***), such Additional Lender shall (i) execute such documents and agreements as Administrative Agent may reasonably request to become a Lender hereunder, and (ii) in the case of any Lender that is organized under the laws of a jurisdiction outside of the United States of America, provide to Administrative Agent, its name, address, tax identification number and/or such other information as shall be necessary for Administrative Agent to comply with "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act.

(d) Effective Date and Allocations. If the aggregate Commitments are increased in accordance with this Section, Administrative Agent (solely in its capacity as such) and Borrower shall determine the effective date (the ***"Increase Effective Date"***) and the final allocation of such increase which, for any existing Lender participating in such increase, need not be ratable in accordance with their respective Commitments prior to such increase. Administrative Agent shall promptly notify Borrower and the Lenders of the final allocation selected by Borrower of such increase and the Increase Effective Date. The selection of Lenders and allocations shall be subject to Borrower's consent.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, Borrower shall pay any fees agreed to in connection therewith and deliver to Administrative Agent, in form and substance reasonably satisfactory to Administrative Agent: (i) a customary opinion of counsel to the Loan Parties, addressed to Administrative Agent and each Lender which will have a Commitment with respect to the increase (the ***"Increase Lenders"***), as to matters concerning the Loan Parties and the Loan Documents under applicable laws as Administrative Agent or the Increase Lenders may reasonably request (and consistent with the opinion delivered on the Closing Date); (ii) if not previously delivered to Administrative Agent, copies certified by the Secretary or Assistant Secretary of (A) all corporate, partnership, member or other necessary action taken by Borrower to authorize such increase and (B) all corporate, partnership, member or other necessary action taken by Guarantor authorizing the guaranty of such increase; (iii) if requested at least three (3) Business Days before the increase, new Notes executed by Borrower, payable to any new Lenders and replacement Notes executed by Borrower, payable to any Increase Lenders, in the amount of such Lender's Commitment as of the Increase Effective Date; (iv) such duly executed modifications of the Security Instruments as are necessary to reflect that the Facility Amount has increased; (v) such endorsements from the Title Company as Administrative Agent may deem appropriate in its reasonable discretion in connection with the modified Security Instruments; (vi) evidence indicating whether any improvements or any part thereof located on any Borrowing Base Property are or will be located within a one hundred year flood plain or other area identified by Administrative Agent as having high or moderate risk of flooding or identified as a special flood hazard area as defined by the Federal Emergency Management Agency, and, if so, a flood notification form signed by the applicable Borrower and evidence that the flood insurance required under Section 6.16 below is in place for such improvements and contents, if applicable, all in form, substance and amount reasonably satisfactory to Administrative Agent and the Lenders; and (vii) a certificate of Borrower signed by a Responsible Officer of Borrower, certifying that, before and after giving effect to such increase,

(1) no Default or Event of Default shall have occurred and is continuing;

(2) the representations and warranties made or deemed made by Borrower and any other Loan Party in any Loan Document to which such Loan Party is a party shall be true and correct in all material respects on the effective date of such increase except (w) to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct in all material respects as of such earlier date, (x) any representation or warranty that is

already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects as of such applicable date (including such earlier date set forth in the foregoing clause (w)) after giving effect to such qualification, (y) for purposes of this Section 2.13(e), the representations and warranties contained in subsection (a) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01; and (z) to the extent that such representations and warranties are not true and correct solely as a result of any Borrowing Base Property being an Ineligible Project at the time such representation and warranty is made; and

(3) the Total Outstandings do not exceed the lesser of (aa) the Facility Amount, or (bb) the Borrowing Base then in effect.

In the event of an increase in the aggregate Commitments, Borrower shall prepay any Loans outstanding on the Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Loans ratable with any revised Applicable Percentages arising from any nonratable increase in the Commitments under this Section. Borrower and the Lenders providing such increase in the aggregate Commitments may enter into an amendment to this Agreement as is necessary to evidence such increase without the consent of any other Lender.

(f) Conflicting Provisions. This Section shall supersede any provisions in Sections 2.12 or 10.01 to the contrary.

2.14 Cash Collateral.

(a) Certain Credit Support Events. Upon the request of Administrative Agent or an Applicable L/C Issuer (i) if any Applicable L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, Borrower shall, in each case, within one (1) Business Day Cash Collateralize the then Outstanding Amount of all L/C Obligations. At any time that there shall exist a Defaulting Lender, immediately upon the request of Administrative Agent or any Applicable L/C Issuer, Borrower shall deliver to Administrative Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.15(a)(iii) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Administrative Agent. Borrower, and to the extent provided by any Lender, such Lender, hereby grants to (and subjects to the control of) Administrative Agent, for the benefit of Administrative Agent, the L/C Issuers and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time Administrative

Agent determines that Cash Collateral is subject to any right or claim of any Person other than Administrative Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, Borrower will, promptly upon demand by Administrative Agent, pay or provide to Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (unless provided by the applicable Defaulting Lender).

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.15 or 8.02 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations and the Lenders' obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation).

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure L/C Obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or such other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 10.06(b)(v))) or (ii) Administrative Agent's good faith determination that there exists excess Cash Collateral; provided, however, (y) that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of a Default or an Event of Default (and following application as provided in this Section 2.14 may be otherwise applied in accordance with Section 8.03 to the extent that Administrative Agent exercises remedies set forth in Section 8.02(b)), and (z) the Person providing Cash Collateral and each Applicable L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders," and Section 10.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise, and including any amounts made available or received by Administrative Agent from a Defaulting Lender pursuant to Section 10.08) shall be applied at such time or times as may be determined by Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any

amounts owing by such Defaulting Lender to each Applicable L/C Issuer hereunder; *third*, if so determined by Administrative Agent or requested by one or more Applicable L/C Issuers, to be held as Cash Collateral for future funding obligations of such Defaulting Lender of any participation in any Letter of Credit; *fourth*, as Borrower may request (so long as no Default has occurred and is then continuing), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Administrative Agent; *fifth*, to the payment of any amounts owing to the Lenders and the Applicable L/C Issuers as a result of any judgment of a court of competent jurisdiction obtained by any Lender or L/C Issuer against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *sixth*, so long as no Default has occurred and is then continuing, to the payment of any amounts owing to Borrower as a result of any judgment of a court of competent jurisdiction obtained by Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *seventh*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans or L/C Borrowings were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Borrowings owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Borrowings owed to, such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with their respective Applicable Percentages hereunder. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any fees payable under Section 2.08 (including any Extension Fee) for any period during which such Lender is a Defaulting Lender (and Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) No Defaulting Lender shall be entitled to receive any Letter of Credit Fee for any period during which that Lender is a Defaulting Lender (and Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender); provided, however, notwithstanding the above, each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which such Lender is a Defaulting Lender to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) (1) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (B) above, Borrower shall (x) pay to each non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Applicable L/C Issuers the remaining amount of any such fee otherwise payable to such Defaulting Lender after giving effect to the amount paid in clause (x) to the extent allocable to each such Applicable L/C Issuer's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee. (2) With respect to any fee payable under Section 2.08(b) not required to be paid to any Defaulting Lender pursuant to clause (A) above, Borrower shall (y) pay to the Applicable L/C Issuers the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to each such Applicable L/C Issuer's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. In the case of a Defaulting Lender that is a Lender, all or any part of such Defaulting Lender's participation in L/C Obligations shall be reallocated among the non-Defaulting Lenders that are Lenders in accordance with their respective Applicable Percentages under the Facility (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (y) the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless Borrower shall have otherwise notified Administrative Agent at such time, Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (z) such reallocation does not cause the aggregate principal amount of any non-Defaulting Lender's outstanding Loans plus such non-Defaulting Lender's participation in L/C Obligations to exceed such non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, Borrower shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, Cash Collateralize the L/C Issuers' Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If Borrower, Administrative Agent and the L/C Issuers agree in writing that a Defaulting Lender shall no longer be deemed to be a Defaulting Lender, Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to

the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.16 Extension of Maturity Date.

(a) Request for Extension. Borrower shall have the right, exercisable by written notice to Administrative Agent (such notice, an ***"Extension Notice"***), to, subject to satisfaction of the conditions set forth in Section 2.16(b), extend the Maturity Date by one year (which date shall be referred to herein as the ***"Extended Maturity Date"***). Borrower shall deliver an Extension Notice at least sixty (60) days, but no more than one hundred twenty (120) days, prior to the Initial Maturity Date. Administrative Agent shall distribute any such Extension Notice to the Lenders promptly following its receipt thereof.

(b) Conditions Precedent to Effectiveness of Maturity Date Extension. As conditions precedent to the effectiveness of the extension of the Maturity Date, each of the following requirements shall be satisfied on the date of such extension:

(i) Administrative Agent shall have received an Extension Notice within the period required under Section 2.16(a) above;

(ii) On the date of such Extension Notice and on the Initial Maturity Date, both immediately before and immediately after giving effect to such extension, no Default or Event of Default shall have occurred and be continuing;

(iii) Borrower shall have paid to Administrative Agent the Extension Fee;

(iv) Administrative Agent shall have received and approved a new Current Appraisal with respect to each Borrowing Base Property, and if the Current Value of the Borrowing Base Properties based on such new Current Appraisals is such that the Total Outstandings exceed the Borrowing Base, then Borrower shall have satisfied its obligations under Section 2.04(b)(ii);

(v) The Total Outstandings shall not exceed the lesser of (A) the Facility Amount, and (B) the Borrowing Base then in effect (after giving effect to any payment made by Borrower pursuant to Sections 2.04(b) and 2.16(b)(iv));

(vi) Administrative Agent shall have received a certificate of each Loan Party dated as of the Initial Maturity Date, signed by a Responsible Officer of such

Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such extension or (B) certifying that, as of the Initial Maturity Date, the resolutions delivered to Administrative Agent and the Lenders on the Closing Date (which resolutions include approval for an extension of the Maturity Date for one twelve month period after the Initial Maturity Date) are and remain in full force and effect and have not been modified, rescinded or superseded since the date of adoption;

(vii) No Default or Event of Default shall have occurred and be continuing, and Administrative Agent shall have received a certificate of each Loan Party dated as of the Initial Maturity Date, signed by a Responsible Officer of such Loan Party, certifying the same;

(viii) The representations and warranties contained in Article V and the other Loan Documents shall be true and correct in all material respects on and as of the date of the Extension Notice and, both before and after giving effect to such extension, on and as of the Initial Maturity Date except (A) to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct in all material respects as of such earlier date, (B) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects as of such applicable date (including such earlier date set forth in the foregoing clause (A)) after giving effect to such qualification, (C) for purposes of this Section 2.16, the representations and warranties contained in subsection (a) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01, and (D) to the extent that such representations and warranties are not true and correct solely as a result of any Borrowing Base Property being an Ineligible Project at the time such representation and warranty is made, and Administrative Agent shall have received a certificate of each Loan Party dated as of the Initial Maturity Date, signed by a Responsible Officer of such Loan Party, certifying the same;

(ix) Administrative Agent shall have received evidence indicating whether any improvements or any part thereof located on any Borrowing Base Property are or will be located within a one hundred year flood plain or other area identified by Administrative Agent as having high or moderate risk of flooding or identified as a special flood hazard area as defined by the Federal Emergency Management Agency, and, if so, a flood notification form signed by the applicable Borrower and evidence that the flood insurance required under Section 6.16 below is in place for such improvements and contents, if applicable, all in form, substance and amount reasonably satisfactory to Administrative Agent and the Lenders; and

(x) The Loan Parties shall have delivered to Administrative Agent reaffirmations of their respective obligations under the Loan Documents (after giving effect to the extension), and acknowledgments and certifications that they have no claims, offsets or defenses with respect to the payment or performance of any of the Loans.

(c) Conflicting Provisions. This Section 2.16 shall supersede any provisions in Section 10.01 to the contrary.

ARTICLE III TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of Administrative Agent) require the deduction or withholding of any Tax from any such payment by Administrative Agent or any Borrower, then Administrative Agent or such Borrower shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Borrower or Administrative Agent shall be required by any applicable Laws to withhold or deduct any Taxes from any payment by or on account of any obligation of any Borrower under any Loan Document, then (A) such Borrower or Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by such Borrower or Administrative Agent, as required by such Laws, to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Borrower or Administrative Agent, as required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by Borrower. Without limiting the provisions of subsection (a) above, Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications.

(i) Each Borrower shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to

be withheld or deducted from a payment to such Recipient (but without duplication of amounts described in Section 3.01(a)(ii) above), and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate detailing the basis for the indemnification claim and the determination as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to Administrative Agent), or by Administrative Agent on its own behalf or on behalf of a Lender shall be conclusive absent manifest error.

(ii) Each Lender or Applicable L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) Administrative Agent against any Indemnified Taxes attributable to such Lender or such Applicable L/C Issuer (but only to the extent that a Borrower has not already indemnified Administrative Agent for such Indemnified Taxes and without limiting the obligation of each Borrower to do so), (y) Administrative Agent and each Borrower, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.06(d) relating to the maintenance of a Participant Register and (z) Administrative Agent and each Borrower, as applicable, against any Excluded Taxes attributable to such Lender or such Applicable L/C Issuer, in each case, that are payable or paid by Administrative Agent or such Borrower in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate detailing the basis for the indemnification claim and the determination as to the amount of such payment or liability delivered to any Lender or each Applicable L/C Issuer by Administrative Agent shall be conclusive absent manifest error. Each Lender or each Applicable L/C Issuer hereby authorizes Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or such Applicable L/C Issuer, as the case may be, under this Agreement or any other Loan Document or otherwise payable by Administrative Agent to the Lender from any other source against any amount due to Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by Borrower or Administrative Agent, as the case may be, after any payment of Taxes by any Borrower or by Administrative Agent to a Governmental Authority as provided in this Section 3.01, Borrower shall deliver to Administrative Agent or Administrative Agent shall deliver to Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to Borrower or Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Any Lender (which solely for purposes of this Section 3.01(e) shall include Administrative Agent) that is entitled to an exemption from or reduction of

withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and Administrative Agent, at the time or times reasonably requested by Borrower or Administrative Agent, such properly completed and executed documentation reasonably requested by Borrower or Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower or Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower or Administrative Agent as will enable Borrower or Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(e)(ii)(A), (ii)(B), (ii)(C) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to Borrower and Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable), establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) in the case of a Foreign Lender, for whom payments under the Loan Documents constitute income that is effectively connected with such Lender's conduct of a trade or business in the United States, executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 871(h) or Section 881(c) of the Code, (y) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a ***"U.S. Tax Compliance Certificate"***) and (z) executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(4) to the extent a Foreign Lender is a partnership or is otherwise not the beneficial owner of payments made under any Loan Documents, executed copies of IRS Form W- 8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-1 or Exhibit G-2, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender or a Foreign Participant is a partnership and one or more direct or indirect partners of such Foreign Lender or Foreign Participant are claiming the portfolio interest exemption, such Foreign Lender or Foreign Participant may, in lieu of providing a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-1 or Exhibit G-2 on behalf of each such partner, instead provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-3 or Exhibit G-4 on behalf of all such Foreign Lender's or Foreign Participant's direct and indirect partners;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit Borrower or Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Borrower and Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by Borrower or Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or Administrative Agent as may be necessary for Borrower and Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), ***"FATCA"*** shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower and Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by a Borrower or with respect to which a Borrower has paid additional amounts pursuant to this Section 3.01, it shall pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Borrower under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Recipient, agrees to repay the amount paid over to such Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection (f), in no event will the applicable Recipient be required to pay any amount to a Borrower pursuant to this subsection (f) the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection (f) shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to a Borrower or any other Person.

(g) Payments made by Administrative Agent. For the avoidance of doubt, any payments made by Administrative Agent to any Lender shall be treated as payments made by the applicable Borrower.

(h) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of Administrative Agent or any assignment of rights by, or the replacement of, a Lender the termination of the Facility and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality. If any Lender reasonably determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Adjusted LIBO Rate, or to determine or charge interest rates based upon the Adjusted LIBO Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market (each, a ***"LIBOR Illegality Event"***), then, on notice thereof by such Lender to Borrower through Administrative Agent, (i) any obligation of such Lender to make or continue LIBOR Loans or to convert Base Rate Loans to LIBOR Loans shall be suspended, and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Adjusted LIBO Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by Administrative Agent without reference to the Adjusted LIBO Rate component of the Base Rate, in each case until such Lender notifies Administrative Agent and Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) Borrower shall, upon demand from such Lender (with a copy to Administrative Agent), prepay or, if applicable, convert all LIBOR Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by Administrative Agent without reference to the Adjusted LIBO Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such LIBOR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such LIBOR Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Adjusted LIBO Rate, Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Adjusted LIBO Rate component thereof until Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Adjusted LIBO Rate. Upon any such prepayment or conversion, Borrower shall also pay accrued interest on the amount so prepaid or converted.

During any period in which a LIBOR Illegality Event is in effect, Borrower may request, through Administrative Agent, that the Lenders affected by such LIBOR Illegality Event confirm that the circumstances giving rise to the LIBOR Illegality Event continue to be in effect. If, within thirty Business Days following such confirmation request, such Lenders have not confirmed the continued effectiveness of such LIBOR Illegality Event, then such LIBOR Illegality Event shall no longer be deemed to be in effect; *provided*, that (A) Borrower shall not be permitted to submit any such request more than once in any 30-day period and (B) nothing contained in this Section 3.02 or the failure to provide confirmation of the continued effectiveness of such LIBOR

Illegality Event shall in any way affect the Lenders' right to provide any additional notices of an LIBOR Illegality Event as provided in this Section 3.02.

3.03 Inability to Determine Rates.

(a) If in connection with any request for a LIBOR Loan or a conversion to or continuation thereof (i) Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) Dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable amount and Interest Period of such LIBOR Loan, or (B) adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate or the LIBOR Rate, as applicable ((including, without limitation, because the LIBO Screen Rate is not available or published on a current basis), for any requested Interest Period with respect to a proposed LIBOR Loan or in connection with an existing or proposed Base Rate Loan (in each case with respect to this clause (i), the ***"Impacted Loans"***), or (ii) Administrative Agent or the affected Lenders determine that for any reason the Adjusted LIBO Rate for any requested Interest Period with respect to a proposed LIBOR Loan does not adequately and fairly reflect the cost to such Lenders of funding such LIBOR Loan, Administrative Agent will promptly so notify Borrower and each Lender (each of (i) through (ii), a ***"Market Disruption Event"***). Thereafter, (1) the obligation of the Lenders to make or maintain LIBOR Loans shall be suspended (to the extent of the affected LIBOR Loans or Interest Periods), and (2) in the event of a determination described in the preceding sentence with respect to the Adjusted LIBO Rate component of the Base Rate, the utilization of the Adjusted LIBO Rate component in determining the Base Rate shall be suspended, in each case until Administrative Agent (upon the instruction of the affected Lenders) revokes such notice. Upon receipt of such notice, Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of LIBOR Loans (to the extent of the affected LIBOR Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

(b) If at any time Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in clause (a)(i)(B) have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in clause (a)(i)(B) have not arisen but the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate shall no longer be used for determining interest rates for loans, then Administrative Agent and Borrower shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable. Notwithstanding anything to the contrary in Section 10.01, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as Administrative Agent shall not have received, within five Business Days of the date that a copy of such amendment or other notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such

amendment. Until an alternate rate of interest shall be determined in accordance with this clause (b) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 3.03(b), only to the extent the LIBO Screen Rate for such Interest Period is not available or published at such time on a current basis), (y) any Borrowing Notice that requests the conversion of any Loan to, or continuation of any Loan as, a LIBOR Loan shall be ineffective, and (z) if any Borrowing Notice requests a LIBOR Loan, such Loan shall be made as a Base Rate Loan. In the event that any alternate rate of interest established pursuant to this Section 3.03(b) shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

(c) Subject to any agreement between Administrative Agent and Borrower establishing an alternate rate of interest to the LIBO Rate pursuant to Section 3.03(b) above, during any period in which a Market Disruption Event is in effect, Borrower may request, through Administrative Agent, that the affected Lenders (who gave such notice), as applicable, confirm that the circumstances giving rise to the Market Disruption Event continue to be in effect. If, within thirty Business Days following such confirmation request, the affected Lenders have not confirmed the continued effectiveness of such Market Disruption Event, then such Market Disruption Event shall no longer be deemed to be in effect; provided, that (A) Borrower shall not be permitted to submit any such request more than once in any 30 day period and (B) nothing contained in this Section 3.03 or the failure to provide confirmation of the continued effectiveness of such Market Disruption Event shall in any way affect the affected Lenders' right to provide any additional notices of a Market Disruption Event as provided in this Section 3.03.

3.04 Increased Costs; Reserves on LIBOR Loans.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Adjusted LIBO Rate) or any L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any L/C Issuer or the London interbank market any other condition, cost or expense (excluding any Tax described in the parenthetical contained in clause (ii) preceding) affecting this Agreement or LIBOR Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan the interest on which is

determined by reference to LIBOR (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, such Applicable L/C Issuer or such other Recipient of participating in, issuing or maintaining any Letter of Credit, or to reduce the amount of any sum received or receivable by such Lender, such Applicable L/C Issuer or such other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, Applicable L/C Issuer or other Recipient, as applicable, Borrower will pay to such Lender, Applicable L/C Issuer or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Applicable L/C Issuer or other Recipient, as applicable, for such additional costs incurred or reduction suffered. If any Lender, Applicable L/C Issuer or other Recipient, as applicable, determines, in its sole discretion exercised in good faith, that it has received a refund of any amounts as to which it has been paid by Borrower pursuant to this Section 3.04(a), an amount equal to such refund (but only to the extent of the payments made by Borrower under this Section 3.04), net of all out-of-pocket expenses of such Lender, Applicable L/C Issuer or other Recipient, as applicable, shall (1) in the case of a Lender, be deducted from the interest amount payable by Borrower to such Lender for the next subsequent calendar month, (2) in the case of an Applicable L/C Issuer, be deducted from the Letter of Credit Fees payable by Borrower to such Applicable L/C Issuer on the next subsequent payment date pursuant to Section 2.03(h), and (3) in the case of any other Recipient, be promptly refunded to Borrower.

(b) Capital Requirements. If any Lender or any L/C Issuer determines that any Change in Law affecting such Lender or L/C Issuer or any Lending Office of such Lender or such Lender's or such L/C Issuer's holding company, if any, regarding capital or, liquidity ratios or requirements has or would have the effect of reducing the rate of return on such Lender's or such L/C Issuer's capital or on the capital of such Lender's or such L/C Issuer's holding company, if any, as a consequence of this Agreement, or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the Applicable L/C Issuer, to a level below that which such Lender or such Applicable L/C Issuer or such Lender's or such Applicable L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Applicable L/C Issuer's policies and the policies of such Lender's or such Applicable L/C Issuer's holding company with respect to capital adequacy and liquidity), then from time to time Borrower will pay to such Lender or such Applicable L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such Applicable L/C Issuer or such Lender's or such Applicable L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or an Applicable L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or such L/C Issuer or their respective holding companies, as the case may be, as specified in subsection (a) or (b) of this Section 3.04 and delivered to Borrower shall be conclusive absent manifest error. Borrower shall pay such Lender or such L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or any L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section 3.04 shall not constitute a waiver of such Lender's or such L/C Issuer's right to demand such

compensation, provided that Borrower shall not be required to compensate a Lender or an Applicable L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than six (6) months prior to the date that such Lender or such Applicable L/C Issuer, as the case may be, notifies Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such Applicable L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Notwithstanding the foregoing, no Lender or L/C Issuer will be entitled to demand, and Borrower will not be obligated to pay, any amount under this Section 3.04 to the extent that such demand is applied to the Loan Parties in a discriminatory manner.

