UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 1-U

Current Report Pursuant to Regulation A

Date of Report: March 13, 2019
(Date of earliest event reported)

HC GOVERNMENT REALTY TRUST, INC.
(Exact name of issuer as specified in its charter)

Maryland	**51-1867397**
(State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification No.)

1819 Main Street, Suite 212
Sarasota, Florida 34236
(Full mailing address of principal executive offices)

(941) 955-7900
(Issuer's telephone number, including area code)

Title of each class of securities issued pursuant to Regulation A: Common Stock

ITEM 1. FUNDAMENTAL CHANGES

On March 19, 2019 (the "Closing"), HC Government Realty Trust, Inc., a Maryland corporation (the "Company") consummated a recapitalization transaction (the "Recapitalization") with Hale Partnership Capital Management, LLC ("Hale") and certain affiliated investors (each, an "Investor" and collectively, the "Investors") , pursuant to which (i) certain of such Investors have provided a $10,500,000 mezzanine loan to the Company through the Company's operating partnership, HC Government Realty Trust, L.P., a Delaware limited partnership (the "OP"), (ii) certain of such Investors purchased 1,050,000 shares of the Company's 10.00% Series B Cumulative Preferred Stock (the "Series B Preferred Stock") and (iii) an Investor purchased 300,000 shares of the Company's newly issued common stock (the "Common Stock").

Loan Agreement

In connection with the Closing of the Recapitalization, on March 19, 2019, the Company, through the OP, the Investors and HCM Agency, LLC (the "Agent"), an affiliate of Hale and the collateral agent, entered into a Loan Agreement (the "Loan Agreement") pursuant to which certain of the Investors, as lenders (the "Lenders") provided a $10,500,000 senior secured term loan to the Company (the "Loan"), with an option to fund up to an additional $10,000,000 in term loans, subject to customary terms and conditions, pursuant to which all such debt will accrue interest and mature on the same terms (the "Mezzanine Debt").

The Loan is not evidenced by a promissory note. However, pursuant to the Loan Agreement, promissory notes evidencing the Loan and/or the Mezzanine Debt may be issued in the future at the request of the Lenders.

The Mezzanine Debt will accrue interest at a rate of fourteen percent (14%) per annum. Such interest will be paid in monthly, interest-only cash payments payable in arrears at a rate of twelve percent (12%) per annum plus (i) a cash payment at a rate of two percent (2%) per annum, (ii) an increase in the principal of the Mezzanine Debt equal to two percent (2%) per annum or (iii) a combination of both (i) and (ii) above, which such combined amount will be equal to two percent (2%) per annum. The Company is required to repay all outstanding principal and any accrued but unpaid interest on or before March 19, 2022. All outstanding principal and any accrued but unpaid interest shall become immediately due and payable upon certain events including, but not limited to, an initial public offering of the Company's common stock.

The Mezzanine Debt is secured by a security interest in the accounts receivable and other personal property of the OP, the Company and its subsidiaries, including the OP's ownership interest in its subsidiaries. The Company and Holmwood Portfolio Holdings, LLC, a limited partner in the OP (the "LP"), also entered into customary guaranty agreements related to the payment by and performance of the OP of its obligations under the Loan Agreement.

The Loan Agreement also includes customary representations, warranties, covenants and terms and conditions for transactions of this type, including a minimum fixed charge coverage ratio, limitations on incurrence of debt, liens, investments and mergers and asset dispositions, covenants to preserve corporate existence and comply with laws, covenants on the use of proceeds of the Mezzanine Debt and default provisions, including defaults for non-payment, breach of representations and warranties, insolvency, non-performance of covenants, failure to pay other outstanding debt and the Company's failure to maintain its REIT status. The occurrence of an event of default under the Loan Agreement could result in all loans and other obligations becoming immediately due and payable and allow the Agent to exercise all rights and remedies available to it as collateral agent including the foreclosure of all liens granted under the Loan

Agreement.

The foregoing description of the Loan Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the Loan Agreement, a copy of which is filed as Exhibit 6.2 to this Current Report on Form 1-U and is incorporated by reference into this Item 1.

Holding Company Guaranty Agreement

Pursuant to the terms of the Loan Agreement, on March 19, 2019, the Company and the LP (collectively, the "Guarantors") executed a guaranty agreement in favor of the Lenders and the Agent (the "Guaranty"), pursuant to which the Guarantors guarantee full and prompt payment and performance of all obligations of the OP under the Loan Agreement, including, but not limited to, (i) the Mezzanine Debt and all renewals, extensions, amendments, increases, decreases or other modifications of any of the foregoing, (ii) all promissory notes given in renewal, extension, amendment, increase, decrease or other modification thereof and (iii) any and all post-petition interest and expenses (including reasonable attorneys' fees) whether or not allowed under any bankruptcy, insolvency, or other similar law.

The foregoing description of the Guaranty does not purport to be complete and is subject to and qualified in its entirety by reference to the Guaranty, a copy of which is filed as Exhibit 6.3 to this Current Report on Form 1-U and is incorporated by reference into this Item 1.

Security and Pledge Agreement

Pursuant to the terms of the Loan Agreement, on March 19, 2019, the Company, the OP and the LP (the "Grantors") entered into a security and pledge agreement (the "Security Agreement") in favor of the Lenders and Agent pursuant to which the obligations of the OP under the Loan Agreement were secured by liens on all accounts receivable and other personal property of the Grantors, including all investment property, partnership and membership interests, and any and all rights related thereto, subject to certain perfection requirements and exclusions as further detailed therein. The Security Agreement provides for customary representations and warranties, covenants and rights and remedies with respect to the collateral described therein.

The foregoing description of the Security Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the Security Agreement, a copy of which is filed as Exhibit 6.4 to this Current Report on Form 1-U and is incorporated by reference into this Item 1.

ITEM 3. MATERIAL MODIFICATION TO RIGHTS OF SECURITY HOLDERS

Amended and Restated Bylaws

In connection with the Recapitalization, on March 13, 2019, the Board of Directors of the Company (the "Board of Directors") adopted amended and restated bylaws of the Company (the "Bylaws"). The Bylaws were effective immediately and included, among other things, the following changes:

- removed the requirement that the Board of Directors be comprised of a majority of independent directors;
- removed the definition of "independent director;" and
- removed the authority of the chief executive officer and the president to (i) call a special meeting of the Board of Directors, (ii) accept resignation letters from officers of the Company and (iii) appoint independent inspectors of elections to act as the agent of the Company for the purpose of performing a ministerial review of a special meeting request.

The foregoing description of the Bylaws is not complete and is qualified in its entirety by reference to the complete text of the bylaws, a copy of which is filed as Exhibit 1.2 to the Current Report on Form 1-U and is incorporated by reference into this Item 3.

Articles Supplementary

In connection with the Recapitalization, on March 14, 2019, the Company filed Articles Supplementary with the Maryland State Department of Assessments and Taxation (the "Series B Articles Supplementary") to classify 2,050,000 shares of its preferred stock, a portion of which are as shares of Class B Preferred Stock to be purchased by Hale pursuant to the Recapitalization. The Series B Articles Supplementary became effective upon filing on March 14, 2019.

Holders of shares of the Series B Preferred Stock are entitled to receive cumulative cash dividends on the Series B Preferred Stock when, as and if authorized by the Board and declared by the Company, payable quarterly in arrears on each January 5th, April 5th, July 5th and October 5th of each year. From the date of original issue, the Company will pay dividends at the rate of 10.00% per annum of the $10.00 liquidation preference per share. Dividends on the Series B Preferred Stock will accrue and be cumulative from the end of the most recent dividend period for which dividends have been paid. With respect to priority of payment of dividends, the Series B Preferred Stock will rank on a parity with the Series A Preferred Stock.

If the Company liquidates, dissolves or winds-up, holders of shares of the Series B Preferred Stock will have the right to receive $10.00 per share of the Series B Preferred Stock, plus an amount equal to all accrued and unpaid dividends (whether or not authorized or declared) to and including the date of payment. With respect to priority of payment of distributions upon the Company's voluntary or involuntary liquidation, dissolution or winding up, the Series B Preferred Stock will rank on a parity with the Series A Preferred Stock.

The Series B Preferred Stock will automatically convert into common stock upon the occurrence of our initial listing of our common stock on any national securities exchange. As of the date of the listing event, a holder of shares of Series B Preferred Stock will receive a number of shares of common stock in accordance with the conversion formula set forth in the Series B Articles Supplementary. Pursuant to the conversion formula, one share of the Series B Preferred Stock will convert to a number of shares of common stock equal to the original issue price of the Series B Preferred Stock (plus any accrued and unpaid dividends) divided by the lesser of $9.10 or the fair market value of the common stock. If the listing event has not occurred on or prior to March 31, 2020, then holders of the Series B Preferred Stock, at their option, may, at any time and from time to time after such date, convert all, but not less than all, of their outstanding shares of Series B Preferred Stock into common stock. Upon exercise of this optional conversion right, a holder of Series B Preferred Stock will receive a number of shares of common stock in accordance with the same conversion formula referenced above.

Subject to the preferential voting rights described below, the Series B Preferred Stock have identical voting rights as our common stock, with each share of Series B Preferred Stock entitling its holder to vote on an as converted basis, on all matters on which our common stockholders are entitled to vote. The Series B Preferred Stock, the Series A Preferred Stock and the common stock vote together as one class. So long as any shares of Series B Preferred Stock remain outstanding, in addition to the voting rights described above, the Company will not, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of Series B Preferred Stock voting together as a single class, authorize, create or issue, or increase the number of authorized or issued shares of, any class or series of capital stock ranking senior to the Series B Preferred Stock with respect to payment of dividends or the distribution of assets upon our liquidation, dissolution or winding up, or reclassify any of our authorized capital stock into such capital stock, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase such capital stock.

In addition, the holders of the Series B Preferred Stock have registration rights that are substantially similar to those granted to the holders of the Series A Preferred Stock.

The foregoing description of the Series B Articles Supplementary is not complete and is qualified in its entirety by reference to the complete text of the Series B Articles Supplementary, a copy of which is filed as Exhibit 1.1 to the Current Report on Form 1-U and is incorporated by reference into this Item 3.

ITEM 6. CHANGES IN CONTROL OF ISSUER

The Series B Articles Supplementary filed by the Company on March 14, 2019 in connection with the Recapitalization provide that a majority of the members of the Board of Directors will be elected by the holders of a majority of the outstanding shares of Series B Preferred Stock. Our Board of Directors currently has up to seven members. In connection with the closing of the Recapitalization, on March 19, 2019, each of Robert R. Kaplan, Scott A. Musil, William J. Fields and Leo Kiely resigned from his position as a director of the Company's Board of Directors, and, upon issuance of an aggregate of 1,050,000 shares of the Series B Preferred Stock to the Investors at Closing, the Investors elected Steven A. Hale II, Brad G. Garner, Matthew A. Hultquist and Jeffrey S. Stewart to serve on the Company's Board of Directors, effective as of March 19, 2019, to serve until their successors are duly elected and qualified. As of March 19, 2019, our Board of Directors is comprised of Messrs. Hale, Garner, Hultquist and Stewart, Mr. Edwin M. Stanton and Dr. Philip Kurlander. It is anticipated that Mr. Hale will be named Chairman of our Board of Directors. Biographical information on our new directors is set forth below.

Steven A. Hale II. Mr. Hale, age 35, has managed the Hale Partnership Fund LP, MGEN-II Hale Fund LP, Clark-Hale Fund LP, and Hale Medical Office Building Fund, LP, via Hale Partnership Capital Management, LLC, since September 2010. In November 2017, Mr. Hale was named Chairman of the Board for Stanley Furniture Company, Inc. (since renamed HG Holdings, Inc.). He has served as Chief Executive Officer of HG Holdings, Inc. since March 2018. Prior to founding Hale Partnership Capital Management, LLC, Mr. Hale worked for Babson Capital Management, LLC where he was responsible for primary coverage of distressed debt investments across a variety of industries including manufacturing commercial real estate, services, and casinos/gaming. Prior to joining Babson, Mr. Hale was a Leveraged Finance Analyst at Bank of America Securities. Mr. Hale graduated from Wake Forest University in 2005, where majored in economics, minored in psychology and religion, and was a 3-year letterman on the varsity football team.

Brad G. Garner. Mr. Garner, age 36, joined Hale Partnership Capital Management, LLC in 2015 as Chief Financial Officer and Partner. In April 2018, Mr. Garner was named Chief Financial Officer of HG Holdings, Inc. (formerly Stanley Furniture Company, Inc.). Mr. Garner leads Real Estate efforts and private equity investments for the Hale entities. He has also served as Chief Financial Officer of Best Bar Ever, Inc., a protein bar business from 2015-2017. Mr. Garner assisted in raising and structuring a capital investment and successful exit to a strategic partner while overseeing all financial reporting functions during a two-year time horizon. Prior to taking on that role, he spent 10 years in public accounting at Dixon Hughes Goodman LLP ("DHG"), the largest public accounting firm headquartered in the Southeast, as a Senior Tax Manager. At DHG, he served domestic closely held companies (specifically pass-through entities) and individuals. These clients represented a variety of industries including manufacturing and distribution, construction and real estate, and financial institutions. Mr. Garner earned B.S and M.S in Accounting from Wake Forest.

Matthew A. Hultquist. Mr. Hultquist, age 40, has served as the Managing Member of Hillandale Advisors, a private investment and advisory firm that works with private businesses and their owners on strategic growth since January 2017. In June 2018, Matthew joined the Board of Directors of HG Holdings, Inc. (formerly Stanley Furniture Company, Inc.). From 2006 to 2016, Matt served on the investment team as Sasco Capital, Inc., a public equity asset management firm overseeing $4 billion + of assets for public funds, corporations and endowments. Sasco Capital invested in mid to large capitalization public companies across most industries, with jewel businesses, that are undergoing corporate restructuring, transformation, or management change. Matt earned B.S in Finance from Wake Forest University and M.B.A from Columbia Business School.

Jeffrey S. Stewart. Mr. Stewart, age 52, has been the Chairman of the Foursquare Foundation Investment Committee since 2008. Mr. Stewart also currently sits on Morgan Stanley's North Haven Credit Advisory Board. Mr. Stewart is a highly-experienced portfolio manager with 24 years of experience investing and researching debt and equity, including equity research at IJL and fixed income at First Union, and portfolio management at Babson Capital Management, LLC. Jeff started his career as a United States Marine in 1985. Three time meritoriously promoted, he was awarded a NROTC scholarship in 1988 and attended UNC Chapel Hill, where he received a BSBA with a concentration in finance and a minor in history with distinction.

ITEM 7. DEPARTURE OF CERTAIN OFFICERS

In connection with the Recapitalization, on March 13, 2019, the Company, upon approval from the Board of Directors, terminated Mr. Edwin Stanton from his position as Chief Executive Officer of the Company and Philip Kurlander from his position as Treasurer of the Company, each effective as of March 13, 2019.

On March 19, 2019, the Company accepted the resignation of Mr. Jason D. Post from his position as Vice President of Finance and Corporate Controller of the Company, effective as of March 19, 2019. It is anticipated that Mr. Robert R. Kaplan will resign from his position as Secretary of the Company before March 20, 2019.

ITEM 8. CERTAIN UNREGISTERED SALES OF EQUITY SECURITIES

In connection with the Recapitalization, on March 19, 2019, the Company (i) entered into subscription agreements with certain of the Investors for the sale of a total of 1,050,000 shares of the Company's Series B Preferred Stock for an aggregate purchase price of $10,500,000 (the "Preferred Subscription Agreements") in a private offering of securities exempt from registration under the Securities Act of 1933, as amended, pursuant to Rule 506 of Regulation D promulgated thereunder and (ii) entered subscription agreements with certain of the Investors for the sale of a total of 300,000 shares of the Company's Common Stock for an aggregate purchase price of $3,000,000 (the "Common Subscription Agreements," and together with the Preferred Subscription Agreements, the "Subscription Agreements") in a private offering of securities exempt from registration under the Securities Act of 1933, as amended, pursuant to Rule 506 of Regulation D promulgated thereunder. The Subscription Agreements provide for customary representations, warranties and agreements by the Company and the Investors.

Upon the Closing of the Recapitalization, the Investors owned all of the Company's Series B Preferred Stock and 21.32% of the Company's Common Stock.

The foregoing is a summary and is qualified in its entirety by the terms of the Subscription Agreements, the terms of which are substantially in the forms filed as Exhibit Nos. 4.1 and 4.2, to this Current Report on Form 1-U and incorporated by reference into this Item 8.

ITEM 9. OTHER EVENTS

Appointment of Officers

Mr. Steven A. Hale II has been nominated to serve as the Company's new Chief Executive Officer and Chairman of the Board of Directors, and Ms. Jacqlyn Piscetelli has been nominated to serve as the Company's new Chief Financial Officer, Treasurer and Secretary. It is anticipated that our Board of Directors will appoint Mr. Hale and Ms. Piscetelli to the foregoing respective positions on or about March 20, 2019.

Steven A. Hale II. See biographical information for Mr. Hale under Item 6 above.

Ms. Piscetelli, age 35, served as Chief Financial Officer of Stanley Furniture Company, LLC ("Stanley Furniture") from March 2018 until January 2019 where she directed all finance and accounting operations. Prior to joining Stanley Furniture, Ms. Piscetelli served as the Financial Executive – Governance for the Financial Management group at BB&T Corporation ("BB&T") from 2016 to 2018 where she managed BB&T's Sarbanes-Oxley Section 302 and 404 compliance programs. From 2013 to 2016, Ms. Piscetelli worked in BB&T's Accounting Policy group where she was primarily responsible for monitoring the issuance of new accounting pronouncements and evaluating their impact on the financial institution. Ms. Piscetelli spent over 7 years in public accounting at Ernst & Young LLP ("EY") in their Assurance practice. At EY, she served both public and private clients with domestic and foreign operations across a variety of industries including manufacturing and distribution, automotive, retail and financial services. Ms. Piscetelli graduated from Wake Forest University in 2006 with a B.S. and M.S. in Accountancy.

Notice of Nonrenewal of Manager and Adoption of New Investment Guidelines

On March 14, 2019, the Company provided notice to its manager, Holmwood Capital Advisors, LLC (the "Manager"), that the Board of Directors resolved to amend and restate the Company's investment guidelines (the "Investment Guidelines") pursuant to the terms of the Company's management agreement with the Manager (the "Management Agreement").

In addition, on March 14, 2019, the Company provided notice to the Manager that the Company is electing not to renew the Management Agreement under its terms, effective March 31, 2020, pursuant to the resolve of the Board of Directors.

Exhibits

Exhibit No.	Description of Exhibit
1.1	Articles Supplementary of HC Government Realty Trust, Inc., filed March 14, 2019
1.2	Amended and Restated Bylaws of the Company
4.1	Form of Series B Preferred Stock Subscription Agreement
4.2	Form of Common Stock Subscription Agreement
6.1	Second Amendment to the Amended and Restated Limited Partnership Agreement of HC Government Realty Holdings, L.P., dated March 14, 2019
6.2	Loan Agreement, dated March 19, 2019, by and between HC Government Holdings, L.P., the Lenders Party thereto and Agent.
6.3	Holding Company Guaranty Agreement, dated March 19, 2019, by HC Government Realty Trust, Inc. and Holmwood Portfolio Holdings, LLC for the benefit of Agent and the Lenders
6.4	Security and Pledge Agreement, dated March 19, 2019, by and among HC Government Realty Holdings, L.P., Holmwood Portfolio Holdings, LLC, HC Government Realty Trust, Inc., Agent and the Lenders

SIGNATURES

Pursuant to the requirements of Regulation A, the issuer has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HC Government Realty Trust, Inc.,
a Maryland corporation

By: /s/ Robert R. Kaplan, Jr.
Name: Robert R. Kaplan, Jr.
Its: President
Date: March 19, 2019

Exhibit Index

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Exhibit 1.1

HC GOVERNMENT REALTY TRUST, INC.

ARTICLES SUPPLEMENTARY ESTABLISHING AND FIXING THE RIGHTS AND PREFERENCES OF A SERIES OF PREFERRED STOCK

HC Government Realty Trust, Inc., a Maryland corporation (the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: Under a power contained in Article V of the Articles of Incorporation of the Corporation (the "Charter") and Section 2-208 of the Maryland General Corporation Law, the Board of Directors of the Corporation (the "Board"), by duly adopted resolutions, classified 2,050,000 shares of authorized but unissued preferred stock, $0.01 par value per share, of the Corporation as shares of 10.00% Series B Cumulative Convertible Preferred Stock, with the following preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications, and terms and conditions of redemption (which, upon any restatement of the Charter, may be made a part thereof, with any necessary or appropriate changes to the numeration or lettering of the sections or subsections hereof). Capitalized terms used but not defined herein shall have the meanings given to them in the Charter.

1. Designation and Number. A series of Preferred Shares, designated the 10.00% Series B Cumulative Convertible Preferred Stock (the "Series B Preferred Stock"), is hereby established. The par value of the Series B Preferred Stock is $0.01 per share. The number of authorized shares of Series B Preferred Stock shall be 2,050,000.

2. Rank. The Series B Preferred Stock, with respect to priority of payment of dividends and other distributions and rights upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, will rank (a) senior to all classes or series of Common Shares and to any other class or series of capital stock of the Corporation issued in the future, unless the terms of such stock expressly provide that it ranks senior to, or on parity with, the Series B Preferred Stock with respect to priority of payment of dividends and other distributions or rights upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation (together with the Common Shares, the "Junior Stock"); (b) on a parity with the Corporation's Series A Preferred Stock and any other class or series of capital stock of the Corporation, the terms of which expressly provide that it ranks on a parity with the Series B Preferred Stock with respect to priority of payment of dividends and other distributions or rights upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation (the "Parity Preferred Stock"); and (c) junior to any class or series of capital stock of the Corporation, the terms of which expressly provide that it ranks senior to the Series B Preferred Stock with respect to priority of payment of dividends and other distributions or rights upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation (the "Senior Stock"), and to all existing and future debt obligations of the Corporation. The term "capital stock" does not include convertible or exchangeable debt securities.

3. Dividends.

(a) Subject to the preferential rights of the holders of Senior Stock with respect to priority of dividend payments, holders of shares of the Series B Preferred Stock are entitled to receive, when and as authorized by the Board and declared by the Corporation, out of funds legally available for the payment of dividends, preferential cumulative cash dividends. From the date of original issue of the Series B Preferred Stock (or the date of issue of any Series B Preferred Stock issued after such original issue date) the Corporation shall pay cumulative cash dividends on the Series B Preferred Stock at the rate of 10.00% per annum of the $10.00 liquidation preference per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock) plus the amount of previously accrued and unpaid dividends on the Series B Preferred Stock. Dividends on the Series B Preferred Stock shall accrue and be cumulative from (and including) the date of original issue or, with respect to any accrued dividends that have been paid in cash, the end of the most recent Dividend Period (as defined below) for which dividends on the Series B Preferred Stock have been paid in cash and shall be payable quarterly in arrears on January 5, April 5, July 5 and October 5 of each year or, if such date is not a Business Day, on the next succeeding Business Day, with the same force and effect as if paid on such date (each, a "Dividend Payment Date"). A "Dividend Period" is the respective period commencing on and including January 1, April 1, July 1 and October 1 of each year and ending on and including the day preceding the first day of the next succeeding Dividend Period (other than the initial Dividend Period and the Dividend Period during which any shares of Series B Preferred Stock shall be redeemed or otherwise acquired by the Corporation). Any dividend payable on the Series B Preferred Stock for any Dividend Period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dividends will be payable to holders of record of the Series B Preferred Stock as they appear in the stock records of the Corporation at the close of business on the 25th day of the month preceding the applicable Dividend Payment Date, *i.e.*, December 25, March 25, June 25 and September 25 (each, a "Dividend Record Date").

(b) No dividends on shares of Series B Preferred Stock shall be authorized by the Board or declared by the Corporation or paid or set apart for payment by the Corporation at such time as the terms and provisions of any agreement of the Corporation, including any agreement relating to its indebtedness, prohibits such authorization, declaration, payment or setting apart for payment or provides that such authorization, declaration, payment or setting apart for payment would constitute a breach thereof or a default thereunder, or if such authorization, declaration, payment or setting apart for payment shall be restricted or prohibited by law.

(c) Notwithstanding the foregoing Section 3(b), dividends on the Series B Preferred Stock will accrue and, to the extent not paid in cash, compound quarterly on each Dividend Payment Date, whether or not the Corporation has earnings, whether there are funds legally available for the payment of such dividends and whether or not such dividends are authorized by the Board or declared by the Corporation. No interest, or sum of money in lieu of interest, will be payable in respect of any dividend payment or payments on the Series B Preferred Stock which may be in arrears. When dividends are not paid in full (or a sum sufficient for such full payment is not so set apart) upon the Series B Preferred Stock and the shares of any class or series of Parity Preferred Stock, all dividends declared upon the Series B Preferred Stock and any class or series of Parity Preferred Stock shall be declared pro rata so that the amount of dividends declared per share of Series B Preferred Stock and such class or series of Parity Preferred Stock shall in all cases bear to each other the same ratio that accumulated dividends per share on the Series B Preferred Stock and such class or series of Parity Preferred Stock (which shall not include any accrual in respect of unpaid dividends for prior dividend periods if such Parity Preferred Stock does not have a cumulative dividend) bear to each other.

(d) Except as provided in the immediately preceding paragraph, unless full cumulative and compounded dividends on the Series B Preferred Stock have been or contemporaneously are declared and paid in cash or declared and a sum sufficient for the payment thereof is set apart for payment for all past Dividend Periods that have ended, no dividends (other than a dividend in shares of Junior Stock or in options, warrants or rights to subscribe for or purchase any such shares of Junior Stock) shall be declared and paid or declared and set apart for payment nor shall any other distribution be declared and made upon the Junior Stock or the Parity Preferred Stock, nor shall any shares of Junior Stock or Parity Preferred Stock be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any shares of Junior Stock or Parity Preferred Stock) by the Corporation (except (i) by conversion into or exchange for Junior Stock, (ii) the purchase of shares of Series B Preferred Stock, Junior Stock or Parity Preferred Stock pursuant to the Charter to the extent necessary to preserve the Corporation's qualification as a REIT or (iii) the purchase of shares of Parity Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Series B Preferred Stock). Holders of shares of the Series B Preferred Stock shall not be entitled to any dividend, whether payable in cash, property or stock, in excess of full cumulative and compounding dividends on the Series B Preferred Stock as provided above. Any dividend payment made on shares of the Series B Preferred Stock shall first be credited against the earliest accrued but unpaid dividend due with respect to such shares which remains payable.

4. Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, the holders of shares of Series B Preferred Stock are entitled to be paid out of the assets of the Corporation legally available for distribution to its stockholders, after payment of or provision for the Corporation's debts and other liabilities, a liquidation preference of $10.00 per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock), plus an amount equal to any accrued and unpaid dividends (whether or not earned, authorized or declared) thereon to and including the date of payment, but without interest, before any distribution of assets is made to holders of Junior Stock. If the assets of the Corporation legally available for distribution to stockholders are insufficient to pay in full the liquidation preference on the Series B Preferred Stock and the liquidation preference on the shares of any class or series of Parity Preferred Stock, all assets distributed to the holders of the Series B Preferred Stock and any class or series of Parity Preferred Stock shall be distributed pro rata so that the amount of assets distributed per share of Series B Preferred Stock and such class or series of Parity Preferred Stock shall in all cases bear to each other the same ratio that the liquidation preference per share on the Series B Preferred Stock and such class or series of Parity Preferred Stock bear to each other. Written notice of any distribution in connection with any such liquidation, dissolution or winding up of the affairs of the Corporation, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable, shall be given by first class mail, postage pre-paid, not less than 30 nor more than 60 days prior to the payment date stated therein, to each record holder of the Series B Preferred Stock at the respective addresses of such holders as the same shall appear on the stock transfer records of the Corporation. Subject to the last sentence of this Section 4, after payment of the full amount of the liquidation distributions to which they are entitled, the holders of Series B Preferred Stock will have no right or claim to any of the remaining assets of the Corporation. The consolidation or merger of the Corporation with or into another entity, a merger of another entity with or into the Corporation, a statutory share exchange by the Corporation or a sale, lease, transfer or conveyance of all or substantially all of the Corporation's property or business shall not be deemed to constitute a liquidation, dissolution or winding up of the affairs of the Corporation. In determining whether a distribution (other than upon voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation) by dividend, redemption or other acquisition of shares of stock of the Corporation or otherwise is permitted under the Maryland General Corporation Law, no effect shall be given to amounts that would be needed, if the Corporation were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of holders of the Series B Preferred Stock. Notwithstanding the above, for purposes of determining the amount each holder of shares of Series B Preferred Stock is entitled to receive with respect to a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, each such holder of shares of Series B Preferred Stock shall be deemed to have converted (regardless of whether such holder actually converted) such holder's shares of Series B Preferred Stock into Common Shares immediately prior to such liquidation event if, as a result of an actual conversion, such holder would receive, in the aggregate, an amount greater than the amount that would be distributed to such holder if such holder did not convert such shares of Series B Preferred Stock into Common Shares.

5. Conversion.

(a) Definitions. For purposes of this Section the following terms shall be defined as follows:

(i) "Conversion Amount" means the number of Common Shares issuable to a holder of Series B Preferred Stock upon conversion pursuant to Section 5(b) or 5(c) hereof, as calculated pursuant to the following formula:

Conversion Amount = $((A*X_1) + X_2)/B)$

where:

"A" means the Series B Original Issue Price.

"B" means the Series B Conversion Price in effect at the time of conversion;

"X_1" means the number of shares of Series B Preferred Stock held by the applicable holder; and

"X_2" means the aggregate accrued but unpaid dividends on the holder's shares of Series B Preferred Stock as of the applicable conversion date according to Section 5(b) or 5(c).

(ii) "DTC" means The Depository Trust Corporation or any successor entity.

(iii) "Fair Market Value per Common Share" means the value of a single Common Share as mutually agreed upon by the Corporation and the holders of a majority of the shares of Series B Preferred Stock then outstanding, and, in the event that they are unable to reach agreement, by a third-party appraiser agreed to by the Corporation and the holders of a majority of the shares of Series B Preferred Stock then outstanding. Notwithstanding the foregoing, if the determination of the Fair Market Value per Common Share is being made in connection with (A) an Initial Listing, then the Fair Market Value per Common Share shall be the initial "Price to Public" per share specified in the final prospectus with respect to the offering in connection with such Initial Listing or (B) a Sale Transaction, then the Fair Market Value per Common Share shall be the value per Common Share to be realized in such pending transaction (including any contingent consideration receivable in connection therewith).

(iv) "Initial Listing" shall mean the initial listing of the Corporation's Common Shares for trading on the New York Stock Exchange, NYSE American, NASDAQ Stock Exchange, or any other national securities exchange.

(v) "Initial Listing Date" shall mean the date of the Initial Listing.

(vi) "Sale Transaction" means (A) the consolidation or merger of the Corporation with or into another entity or a merger of another entity with or into the Corporation except any such merger or consolidation involving the Corporation in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of the surviving or resulting corporation or (B) a sale, lease, transfer or conveyance of all or substantially all of the Corporation's property or business.

(vii) "Series B Original Issue Price" shall mean $10.00 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock.

(viii) "Series B Conversion Price" shall mean the lesser of (A) $9.10 and (B) the Fair Market Value per Common Share. Such initial Series B Conversion Price under clause (A) above, and the Conversion Amount, shall be subject to adjustment as provided below.

(b) Automatic Conversion on Listing.

(i) All outstanding Shares of Series B Preferred Stock shall automatically convert into Common Shares upon the Initial Listing (the "Automatic Conversion"). Upon such Automatic Conversion, a holder of Series B Preferred Stock shall be issued a number of Common Shares equal to the Conversion Amount.

(ii) The Corporation shall not issue fractional Common Shares upon the conversion of Shares of Series B Preferred Stock in accordance with this Section 5(b). Instead, the Corporation shall pay the cash value of such fractional shares based upon the initial listed price of its Common Shares.

(iii) The Corporation shall notify each holder of Series B Preferred Stock of the Initial Listing at its notice address in the books and records of the Corporation or by presenting notice to the holder personally either (a) on the Initial Listing Date, or as soon as is practicable thereafter, or (b) if Corporation files a registration statement under the Securities Act for a public offering intended to close contemporaneously with the Initial Listing (an "IPO Registration Statement"), then as soon as is practicable after the initial filing of such registration statement. If notice is mailed, it shall be deemed given when deposited in the United States mail addressed to the holder at the holder's address as appearing in the Corporation's books and records, postage prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to a holder by an electronic transmission to any address or number of the holder at which the holder receives electronic communications. Within ten (10) Business Days following the date notice of the Initial Listing is given or deemed given, each holder of Series B Preferred Stock shall surrender to the Corporation at its principal office or at the office of its transfer agent, as may be designated by the Board of Directors, the certificate or certificates, if any, for the Shares of Series B Preferred Stock being converted. On the Initial Listing Date the Corporation shall, or shall cause its transfer agent to, (A) reflect the issuance of the Conversion Amount to which each holder of Series B Preferred Stock shall be entitled on the stock records of the Corporation, and (B) deliver or cause to be delivered certificates representing the number of validly issued, fully paid and non-assessable Common Shares, if then certificated, to which the holders of Shares of such Series B Preferred Stock, or any the transferee of a holder of such shares of Series B Preferred Stock, shall be entitled. Notwithstanding the date of receipt of any certificate or certificates representing the Series B Preferred Stock, this conversion shall be deemed to have been made at the close of business on the day preceding the Initial Listing Date so that the rights of the holder of Shares of Series B Preferred Stock as to the Shares being converted shall cease except for the right to receive the conversion value, and the person entitled to receive Common Shares shall be treated for all purposes as having become the record holder of those Common Shares at that time on that date.

(iv) In lieu of the foregoing procedures, if the Series B Preferred Stock is held in global certificate form, the Corporation and holder shall comply with the procedures of DTC to convert the holder's beneficial interest in respect of the Series B Preferred Stock represented by a global stock certificate of the Series B Preferred Stock.

(c) Optional Conversion.

(i) If the Initial Listing has not occurred as of March 31, 2020 (the "Optional Trigger Date"), then, holders of Shares of Series B Preferred Stock, at their option, may, at any time and from time to time after such date, convert all, but not less than all, of their outstanding Shares of Series B Preferred Stock into the Conversion Amount of Common Shares (the "Optional Conversion").

(ii) Following the Optional Trigger Date, Holders of Shares of Series B Preferred Stock may convert some or all of such shares by surrendering to the Corporation at its principal office or at the office of its transfer agent, as may be designated by the Board of Directors, the certificate or certificates, if any, for the Shares of Series B Preferred Stock to be converted, accompanied by a written notice stating that the Holder of Shares of Series B Preferred Stock elects to convert such Shares in accordance with the provisions described in this Section 5(c) and specifying the name or names in which the holder of shares of Series B Preferred Stock wishes the certificate or certificates, if any, for the Common Shares to be issued, if certificated. The date on which the Corporation has received all of the surrendered certificate or certificates, if any, the notice relating to the conversion shall be deemed the conversion date with respect to a Share of Series B Preferred Stock (the "Optional Conversion Date"). As promptly as practicable after the Optional Conversion Date with respect to any Shares of Series B Preferred Stock, the Corporation shall (A) reflect the issuance of such number of Common Shares to which the Holder of Shares of Series B Preferred Stock shall be entitled on the stock records of the Corporation, and (B) deliver or cause to be delivered (i) certificates representing the number of validly issued, fully paid and non-assessable Common Shares, if then certificated, to which the Holder of Shares of such Series B Preferred Stock shall be entitled. This conversion shall be deemed to have been made at the close of business on the Optional Conversion Date so that the rights of the Holder of Shares of Series B Preferred Stock as to the shares being converted shall cease except for the right to receive the conversion value, and the person entitled to receive the Common Shares shall be treated for all purposes as having become the record holder of those Common Shares at that time on that date.

(iii) In lieu of the foregoing procedures, if the Series B Preferred Stock is held in global certificate form, the Holder of Shares of Series B Preferred Stock must comply with the procedures of DTC to convert its beneficial interest in respect of the Series B Preferred Stock represented by a global stock certificate of the Series B Preferred Stock.

(d) Taxes. The Corporation shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance or delivery of Common Shares upon conversion of any Shares of Series B Preferred Stock; provided that the Corporation shall not be required to pay any taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such shares in a name other than that of the Holder of the Shares of Series B Preferred Stock in respect of which such shares are being issued.

(e) Reserve. The Corporation shall reserve at all times so long as any shares of Series B Preferred Stock remain outstanding, free from preemptive rights, out of its treasury stock (if applicable) or its authorized but unissued Common Shares, or both, solely for the purpose of effecting the conversion of the Shares of Series B Preferred Stock, sufficient Common Shares to provide for the conversion of all outstanding Shares of Series B Preferred Stock, under either Section 5(b) or 5(c), or if it cannot do so, to use all reasonable efforts to effect an increase in the authorized Common Shares of the Corporation.

(f) REIT Requirements. Notwithstanding anything herein to the contrary, no conversion shall be permitted or shall occur under Section 5(b) or 5(c) hereof with respect to any Holder of Series B Preferred Stock if such conversion would cause such Holder to violate the Aggregate Share Ownership Limit or Common Share Ownership Limit (as each is defined in Article IV of the Charter) or otherwise result in the Corporation failing to qualify as a REIT.

(g) Validity. All Common Shares which shall be issued upon conversion of the Shares of Series B Preferred Stock will, upon issuance by the Corporation, be duly and validly issued, fully paid and non-assessable and free from all taxes, liens and charges with respect to the issuance thereof, and the Corporation shall take no action which will cause the contrary result.

(h) Adjustment of Conversion Amount. The Conversion Amount shall be subject to adjustment from time to time as follows: if the Corporation shall (a) declare a dividend or make a distribution on its Common Shares in Common Shares or in any right to acquire Common Shares for no consideration, (b) subdivide or reclassify the outstanding Common Shares into a greater number of shares (by stock split, reclassification or otherwise than by payment of a dividend in Common Shares or in any right to acquire Common Shares), or (c) combine or reclassify the outstanding Common Shares into a smaller number of shares, the Conversion Amount in effect at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination, or reclassification shall be proportionately adjusted so that the holder of any Shares of Series B Preferred Stock surrendered for conversion after such date shall be entitled to receive the number of Common Shares which he would have owned or been entitled to receive had such Shares of Series B Preferred Stock been converted immediately prior to such date. In the event that the Corporation shall declare or pay, without consideration, any dividend on the Common Shares payable in any right to acquire Common Shares for no consideration, then the Corporation shall be deemed to have made a dividend payable in Common Shares in an amount of Common Shares equal to the maximum number of Common Shares issuable upon exercise of such rights to acquire Common Shares. Successive adjustments in the Conversion Amount shall be made whenever any event specified above shall occur.

6. Voting Rights.

(a) Generally. Except as set forth in Section 6(b) and Section 6(c), the Shares of the Series B Preferred Stock shall vote alongside the Common Shares as one class. Each holder of Series B Preferred Stock shall have the right to one vote for each Common Share into which such share of Series B Preferred Stock could be converted on the record date for the vote or consent of stockholders, and, except as otherwise required by law, with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Shares.

(b) Special Voting Rights.

(i) So long as any Shares of Series B Preferred Stock remain outstanding, in addition to any other vote or consent of stockholders required by the Charter, the affirmative vote or consent of the holders of two-thirds of the outstanding Shares of Series B Preferred Stock and Parity Preferred Stock upon which like voting rights have been conferred (voting together as a single class) shall be required to authorize, create or issue, or increase the number of authorized or issued shares of, any class or series of Senior Stock or reclassify any authorized shares of capital stock of the Corporation into Senior Stock, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase Senior Stock.

(ii) So long as any shares of Series B Preferred Stock remain outstanding, the holders of shares of Series B Preferred Stock also shall have the exclusive right to vote on any amendment, alteration or repeal of the Charter, including the terms of the Series B Preferred Stock, that would alter only the contract rights, as expressly set forth in the Charter, of the Series B Preferred Stock, and the holders of any other classes or series of capital stock of the Corporation shall not be entitled to vote on any such amendment, alteration or repeal. Any such amendment, alteration or repeal shall require the affirmative vote or consent of the holders of two-thirds of the shares of Series B Preferred Stock issued and outstanding at the time. With respect to any amendment, alteration or repeal of the Charter, including the terms of the Series B Preferred Stock, that equally affects the terms of the Series B Preferred Stock and any Parity Preferred Stock upon which like voting rights have been conferred, the holders of shares of Series B Preferred Stock and such Parity Preferred Stock (voting together as a single class) also shall have the exclusive right to vote on any amendment, alteration or repeal of the Charter, including the terms of the Series B Preferred Stock, that would alter only the contract rights, as expressly set forth in the Charter, of the Series B Preferred Stock and such Parity Preferred Stock, and the holders of any other classes or series of capital stock of the Corporation shall not be entitled to vote on any such amendment, alteration or repeal. Any such amendment, alteration or repeal shall require the affirmative vote or consent of the holders of two-thirds of the shares of Series B Preferred Stock and such Parity Preferred Stock issued and outstanding at the time.

(c) Voting for Directors.

(i) With respect to the election of members of the Board of Directors, so long as any shares of Series B Preferred Stock remain outstanding, a majority of the members of the Board of Directors shall be elected by the holders of a majority of the outstanding Shares of Series B Preferred Stock, voting as a separate class (the "Series B Preferred Directors"). All remaining member(s) of the Board of Directors shall be elected by the holders of a majority of the outstanding Shares of Preferred Shares and Common Shares, voting together as a single class.

(ii) A Series B Preferred Director may be removed from the Board of Directors, either with or without cause, only by the affirmative vote of the holders of a majority of the outstanding Shares of Series B Preferred Stock, voting as a separate class.

(iii) If a vacancy on the Board of Directors is to be filled by the Board of Directors, only a director or directors elected by the same class of stockholders as those who would be entitled to vote to fill such vacancy, if any, shall vote to fill such vacancy. If there are no such directors, such vacancy shall be filled by the affirmative vote of the holders of a majority of the shares of that same class or classes of stockholders as those who would be entitled to vote to fill such vacancy.

(d) the holders of the Series B Preferred Stock may take action or consent to any action by delivering a consent in writing or by electronic transmission of the holders of the Series B Preferred Stock entitled to cast not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting of holders of the Series B Preferred Stock if the corporation gives notice of the action to each holder of the Series B Preferred Stock not later than 10 days after the effective time of the action.

7. Restrictions on Transfer and Ownership of Series B Preferred Stock. The Series B Preferred Stock shall be subject to all of the provisions of Article VI of the Corporation's Charter.

8. Term. The Series B Preferred Stock has no stated maturity date and shall not be subject to any sinking fund and is not subject to mandatory redemption. The Corporation shall not be required to set aside funds to redeem the Series B Preferred Stock.

9. Status of Redeemed, Repurchased or Converted Series B Preferred Stock. All shares of Series B Preferred Stock redeemed, repurchased, converted or otherwise acquired in any manner by the Corporation shall be retired and shall be restored to the status of authorized but unissued Preferred Shares, without designation as to series or class.

10. Registration and Qualification Rights. Holders of the Series B Preferred Stock and the Common Shares into which they are convertible (the "Conversion Shares") pursuant to the Automatic Conversion under Section 5(b) or the Optional Conversion under Section 5(c) shall have the registration and qualification rights described in this Section 10.

(a) Definitions.

(i) "Automatic Conversion Holder" means a holder of Automatic Conversion Shares or Series B Preferred Stock.