3.05 Compensation for Losses. Upon demand of any Lender (with a copy to Administrative Agent) from time to time, Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert into any Loan other than a Base Rate Loan on the date or in the amount notified by Borrower; or

(c) any assignment of a LIBOR Loan on a day other than the last day of the Interest Period therefor as a result of the replacement of a Lender pursuant to Sections 3.06(b) and 10.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing. A certificate of an affected Lender setting forth its calculation of losses in detail will be conclusive and binding in the absence of manifest error.

For purposes of calculating amounts payable by Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each LIBOR Loan made by it at LIBOR for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such LIBOR Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. Each Lender may make any Loan to Borrower through any Lending Office; provided that the exercise of this option shall not affect the obligation of Borrower to repay the Loan in accordance with the terms

of this Agreement. If any Lender requests compensation under Section 3.04, or requires Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then, at the request of Borrower, such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous in any material respect to such Lender. Borrower hereby agrees to pay all reasonable and documented out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender determines or any Governmental Authority has asserted that it is unlawful for such Lender or its Lending Office to make, maintain or fund Loans pursuant to Section 3.02 and, in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 3.06(a), Borrower may replace such Lender in accordance with Section 10.13.

3.07 Survival. All of Borrower's obligations under this Article III shall survive the termination of the Commitments, repayment of all other Obligations hereunder, and resignation of Administrative Agent.

ARTICLE IV CONDITIONS PRECEDENT TO CREDIT EXTENSIONS AND APPROVAL OF BORROWING BASE PROPERTIES

4.01 Conditions of Initial Credit Extension. The effectiveness of this Agreement and the obligation of each Lender and each L/C Issuer to make its initial Credit Extension hereunder are subject to the satisfaction or waiver of the following conditions precedent:

(a) Administrative Agent's receipt of the following, each of which shall be originals or e-mails (in a .pdf format) (followed promptly by originals to the extent set forth below or otherwise requested by Administrative Agent) unless otherwise specified, each properly executed by a Responsible Officer of each Loan Party (as applicable), each dated on or before the Closing Date and each in form and substance reasonably satisfactory to Administrative Agent and each of the Lenders:

(i) executed counterparts of this Agreement and the other Loan Documents, in such number as requested by Administrative Agent;

(ii) Notes executed by Borrower in favor of each Lender requesting a Note;

(iii) an executed Disbursement and Rate Management Authorization and Instruction Agreement;

(iv) a copy of the fully executed Contribution Agreement;

(v) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of the Loan Parties as Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which a Loan Party is a party;

(vi) such documents and certifications as Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in (A) its jurisdiction of organization and (B) each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect;

(vii) a favorable opinion of (A) Sullivan & Cromwell LLP, counsel to Borrower in New York, (B) Fragner Seifert Pace & Winograd, LLP, counsel to Borrower in California and (C) Jackson Walker LLP, counsel to Borrower in Texas, in each case, addressed to Administrative Agent and each Lender, as to such matters concerning the Loan Parties and the Loan Documents as Administrative Agent may reasonably request;

(viii) a certificate of a Responsible Officer of each Loan Party either (A) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required;

(ix) a certificate signed by a Responsible Officer of Borrower certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied, (B) that there has been no event or circumstance since June 30, 2018 that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, and (C) that, after giving effect to all requested Credit Extensions to be made on the Closing Date, the Total Outstandings shall not exceed the lesser of (1) the Facility Amount, and (2) the Borrowing Base then in effect;

(x) a duly completed Borrowing Base Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer, controller or other executive responsible for the financial affairs of Borrower, setting forth and certifying the amount of the Borrowing Base in effect as of the Closing Date;

(xi) the financial statements referenced in Section 5.05(a);

(xii) such additional customary assurances or certifications with respect to satisfaction of the conditions precedent in Article IV as Administrative Agent, the L/C Issuers or the Required Lenders reasonably may require; and

(xiii) Administrative Agent and each Lender shall have received all documentation and other information that Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

(b) [reserved].

(c) All fees required hereunder or under the Fee Letter to be paid on or before the Closing Date shall have been paid.

(d) Borrower shall have paid all reasonable and documented out-of-pocket fees, charges and disbursements of Jones Day, outside counsel to Administrative Agent (directly to such counsel if requested by Administrative Agent) to the extent invoiced (which invoice may be in summary form) at least two (2) Business Days prior to the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between Borrower and Administrative Agent).

(e) Substantially concurrently with the Closing Date, all Indebtedness under the Existing Credit Facilities (including all unpaid principal, interest, fees, expenses and other amounts owing thereunder or in connection therewith) shall have been repaid in full and all commitments thereunder have been terminated.

(f) Borrower shall have executed and delivered or caused to be executed and delivered all Project Information with respect to the Projects included in the Borrowing Base as of the Closing Date.

(g) The Security Instruments covering each initial Borrowing Base Property delivered to Administrative Agent pursuant to Section 4.01(f) shall have been duly recorded (or have been delivered to the Title Company for recording) in the official records of the counties in which the initial Borrowing Base Properties are located.

(h) The financing statements delivered to Administrative Agent pursuant to Section 4.01(f) above shall have been submitted for filing with all of the officials necessary, in Administrative Agent's reasonable judgment, to perfect the security interests created by the collateral documents relating to the initial Borrowing Base Properties and all related personal property.

(i) Administrative Agent shall have received satisfactory evidence that all other actions necessary, or in Administrative Agent's reasonable judgment desirable, to perfect and protect the first priority security interests (subject to Permitted Encumbrances)

for the benefit of Administrative Agent and Lenders created by the Security Instrument and the other Loan Documents have been taken.

(j) Administrative Agent shall have received reasonably satisfactory evidence that Borrower has paid all title insurance premiums, documentary stamp taxes, recording fees and mortgage taxes payable in connection with the initial Borrowing Base Properties, the recording of the collateral documents relating to the initial Borrowing Base Properties or the issuance of the Title Policies relating thereto, including any sums due in connection with any future advances.

(k) Administrative Agent shall have received a separate Title Policy, or evidence of a commitment therefor reasonably satisfactory to Administrative Agent, issued by Title Company, together with all endorsements thereto reasonably required by Administrative Agent, naming Administrative Agent as the insured, insuring that the Security Instrument encumbering each initial Borrowing Base Property is a valid first priority lien (subject to Permitted Encumbrances) upon such Borrowing Base Property, and showing such Borrowing Base Property subject only to such Security Instrument and Permitted Encumbrances.

(l) Administrative Agent and Lenders shall have received evidence that all insurance policies required pursuant to Section 6.16 are being maintained by Borrower (with all premiums having been paid thereunder).

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any request for Credit Extension (including the request for the initial Credit Extension, but excluding a Borrowing Notice requesting only a conversion of Loans to the other Type, a continuation of LIBOR Loans or the issuance of a Letter of Credit) is subject to the following conditions precedent:

(a) The representations and warranties of Borrower and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects on and as of the date of such Credit Extension, except (i) to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, (ii) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects as of such applicable date (including such earlier date set forth in the foregoing clause (i)) after giving effect to such qualification, (iii) that for purposes of this Section 4.02, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b),

respectively, of Section 6.01 and (iv) to the extent that such representations and warranties are not true and correct solely as a result of any Borrowing Base Property being an Ineligible Project at the time such representation and warranty is made.

(b) No Default or Event of Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) After giving effect to the Credit Extension, (i) the aggregate principal amount of all outstanding Loans does not exceed the aggregate amount of the Commitments, and (ii) the Total Outstandings do not exceed the lesser of (A) the Facility Amount, and (B) the Borrowing Base then in effect.

(d) Administrative Agent and, if applicable, each Applicable L/C Issuer shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Borrowing Notice requesting only a conversion of Loans to the other Type or a continuation of LIBOR Loans) submitted by Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a), (b) and (c) have been satisfied on and as of the date of the applicable Credit Extension.

4.03 Additional Borrowing Base Properties. During the Availability Period, Borrower shall have the right to include a Project in the Borrowing Base upon satisfaction or waiver of each of the following conditions:

(a) Request; Preliminary Project Information. Prior to any proposed inclusion Borrower shall notify Administrative Agent in writing of its desire to include such Project in the Borrowing Base (each, an ***"Additional Borrowing Base Property Request"***), which Additional Borrowing Base Property Request shall (i) include the name of the Borrower or proposed Additional Borrower that owns or leases such Project, (ii) include all Preliminary Project Information, and (iii) be delivered to Administrative Agent by a date reasonably sufficient to permit (A) Administrative Agent's procurement of the due diligence materials, reports and information contemplated by the requirements of this Section 4.03 and (B) the completion of Administrative Agent's and each Lender's review thereof, at least ten (10) Business Days prior to the date any proposed Project is to be included in the Borrowing Base (or such shorter period as may be approved by Administrative Agent in each instance);

(b) Approval by the Required Lenders. Administrative Agent shall have given Borrower written notice that the Required Lenders have approved (which approval may be given or withheld in the Required Lenders' sole and absolute discretion) such Project as a Borrowing Base Property. If Administrative Agent does not give Borrower such written notice of preliminary approval within fifteen (15) Business Days after Administrative Agent's receipt of the Additional Borrowing Base Property Request (and the Preliminary Project Information) with respect to such Project, the Required Lenders shall be deemed to have disapproved such Project. Borrower acknowledges that any preliminary approval by the Required Lenders is subject to the receipt by Administrative Agent and Lenders of all Project Information with respect to such Project, which shall be in form and substance

reasonably acceptable to the Required Lenders. If Administrative Agent does not give Borrower written notice of final approval within five (5) Business Days after Administrative Agent's receipt of all Project Information with respect to such Project, the Required Lenders shall be deemed to have disapproved such Project;

(c) Ownership. Borrower or an Additional Borrower owns fee title to such Project or leases such Project pursuant to an Eligible Ground Lease;

(d) Deliveries to Administrative Agent. Administrative Agent shall have received the Project Information with respect to such Project;

(e) No Condemnation/Taking. Administrative Agent shall have received written confirmation from Borrower that no condemnation proceedings are pending or, to Borrower's knowledge, threatened against any portion of the Project;

(f) Borrower Information; Borrowing Base Compliance Certificate. At least ten (10) Business Days prior to the date any Project is to be included in the Borrowing Base (or such shorter period as may be approved by Administrative Agent in each instance), Borrower shall:

(i) If such Project is owned or leased by an Additional Borrower, provide (A) Administrative Agent with the U.S. taxpayer identification number for the applicable Additional Borrower, and (B) Administrative Agent, on behalf of the Lenders, with all documentation and other information concerning such Additional Borrower that Administrative Agent or any Lender may reasonably request in order to comply with their obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act;

(ii) deliver to Administrative Agent (1) the items referenced in Section 4.01(a)(v), (vi) and (viii) with respect to the applicable Borrower or Additional Borrower, as the case may be, and (2) as and to the extent reasonably requested by Administrative Agent, deliver to Administrative Agent a favorable opinion of counsel, which counsel shall be reasonably acceptable to Administrative Agent, addressed to Administrative Agent and each Lender, as to matters concerning such Borrower or Additional Borrower and the Loan Documents as Administrative Agent may reasonably request; and

(iii) deliver to Administrative Agent a pro forma Borrowing Base Compliance Certificate demonstrating the effects of adding such Project to the Borrowing Base;

(g) Security Documents. On or before the date any Project is to be included in the Borrowing Base:

(i) the Security Instrument covering such Project delivered to Administrative Agent pursuant to Section 4.03(d) above shall have been recorded (or shall have been delivered to the Title Company for recording) in the official records of the county in which such Project is located;

(ii) the financing statement(s) delivered to Administrative Agent pursuant to Section 4.03(b) above shall have been submitted for filing with all of the officials necessary, in Administrative Agent's reasonable judgment, to perfect the security interests created by the collateral documents relating to such Project and all related personal property; and

(iii) Administrative Agent shall have received satisfactory evidence that all other actions necessary, or in Administrative Agent's reasonable judgment desirable, to perfect and protect the first priority security interests (subject to Permitted Encumbrances) for the benefit of Administrative Agent and Lenders created by the collateral documents relating to such Project required pursuant to this Section 4.03 have been taken;

(h) Costs. Administrative Agent shall have received reasonably satisfactory evidence that Borrower has paid all title insurance premiums, documentary stamp taxes, recording fees and mortgage taxes payable in connection with such Project, the recording of the collateral documents relating to such Project or the issuance of the Title Policy relating thereto, including any sums due in connection with any future advances;

(i) Administrative Agent Expenses. Borrower shall have paid to Administrative Agent all amounts payable pursuant to Section 10.04(a) with respect to the inclusion of such Project in the Borrowing Base in connection with the transactions contemplated by this Section 4.03;

(j) Tenant Estoppels; SNDAs. Borrower shall have used commercially reasonable efforts to (x) deliver to Administrative Agent, or cause to be delivered to Administrative Agent, with respect to such Project, estoppel certificates executed by tenants under leases covering either (A) sixty-five percent (65%) of the leased area of such Project or (B) sixty-five percent (65%) of the property rental and other income derived from the operation of such Project, (y) execute and deliver, or cause to be executed and delivered, to Administrative Agent, a subordination, nondisturbance and attornment agreement (provided that (if required by Borrower or the applicable tenant) Administrative Agent will agree to preserve any tenant offset rights with respect to Borrower's outstanding TI/LC Obligations subject only to imposing the TI/LC Holdback) from each tenant under any existing lease that covers twenty percent (20%) or more of the net rentable area of the Project or pursuant to which the tenant is granted an option to purchase or right of first refusal with respect to any portion of such Project and (z) deliver, or cause to be delivered, to Administrative Agent, such other consents, estoppel certificates, subordination agreements and other documents and instruments executed by Persons party to material contracts relating to such Project as Administrative Agent may reasonably request; and

(k) Default; Event of Default. No Default or Event of Default shall exist or would be caused by adding such Project to the Borrowing Base.

4.04 Ineligible Projects.

(a) Ineligibility Designation. If any of the following circumstances or events shall exist with respect to any Borrowing Base Property (such Borrowing Base Property being sometimes referred to herein as an ***"Ineligible Project"***), then, notwithstanding anything to the contrary set forth herein, unless and until such circumstance or event ceases to exist, such Borrowing Base Property shall be ineligible for inclusion in the calculation of the Borrowing Base:

(i) No Borrower owns fee title to such Project or leases such Project pursuant to an Eligible Ground Lease;

(ii) (A) A claim of lien or encumbrance that is not a Permitted Encumbrance is filed against such Project or any part thereof that is not bonded over or released within sixty (60) days after the earlier of (1) the date Borrower receives notice thereof from Administrative Agent, and (2) the date a Responsible Officer of Borrower obtains actual knowledge thereof, or (B) the service on Administrative Agent, any Lender or any disburser of funds of a notice or demand to withhold funds with respect to such Project or the applicable Borrower, which is not nullified within sixty (60) days after the date of such service;

(iii) (A) Any permit, license, consent or approval required for the operation of such Project lapses or otherwise fails to be in full force and effect, which is not reinstated or reactivated in a manner that permits operation of such Project within sixty (60) days after the earlier of (1) the date Borrower receives written notice of such lapse or failure, and (2) the date a Responsible Officer of Borrower obtains actual knowledge of such lapse or failure, and (B) such lapse or failure precludes the occupancy or operation of such Project or otherwise has a Material Adverse Effect;

(iv) The cessation or unavailability to such Project of utilities or other material public services necessary for the occupancy and utilization of all or substantially all of such Project that (A) is not restored to availability within thirty (30) days of such cessation or unavailability, and (B) has a Material Adverse Effect;

(v) Any failure by Borrower to maintain any insurance required under Section 6.16 hereof with respect to such Project or the applicable Borrower;

(vi) Such Project is affected by environmental conditions that would materially impair the value of such Project, unless such environmental condition is reflected in the Environmental Report for such Project;

(vii) [Reserved];

(viii) [Reserved];

(ix) With respect to any Project leased by a Borrower pursuant to an Eligible Ground Lease:

(A) Borrower fails to pay or perform any of its material obligations under such Eligible Ground Lease, and such failure is not cured following any applicable notice and within any applicable cure period set forth therein;

(B) Any material modification (without the prior written consent of Administrative Agent, not to be unreasonably withheld, conditioned or delayed), termination, rescission, rejection, expiration, merger, extinguishment, or foreclosure of Borrower's interest in such Eligible Ground Lease occurs;

(x) With respect to any Hotel Asset:

(A) any failure by the applicable Borrower to comply in all material respects with the Hotel Agreements applicable to such Hotel Asset (including, without limitation, all Property Improvement Plan obligations thereunder), which failure is not cured following any applicable notice and within any applicable cure period set forth therein unless such affected Hotel Agreements are replaced within sixty (60) days of such event of default with new Hotel Agreements in form and substance reasonably acceptable to Administrative Agent;

(B) if such Hotel Asset is operated by a Hotel Operator pursuant to a Hotel Management Agreement, any failure by such Hotel Operator to comply in all material respects with any Hotel Agreement applicable to such Hotel Asset, which failure is not cured within any applicable notice and cure period set forth therein and which uncured default would permit the applicable Borrower to terminate such Hotel Agreement, unless such Hotel Operator and the Hotel Agreements with such Hotel Operator applicable to such Hotel Asset are replaced within ninety (90) days following the expiration of such notice and/or cure period with a new Hotel Operator and new Hotel Agreements (or the applicable Borrower elects to operate (or designates a hotel operator (that is not a Hotel Operator) to operate) such Hotel Asset pursuant to such new Hotel Agreements), which new Hotel Agreements shall be entered into between the applicable Borrower and such Hotel Operator or an Approved Franchisor, as the case may be, and shall be in form and substance reasonably acceptable to Administrative Agent (which approval not to be unreasonably withheld, conditioned or delayed);

(C) the Hotel Agreements relating to such Hotel Asset terminate or expire, unless, in the case of termination or expiration such Hotel Agreements, such Hotel Agreements are replaced within thirty (30) days following such termination or expiration with new Hotel Agreements in form and substance reasonably acceptable to Administrative Agent between the applicable Borrower and a Hotel Operator or an Approved Franchisor, as the case may be;

(D) any Hotel Agreement relating to such Hotel Asset is amended or modified in a manner materially adverse to Borrower or Administrative Agent without the prior written consent of Administrative Agent (which consent shall not be unreasonably withheld, conditioned or delayed); or

(E) (i) any failure by Borrower to comply in all material respects with the comfort letter or subordination agreement applicable to such Hotel Asset, which failure (x) is not cured following any applicable notice and within any applicable cure period set forth therein, and (y) has a Material Adverse Effect, or (ii) such comfort letter or subordination agreement terminates or expires, unless, in the case of termination or expiration thereof in connection with the termination or expiration of the applicable Hotel Agreements, such comfort letter or subordination agreement is replaced within ten (10) days following such termination or expiration with a new comfort letter or subordination agreement in form and substance reasonably acceptable to Administrative Agent (such approval not to be unreasonably withheld, conditioned or delayed) executed by the applicable Hotel Operator or Approved Franchisor, as the case may be, in favor of Administrative Agent.

(xi) With respect to any Project, the sale, exchange, conveyance or transfer, either voluntarily or involuntarily, by Borrower of any right, title or interest of Borrower in and to such Project or any portion thereof; provided, however, that Borrower shall be permitted to (i) sell, exchange, convey or transfer personal property in the ordinary course of business so long as such sale, exchange, conveyance or transfer does not materially and adversely affect the operation of such Project (and such sale, exchange, conveyance or transfer permitted under this clause (i) shall not result in a Project being an Ineligible Project) or (ii) grant, maintain and/or record Permitted Encumbrances (and the grant, maintenance or recordation of Permitted Encumbrances shall not result in a Project being an Ineligible Project); or

(xii) With respect to any Project, the sale, exchange, conveyance, transfer, mortgage, assignment, pledge or encumbrance, either voluntarily or involuntarily, of any direct or indirect ownership interest in the Borrower that owns or leases such Project; provided, however, that (A) the occurrence of one or more Permitted Transfers, (B) any transaction permitted by Section 6.22(f) and (C) the granting and/or recording of Permitted Encumbrances shall, in each case, be permitted (and such events or circumstances shall not result in a Project being an Ineligible Project).

(b) Updated Borrowing Base Compliance Certificate.

(i) In the event that any Borrowing Base Property becomes an Ineligible Project pursuant to Section 4.04(a), Borrower shall deliver to Administrative Agent an updated Borrowing Base Compliance Certificate

(including calculation of the amount of the Borrowing Base after giving effect to the exclusion therefrom of all Ineligible Projects) together with the notice to Administrative Agent required pursuant to Section 6.03(d) and, if applicable, comply with the requirements of Section 2.04(b)(ii) as and when required thereunder.

(ii) In the event that any Borrowing Base Property ceases to be an Ineligible Project pursuant to Section 4.04(a), Borrower may deliver to Administrative Agent an updated Borrowing Base Compliance Certificate (including calculation of the amount of the Borrowing Base after giving effect to the inclusion therein of such Borrowing Base Property) and upon delivery thereof such Borrowing Base Property will automatically be included in the calculation of the Borrowing Base.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Administrative Agent and the Lenders on the Closing Date and on each other date on which such representations and warranties are required to be made, as follows that:

5.01 Existence, Qualification and Power. Each Borrower (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party and consummate the transactions contemplated by the Loan Documents, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which it is a party, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Loan Party's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien (other than a Lien permitted hereby) under, or require any payment to be made under any Contractual Obligation to which such Loan Party is a party or affecting such Loan Party or the properties of such Loan Party, which would reasonably be expected to have a Material Adverse Effect; (c) materially conflict with or result in any material breach or contravention of, or the creation of any Lien (other than a Lien permitted hereby) under, or require any payment to be made under any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (d) violate any Law, which violation would reasonably be expected to have a Material Adverse Effect.

5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental

Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document or for the consummation of any of the transactions contemplated hereby other than those that have already been duly made or obtained and remain in full force and effect.

5.04 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party a party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of each Loan Party thereto, enforceable against such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, or by general equitable principles relating to enforceability (regardless of whether enforcement is sought at law or equity).

5.05 Financial Statements; No Material Adverse Effect.

(a) The financial statements delivered prior to the Closing Date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present, in all material respects, the financial condition of Guarantor as of the date thereof and its results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other material liabilities, direct or contingent, of Guarantor as of the date thereof, including liabilities for taxes, material commitments and Indebtedness, in each case, to the extent required to be shown therein pursuant to GAAP.

(b) Since June 30, 2018, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect.

5.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of any Loan Party, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against Borrower or any other Loan Party or against any of their properties or revenues that (a) challenges the validity or enforceability of this Agreement or any other Loan Document, or any of the transactions contemplated hereby (excluding any such challenge brought by or at the direction of Administrative Agent or any Lender), or (b) have a reasonable probability of being determined adversely and if determined adversely would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

5.07 No Default or Event of Default. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.08 Ownership of Property. Each Borrower has good record and marketable title in fee simple to, or valid leasehold interests pursuant to Eligible Ground Leases in, each Borrowing Base Property purported to be owned or leased by such Borrower, subject only to Permitted

Encumbrances. As of the Closing Date, set forth on Schedule 1.01 is a list of all Borrowing Base Properties with a notation as to which Borrower owns or leases each Borrowing Base Property.

5.09 Hazardous Materials.

(a) Borrower has obtained or caused the preparation of each Environmental Report, and except as disclosed in the Environmental Report, to the actual knowledge of Borrower, such Borrower and the Borrowing Base Property owned or leased by such Borrower are in material compliance with all Environmental Laws.

(b) Except as disclosed in the Environmental Report, neither Borrower nor any Borrowing Base Property are subject to any private or governmental Lien or judicial or administrative notice or action pending, or to Borrower's actual knowledge, threatened, relating to Hazardous Materials or the environmental condition of any Borrowing Base Property.

(c) Except as disclosed in the Environmental Report, to Borrower's actual knowledge, (i) no Hazardous Materials are located on or have been stored, processed or disposed of on or released or discharged from (including ground water contamination) any Borrowing Base Property, and (ii) no underground storage tanks exist on any Borrowing Base Property.

5.10 Insurance. Borrower is in compliance with the requirements of Section 6.15.

5.11 Taxes. Each Loan Party has timely filed all federal and material state and other tax returns and reports required to be filed, and has timely paid all federal, state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those (i) which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP or (ii) which would not reasonably be expected to have a Material Adverse Effect.

5.12 ERISA. No Borrower is an "employee benefit plan" as defined in Section 3(3) of ERISA or a "plan" as defined in Section 4975(e)(1) of the Code. None of any Borrower or any of their respective ERISA Affiliates maintain, sponsor, contribute to, or have any liability with respect to, any Employee Benefit Plans.

5.13 Borrowers. Set forth on Schedule 5.13 is a complete and accurate list of all Borrowers, showing, as of the Closing Date (as to each Initial Borrower) or as of the most recent update thereof pursuant to any Joinder Agreement (as to each Additional Borrower), the jurisdiction of each Borrower and the type of entity of each such Borrower.

5.14 Legal Compliance. Neither the zoning nor any other right to use or operate the improvements located on any Borrowing Base Property is to any extent dependent upon or related to any real estate other than such Borrowing Base Property.

5.15 Services and Utilities. To Borrower's knowledge, all streets, easements, utilities and related services necessary for the operation of each Borrowing Base Property for its intended purpose are available to such Borrowing Base Property.

5.16 Enforceability. Each Loan Document executed by such Borrower constitutes a legal and binding obligation of, and is valid and enforceable against, such Borrower in accordance with the terms thereof (subject to Debtor Relief Laws and general equitable principles).

5.17 Legal Parcel; Separate Tax Parcel. Each Borrowing Base Property is taxed separately and does not include any other real property, and for all purposes each such Borrowing Base Property may be mortgaged, conveyed and otherwise dealt with as a separate legal parcel (it being understood that one or more Borrowing Base Properties may be comprised of multiple tax lots).

5.18 Leases and Rents. Each Borrower has good title to the Leases and rents relating to the Borrowing Base Property owned or leased by such Borrower, free and clear of all claims, and Liens other than Permitted Encumbrances. To the knowledge of Borrower, (i) the Leases are valid and unmodified (except as modified prior to the Closing Date or after the Closing Date but in accordance with the provisions hereof) and are in full force and effect (except as a result of any termination after the Closing Date in accordance with the provisions hereof) and (ii) Borrower is not in default of any of the material terms or provisions of the Leases. The rents now due or to become due for any periods subsequent to the Closing Date have not been collected for a period of more than one (1) month in advance (other than security deposits), waived or released, discounted, set off or otherwise discharged or compromised.

5.19 Margin Regulations; Investment Company Act. No Loan Party is engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. No Loan Party is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

5.20 Disclosure. No written information or written data (excluding any forecasts, projections, budgets, estimates and general market or industry data) furnished by or on behalf of any Loan Party to Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished or publicly disclosed by any Loan Party) when provided and when taken as a whole with all other information or data provided, furnished or disclosed by the Loan Parties contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, (i) with respect to projected financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time made (it being understood and agreed that forecasts, estimates and projections as to future events are not to be viewed as facts or guaranties of future performance, that actual results during the period or periods covered by such projections may differ from the projected results and that such differences may be material and that Borrower makes no representation that such representations will in fact be realized) and (ii) as to statements, information and reports specified

as having been derived by Borrower from third parties or third party reports, other than Affiliates of Borrower, Borrower represents only that as of the date of such delivery it has no knowledge of any material misstatement therein.

5.21 Compliance with Laws. Each Loan Party is in compliance with (a) its charter, by-laws or other organizational documents, and (b) the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (y) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (z) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.22 Taxpayer Identification Number. Each Loan Party's true and correct U.S. taxpayer identification number as of the Closing Date is set forth on a list provided to Administrative Agent on or prior to the Closing Date (or, with respect to each Additional Borrower, is set forth in the information provided to Administrative Agent with respect to such Additional Borrower pursuant to Section 4.03).

5.23 Sanctions Laws and Regulations; Anti-Money Laundering Laws; Anti-Corruption Laws.

(a) The manager of CMCT has implemented and maintains in effect policies and procedures designed to achieve compliance by CMCT and each of its Subsidiaries (including, without limitation, each Loan Party) and their respective directors, officers and employees with Anti-Corruption Laws and applicable Sanctions. CMCT and each of its Subsidiaries (including, without limitation, each Loan Party), and to the knowledge of the chief executive officer, chief financial officer or general counsel of CMCT and each Borrower, each director or officer thereof, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (i) CMCT nor any of its Subsidiaries (including, without limitation, the Loan Parties), or (ii) to the knowledge of the chief executive officer, chief financial officer or general counsel of CMCT and each Borrower, any director, officer or employee of CMCT or any of its Subsidiaries that will act in any capacity in connection with or benefit from the transactions contemplated hereby, is a Sanctioned Person. No transactions contemplated hereby will violate Anti-Corruption Laws or applicable Sanctions, in any material respect.

(b) No Loan Party (i) has violated or is in violation of any applicable anti-money laundering law or (ii) has engaged or engages in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of offenses designated in any applicable law, regulation or other binding measure implementing the "Forty Recommendations" and "Nine Special Recommendations" published by the Organisation for Economic Cooperation and Development's Financial Action Task Force on Money Laundering.

5.24 Solvency. The Borrowers, taken as a whole and on a consolidated basis, after giving effect to the Borrowings contemplated hereunder and the other transactions contemplated hereby, are Solvent.

5.25 EEA Financial Institutions. Neither Borrower nor Guarantor is an EEA Financial Institution.

5.26 Franchise Documents. To the actual knowledge of Borrower, the Hotel Agreements are in full force and effect. To the actual knowledge of Borrower, there is no material default under any provision of any Hotel Agreement and all conditions to the effectiveness of each Hotel Agreement presently required to be satisfied have been satisfied in all material respects, including the payment of all material fees, deposits, costs and expenses required thereby.

All representations and warranties made in this Agreement or any other Loan Document or in any certificate or other document delivered to Administrative Agent pursuant to or in connection with this Agreement shall be deemed to have been relied upon by Administrative Agent and the Lenders notwithstanding any investigation heretofore or hereafter made by Administrative Agent or on its behalf.

ARTICLE VI COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied (other than any contingent obligation not yet due and payable), or any Letter of Credit shall remain outstanding:

6.01 Financial Statements and Other Deliveries. Borrower shall deliver to Administrative Agent, on behalf of the Lenders:

(a) as soon as available, but in any event within ninety (90) days after the end of each fiscal year of Guarantor (commencing with the fiscal year ending December 31, 2018), an unaudited consolidated balance sheet of Guarantor, in each case as at the end of such fiscal year, and the related consolidated statements of income or operations, prepared in accordance with GAAP, consistently applied;

(b) as soon as available, but in any event within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of Guarantor (commencing with the fiscal quarter ending September 30, 2018), an unaudited consolidated balance sheet of Guarantor and its subsidiaries, as at the end of such fiscal quarter, and the related unaudited consolidated statements of income or operations for such fiscal quarter and for the portion of Guarantor's fiscal year then ended, as applicable, prepared in accordance with GAAP, consistently applied;

(c) concurrently with the delivery of the annual and quarterly financial statements referred to in Sections 6.01(a) and (b) above, (i) operating statements for each Borrowing Base Property for the applicable reporting period, (ii) a rent roll for each Borrowing Base Property that is a Standard Asset as of the end of such reporting period, (iii) if any Borrowing Base Property is a Hotel Asset, to the extent not previously provided, the then most current Smith Travel Research Report available, if any, (including standard hotel data of rooms sold and rooms available, as well as gross revenue breakdown of room revenue from other revenue, occupancy ADR, and RevPar Statistics for each such Borrowing Base Property), and (iv) a Borrowing Base Compliance Certificate (including calculation of the amount of the Borrowing Base in effect as of the end of the applicable

reporting period), in each case, signed by the chief executive officer, chief financial officer, treasurer, controller or other executive responsible for the financial affairs of each Borrower, setting forth and certifying the information set forth therein;

(d) promptly, except to the extent prohibited by Law or would reasonably be expected to result in the loss of an attorney-client privilege or would violate a confidential obligation to a Person that is not an Affiliate of any Borrower, following any written request therefor, such other information regarding the operations, business or corporate affairs or financial condition of the Loan Parties, the Borrowing Base Properties, or compliance with the terms of this Agreement, as the Administrative Agent or the Required Lenders through the Administrative Agent may reasonably request; and

(e) promptly, any information that the Administrative Agent deems lawfully necessary from time to time in order to ensure compliance with all applicable Laws concerning money laundering and similar activities.

As to any information contained in materials furnished pursuant to Section 6.01(d), Borrower shall not be separately required to furnish such information under Section 6.01(a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Borrower to furnish the information and materials described in Sections 6.01(a) and (b) above at the times specified therein.

Borrower hereby acknowledges that (a) Administrative Agent and/or the Arranger may, but shall not be obligated to, make available to the Lenders materials and/or information provided by or on behalf of any Loan Party hereunder (collectively, ***"Borrower Materials"***) by posting Borrower Materials on Debt Domain, IntraLinks, Syndtrak, ClearPar, or another similar electronic system (the ***"Platform"***) and (b) certain of the Lenders (each, a ***"Public Lender"***) may have personnel who do not wish to receive material non-public information with respect to any Loan Party or their Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," each Person shall be deemed to have authorized Administrative Agent, the Arranger and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Loan Parties or their respective securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) Administrative Agent and the Arranger shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information."

6.02 Taxes. Borrower shall pay and discharge as the same shall become due and payable, all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless (i) the same are being contested in good faith by appropriate proceedings diligently

conducted and adequate reserves in accordance with GAAP are being maintained by Borrower or (ii) the failure to do so would not reasonably be expected to have a Material Adverse Effect.

6.03 Notices. Borrower shall promptly notify Administrative Agent, on behalf of the Lenders, upon a Responsible Officer obtaining knowledge:

(a) of the occurrence of any Default or Event of Default;

(b) of any matter that has resulted or would reasonably be expected to result in a Material Adverse Effect;

(c) of any material change in accounting policies or financial reporting practices by any Loan Party;

(d) of the occurrence of any event or condition described in Section 4.04(a);

(e) within ten (10) Business Days of any Loan Party becoming aware of (i) any material or reportable Release, or threat of Release, of any Hazardous Materials in violation of any applicable Environmental Law at any Borrowing Base Property; (ii) any violation of any applicable Environmental Law that any Loan Party or any of their respective Subsidiaries required to be reported in writing or is reportable by such Person in writing (or for which any written report supplemental to any oral report is made) to any federal, state or local environmental agency or (iii) any inquiry, proceeding, investigation, or other action, including a notice from any agency of potential environmental liability, of any federal, state or local environmental agency or board, that in any case involves any Borrowing Base Property; and

(f) of any failure by any Hotel Operator to perform any material obligation under any Hotel Management Agreement, any event or condition which would permit any Approved Franchisor or Hotel Operator to terminate, cancel or surrender any Hotel Agreement, or any notice given by any Approved Franchisor or Hotel Operator with respect to the foregoing, specifying in each case the action Borrower has taken or intends to take with respect thereto.

Each notice pursuant to this Section 6.03 (other than Section 6.03(d)) shall be accompanied by a statement of a Responsible Officer of Borrower setting forth details of the occurrence referred to therein and stating what action Borrower have taken and propose to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Appraisals. Administrative Agent shall have the right to order new appraisals of the Borrowing Base Property from time to time; provided, however, that the Borrowing Base shall not be subject to recalculation based on any such new appraisal other than a new appraisal obtained pursuant to Section 2.16(b)(iv) in connection with Borrower's exercise of the extension option. Each appraisal is subject to review and approval by Administrative Agent. Borrower agrees upon demand to pay to Administrative Agent the actual out-of-pocket cost and expense for such appraisals. Borrower's obligation to pay such cost and expense shall be limited to one appraisal per year, unless the appraisal is ordered after the occurrence of an Event of Default, is required by

Laws or is required in connection with Borrower's exercise of the extension option pursuant to Section 2.16.

6.05 Preservation of Existence, Etc. The Loan Parties shall (a) preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization; (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which would reasonably be expected to have a Material Adverse Effect.

6.06 Maintenance of Properties. The Loan Parties shall (a) maintain, preserve and protect in good working order and condition, ordinary wear and tear and casualty and condemnation excepted, all of (i) its Borrowing Base Properties and (ii) its other material properties and equipment necessary in the operation of its business, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect; and (b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

6.07 Leases.

(a) Affirmative Covenants. Each Borrower shall (i) duly and punctually observe, perform and discharge in all material respects the obligations, terms, covenants, conditions and warranties of such Borrower as landlord under the Leases to which such Borrower is a party (and, for purposes of this Section 6.07, all references to "Lease" or "Major Lease" in relation to a Borrower shall be deemed to refer to the applicable Lease(s) or Major Lease(s) to which such Borrower is a party, as the context may require), (ii) [reserved], (iii) use commercially reasonable efforts to enforce the performance of each and every material obligation, term, covenant, condition and agreement in the Leases to be performed by any Lessee or any guarantor, short of termination thereof, except that a Borrower may (without Administrative Agent's consent) terminate any Lease, other than a Major Lease, following a material default thereunder by the respective Lessee, (iv) [reserved], (v) [reserved], and (vi) promptly upon request by Administrative Agent, provide to Administrative Agent a copy of each Lease not delivered previously to Administrative Agent.

(b) Negative Covenants. Without the prior written consent of Administrative Agent in each instance (such consent not to be unreasonable withheld, conditioned or delayed), no Borrower shall (i) cancel, terminate or consent to any surrender of any Major Lease, (ii) commence any action of ejectment or any summary proceedings for dispossession of any Lessee under any Major Lease or exercise any right of recapture provided in any Major Lease, (iii) materially and adversely modify or alter the terms of any Major Lease, (iv) waive or release any Lessee or any guarantors under a Major Lease from any material financial obligations to be performed by such Lessee or guarantors, (v) [reserved], (vi) [reserved], (vii) collect or accept any rents from any Lessee for a period of more than one (1) month in advance (other than security deposits received in the ordinary

course of business in accordance with prudent business practices), or (viii) further pledge, transfer, mortgage or otherwise encumber or assign future payments of rents.

If Borrower provides Administrative Agent with a written request for approval of any proposed Major Lease or any proposed renewal, extension or modification of an existing Major Lease (in each case, together with a correct and complete copy of the proposed Major Lease or proposed renewal, extension or modification of an existing Major Lease, as the case may be, including any exhibits, and any guaranty(ies) thereof, subject only to any such final, non-material changes made thereto prior to the execution thereof), Administrative Agent shall have a period of ten (10) Business Days to respond. If, after the passage of such ten (10) days, Administrative Agent has not approved, rejected or requested additional information from Borrower in order to assess whether to approve or reject such Major Lease or such renewal, extension or modification, Borrower may deliver a second written request to Administrative Agent requesting Administrative Agent's approval of such Major Lease or such renewal, extension or modification. Such second notice shall contain BOLD AND CAPITALIZED TYPE INDICATING THE FOLLOWING: **"THIS IS A SECOND NOTICE REQUESTING APPROVAL OF THE REFERENCED [LEASE/LEASE renewal/extension/modification]. YOUR FAILURE TO RESPOND TO THIS REQUEST WITHIN FIVE (5) BUSINESS DAYS SHALL BE DEEMED TO BE YOUR APPROVAL OF THE SAME."** Provided no Default then exists, Administrative Agent's failure to respond to such second notice shall be deemed to be Administrative Agent's approval of the same and Borrower may enter into such Major Lease or proposed renewal, modification or extension of an existing Major Lease.

6.08 Compliance with Laws. The Loan Parties shall comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith would not reasonably be expected to have a Material Adverse Effect. The manager of CMCT will maintain in effect and enforce policies and procedures designed to achieve compliance by CMCT and each of its Subsidiaries (including, without limitation, each Loan Party) and their respective directors, officers and employees with Anti-Corruption Laws and applicable Sanctions.

6.09 Books and Records. The Loan Parties shall (a) maintain proper books of record and account, in accordance with GAAP consistently applied, in all material respects and (b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Person.

6.10 Inspection Rights. The Loan Parties shall, except to the extent prohibited by applicable Law or as would reasonably be expected to result in the loss of attorney-client privilege, permit representatives and independent contractors of Administrative Agent (who may be accompanied by representatives and independent contractors of any Lender) to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its officers, and independent public accountants, all at the expense of Borrower and at such reasonable times during normal business hours to be mutually agreed in advance; provided, that unless an Event of

Default has occurred and is continuing, only one such inspection per calendar year shall be permitted.

6.11 Use of Proceeds.

(a) Borrower shall use the proceeds of the Credit Extensions for general corporate purposes, including, directly or indirectly, for refinancing existing Indebtedness (including the Indebtedness under the Existing Credit Facilities), financing acquisitions, funding working capital and capital expenditures (including any TI/LC Obligations), making intercompany loans and investments to and in CMCT and CMCT's other Subsidiaries to the extent otherwise permitted hereunder, and Restricted Payments to the extent otherwise permitted hereunder, and, in each case, related fees, commissions, and expenses.

(b) Borrower shall not use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

(c) Borrower shall not request any Borrowing or Letter of Credit, and the Loan Parties shall not use, and shall procure that their Affiliates and each of their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iii) in any manner that would result in the violation of any Sanctions or Anti-Corruption Laws applicable to any party hereto.

6.12 Compliance with Environmental Laws. Each Borrower shall comply, and use commercially reasonable efforts to cause all Lessees and other Persons operating or occupying any Borrowing Base Property owned or leased by such Borrower to comply, in all material respects, with all applicable Environmental Laws and Environmental Permits relating to such Borrowing Base Property; obtain and renew all material Environmental Permits necessary for its operations and Borrowing Base Properties; and conduct any required investigation, study, sampling and testing, and undertake any required cleanup, response, removal, remedial or other action necessary to remove, remediate and clean up Hazardous Materials at, on, under or emanating from any of the properties owned, leased or operated by them in accordance with the requirements of all applicable Environmental Laws.

6.13 Release of Borrowing Base Properties; Release of Borrower.

(a) Release of Borrowing Base Property. Except as expressly set forth below in this Section 6.13, Administrative Agent shall have no obligation to release any Borrowing Base Property (or any portion thereof) until the Obligations (other than contingent Obligations not yet due and payable and for which no demand has been made)

have been paid in full and the Commitment of each Lender has been terminated. Borrower shall be entitled to obtain the release (in each case, a ***"Borrowing Base Property Release"***) of all, but not less than all, of a Borrowing Base Property (each, a ***"Release Property"***) from the lien of the applicable Security Instrument and the other Loan Documents, provided that all of the following conditions are satisfied:

(i) Borrower shall have submitted to Administrative Agent a written request for the release or a Release Property (a ***"Release Notice"***) at least five (5) Business Days prior to the proposed release date, together with copies of any documents which Borrower requests Administrative Agent execute in connection with such proposed release;

(ii) the representations and warranties contained in Article V and the other Loan Documents are true and correct in all material respects on and as of the effective date of such Borrowing Base Property Release after giving effect to such Borrowing Base Property Release, except (A) to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, (B) any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects as of such applicable date (including such earlier date set forth in the foregoing clause (A)) after giving effect to such qualification, (C) for purposes of this Section 6.13(a), the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01, and (D) to the extent that such representations and warranties are not true and correct solely as a result of any Borrowing Base Property being an Ineligible Project at the time such representation and warranty is made;

(iii) no Default or Event of Default shall have occurred and be continuing (unless such Default or Event of Default relates solely to the applicable Borrower or Release Property and the effectuation of the Borrowing Base Property Release and/or, if applicable, the release of such Borrower pursuant to Section 6.13(b) below will cure such Default or Event of Default) or would result under any other provision of this Agreement after giving effect to such Borrowing Base Property Release;

(iv) Borrower shall deliver to Administrative Agent a certificate of a Responsible Officer that includes a pro forma Borrowing Base Compliance Certificate demonstrating the effects of removing such Release Property from the Borrowing Base in effect;

(v) Borrower shall have paid to Administrative Agent, for application to the outstanding balance of the Loans, an amount equal to the amount, if any, by which the Total Outstandings exceeds the then current Borrowing Base (after giving effect to the requested Borrowing Base Property Release);

(vi) after giving effect to such Borrowing Base Property Release, the Minimum Property Condition shall remain satisfied;

(vii) [reserved];

(viii) [reserved];

(ix) [reserved];

(x) Borrower shall pay, or caused to be paid, to Administrative Agent all reasonable costs and expenses incurred in connection with such Borrowing Base Property Release, including without limitation all amounts, if any, payable pursuant to Section 3.05, and all recording fees, transfer and other taxes, trustee's fees, reasonable attorneys' fees, appraisal fees, escrow fees, fees for title insurance and similar charges; and

(xi) Borrower shall have delivered to Administrative Agent an officer's certificate signed by a Responsible Officer of Borrower certifying that the conditions in clauses (ii) through (ix) above, as applicable, have been satisfied.

Administrative Agent will (at the sole cost of Borrower) following receipt of such Release Notice and an officer's certificate signed by a Responsible Officer of Borrower, and each of the Lenders irrevocably authorizes Administrative Agent to, execute and deliver such documents as Borrower may reasonably request as is necessary or desirable to evidence the release of such Project from the Lien of the applicable Security Instrument and the other Loan Documents, which documents shall be reasonably satisfactory to Administrative Agent. Administrative Agent shall promptly notify the Lenders of any such Borrowing Base Property Release.

Following the release of any Release Property, such Release Property shall no longer be a Borrowing Base Property and shall be excluded from the calculation of the Borrowing Base.

(b) Release of Borrower. Upon (i) the release of the Security Instrument encumbering the last Release Property owned or leased by a Borrower as provided above in this Section 6.13, and the payment to Administrative Agent in full of the amount, if any, required pursuant to Sections 6.13(v) and 6.13(a)(x) above with respect to the release of such Release Property, so long as no Default or Event of Default shall have occurred and be continuing (unless such Default or Event of Default relates solely to the applicable Borrower and the effectuation of the release of such Borrower pursuant to this Section 6.13(b) will cure such Default or Event of Default), or (ii) the occurrence of any transaction permitted by Section 6.22(f) below following which the Borrower is not the continuing or surviving Person, such Borrower shall be deemed to no longer be a Borrower under the Loan Documents and, upon such Borrower's request, Borrower, each other Borrower and Guarantor, and Administrative Agent (on behalf of Administrative Agent and each of the Lenders) shall each execute and deliver a reciprocal release agreement in form and substance reasonably satisfactory to Administrative Agent, the applicable Borrower, each other Borrower and Guarantor, pursuant to which Borrower, each other Borrower and

Guarantor shall release Administrative Agent and the Lenders from any and all liability and obligations arising under or in connection with the Loans and the Loan Documents through the date of such release agreement, and Administrative Agent (on behalf of Administrative Agent and each of the Lenders) shall release the applicable Borrower from any and all liability and obligations arising under or in connection with the Loans and the Loan Documents other than liabilities and obligations which, by the express terms of the Loan Documents, survive the termination of the Commitments and the repayment of all Obligations. Each of the Lenders irrevocably authorizes Administrative Agent to execute and deliver each such reciprocal release agreement in accordance with the foregoing terms and conditions.