(ii) "Automatic Conversion Shares" means Conversion Shares that have resulted or may result from an Automatic Conversion.

(iii) "Control" (including the terms "Controlling," "Controlled by" and "under common Control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person through the ownership of Voting Power, by contract or otherwise.

(iv) "Conversion Holder" means a holder of Conversion Shares or Series B Preferred Stock.

(v) "Optional Conversion Holder" means a holder of Optional Conversion Shares or Series B Preferred Stock.

(vi) "Optional Conversion Shares" means Conversion Shares that have resulted or may result from an Optional Conversion.

(vii) "Partnership Agreement" means the limited partnership agreement of HC Government Realty Holdings, L.P., as the same may be amended, modified or restated from time to time.

(viii) "Qualifiable Securities" means the Optional Conversion Shares; *provided, however*, that Optional Conversion Shares shall cease to be Qualifiable Securities when (A) an offering statement pursuant to Regulation A under the Securities Act shall have become qualified, and all such Optional Conversion Shares shall have been disposed of in accordance with such offering statement, (B) such Optional Conversion Shares have been sold in accordance with Rule 144 (or any successor provision) under the Securities Act, (C) such Optional Conversion Shares become eligible to be publicly sold without limitation as to amount or manner of sale pursuant to Rule 144 (or any successor provision) under the Securities Act, or (D) such Optional Conversion Shares have ceased to be outstanding.

(ix) "Registrable Securities" means the Automatic Conversion Shares; *provided, however*, that Automatic Conversion Shares shall cease to be Registrable Securities when (A) a registration statement with respect to such Automatic Conversion Shares shall have become effective under the Securities Act, and all such Automatic Conversion Shares shall have been disposed of in accordance with such registration statement (B) such Automatic Conversion Shares have been sold in accordance with Rule 144 (or any successor provision) under the Securities Act, (C) such Automatic Conversion Shares become eligible to be publicly sold without limitation as to amount or manner of sale pursuant to Rule 144 (or any successor provision) under the Securities Act, or (D) such Automatic Conversion Shares have ceased to be outstanding.

(x) "Voting Power" means voting securities or other voting interests ordinarily (and apart from rights accruing under special circumstances) having the right to vote in the election of board members or Persons performing substantially equivalent tasks and responsibilities with respect to a particular entity.

(b) Registration Rights Upon Automatic Conversion.

(i) Demand Rights. For a period of two (2) years (the "Demand Period") from and after the Initial Listing Date, an Automatic Conversion Holder shall have a one-time right to demand that the Corporation file a registration statement on appropriate form (a "Demand Registration Statement") covering the resale of all, but not less than all, of the demanding Automatic Conversion Holder's Registrable Securities (the "Demand Right"). An Automatic Conversion Holder must exercise the Demand Right within the Demand Period, or the Demand Right shall terminate.

(A) Exercise of Demand Rights; Company Right to Aggregate. To exercise the Demand Right, an Automatic Conversion Holder shall transmit a notice (the "Demand Notice") to the Corporation on or prior to the expiration of the Demand Period stating such Automatic Conversion Holder's exercise of the Demand Right and the intended method of disposition in connection with such Automatic Conversion Holder's Registrable Securities, to the extent known. Upon receipt of a Demand Notice, the Corporation may determine, in its sole discretion, to include *all* aggregate unregistered Registrable Securities held by the collective Automatic Conversion Holders (subject to the termination of the Demand Right pursuant to Section 10(b)(i)) on such Demand Registration Statement. If the Corporation makes such determination, then it shall send written notification thereof to all Automatic Conversion Holders within fifteen (15) Business Days of its receipt of the Demand Notice.

(B) If the Corporation receives a Demand Notice on or prior to the expiration of the Demand Period, the Corporation shall use its commercially reasonable efforts to file the Demand Registration Statement within ninety (90) days of the Corporation's receipt of the Demand Notice. The Corporation shall use its commercially reasonable efforts to (A) cause such Demand Registration Statement to be declared effective by the Commission as soon as practicable thereafter; and (B) keep such Demand Registration Statement effective until the earlier of (i) the time that all Registrable Securities covered by the Demand Registration Statement cease to be Registrable Securities or (ii) the date that is two (2) years from the date of effectiveness of such Demand Registration Statement. The Company further agrees to supplement or amend the Demand Registration Statement and any related prospectus if required by any applicable laws, rules, regulations or instructions, and to use its commercially reasonable efforts to cause any such amendment to become effective and such Demand Registration Statement and related prospectus to become usable as soon as thereafter practicable.

(iii) Piggy-Back Registration. If at any time during the Demand Period a Demand Registration Statement with respect to an Automatic Conversion Holder's Registrable Securities is not effective, then such Automatic Conversion Holder may participate in a Piggy-Back Registration (as defined below) pursuant to this Section 10(b); *provided that*, if and so long as a Demand Registration Statement is on file and effective with respect to such Automatic Conversion Holder's Registrable Securities, then the Corporation shall have no obligation to allow such Automatic Conversion Holder to participate in a Piggy-Back Registration.

(A) If the Corporation proposes to file a registration statement under the Securities Act with respect to an underwritten equity offering by the Corporation for its own account or for the account of any of its respective securityholders of any class of security (other than (i) any registration statement filed by the Corporation under the Securities Act relating to an offering of Common Shares for its own account as a result of the exercise of the exchange rights set forth in the Partnership Agreement, (ii) any registration statement filed pursuant to a Demand Right or (iii) a registration statement on Form S-4 or S-8 (or any substitute form that may be adopted by the Commission) or filed in connection with an exchange offer or offering of securities solely to the Corporation's existing securityholders), then the Corporation shall give written notice of such proposed filing to the Automatic Conversion Holders as soon as practicable (but in no event less than ten (10) days before the anticipated filing date), and such notice shall offer each Automatic Conversion Holder the opportunity to register all, but not less than all of the Registrable Securities, held by such Automatic Conversion Holder, pursuant to such registration statement (a "Piggy-Back Registration"). The Corporation shall use its commercially reasonable efforts to cause the managing underwriter or underwriters of a proposed underwritten offering to permit the Registrable Securities requested to be included in a Piggy-Back Registration to be included on the same terms and conditions as any similar securities of the Company included therein.

(B) Notwithstanding anything contained herein, if in the opinion of the managing underwriter or underwriters of an offering described in Section 10(b) hereof, the (i) size of the offering that the Automatic Conversion Holders, the Corporation and such other Persons intend to make or (ii) kind of securities that the Automatic Conversion Holders, the Corporation and/or any other Persons intend to include in such offering are such that the success of the offering would be adversely affected by inclusion of the Registrable Securities requested to be included, then (A) if the size of the offering is the basis of such underwriter's opinion, the amount of securities to be offered for the accounts of Automatic Conversion Holders shall be reduced pro rata (according to the Registrable Securities proposed for registration) to the extent necessary to reduce the total amount of securities to be included in such offering to the amount recommended by such managing underwriter or underwriters; provided that, in the case of a Piggy-Back Registration, if the securities are being offered for the account of other Persons as well as the Corporation, then with respect to the Registrable Securities intended to be offered by Automatic Conversion Holders, the proportion by which the amount of such class of securities intended to be offered by Automatic Conversion Holders is reduced shall not exceed the proportion by which the amount of such class of the securities intended to be offered by such other Persons is reduced; and (B) if the combination of the securities to be offered is the basis of such underwriter's opinion, (x) the Registrable Securities to be included in such offering shall be reduced as described in clause (A) above (subject to the proviso in clause (A)) or (y) if the actions described in clause (x) would, in the judgment of the managing underwriter or underwriters, be insufficient to substantially eliminate the adverse effect that inclusion of the Registrable Securities requested to be included would have on such offering, such Registrable Securities will be excluded from such offering.

(C) For the avoidance of doubt, the rights to a Piggy-Back Registration contained in this Section 10(b) are intended to apply to any registration statement filed for an underwritten equity offering intended to close contemporaneously with the Initial Listing (the "Initial Listed Offering").

(c) Qualification Rights Upon Optional Conversion.

(i) Demand Rights. For a period of one (1) year (the "Optional Demand Period") from and after the Optional Trigger Date, an Optional Conversion Holder shall have a one-time right to demand that the Corporation file an offering statement on Form 1-A (or any successor form under Regulation A under the Securities Act) (a "Demand Offering Statement") covering the resale of all, but not less than all, of the demanding Optional Conversion Holder's Qualifiable Securities (the "Optional Demand Right"). An Optional Conversion Holder must exercise the Optional Demand Right within the Optional Demand Period, or the Optional Demand Right shall terminate.

(A) Exercise of Optional Demand Rights; Company Right to Aggregate. To exercise the Optional Demand Right, an Optional Conversion Holder shall transmit a notice (the "Optional Demand Notice") to the Corporation on or prior to the expiration of the Optional Demand Period stating such Optional Conversion Holder's exercise of the Optional Demand Right and the intended method of disposition in connection with such Optional Conversion Holder's Qualifiable Securities, to the extent known. Upon receipt of a Demand Notice, the Corporation may determine, in its sole discretion, to include *all* aggregate unqualified Qualifiable Securities held by the collective Optional Conversion Holders (subject to the termination of the Demand Right pursuant to Section 10(c)(i)) on such Demand Offering Statement. If the Corporation makes such determination, then it shall send written notification thereof to all Optional Conversion Holders within fifteen (15) Business Days of its receipt of the Optional Demand Notice.

(B) If the Corporation receives an Optional Demand Notice on or prior to the expiration of the Optional Demand Period, the Corporation shall use its commercially reasonable efforts to file the Demand Offering Statement within ninety (90) days of the Corporation's receipt of the Optional Demand Notice. The Corporation shall use its commercially reasonable efforts to (A) cause such Demand Offering Statement to be declared qualified by the Commission as soon as practicable thereafter; and (B) keep such Demand Offering Statement qualified until the earlier of (i) the time that all the Qualifiable Securities covered by the Demand Offering Statement cease to be Qualifiable Securities or (ii) the date that is two (2) years from the date of qualification of such Demand Offering Statement. The Company further agrees to supplement or amend the Demand Offering Statement and any related offering circular if required by any applicable laws, rules, regulations or instructions, and to use its commercially reasonable efforts to cause any such amendment to become qualified and such Demand Offering Statement and related offering circular to become usable as soon as thereafter practicable.

(ii) No Optional Conversion Holder shall receive the Optional Demand Right if the Initial Listing Date has occurred prior to the Optional Trigger Date.

(d) Black-Out Periods. Notwithstanding anything herein to the contrary, the Corporation shall have the right, exercisable from time to time by the Board, to require the Conversion Holders not to sell pursuant to a Demand Registration Statement, Demand Offering Statement or similar document under the Securities Act filed pursuant to Section 10(b) or Section 10(c) hereof, or to suspend the effectiveness or qualification thereof if at the time of the delivery of such notice the Board reasonably and in good faith has determined that such registration or qualification and offering, continued effectiveness or qualification, or sale would interfere materially with any material transaction involving the Corporation; *provided*, *however*, that in no event shall any such black-out period extend for an aggregate period of more than 90 days in any 12-month period; and, *further*, *provided* that for purposes of this Section 10(d), a material transaction shall not include the Initial Listed Offering. The Corporation, as soon as practicable, shall (i) give the Conversion Holders prompt written notice in the event that the Company has suspended sales of the Registrable Securities and/or Qualifiable Securities pursuant to this Section 10(d), (ii) give the Conversion Holders prompt written notice of the completion of such material transaction and (iii) promptly file any amendment necessary to any Demand Registration Statement, Demand Offering Statement, offering circular or prospectus for the Registrable Securities or Qualifiable Securities, as applicable, in connection with the completion of such material transaction.

Upon receipt of any notice from the Corporation of the happening of any material transaction of the kind described in this Section 10(d), each Conversion Holder will forthwith discontinue disposition of Registrable Securities pursuant to the Demand Registration Statement relating to such Registrable Securities or disposition of Qualifiable Securities pursuant to the Demand Offering Statement relating to such Qualifiable Securities until such Conversion Holder's receipt of the notice of completion of such material transaction.

(e) Procedures. In connection with the filing of a Demand Registration Statement or Demand Offering Statement as provided by these Articles Supplementary, until the Registrable Securities cease to be Registrable Securities or the Qualifiable Securities cease to be Qualifiable Securities, as applicable, the Corporation shall use commercially reasonable efforts to, as expeditiously as reasonably practicable:

(i) furnish to each Conversion Holder of the Conversion Shares being registered or qualified, without charge, such number of conformed copies of such Demand Registration Statement or Demand Offering Statement, as the case may be, and of each such amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus contained in such Demand Registration Statement or offering circular contained in such Demand Offering Statement and any other prospectus or offering circular filed in conformity with the requirements of the Securities Act, as such Conversion Holder may reasonably request;

(ii) register or qualify all Registrable Securities or Qualifiable Securities under such other securities or "blue sky" laws of such jurisdictions as the applicable Conversion Holder(s) and the underwriters, if any, of the Registrable Securities being registered or Qualifiable Securities being qualified shall reasonably request, but only to the extent legally required to do so, to keep such registration or qualification in effect for so long as such Demand Registration Statement or Demand Offering Statement remains in effect or qualified, as applicable, to allow the applicable Conversion Holder(s) to consummate the disposition in such jurisdiction of the so registered or qualified securities owned by the Conversion Holders, except that the Corporation shall not for any such purpose be required to qualify generally to do business as a foreign company or to register as a broker or dealer in any jurisdiction where it would not otherwise be required to qualify but for this Section 10(e)(ii) or to consent to general service of process in any such jurisdiction, or to be subject to any material tax obligation in any such jurisdiction where it is not then so subject;

(iii) notify the applicable Conversion Holder(s) at any time when the Corporation becomes aware during any period during which a prospectus for Registrable Securities or offering circular for Qualifiable Securities is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such Demand Registration Statement or the offering circular included in such Demand Offering Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made, and promptly prepare and file a supplement or prepare, file and obtain effectiveness or qualification, as applicable, of a post-effective amendment to the Demand Registration Statement or post-qualification amendment to the Demand Offering Statement and, at the request of the applicable Conversion Holder(s), furnish to such Conversion Holder(s) a reasonable number of copies of a supplement to, or an amendment of, such prospectus or offering circular as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities or such Qualifiable Securities, such prospectus or offering circular shall not include an 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 not misleading in the light of the circumstances under which they were made;

(iv) provide a transfer agent and registrar for: (A) all Registrable Securities covered by such Demand Registration Statement not later than the effective date of such Demand Registration Statement or (B) all Qualifiable Securities covered by such Demand Offering Statement not later than the qualification date of such Demand Qualification Statement;

(v) list all Registrable Securities or Qualifiable Securities covered by such Demand Registration Statement or Demand Offering Statement on any securities exchange or national quotation system on which any such class of securities is then listed or quoted and cause to be satisfied all requirements and conditions of such securities exchange or national quotation system to the listing or quoting of such Registrable Securities or Qualifiable Securities that are reasonably within the control of the Corporation;

(vi) in connection with any sale, transfer or other disposition by any Conversion Holder of any Registrable Securities or Qualifiable Securities pursuant to Rule 144 promulgated under the Securities Act, cooperate with such Conversion Holder to facilitate the timely preparation and delivery of certificates representing the Registrable Securities or Qualifiable Securities to be sold and not bearing any Securities Act legend, and enable certificates for such Registrable Securities or Qualifiable Securities to be for such number of shares and registered in such name as such Conversion Holder may reasonably request in writing at least three Business Days prior to any sale of Registrable Securities or Qualifiable Securities pursuant to Rule 144;

(vii) notify each applicable Conversion Holder, promptly after it shall receive notice thereof, of the time when such Demand Registration Statement or Demand Offering Statement, or any post-effective amendments to such Demand Registration Statement or Demand Offering Statement, shall have become effective or qualified, as applicable, or a supplement to any prospectus forming part of such Demand Registration Statement or to any offering circular forming part of such Demand Offering Statement has been filed;

(viii) notify each applicable Conversion Holder of any request by the Commission for the amendment or supplement of such Demand Registration Statement or Demand Offering Statement, prospectus or offering circular; and

(ix) advise each applicable Conversion Holder, promptly after it shall receive notice or obtain actual knowledge thereof, of (A) the issuance of any stop order, injunction or other order or requirement by the Commission suspending the effectiveness of such Demand Registration Statement or suspending the qualification of such Demand Offering Statement or the initiation or threatening of any proceeding for such purpose and use commercially reasonable efforts to prevent the issuance of any stop order, injunction or other order or requirement or to obtain its withdrawal, if such stop order, injunction or other order or requirement should be issued, (B) the suspension of the registration or qualification of the subject Registrable Securities or Qualifiable Securities in any state or other jurisdiction and (C) the removal of any such stop order, injunction or other order or requirement or proceeding or the lifting of any such suspension.

Each Conversion Holder shall (i) upon receipt of any notice from the Corporation of the happening of any event of the kind described in Section 10(e)(iii) hereof, forthwith discontinue its disposition of Registrable Securities or Qualifiable Securities pursuant to any applicable Demand Registration Statement or Demand Offering Statement until such Conversion Holder's receipt of the copies of the supplemented or amended prospectus or offering circular contemplated by Section 10(e)(iii) hereof; (ii) upon receipt of any notice from the Corporation of the happening of any event of the kind described in clause (A) of Section 10(e)(ix) hereof, discontinue its disposition of Registrable Securities or Qualifiable Securities pursuant to such Demand Registration Statement or Demand Offering Statement until such Holder's receipt of the notice described in clause (C) of Section 10(e)(ix) hereof, and (iii) upon receipt of any notice from the Corporation of the happening of any event of the kind described in clause (B) of Section 10(e)(ix) hereof, discontinue its disposition of Registrable Securities or Qualifiable Securities pursuant to such Demand Registration Statement or Demand Offering Statemen in the applicable state jurisdiction(s) until such Conversion Holder's receipt of the notice described in clause (C) of Section 10(e)(ix) hereof.

(f) Information Procedures. In connection with the filing of any registration statement or offering statement covering Registrable Securities or Qualifiable Securities, each Conversion Holder whose Registrable Securities or Qualifiable Securities are covered thereby shall furnish in writing to the Corporation such information regarding such Conversion Holder (and any of his, her or its Affiliates) of the Registrable Securities or Qualifiable Securities to be sold, the intended method of distribution of such Registrable Securities or such Qualifiable Securities, if then known, and such other information requested by the Corporation as is necessary or advisable for inclusion in the registration statement or offering statement relating to such offering pursuant to the Securities Act.

(g) Market Stand-Off. Each Conversion Holder shall not, to the extent requested by the Corporation or an underwriter of securities of the Corporation in connection with any public offering of the Corporation's Common Shares or other equity securities, directly or indirectly sell, offer to sell (including, without limitation, any short sale), grant any option or otherwise transfer or dispose of any Registrable Securities or Qualifiable Securities (other than to donees of the Conversion Holder) within fourteen days prior to, and for up to 90 days following, the effective date of a registration statement or offering statement of the Corporation filed under the Securities Act or the date of an underwriting agreement with respect to an underwritten public offering of the Corporation's securities (the "Stand-Off Period"); *provided*, *however*, that:

(i) with respect to any Stand-Off Period, such agreement to Stand-Off shall not be applicable to the Registrable Securities to be sold on the Conversion Holder's behalf to the public in such underwritten offering;

(ii) all executive officers and directors of the Corporation then holding Common Shares shall enter into similar agreements;

(iii) the Corporation shall use commercially reasonable efforts to obtain similar agreements from each 5% or greater stockholder of the Corporation; and

(iv) each Conversion Holder shall be allowed any concession or proportionate release allowed to any (i) officer, (ii) director or (iii) other 5% or greater stockholder of the Corporation that entered into similar agreements.

In order to enforce the foregoing covenant, the Corporation shall have the right to place restrictive legends on the certificates representing the Registrable Securities and Qualifiable Securities subject to this Section 10(g) and to impose stop transfer instructions with respect to the Registrable Securities and Qualifiable Securities of each Conversion Holder (and the Common Shares or securities of every other Person subject to the foregoing restriction) until the end of such period.

(h) Indemnification.

(i) Indemnification by the Corporation. The Corporation shall indemnify and hold harmless each Conversion Holder, its members, partners, officers, directors, managers, trustees, stockholders, employees, retained professionals, agents and investment advisers, each underwriter, broker or any other Person on behalf of such Conversion Holder, and each Person, if any, who Controls such Conversion Holder, together with the members, partners, officers, directors, managers, trustees, stockholders, employees, retained professionals, agents and investment advisers of such Controlling Person, against any losses, claims, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees) to which a Conversion Holder or any such indemnitees may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, liabilities and expenses (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of, or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such Registrable Securities were registered and sold o under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or arising out of or based upon any omission or alleged omission to state therein 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, (ii) any untrue statement or alleged untrue statement of any material fact contained in any offering statement under which such Qualifiable Securities were qualified and sold pursuant to Regulation A promulgated under the Securities Act, any preliminary offering circular or final offering circular contained therein, or any amendment or supplement thereto, or arising out of or based upon any omission or alleged omission to state therein 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, or (iii) any violation or alleged violation of the Securities Act or state securities laws or rules thereunder by the Corporation that relate to any action or inaction by the Corporation in connection with such registration statement or offering statement, and the Corporation will reimburse such Persons for any reasonable legal or any other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, liability, action or proceedings; *provided*, *however*, that the Corporation shall not be liable to, or required to indemnify, any Conversion Holder under this Section 10(h)(i) in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon, an untrue statement or alleged statement or omission or alleged omission made in such registration statement or offering statement, any such preliminary prospectus, preliminary offering circular, final prospectus, final offering circular summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Corporation by any such Conversion Holder or on such Conversion Holder's behalf. The indemnity contained in this Section 10(h)(i) shall remain in full force and effect regardless of any investigation made by or on behalf of a Conversion Holder or any such Controlling Person.

(i i) Indemnification by the Conversion Holders. In connection with any registration or qualification in which a Conversion Holder is participating, each such Conversion Holder shall indemnify and hold harmless the Corporation, each present or past member of the Board, each past or present officer, employee, retained professional, agent and investment adviser, each past or present external advisor or manager, of the Corporation, underwriter, broker or other Person acting on behalf of the Corporation, and each other Person, if any, who Controls any of the foregoing, together with the members, partners, officers, directors, managers, trustees, stockholders, employees, retained professionals, agents and investment advisers of such Controlling Person, against any losses, claims, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees), joint or several, to which the Corporation or any such indemnitees may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, liabilities and expenses (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of a material fact in or omission or alleged omission to state a material fact from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, if such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon information provided by such Conversion Holder or on such Conversion Holder's behalf, (ii) any untrue statement or alleged untrue statement of a material fact in or omission or alleged omission to state a material fact from such offering statement, any preliminary offering circular or final offering circular contained therein, or any amendment or supplement thereto, if such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon information provided by such Conversion Holder or on such Conversion Holder's behalf or (iii) any violation or alleged violation of the Securities Act or state securities laws or rules thereunder by such Conversion Holder. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Corporation or any such Board member, officer, employee, agent, investment adviser or Controlling Person and shall survive the transfer of such securities by any Conversion Holder. The obligation of a Conversion Holder to indemnify will be several and not joint, among the Conversion Holders and shall be limited to the net proceeds (after underwriting fees, commissions or discounts) actually received by such Conversion Holder from the sale of Registrable Securities pursuant to such registration statement, or the sale of Qualifiable Securities pursuant to such offering statement, except in the case of fraud or willful misconduct by such Holder.

(iii) Notices of Claims, Etc. Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding paragraphs of this Section 10(h), such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give prompt written notice to the latter of the commencement of such action; provided, however, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 10(h), except to the extent that the indemnifying party is actually and materially prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, the indemnifying party shall be entitled to assume the defense thereof, for itself, if applicable, together with any other indemnified party similarly notified, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to the indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof; provided, that if (i) any indemnified party shall have reasonably concluded that there may be one or more legal or equitable defenses available to such indemnified party which are additional to or conflict with those available to the indemnifying party, or that such claim or litigation involves or could have an effect upon matters beyond the scope of the indemnity provided hereunder, or (ii) such action seeks an injunction or equitable relief against any indemnified party or involves actual or alleged criminal activity, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party without such indemnified party's prior written consent (but, without such consent, shall have the right to participate therein with counsel of its choice) and such indemnifying party shall reimburse such indemnified party and any Person controlling such indemnified party for that portion of the fees and expenses of any counsel retained by the indemnified party which is reasonably related to the matters covered by the indemnity provided hereunder. The indemnifying party shall not, without the consent of the indemnified party, consent to any judgment or settlement that (i) does not contain a full and unconditional release of the indemnified party from all liability concerning any claim or litigation; (ii) includes a statement about or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party; or (iii) commits any indemnified party to take, or hold back from taking, any action.

(iv) Indemnification Payments. To the extent that the indemnifying party does not assume the defense of an action brought against the indemnified party as provided in Section 10(h)(iii) hereof, or assumes such defense and thereafter does not diligently pursue the same to conclusion the indemnified party (or parties if there is more than one) shall be entitled to the reasonable legal expenses of common counsel for the indemnified party (or parties). In such event, however, the indemnifying party will not be liable for any settlement effected without the written consent of such indemnifying party, which consent shall not be unreasonably withheld. The indemnification required by this Section 10(h) shall be made by periodic payments of the amount thereof during the course of an investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

(v) Termination. The rights of each Conversion Holder under this Section 10 shall terminate upon the date that all of the Registrable Securities and/or Qualifiable Securities held by such Conversion Holder may be sold during any three-month period in a single transaction or series of transactions without volume limitations under Rule 144 (or any successor provision) under the Securities Act. Notwithstanding the foregoing, the obligations of each Conversion Holder and the Corporation under Section 10(h) shall survive any such termination.

SECOND: The shares of Series B Preferred Stock have been classified and designated by the Board under the authority contained in the Charter.

THIRD: These Articles Supplementary have been approved by the Board in the manner and by the vote required by law.

FOURTH: The undersigned acknowledges these Articles Supplementary to be the corporate act of the Corporation and, as to all matters or facts required to be verified under oath, the undersigned acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

IN WITNESS WHEREOF, the Corporation has caused these Articles Supplementary to be signed in its name and on its behalf by its President and attested to by its Secretary on this 13th day of March, 2019.

ATTEST:

/s/ Robert R. Kaplan
Name: Robert R. Kaplan
Title: Secretary

HC Government Realty Trust, Inc.,

/s/ Robert R. Kaplan Jr. (SEAL)
Name: Robert R. Kaplan Jr.
Title: President

Exhibit 1.2

HC GOVERNMENT REALTY TRUST, INC.

AMENDED AND RESTATED BYLAWS

Adopted as of March 13, 2019

ARTICLE I
OFFICES

Section 1.1 PRINCIPAL OFFICE. The principal office of HC Government Realty Trust, Inc. (the "Corporation") in the State of Maryland shall be located at such place as the Board of Directors may designate.

Section 1.2 ADDITIONAL OFFICES. The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 2.1 PLACE. All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set in accordance with these Bylaws and stated in the notice of the meeting.

Section 2.2 ANNUAL MEETING. An annual meeting of stockholders for the election of directors and the transaction of any business that properly comes before the meeting shall be held on the date and at the time and place set by the Board of Directors. Failure to hold an annual meeting shall not invalidate the Corporation's existence or affect any otherwise valid acts of the Corporation.

Section 2.3 SPECIAL MEETINGS.

(a) General. Each of the chairman of the Board of Directors and Board of Directors may call a special meeting of stockholders. Except as provided in paragraph (b)(4) of this Section 2.3, a special meeting of stockholders shall be held on the date and at the time and place set by the chairman of the Board of Directors or Board of Directors, whoever has called the meeting. Subject to paragraph (b) of this Section 2.3, a special meeting of stockholders also shall be called by the secretary of the Corporation to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

(b) Stockholder-Requested Special Meetings.

(1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the secretary (the "Record Date Request Notice") by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the "Request Record Date"). The Record Date Request Notice shall set forth the purpose of the meeting and the matters proposed to be acted on at it, shall be signed by one or more stockholders of record as of the date of signature (or their agents duly authorized in a writing accompanying the Record Date Request Notice), shall bear the date of signature of each such stockholder (or such agent) and shall set forth all information relating to each such stockholder, each individual whom the stockholder proposes to nominate for election or reelection as a director and each matter proposed to be acted on at the meeting that would be required to be disclosed in connection with the solicitation of proxies for the election of directors or the election of each such individual, as applicable, in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such a solicitation, in each case pursuant to Maryland General Corporate Law ("MGCL") Sections 2-502 and 2-504(f). Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which a Record Date Request Notice is received by the secretary.

(2) In order for any stockholder to request a special meeting to act on any matter that may properly be considered at a meeting of stockholders, one or more written requests for a special meeting (collectively, the "Special Meeting Request") signed by stockholders of record (or their agents duly authorized in a writing accompanying the request) as of the Request Record Date entitled to cast not less than a majority of all of the votes entitled to be cast on such matter at such meeting (the "Special Meeting Percentage") shall be delivered to the secretary. In addition, the Special Meeting Request shall (a) set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be limited to those lawful matters set forth in the Record Date Request Notice received by the secretary), (b) bear the date of signature of each such stockholder (or such agent) signing the Special Meeting Request, (c) set forth (i) the name and address, as they appear in the Corporation's books, of each stockholder signing such request (or on whose behalf the Special Meeting Request is signed), (ii) the class, series and number of all shares of stock of the Corporation which are owned (beneficially or of record) by each such stockholder and (iii) the nominee holder for, and number of, shares of stock of the Corporation owned beneficially but not of record by such stockholder, (d) be sent to the secretary by registered mail, return receipt requested, and (e) be received by the secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in a writing accompanying the revocation of the Special Meeting Request) may revoke his, her or its request for a special meeting at any time by written revocation delivered to the secretary.

(3) The secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and mailing or delivering the notice of the meeting (including the Corporation's proxy materials). The secretary shall not be required to call a special meeting upon stockholder request and such meeting shall not be held unless, in addition to the documents required by paragraph (b)(2) of this Section 2.3, the secretary receives payment of such reasonably estimated cost prior to the preparation and mailing or delivery of such notice of the meeting.

(4) In the case of any special meeting called by the secretary upon the request of stockholders (a "Stockholder-Requested Meeting"), such meeting shall be held at such place, date and time as may be designated by the Board of Directors; *provided*, however, that the date of any Stockholder-Requested Meeting shall be not more than 90 days after the record date for such meeting (the "Meeting Record Date"); and *provided further* that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the secretary (the "Delivery Date"), a date and time for a Stockholder-Requested Meeting, then such meeting shall be held at 2:00 p.m., local time, on the 90th day after the Meeting Record Date or, if such 90th day is not a Business Day (as defined below), on the first preceding Business Day; and *provided further* that in the event that the Board of Directors fails to designate a place for a Stockholder-Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for a Stockholder-Requested Meeting, the Board of Directors may consider such factors as it deems relevant, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the meeting and any plan of the Board of Directors to call an annual meeting or a special meeting. In the case of any Stockholder-Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the notice for any Stockholder-Requested Meeting in the event that the requesting stockholders fail to comply with the provisions of paragraph (b)(3) of this Section 2.3.

(5) If written revocations of the Special Meeting Request have been delivered to the secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting on the matter to the secretary: (i) if the notice of meeting has not already been delivered, the secretary shall refrain from delivering the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for a special meeting on the matter, or (ii) if the notice of meeting has been delivered and if the secretary first sends to all requesting stockholders who have not revoked requests for a special meeting on the matter written notice of any revocation of a request for the special meeting and written notice of the Corporation's intention to revoke the notice of the meeting or for the chairman of the meeting to adjourn the meeting without action on the matter, (A) the secretary may revoke the notice of the meeting at any time before ten days before the commencement of the meeting or (B) the chairman of the meeting may call the meeting to order and adjourn the meeting without acting on the matter. Any request for a special meeting received after a revocation by the secretary of a notice of a meeting shall be considered a request for a new special meeting.

(6) The chairman of the Board of Directors or Board of Directors may appoint regionally or nationally recognized independent inspectors of elections to act as the agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the secretary. For the purpose of permitting the inspectors to perform such review, no such purported Special Meeting Request shall be deemed to have been received by the secretary until the earlier of (i) five Business Days after actual receipt by the secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than the Special Meeting Percentage. Nothing contained in this paragraph (6) shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(7) For purposes of these Bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in New York City are authorized or obligated by law or executive order to close.

Section 2.4 NOTICE. Not less than ten nor more than 90 days before each meeting of stockholders, the secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting notice in writing or by electronic transmission stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, by mail, by presenting it to such stockholder personally, by leaving it at the stockholder's residence or usual place of business or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Corporation, with postage thereon prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to the stockholder by an electronic transmission to any address or number of the stockholder at which the stockholder receives electronic transmissions. The Corporation may give a single notice to all stockholders who share an address, which single notice shall be effective as to any stockholder at such address, unless such stockholder objects to receiving such single notice or revokes a prior consent to receiving such single notice. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II or the validity of any proceedings at any such meeting.

Subject to Section 2.11(a), any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice for such special meeting. The Corporation may postpone or cancel a meeting of stockholders by making a public announcement (as defined in Section 2.11(c)(2)) of such postponement or cancellation prior to the meeting. Notice of the date, time and place to which the meeting is postponed shall be given not less than ten days prior to such date and otherwise in the manner set forth in this section.

Section 2.5 ORGANIZATION AND CONDUCT. Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment or appointed individual, by the chairman of the Board of Directors or, in the case of a vacancy in the office or absence of the chairman of the Board of Directors, by one of the following officers present at the meeting in the following order: the vice chairman of the Board of Directors, if there is one, the chief executive officer, the president, the vice presidents in their order of rank and seniority, the secretary or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The secretary or, in the secretary's absence, an assistant secretary or, in the absence of both the secretary and assistant secretaries, an individual appointed by the Board of Directors or, in the absence of such appointment, an individual appointed by the chairman of the meeting shall act as secretary. In the event that the secretary presides at a meeting of stockholders, an assistant secretary or, in the absence of all assistant secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of the chairman and without any action by the stockholders, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments; (e) determining when and for how long the polls should be opened and when the polls should be closed; (f) maintaining order and security at the meeting; (g) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (h) concluding a meeting or recessing or adjourning the meeting to a later date and time and at a place announced at the meeting; and (i) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 2.6 QUORUM. At any meeting of stockholders, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting on any matter shall constitute a quorum; but this section shall not affect any requirement under any statute or the charter of the Corporation (the "Charter") for the vote necessary for the approval of any matter. If such quorum is not established at any meeting of the stockholders, the chairman of the meeting may adjourn the meeting sine die or from time to time, and if from time to time, to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The stockholders present either in person or by proxy, at a meeting which has been duly called and at which a quorum has been established, may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough stockholders to leave fewer than would be required to establish a quorum.

Section 2.7 VOTING. Unless otherwise provided by statute or by the Charter, the affirmative vote of 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. Unless otherwise provided by statute or by the Charter, each share may be voted for as many individuals as there are directors to be elected and for whose election the share is entitled to be voted, without any right to cumulative votes. 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 statute or by the Charter. Unless otherwise provided by statute or by the Charter, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders. Voting on any question or in any election may be viva voce unless the chairman of the meeting shall order that voting be by ballot or otherwise.

Section 2.8 PROXIES. A holder of record of shares of stock of the Corporation may cast votes in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law. Such proxy or evidence of authorization of such proxy shall be filed with the secretary of the Corporation before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy.

Section 2.9 VOTING OF STOCK BY CERTAIN HOLDERS. Stock of the Corporation registered in the name of a corporation, partnership, trust, limited liability company or other entity, if entitled to be voted, may be voted by the president or a vice president, general partner, trustee or managing member thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any trustee or fiduciary may vote stock registered in the name of such person in the capacity of trustee or fiduciary, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by the Corporation shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. Upon receipt by the Corporation of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the holder of record of the specified stock in place of the stockholder who makes the certification.

Section 2.10 INSPECTORS. The Board of Directors or the chairman of the meeting may appoint, before or at the meeting, one or more inspectors for the meeting and any successor to the inspector. Except as otherwise provided by the chairman of the meeting, the inspectors, if any, shall (i) determine the number of shares of stock represented at the meeting, in person or by proxy, and the validity and effect of proxies, (ii) receive and tabulate all votes, ballots or consents, (iii) report such tabulation to the chairman of the meeting, (iv) hear and determine all challenges and questions arising in connection with the right to vote, and (v) do such acts as are proper to fairly conduct the election or vote. Each such report shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Section 2.11 ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.

(a) Annual Meetings of Stockholders.

(1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record both at the time of giving of notice by the stockholder as provided for in paragraph (a) of this Section 2.11 and at the time of the annual meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with paragraph (a) of this Section 2.11.

(2) For any nomination or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 2.11, the stockholder must have given timely notice thereof in writing to the secretary of the Corporation and any such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 2.11 and shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the notice provided under Section 2.4 hereof for the preceding year's annual meeting; *provided, however*, that in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, in order for notice by the stockholder to be timely, such notice must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting, as originally convened, or the tenth day following the day on which public announcement, if any, of the date of such meeting is first made. The public announcement, if any, of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) Such stockholder's notice shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each, a "Proposed Nominee"), all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to MGCL 2-502, 2-504, and 2-507 (including the Proposed Nominee's written consent to being named in the proxy statement as a nominee and to serving as a director as needed);

(ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the stockholder's reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person,

(A) the class, series and number of all shares of stock or other securities of the Corporation or any affiliate thereof (each, a "Company Security" and, collectively, the "Company Securities"), if any, which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person, the date on which each such Company Security was acquired and the investment intent of such acquisition, and any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in any Company Securities of any such person,

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person,

(C) whether and the extent to which such stockholder, Proposed Nominee or Stockholder Associated Person, directly or indirectly (through brokers, nominees or otherwise), is subject to, or during the last six months has engaged in, any hedging, derivative or other transaction or series of transactions or entered into any other agreement, arrangement or understanding (including any short interest, any borrowing or lending of securities or any proxy or voting agreement), the effect or intent of which is to (I) manage risk or benefit of changes in the price of Company Securities or (II) increase or decrease the voting power of such stockholder, Proposed Nominee or Stockholder Associated Person in the Corporation or any affiliate thereof disproportionately to such person's economic interest in the Company Securities, and

(D) any substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with the Corporation), by security holdings or otherwise, of such stockholder, Proposed Nominee or Stockholder Associated Person, in the Corporation or any affiliate thereof, other than an interest arising from the ownership of Company Securities where such stockholder, Proposed Nominee or Stockholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series.

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in clauses (ii) or (iii) of this paragraph (a)(3) of this Section 2.11 and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person;

(v) the name and address of any person who contacted or was contacted by the stockholder giving the notice or any Stockholder Associated Person about the Proposed Nominee or other business proposal prior to the date of such stockholder's notice; and

(vi) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder's notice.

(4) Such stockholder's notice shall, with respect to any Proposed Nominee, be accompanied by a certificate executed by the Proposed Nominee (i) certifying that such Proposed Nominee (a) is not, and will not become, a party to any agreement, arrangement or understanding with any person or entity other than the Corporation in connection with service or action as a director that has not been disclosed to the Corporation and (b) will serve as a director of the Corporation if elected; and (ii) attaching a completed Proposed Nominee questionnaire (which questionnaire shall be provided by the Corporation, upon request, to the stockholder providing the notice and shall include all information relating to the Proposed Nominee required by the Corporation.

(5) Notwithstanding anything in this paragraph (a) of this Section 2.11 to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the notice provided pursuant Section 2.4 hereof for the preceding year's annual meeting, a stockholder's notice required by paragraph (a) of this Section 2.11 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive office of the Corporation not later than 5:00 p.m., Eastern Time, on the tenth day following the day on which such public announcement, if any, is first made by the Corporation.

(6) For purposes of this Section 2.11, "Stockholder Associated Person" of any stockholder shall mean (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depositary) and (iii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such stockholder or such Stockholder Associated Person.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) provided that the special meeting has been called in accordance with paragraph (a) of Section 2.3 for the purpose of electing directors, by any stockholder of the Corporation who is a stockholder of record both at the time of giving of notice provided for in this Section 2.11 and at the time of the special meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the notice procedures set forth in this Section 2.11. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any stockholder may nominate an individual or individuals (as the case may be) for election as a director as specified in the Corporation's notice of meeting, if the stockholder's notice, containing the information required by paragraphs (a)(3) and (4) of this Section 2.11, is delivered to the secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than 5:00 p.m., Eastern Time, on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement, if any, is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement, if any, of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(c) General. (1) If information submitted pursuant to this Section 2.11 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate in any material respect, such information may be deemed not to have been provided in accordance with this Section 2.11. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two Business Days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the secretary or the Board of Directors, any such stockholder shall provide, within five Business Days of delivery of such request (or such other period as may be specified in such request), (A) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 2.11, and (B) a written update of any information (including, if requested by the Corporation, written confirmation by such stockholder that it continues to intend to bring such nomination or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 2.11 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested may be deemed not to have been provided in accordance with this Section 2.11.

(1) Only such individuals who are nominated in accordance with this Section 2.11 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 2.11. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 2.11.

(2) "Public announcement" shall mean disclosure (A) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (B) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended or the requirements of Regulation A under the Securities Act of 1933, as amended (the "Securities Act").

(3) Notwithstanding the foregoing provisions of this Section 2.11, a stockholder shall also comply with all applicable requirements of MGCL and other laws of the state and the rules and regulations thereunder with respect to the matters set forth in this Section 2.11.

Notwithstanding the foregoing, election of members of the Board of Directors by the holders of shares of any class or series of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 2.12 STOCKHOLDERS' CONSENT IN LIEU OF MEETING. Any action required or permitted to be taken at any meeting of stockholders may be taken without a meeting (a) if a unanimous consent setting forth the action is given in writing or by electronic transmission by each stockholder entitled to vote on the matter and filed with the minutes of proceedings of the stockholders, (b) if the action is advised by the Board of Directors and submitted to the stockholders for approval, and a consent in writing or by electronic transmission of stockholders entitled to cast not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting of stockholders is delivered to the Corporation in accordance with the MGCL, or any successor statute, or (c) in any manner set forth in the terms of any class or series of preferred stock of the Corporation. The Corporation shall give notice of any action taken by less than unanimous consent to each stockholder not later than ten days after the effective time of such action.

Section 2.13 CONTROL SHARE ACQUISITION ACT. Notwithstanding any other provision of the Charter or these Bylaws, Title 3, Subtitle 7 of the MGCL or any successor statute, shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

ARTICLE III
DIRECTORS

Section 3.1 GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 3.2 NUMBER, TENURE AND RESIGNATION. At any regular meeting or at any special meeting called for that purpose, a majority of the entire Board of Directors may establish, increase or decrease the number of directors, provided that the number thereof shall never be less than the minimum number required by the MGCL, nor more than 15, and further provided that the tenure of office of a director shall not be affected by any decrease in the number of directors. Any director of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the Board of Directors or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation.

Section 3.3 ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings of the Board of Directors without other notice than such resolution.

Section 3.4 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the chairman of the Board of Directors or a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 3.5 NOTICE. Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, courier or United States mail to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute, the Charter or these Bylaws.

Section 3.6 QUORUM. A majority of the directors shall constitute a quorum for transaction of business at any meeting of the Board of Directors, *provided that*, if less than a majority of such directors is present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and *provided further* that if, pursuant to applicable law, the Charter or these Bylaws, the vote of a majority or other percentage of a particular group of directors is required for action, a quorum must also include a majority or such other percentage of such group.

The directors present at a meeting which has been duly called and at which a quorum has been established may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough directors to leave fewer than required to establish a quorum.