6.14 Further Assurances. Borrower shall, and shall cause each of the other Loan Parties to, promptly upon request by Administrative Agent, (a) correct any material defect or manifest error that may be discovered in any Loan Document and (b) do, execute and take any and all such further acts, deeds, certificates and assurances and other instruments as Administrative Agent may reasonably require from time to time in order to carry out more effectively the purposes of the Loan Documents.

6.15 Minimum Property Condition. Borrower shall satisfy the Minimum Property Condition at all times.

6.16 Insurance and Casualty.

(a) Required Insurance Policies. Borrower, at its expense, shall maintain and provide to Administrative Agent copies of policies or other satisfactory evidence of all Required Insurance Policies, which Required Insurance Policies may, notwithstanding any provisions to the contrary contained herein, contain customary and commercially reasonable deductibles.

(b) Policy Requirements; Insurance Consultant. All insurance policies shall (i) be issued by an insurance company licensed to do business in the state where the applicable Borrowing Base Property is located having a rating of "A-" VIII or better by A.M. Best Co., in Best's Rating Guide, (ii) name "JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and each Lender" as additional insured on general liability insurance and as mortgagee and loss payee on all property, flood insurance, earthquake insurance and rent loss or business interruption insurance (whether or not required hereunder), (iii) be endorsed to show that the insurance of the Borrower or Additional Borrower that owns or leases such Borrowing Base Property shall be primary and all insurance carried by Administrative Agent is strictly excess and secondary and shall not contribute with such Borrower's or Additional Borrower's insurance, (iv) provide that Administrative Agent is to receive thirty (30) days written notice prior to non-renewal or cancellation, (v) be evidenced by a certificate of insurance to be provided to Administrative Agent or such other evidence of insurance reasonably acceptable to Administrative Agent in its reasonable discretion, (vi) include either policy or binder numbers on the ACORD form, and (vii) be in form and amounts reasonably acceptable to Administrative Agent; provided, however, that with respect to any flood insurance required hereunder, acceptable proof of coverage shall consist of a copy of the insurance policy, the declarations page of

the insurance policy or an application plus proof of premium payment (with a copy of the policy or declarations page provided to Administrative Agent within thirty (30) days thereafter) and shall not include ACORD or other forms of certificates of insurance. Administrative Agent, at its option and upon notice to Borrower, may retain no more than once every twelve (12) months, at Borrower's expense, an insurance consultant to review the insurance for each Borrowing Base Property to confirm that it complies with the terms and conditions set forth herein.

(c) Evidence of Insurance; Payment of Premiums. Following the expiration of an existing policy, Borrower shall deliver to Administrative Agent evidence acceptable to Administrative Agent of the continuation of the coverage of such expired policy as soon as such evidence of coverage is available to Borrower and in any event within fifteen (15) days after the expiration of such policy. If Administrative Agent has not received satisfactory evidence of such continuation of coverage in the time frame herein specified, Administrative Agent shall have the right, but not the obligation, to purchase such insurance for Administrative Agent's and the Lenders' interests only. Any amounts so disbursed by Administrative Agent pursuant to this Section shall be repaid by Borrower within ten (10) days after written demand therefor. Nothing contained in this Section shall require Administrative Agent to incur any expense or take any action hereunder, and inaction by Administrative Agent shall never be considered a waiver of any right accruing to Administrative Agent on account on this Section. The payment by Administrative Agent of any insurance premium for insurance which Borrower is obligated to provide hereunder but which Administrative Agent believes has not been paid, shall be conclusive between the parties as to the legality and amounts so paid. Borrower agrees to pay all premiums on such insurance as they become due, and will not permit any condition to exist on or with respect to the Borrowing Base Property which would wholly or partially invalidate any insurance thereon.

(d) Collateral Protection. Unless Borrower provides Administrative Agent with evidence satisfactory to Administrative Agent of the insurance coverage required by this Agreement as and when required under this Agreement, Administrative Agent may purchase insurance at Borrower's expense to protect Administrative Agent's and the Lenders' interests in the Borrowing Base Property. This insurance may, but need not, protect Borrower's interest in the Borrowing Base Property. The coverages that Administrative Agent purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with any Borrowing Base Property. Borrower or Administrative Agent (as appropriate) may later cancel any insurance purchased by Administrative Agent, but only after Administrative Agent receives satisfactory evidence that Borrower has obtained insurance as required by this Agreement. If Administrative Agent purchases insurance for the Borrowing Base Property or any portion thereof, Borrower will be responsible for the costs of that insurance, including any charges imposed by Administrative Agent in connection with the placement of insurance, until the effective date of the cancellation or expiration of such insurance. Any amounts paid by Administrative Agent pursuant to this Section shall be repaid by Borrower within ten (10) days after written demand therefor. The costs of the insurance may, at Administrative Agent's discretion, be added to Borrower's total principal obligation owing to Administrative Agent and the Lenders, and in any event shall be secured by the liens on

the Borrowing Base Property created by the Loan Documents. It is understood and agreed that (i) the costs of insurance obtained by Administrative Agent may be more than the costs of insurance Borrower may be able to obtain on its own and (ii) in the case of flood insurance, the amount of coverage may be more than required by the Flood Laws.

(e) No Liability; Assignment. Administrative Agent shall not by the fact of approving, disapproving, accepting, preventing, obtaining or failing to obtain any such insurance, incur any liability for the form or legal sufficiency of insurance contracts, solvency of insurers, or payment of losses, and Borrower hereby expressly assumes full responsibility therefor and all liability, if any, thereunder. Borrower hereby absolutely assigns and transfers to Administrative Agent, for the benefit of the Lenders, all of Borrower's right, title and interest in and to any unearned premiums paid on policies and any claims thereunder and Administrative Agent and/or the Lenders shall have the right, but not the obligation, to assign any then existing claims under the same to any purchaser of any Borrowing Base Property at any foreclosure sale; provided, however, that so long as no Default exists and is continuing hereunder, Borrower shall have the right under a license granted hereby, and Administrative Agent hereby grants to Borrower a license, to exercise rights under said policies and in and to said premiums subject to the provisions of this Agreement. Said license shall be revoked automatically upon the occurrence and during the continuance of an Event of Default hereunder. In the event of a foreclosure of any Security Instrument, or other transfer of any Borrowing Base Property in extinguishment in whole or in part of the Loans, all right, title and interest of Borrower in and to all proceeds then payable under insurance policies then in force shall thereupon vest in the purchaser at such foreclosure or Administrative Agent, on behalf of the Lenders or other transferee in the event of such other transfer of the Borrowing Base Property, to the extent such proceeds are assignable pursuant to the terms of the applicable policy or policies.

(f) No Separate Insurance. Borrower shall not carry any separate insurance on any Borrowing Base Property concurrent in kind or form with any insurance required hereunder or contributing in the event of loss unless such policy shall have attached a standard non-contributing mortgagee clause, with loss payable to Administrative Agent, for the benefit of the Lenders, and shall otherwise meet all other requirements set forth herein.

(g) Casualty Loss.

(i) If all or any part of any Borrowing Base Property shall be damaged or destroyed by fire or other casualty, Borrower shall give prompt written notice and, if the claims exceed Three Million Five Hundred Thousand Dollars ($3,500,000), make a claim to the insurance carrier and provide a copy of such claim to Administrative Agent. With respect to any such casualty loss for which Borrower has an insurance claim that exceeds Three Million Five Hundred Thousand Dollars ($3,500,000), Borrower hereby authorizes and empowers Administrative Agent, at Administrative Agent's option and in Administrative Agent's sole discretion as attorney-in-fact for Borrower, to make proof of loss, to adjust and compromise any claim under insurance policies, to appear in and

prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Administrative Agent's reasonable out-of-pocket expenses incurred in the collection of such proceeds; provided, however, that the foregoing authorization and empowerment of Administrative Agent to act as attorney-in-fact for Borrower shall not become effective until the occurrence and during the continuance of an Event of Default or until such time as Borrower fails to diligently pursue the collection of such insurance proceeds in Administrative Agent's opinion. The foregoing appointment is irrevocable, coupled with an interest, and continuing so long as the Commitments or Obligations remain outstanding, and such rights, powers and privileges shall be exclusive in Administrative Agent (for the benefit of the Lenders), its successors and assigns.

(ii) As sole loss payee on all policies of casualty insurance, Administrative Agent shall receive all insurance proceeds from any casualty loss, and shall hold the same in an interest-bearing account pending disposition in accordance with this Section; provided, however, that, so long as no Default or Event of Default shall be continuing, Borrower shall be entitled to receive and hold all such insurance proceeds that do not exceed Three Million Five Hundred Thousand Dollars ($3,500,000). Borrower authorizes Administrative Agent to deduct from such insurance proceeds received by Administrative Agent all of Administrative Agent's reasonable out-of-pocket costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with the collection thereof (the remainder of such insurance proceeds being referred to herein as ***"Net Casualty Proceeds"***).

(iii) Administrative Agent shall cause the Net Casualty Proceeds from any casualty loss affecting a Borrowing Base Property in excess of Three Million Five Hundred Thousand Dollars ($3,500,000) to be disbursed for the cost of reconstruction of such Borrowing Base Property if all of the following conditions are satisfied within ninety (90) days after the applicable casualty loss: (A) Borrower projects, and Administrative Agent agrees, that the reconstruction can be completed within a reasonable period of time after such casualty loss (but in no event later than the Maturity Date) and that after giving effect to such reconstruction such Borrowing Base Property will be restored to substantially its condition immediately prior to the casualty loss; (B) Borrower satisfies Administrative Agent that the Net Casualty Proceeds are sufficient to pay all costs of reconstruction, or if insufficient, Borrower deposits with Administrative Agent additional funds to make up such insufficiency; (C) Borrower delivers to Administrative Agent all material plans and specifications and material construction contracts for the work of reconstruction and such plans and specifications and construction contracts are in form and content reasonably acceptable to Administrative Agent and with a contractor or contractors reasonably acceptable to Administrative Agent; and (D) Administrative Agent is satisfied that (i) if the affected Borrowing Base Property is Standard Asset, within a reasonable period of time after completion of the reconstruction there will be in effect Leases demising in the aggregate no less than sixty percent (60%) of the aggregate rental square footage of the improvements located on such Borrowing Base Property, and (ii) if the affected Borrowing Base Property is a Hotel Asset,

the applicable Hotel Agreements will remain in full force and effect. The disbursement of Net Casualty Proceeds pursuant to this clause (iii) shall be in accordance with customary disbursement procedures and shall not be available after the occurrence and during the continuance of an Event of Default. Any Net Casualty Proceeds not required to reconstruct the affected Borrowing Base Property shall be delivered to Borrower after expiration of the lien period for the work of reconstruction (or, at Borrower's option, after delivery of title insurance to Administrative Agent, for the benefit of the Lenders, over such liens where the lien period has not so expired). Upon the occurrence and during the continuance of an Event of Default or in the event Borrower is unable to satisfy the conditions set forth in subclauses (A) through (D) hereof by the required date, Administrative Agent, on behalf of the Lenders, shall have the right (but not the obligation) to apply all Net Casualty Proceeds held by it to the payment of the Obligations. Borrower shall have the obligation to promptly and diligently complete the work of reconstruction necessitated by any casualty loss and restore the affected Borrowing Base Property to the equivalent of its condition immediately prior to such casualty provided the applicable Net Casualty Proceeds are made available to Borrower for such purpose.

6.17 Condemnation and Other Awards. Promptly upon receiving written notice of the institution or threatened institution of any proceeding for the condemnation of any Borrowing Base Property or any part thereof, Borrower shall notify Administrative Agent of such fact. Borrower shall then file or defend its rights thereunder and prosecute the same with due diligence to its final disposition; provided, however, that Borrower shall not enter into any settlement of such proceeding without the prior approval of Administrative Agent (such approval not to be unreasonably withheld, conditioned or delayed). Administrative Agent shall be entitled, at its option, to appear in any such proceeding in its own name, on behalf of the Lenders, and upon the occurrence and during the continuation of an Event of Default or if Borrower fails to diligently prosecute such proceeding, (a) Administrative Agent shall be entitled, at its option, to appear in and prosecute any such proceeding or to make any compromise or settlement in connection with such condemnation on behalf of Borrower, and (b) Borrower hereby irrevocably constitutes and appoints Administrative Agent as its attorney-in-fact, and such appointment is coupled with an interest, to commence, appear in and prosecute such action or proceeding or to make such compromise or settlement in connection with any such condemnation on its behalf. The foregoing appointment is continuing so long as the Commitments or Obligations remain outstanding, and such rights, powers and privileges shall be exclusive in Administrative Agent (for the benefit of the Lenders), its successors and assigns. If any Borrowing Base Property or any material part thereof is taken or materially diminished in value in connection with such condemnation, or if a consent settlement is entered, by or under threat of such proceeding, the award or settlement payable to Borrower by virtue of its interest in the affected Borrowing Base Property, shall be, and by these presents is, assigned, transferred and set over unto Administrative Agent, for the benefit of the Lenders. Any such award or settlement shall be first applied to reimburse Administrative Agent and the Lenders for all reasonable out-of-pocket costs and expenses, including reasonable attorneys' fees, incurred in connection with the collection of such award or settlement. The balance of such award or settlement (the ***"Net Condemnation Proceeds"***) shall be paid to Administrative Agent, for the benefit of the Lenders for application in the manner set forth in Section 6.16(g) as if such award or settlement constituted insurance proceeds from a casualty loss;

provided, however, that Administrative Agent shall have no obligation to make Net Condemnation Proceeds available for construction or reconstruction of the affected Borrowing Base Property unless Administrative Agent has determined that such Borrowing Base Property as so constructed or reconstructed after giving effect to the condemnation would have a value that is not materially less than its value would have been had there been no such condemnation. Borrower shall have the obligation to promptly and diligently complete the work of reconstruction necessitated by any condemnation and restore the affected Borrowing Base Property to the substantial equivalent of its condition immediately prior to such condemnation provided the applicable Net Condemnation Proceeds are made available to Borrower for such purpose.

6.18 ERISA.

(a) Plan Assets; Compliance; No Material Liability. Borrower hereby covenants and agrees that (i) Borrower shall not use any Plan Assets to repay or secure the Obligations, (ii) no assets of Borrower or Guarantor are or will be Plan Assets, (iii) each Employee Benefit Plan will be in material compliance with all applicable requirements of ERISA and the Code except to the extent any defects can be remedied without material liability to Borrower under Revenue Procedure 2008-50 or any similar procedure, and (iv) Borrower will not have any material liability under Title IV of ERISA or Section 412 of the Code with respect to any Employee Benefit Plan.

(b) Transfer of Interests. In addition to the prohibitions set forth in this Agreement and the other Loan Documents, and not in limitation thereof, Borrower hereby covenants and agrees that Borrower shall not assign, sell, pledge, encumber, transfer, hypothecate or otherwise dispose of its interests or rights (direct or indirect) in any Loan Document or any portion of the Borrowing Base Property or attempt to do any of the foregoing or suffer any of the foregoing, or permit any party with a direct or indirect interest or right in any Loan Document or any portion of the Borrowing Base Property to do any of the foregoing, if such action would cause this Agreement, any of the other Loan Documents, or the Obligations or the exercise of any of Administrative Agent's or any Lender's rights in connection therewith, to constitute a prohibited transaction under ERISA or the Code (unless Borrower furnishes to Administrative Agent a legal opinion satisfactory to Administrative Agent that the transaction is exempt from the prohibited transaction provisions of ERISA and the Code) or would otherwise result in any Borrowing Base Property, or assets of Borrower or Guarantor being Plan Assets.

(c) Indemnity. Borrower hereby agrees to indemnify Administrative Agent, each Lender, their respective Affiliates, and each of their directors, officers and employees against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not Administrative Agent, any Lender or any Affiliate is a party thereto) which any of them may actually pay or incur by reason of the investigation, defense and settlement of claims and in obtaining any prohibited transaction exemption under ERISA or the Code necessary in Administrative Agent's or any Lender's judgment by reason of the inaccuracy of the representations and warranties set forth in Section 5.12 hereof or a breach of the provisions set forth in this Section 6.18. The obligations of Borrower under this Section 6.18 shall survive the termination of this Agreement.

6.19 Controlled Substances. Without limiting the provisions of Section 5.14 or Section 5.21, Borrower shall not violate, and shall use commercially reasonable efforts not to suffer or permit any tenant leasing space in any Borrowing Base Property to violate, the Controlled Substances Act. Upon any Responsible Officer of Borrower obtaining knowledge of any conduct in violation of the first sentence of this Section 6.19, Borrower shall promptly take all actions reasonably expected under the circumstances to terminate any such use of the affected Borrowing Base Property, including: (a) to give timely notice to any appropriate law enforcement agency of information that led Borrower to know such conduct had occurred, and (b) in a timely fashion to revoke or make a good faith attempt to revoke permission for those engaging in such conduct to use the affected Borrowing Base Property or to take reasonable actions in consultation with a law enforcement agency to discourage or prevent illegal use of the affected Borrowing Base Property.

6.20 [**Reserved**].

6.21 [Reserved].

6.22 Negative Covenants. So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied (other than any contingent obligation not yet due and payable), or any Letter of Credit shall remain outstanding, Borrower shall not:

(a) Liens. Create, incur, or assume any Lien upon any Borrowing Base Property or the right to receive any income therefrom or proceeds thereof, in each case, other than (i) Permitted Encumbrances and (ii) Liens within the scope of Section 4.04(a)(ii).

(b) Indebtedness. Create, incur, assume or suffer to exist any Indebtedness other than Permitted Indebtedness.

(c) Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, if a Default or an Event of Default has occurred and is continuing or would result therefrom, except that the following shall be permitted:

(i) any Borrower may declare and make Restricted Payments payable solely in the Equity Interests of such Person, and;

(ii) if applicable, any Borrower may declare and make Restricted Payments, directly or indirectly, in an amount not to exceed the amount required to be distributed in any fiscal year in order for CMCT and each Subsidiary of CMCT that is a REIT to (i) maintain their REIT Statuses for U.S. federal and state income tax purposes and (ii) avoid the payment of U.S. federal or state income or excise tax; provided, that no cash Restricted Payments will be permitted following acceleration of any amount owing under the Facility or during the existence of an Event of Default arising under Sections 8.01(a), 8.01(c) or 8.01(d).

If at the time of declaration any Restricted Payment is permitted by this Section 6.22(c), the making of such Restricted Payment shall be deemed permitted.

(d) Accounting Changes. Borrower shall not permit any of the Loan Parties to make any change in (i) accounting policies or reporting practices that are inconsistent with GAAP or (ii) fiscal year.

(e) Operations of Borrower. Take any action, or omit to take any action, that would cause such Borrower not to be a Special Purpose Entity.

(f) Fundamental Changes. Merge, dissolve, divide, liquidate, consolidate with or into another Person or make any Disposition of a Borrowing Base Property; provided, that:

(i) any Borrower may merge or consolidate with any third party; provided that immediately following such merger, either (A) such Borrower shall be the continuing or surviving Person and shall continue to be a Special Purpose Entity or (B) such third party is a Special Purpose Entity and executes a Joinder Agreement and thereby becomes a Borrower hereunder pursuant to the provisions of Section 4.03;

(ii) any Borrower may merge or consolidate with any other Borrower; and

(iii) any Borrower may Dispose of a Borrowing Base Property (A) to any other Borrower or (B) to any third party, provided that such third party is a Special Purpose Entity and executes a Joinder Agreement and thereby becomes a Borrower hereunder pursuant to the provisions of Section 4.03.

ARTICLE VII COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

7.01 Permits.

(a) Collateral Assignment and Security Agreement. As additional security for the Obligations, Borrower hereby sells, assigns, transfers and sets over and grants to Administrative Agent, for the benefit of the Lenders, a security interest in, all of Borrower's right, title and interest in and to all Permits, to the extent that such security interest is not expressly prohibited under such Permits.

(b) Remedies Upon Event of Default. Upon the occurrence and during the continuance of an Event of Default, Administrative Agent shall have the right but not the obligation, and Borrower hereby authorizes Administrative Agent, to enforce Borrower's rights with respect to the Permits.

(c) Power of Attorney. Effective upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably constitutes and appoints Administrative Agent as its attorney-in-fact, coupled with an interest, to demand, receive and enforce Borrower's rights with respect to the Permits, to give appropriate receipts, releases and satisfactions for and on behalf of Borrower and to do any and all acts in the name of Borrower or in the name of Administrative Agent with the same force and effect as if Borrower had performed such acts.

(d) License. Provided no Event of Default has occurred and is continuing, Borrower shall have the right under a license granted hereby to exercise its rights with respect to the Permits. The license granted hereby shall be revoked at Administrative Agent's option upon written notice from Administrative Agent to Borrower after the occurrence and during the continuance of an Event of Default.

(e) No Assumption of Liabilities. Administrative Agent does not hereby assume any of Borrower's obligations or duties with respect to the Permits, including, without limitation, the obligation to pay for the preparation or issuance thereof.

(f) No Prior Conveyance or Limiting Action. Borrower represents and warrants that it (i) has not previously conveyed, transferred or assigned the Permits or any right, title or interest therein (other than prior conveyances, transfers or assignments that are no longer in effect) and (ii) except for Permitted Encumbrances, has not executed any other instrument which might prevent or limit Administrative Agent from operating under the terms and provisions of the assignment contemplated hereby, and Borrower covenants and agrees not to do any of the foregoing.

(g) Applicable Law. The provisions of this Section 7.01 are subject to all applicable Laws.

7.02 Project Documents and Swap Agreements.

(a) Collateral Assignment and Security Agreement. As additional security for the Obligations, Borrower hereby sells, assigns, transfers, sets over and grants to Administrative Agent, for the benefit of the Lenders, a security interest in, all of its right, title and interest in and to the Project Documents and any Swap Agreements.

(b) Performance; Enforcement. Borrower shall perform and observe in a timely manner all material covenants, conditions, obligations and agreements on the part of Borrower to be performed or observed under the Project Documents and any Swap Agreements. Borrower shall not waive, excuse, condone or in any manner release or discharge any party to a Project Document or any Swap Agreement from any material covenants, conditions, obligations or agreements to be performed or observed by such party under such Project Document or Swap Agreement, as applicable, and shall, at its sole cost and expense, use commercially reasonable efforts to enforce and secure the performance of all material covenants, conditions, obligations and agreements to be observed by all parties under the Project Documents and any Swap Agreements.

(c) Remedies Upon Event of Default. Upon the occurrence and during the continuance of an Event of Default, Administrative Agent shall have the right but not the obligation, and Borrower hereby authorizes Administrative Agent to enforce Borrower's rights under the Project Documents and any Swap Agreements and to receive the performance of any other Person that is a party to the Project Documents and any Swap Agreements.

(d) Notices of Default. Borrower shall send to Administrative Agent any written notice of default or breach of or under the Project Documents or any Swap

Agreements that Borrower sends to (such notice to Administrative Agent to be sent simultaneously therewith) or receives from (such notice to Administrative Agent to be sent promptly upon receipt by Borrower thereof) any Person that is a party to any Project Document or Swap Agreement.

(e) Power of Attorney. Effective upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably constitutes and appoints Administrative Agent as its attorney-in-fact, coupled with an interest, to demand, receive and enforce Borrower's rights with respect to the Project Documents and any Swap Agreements, to give appropriate receipts, releases and satisfactions for and on behalf of Borrower and to do any and all acts in the name of Borrower or in the name of Administrative Agent with the same force and effect as if Borrower had performed such acts.