Section 3.7 VOTING. The action of a majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws. If enough directors have withdrawn from a meeting to leave fewer than required to establish a quorum, but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws.

Section 3.8 ORGANIZATION. At each meeting of the Board of Directors, the chairman of the Board of Directors or, in the absence of the chairman, the vice chairman of the Board of Directors, if any, shall act as chairman of the meeting. In the absence of both the chairman and vice chairman of the Board of Directors, the chief executive officer or, in the absence of the chief executive officer, the president or, in the absence of the president, a director chosen by a majority of the directors present shall act as chairman of the meeting. The secretary or, in his or her absence, an assistant secretary of the Corporation or, in the absence of the secretary and all assistant secretaries, an individual appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 3.9 TELEPHONE MEETINGS. Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 3.10 CONSENT BY DIRECTORS WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each director and is filed with the minutes of proceedings of the Board of Directors.

Section 3.11 VACANCIES. If, for any reason, any or all the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder. Except as may be provided by the Board of Directors in setting the terms of any class or series of preferred stock or the Charter, any vacancy on the Board of Directors, whether resulting from a director ceasing to be a director or from an increase in the number of directors constituting the Board of Directors, may be filled only by a majority of the remaining directors, even if the remaining directors do not constitute a quorum. Any director elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies or until his or her earlier death, resignation or removal.

Section 3.12 COMPENSATION. Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting and/or per visit to real property or other facilities owned or leased by the Corporation and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they perform or engage in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor. Notwithstanding the foregoing, a director who is also an officer of the Corporation shall not receive additional compensation for such service as a director.

Section 3.13 RELIANCE. Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

Section 3.14 RATIFICATION. The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscomputation, the application of improper principles or practices of accounting or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 3.15 CERTAIN RIGHTS OF DIRECTORS AND OFFICERS. A director or officer of the Corporation shall have no responsibility to devote his or her full time to the affairs of the Corporation. Any director or officer, in his or her personal capacity or in a capacity as an affiliate, employee or agent of any other person, or otherwise, may have business interests and engage in business activities similar to, in addition to or in competition with those of or relating to the Corporation.

Section 3.16 EMERGENCY PROVISIONS. Notwithstanding any other provision in the Charter or these Bylaws, this Section 3.16 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under Article III of these Bylaws cannot readily be obtained (an "Emergency"). During any Emergency, unless otherwise provided by the Board of Directors, (i) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (ii) notice of any meeting of the Board of Directors during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as may be feasible at the time, including publication, television or radio; and (iii) the number of directors necessary to constitute a quorum shall be one-third of the entire Board of Directors.

ARTICLE IV
COMMITTEES

Section 4.1 NUMBER, TENURE AND QUALIFICATIONS. The Board of Directors may appoint from among its members committees, composed of one or more directors, to serve at the pleasure of the Board of Directors.

Section 4.2 POWERS. The Board of Directors may delegate to committees appointed under Section 4.1 any of the powers of the Board of Directors, except as prohibited by law. Except as may be otherwise provided by the Board of Directors or prohibited by the charter of such committee, any committee may delegate some or all of its power and authority to one or more subcommittees, composed of one or more directors, as the committee deems appropriate in its sole and absolute discretion.

Section 4.3 MEETINGS. Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board shall otherwise provide.

Section 4.4 TELEPHONE MEETINGS. Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 4.5 CONSENT BY COMMITTEES WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each member of the committee and is filed with the minutes of proceedings of such committee.

Section 4.6 VACANCIES. Subject to the provisions hereof, the Board of Directors shall have the power at any time to change the membership of any committee, to fill any vacancy, to designate an alternate member to replace any absent or disqualified member or to dissolve any such committee.

ARTICLE V
OFFICERS

Section 5.1 GENERAL PROVISIONS. The officers of the Corporation shall include a president, a secretary and a treasurer and may include a chairman of the Board of Directors, a vice chairman of the Board of Directors, a chief executive officer, one or more vice presidents, a chief operating officer, a chief financial officer, one or more assistant secretaries and one or more assistant treasurers. In addition, the Board of Directors may from time to time elect such other officers with such powers and duties as it shall deem necessary or desirable. The officers of the Corporation shall be elected annually by the Board of Directors, except that the chief executive officer or president may from time to time appoint one or more vice presidents, assistant secretaries and assistant treasurers or other officers. Each officer shall serve until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except president and vice president may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 5.2 REMOVAL AND RESIGNATION . Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the Board of Directors, or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 5.3 VACANCIES. A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 5.4 CHIEF EXECUTIVE OFFICER. The Board of Directors may designate a chief executive officer. In the absence of such designation, the chairman of the Board of Directors shall be the chief executive officer of the Corporation. The chief executive officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5.5 CHIEF OPERATING OFFICER. The Board of Directors may designate a chief operating officer. The chief operating officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 5.6 CHIEF FINANCIAL OFFICER. The Board of Directors may designate a chief financial officer. The chief financial officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 5.7 CHAIRMAN OF THE BOARD. The Board of Directors may designate from among its members a chairman of the Board of Directors, who shall not, solely by reason of these Bylaws, be an officer of the Corporation. The Board of Directors may designate the chairman of the Board of Directors as an executive or non-executive chairman. The chairman of the Board of Directors shall preside over the meetings of the Board of Directors and over those meetings of the stockholders as may be required pursuant to the provisions of Article II, Section 5 of these Bylaws. The chairman of the Board of Directors shall perform such other duties as may be assigned to him or her by these Bylaws or the Board of Directors.

Section 5.8 PRESIDENT. In the absence of a chief executive officer, the president shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a chief operating officer by the Board of Directors, the president shall be the chief operating officer. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5.9 VICE PRESIDENTS. In the absence of the president or in the event of a vacancy in such office, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president; and shall perform such other duties as from time to time may be assigned to such vice president by the chief executive officer, the president or the Board of Directors. The Board of Directors may designate one or more vice presidents as executive vice president, senior vice president, or vice president for particular areas of responsibility.

Section 5.10 SECRETARY. The secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors.

Section 5.11 TREASURER. The treasurer shall (a) have the custody of the funds and securities of the Corporation, (b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, (c) deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors, (d) disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, (e) render to the president and the Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as treasurer and of the financial condition of the Corporation, and (f) in general, perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors. In the absence of a designation of a chief financial officer by the Board of Directors, the treasurer shall be the chief financial officer of the Corporation.

Section 5.12 ASSISTANT SECRETARIES AND ASSISTANT TREASURERS . The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, respectively, or by the chief executive officer, the president or the Board of Directors.

Section 5.13 COMPENSATION. The compensation of the officers shall be fixed from time to time by or under the authority of the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director.

ARTICLE VI
CONTRACTS, CHECKS AND DEPOSITS

Section 6.1 CONTRACTS. The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when duly authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 6.2 CHECKS AND DRAFTS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 6.3 DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation as the Board of Directors, the chief executive officer, the president, the chief financial officer or any other officer designated by the Board of Directors may determine.

ARTICLE VII
STOCK

Section 7.1 CERTIFICATES. Except as may be otherwise provided by the Board of Directors, stockholders of the Corporation are not entitled to certificates representing the shares of stock held by them. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be in such form as prescribed by the Board of Directors or a duly authorized officer, shall contain the statements and information required by the MGCL and shall be signed by the officers of the Corporation in any manner permitted by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates. There shall be no differences in the rights and obligations of stockholders based on whether or not their shares are represented by certificates.

Section 7.2 TRANSFERS. All transfers of shares of stock shall be made on the books of the Corporation, by the holder of the shares, in person or by his or her attorney, in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors that such shares shall no longer be represented by certificates. Upon the transfer of any uncertificated shares, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 7.3 REPLACEMENT CERTIFICATE. Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; *provided, however*, if such shares have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors has determined that such certificates may be issued. Unless otherwise determined by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the Corporation.

Section 7.4 FIXING OF RECORD DATE. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a record date for the determination of stockholders entitled to notice of and to vote at any meeting of stockholders has been set as provided in this section, such record date shall continue to apply to the meeting if adjourned or postponed, except if the meeting is adjourned or postponed to a date more than 120 days after the record date originally fixed for the meeting, in which case a new record date for such meeting shall be determined as set forth herein.

Section 7.5 STOCK LEDGER. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate stock ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 7.6 FRACTIONAL STOCK; ISSUANCE OF UNITS. The Board of Directors may authorize the Corporation to issue fractional shares of stock or authorize the issuance of scrip, all on such terms and under such conditions as it may determine. Notwithstanding any other provision of the Charter or these Bylaws, the Board of Directors may authorize the Corporation to issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

ARTICLE VIII
ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX
DISTRIBUTIONS

Section 9.1 AUTHORIZATION. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors and declared by the Corporation, subject to the provisions of law and the Charter. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the Charter.

Section 9.2 CONTINGENCIES. Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X
INVESTMENT POLICY

Subject to the provisions of the Charter, the Board of Directors may from time to time adopt, amend, revise or terminate any policy or policies with respect to investments by the Corporation as it shall deem appropriate in its sole discretion.

ARTICLE XI
SEAL

Section 11.1 SEAL. The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 11.2 AFFIXING SEAL. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XII
INDEMNIFICATION AND ADVANCE OF EXPENSES

To the maximum extent permitted by Maryland law in effect from time to time, the Corporation shall indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation 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 (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, 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. The rights to indemnification and advance of expenses provided by the Charter and these Bylaws shall vest immediately upon election of a director or officer. The Corporation may, with the approval of its Board of Directors, provide such indemnification and advance for expenses to an individual who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and payment or reimbursement of expenses provided in these Bylaws shall not be deemed exclusive of or limit in any way other rights to which any person seeking indemnification or payment or reimbursement of expenses may be or may become entitled under any bylaw, resolution, insurance, agreement or otherwise.

Neither the amendment nor repeal of this Article XII, nor the adoption or amendment of any other provision of the Charter or these Bylaws inconsistent with this Article XII, shall apply to or affect in any respect the applicability of the preceding paragraph with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

ARTICLE XIII
WAIVER OF NOTICE

Whenever any notice of a meeting is required to be given pursuant to the Charter or these Bylaws or pursuant to applicable law, a waiver thereof in writing or by electronic transmission, given by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice of such meeting, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

ARTICLE XIV
AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of these Bylaws and to make new Bylaws.

Exhibit 4.1

Subscription Agreement

This SUBSCRIPTION AGREEMENT (the "Subscription Agreement") is dated as of March 19, 2019 by and between HC Government Realty Trust, Inc., a Maryland corporation (the "Company"), and the undersigned (the "Investor"), and provides as follows:

RECITALS

A. The Company is offering up to 1,050,000 shares of its 10.00% Series B Cumulative Convertible Preferred Stock (the "Preferred Stock") for an offering price of $10.00 per share with a maximum aggregate offering amount of $10,500,000 (the "Maximum Offering Amount"). The offering of the Preferred Stock is referred to herein as the ("Offering").

B. The Investor wishes to purchase, and the Company wishes to issue and sell to the Investor, on the date hereof _____ shares of the Preferred Stock (the "Acquired Shares") for aggregate purchase price of $_____ (the "Purchase Price").

C. The rights, privileges and obligations pertaining to ownership of shares of the Preferred Stock are governed by the Company's Articles of Incorporation, as amended or supplemented (" Charter"), Bylaws and Articles Supplementary to the Charter relating to the Preferred Stock. Copies of the Charter and Bylaws are attached hereto as Exhibits A-1 and A-2 , and a copy of the form Articles Supplementary, to be filed on or before the initial closing of this Offering is attached hereto as Exhibit A-3 (the "Articles Supplementary" and together with the Charter and the Bylaws, the "Organic Documents").

NOW, THEREFORE, in consideration of the foregoing and the promises and covenants contained in this Subscription Agreement, the Company and Investor hereby agree as follows:

1 . Issuance of Preferred Stock. The Company hereby agrees to issue to Investor, and Investor hereby agrees to acquire the Acquired Shares in exchange and consideration for Investor's payment of the Purchase Price to the Company. As of the date hereof, upon payment of the Investor's subscription price, the Company shall promptly issue the Acquired Shares to the Investor in book-entry only format and the Investor's subscription funds shall be immediately available to the Company for its business purposes.

2 . Payment of Purchase Price. Concurrently with execution and delivery of this Subscription Agreement, Investor shall deliver its Purchase Price to the Company in immediately available funds.

3. Representations and Warranties of Investor. Investor represents and warrants to the Company that:

(a) This Subscription Agreement has been duly authorized, executed, and delivered by the Investor and constitutes the Investor's legal, valid, and binding obligation enforceable in accordance with its respective terms, except as enforceability thereof may be limited by any applicable bankruptcy, reorganization, insolvency or other laws affecting creditors' rights generally or by general principles of equity. The Investor is a corporation, limited liability company, limited partnership or other legal entity that has all requisite power and authority (corporate or otherwise) to execute and deliver this Subscription Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby.

(b) The Investor is acquiring the Acquired Shares for the Investor's own account for investment and not with a view to resale or distribution. The Investor understands that the Acquired Shares have not been, and will not be, registered under the Securities Act of 1933, as amended (the "1933 Act"), by reason of a specific exemption from the registration provisions of the 1933 Act that depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Investor's representations and warranties as expressed herein. The Investor has not been formed solely for the purpose of acquiring the Acquired Shares.

(c) The Investor: (i) has been furnished all agreements, documents, records and books that the Investor has requested relating to an investment in the Acquired Shares; and (ii) has been given the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of the Offering, the Preferred Stock, the Company and its business and to obtain such additional information that was otherwise provided, and it has not been furnished any other literature relating to the Offering, the Preferred Stock, the Company or its business.

(d) The Investor recognizes (i) that purchase of the Acquired Shares involves a high degree of risk and has taken full cognizance of and understands such risks, (ii) that all information provided by the Company relating to its use of proceeds, and other information which is not of an historical nature represents only the Company's good faith assessment of its future expenses, revenues, and operations, as applicable, and is based upon assumptions which the Company believes are reasonable, although no assurance exists that such forecasts and assumptions will be fulfilled, and (iii) that the Company has relied on the representations of the Investor as set forth in this Section in determining materiality for purposes of satisfying the disclosure obligations of the Company and in determining the availability of exemptions from registration requirements under federal and state securities laws.

(e) The Investor fully understands and agrees that the Investor must bear the economic risk of the purchase of the Acquired Shares for an indefinite period of time because, among other reasons, the Acquired Shares have not been registered under the 1933 Act, or the securities laws of any state, and therefore cannot be sold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available.

(f) The Investor (i) can bear the risk of losing the entire investment; (ii) has overall commitments to other investments which are not readily marketable that are not disproportionate to his, her or its net worth and the investment in the Acquired Shares will not cause such overall commitment to become excessive; (iii) has adequate means of providing for current needs and personal contingencies and has no need for liquidity in the investment in the Acquired Shares; and (iv) has sufficient knowledge and experience in financial and business matters such that it is capable, either alone, or together with one or more advisors, of evaluating the risks and merits of investing in the Acquired Shares.

(g) The Investor has not incurred, and will not incur, directly or indirectly, as a result of any action taken by the Investor, any liability for brokerage or finder's fees or agent's commissions or any similar charges in connection with this Subscription Agreement.

(h) The Investor acknowledges that the Investor must depend entirely upon his, her or its own personal advisors for tax advice concerning an investment in the Company, that the Company has not provided any information on tax matters, and that any information provided to or it by, or on behalf of, the Company is not to be construed as tax advice to it from counsel to the Company. The Investor will rely solely on his, her or its own personal advisors and not on any statements or representations of the Company or any of its agents and understands that the Investor (and not the Company) shall be responsible for the Investor's own tax liability that may arise as a result of this investment or the transactions contemplated by this Subscription Agreement.

(i) The Investor accepts the terms of the Company's Organic Documents.

(j) The representations and warranties made in this Section, and all other information that the Investor has provided to the Company, either directly or indirectly, concerning the Investor's financial position and knowledge of financial and business matters, is correct and complete as of the date hereof.

(k) The Investor qualifies as an "Accredited Investor" as such term is defined under Rule 501 of Regulation D promulgated under the 1933 Act.

(l) Neither the Investor nor, to the extent it has them, any of its equity owners who own 20% or more of the outstanding equity of Investor, (collectively with the Investor, the "Investor Covered Persons"), are subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3); provided, however that if an Investor Covered Person is subject to a Disqualification Event covered by Rule 506(d)(2)(i) then Investor shall have provided the Company with such information as necessary to make the required disclosure regarding the applicable Disqualification Event under Rule 506(e). The Investor has exercised reasonable care to determine whether any Investor Covered Person is subject to a Disqualification Event. The purchase of the Acquired Shares by the Investor will not subject the Company to any Disqualification Event.

4. The Company hereby represents and warrants to Investor that, as of the date hereof:

(a) it is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland;

(b) it has full power and authority to execute and deliver, and to perform its obligations under, this Subscription Agreement and the consummation by it of the transactions contemplated hereby has been duly authorized by all necessary action on its part;

(c) this Agreement has been duly and validly executed and delivered by the Company and constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws;

(d) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not, with or without the giving of notice or the lapse of time or both, (i) violate any provision of law, statute, rule or regulation to which the Company is subject, (ii) violate any order, judgment or decree applicable to it, or (iii) conflict with or result in a breach or default under any term or condition of the Organic Documents or any agreement or other instrument to which it is a party or by which it is bound;

(e) no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority on part of the Company is required in connection with the consummation of the transactions contemplated by this Subscription Agreement, except for such filings required pursuant to applicable federal and state securities laws;

(f) as of the closing of this Subscription Agreement and immediately after the transactions contemplated to occur concurrently herewith[1], the authorized capital stock of the Company shall consist of (i) 750,000,000 shares of Common Stock, par value of $0.001 per share, of which 2,525,457 shares are issued and outstanding, (ii) 400,000 shares of 7.00% Series A Cumulative Convertible Preferred Stock, par value of $0.001 per share, of which 144,500 shares are issued and outstanding, and (iii) 2,050,000 shares of Preferred Stock, par value of $0.001 per share, of which 1,050,000 shares shall be issued and outstanding. All such issued and outstanding shares have been duly authorized and validly issued and have been offered, issued, sold, and (assuming the truth and accuracy of the representations and warranties of Investor herein) delivered by the Company in compliance with applicable federal and state securities laws. Other than the Organic Documents, the Company is not party to, or otherwise bound by, any agreement affecting the voting of any of its capital stock;

(h) the Acquired Shares issued hereunder will, upon issuance, be validly issued, fully paid and nonassessable, free and clear of any liens or other encumbrances (other than restrictions under securities laws), free of preemptive rights and rights of first refusal and (assuming the truth and accuracy of the representations and warranties of Investor herein) the issuance of the Acquired Shares hereunder shall be exempt from registration under the Securities Act and any applicable state securities laws.

5. Survival; Indemnification.

(a) The representations and warranties of Investor contained in Section 3 of this Subscription Agreement shall survive the closing of the purchase and sale of the Acquired Shares.

(b) **Investor hereby agrees to indemnify, defend and hold harmless the Company and its shareholders, officers, directors, affiliates, external managers and advisors from any and all damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees) that they may incur by reason of Investor's failure to fulfill all of the terms and conditions of this Subscription Agreement or by reason of the untruth or inaccuracy of any of the representations, warranties or agreements contained herein or in any other documents Investor has furnished to any of the foregoing in connection with the transactions described herein. This indemnification includes, but is not limited to, any damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees) incurred by the Company, and all of its respective shareholders, officers, directors, affiliates, external managers or advisors defending against any alleged violation of federal or state securities laws that is based upon or related to any untruth or inaccuracy of any of the representations, warranties or agreements contained herein or in any other documents Investor has furnished in connection with this transaction**.

[1]To be modified as needed to accommodate share repurchases.

6 . Applicable Law; Venue. This Subscription Agreement shall be construed in accordance with, and governed by, the laws of the State of MARYLAND without reference to the choice of law principles of any jurisdiction. THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF A COURT OF COMPETENT JURISDICTION SARASOTA COUNTY, FLORIDA IN CONNECTION WITH ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY SUIT, ACTION OR PROCEEDING RELATING THERETO EXCEPT IN SUCH COURTS. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION ARISING OUT OF OR RELATING TO THIS SUBSCRIPTION AGREEMENT.

7. Binding Effect. Except as otherwise provided herein, this Subscription Agreement shall be binding upon, and inure to the benefit of, the parties and their heirs, executors, administrators, successors, legal representatives, and assigns.

8 . Notice. All notices and other communications required or permitted hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been given three days after the date mailed when mailed by registered or certified mail, postage prepaid, or the next business day if sent by special courier such as Federal Express (except that notice of change of address shall be deemed given only when received), to the address shown on the signature pages hereto, in the case of Investor, and HC Government Realty Trust, Inc., 1819 Main Street, Suite 212, Sarasota, FL 34236, attn.: Chief Executive Officer, in the case of the Company, or to such other names or addresses as the Company or the Investor, as the case may be, shall designate by notice to the other party in the manner specified in this Section 7.

9 . Severability. If any provision of this Subscription Agreement or its application to anyone or under any circumstances is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect any other provisions or applications of this Subscription Agreement that can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable the invalid or unenforceable provision in any other jurisdiction or under any other circumstance.

1 0 . Entire Agreement. This Subscription Agreement (including all exhibits, appendices and schedules) and the Organic Documents, constitute the entire agreement by and between the parties pertaining to the subject matter hereof and supersede all prior and contemporaneous understandings of the parties.

1 1 . Variation in Pronouns. All pronouns shall be deemed to refer to masculine, feminine, neuter, singular, or plural, as the identity of the person or persons may require.