(f) License. Provided no Event of Default has occurred and is continuing, Borrower shall have the right under a license granted hereby to exercise its rights under the Project Documents and any Swap Agreements. The license granted hereby shall be revoked at Administrative Agent's option upon written notice from Administrative Agent to Borrower after the occurrence and during the continuance of a Default.

(g) No Assumption of Liability. Administrative Agent does not hereby assume any of Borrower's obligations or duties under the Project Documents or any Swap Agreements, including, without limitation, the obligation to pay for services rendered thereunder.

(h) Validity and Enforceability of Project Documents and Swap Agreements. Borrower represents and warrants that, to Borrower's actual knowledge (i) as of the date hereof, the Project Documents are valid, binding and enforceable (subject to Debtor Relief Laws and general equitable principles), are in full force and effect, and there are no material breaches or defaults thereunder and no events have occurred which with notice and/or lapse of time will constitute a material breach or default thereunder by Borrower or any Affiliate of Borrower, and (ii) any Swap Agreements are valid, binding and enforceable (subject to Debtor Relief Laws and general equitable principles), are in full force and effect, and there are no material breaches or defaults thereunder and no events have occurred which with notice and/or lapse of time will constitute a material breach or default thereunder by Borrower or any Affiliate of Borrower. Borrower represents and warrants that it has full power, right and authority to execute and enter into the Project Documents and any Swap Agreements.

(i) No Prior Conveyance or Limiting Actions. Borrower represents and warrants that it (i) has not previously conveyed, transferred or assigned the Project Documents or any Swap Agreements or any right, title or interest therein (other than prior conveyances, transfers or assignments that are no longer in effect) and (ii) except for Permitted Encumbrances, has not executed any other instrument which might prevent or limit Administrative Agent from operating under the terms and provisions of the assignment contemplated hereby, and Borrower covenants and agrees not to do any of the foregoing.

7.03 Reassignment. Upon the indefeasible payment by Borrower in full of all of the Obligations (other than any contingent obligation not yet due and payable) and termination of the Commitments, all of Administrative Agent's interest in the Permits, any Swap Agreement that is not terminated in connection with the repayment of the Obligations, and the Project Documents shall automatically be deemed reassigned to Borrower (or terminated if so requested by Borrower) and Administrative Agent shall have no further interest therein. Upon written request from Borrower, Administrative Agent shall, at Borrower's expense, execute such documentation as is reasonably necessary to reassign or terminate such interest without recourse to Administrative Agent.

7.04 Additional Instruments. At Administrative Agent's request, Borrower shall execute and deliver to Administrative Agent any and all assignments and other documents and instruments reasonably necessary to confirm the collateral assignments contemplated by this Article VII.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation (whether upon demand at maturity, by reason of acceleration or otherwise) or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) within five (5) Business Days after the same becomes due, any interest on any Loan or on any L/C Obligation, any fee due hereunder, or any other amount payable hereunder or under any other Loan Document.

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.03, 6.11, 6.15 or 6.16.

(c) Involuntary Proceeding. An involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Borrower or Guarantor or their respective debts, or of a substantial part of their respective assets, under any Debtor Relief Law or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or Guarantor or for a substantial part of their respective assets, and, in any such case, such proceeding or petition shall continue undismissed or unstayed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered.

(d) Voluntary Proceedings. Any Borrower or Guarantor shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Debtor Relief Law, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 8.01(c) above, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or Guarantor or for a substantial part of their respective assets, (iv) make a general assignment for the benefit of creditors or (v) take any action for the purpose of effecting any of the foregoing.

(e) [Reserved].

(f) Unable to Pay Debts. The admission in writing by any Borrower or Guarantor that it is unable to pay its debts as they mature or that it is generally not paying its debts as they mature.

(g) [Reserved].

(h) Change of Control. There occurs any Change of Control and, solely with respect to a Change of Control occurring under clause (d) of the definition thereof, within ten (10) days after a Responsible Officer of Borrower receives knowledge of such Change of Control, the applicable Borrower has not been released in accordance with Section 6.13(b) of this Agreement.

(i) [Reserved].

(j) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made or any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be incorrect or misleading in any respect after giving effect to such qualification when made or deemed made, and such default shall continue unremedied for the shorter of (x) 30 days or (y) so long as such breach would not reasonably be expected to have a Material Adverse Effect.

(k) [Reserved].

(l) [Reserved].

(m) Cessation of Loan Documents to be Effective. The cessation, for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, of any Loan Document to be in full force and effect in all material respects; the failure of any Lien intended to be created by the Loan Documents to exist or to be valid and perfected; the cessation of any such Lien, for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, to have the priority contemplated by this Agreement or the other Loan Documents, subject to Borrower's right to contest Liens in accordance with the terms of this Agreement; or the revocation by Guarantor of the Limited Guaranty or any other Loan Document executed by Guarantor.

(n) ERISA. Any breach of the provisions of Section 6.18 hereof.

(o) Negative Covenants. Any breach of the provisions of (i) Sections 6.22(a), (b) or (f) hereof shall occur, or (ii) Section 6.22(c) hereof shall occur which is not cured by Borrower within five (5) Business Days after notice of such breach is delivered to Borrower by Administrative Agent, or (iii) Section 6.22(e) hereof shall occur which is not cured by Borrower within ten (10) Business Days after notice of such breach is delivered to Borrower by Administrative Agent.

(p) Judgments. Any judgment or order for the payment of money in excess of (i) $1,000,000 is rendered against any Borrower or (ii) $25,000,000 in the aggregate is rendered against Guarantor, and such judgments or orders shall continue for a period of sixty (60) days without being paid, stayed or dismissed through appropriate appellate proceedings.

(q) Swap Agreements. There occurs under any Swap Agreement an Early Termination Date (as defined in such Swap Agreement) resulting from (A) any event of default under such Swap Agreement as to which any Borrower is the Defaulting Party (as defined in such Swap Agreement) or (B) any Termination Event (as defined in such Swap Agreement) under such Swap Agreement as to which any Borrower is an Affected Party (as defined in such Swap Agreement) and, in either event, any Swap Termination Value owed by such Borrower as a result thereof is not paid within thirty (30) days after such Early Termination Date.

(r) Borrower Cross-Default. Failure by any Borrower to pay when due any Indebtedness in an outstanding principal amount of $1,000,000 or more in the aggregate excluding the Loans (***"Material Borrower Indebtedness"***); or the default by any Borrower in the performance (beyond the applicable grace period with respect thereto, if any) of any term, provision or condition contained in any loan agreement or other debt instrument, or any other event shall occur or condition exist, the effect of which default, event or condition is to cause, or permit the holder(s) of such Material Borrower Indebtedness to cause, such Material Borrower Indebtedness to become due prior to its stated maturity or any commitment to lend under any such loan agreement or other debt instrument to be terminated prior to its stated expiration date; or any Material Borrower Indebtedness shall be declared to be due and payable or required to be prepaid or repurchased (other than by a regularly scheduled payment) prior to the stated maturity thereof.

(s) [Reserved].

(t) [Reserved].

(u) Failure to Perform Covenants. The failure of any Borrower to fully perform any and all covenants and agreements hereunder or under any of the other Loan Documents, and, with respect to covenants and agreements other than those specifically referenced in this Section 8.01, or for which another cure period is provided, such failure is not cured by Borrower within thirty (30) days after Administrative Agent gives notice to Borrower thereof, unless (i) such failure, by its nature, is not capable of being cured within such thirty (30) day period, (ii) within thirty (30) days after the delivery of such notice, Borrower commences to cure such failure and thereafter diligently prosecutes the cure thereof, and (iii) Borrower causes such failure to be cured no later than ninety (90) days after the date of such notice from Administrative Agent.

8.02 Remedies Upon Event of Default.

(a) If any Event of Default occurs and is continuing, Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(i) declare the commitment of each Lender to make Loans and any obligation of any L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(ii) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Loan Parties;

(iii) require that Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(iv) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents and applicable Laws, including, without limitation, all rights and remedies of a secured party under the UCC;

provided, however, that upon the occurrence of any Event of Default described in Section 8.01(c) or (d) occurs, the obligation of each Lender to make Loans and any obligations of the L/C Issuers to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of Administrative Agent or any Lender.

(b) [Reserved].

(c) Without limiting the generality of Section 8.01(a) above, if an Event of Default occurs and is continuing, Administrative Agent shall have the right (but shall have no obligation) at any time to take in its name or in the name of Borrower such action as Administrative Agent reasonably determines is necessary or advisable to cure any default under any Franchise Documents or to protect the rights of Borrower, Administrative Agent or any Lender thereunder. Administrative Agent shall incur no liability if any action so taken by it or on its behalf shall prove to be inadequate or invalid, and, except to the extent directly caused by the gross negligence or willful misconduct of Administrative Agent. Borrower irrevocably constitutes and appoints Administrative Agent as Borrower's attorney-in-fact, which power of attorney is coupled with an interest, in Borrower's name or in Administrative Agent's name, to enforce all rights of Borrower under the Franchise Documents; provided, however, that Administrative Agent shall not take any action pursuant to the foregoing appointment except upon and during the continuance of an Event of Default. Administrative Agent and/or Lenders may advance funds for any of the

purposes described in this Section 8.02(c) and such advances, even if in excess of the amount of the Facility, shall be payable to Administrative Agent and Lenders on demand and shall be secured by the Loan Documents.

(d) For the avoidance of doubt and notwithstanding anything in this Agreement to the contrary, an Event of Default that relates solely to any Borrower or Borrowing Base Property shall be cured and no longer continuing upon the release of such Borrower or such Borrowing Base Property, in each case, pursuant to the terms and conditions of Section 6.13.

8.03 Application of Funds. After an exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Sections 2.14 and 2.15, be applied by Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to Administrative Agent and amounts payable under Article III) payable to Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuers (including fees, charges and disbursements of counsel to the respective Lenders (including fees and time charges for attorneys who may be employees of any Lender) and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid fees due hereunder and under the Fee Letter, Letter of Credit Fees and interest on the Loans, the L/C Borrowings and other Obligations, ratably among the Lenders and the L/C Issuers in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans and L/C Borrowings then due, Swap Obligations then due and breakage, termination or other payments then owing under Lender Cash Management Agreements, on a pari passu basis, ratably among the parties entitled thereto in accordance with the amounts of principal, L/C Borrowings, Swap Obligations and payments owing under Lender Cash Management Agreements then due to such parties;

Fifth, to Administrative Agent for the account of the L/C Issuers, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit; and

Last, the balance, if any, after all of the Obligations (other than contingent obligations for which no claim has been made) have been paid in full, to Borrower or as otherwise required by Law.

Subject to Section 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such

Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired or cancelled, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Obligations otherwise set forth above in this Section 8.03.

Notwithstanding the foregoing, Obligations arising under Swap Agreements and Cash Management Agreements shall be excluded from the application described above if Administrative Agent has not received a Designation Notice, together with such supporting documentation as Administrative Agent may request, from the applicable Hedge Bank or Cash Management Bank (except if such Hedge Bank or Cash Management Bank is the Administrative Agent or an Affiliate of the Administrative Agent), as the case may be. Each Hedge Bank or Cash Management Bank that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if such Affiliates were a "Lender" party hereto.

8.04 Curing of Defaults. Upon the occurrence of an Event of Default hereunder, Administrative Agent without waiving any right of acceleration or foreclosure under the Loan Documents which Administrative Agent or the Lenders may have by reason of such Event of Default or any other right Administrative Agent or the Lenders may have against Borrower because of said Event of Default, shall have the right (but not the obligation) to take such actions and make such payments as shall be necessary to cure such Event of Default, including, without limitation, the making of Loans. All amounts so expended shall constitute Obligations and shall be payable by Borrower on demand by Administrative Agent.

ARTICLE IX ADMINISTRATIVE AGENT

9.01 Appointment and Authority. Each of the Lenders and each of the L/C Issuers hereby irrevocably appoints JPMC to act on its behalf as Administrative Agent hereunder and under the other Loan Documents and authorizes Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Each Lender authorizes Administrative Agent to enter into the Loan Documents (other than this Agreement) on behalf of, and for the benefit of, the Lenders and to take all actions left to the discretion of Administrative Agent herein and therein on behalf of, and for the benefit of, the Lenders. Each Lender agrees that any action taken by Administrative Agent at the direction of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in this Agreement), and any action taken by Administrative Agent not requiring consent by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in this Agreement) shall be authorized by and binding upon all Lenders. The provisions of this Article are solely for the benefit of Administrative Agent, the Lenders and the L/C Issuers, and neither Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions (other than Sections 9.06 and 9.10). It is understood and agreed that the use of the term "agent" herein or in any other

Loan Documents (or any other similar term) with reference to Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

9.02 Rights as a Lender. The Person serving as Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Loan Party or other Affiliate thereof as if such Person were not Administrative Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity.

Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. Administrative Agent shall be deemed not to

have knowledge of any Default or Event of Default, other than a Default or Event of Default in the payment of scheduled payments of principal and interest, unless and until notice describing such Default or Event of Default is given in writing to Administrative Agent by Borrower, a Lender or any L/C Issuer.

Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Administrative Agent, (vi) the financial condition of any Loan Party, or (vii) the creation, perfection or priority of the Lien on any Borrowing Base Property.

Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, Administrative Agent shall not (y) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (z) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

Where the Administrative Agent is required or deemed to act as a trustee in respect of any collateral over which a security interest has been created pursuant to a Loan Document expressed to be governed by the laws of the United States, the obligations and liabilities of the Administrative Agent to the Lenders in its capacity as trustee shall be excluded to the fullest extent permitted by applicable law.

9.04 Reliance by Administrative Agent. Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the Applicable L/C Issuer, Administrative Agent may presume that such condition is satisfactory to such Lender or such Applicable L/C Issuer unless Administrative Agent shall have received notice to the contrary from such Lender or such Applicable L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. Administrative Agent may consult with legal counsel (who may be counsel for any Loan Party), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties. Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by Administrative Agent. Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. Administrative Agent shall not be responsible for the negligence or misconduct of any sub- agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.06 Resignation of Administrative Agent.

(a) Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuers and Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to the approval of Borrower so long as no Event of Default has occurred and is then continuing (such approval not to be withheld or delayed unreasonably), to appoint a successor, which shall be a commercial bank with an office in the United States, or an Affiliate of any such bank with an office in the United States, except that Borrower shall, in all events, be deemed to have approved each Lender and any of its respective Affiliates as a successor Administrative Agent. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the ***"Resignation Effective Date"***), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to Borrower and such Person remove such Person as Administrative Agent and, subject to the approval of Borrower so long as no Event of Default has occurred and is then continuing (such approval not to be withheld or delayed unreasonably), appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the ***"Removal Effective Date"***), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by Administrative Agent on behalf of the Lenders or the L/C Issuers under any of the Loan Documents, the retiring or removed

Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through Administrative Agent shall instead be made by or to each Lender and each L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any such successor Administrative Agent be a Defaulting Lender, a Disqualified Institution, or an Affiliate of any Defaulting Lender or Disqualified Institution. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(c) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

(d) Any resignation by, or removal of, JPMC as Administrative Agent pursuant to this Section shall also constitute its resignation as an L/C Issuer. If JPMC resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Applicable Letters of Credit outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c). Upon the appointment by Borrower of a successor L/C Issuer hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of an L/C Issuer, (b) JPMC shall be discharged as L/C Issuer from all of its respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Applicable Letters of Credit, if any, issued by JPMC and outstanding at the time of such succession or make other arrangements satisfactory to JPMC to effectively assume the obligations of JPMC with respect to such Applicable Letters of Credit.

9.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and each L/C Issuer acknowledges that it has, independently and without reliance upon Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into

this Agreement. Each Lender and each L/C Issuer also acknowledges that it will, independently and without reliance upon Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Bookrunners, Syndication Agent, Documentation Agent or Arrangers listed on the cover page hereof (or any other Arranger) shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as Administrative Agent, a Lender or an L/C Issuer hereunder.

9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Administrative Agent shall have made any demand on Loan Party) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, the L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuers and Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuers and Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuers and Administrative Agent under Sections 2.03(h) and (i), 2.08 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each L/C Issuer to make such payments to Administrative Agent and, in the event that Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuers, to pay to Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Administrative Agent and its agents and counsel, and any other amounts due Administrative Agent under Sections 2.08 and 10.04.

Nothing contained herein shall be deemed to authorize Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any L/C Issuer to authorize Administrative Agent to vote in respect of the claim of any Lender or any L/C Issuer in any such proceeding.

9.10 Collateral and Guaranty Matters.

(a) Except with respect to the exercise of setoff rights in accordance with Section 10.08 or with respect to a Lender's right to file a proof of claim in an insolvency proceeding (whether in its capacity as a Lender, Hedge Bank or Cash Management Bank), no Lender (whether in its capacity as a Lender, Hedge Bank or Cash Management Bank) shall have any right individually to realize upon any collateral or enforce any part of this Agreement, the other Loan Documents, any Swap Agreement or any Cash Management Agreement with respect to the Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents, any Swap Agreement and any Cash Management Agreement may be exercised solely by the Administrative Agent on behalf of the Lenders in accordance with the terms thereof. In its capacity, the Administrative Agent is a "representative" of the Lenders within the meaning of the term "secured party" as defined in the UCC. In the event that any collateral is hereafter pledged by any Person as collateral security for the Obligations, the Administrative Agent is hereby authorized, and hereby granted a power of attorney, to execute and deliver on behalf of the Lenders any Loan Documents necessary or appropriate to grant and perfect a Lien on such collateral in favor of the Administrative Agent on behalf of the Lenders. With respect to any action by Administrative Agent to enforce the rights and remedies of Administrative Agent and the Lenders under this Agreement and the other Loan Documents, each Lender hereby consents to the jurisdiction of the court in which such action is maintained, and agrees to deliver its Note to Administrative Agent to the extent necessary to enforce the rights and remedies of Administrative Agent for the benefit of the Lenders under any Security Instrument in accordance with the provisions hereof. Each Lender agrees to indemnify each of the other Lenders for any loss or damage suffered or cost incurred by such other Lender (including without limitation, attorneys' fees and expenses and other costs of defense) as a result of the breach of this Section 9.10 by such Lender.

(b) The Lenders (including, if applicable, in their capacity as a potential Cash Management Bank and potential Hedge Bank) irrevocably authorize Administrative Agent, at its option and in its discretion, to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to any Permitted Encumbrance. Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon or any certificate prepared by Borrower or Guarantor in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the collateral.

(c) Without limiting the provisions of Section 9.09, each Lender (including, if applicable, in its capacity as a potential Cash Management Bank and potential Hedge Bank) and each L/C Issuer irrevocably authorizes Administrative Agent, at its option and in its discretion (a) to release any Borrower from its obligations under the Loan Documents pursuant to Section 6.13 hereof, (b) to release the Cash Collateral and any Lien thereon in accordance with the terms and conditions set forth in Section 2.14, and (c) to release and reconvey any Borrowing Base Property from the Lien of the applicable Security Instrument (and any other Loan Documents) pursuant to Section 6.13. Upon request by Administrative

Agent at any time, the Required Lenders will confirm in writing Administrative Agent's authority to release any Borrower under the Loan Documents, any Cash Collateral and any Lien thereon, and any Borrowing Base Property and any Lien thereon, in each case, pursuant to this Section 9.10.

9.11 Credit Bidding. The Lenders hereby irrevocably authorize Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the collateral in satisfaction of some or all of the Obligations pursuant to an assignment in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the collateral (a) at any sale thereof conducted under the provisions of the United States Bankruptcy Code, including under Sections 363, 1123 or 1129 of the United States Bankruptcy Code, or any Debtor Relief Laws, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Lenders shall be entitled to be, and shall be, credit bid by Administrative Agent at the direction of the Required Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Lenders' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 10.01 of this Agreement), (iv) Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Lenders, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Lender or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Lenders pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Lender or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Lender is deemed assigned to

the acquisition vehicle or vehicles as set forth in clause (ii) above, each Lender shall execute such documents and provide such information regarding the Lender (and/or any designee of the Lender which will receive interests in or debt instruments issued by such acquisition vehicle) as Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

9.12 Foreclosure. In the event that all or any portion of a Borrowing Base Property is acquired by Administrative Agent as the result of a foreclosure or acceptance of a deed or assignment in lieu of foreclosure, or is retained in satisfaction of all or any part of the Obligations, title to such Borrowing Base Property or any portion thereof shall be held in the name of Administrative Agent or a nominee or subsidiary of Administrative Agent, as agent, for the benefit of the Lenders, or in an entity co-owned by the Lenders as determined by Administrative Agent. Administrative Agent shall prepare a recommended course of action for such Borrowing Base Property (the ***"Post-Foreclosure Plan"***) and submit it to the Lenders for approval by the Required Lenders. In the event that Administrative Agent does not obtain the approval of the Required Lenders to such Post-Foreclosure Plan, any Lender shall be permitted to submit an alternative Post-Foreclosure Plan to Administrative Agent, and Administrative Agent shall submit any and all such additional Post-Foreclosure Plan(s) to the Lenders for evaluation and the approval by the Required Lenders. In accordance with the approved Post-Foreclosure Plan, Administrative Agent shall manage, operate, repair, administer, complete, construct, restore or otherwise deal with the Borrowing Base Property acquired and administer all transactions relating thereto, including, without limitation, employing a management agent, leasing agent and other agents, contractors and employees, including agents for the sale of such Borrowing Base Property, and the collecting of rents and other sums from such Borrowing Base Property and paying the expenses of such Borrowing Base Property. Upon demand therefor from time to time, each Lender will contribute its ratable share (based on their respective Commitments immediately prior to the termination thereof) of all reasonable costs and expenses incurred by Administrative Agent pursuant to the Post-Foreclosure Plan in connection with the construction, operation, management, maintenance, leasing and sale of the Borrowing Base Property. In addition, Administrative Agent shall render or cause to be rendered by the managing agent, to each of the Lenders, monthly, an income and expense statement for such Borrowing Base Property, and each of the Lenders shall promptly contribute its ratable share (based on their respective Commitments immediately prior to the termination thereof) of any operating loss for the Borrowing Base Property, and such other expenses and operating reserves as Administrative Agent shall deem reasonably necessary pursuant to and in accordance with the Post-Foreclosure Plan. To the extent there is net operating income from such Borrowing Base Property, Administrative Agent shall, in accordance with the Post-Foreclosure Plan, determine the amount and timing of distributions to the Lenders. All such distributions shall be made to the Lenders in proportion to their respective Commitments immediately prior to the termination thereof. The Lenders acknowledge that if title to any Borrowing Base Property is obtained by Administrative Agent or its nominee, or an entity co-owned by the Lenders, such Borrowing Base Property will not be held as a permanent investment but will be disposed of as soon as practicable and within a time period consistent with the regulations applicable to national banks for owning real estate. Administrative Agent shall undertake to sell such Borrowing Base Property at such price and upon such terms and conditions as the Required Lenders shall reasonably determine to be most advantageous. Any purchase money mortgage or deed of trust taken in connection with the disposition of such Borrowing Base

Property in accordance with the immediately preceding sentence shall name Administrative Agent, as agent for the Lenders, as the beneficiary or mortgagee. In such case, Administrative Agent and the Lenders shall enter into an agreement with respect to such purchase money mortgage defining the rights of the Lenders in the same, which agreement shall be in all material respects similar to the rights of the Lenders with respect to the Borrowing Base Property. Lenders agree not to unreasonably withhold or delay their approval of a Post-Foreclosure Plan or any third party offer to purchase the Borrowing Base Property. An offer to purchase the Borrowing Base Property or any portion thereof at a gross purchase price of ninety-five percent (95%) of the fair market value of such property as set forth in a current appraisal, shall be deemed to be a reasonable offer.