12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

13. Legal Counsel; Potential Conflicts. ***This Subscription Agreement has been prepared by Kaplan Voekler Cunningham & Frank, PLC, as counsel to the Company ("Counsel"), after full disclosure of its representation of the Company and with the consent and direction of the Company and the Investor. The Investor has reviewed the contents of this Subscription Agreement, and fully understand its terms. The Investor acknowledges that it is fully aware of its right to the advice of counsel independent from that of the Company, and that it understands the potentially adverse interests of the parties with respect to this Subscription Agreement. The Investor further acknowledges that no representations have been made with respect to the tax or other consequences of this Subscription Agreement and any acquisition of the Preferred Stock, to any individual Investor and that it has been advised of the importance of seeking independent counsel with respect to such consequences. By executing this Subscription Agreement the Investor represents that it has, after being advised of the potential conflicts among the Investor and the Company with respect to the future consequences of this Subscription Agreement, an investment in the Preferred Stock either consulted independent legal counsel or elected, notwithstanding the advisability of seeking such independent legal counsel, not to consult such independent legal counsel.***

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Subscription Agreement has been duly executed by the Company and the undersigned Investor or its duly authorized officer, as the case may be, as of the date first written above.

INVESTOR:

[Investment Entity(ies)]

By: _____

Name:

Title:

_____

Taxpayer Identification Number

Address:

_____

_____

_____

_____

ACCEPTED BY THE COMPANY:

HC GOVERNMENT REALTY TRUST, INC.

By: _____

Name: _____

Title: _____

EXHIBIT A-1

CHARTER
(see attached)

EXHIBIT A-2

BYLAWS
(see attached)

EXHIBIT A-3

FORM OF ARTICLES SUPPLEMENTARY
(See Attached)

Exhibit 4.2

Subscription Agreement

This SUBSCRIPTION AGREEMENT (the "Subscription Agreement") is dated as of March 19, 2019 by and between HC Government Realty Trust, Inc., a Maryland corporation (the "Company"), and the undersigned (the "Investor"), and provides as follows:

RECITALS

A. The Company is offering up to 300,000 shares of its common stock (the "Common Stock") for an offering price of $10.00 per share with a maximum aggregate offering amount of $3,000,000 (the "Maximum Offering Amount"). The offering of the Common Stock is referred to herein as the ("Offering").

B. The Investor wishes to purchase, and the Company wishes to issue and sell to the Investor, on the date hereof _____ shares of the Common Stock (the "Acquired Shares") for aggregate purchase price of $_____ (the "Purchase Price").

C. The rights, privileges and obligations pertaining to ownership of shares of the Common Stock are governed by the Company's Articles of Incorporation, as amended or supplemented (" Charter") and Amended and Restated Bylaws ("Bylaws"). The Charter and Bylaws are referred to collectively as the "Organic Documents." Copies of the Charter and Bylaws are attached hereto as Exhibits A-1 and A-2.

NOW, THEREFORE, in consideration of the foregoing and the promises and covenants contained in this Subscription Agreement, the Company and Investor hereby agree as follows:

1 . Issuance of Common Stock. The Company hereby agrees to issue to Investor, and Investor hereby agrees to acquire the Acquired Shares in exchange and consideration for Investor's payment of the Purchase Price to the Company. As of the date hereof, upon payment of the Investor's subscription price, the Company shall promptly issue the Acquired Shares to the Investor in book-entry only format and the Investor's subscription funds shall be immediately available to the Company for its business purposes.

2 . Payment of Purchase Price. Concurrently with execution and delivery of this Subscription Agreement, Investor shall deliver its Purchase Price to the Company in immediately available funds.

3. Representations and Warranties of Investor. Investor represents and warrants to the Company that:

(a) This Subscription Agreement has been duly authorized, executed, and delivered by the Investor and constitutes the Investor's legal, valid, and binding obligation enforceable in accordance with its respective terms, except as enforceability thereof may be limited by any applicable bankruptcy, reorganization, insolvency or other laws affecting creditors' rights generally or by general principles of equity. The Investor is a corporation, limited liability company, limited partnership or other legal entity that has all requisite power and authority (corporate or otherwise) to execute and deliver this Subscription Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby.

(b) The Investor is acquiring the Acquired Shares for the Investor's own account for investment and not with a view to resale or distribution. The Investor understands that the Acquired Shares have not been, and will not be, registered under the Securities Act of 1933, as amended (the "1933 Act"), by reason of a specific exemption from the registration provisions of the 1933 Act that depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Investor's representations and warranties as expressed herein. The Investor has not been formed solely for the purpose of acquiring the Acquired Shares.

(c) The Investor: (i) has been furnished all agreements, documents, records and books that the Investor has requested relating to an investment in the Acquired Shares; and (ii) has been given the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of the Offering, the Common Stock, the Company and its business and to obtain such additional information that was otherwise provided, and it has not been furnished any other literature relating to the Offering, the Common Stock, the Company or its business.

(d) The Investor recognizes (i) that purchase of the Acquired Shares involves a high degree of risk and has taken full cognizance of and understands such risks, (ii) that all information provided by the Company relating to its use of proceeds, and other information which is not of an historical nature represents only the Company's good faith assessment of its future expenses, revenues, and operations, as applicable, and is based upon assumptions which the Company believes are reasonable, although no assurance exists that such forecasts and assumptions will be fulfilled, and (iii) that the Company has relied on the representations of the Investor as set forth in this Section in determining materiality for purposes of satisfying the disclosure obligations of the Company and in determining the availability of exemptions from registration requirements under federal and state securities laws.

(e) The Investor fully understands and agrees that the Investor must bear the economic risk of the purchase of the Acquired Shares for an indefinite period of time because, among other reasons, the Acquired Shares have not been registered under the 1933 Act, or the securities laws of any state, and therefore cannot be sold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available.

(f) The Investor (i) can bear the risk of losing the entire investment; (ii) has overall commitments to other investments which are not readily marketable that are not disproportionate to his, her or its net worth and the investment in the Acquired Shares will not cause such overall commitment to become excessive; (iii) has adequate means of providing for current needs and personal contingencies and has no need for liquidity in the investment in the Acquired Shares; and (iv) has sufficient knowledge and experience in financial and business matters such that it is capable, either alone, or together with one or more advisors, of evaluating the risks and merits of investing in the Acquired Shares.

(g) The Investor has not incurred, and will not incur, directly or indirectly, as a result of any action taken by the Investor, any liability for brokerage or finder's fees or agent's commissions or any similar charges in connection with this Subscription Agreement.

(h) The Investor acknowledges that the Investor must depend entirely upon his, her or its own personal advisors for tax advice concerning an investment in the Company, that the Company has not provided any information on tax matters, and that any information provided to or it by, or on behalf of, the Company is not to be construed as tax advice to it from counsel to the Company. The Investor will rely solely on his, her or its own personal advisors and not on any statements or representations of the Company or any of its agents and understands that the Investor (and not the Company) shall be responsible for the Investor's own tax liability that may arise as a result of this investment or the transactions contemplated by this Subscription Agreement.

(i) The Investor accepts the terms of the Company's Organic Documents.

(j) The representations and warranties made in this Section, and all other information that the Investor has provided to the Company, either directly or indirectly, concerning the Investor's financial position and knowledge of financial and business matters, is correct and complete as of the date hereof.

(k) The Investor qualifies as an "Accredited Investor" as such term is defined under Rule 501 of Regulation D promulgated under the 1933 Act.

(l) Neither the Investor nor, to the extent it has them, any of its equity owners who own 20% or more of the outstanding equity of Investor, (collectively with the Investor, the "Investor Covered Persons"), are subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3); provided, however that if an Investor Covered Person is subject to a Disqualification Event covered by Rule 506(d)(2)(i) then Investor shall have provided the Company with such information as necessary to make the required disclosure regarding the applicable Disqualification Event under Rule 506(e). The Investor has exercised reasonable care to determine whether any Investor Covered Person is subject to a Disqualification Event. The purchase of the Acquired Shares by the Investor will not subject the Company to any Disqualification Event.

4. The Company hereby represents and warrants to Investor that, as of the date hereof:

(a) it is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland;

(b) it has full power and authority to execute and deliver, and to perform its obligations under, this Subscription Agreement and the consummation by it of the transactions contemplated hereby has been duly authorized by all necessary action on its part;

(c) this Agreement has been duly and validly executed and delivered by the Company and constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws;

(d) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not, with or without the giving of notice or the lapse of time or both, (i) violate any provision of law, statute, rule or regulation to which the Company is subject, (ii) violate any order, judgment or decree applicable to it, or (iii) conflict with or result in a breach or default under any term or condition of the Organic Documents or any agreement or other instrument to which it is a party or by which it is bound;

(e) no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority on part of the Company is required in connection with the consummation of the transactions contemplated by this Subscription Agreement, except for such filings required pursuant to applicable federal and state securities laws;

(f) as of the closing of this Subscription Agreement and immediately after the transactions contemplated to occur concurrently herewith, the authorized capital stock of the Company shall consist of (i) 750,000,000 shares of Common Stock, par value of $0.001 per share, of which 2,525,457 shares are issued and outstanding, (ii) 400,000 shares of 7.00% Series A Cumulative Convertible Preferred Stock, par value of $0.001 per share, of which 144,500 shares are issued and outstanding, and (iii) 2,050,000 shares of 10.00% Series B Cumulative Convertible Preferred Stock, par value of $0.001 per share, of which 1,050,000 shares shall be issued and outstanding. All such issued and outstanding shares have been duly authorized and validly issued and have been offered, issued, sold, and (assuming the truth and accuracy of the representations and warranties of Investor herein) delivered by the Company in compliance with applicable federal and state securities laws. Other than the Organic Documents, the Company is not party to, or otherwise bound by, any agreement affecting the voting of any of its capital stock;

(h) the Acquired Shares issued hereunder will, upon issuance, be validly issued, fully paid and nonassessable, free and clear of any liens or other encumbrances (other than restrictions under securities laws), free of preemptive rights and rights of first refusal and (assuming the truth and accuracy of the representations and warranties of Investor herein) the issuance of the Acquired Shares hereunder shall be exempt from registration under the Securities Act and any applicable state securities laws.

5. Survival; Indemnification.

(a) The representations and warranties of Investor contained in Section 3 of this Subscription Agreement shall survive the closing of the purchase and sale of the Acquired Shares.

(b) **Investor hereby agrees to indemnify, defend and hold harmless the Company and its shareholders, officers, directors, affiliates, external managers and advisors from any and all damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees) that they may incur by reason of Investor's failure to fulfill all of the terms and conditions of this Subscription Agreement or by reason of the untruth or inaccuracy of any of the representations, warranties or agreements contained herein or in any other documents Investor has furnished to any of the foregoing in connection with the transactions described herein. This indemnification includes, but is not limited to, any damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees) incurred by the Company, and all of its respective shareholders, officers, directors, affiliates, external managers or advisors defending against any alleged violation of federal or state securities laws that is based upon or related to any untruth or inaccuracy of any of the representations, warranties or agreements contained herein or in any other documents Investor has furnished in connection with this transaction**.

6. Applicable Law; Venue. This Subscription Agreement shall be construed in accordance with, and governed by, the laws of the State of MARYLAND without reference to the choice of law principles of any jurisdiction. THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF A COURT OF COMPETENT JURISDICTION SARASOTA COUNTY, FLORIDA IN CONNECTION WITH ANY SUIT, ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY SUIT, ACTION OR PROCEEDING RELATING THERETO EXCEPT IN SUCH COURTS. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION ARISING OUT OF OR RELATING TO THIS SUBSCRIPTION AGREEMENT.

7. Binding Effect. Except as otherwise provided herein, this Subscription Agreement shall be binding upon, and inure to the benefit of, the parties and their heirs, executors, administrators, successors, legal representatives, and assigns.

8. Notice. All notices and other communications required or permitted hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been given three days after the date mailed when mailed by registered or certified mail, postage prepaid, or the next business day if sent by special courier such as Federal Express (except that notice of change of address shall be deemed given only when received), to the address shown on the signature pages hereto, in the case of Investor, and HC Government Realty Trust, Inc., 1819 Main Street, Suite 212, Sarasota, FL 34236, attn.: Chief Executive Officer, in the case of the Company, or to such other names or addresses as the Company or the Investor, as the case may be, shall designate by notice to the other party in the manner specified in this Section 7.

9. Severability. If any provision of this Subscription Agreement or its application to anyone or under any circumstances is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect any other provisions or applications of this Subscription Agreement that can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable the invalid or unenforceable provision in any other jurisdiction or under any other circumstance.

10. Entire Agreement. This Subscription Agreement (including all exhibits, appendices and schedules) and the Organic Documents, constitute the entire agreement by and between the parties pertaining to the subject matter hereof and supersede all prior and contemporaneous understandings of the parties.

11. Variation in Pronouns. All pronouns shall be deemed to refer to masculine, feminine, neuter, singular, or plural, as the identity of the person or persons may require.

12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

13. Legal Counsel; Potential Conflicts. ***This Subscription Agreement has been prepared by Kaplan Voekler Cunningham & Frank, PLC, as counsel to the Company ("Counsel"), after full disclosure of its representation of the Company and with the consent and direction of the Company and the Investor. The Investor has reviewed the contents of this Subscription Agreement, and fully understand its terms. The Investor acknowledges that it is fully aware of its right to the advice of counsel independent from that of the Company, and that it understands the potentially adverse interests of the parties with respect to this Subscription Agreement. The Investor further acknowledges that no representations have been made with respect to the tax or other consequences of this Subscription Agreement and any acquisition of the Common Stock, to any individual Investor and that it has been advised of the importance of seeking independent counsel with respect to such consequences. By executing this Subscription Agreement the Investor represents that it has, after being advised of the potential conflicts among the Investor and the Company with respect to the future consequences of this Subscription Agreement, an investment in the Common Stock either consulted independent legal counsel or elected, notwithstanding the advisability of seeking such independent legal counsel, not to consult such independent legal counsel.***

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Subscription Agreement has been duly executed by the Company and the undersigned Investor or its duly authorized officer, as the case may be, as of the date first written above.

INVESTOR:

[Investment Entity(ies)]

By: _____
Name:
Title:

_____
Taxpayer Identification Number

Address:

_____
_____
_____
_____

ACCEPTED BY THE COMPANY:

HC GOVERNMENT REALTY TRUST, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A-1

CHARTER
(see attached)

EXHIBIT A-2

BYLAWS
(see attached)

Exhibit 6.1

SECOND AMENDMENT TO THE
AGREEMENT OF LIMITED PARTNERSHIP OF
HC GOVERNMENT REALTY HOLDINGS, L.P.

DESIGNATION OF 10.00% SERIES B
CUMULATIVE CONVERTIBLE PREFERRED UNITS

March 14, 2019

Pursuant to Section 4.02 and Article XI of the Agreement of Limited Partnership of HC Government Realty Holdings, L.P., as amended by the First Amendment dated March 31, 2016 (such amendment the "First Amendment" and such agreement, as amended, the "Partnership Agreement"), the General Partner hereby further amends the Partnership Agreement as follows in connection with the classification of 2,050,000 shares of 10.00% Series B Cumulative Convertible Preferred Stock, $0.01 par value per share (the "Series B Preferred Stock") of HC Government Realty Trust, Inc. and the issuance to the General Partner of Series B Preferred Units (as defined below) in exchange for the contribution by the General Partner of the net proceeds from the issuance and sale of the Series B Preferred Stock:

1 . Designation and Number. A series of Preferred Units (as defined below), designated the "10.00% Series B Cumulative Convertible Preferred Units" (the "Series B Preferred Units"), is hereby established. The number of authorized Series B Preferred Units shall be 2,050,000.

2 . Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Partnership Agreement. The following defined terms used in this Amendment to the Partnership Agreement shall have the meanings specified below:

"Articles Supplementary" means the Articles Supplementary of the General Partner filed with the State Department of Assessments and Taxation of the State of Maryland on March 14, 2019, designating the terms, rights and preferences of the Series B Preferred Stock.

"Base Liquidation Preference" shall have the meaning provided in Section 6.

"Business Day" shall have the meaning provided in Section 5(a).

"Distribution Period" shall have the meaning provided in Section 5(a).

"Distribution Record Date" shall have the meaning provided in Section 5(a).

"Junior Units" shall have the meaning provided in Section 4.

"Parity Preferred Units" shall have the meaning provided in Section 4.

"Partnership Agreement" shall have the meaning provided in the recital above.

"Preferred Units" means all Partnership Interests designated as preferred units by the General Partner from time to time in accordance with Section 4.02 of the Partnership Agreement. As of the date hereof, the Preferred Units of the Partnership are the "7.00% Series A Cumulative Convertible Preferred Units" (the "Series A Preferred Units") and the Series B Preferred Units.

"Series A Preferred Return" shall have the meaning provided in Section 5(a) of the First Amendment.

"Series B Preferred Return" shall have the meaning provided in Section 5(a).

"Series A Preferred Distribution Payment Date" shall have the meaning provided in Section 5(a) of the First Amendment.

"Series B Preferred Distribution Payment Date" shall have the meaning provided in Section 5(a).

"Series B Preferred Stock" shall have the meaning provided in the recital above.

"Series A Preferred Units" shall have the meaning provided in the definition of "Preferred Units".

"Series B Preferred Units" shall have the meaning provided in Section 1.

3. Maturity. The Series B Preferred Units have no stated maturity and will not be subject to any sinking fund or mandatory redemption.

4. Rank. The Series B Preferred Units will, with respect to distribution rights and rights upon liquidation, dissolution or winding up of the Partnership, rank (a) senior to all classes or series of Common Units of the Partnership and any class or series of Preferred Units expressly designated as ranking junior to the Series B Preferred Units as to distribution rights and rights upon liquidation, dissolution or winding up of the Partnership (the "Junior Units"); (b) on a parity with the Series A Preferred Units of the Partnership and any other class or series of Preferred Units issued by the Partnership expressly designated as ranking on a parity with the Series B Preferred Units as to distribution rights and rights upon liquidation, dissolution or winding up of the Partnership (the "Parity Preferred Units"); and (c) junior to any class or series of Preferred Units issued by the Partnership expressly designated as ranking senior to the Series B Preferred Units with respect to distribution rights and rights upon liquidation, dissolution or winding up of the Partnership. The term "Preferred Units" does not include convertible or exchangeable debt securities of the Partnership, which will rank senior to the Series B Preferred Units prior to conversion or exchange. The Series B Preferred Units will also rank junior in right or payment to the Partnership's existing and future indebtedness.

5. Distributions.

(a) Subject to the preferential rights of holders of any class or series of Preferred Units of the Partnership expressly designated as ranking senior to the Series B Preferred Units as to distributions, the holders of Series B Preferred Units shall be entitled to receive, when, as and if authorized by the General Partner and declared by the Partnership, out of funds of the Partnership legally available for payment of distributions, preferential cumulative cash distributions at the rate of 10.00% per annum of the Base Liquidation Preference (as defined below) per unit plus the amount of previously accrued and unpaid distributions on the Series B Preferred Units (the "Series B Preferred Return") from the date of original issue of the Series B Preferred Units. Distributions on the Series B Preferred Units shall accrue and be cumulative from (and including) the date of original issue of any Series B Preferred Units or, with respect to any accrued distributions that have been paid in cash, the end of the most recent Distribution Period for which distributions have been paid, and shall be payable quarterly, in equal amounts, in arrears, on or about the 5th day of each January, April, July and October of each year (or, if not a business day, the next succeeding business day (each a "Series B Preferred Distribution Payment Date") for the period ending on such Series B Preferred Distribution Payment Date, commencing on April 5, 2019. A "Distribution Period" is the respective period commencing on and including January 1, April 1, July 1 and October 1 of each year and ending on and including the day preceding the first day of the next succeeding Distribution Period (other than the initial Distribution Period and the Distribution Period during which any Series B Preferred Units shall be redeemed or otherwise acquired by the Partnership). The term "Business Day" shall mean each day, other than a Saturday or Sunday, which is not a day on which banks in the State of New York are required to close. The amount of any distribution payable on the Series B Preferred Units for any Distribution Period will be computed on the basis of twelve 30-day months and a 360-day year. Distributions will be payable to holders of record of the Series B Preferred Units as they appear on the records of the Partnership at the close of business on the 25th day of the month preceding the applicable Series B Preferred Distribution Payment Date, *i.e.*, December 25, March 25, June 25 and September 25 (each, a "Distribution Record Date").

(b) No distributions on the Series B Preferred Units shall be authorized by the General Partner or declared, paid or set apart for payment by the Partnership at such time as the terms and provisions of any agreement of the General Partner or the Partnership, including any agreement relating to the indebtedness of either of them, prohibits such authorization, declaration, payment or setting apart for payment or provides that such declaration, payment or setting apart for payment would constitute a breach thereof or a default thereunder, or if such declaration or payment shall be restricted or prohibited by law.

(c) Notwithstanding anything to the contrary contained herein, distributions on the Series B Preferred Units will accrue and, to the extent not paid in cash, compound quarterly on each Series B Preferred Distribution Payment Date, whether or not the restrictions referred to in Section 5(b) exist, whether or not the Partnership has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized or declared. No interest, or sum of money in lieu of interest, will be payable in respect of any distribution on the Series B Preferred Units which may be in arrears. When distributions are not paid in full upon the Series B Preferred Units and any Parity Preferred Units (or a sum sufficient for such full payment is not so set apart), all distributions declared upon the Series B Preferred Units and any Parity Preferred Units shall be declared pro rata so that the amount of distributions declared per Series B Preferred Unit and such Parity Preferred Units shall in all cases bear to each other the same ratio that accumulated distributions per Series B Preferred Unit and such Parity Preferred Units (which shall not include any accrual in respect of unpaid distributions for prior distributions periods if such Parity Preferred Units do not have a cumulative distribution) bear to each other.