9.13 Swap Agreements and Cash Management Agreements. Except as otherwise expressly set forth herein, no Cash Management Bank or Hedge Bank that obtains the benefit of the provisions of Section 8.03 of this Agreement or the Guaranty by virtue of the provisions of this Agreement or any other Loan Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty) other than in its capacity as a Lender, an L/C Issuer or Administrative Agent, as applicable, and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article IX to the contrary, Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Cash Management Agreements and Swap Agreements except to the extent expressly provided herein and unless Administrative Agent has received a Designation Notice of such Obligations, together with such supporting documentation as Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank (except if such Hedge Bank or Cash Management Bank is Administrative Agent or an Affiliate of Administrative Agent), as the case may be. Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Cash Management Agreements and Swap Agreements in the case of a termination of this Agreement and the Facility.

9.14 Approvals of Lenders. All communications from Administrative Agent to any Lender requesting such Lender's determination, consent or approval (a) shall be given in the form of a written notice to such Lender, (b) shall be accompanied by a description of the matter or issue as to which such determination, consent or approval is requested, or shall advise such Lender where information, if any, regarding such matter or issue may be inspected, or shall otherwise describe the matter or issue to be resolved and (c) shall include, if reasonably requested by such Lender and to the extent not previously provided to such Lender, written materials provided to Administrative Agent by Borrower in respect of the matter or issue to be resolved. Unless a Lender shall give written notice to Administrative Agent that it specifically objects to the requested determination, consent or approval within ten (10) Business Days (or such lesser or greater period as may be specifically required under the express terms of the Loan Documents) of receipt of such communication, such Lender shall be deemed to have conclusively approved of or consented to such requested determination, consent or approval. The provisions of this Section 9.14 shall not apply to any amendment, waiver or consent regarding any of the matters described in Sections 10.01(a) through (j).

9.15 ERISA Representations.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, Administrative Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of Borrower or Guarantor, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender

party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, Administrative Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of Borrower or Guarantor, that:

(i) none of Administrative Agent, or any Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto),

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21, as amended from time to time) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least $50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the obligations),

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(v) no fee or other compensation is being paid directly to Administrative Agent, or any Arranger or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Commitments or this Agreement.

(c) Administrative Agent, and each Arranger hereby informs the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans or the Commitments for an amount less than the amount being paid for an interest in the Loans or the Commitments by such Lender or (iii)

may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

9.16 Compliance with Flood Laws. Administrative Agent has adopted internal policies and procedures that address requirements placed on federally regulated lenders under the Flood Laws and will post on the applicable Platform (or otherwise distribute to each Lender documents that it receives in connection with the Flood Laws (***"Flood Documents"***); provided, however that Administrative Agent makes no representation or warranty with respect to the adequacy of the Flood Documents or their compliance with the Flood Laws. Each Lender acknowledges and agrees that it is individually responsible for its own compliance with the Flood Laws and that it shall, independently and without reliance upon Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, including the Flood Documents posted or distributed by Administrative Agent, continue to do its own due diligence to ensure its compliance with the Flood Laws.

ARTICLE X MISCELLANEOUS

10.01 Amendments, Etc. Subject to Section 3.03(b), no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders, Borrower and any applicable Loan Party, as the case may be, and acknowledged by Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (i) Administrative Agent and Borrower may, without the consent of any Lender or any other Loan Party, amend this Agreement to add an Additional Borrower hereunder pursuant to a Joinder Agreement as provided in Section 4.03, (ii) Administrative Agent and Borrower may, without the consent of any Lender or any other Loan Party, amend any Loan Documents to release any Borrowing Base Property from the Lien of the applicable Security Instrument and the other Loan Documents, and to release the applicable Borrower under the Loan Documents, in each case in accordance with Section 6.13 hereof, (iii) if Administrative Agent and Borrower acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any other Loan Document, then Administrative Agent and Borrower shall be permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and such amendment shall become effective without any further action or consent of any other parties to this Agreement, and (iv) notwithstanding the foregoing provisions of this Section 10.01 (including the first proviso above), no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a) without the written consent of each Lender; provided that any waiver with respect to any Fee Letter shall only require the consent of each Person that is a party thereto;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent set forth in Section 4.02 or Section 4.03 or of any Default or Event of Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender entitled to such payment;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iii) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to such payment; provided, however, that only the consent of the Required Lenders shall be necessary (i) to amend the definition of "Default Rate" or to waive any obligation of Borrower to pay interest at the Default Rate or Letter of Credit Fees at the Default Rate, or (ii) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder;

(e) amend Section 2.12 or Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(f) amend any provision of this Section 10.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(g) release Borrower from its Obligations under the Loan Documents without the written consent of each Lender other than in accordance with Section 6.13 or as otherwise expressly provided in this Agreement;

(h) release all or substantially all of the value of the Guaranty, without the written consent of each Lender; or

(i) impose any greater restriction on the ability of any Lender under the Facility to assign any of its rights or obligations hereunder without the written consent of each Lender;

and, provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by each L/C Issuer in addition to the Lenders required above, affect the rights or duties of any L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by Administrative Agent in addition to the Lenders required above, affect the rights or duties of

Administrative Agent under this Agreement or any other Loan Document; and (iii) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

Notwithstanding anything to the contrary herein, (A) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (i) the Commitments of any Defaulting Lender may not be increased or extended without the consent of such Lender and (ii) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender in a disproportionately adverse manner relative to other affected Lenders shall require the consent of such Defaulting Lender; (B) Administrative Agent, the Arranger and Borrower may agree to add the name of any other Arranger, documentation agent or syndication agent to the cover page of this Agreement without the prior written notice to or consent of any Lender; (C) no amendment contemplated by, and subject to Section 2.13(e) shall require the consent of any Person other than Borrower and the Lenders providing an increase in the aggregate Commitments; and (D) Administrative Agent, with the consent of Borrower, may amend, modify or supplement any Loan Document without the consent of any Lender or the Required Lenders in order to correct, amend or cure any ambiguity, inconsistency or defect or correct any typographical error or other manifest error in any Loan Document so long as such amendment, modification or supplement does not impose additional obligations on any Lender; provided that Administrative Agent shall promptly give the Lenders notice of any such amendment, modification or supplement.

10.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to a Loan Party, Administrative Agent or any L/C Issuer, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Loan Parties).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent

(except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications, to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or any L/C Issuer pursuant to Article II if such Lender or L/C Issuer, as applicable, has notified Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. Administrative Agent, any L/C Issuer or a Loan Party may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON- INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH BORROWER MATERIALS OR THE PLATFORM. In no event shall Administrative Agent or any of its Related Parties (collectively, the ***"Agent Parties"***) have any liability to any Loan Party, any Lender, any L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Loan Party's or Administrative Agent's transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service, or through the Internet. In addition, in no event shall any Agent Party have any liability to any Loan Party, any Lender, any L/C Issuer or any other

Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of the Loan Parties, Administrative Agent and each L/C Issuer may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier, telephone number or electronic mail address for notices and other communications hereunder by notice to Borrower, Administrative Agent and each L/C Issuer. In addition, each Lender agrees to notify Administrative Agent and each L/C Issuer from time to time to ensure that Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the ***"Private Side Information"*** or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the ***"Public Side Information"*** portion of the Platform and that may contain material non-public information with respect to one or more Loan Parties or their respective securities for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. Administrative Agent, the L/C Issuers and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices and Borrowing Notices) purportedly given by or on behalf of a Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. Each Loan Party shall jointly and severally indemnify Administrative Agent, each L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with Administrative Agent may be recorded by Administrative Agent, and each of the parties hereto hereby consents to such recording.

10.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, any L/C Issuer or Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at

law in connection with such enforcement shall be instituted and maintained exclusively by, Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuers; provided, however, that the foregoing shall not prohibit (a) Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) each L/C Issuer from exercising the rights and remedies that inure to its benefit (solely in its capacity as an L/C Issuer) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.12), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.12, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. Borrower shall pay, or cause to be paid, (i) all reasonable and documented out-of-pocket fees and expenses incurred by Administrative Agent, the Arranger and their respective Affiliates (including but not limited to (a) the reasonable and documented fees, charges and disbursements of one outside legal counsel for Administrative Agent and, if reasonably deemed necessary by Administrative Agent or Arranger, one local counsel retained in any material jurisdiction and (b) due diligence expenses), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents or any amendments, amendments and restatements, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) reasonable and documented out of pocket expenses incurred by each L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, and (iii) all reasonable and documented out-of-pocket expenses incurred by Administrative Agent, any Lender or any L/C Issuer (including the reasonable and documented fees, charges and disbursements of any counsel for Administrative Agent, any Lender and any L/C Issuer), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 10.04, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. Notwithstanding anything else in this Agreement to the contrary, and for the avoidance of doubt, each Lender shall bear its own fees and expenses associated with that Lender's purchase of an interest in the Facility or administration of the Facility.

(b) Indemnification. Borrower shall indemnify Administrative Agent (and any sub-agent thereof), the Arranger, each Lender and each L/C Issuer and each Related Party of any of the foregoing Persons (each such Person being called an ***"Indemnitee"***) against,

and hold each Indemnitee harmless from, (and will reimburse each Indemnitee as the same are incurred for) any and all losses, claims, damages, liabilities and expenses (including, without limitation, the reasonable fees, disbursements and other charges of one outside counsel for Administrative Agent and one outside counsel for the other Indemnitees, unless such other Indemnitees cannot be represented by one outside counsel due to actual or asserted conflicts of interest, in which case the other Indemnitees shall be indemnified from and against and reimbursed for the reasonable and documented fees, disbursements and other charges of such number of other counsel as are necessary in light of such conflicts of interests), arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the Applicable L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Loan Party or any of such Loan Party's directors, shareholders or creditors, and regardless of whether any Indemnitee is a party thereto, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (1) the gross negligence, bad faith or willful misconduct of such Indemnitee or (2) a dispute solely among Indemnitees and not involving any act or omission of Borrower or any of their Affiliates (other than, with respect to Administrative Agent, the Arranger or any other agent or arranger under this Agreement, any dispute involving such Person in its capacity or in fulfilling its role as such). It is understood and agreed that Administrative Agent may determine, in its discretion, the one counsel for all other Indemnitees referenced in this subsection (b); provided, however, that upon the written request of the Required Lenders (subject to the proviso in Section 9.03(b)), Administrative Agent shall, pursuant to such written request, engage a different counsel to serve as the one counsel for all Indemnitees referenced in this subsection (b). Without limiting the provisions of Section 3.01(c), this Section 10.04(b) shall not apply with respect to Taxes covered by Section 3.01, other than any Taxes that represent losses, claims, damages, liabilities or related expenses arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that Borrower for any reason fails to pay any amount required under Section 10.04(a) or (b) to be paid by it to Administrative Agent (or any sub-agent thereof), the Arranger, any Applicable L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to Administrative Agent (or any such sub-agent), the Arranger, each Applicable L/C Issuer or such Related Party, as the case may be, such Lender's ratable share (determined as of

the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's Applicable Percentage at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lenders' Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided, further that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against Administrative Agent (or any such sub-agent), any Arranger, any Applicable L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for Administrative Agent (or any such sub-agent) or Applicable L/C Issuer in connection with such capacity. The obligations of the Lenders under this Section 10.04(c) are subject to the provisions of Section 2.11(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereto hereby waives and acknowledges that no other Person shall have, any claim against any Indemnitee, in each case on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section 10.04 shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section 10.04 and the indemnity provisions of Sections 6.18(c) and 10.02(e) shall survive the resignation of Administrative Agent and any L/C Issuer, the replacement of any Lender, the termination of the Facility, and the repayment, satisfaction or discharge of all the other Obligations.

10.05 Payments Set Aside. To the extent that any payment by or on behalf of any Loan Party is made to Administrative Agent, any L/C Issuer or any Lender, or Administrative Agent, any L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Administrative Agent, any L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and each L/C Issuer severally agrees to pay to Administrative Agent upon demand its applicable share (without duplication) of any amount received by such Lender or

such L/C Issuer, as applicable, and so recovered from or repaid by Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the NYFRB Rate from time to time in effect. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of Administrative Agent and each Lender (and any attempted such assignment or transfer without such consent shall be null and void) and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of Section 10.06(b), (ii) by way of participation in accordance with the provisions of Section 10.06(d) or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 10.06(e) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section 10.06 and, to the extent expressly contemplated hereby, the Related Parties of each of Administrative Agent, the L/C Issuers and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including for purposes of this subsection (b), participations in L/C Obligations) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it under the Facility or contemporaneous assignments to related Approved Funds that equal at least the amount specified in subsection (b)(i)(B) of this Section 10.06 in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section 10.06, the aggregate amount of the Commitments (which for this purpose includes Loans outstanding thereunder) or, if the Commitments are not then in effect, the principal outstanding balance of the applicable Loans (and participations in Letters of Credit) of the assigning Lender subject to

each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $10,000,000 unless each of Administrative Agent and, so long as no Event of Default has occurred and is continuing, Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section 10.06 and, in addition:

(A) the consent of Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment, or (2) such assignment is to a Lender, or an Affiliate or Approved Fund of a Lender, in respect of the applicable Facility; provided that Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to Administrative Agent within five (5) Business Days after having received notice thereof;

(B) the consent of Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if an assignment is to a Person that is not a Lender; and

(C) the consent of each L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more Letters of Credit (whether or not then outstanding).

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to Administrative Agent, (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee in the amount of Three Thousand Five Hundred and No/100 Dollars ($3,500.00) payable by the assignor; provided, however, that

Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to any Loan Party or any Loan Party's Affiliates, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), (C) to a Disqualified Institution (provided that such restriction in this clause (C) shall not apply if an Event of Default pursuant to Sections 8.01(a) or 8.01(f) hereof exists) or (D) to a natural person. Administrative Agent shall have no responsibility or liability for monitoring or enforcing the list of Disqualified Institutions or for any assignment of any Loan or Commitment or any other rights of a Lender hereunder or for the sale of any participation, in either case, to a Disqualified Institution.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of Borrower and Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by such Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by Administrative Agent pursuant to subsection (c) of this Section 10.06, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that

except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, Borrower (at their expense) shall execute and deliver a substitute Note to (i) the assignee Lender and/or (ii) in the case of a partial assignment by a Lender of its rights or obligations under this Agreement, the assigning Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection (b) (other than a purported assignment or transfer to a Disqualified Institution) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.06(d).

Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in this Section 10.06(b) and any written consent to such assignment required by this Section 10.06(b), Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to any provision of this Agreement, including without limitation Sections 2.02(b) or 2.11(d), Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section.

(c) Register. Administrative Agent, acting solely for this purpose as an agent of Borrower (and such agency being solely for tax purposes), shall maintain at Administrative Agent's Office in the United States a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the ***"Register"***). The entries in the Register shall be conclusive absent manifest error, and Borrower, Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by any Loan Party and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, Borrower, any other Loan Party or Administrative Agent, sell participations to any Person (other than a natural person, a Defaulting Lender, a Disqualified Institution, or Borrower or any of Borrower's Affiliates or Subsidiaries) (each, a ***"Participant"***) in all or

a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) Borrower, the other Loan Parties, Administrative Agent, the Lenders and the L/C Issuers shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.06(b) provided that the Participant shall be subject to the requirements and limitations therein as though it were a Lender (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.06(b); provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 10.13 as if it were an assignee under Section 10.06(b) and (B) shall not be entitled to receive any greater payment under Section 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at Borrower's request and expense, to use reasonable efforts to cooperate with Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.12 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the ***"Participant Register"***); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of

this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign, or grant a security interest in, all or any portion of its rights under this Agreement (including under its Note(s), if any) to secure obligations of such Lender, including any pledge or assignment, or grant of a security interest, to secure obligations to a Federal Reserve Bank or any other central bank; provided that no such pledge or assignment or grant shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee or grantee for such Lender as a party hereto.

(f) Resignation as L/C Issuer after Assignment. Notwithstanding anything to the contrary contained herein:

(i) if at any time any L/C Issuer assigns all of its Commitment and Loans pursuant to subsection (b) above, such L/C Issuer shall, upon thirty (30) calendar days' notice to Borrower and the Lenders, resign as an L/C Issuer. In the event of any such resignation as L/C Issuer, Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer hereunder with the consent of such successor L/C Issuer; provided, however, no failure by Borrower to appoint any such successor shall affect the resignation of such L/C Issuer as an L/C Issuer.

(ii) any L/C Issuer may resign upon thirty (30) calendar day notice to Borrower and the other Lenders, provided, however if any resigning L/C Issuer remains as a Lender, then its resignation shall not be effective until a successor L/C Issuer is appointed by Borrower from among the Lenders and the agreement of such appointment by such successor L/C Issuer.

If any L/C Issuer resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). Upon the appointment of a successor L/C Issuer, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer, and (b) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements reasonably satisfactory to the resigning L/C Issuer to effectively assume the obligations of such L/C Issuer with respect to such Letters of Credit.

10.07 Treatment of Certain Information; Confidentiality. Each of Administrative Agent, the Lenders and the L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential and such disclosure is in connection with such disclosing Person acting as Administrative Agent

or Lender), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners) (in which case the disclosing party agrees, to the extent practicable and permitted by applicable law, to notify Borrower promptly prior to such disclosure), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or Swap Agreement or any action or proceeding relating to this Agreement or any other Loan Document or Swap Agreement or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 10.07, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement (in each case, other than any Disqualified Institution unless such Disqualified Institution has or may become an assignee of or Participant in its rights and obligations under this Agreement at a time it was or is permitted to do so under the terms of this Agreement) or any Eligible Assignee invited to be a Lender pursuant to Section 10.06 or (ii) any actual or prospective party (or its Related Parties) (in each case, other than any Disqualified Institution unless such Disqualified Institution has or may become such a party at a time it was or is permitted to do so under the terms of this Agreement) to any Swap Agreement under which payments are to be made by reference to Borrower and its obligations, this Agreement or payments hereunder, except that no such agreement shall be required in connection with the disclosure to any such Person of the names of the Disqualified Institutions or the tax identification numbers of the Loan Parties posted on the Platform, (g) on a confidential basis to the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of Borrower or (i) to the extent such Information (y) becomes publicly available other than as a result of a breach of this Section 10.07 or (z) becomes available to Administrative Agent, any Lender, any L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than Borrower or another Loan Party. In addition, Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to Administrative Agent and the Lenders in connection with the administration of this Agreement, the other Loan Documents, and the Facility. For purposes of this Section, ***"Information"*** means all information received from any Loan Party relating to any Loan Party or any of their respective businesses, other than any such information that is available to Administrative Agent, any Lender or any L/C Issuer on a nonconfidential basis prior to disclosure by any Loan Party or any Subsidiary thereof, provided that, in the case of information received from any Loan Party or any Subsidiary thereof after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 10.07 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of Administrative Agent, the Lenders and the L/C Issuers acknowledges that (a) the Information may include material non-public information concerning the Loan Parties or their Subsidiaries, as the case may be, (b) it has developed compliance procedures regarding the use of material non- public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of Administrative Agent and the Required Lenders, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations at any time owing by such Lender, any such L/C Issuer or any such Affiliate to or for the credit or the account of Borrower or any other Loan Party against any and all of the obligations of Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender, such L/C Issuer or such Affiliates, irrespective of whether or not such Lender, L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of Borrower or such Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender or such L/C Issuer different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (y) all amounts so set off shall be paid over immediately to Administrative Agent for further application in accordance with the provisions of Section 2.12 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of Administrative Agent and the Lenders, and (z) the Defaulting Lender shall provide promptly to Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each L/C Issuer and their respective Affiliates under this Section 10.08 are in addition to other rights and remedies (including other rights of setoff) that such Lender, such L/C Issuer or their respective Affiliates may have. Each Lender and each L/C Issuer agrees to notify Borrower and Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application. NOTWITHSTANDING THE FOREGOING, AT ANY TIME THAT ANY OF THE OBLIGATIONS SHALL BE SECURED BY REAL PROPERTY LOCATED IN CALIFORNIA, NO LENDER OR L/C ISSUER SHALL EXERCISE A RIGHT OF SETOFF, LENDER'S LIEN OR COUNTERCLAIM OR TAKE ANY COURT OR ADMINISTRATIVE ACTION OR INSTITUTE ANY PROCEEDING TO ENFORCE ANY PROVISION OF THIS AGREEMENT, ANY LOAN DOCUMENT, ANY SWAP AGREEMENT OR ANY CASH MANAGEMENT AGREEMENT UNLESS IT IS TAKEN WITH THE CONSENT OF THE REQUIRED LENDERS, IF SUCH SETOFF OR ACTION OR PROCEEDING WOULD OR MIGHT (PURSUANT TO SECTIONS 580a, 580b, 580d AND 726 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE OR SECTION 2924 OF THE CALIFORNIA CIVIL CODE, IF APPLICABLE, OR OTHERWISE) AFFECT OR IMPAIR THE VALIDITY, PRIORITY, OR ENFORCEABILITY OF THE LIENS GRANTED TO ADMINISTRATIVE AGENT PURSUANT TO THE LOAN DOCUMENTS OR THE ENFORCEABILITY OF THE OBLIGATIONS HEREUNDER, AND ANY ATTEMPTED EXERCISE BY ANY LENDER OR L/C ISSUER OF ANY SUCH RIGHT WITHOUT OBTAINING SUCH CONSENT OF THE REQUIRED LENDERS AS REQUIRED ABOVE, SHALL BE NULL AND VOID. THIS PARAGRAPH SHALL BE SOLELY FOR THE BENEFIT OF EACH OF THE LENDERS.

10.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the ***"Maximum Rate"***). If Administrative Agent or any Lender shall receive interest in an amount that exceeds

the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to Borrower. In determining whether the interest contracted for, charged, or received by Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

10.10 Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by Administrative Agent and when Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopier or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

10.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by Administrative Agent and each Lender, regardless of any investigation made by Administrative Agent or any Lender or on their behalf and notwithstanding that Administrative Agent or any Lender may have had notice or knowledge of any Default or Event of Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

10.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by Administrative Agent or the Applicable L/C Issuer, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.13 Replacement of Lenders. If Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, or if any other circumstance exists hereunder that gives Borrower the right to replace a Lender as a party hereto, then Borrower may, at their sole expense and effort, upon notice to such Lender and Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section

10.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the other Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) Borrower shall have paid (or cause the fee to be paid) to Administrative Agent the assignment fee (if any) specified in Section 10.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling Borrower to require such assignment and delegation cease to apply. Each Lender agrees that, if Borrower elects to replace such Lender in accordance with this Section 10.13, it shall promptly execute and deliver to Administrative Agent an Assignment and Assumption to evidence the assignment and shall deliver to Administrative Agent any Note (if any Note has been issued in respect of such Lender's Loans) subject to such Assignment and Assumption; provided that the failure of any such Lender to execute an Assignment and Assumption shall not render such assignment invalid and such assignment shall be recorded in the Register.

10.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT

COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST ANY OTHER PARTY IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH PARTY HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) WAIVER OF VENUE. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (b) OF THIS SECTION 10.14. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.15 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND

THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.15.

IN THE EVENT ANY LEGAL PROCEEDING IS FILED IN A COURT OF THE STATE OF CALIFORNIA (THE ***"COURT"***) BY OR AGAINST ANY PARTY HERETO IN CONNECTION WITH ANY CONTROVERSY, DISPUTE OR CLAIM DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) (EACH, A ***"CLAIM"***) AND THE WAIVER SET FORTH IN THE PRECEDING PARAGRAPH IS NOT ENFORCEABLE IN SUCH ACTION OR PROCEEDING, THE PARTIES HERETO AGREE AS FOLLOWS:

1. WITH THE EXCEPTION OF THE MATTERS SPECIFIED IN PARAGRAPH 2 BELOW, ANY CLAIM WILL BE DETERMINED BY A GENERAL REFERENCE PROCEEDING IN ACCORDANCE WITH THE PROVISIONS OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 THROUGH 645.1. THE PARTIES INTEND THIS GENERAL REFERENCE AGREEMENT TO BE SPECIFICALLY ENFORCEABLE IN ACCORDANCE WITH CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638. EXCEPT AS OTHERWISE PROVIDED IN THE LOAN DOCUMENTS, VENUE FOR THE REFERENCE PROCEEDING WILL BE IN THE STATE OR FEDERAL COURT IN THE COUNTY OR DISTRICT WHERE VENUE IS OTHERWISE APPROPRIATE UNDER APPLICABLE LAW.