(d) Except as provided in the immediately preceding paragraph, unless full cumulative distributions on the Series B Preferred Units have been or contemporaneously are declared and paid in cash or declared and a sum sufficient for the payment thereof is set apart for payment for all past Distribution Periods that have ended, no distributions (other than a distribution in Junior Units or in options, warrants or rights to subscribe for or purchase any such Junior Units) shall be declared and paid or declared and set apart for payment nor shall any other distribution be declared and made upon the Junior Units or the Parity Preferred Units, nor shall any Junior Units or Parity Preferred Units be redeemed, purchased or otherwise acquired for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any such Units) by the Partnership (except (i) by conversion into or exchange for Junior Units, (ii) the purchase of Series B Preferred Units, Junior Units or Parity Preferred Units in connection with a redemption of stock pursuant to the Charter to the extent necessary to preserve the Corporation's qualification as a REIT or (iii) the purchase of Parity Preferred Units pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding Series B Preferred Units). Holders of the Series B Preferred Units shall not be entitled to any distribution, whether payable in cash, property or units, in excess of full cumulative and compounding distributions on the Series B Preferred Units as provided above. Any distribution made on the Series B Preferred Units shall first be credited against the earliest accrued but unpaid distribution due with respect to such units which remains payable. Accrued but unpaid distributions on the Series B Preferred Units will accrue as of the Series B Preferred Distribution Payment Date on which they first become payable.

6 . Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Partnership, the holders of Series B Preferred Units are entitled to be paid out of the assets of the Partnership legally available for distribution to its partners, after payment of or provision for the Partnership's debts and other liabilities, a liquidation preference of $10.00 per unit (the "Base Liquidation Preference"), plus an amount equal to any accrued and unpaid distributions (whether or not authorized or declared) thereon to and including the date of payment, but without interest, before any distribution of assets is made to holders of Junior Units. If the assets of the Partnership legally available for distribution to partners are insufficient to pay in full the liquidation preference on the Series B Preferred Units and the liquidation preference on any Parity Preferred Units, all assets distributed to the holders of the Series B Preferred Units and any Parity Preferred Units shall be distributed pro rata so that the amount of assets distributed per Series B Preferred Units and such Parity Preferred Units shall in all cases bear to each other the same ratio that the liquidation preference per Series B Preferred Unit and such Parity Preferred Units bear to each other. Written notice of any distribution in connection with any such liquidation, dissolution or winding up of the affairs of the Partnership, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable, shall be given by first class mail, postage pre-paid, not less than 30 nor more than 60 days prior to the payment date stated therein, to each record holder of the Series B Preferred Units at the respective addresses of such holders as the same shall appear on the records of the Partnership. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Series B Preferred Units will have no right or claim to any of the remaining assets of the Partnership. The consolidation or merger of the Partnership with or into another entity, a merger of another entity with or into the Partnership, a statutory exchange by the Partnership or a sale, lease, transfer or conveyance of all or substantially all of the Partnership's property or business shall not be deemed to constitute a liquidation, dissolution or winding up of the affairs of the Partnership. Notwithstanding the above, for purposes of determining the amount each holder of Series B Preferred Units is entitled to receive with respect to a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Partnership, each such holder of Series B Preferred Units shall be deemed to have converted (regardless of whether such holder actually converted) such holder's units of such series into Common Units immediately prior to such liquidation event if, as a result of an actual conversion, such holder would receive, in the aggregate, an amount greater than the amount that would be distributed to such holder if such holder did not convert such Series B Preferred Units into Common Units.

7. Conversion. In connection with any conversion of any shares of Series B Preferred Stock of the General Partner pursuant to Section 5 of the Articles Supplementary, the Partnership shall convert, on the date of such conversion, a number of outstanding Series B Preferred Units into a number of Common Units equivalent to the product of the number of REIT Common Shares issued upon conversion of the Series B Preferred Stock multiplied by the Conversion Factor.

8. Voting Rights. Holders of the Series B Preferred Units will not have any voting rights.

9. Amendment. Article V, Section 5.01(f) of the Partnership Agreement is hereby deleted in its entirety and the following new Section 5.01(f) is inserted in its place:

> (f) Priority Allocations With Respect To Preferred Units. After giving effect to the allocations set forth in Sections 5.01(c), (d), and (e) hereof, but before giving effect to the allocations set forth in Sections 5.01(a) and 5.01(b), Net Operating Income shall be allocated to the General Partner until the aggregate amount of Net Operating Income allocated to the General Partner under this Section 5.01(f) for the current and all prior years equals the aggregate amount of the Series A Preferred Return and the Series B Preferred Return paid to the General Partner for the current and all prior years; *provided, however*, that the General Partner may, in its discretion, allocate Net Operating Income based on accrued Series A Preferred Return and the Series B Preferred Return with respect to the January Series A Preferred Distribution Payment Date and the January Series B Preferred Distribution Payment Date if the General Partner sets the Distribution Record Date for such Series A Preferred Distribution Payment Date or Series B Preferred Distribution Payment Date on or prior to December 31 of the previous year. For purposes of this Section 5.01(f), "Net Operating Income" means the excess, if any, of the Partnership's gross income over its expenses (but not taking into account depreciation, amortization, or any other noncash expenses of the Partnership), calculated in accordance with the principles of Section 5.01(h) hereof.

10. Except as modified herein, all terms and conditions of the Partnership Agreement shall remain in full force and effect, which terms and conditions the General Partner hereby ratifies and confirms.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Amendment as of the date first set forth above.

GENERAL PARTNER:

HC GOVERNMENT REALTY TRUST, INC.
a Maryland corporation

By:/s/ Robert R. Kaplan Jr.
Name: Robert R. Kaplan Jr.
Title: President

[Signature page for Second Amendment to Agreement of Limited Partnership of HC Government Realty Holdings, L.P.]

Exhibit 6.2

LOAN AGREEMENT

dated as of March 19, 2019

HC GOVERNMENT REALTY HOLDINGS, L.P.,

as Borrower,

THE LENDERS PARTY HERETO

and

HCM AGENCY, LLC,

as Collateral Agent

INDEX OF SCHEDULES AND EXHIBITS

Schedules

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LOAN AGREEMENT

This LOAN AGREEMENT, dated as of March 19, 2019 (this "Agreement"), is among HC GOVERNMENT REALTY HOLDINGS, L.P., a Delaware limited partnership ("Borrower"), the Lenders party hereto from time to time (collectively, the "Lenders" and each individually, a "Lender") and HCM AGENCY, LLC, a Delaware limited liability company, in its capacity as collateral agent for such Lenders (acting in such capacity, the "Collateral Agent").

R E C I T A L S:

WHEREAS, Borrower has requested that Lenders extend credit to Borrower in the form of (i) a senior secured term loan in the amount of $10,500,000 to be made on the date hereof and (ii) incremental senior secured term loans to be made available to Borrower following the Closing Date in an aggregate amount up to $10,000,000. Lenders are willing to make such extensions of credit to Borrower upon the terms and conditions hereinafter set forth, provided that, with respect to such incremental term loans, the Lenders will have no commitment or obligation to fund, and if the Lenders in their sole discretion approve such a term loan, such term loan shall be subject to the terms hereof.

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I
Definitions

Section 1.1 Definitions. As used in this Agreement, the following terms have the following meanings:

"Accrual Rate" has the meaning set forth in Section 2.4.

"Additional Cash Amount" has the meaning set forth in Section 2.4.

"Additional Interest Amount" has the meaning set forth in Section 2.4.

"Affiliate" means, with respect to any Person, any other Person which, directly or indirectly, Controls or is Controlled by or is under common Control with such Person, including, (a) any Person which beneficially owns or holds ten percent (10%) or more of any class of voting stock of such Person or ten percent (10%) or more of the Equity Interests in such Person, (b) any Person of which such Person beneficially owns or holds ten percent (10%) or more of any class of voting shares or in which such Person beneficially owns or holds ten percent (10%) or more of the Equity Interests in such Person, and (c) any officer or director of such Person. For purposes hereof, "Control" and correlative terms shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management of policies of a Person, whether through the ability to exercise voting power, by contract, or otherwise.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in the state of New York or North Carolina, are authorized or required by law to close.

"Capital Expenditures" means for the REIT and its Subsidiaries, all expenditures for assets which, in accordance with GAAP, are required to be capitalized and so shown on the consolidated balance sheet of Borrower and its Subsidiaries.

"Capitalized Lease Obligations" means, for any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal property, which obligations, in accordance with GAAP, are required to be classified and accounted for as a capital lease on a balance sheet of any such Person.

"Cash Pay Rate" has the meaning set forth in Section 2.4.

"Cash Taxes" means for the REIT and its Subsidiaries, on a consolidated basis, for any period, the sum of all income taxes paid in cash during such period, as determined in accordance with GAAP.

"Change of Control" means the occurrence of any of the following:

(a) The REIT shall cease to be the sole owner of the Limited Partner;

(b) The REIT shall cease to be the sole general partner of the Borrower;

(c) Borrower shall fail to own one hundred percent (100%) of the ownership interests of any Subsidiary of the Borrower; or

(d) Borrower shall fail to have the right to receive the economic interests in the revenue from the operation of the LNR Properties in substantially the same manner set forth in the LNR Property Documents as of the Closing Date.

The foregoing notwithstanding, transfers of, or issuances of, Equity Interests in Borrower or the REIT which do not specifically violate one of the provisions set forth in (a) through (d) above shall not constitute a Change of Control and shall be permitted transfers.

"Claims" has the meaning set forth in Section 12.2.

"Closing Date" means March 19, 2019.

"Closing Date Term Loan" shall have the meaning given to such term in Section 2.1(a).

"Collateral" has the meaning specified in Section 5.1.

"Compliance Certificate" means a certificate in the form of Exhibit A, fully completed and executed by Borrower.

"Credit Parties" means Borrower and each Guarantor.

"Debt" means, without duplication, for any Person (a) all indebtedness, whether or not represented by bonds, debentures, notes, securities or other evidences of indebtedness, for the repayment of money borrowed, including, with respect to Borrower, the indebtedness evidenced by the Notes and all other indebtedness of Borrower to Lenders, (b) indebtedness and obligations arising in connection with Rate Management Transactions, (c) all indebtedness representing deferred payment of the purchase price of property or assets (but excluding accrued expenses incurred in accordance with customary practices in the ordinary course of business and trade accounts payable in the ordinary course of business that are not past due by more than one hundred twenty (120) days unless being disputed in good faith), (d) Capitalized Lease Obligations, (e) all indebtedness under guaranties (other than any non-recourse carve out guaranties under which recourse has not yet been triggered), endorsements, assumptions or other contingent obligations, in respect of, or to purchase or otherwise acquire, indebtedness of others, (f) all indebtedness secured by a Lien existing on property owned, subject to such Lien, whether or not the indebtedness secured thereby shall have been assumed by the owner thereof, and (g) all Disqualified Equity Interests of such Person; provided, however, that neither deferred revenue nor taxes, in each case arising in the ordinary course of business, shall constitute Debt. Debt shall, for purposes of this Agreement, be calculated on a consolidated basis in accordance with GAAP (unless otherwise indicated).

"Default Rate" means the lesser of (a) with respect to the Loans, the sum of the Accrual Rate plus five percent (5.0%) or (b) the Maximum Rate.

"Disqualified Equity Interests" means any Equity Interest that (a) by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable in cash, pursuant to a sinking fund obligation or otherwise, or is redeemable in cash at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days following the Maturity Date (excluding any provisions requiring redemption upon a "change of control" or similar event which would constitute an Event of Default), (b) is convertible into or exchangeable (unless at the sole option of the issuer thereof) for (i) debt securities or other Debt or (ii) any Equity Interest referred to in clause (a) above, in each case at any time on or prior to the date that is ninety-one (91) days following the Maturity Date, or (c) contains any repurchase obligation that may come into effect prior to payment in full of all Obligations.

"Distribution" means (a) any distribution, dividend or any other payment or distribution (in cash, property or obligations) made by Borrower on account of its Equity Interests, (b) any redemption, purchase, retirement or other acquisition by Borrower of any of its Equity Interests, or (c) the establishment and funding of any fund for any such distribution, dividend, payment or acquisition.

"Dollar" and "$" mean currency of the United States of America which is at the time of payment legal tender for the payment of public and private debts in the United States of America.

"Domestic Subsidiary" means any Subsidiary of Borrower, whether presently or hereafter created or existing, that is organized and existing under the laws of the United States or any state or commonwealth thereof or under the laws of the District of Columbia; provided that if such Subsidiary does not exist on the Closing Date, Borrower and such Subsidiary shall satisfy the provisions of Section 9.4 with respect to such Subsidiary.

"Environmental Laws" means any and all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Substance or to health and safety matters.

"Equity Interests" means with respect to any Person, the shares, interests, participations, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such Person.

"Equity Issuance" means any issuance by any Credit Party to any Person of its Equity Interests, other than (a) any issuance of its Equity Interests pursuant to the exercise of options or warrants, (b) any issuance of its Equity Interests pursuant to the conversion of any debt securities to equity or the conversion of any class of equity securities to any other class of equity securities, (c) any issuance of options or warrants relating to its Equity Interests, (d) any issuance by the REIT of its Equity Interests pursuant to any employee stock ownership plan or dividend or distribution reinvestment program, (e) the issuance of partnership interests in the Borrower in connection with a contribution of real property pursuant to any Property Acquisition, and (f) the issuance of the Equity Interests in the REIT and/or the Borrower to the Lenders or their Affiliates.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations and published interpretations thereof.

"Event of Default" has the meaning specified in Section 11.1.

"Excluded Subsidiary" means any SPE (including any LNR Property Owner) which is a party to SPE Mortgage Debt that contractually restricts the ability of such SPE to provide a guaranty of the Obligations or the grant of a security interest of its assets to secure such guaranty or the Obligations.

"Excluded Taxes" means any taxes imposed on or measured by net income (however denominated), franchise taxes, and branch profits taxes or other taxes of a similar nature.

"Existing Indebtedness" means, collectively, the Debt of the REIT and its Subsidiaries and the LNR Property Owners set forth in Schedule 1.1.

"Financial Officer" means the chief executive officer, the chief financial officer or another officer reasonably acceptable to Required Lenders.

"Fixed Charge Coverage Ratio" means, for the REIT and its Subsidiaries, on a consolidated basis, for any period (a) (i) Net Operating Income for the applicable period (as determined in accordance with Section 10.1) ended as of such date, minus (ii) the sum of all operating expenses and other cash charges incurred by the REIT and its Subsidiaries (other than the SPEs), divided by (b) the sum of (i) Scheduled Principal Payments Paid for the applicable period (as determined in accordance with Section 10.1) ended as of such date, plus (ii) cash Interest Expense for the period (as determined in accordance with Section 10.1) ended as of such date plus (iii) cash Distributions by the Borrower or REIT for the period ended as of such date (but only to the extent permitted to be paid under this Agreement), plus (iv) Cash Taxes for the period ended as of such date, plus (v) Non-Financed Capital Expenditures for the period ended as of such date. For purpose of this calculation, and all other financial covenants contained in this Agreement, the LNR Property Owners will be treated as Subsidiaries of the REIT.

"GAAP" means generally accepted accounting principles in the United States of America consistently applied; provided that if there occurs after the date of this Agreement any change in GAAP that affects in any respect the calculation of any covenant contained in this Agreement, Lenders and Borrower shall negotiate in good faith amendments to the provisions of this Agreement that relate to the calculation of such covenant with the intent of having the respective positions of Lenders and Borrower after such change in GAAP conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon by Borrower and Hale, the applicable covenants shall be calculated as if no such change in GAAP has occurred.

"Governmental Authority" means the government of the United States of America, any other nation or 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.

"Guarantors" means (i) the Holding Company Guarantors and (ii) each Subsidiary Guarantor.

"Hale" means Hale Partnership Capital Management, LLC, a North Carolina limited liability company and its Affiliates, and their respective successors and permitted assigns.

"Hazardous Substance" means any substance, product, waste, pollutant, material, chemical, contaminant, constituent or other material which is or becomes listed, regulated or addressed under any Environmental Law.

"Holding Company Guarantors" means (i) the Limited Partner (ii) the REIT.

"Holding Company Guaranty Agreement" means the Guaranty Agreement executed by the Holding Company Guarantors in favor of the Collateral Agent and Lenders, as the same may be amended, supplemented or modified.

"Holmwood" means Holmwood Capital, LLC, a Delaware limited liability company.

"Income Tax Expense" means for the REIT and its Subsidiaries, on a consolidated basis for any period, all state and federal income tax expenses for such period, determined in accordance with GAAP.

"Incremental Term Loan" shall have the meaning given such term in Section 2.1(b).

"Incremental Term Loan Conditions" means the following conditions:

(a) The Lenders shall have approved the funding of such Incremental Term Loan;

(b) No Event of Default or Unmatured Event of Default has occurred and is continuing or would arise as a result of funding such Incremental Term Loan; and

(c) The Collateral Agent and Lenders shall have received the following items, as applicable:

(i) an executed Note with respect to such Incremental Term Loan, if requested by such Lender;

(ii) a written request from Borrower to advance such Incremental Term Loan, which shall set forth (A) the requested date of the advance of such Incremental Term Loan, which shall be a Business Day not less than (5) Business Days following the date of such notice and (B) the principal amount of the requested Incremental Term Loan; and

(iii) such other documentation or information may be required by Collateral Agent or the Lenders in their reasonable discretion.

"Intellectual Property Security Agreement" means an Intellectual Property Security Agreement executed by a Credit Party in favor of Collateral Agent in form and substance satisfactory to Collateral Agent.

"Interest Expense" means for the REIT and its Subsidiaries, on a consolidated basis, for any period, the sum of all interest expense paid or required by its terms to be paid during such period, as determined in accordance with GAAP.

"Interest Payment Date" shall mean the last Business Day of each calendar month.

"Investment" means any direct or indirect investment in any Person, including capital contributions to any Person, investments in or the acquisition of debt securities or Equity Interests of any Person, or any loans, advances, guaranties or other extensions of credit to any Person.

"Lien" means any lien, mortgage, security interest, tax lien, financing statement, pledge, charge, hypothecation, assignment, preference, priority or other encumbrance of any kind or nature whatsoever (including, without limitation, any conditional sale or title retention agreement), whether arising by contract, operation of law or otherwise.

"Limited Partner" means Holmwood Portfolio Holdings, LLC, a Delaware limited liability company.

"Liquid Investments" means (a) cash on deposit in a financial institution, (b) readily marketable direct obligations of the United States of America, (c) fully insured certificates of deposit with maturities of one (1) year or less from the date of acquisition of any commercial bank operating in the United States having capital and surplus in excess of $100,000,000.00, (d) commercial paper of a domestic issuer if at the time of purchase such paper is rated in one of the two highest rating categories of Standard and Poor's Corporation or Moody's Investors Service, Inc. and (e) other Investments approved by Hale, in its reasonable discretion.

"LNR Properties" shall mean the real property and improvements located at 221 W. 5th Avenue, Lorain, OH, 1809 Latournette Drive, Jonesboro, AR, and 650 NW Peakcock Blvd., Port St. Lucie, FL.

"LNR Property Owners" shall mean GOV Lorain, LLC, GOV Jonesboro, LLC and GOV PSL, LLC, each a Delaware limited liability company, the single member limited liability companies that own the fee interests in each of the LNR Properties.

"LNR Property Documents" shall mean the Contribution Agreement dated March 31, 2016, between Holmwood and Borrower, as amended by that certain First Amendment to Contribution Agreement dated June 10, 2016 and as further amended by that certain Second Amendment to Contribution Agreement dated May 26, 2017, and the Assignment of Profits Interests effective May 26, 2017 by Holmwood in favor of Borrower pursuant to which the economic interest in the LNR Properties were assigned to the Borrower.

"Loan" or "Loans" means, collectively, the Closing Date Term Loan and Incremental Term Loan (or any pro rata advances made by the Lenders to fund the applicable Loan).

"Loan Documents" means this Agreement and all promissory notes, security agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, assignments, guaranties, and other instruments, documents and agreements executed and delivered pursuant to or in connection with this Agreement as such instruments, documents and agreements may be amended, modified, renewed, extended or supplemented.

"Make Whole Amount" means, with respect to repayments of the Loan made on or before the eighteen (18) month anniversary of the applicable Settlement Date (including as a result of an acceleration of the Loan in accordance with the terms hereof, including Section 11.1(d) or (e)), an amount equal to the interest payments and fees that would have been due on the Loan being repaid on the date of repayment or acceleration, as applicable, through and including the eighteen (18) month anniversary of the applicable Settlement Date had such Loan not been so repaid or accelerated, assuming that all such interest accrues at the Accrual Rate and that Borrower would pay all future interest not paid at the Cash Pay Rate by compounding the PIK Amount to Principal.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, property or condition (financial or otherwise) of the REIT and its Subsidiaries, taken as a whole, (b) the ability of Borrower to pay the Obligations or the ability of Borrower to perform its respective obligations under this Agreement or any of the other Loan Documents or (c) the validity or enforceability of this Agreement or any of the other Loan Documents, or the rights or remedies of Collateral Agent or Lenders hereunder or thereunder.

"Maturity Date" means March 19, 2022.

"Maximum Rate" means the maximum rate of non-usurious interest permitted from day to day by applicable law.

"Monroe Property" means that certain real property and related improvements located at 1691 Bienville Drive, Monroe, Louisiana which is under contract for acquisition by the REIT or its Subsidiaries.

"Net Operating Income" means for an SPE, for any period, an amount equal to (a) the aggregate gross revenues from the operations of such SPE during such period from tenants paying rent minus (b) the sum of all expenses and other charges incurred in connection with the operation of such SPE's property during such period (including accruals for real estate taxes and insurance and property management fees, but excluding debt service charges, income taxes, depreciation, amortization and other non-cash expenses), which expenses and accruals shall be calculated in accordance with GAAP.

"Non-Financed Capital Expenditures" means for the REIT and its Subsidiaries, on a consolidated basis, for any period, Capital Expenditures incurred during such period in connection with which neither Borrower nor any Subsidiary incurred Debt.

"Notes" means each promissory note issued to a Lender in accordance with Section 2.2.

"Obligated Party" means each Guarantor and any other Person who is or becomes a party to any agreement pursuant to which such Person guarantees or secures payment and performance of the Obligations or any part thereof.