2. THE FOLLOWING MATTERS SHALL NOT BE SUBJECT TO A GENERAL REFERENCE PROCEEDING: (A) NON-JUDICIAL FORECLOSURE OF ANY SECURITY INTERESTS IN REAL OR PERSONAL PROPERTY, (B) EXERCISE OF SELF-HELP REMEDIES (INCLUDING, WITHOUT LIMITATION, SET-OFF), (C) APPOINTMENT OF A RECEIVER AND (D) TEMPORARY, PROVISIONAL OR ANCILLARY REMEDIES (INCLUDING, WITHOUT LIMITATION, WRITS OF ATTACHMENT, WRITS OF POSSESSION, TEMPORARY RESTRAINING ORDERS OR PRELIMINARY INJUNCTIONS). THIS AGREEMENT DOES NOT LIMIT THE RIGHT OF ANY PARTY TO EXERCISE OR OPPOSE ANY OF THE RIGHTS AND REMEDIES DESCRIBED IN CLAUSES (A) - (D) AND ANY SUCH EXERCISE OR OPPOSITION DOES NOT WAIVE THE RIGHT OF ANY PARTY TO A REFERENCE PROCEEDING PURSUANT TO THIS AGREEMENT.

3. UPON THE WRITTEN REQUEST OF ANY PARTY, THE PARTIES SHALL SELECT A SINGLE REFEREE, WHO SHALL BE A RETIRED JUDGE OR JUSTICE. IF THE PARTIES DO NOT AGREE UPON A REFEREE WITHIN TEN (10) DAYS OF SUCH WRITTEN REQUEST, THEN, ANY PARTY MAY REQUEST THE COURT TO APPOINT A REFEREE PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 640(B).

4. ALL PROCEEDINGS AND HEARINGS CONDUCTED BEFORE THE REFEREE, EXCEPT FOR TRIAL, SHALL BE CONDUCTED WITHOUT A COURT REPORTER, EXCEPT WHEN ANY PARTY SO REQUESTS, A COURT REPORTER WILL BE USED AND THE REFEREE WILL BE PROVIDED A COURTESY COPY OF THE TRANSCRIPT. THE PARTY MAKING SUCH REQUEST SHALL HAVE THE OBLIGATION

TO ARRANGE FOR AND PAY COSTS OF THE COURT REPORTER, PROVIDED THAT SUCH COSTS, ALONG WITH THE REFEREE'S FEES, SHALL ULTIMATELY BE BORNE BY THE PARTY WHO DOES NOT PREVAIL, AS DETERMINED BY THE REFEREE.

5. THE REFEREE MAY REQUIRE ONE OR MORE PREHEARING CONFERENCES. THE PARTIES HERETO SHALL BE ENTITLED TO DISCOVERY, AND THE REFEREE SHALL OVERSEE DISCOVERY IN ACCORDANCE WITH THE RULES OF DISCOVERY, AND MAY ENFORCE ALL DISCOVERY ORDERS IN THE SAME MANNER AS ANY TRIAL COURT JUDGE IN PROCEEDINGS AT LAW IN THE STATE OF CALIFORNIA. THE REFEREE SHALL APPLY THE RULES OF EVIDENCE APPLICABLE TO PROCEEDINGS AT LAW IN THE STATE OF CALIFORNIA AND SHALL DETERMINE ALL ISSUES IN ACCORDANCE WITH APPLICABLE STATE AND FEDERAL LAW. THE REFEREE SHALL BE EMPOWERED TO ENTER EQUITABLE AS WELL AS LEGAL RELIEF AND RULE ON ANY MOTION WHICH WOULD BE AUTHORIZED IN A TRIAL, INCLUDING, WITHOUT LIMITATION, MOTIONS FOR DEFAULT JUDGMENT OR SUMMARY JUDGMENT. THE REFEREE SHALL REPORT HIS DECISION, WHICH REPORT SHALL ALSO INCLUDE FINDINGS OF FACT AND CONCLUSIONS OF LAW.

6. THE PARTIES RECOGNIZE AND AGREE THAT ALL CLAIMS RESOLVED IN A GENERAL REFERENCE PROCEEDING PURSUANT HERETO WILL BE DECIDED BY A REFEREE AND NOT BY A JURY.

10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, amendment and restatement, waiver or other modification hereof or of any other Loan Document), each of the Loan Parties acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by Administrative Agent and the Arranger are arm's-length commercial transactions between Borrower, each of the other Loan Parties and their respective Affiliates, on the one hand, and Administrative Agent and the Arranger, on the other hand, (B) each Loan Party has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) Administrative Agent, each of the Lenders and the Arranger is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for Borrower, any other Loan Party or any of their respective Affiliates, or any other Person and (B) none of Administrative Agent, any Lender or any Arranger has any obligation to Borrower, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) Administrative Agent, the Lenders and the Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of Borrower, the other Loan Parties and their respective Affiliates, and none of Administrative Agent, any Lender or any Arranger has any obligation to disclose any of such interests to Borrower, the other Loan Parties or any of their respective Affiliates. To the fullest extent permitted by law, each of Borrower and each other Loan Party hereby waives and releases any claims that it may have against Administrative Agent, any Lender or any Arranger with respect

to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

10.17 Electronic Execution of Assignments and Certain Other Documents. The words "execute," "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments, amendments and restatements or other modifications, Borrowing Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by Administrative Agent pursuant to procedures approved by it.

10.18 USA PATRIOT Act. Each Lender that is subject to the Patriot Act and Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or Administrative Agent, as applicable, to identify each Loan Party in accordance with the Patriot Act. Each Loan Party shall, promptly following a request by Administrative Agent or any Lender, provide all documentation and other information that Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

10.19 ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

10.20 Swap Agreements. All Swap Agreements, if any, between Borrower and any Lender or Affiliate of any Lender are independent agreements governed by the written provisions of said Swap Agreements, which will remain in full force and effect, unaffected by any repayment, prepayment, acceleration, reduction, increase or change in the terms of the Loan Documents, except as otherwise expressly provided in said written Swap Agreements, and any payoff statement from Administrative Agent relating to the Loans shall not apply to said Swap Agreements.

10.21 Statements. Administrative Agent may from time to time provide Borrower with account statements or invoices with respect to any of the Obligations (the ***"Statements"***). Administrative Agent is under no duty or obligation to provide Statements, which, if provided, will be solely for Borrower's convenience. Statements may contain estimates of the amounts owed

during the relevant billing period, whether of principal, interest, fees or other Obligations. If Borrower pays the full amount indicated on a Statement on or before the due date indicated on such Statement, Borrower shall not be in default of payment with respect to the billing period indicated on such Statement; provided, that acceptance by Administrative Agent of any payment that is less than the total amount actually due at that time (including but not limited to any past due amounts) shall not constitute a waiver of Administrative Agent's right to receive payment in full at another time.

10.22 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

[signature pages immediately follow]

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

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
a Delaware limited liability company

By: /s/ David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

9460 WILSHIRE BLVD (BH) OWNER, L.P.,
a Delaware limited partnership

By: 9460 Wilshire Blvd GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11600 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11600 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11620 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11620 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

1130 HOWARD (SF) OWNER, L.P.,
a Delaware limited partnership

By: 1130 Howard (SF) GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
a Delaware limited liability company

By: /s David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM URBAN REIT PROPERTIES IX, L.P.,
a Delaware limited partnership

By: CIM Urban REIT GP II, LLC,
a Delaware limited liability company,
its general partner

By: /s/ David Thompson
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signature Page to Credit Agreement]

JPMORGAN CHASE BANK, N.A.,
a national banking association,
as Administrative Agent

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, N.A.,
a national banking association,
as Lender and L/C Issuer

By: _____
Name: _____
Title: _____

BANK OF AMERICA, N.A.,
a national banking association,
as Lender and L/C Issuer

By: _____
Name: _____
Title: _____

[Signature Page to Credit Agreement]

CITIBANK, N.A.,
a national banking association,
as Lender

By: _____
Name: _____
Title: _____

[Signature Page to Credit Agreement]

MUFG UNION BANK, N.A.,
a national banking association,
as Lender

By: _____
Name: _____
Title: _____

FIFTH THIRD BANK,
an Ohio banking corporation,
as Lender

By: _____
Name: _____
Title: _____

[Signature Page to Credit Agreement]

PNC BANK, NATIONAL ASSOCIATION,
a national banking association,
as Lender

By: _____
Name: _____
Title: _____

[Signature Page to Credit Agreement]

Schedule 1.01
Closing Date Borrowing Base Properties

Project	City	State	Project Type	Owner	Security Instrument(1)	Assignment and Subordination of Management Agreement(2)	Environmental Report
4750 Wilshire	Los Angeles	CA	Office Building	4750 WILSHIRE BLVD. (LA) OWNER, LLC, a Delaware limited liability company	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-009
9460 Wilshire	Beverly Hills	CA	Office Building	9460 Wilshire Blvd (BH) Owner, L.P., a Delaware limited partnership	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-010
11600 Wilshire	Los Angeles	CA	Office Building	CIM/11600 WILSHIRE (LOS ANGELES), LP, a Delaware limited partnership	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-007
11620 Wilshire	Los Angeles	CA	Office Building	CIM/11620 WILSHIRE (LOS ANGELES), LP, a Delaware limited partnership	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-005
1130 Howard	San Francisco	CA	Office Building	1130 HOWARD (SF) OWNER, L.P., a Delaware limited partnership	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-002
Lindblade Media Center	Culver City	CA	Office Building	LINDBLADE MEDIA CENTER (LA) OWNER, LLC, a Delaware limited liability company	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-006, and Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 13, 2018, as Project No. 51-18-00438-008
3601 S. Congress	Austin	TX	Office Building	CIM URBAN REIT PROPERTIES IX, L.P., a Delaware limited partnership	Deed of Trust and Fixture Filing (With Assignment of Rents and Security Agreement)	Assignment and Subordination of Management Agreement	Phase I Environmental Site Assessment, prepared by The Vertex Companies, Inc., dated as of August 29, 2018, as Project No. 51-18-00438-003

(1) Each dated as of October 30, 2018

(2) Each dated as of October 30, 2018

Schedule 2.01
Commitments and Applicable Percentages

Commitments

Lender		Commitment	Applicable Percentage
JPMORGAN CHASE BANK, N.A.	$	45,000,000.00	18.000000000%
BANK OF AMERICA, N.A.	$	45,000,000.00	18.000000000%
CITIBANK, N.A.	$	40,000,000.00	16.000000000%
MUFG UNION BANK, N.A.	$	40,000,000.00	16.000000000%
FIFTH THIRD BANK	$	40,000,000.00	16.000000000%
PNC BANK, NATIONAL ASSOCIATION	$	40,000,000.00	16.000000000%
Total	**$**	**250,000,000.00**	**100.000000000%**

Schedule 5.13
List of Borrowers

4750 Wilshire Blvd. (LA) Owner, LLC,

9460 Wilshire Blvd (BH) Owner, L.P.,

CIM/11600 Wilshire (Los Angeles), LP,

CIM/11620 Wilshire (Los Angeles), LP,

1130 Howard (SF) Owner, L.P.,

Lindblade Media Center (LA) Owner, LLC, and

CIM Urban REIT Properties IX, L.P.

Schedule 10.02
Administrative Agent's Office; Certain Addresses for Notices

THE LOAN PARTIES:

c/o CIM Group, LLC
4700 Wilshire Blvd.
Los Angeles, California 90010
Attention: Chief Financial Officer
Email: DThompson@cimgroup.com
Attention: General Counsel
Email: generalcounsel@cimgroup.com

And

Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004-2498
Attention: Ari Blaut
Email: blauta@sullcrom.com

ADMINISTRATIVE AGENT

Administrative Agent's Office
(for payment and Requests for Credit Extensions)
JPMorgan Chase Bank, N.A.
10 South Dearborn, Fl. 07
Mail Code: IL1-0010
Chicago, IL 60603
Attention: Commercial Loan Services
Telephone: 312-385-7030
Telecopier: 312-385-7101
Electronic Mail: cls.reb.chicago@jpmchase.com
Account Name: LS2 Incoming Account
Account No.: 9008113381C6409
ABA# 021000021
Ref: CIM URBAN PARTNERS

Other Notices as Administrative Agent

JPMorgan Chase Bank, N.A.
10 South Dearborn, Fl. 07
Mail Code: IL1-0010
Chicago, IL 60603
Attention: Commercial Loan Services
Telephone: 312-385-7030
Telecopier: 312-385-7101
Electronic Mail: cls.reb.chicago@jpmchase.com

With a copy to

JPMorgan Chase Bank, N.A.
201 N. Central Ave., Fl. 20
Mail Code: AZ1-1319
Phoenix, AZ 85004
Attention: Ryan Dempsey
Telephone: 602-221-2117
Telecopier: 602-221-1372
Electronic Mail: ryan.m.dempsey@jpmorgan.com

L/C ISSUER:

JPMorgan Chase Bank, N.A.
10 South Dearborn, Fl. 07
Mail Code: IL1-0010
Chicago, IL 60603
Attention: Commercial Loan Services
Telephone: 312-385-7030
Telecopier: 312-385-7101
Electronic Mail: cls.reb.chicago@jpmchase.com

Bank of America, N.A.
101 S. Marengo
Pasadena, CA 91101
Attention: Bertha Molina
Telephone: 626-817-0323
Telecopier: 312-453-3563
Electronic Mail: cre_commercial_servicing@baml.com

EXHIBIT A

FORM OF BORROWING NOTICE

Date: ,

To: JPMorgan Chase Bank, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Agreement;"*** the terms defined therein being used herein as therein defined), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.] ‡ (individually and collectively, ***"Borrower"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to Section 2.02(a) of the Agreement, the undersigned hereby requests (select one):

o A Borrowing of Loans

o A conversion or continuation of Loans

1. On (a Business Day).

2. In the amount of $.§

3. Comprised of
[Type of Loan requested]

4. For LIBOR Loans: with an Interest Period of months.

[Signature page immediately follows]

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‡ To be updated from time to time, as necessary.

§ Note: Each Borrowing of, conversion to or continuation of LIBOR Loans in a minimum principal amount of $500,000, and in multiples of $100,000 in excess thereof or Base Rate Loans in a minimum principal amount of $500,000, and in multiples of $100,000 in excess thereof; provided, however, subject to Section 2.01 of the Agreement, a Borrowing of Loans may be in the aggregate amount of the unused Commitments.

BORROWER:

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

9460 WILSHIRE BLVD (BH) OWNER, L.P.,
a Delaware limited partnership

By: 9460 Wilshire Blvd GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11600 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11600 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM/11620 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11620 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

1130 HOWARD (SF) OWNER, L.P.,
a Delaware limited partnership

By: 1130 Howard (SF) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM URBAN REIT PROPERTIES IX, L.P.,
a Delaware limited partnership

By: CIM Urban REIT GP II, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

FORM OF DESIGNATION NOTICE

TO: JPMorgan Chase Bank, N.A., as Administrative Agent

RE: Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Credit Agreement;"*** the terms defined therein being used herein as therein defined), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.]** (individually and collectively, ***"Borrower"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

DATE: [Date]

[Name of Cash Management Bank/Hedge Bank] hereby notifies you, pursuant to the terms of the Credit Agreement, that it meets the requirements of a [Cash Management Bank/Hedge Bank] under the terms of the Credit Agreement and is a [Cash Management Bank/Hedge Bank] under the Credit Agreement and the other Loan Documents.

Delivery of an executed counterpart of a signature page of this notice by fax transmission or other electronic mail transmission (e.g. ***"pdf"*** or ***"tif"***) shall be effective as delivery of a manually executed counterpart of this notice.

A duly authorized officer of the undersigned has executed this notice as of the day and year set forth above.

[NAME OF CASH MANAGEMENT BANK/ HEDGE BANK],
as a [Cash Management Bank/Hedge Bank]

By: _____
Name: _____
Title: _____

** To be updated from time to time, as necessary.

ACKNOWLEDGED:

BORROWER:

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

9460 WILSHIRE BLVD (BH) OWNER, L.P.,
a Delaware limited partnership

By: 9460 Wilshire Blvd GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11600 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11600 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM/11620 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11620 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

1130 HOWARD (SF) OWNER, L.P.,
a Delaware limited partnership

By: 1130 Howard (SF) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM URBAN REIT PROPERTIES IX, L.P.,
a Delaware limited partnership

By: CIM Urban REIT GP II, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

FORM OF NOTE

FOR VALUE RECEIVED, the undersigned (individually, collectively, jointly and severally, ***"Borrower"***), hereby promise to pay to or registered assigns (the ***"Lender"***), in accordance with the provisions of the Agreement (as hereinafter defined), the principal amount of the Loans made by the Lender to Borrower under that certain Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Agreement;"*** the terms defined therein being used herein as therein defined), among Borrower, the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A.

Borrower promise to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to Administrative Agent for the account of the Lender in U.S. Dollars in immediately available funds at Administrative Agent's Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Note is one of the Notes referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Note is secured and guaranteed pursuant to the Loan Documents, all as more specifically described in the Agreement, and reference is made thereto for a statement of the terms and provisions thereof. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

To the extent any provision of this Note conflicts with or is inconsistent with the Agreement, the Agreement shall control.

Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

The obligations of Borrower hereunder shall be joint and several.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

BORROWER:

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

9460 WILSHIRE BLVD (BH) OWNER, L.P.,
a Delaware limited partnership

By: 9460 Wilshire Blvd GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11600 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11600 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM/11620 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11620 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

1130 HOWARD (SF) OWNER, L.P.,
a Delaware limited partnership

By: 1130 Howard (SF) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM URBAN REIT PROPERTIES IX, L.P.,
a Delaware limited partnership

By: CIM Urban REIT GP II, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

LOANS AND PAYMENTS WITH RESPECT THERETO

Date	Type of Loan Made	Amount of Loan Made	End of Interest Period	Amount of Principal or Interest Paid This Date	Outstanding Principal Balance This Date	Notation Made By

EXHIBIT D

FORM OF BORROWING BASE COMPLIANCE CERTIFICATE

To: JPMorgan Chase Bank, as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Agreement;"*** the terms defined therein being used herein as therein defined), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.](1) (individually and collectively, ***"Borrower"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

The undersigned hereby certifies as of the date hereof that he/she is the *[chief executive officer, chief financial officer, treasurer, controller or executive responsible for the financial affairs]* of Borrower, and that, as such, he/she is authorized to execute and deliver this Certificate to the Administrative Agent on the behalf of Borrower, and not in such person's individual capacity, and that attached hereto as Schedule 1, is a true and correct calculation of the Borrowing Base as of .

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of , .

BORROWER:

(1) To be updated from time to time, as necessary.

SCHEDULE 1

[Detailed, itemized calculation of Borrowing Base]

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this ***"Assignment and Assumption"***) is dated as of the Effective Date set forth below and is entered into by and between [the][each](1) Assignor identified in item 1 below ([the][each, an] ***"Assignor"***) and [the][each](2) Assignee identified in item 2 below ([the][each, an] ***"Assignee"***). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees](3) hereunder are several and not joint.](4) Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Credit Agreement"***), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor] [the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by Administrative Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto in the amount**[s]** and equal to the percentage interest**[s]** identified below of all the outstanding rights and obligations under the Credit Agreement and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses and (ii) above being referred to herein collectively as [the][an] ***"Assigned Interest"***). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly

---

(1) For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

(2) For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

(3) Select as appropriate.

(4) Include bracketed language if there are multiple Assignors or multiple Assignees.

provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

1. Assignor[s]:

[Assignor [is] [is not] a Defaulting Lender]

2. Assignee[s]:

[for each Assignee, indicate [Affiliate][Approved Fund] of [*identify Lender*]]

3. Borrower(s): [4750 Wilshire Blvd. (LA) Owner, LLC
9460 Wilshire Blvd (BH) Owner, L.P.
CIM/11600 Wilshire (Los Angeles), LP
CIM/11620 Wilshire (Los Angeles), LP
1130 Howard (SF) Owner, L.P.
Lindblade Media Center (LA) Owner, LLC
CIM Urban REIT Properties IX, L.P.](5)

4. Administrative Agent: JPMorgan Chase Bank, N.A., as Administrative Agent under the Credit Agreement

5. Credit Agreement: Credit Agreement, dated as of October 30, 2018, among the Borrowers identified in item 3 above, the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent

6. Assigned Interest[s]:

Assignor[s](6)	Assignee[s](7)	Aggregate Amount of Commitment/ Loans for all Lenders(8)	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/ Loans(9)	CUSIP Number
		$	$	%	
		$	$	%	
		$	$	%	

(5) To be updated from time to time, as necessary.

(6) List each Assignor, as appropriate.

(7) List each Assignee and, if available, its market entity identifier, as appropriate.

(8) Amounts in this column and in the column immediately to the right to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

(9) Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[7. Trade Date:](10)

Effective Date: , 20 [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S]
[NAME OF ASSIGNOR]

By: _____
Title

ASSIGNEE[S]
[NAME OF ASSIGNEE]

By: _____
Title

[Consented to and](11) Accepted:

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: _____
Title:

[Consented to:](12)

By: _____
Title:

(10) To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

(11) To be added only if the consent of Administrative Agent is required by the terms of the Credit Agreement.

(12) To be added only if the consent of Borrower and/or other parties is required by the terms of the Credit Agreement.

ANNEX 1 TO ASSIGNMENT AND ASSUMPTION

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1. Assignor. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][[the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [**not**] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of Borrower, any of its Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it is not a Disqualified Institution and meets all the requirements to be an assignee under Section 10.06(b)(iii) and (v) of the Credit Agreement (subject to such consents, if any, as may be required under Section 10.06(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by [the][such] Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire [the][such] Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements referred to in Section 5.05 thereof or delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vii) if it is a Foreign Lender, attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance upon Administrative Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the][the relevant] Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

EXHIBIT E-2
FORM OF ADMINISTRATIVE QUESTIONNAIRE
[See Attached]

Administrative Details Questionnaire

Contacts/Notification Methods: Borrowings, Paydowns, Interest, Fees, etc.

	Primary Credit Contact	**Secondary Credit Contact**
Name:		
Title:		
Address:		
Telephone:		
Facsimile:		
E-Mail Address:		

	Primary Operations Contact	**Secondary Operations Contact**
Name:		
Title:		
Address:		
Telephone:		
Facsimile:		
E-Mail Address:		

	Primary L/C Contact	**Secondary L/C Contact**
Name:		
Title:		
Address:		
Telephone:		
Facsimile:		
E-Mail Address:		

Electronic Distribution **Contact Information**

Name:		Address cont'd:	
Title:		Telephone:	
Address:		E-Mail Address:	

Lender's Domestic Wire Instructions

Bank Name: _____
City and State: _____
ABA/Routing No.: _____
Account Name: _____
Account No.: _____
FFC Account Name: _____
FFC Account No.: _____
Attention: _____
Reference: _____

Lender's Foreign Wire Instructions (please include wiring instructions for EACH currency as applicable)

Bank Name: _____
ABA/Routing No.: _____
Account Name: _____
Account No.: _____
FFC Account Name: _____
FFC Account No.: _____
Attention: _____
Reference: _____
SWIFT: _____
Country of Origin: _____

, hereby authorizes JPMorgan Chase Bank, N.A. to rely on the payment instructions contained in this Administrative Details Form.

By: _____

Its: _____

Agent's Wire Instructions

Bank Name:	
City and State:	
ABA/Routing No.:	
Account Name:	
Account No.:	
FFC Account Name:	
FFC Account No.:	
Attention:	
Reference:	

TAX REPORTING INFORMATION (PLEASE REVIEW THE INFORMATION BELOW AND SUBMIT THE APPROPRIATE IRS TAX FORM ALONG WITH THIS COMPLETED ADMINISTRATIVE DETAILS QUESTIONNAIRE).

TAX DOCUMENTS

U.S. DOMESTIC INSTITUTIONS:

If your institution is incorporated or organized within the United States, you must complete and return ***Form W-9*** *(Request for Taxpayer Identification Number and Certification).* **Please be advised that we request that you submit an original Form W-9**.

- o Attach Form W-9 for current Tax Year
- o Confirm Tax ID Number:

FOREIGN INSTITUTIONS:

I. Corporations:

If your institution is incorporated outside of the United States for U.S. federal income tax purposes, and is the beneficial owner of the interest and other income it receives, you must complete one of the following three tax forms, as applicable to your institution:

a.) Form W-8BEN-E *(Certificate of Foreign Status of Beneficial Owner),*

b.) Form W-8ECI *(Income Effectively Connected to a U.S. Trade or Business),*

c.) Form W-8EXP *(Certificate of Foreign Government or Governmental Agency).*

A U.S. taxpayer identification number is required for any institution submitting Form W-8ECI. It is also required on Form W-8BEN-E for certain institutions claiming the benefits of a tax treaty with the U.S. **An original tax form must be submitted**.

- o ***Attach applicable Form W-8 for current Tax Year***
- o Confirm Tax ID Number:

II. Flow-Through Entities:

If your institution is organized outside the U.S., and is classified for U.S. federal income tax purposes as either a Partnership, Trust, Qualified or Non-Qualified Intermediary, or other non U.S. flow-through entity, *an original* ***Form W-8IMY*** *(Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding)* must be completed by the intermediary together with a withholding statement. Flow-through entities other than Qualified Intermediaries are required to include tax forms for each of the underlying beneficial owners. **Original tax form(s) must be submitted**.

- o ***Attach applicable Forms W-8 (and Forms W-9, if relevant to the underlying beneficial owners) for current Tax Year***
- o Confirm Tax ID Number:

Pursuant to the language contained in the tax section of the Credit Agreement, the applicable tax form for your institution must be completed and returned prior to the first payment of income. Failure to provide the proper tax form when requested may subject your institution to U.S. tax withholding.

FORM OF JOINDER AGREEMENT

JOINDER AGREEMENT

This JOINDER AGREEMENT, dated as of , 20 (this ***"Joinder"***), is made by , a (the ***"New Borrower"***), each of the other Borrowers party to the Credit Agreement referred to below, JPMorgan Chase Bank, N.A., a national banking association, as administrative agent for the Lenders party to the Credit Agreement referred to below (***"Administrative Agent"***), and JPMorgan Chase Bank, N.A., a national baking association, as L/C Issuer (as defined in the Credit Agreement defined and described below) (in such capacity, ***"L/C Issuer"***).

RECITALS

A. Reference is made to that certain Credit Agreement, dated as of October 30, 2018 (as amended, restated, extended, supplemented, or otherwise modified in writing from time to time, the ***"Credit Agreement"***), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.](1) (each, an ***"Existing Borrower"*** and, collectively, ***"Existing Borrowers"***), each lender from time to time a party thereto (individually, a ***"Lender"*** and collectively, the ***"Lenders"***), and Administrative Agent. Any capitalized term used and not defined in this Joinder shall have the meaning given to such term in the Credit Agreement. This Joinder is one of the Loan Documents described in the Credit Agreement.

B. New Borrower is (x) at least fifty-one percent (51%) owned and (y) Controlled, in each case directly or indirectly, by Guarantor.

C. Pursuant to Section 4.03 of the Credit Agreement, Existing Borrowers and New Borrower have requested that certain real property owned or ground leased by New Borrower (the ***"Additional Property"***) more particularly described on Exhibit A attached hereto be included in the Borrowing Base as a Borrowing Base Property.

D. As a condition to the admission of the Additional Property as a Borrowing Base Property, the parties hereto are executing this Joinder.

NOW, THEREFORE, in consideration of the foregoing Recitals and the terms, covenants, and conditions of this Joinder, the receipt of which and sufficiency of which are hereby acknowledged, New Borrower, Existing Borrowers, Administrative Agent agree as follows:

1. Joinder as Co-Borrower. New Borrower assumes and agrees to be bound by all of the terms, covenants, representations, warranties and conditions of the Credit Agreement, the Notes, the Issuer Documents, the Fee Letter, the Environmental Indemnity and the Assignment

(1) To be updated from time to time, as necessary.

of Contribution Agreement, jointly and severally with the other Persons comprising the Borrowers (or, in the case of the Environmental Indemnity, the Indemnitor (as defined therein)), and assumes and agrees to be bound thereby as a Borrower as if New Borrower had originally executed the Credit Agreement, the Notes, the Issuer Documents, the Fee Letter, the Environmental Indemnity and the Assignment of Contribution Agreement.

2. Consent and Acceptance. Existing Borrowers and Administrative Agent hereby consent to the assumption, on a joint and several basis with Existing Borrowers, of the Credit Agreement, the Notes and the Obligations by New Borrower and agree and acknowledge that after the date of this Joinder, New Borrower shall be a "Borrower" for all purposes of the Credit Agreement, the Notes and each of the other Loan Documents. New Borrower agrees to execute and deliver such additional documents as Administrative Agent may reasonably require pursuant to Section 4.03 of the Credit Agreement, including a Security Instrument and an Assignment of Contribution Agreement.

3. Ownership of New Borrower. New Borrower represents and warrants to Lenders and Administrative Agent that New Borrower is at least fifty-one percent (51%) owned, directly or indirectly, by Guarantor.

4. Organizational Documents; New Borrower. New Borrower represents and warrants to Administrative Agent and each Lender that true, correct and accurate copies of all of the Organization Documents of New Borrower in effect as of the date hereof have been delivered to Administrative Agent. Set forth on Exhibit B hereto is the jurisdiction of New Borrower and the type of entity of New Borrower. Schedule 5.13 attached the Credit Agreement is hereby updated to include Exhibit B attached hereto.

5. Environmental Report. That certain [ ] delivered by New Borrower to Administrative Agent with respect to the Additional Property shall be deemed to be an "Environmental Report" for all purposes under the Loan Documents.

6. No Default; Compliance with Credit Agreement. New Borrower represents and warrants to Administrative Agent and each Lender that:

(a) New Borrower owns fee title to the Additional Property or leases the Additional Property pursuant to an Eligible Ground Lease.

(b) Each of the representations and warranties made by Borrowers pursuant to Article 5 of the Credit Agreement are true and correct in all material respects with regard to New Borrower on and as of the date hereof, except any representation or warranty that is already by its terms qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects as of the date hereof.

7. Counterparts. This Joinder may be executed in multiple counterparts, each of which shall constitute an original but all of which when taken together shall constitute one and the same instrument.

8. Governing Law. The validity, enforcement, and interpretation of this Joinder, shall for all purposes be governed by and construed in accordance with the laws of the State of

New York and applicable United States federal law, and is intended to be performed in accordance with, and only to the extent permitted by, such laws.

[Signatures Begin on the Following Page]

IN WITNESS WHEREOF, this Joinder is executed as of the date first above written.

NEW BORROWER:

,
a [ ]

By: _____
Name: _____
Title: _____

EXISTING BORROWERS:

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

9460 WILSHIRE BLVD (BH) OWNER, L.P.,
a Delaware limited partnership

By: 9460 Wilshire Blvd GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM/11600 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11600 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11620 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11620 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

1130 HOWARD (SF) OWNER, L.P.,
a Delaware limited partnership

By: 1130 Howard (SF) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM URBAN REIT PROPERTIES IX, L.P.,
a Delaware limited partnership

By: CIM Urban REIT GP II, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

ADMINISTRATIVE AGENT:

JPMORGAN CHASE BANK, N.A.,
a national banking association,
as Administrative Agent

By: _____
Name: _____
Title: _____

L/C ISSUER:

JPMORGAN CHASE BANK, N.A.,
a national banking association,
as L/C Issuer

By: _____
Name: _____
Title: _____

BANK OF AMERICA, N.A.,
a national banking association,
as L/C Issuer

By: _____
Name: _____
Title: _____

CONSENT OF GUARANTOR:

CIM Urban Partners, L.P., a Delaware limited partnership (***"Guarantor"***), hereby (i) consents to the terms, conditions and provisions of the foregoing Joinder Agreement and the transactions contemplated by that agreement, including, without limitation, the admission of New Borrower as a Borrower under the Credit Agreement and the other Loan Documents, and the assumption, on a joint and several basis with Existing Borrowers, of the Obligations by the New Borrower, (ii) reaffirms the full force and effectiveness of that certain Limited Guaranty Agreement, dated as of October 30, 2018, executed by Guarantor in favor of Administrative Agent and the Lenders.

GUARANTOR:

CIM URBAN PARTNERS, L.P.,
a Delaware limited partnership

By: Urban Partners GP, LLC,
a Delaware limited liability company,
its General Partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

EXHIBIT A
TO JOINDER AGREEMENT

[Insert Legal Description]

EXHIBIT B
TO JOINDER AGREEMENT

New Borrower	Entity Type	Jurisdiction

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Credit Agreement"***), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.](1) (collectively, the ***"Borrowers"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished Administrative Agent and Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform Borrower and Administrative Agent, and (2) the undersigned shall have at all times furnished Borrower and Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: , 20[ ]

(1) To be updated from time to time, as necessary.

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Credit Agreement"***), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.](1) (collectively, the ***"Borrowers"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: , 20[ ]

(1) To be updated from time to time, as necessary.

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Credit Agreement"***), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.](1) (collectively, the ***"Borrowers"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: , 20[ ]

(1) To be updated from time to time, as necessary.

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement, dated as of October 30, 2018 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the ***"Credit Agreement"***), among [4750 Wilshire Blvd. (LA) Owner, LLC, 9460 Wilshire Blvd (BH) Owner, L.P., CIM/11600 Wilshire (Los Angeles), LP, CIM/11620 Wilshire (Los Angeles), LP, 1130 Howard (SF) Owner, L.P., Lindblade Media Center (LA) Owner, LLC and CIM Urban REIT Properties IX, L.P.](1) (collectively, the ***"Borrowers"***), the Lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished Administrative Agent and Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W- 8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W- 8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform Borrower and Administrative Agent, and (2) the undersigned shall have at all times furnished Borrower and Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: , 20[ ]

(1) To be updated from time to time, as necessary.

FORM OF CONTRIBUTION AGREEMENT

INDEMNITY AND CONTRIBUTION AGREEMENT

This Indemnity and Contribution Agreement (this ***"Agreement"***) dated as of October 30, 2018 (the ***"Effective Date"***) is entered into among 4750 WILSHIRE BLVD. (LA) OWNER, LLC, a Delaware limited liability company (***"4750 Wilshire"***), 9460 WILSHIRE BLVD (BH) OWNER, L.P., a Delaware limited partnership (***"9460 Wilshire"***), CIM/11600 WILSHIRE (LOS ANGELES), LP, a Delaware limited partnership (***"11600 Wilshire"***), CIM/11620 WILSHIRE (LOS ANGELES), LP, a Delaware limited partnership (***"11620 Wilshire"***), 1130 HOWARD (SF) OWNER, L.P., a Delaware limited partnership (***"1130 Howard"***), LINDBLADE MEDIA CENTER (LA) OWNER, LLC, a Delaware limited liability company (***"Lindblade Media"***) and CIM URBAN REIT PROPERTIES IX, L.P., a Delaware limited partnership (***"CIM Urban REIT"*** and, together with 4750 Wilshire, 9460 Wilshire, 11600 Wilshire, 11620 Wilshire, 1130 Howard and Lindblade Media, and each additional borrower form time to time party to the Credit Agreement defined and described below, individually, ***"Borrower"*** and, collectively, and jointly and severally, ***"Borrowers"***).

Reference is made to the Credit Agreement of even date herewith (as amended, restated or otherwise modified from time to time, the ***"Credit Agreement"***), among Borrowers, each of the lenders (each, a ***"Lender"*** and collectively, ***"Lenders"***) from time to time party thereto, and JPMorgan Chase Bank, N.A., a national banking association, as administrative agent for Lenders (in such capacity, ***"Administrative Agent"***). Terms used and not defined in this Agreement shall have the meanings assigned to them in the Credit Agreement.

Pursuant to the terms and conditions of the Credit Agreement, Lenders have agreed to make one or more loans and other extensions of credit (collectively, the ***"Loan"***) to Borrowers in an initial principal amount not to exceed Two Hundred Fifty Million and No/100 Dollars ($250,000,000.00), as such amount may be increased from time to time, all as more particularly described in the Credit Agreement. Pursuant to the Credit Agreement, Borrowers shall use the proceeds of the Loan for the purposes set forth therein.

Each Borrower acknowledges that it expects to receive financial and other support, directly or indirectly, from other Borrowers (including, without limitation, from the proceeds of the Loan). Accordingly, each Borrower has determined that it is in its interest and to its financial benefit that each Borrower be jointly and severally liable for the Obligations. In support of such joint and several Obligations, Borrowers have agreed to execute and deliver an agreement in the form hereof.

Accordingly, Borrowers agree as follows:

SECTION 1 Indemnity and Contribution

A. Definitions. The following defined terms are used in this Section 1:

***"Claiming Borrower"*:** Any Borrower which has made an Excess Payment, until the amount thereof has been reduced to zero through reimbursements to such Borrower hereunder or otherwise.

"Excess Payment": The amount of any payment made by a Borrower to Administrative Agent or any Lender under the Credit Agreement, in excess of the amount of benefit directly or indirectly derived by such Borrower from Loan proceeds borrowed (which benefit may be derived by direct borrowing or otherwise). Each reference to "payment made" or "proceeds borrowed" in the definition of both ***"Excess Payment"*** and ***"Payment Deficiency"*** shall refer to such payments made on or following, or borrowings outstanding as of, as applicable, the Maturity Date or earlier acceleration under the Loan.

"First Round Contributing Borrower": Each Borrower as to which a Payment Deficiency exists.

"Net Worth": At any point in time and subject to adjustment in accordance with the provisions of Sections 1C and/or 1D below, the difference between the following: (1) the aggregate value of all assets (including contingent assets) of the applicable Borrower (at present fair saleable value), less (2) the aggregate amount of all liabilities (including contingent liabilities) of such Borrower.

"Payment Deficiency": The amount of benefit directly or indirectly derived by a Borrower from Loan proceeds borrowed (which benefit may be derived by direct borrowing or otherwise) in excess of payments made by such Borrower under the Credit Agreement.

"Second Round Claiming Borrower": Each Borrower that has made an Excess Payment that has not been completely reimbursed pursuant to Section 1B below and that has a negative Net Worth after giving effect to reimbursements made pursuant to Section 1B below.

"Second Round Contributing Borrower": Each Borrower having a positive Net Worth after giving effect to payments made or received by that Borrower pursuant to Section 1B below.

B. First Round Contributions. Each First Round Contributing Borrower shall be responsible, by way of contribution (and without duplication), for the reimbursement to each of the Claiming Borrowers of an amount equal to the Excess Payment of each Claiming Borrower; provided, that the aggregate amount owed by any First Round Contributing Borrower shall not exceed the Payment Deficiency of such First Round Contributing Borrower. The aggregate amounts so reimbursed by all First Round Contributing Borrowers shall be allocated, among all Claiming Borrowers, in proportion to the Excess Payment made by each such Claiming Borrower as compared to the aggregate Excess Payments made by all such Claiming Borrowers.

C. Second Round Contributions. In the event that there exists one or more Second Round Claiming Borrowers, then there shall be a second contribution round for the benefit of each Second Round Claiming Borrower in accordance with this Section 1C. The Second Round Contributing Borrowers shall reimburse, to each Second Round Claiming Borrower, an aggregate amount equal to the total remaining Excess Payments of such Second Round Claiming Borrower; provided, however, that in no event shall the amount so paid by any Second Round Contributing Borrower exceed the amount of its positive Net Worth (calculated before giving effect to the contribution made by such party under this Section 1C). Subject to the foregoing proviso, the

amount so contributed by each Second Round Contributing Borrower shall be equal to such total remaining Excess Payments multiplied by a fraction, the numerator of which is the positive Net Worth of such Second Round Contributing Borrower, and the denominator of which is the aggregate positive Net Worth of all Second Round Contributing Borrowers. The aggregate amount of such contributions under this Section 1C shall, in turn, be allocated among such Second Round Claiming Borrowers in proportion to the remaining Excess Payment of each.

D. Subsequent Round Contributions. In the event that an Excess Payment made by a Second Round Claiming Borrower is not completely reimbursed pursuant to Section 1C above (or pursuant to any subsequent round of contribution payments made under this Section 1D), then there shall be a further contribution round in which each Borrower which made a contribution in the immediately preceding round and continues to have a positive Net Worth after giving effect thereto shall be responsible, by way of contribution, for its pro rata share of such remaining unreimbursed Excess Payments; provided, however, that no Borrower shall be required to make a contribution in excess of its positive Net Worth (calculated immediately prior to the making of such contribution). The calculation of such further pro rata contribution obligations as between such contributing Borrowers, and the allocation of such contributions among such Claiming Borrowers, shall proceed in each such subsequent round in accordance with the respective proration and allocation provisions as set forth in Section 1C. Nothing in this Section 1 shall affect any Borrower's joint and several liability for all Obligations.

SECTION 2 No Waiver of Other Rights. All rights of each Borrower under Section 1 shall be in addition to and not in derogation of all other rights of indemnity, contribution, reimbursement or subrogation which each Borrower may have under applicable law in respect of the Credit Agreement, but in all events subject to the subordination provisions in Section 3. However, each Borrower shall be entitled to only a single satisfaction of any claim giving rise to any rights under Section 1 and applicable law in respect of the Credit Agreement, and such other rights of indemnity, contribution, reimbursement or subrogation shall be expressly subordinate (in time and right of payment) to the contractual rights of each Borrower under Section 1.

SECTION 3 Subordination. All rights of each Borrower under Section 1 and all other rights of indemnity, contribution, reimbursement or subrogation under applicable law shall be fully subordinated to the indefeasible payment in full of all of the Obligations (other than contingent Obligations not yet due and payable). No failure on the part of any Borrower to make the payments required by Section 1 or any other payments (including, without limitation, as a result of a stay upon the insolvency, bankruptcy or reorganization of such Borrower) arising by reason of any Borrower's rights of indemnity, contribution, reimbursement or subrogation under applicable law in respect of the Credit Agreement shall limit the obligations of any in respect of the Credit Agreement, and each Borrower shall remain liable for the full amount of its respective Obligations to Administrative Agent and the Lenders under the Credit Agreement; provided, however, that such continuing liability shall not impair the rights of any Borrower under Section 2, subject to the foregoing subordination.

SECTION 4 Waivers.

A. Each of the Borrowers waives any right to require a Claiming Borrower to (i) proceed against any person, including another Borrower; (ii) proceed against or exhaust any collateral held from another Borrower or any other person; (iii) pursue any other remedy in the Claiming Borrower's power; or (iv) make any presentments, demands for performance, or give

any notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any of the payments required under this Agreement.

B. Each Borrower waives any defense arising by reason of (i) any disability or other defense of, any other Borrower or any other person; (ii) the cessation from any cause whatsoever, other than payment in full, of any liability of any Borrower or any other Person; (iii) any act or omission by a Claiming Borrower which directly or indirectly results in or aids the discharge of a Borrower from the obligation to make payments required by this Agreement by operation of law or otherwise; and (iv) any modification of the Obligations, in any form whatsoever, including any modification made after revocation hereof to any Obligations incurred prior to such revocation, and including without limitation the renewal, extension, acceleration or other change in time for payment of the Obligations, or other change in the terms of the Obligations or any part thereof, including increase or decrease of the rate of interest thereon.

C. Each Borrower waives all rights and defenses arising out of an election of remedies by a Claiming Borrower, even though that election of remedies might prejudice such Borrower's rights of subrogation and reimbursement against another Borrower.

SECTION 5 Termination. This Agreement shall survive and remain in full force and effect so long as any amount remains owing under the Credit Agreement or any other Loan Document (other than contingent Obligations not yet due and payable), and shall continue to be effective or be reinstated, as the case may be, if at any time any part of a payment of principal of or interest on any Obligation is rescinded or must otherwise be restored by Administrative Agent, any Lender or any Borrower upon the bankruptcy or reorganization of any Borrower, or otherwise; provided, however, that any Borrower that is released from the Obligations pursuant to the terms and conditions of the Credit Agreement shall immediately cease to be a Borrower for purposes of this Agreement and shall be concurrently released from all liability hereunder.

SECTION 6 No Waiver. No failure on the part of any Borrower to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy by any Borrower preclude any other or further exercise or the exercise of any other right, power or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by law. No Borrower shall be deemed to have waived any rights under this Agreement unless the waiver is in writing and signed by the party or parties affected.

SECTION 7 Binding Agreement. Whenever in this Agreement any of the parties is referred to, the reference shall include the successors and assigns of the party; and all covenants, promises and agreements by or on behalf of the parties that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns. This Agreement shall not be amended or terminated, nor any provision herein waived, and no Borrower may assign or delegate any of its obligations under this Agreement (and any attempted assignment or delegation shall be void), without in each case the prior written consent of Administrative Agent. Each Borrower acknowledges and agrees that Administrative Agent and each Lender are intended to the benefits created in favor of each Borrower by the indemnification and contribution provisions of this Agreement.

SECTION 8 Severability. To the extent that any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, no party shall be required to comply with the provision for so long as the provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 9 Counterparts. This Agreement may be executed in two or more identical counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute but one instrument. The counterpart signature pages may be detached and assembled to form a single original document.

SECTION 10 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[Signatures Begin on the Following Page]

The parties have caused this Agreement to be executed by their duly authorized officers as of the Effective Date.

BORROWER:

4750 WILSHIRE BLVD. (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

9460 WILSHIRE BLVD (BH) OWNER, L.P.,
a Delaware limited partnership

By: 9460 Wilshire Blvd GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

CIM/11600 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11600 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM/11620 WILSHIRE (LOS ANGELES), LP,
a Delaware limited partnership

By: CIM/11620 Wilshire (Los Angeles) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

1130 HOWARD (SF) OWNER, L.P.,
a Delaware limited partnership

By: 1130 Howard (SF) GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

LINDBLADE MEDIA CENTER (LA) OWNER, LLC,
a Delaware limited liability company

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

[Signatures Continue on the Following Page]

CIM URBAN REIT PROPERTIES IX, L.P.,
a Delaware limited partnership

By: CIM Urban REIT GP II, LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: David Thompson
Title: Vice President and Chief Financial Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

CIM Commercial Trust Corporation
Dallas, TX

We hereby consent to the incorporation by reference in the Prospectus constituting a part of this Registration Statement of our reports dated March 18, 2019, relating to the consolidated financial statements, the effectiveness of CIM Commercial Trust Corporation's internal control over financial reporting, and schedules of CIM Commercial Trust Corporation, appearing in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

We also consent to the reference to us under the caption "Experts" in the Prospectus.

/s/ BDO USA, LLP

Los Angeles, CA
October 2, 2019