"Obligations" means all advances to, and debts, liabilities, fees, commissions, obligations, covenants and duties of, Borrower arising under any Loan Document or otherwise with respect to any Loans, 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 Borrower or any Affiliate thereof of any proceeding under any bankruptcy, insolvency or other laws of general application relating to the enforcement of creditor's rights naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"Organizational Documents" means, for any Person, (a) the articles of incorporation or certificate of formation and bylaws of such Person if such Person is a corporation, (b) the articles of organization or certificate of formation and operating agreement or regulations of such Person if such Person is a limited liability company, (c) the certificate of limited partnership or certificate of formation and the limited partnership agreement of such Person if such Person is a limited partnership, or (d) the documents under which such Person was created and is governed if such person is not a corporation, limited liability company or limited partnership.

"Paid in Full", "Pay in Full" or "Payment in Full" means, with respect to the Obligations, the payment in full in cash of all Obligations (other than contingent indemnification and expense reimbursement obligations to the extent no claim giving rise thereto has been asserted).

"Permitted Distributions" shall have the meaning given to such term in Section 9.5.

"Permitted Liens" shall have the meaning given to such term in Section 9.2.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, company, trust, business trust, association, Governmental Authority or other entity.

"PIK Amount" has the meaning set forth in Section 2.4.

"Principal" means the aggregate principal amount of the Loans hereunder, including any interested that has been paid in kind and capitalized or accrued to principal.

"Property Acquisitions" means the acquisition of (i) federally leased single tenant properties identified at least thirty (30) days in advance to the Lenders and consummated on terms and conditions acceptable to the Required Lenders, and (ii) the Monroe Property on the terms set forth in the applicable purchase agreements and financing term sheets provided to Hale prior to the Closing Date.

"Property Management Agreements" means, collectively, those certain property management agreements (a) in effect on the Closing Date and set forth on Schedule 9.12 and (b) entered into by an SPE following the Closing Date with third party property managers on market terms and otherwise on terms and conditions reasonably acceptable to Hale.

"Rate Management Transaction" means any transaction (including an agreement with respect thereto) now existing or hereafter entered into by Borrower or any Subsidiary of Borrower which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

"REIT" means HC Government Realty Trust, Inc., a Maryland corporation.

"Required Lenders" means, as of the date of any determination, Lenders holding more than 50.0% of the sum of the aggregate Loans of all Lenders.

"Sanctions" shall have the meaning given to such term in Section 7.21.

"Scheduled Principal Payments Paid" means, for the REIT and its Subsidiaries, on a consolidated basis, for any period, that portion of the Debt of the REIT and its Subsidiaries which was due to be paid during such period, including, in the case of Debt consisting of Capitalized Lease Obligations, the amount which was due to be paid during such period on such Capitalized Lease Obligations. The term "Scheduled Principal Payments Paid" shall not include any mandatory or voluntary prepayments of Debt.

"Security Agreement" means the Security Agreement, dated as of the Closing Date, executed by the Credit Parties in favor of Collateral Agent, as the same may be amended, supplemented or modified (including by any joinder thereto pursuant to Section 9.4).

"Settlement Date" means, with respect to any advance of the Closing Date Term Loan or any Incremental Term Loan, the date on which funds are advanced by the Lenders.

"SPE" means (i) a wholly owned Subsidiary of Borrower which is a special purpose entity which (a) currently exists or (b) which is hereafter formed or acquired by the Borrower, in each case for the purpose of consummating (previously or in the future) a Property Acquisition and (ii) the LNR Property Owners.

"SPE Mortgage Debt" means Debt of an SPE (a) in existence on the Closing Date and set forth on Schedule 9.1 and (b) incurred after the Closing Date in connection with a Property Acquisition or the refinancing of Debt described in the foregoing clause (a), in each case under clause (b) on terms and conditions acceptable to the Required Lenders in their sole discretion (provided however, the parties acknowledge and agree that the terms of the SPE Mortgage Debt for the Property Acquisitions for the Monroe Property has been approved).

"Subsidiary" means, for any Person, a Person of which or in which such Person or its other Subsidiaries own or control, directly or indirectly, fifty percent (50%) or more of (a) the combined voting power of all classes having general voting power under ordinary circumstances to elect a majority of the directors (if it is a corporation), managers or equivalent body of such Person, (b) the capital interest or profits interest of such Person, if it is a partnership, limited liability company, joint venture or similar entity, or (c) the beneficial interest of such Person, if it is a trust, association or other unincorporated association or organization. For the avoidance of doubt, the Borrower shall constitute a Subsidiary of the REIT, and any Subsidiary of the Borrower shall also constitute a Subsidiary of the REIT.

"Subsidiary Guarantors" means each Domestic Subsidiary existing on the Closing Date and all future Domestic Subsidiaries who become a guarantor of the Obligations pursuant to Section 9.4, in each case other than Excluded Subsidiaries.

"Subsidiary Guaranty Agreement" means the Guaranty Agreement executed by certain of Borrower's Domestic Subsidiaries in favor of the Collateral Agent and Lenders, as the same may be amended, supplemented or modified (including by any joinder thereto pursuant to Section 9.4).

"Tax Distribution" means any Distribution made by Borrower in an aggregate amount which does not exceed the amounts which are sufficient to permit the partners of Borrower to pay their federal income taxes which arise solely and directly as a result of their Equity Interests in Borrower.

"Three Month Date" means, with respect to any disposition of assets permitted by Section 9.3(d)(vi), the date which is three (3) months following the date of such disposition.

"Unmatured Event of Default" means the occurrence of an event or the existence of a condition which, with the giving of notice or the passage of time would constitute an Event of Default.

Section 1.2 Other Definitional Provisions. All definitions contained in this Agreement are equally applicable to the singular and plural forms of the terms defined. The words "hereof", "herein" and "hereunder" and words of similar import referring to this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise specified, all Article and Section references pertain to this Agreement. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. Terms used herein that are defined in the Uniform Commercial Code as adopted by the State of New York, unless otherwise defined herein, shall have the meanings specified in the Uniform Commercial Code as adopted by the State of New York. In the event that, at any time, Borrower has no Subsidiaries, all references to the Subsidiaries of Borrower and the consolidation of certain financial information shall be deemed to be inapplicable until such time as Borrower has a Subsidiary. Unless otherwise specified, all references to Subsidiaries herein refer to Subsidiaries of Borrower. All times of day are eastern time (daylight or standard, as applicable). Unless otherwise expressly provided herein, (a) references to agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) references to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment or performance shall extend to the immediately succeeding Business Day.

ARTICLE II
THE LOANS

Section 2.1 Term Loans ..

(a) Closing Date Term Loan. Subject to the terms and conditions of this Agreement, each Lender severally, and not jointly, agrees to make a Loan to Borrower on the Closing Date in the aggregate principal amount of $10,500,000 (the "Closing Date Term Loan") and in the respective amounts set forth on Annex A.

(b) Incremental Term Loans. Subject to the terms and conditions of this Agreement, if all Incremental Term Loan Conditions have been satisfied, from time to time after the Closing Date, each Lender severally, and not jointly, agrees to make term loans available to Borrower in the aggregate principal amount of up to $10,000,000 (collectively, the "Incremental Term Loan"). This Section 2.1(b) shall not be construed to create any obligation on the Lenders to extend or to commit to extend any Incremental Term Loan to Borrower, and any Incremental Term Loan will only be funded upon the approval of the Lenders, which such approval may be given or withheld in such Lender's sole discretion.

Section 2.2 Evidence of Debt. The Loans shall be evidenced by one or more accounts or records maintained by each Lender in the ordinary course of business. The accounts or records maintained by each Lender shall be conclusive absent manifest error of the amount of the Loans 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. Upon the reasonable written request of any Lender, Borrower shall execute and deliver to such Lender a promissory note, which shall evidence such Loans made by such Lender in addition to such accounts or records. Each such promissory note shall be substantially in the form of Exhibit B. Each Lender may attach schedules to its Note and endorse thereon the date, amount and maturity of its Note and payments with respect thereto.

Section 2.3 Repayment of Loans. Borrower shall repay the unpaid Principal amount of the Loans on the Maturity Date, together with all accrued and unpaid interest thereon and any other outstanding Obligations (other than contingent indemnification or expense reimbursement obligations for which no claim has been asserted).

Section 2.4 Interest.

(a) Interest Payments. The Principal shall accrue interest on the unpaid balance thereof from the applicable Settlement Date until the Loans have been Paid in Full at a rate per annum equal to 14.0% (the "Accrual Rate"). From the applicable Settlement Date and thereafter until the Loans have been Paid in Full, interest shall be paid currently in cash on a monthly basis in arrears on each Interest Payment Date at the fixed rate of 12.0% per annum (the "Cash Pay Rate"). On each Interest Payment Date, the Borrower shall: (A) make an additional cash payment to the Lenders of interest accruing on the Loans since the last Interest Payment Date at a rate equal to 2.0% per annum of the Principal outstanding under the Loans (the "Additional Cash Amount"); (B) increase the then outstanding Principal of the Loans by an amount (the "PIK Amount") equal to the difference between (i) interest accruing at the applicable Accrual Rate during the preceding month and (ii**)** interest accruing at the applicable Cash Pay Rate during the preceding month; or (C) pay a portion of the Additional Cash Amount to the Lenders and compound to the Principal a portion of the PIK Amount such that the combined amount of such portion of the Additional Cash Amount and such portion of the PIK Amount is equal to interest accruing since the last Interest Payment Date at a rate of 2.0% per annum of the Principal outstanding under the Loans (collectively, the Additional Cash Amount, the PIK Amount or any combination thereof, the " Additional Interest Amount"); provided that, if the Borrower shall make an election to satisfy a portion of its interest payment obligations under this Section 2.4(a) on an Interest Payment Date by compounding any of the Additional Interest Amount to Principal, it shall do so by compounding any such amount of the Additional Interest Amount to all Lenders on an equal and ratable basis. Accrued and unpaid interest shall also be due and payable on the date on which any Principal is due, including on the Maturity Date.

(b) Default Rate; Payment of Default Interest. After the occurrence and during the continuance of any Event of Default (it being understood and agreed that, with respect to an Event of Default related to non-compliance with any of the financial covenants contained herein, the date of occurrence shall be the applicable test date), the Principal, as well as any overdue Obligations, shall bear interest at a per annum rate equal to the Default Rate, beginning on the date of the occurrence of such Event of Default, except to the extent the Required Lenders have otherwise agreed in writing not to charge such Default Rate. All such interest shall be paid as an increase to the Cash Pay Rate in a manner consistent with Section 2.4(a) hereof on a monthly basis (or, at the option of the Required Lenders, on demand) until the Payment in Full of the Obligations hereunder or such Event of Default has ceased to be continuing (whether as a result of a written waiver by the Required Lenders or otherwise).

(c) Savings Clause. No provision of this Agreement or of any other Loan Documents shall require the payment or the collection of interest in excess of the Maximum Rate. If any excess of interest in such respect is hereby provided for, or shall be adjudicated to be so provided, in this Agreement or any other Loan Documents or otherwise in connection with this loan transaction, the provisions of this Section shall govern and prevail and neither Borrower nor the sureties, guarantors, successors or assigns of Borrower shall be obligated to pay the excess amount of such interest or any other excess sum paid for the use, forbearance or detention of sums loaned pursuant hereto. In the event any Lender ever receives, collects or applies as interest any such sum, such amount which would be in excess of the maximum amount permitted by applicable law shall be applied as a payment and reduction of the Principal of the indebtedness evidenced by the Notes; and, if the principal of the Notes has been paid in full, any remaining excess shall forthwith be paid to Borrower. In determining whether or not the interest paid or payable exceeds the Maximum Rate, Borrower and Lenders shall, to the extent permitted by applicable law, (a) characterize any non-principal payment as an expense, fee or premium rather than as 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 entire contemplated term of the indebtedness evidenced by the Notes so that interest for the entire term does not exceed the Maximum Rate.

Section 2.5 Use of Proceeds. The proceeds of Loans shall be used to (i) finance a portion of the consideration payable in connection with Property Acquisitions, (ii) refinance in full the Existing Indebtedness, (iii) general working capital requirements of Borrower and for other legitimate corporate purposes approved by Hale in its reasonable discretion, and (iv) in each case, to pay fees and expenses incurred in connection therewith or herewith.

Section 2.6 Obligations Absolute. The obligations of Borrower under this Agreement and the other Loan Documents, shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement and the other Loan Documents under all circumstances, including (a) any lack of validity or enforceability of any Loan Document, (b) the existence of any claim, set-off, counterclaim, defense or other rights which Borrower, any Obligated Party or any other Person may have at any time against any Lender or any other Person, whether in connection with this Agreement or any other Loan Document or any unrelated transaction, (c) any amendment or waiver of, or any consent to departure from, any Loan Document or (d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

ARTICLE III
RESERVED

ARTICLE IV
Payments

Section 4.1 Method of Payment. All payments of Principal, interest and other amounts due from Borrower hereunder shall be made, without any presentment thereof, directly to each Lender, at such address as a Lender may from time to time designate in writing to Borrower or, if a bank account(s) with a United States bank is designated for such Lender in any written notice to Borrower from such Lender, Borrower will make such payments in immediately available funds to such bank account, no later than 2:00 p.m. on the date due, marked for attention as indicated, or in such other manner or to such other account in any United States bank as such Lender may from time to time direct in writing. All payments of interest may be paid by auto-debit initiated by a Lender.

Section 4.2 Voluntary Prepayment. Borrower shall have the right at any time and from time to time prior to the Maturity Date, upon notice, to optionally prepay the Loans and other Obligations in whole or in part (provided, that any such partial prepayment shall be in a minimum amount of $250,000 or, if less, the entire outstanding amount of the Loan). In the event of an optional prepayment made under this Section 4.2, Borrower shall give the Lenders written notice of such prepayment at least ten (10) days (but not more than sixty (60) days) prior to the prepayment date, specifying (i) such prepayment date (which shall be a Business Day), (ii) the Principal amount of the Loans to be prepaid on such date, (iii) the accrued interest and Make Whole Amount, if any, applicable to the Loans to be prepaid and (iv) that such prepayment is to be made pursuant to this Section 4.2. Notwithstanding anything to the contrary contained herein, all payments of Principal and interest due from Borrower hereunder shall be made to the Lenders on an equal and ratable basis. All Loans which have been prepaid may not be reborrowed. Any prepayment of the Loan in accordance with Section 4.2 shall be accompanied by accrued but unpaid interest thereon, together with the Make Whole Amount. Any voluntary prepayments shall be allocated first to the Incremental Term Loans, if any, in inverse order of funding thereof, and last to the Closing Date Term Loan. Subject to the preceding sentence, any prepayments shall be allocated ratably to each of the Lenders in accordance with their pro rata share of the Loans.

Section 4.3 Mandatory Prepayment.

(a) If Borrower or any other Credit Party shall consummate an initial public offering of the Equity Interests in such Person, the Borrower shall repay the outstanding Loans and other Obligations in full immediately upon consummation of such initial public offering.

(b) Immediately upon receipt by any Credit Party of the net cash proceeds of any incurrence of Debt (other than Debt permitted hereunder), the Borrower shall prepay the Loans as hereafter provided in an aggregate amount equal to the lesser of (i) the balance of the Obligations and (ii) 100% of such net cash proceeds (and upon any such prepayment any violation or breach of the terms hereof with respect to the Debt shall be deemed cured).

(c) Immediately upon receipt by any Credit Party of the net cash proceeds of any Equity Issuance, the Borrower shall prepay the Loans as hereafter provided in an aggregate amount equal to the lesser of (i) the balance of the Obligations and (ii)100% of such net cash proceeds.

(d) Subject to the rights of any lender under the SPE Mortgage Debt, the Borrower shall prepay the Loans as hereafter provided in an aggregate amount equal to the lesser of (i) the balance of the Obligations and (ii)100% of the net cash proceeds of all voluntary and involuntary dispositions of assets (including by means of casualty and condemnation events) in excess of $50,000 in the aggregate during any fiscal year, to the extent such net cash proceeds are not reinvested in similar property within 90 days of the date of such voluntary or involuntary disposition. This clause (d) shall not apply to dispositions involving (a) the sale, lease, license, transfer or other disposition of inventory in the ordinary course of business; (b) the sale, lease, license, transfer or other disposition in the ordinary course of business of surplus, obsolete or worn out property no longer used or useful in the conduct of business of any Credit Party; (c) any sale, lease, license, transfer or other disposition of property to any Credit Party; (d) the sale or discount of accounts in the ordinary course of business and (e) termination of a lease of real or personal property that is not necessary in the ordinary course of business and that could not reasonably be expected to result in a Material Adverse Effect.

(e) Together with any mandatory Principal payment made pursuant to this Section 4.3, Borrower shall pay accrued interest and the Make Whole Amount on the Principal amount so prepaid and such payments shall be applied first to all costs, expenses, indemnities and other amounts then due and payable hereunder, then to payment of interest at the Default Rate, if any, then to accrued interest and the Make Whole Amount and thereafter to payment of Principal. The making of any mandatory prepayment under this Section 4.3 shall not excuse any action that would otherwise constitute an Event of Default hereunder. Any mandatory prepayments shall be allocated first to the Incremental Term Loans, if any, in inverse order of funding thereof, and last to the Closing Date Term Loan.

Section 4.4 Computation of Interest. Interest on the Loans shall be computed on the basis of a year of 360 days and the actual number of days elapsed. Each determination by a Lender of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

Section 4.5 Sharing of Payments by Lenders

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (b) Obligations in respect of any of the Loans owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (ii) the aggregate amount of the Obligations owing (but not due and payable) to all Lenders hereunder and under Borrower at such time) of payment on account of the Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time then the Lender receiving such greater proportion shall (x) notify other the Lenders of such fact, and (y) purchase (for cash at face value) participations in the Loans 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 Obligations then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be, provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations 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 (A) any payment made by Borrower pursuant to and in accordance with the express terms of this Agreement or (B) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant.

Borrower 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, following written notice to Borrower of the existence of such participation, exercise against Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of Borrower in the amount of such participation.

ARTICLE V
Collateral

Section 5.1 Collateral. To secure full and complete payment and performance of the Obligations, Borrower shall, and shall cause each of its Domestic Subsidiaries (other than Excluded Subsidiaries) to, execute and deliver or cause to be executed and delivered the documents described below covering the property and collateral described therein and in this Section 5.1 (which, together with any other property and collateral which may now or hereafter secure the Obligations or any part thereof, is sometimes herein called the "Collateral"):

(a) Borrower shall, and shall cause each of its Domestic Subsidiaries (other than Excluded Subsidiaries) to, grant to Collateral Agent, for the benefit of itself and the Lenders, a security interest in all of its accounts, accounts receivable, inventory, equipment, machinery, fixtures, chattel paper, documents, instruments, deposit accounts, investment property, letter of credit rights, intellectual property, general intangibles and all its other personal property, whether now owned or hereafter acquired, and all products and proceeds thereof, pursuant to the Security Agreement, which security interest shall be perfected to the extent required therein and shall be prior to all other Liens other than Permitted Liens.

(b) Each Credit Party shall grant to Collateral Agent, for the benefit of itself and the Lenders, a security interest in all its ownership interests of, among other Persons, its Subsidiaries, pursuant to the Security Agreement, which security interest shall be perfected to the extent required therein and shall be prior to all other Liens.

(c) In the event Borrower or any other Credit Party acquires any registered intellectual property at any time after the Closing Date, such Person shall (i) promptly notify the Collateral Agent and (ii) execute, or cause to be executed, such documents and instruments as Collateral Agent, in its reasonable discretion, deems necessary to evidence and perfect its Liens on security interests in such assets (including, without limitation, Intellectual Property Security Agreements).

(d) Borrower shall, and shall cause each of its Domestic Subsidiaries (other than Excluded Subsidiaries) to, execute and cause to be executed such further documents and instruments as Collateral Agent, in its reasonable discretion, deems necessary to evidence and perfect its liens and security interests in the Collateral. Borrower authorizes, directs and permits Collateral Agent to file Uniform Commercial Code financing statements with respect to the Collateral as are required under any relevant Uniform Commercial Code, including financing statements that indicate the Collateral as "all assets" of Borrower or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of the jurisdiction wherein such financing statement or amendment is filed or as being of an equal or lesser scope or with greater detail.

Section 5.2 Setoff. Upon the occurrence and during the continuance of an Event of Default, each Lender shall have the right to set off and apply against the Obligations in such a manner as a Lender may determine, at any time and without notice to Borrower or any Obligated Party but with notice to the other Lenders and Collateral Agent, any and all deposits (general or special, time or demand, provisional or final) or other sums at any time credited by or owing from such Lender to Borrower whether or not the Obligations are then due. The rights and remedies of Lender hereunder are in addition to other rights and remedies (including, without limitation, to the rights of setoff) which Lender may have.

Section 5.3 Guaranty Agreements. Each Domestic Subsidiary (other than an Excluded Subsidiary) shall unconditionally and irrevocably guarantee payment and performance of the Obligations.

Section 5.4 Deposit Account Control Agreements. Borrower shall, and shall cause each other Credit Party to, deliver to Collateral Agent deposit account control agreements in form and substance reasonably satisfactory to the Collateral Agent for each of their deposit accounts; provided that such requirement shall not apply to deposit accounts with aggregate balances not to exceed $100,000.

ARTICLE VI
Conditions Precedent

Section 6.1 Initial Extension of Credit. The obligation of the Lenders to make the Closing Date Term Loans on the Closing Date is subject to the condition precedent that prior thereto the Collateral Agent and Lenders shall have received all of the documents set forth below in form and substance satisfactory to them.

(a) Notes. A Note executed by Borrower in favor of each Lender so requesting.

(b) Security Agreement. A duly executed copy of the Security Agreement.

(c) Guaranty Agreement. The Holding Company Guaranty Agreement, duly executed by the Holding Company Guarantors.

(d) Certificates. A certificate of a responsible officer of each Credit Party, attaching certified copies of (i) resolutions of the board of directors or other governing body of such Credit Party, which authorize the execution, delivery and performance of the Loan Documents to which it is to be a party, (ii) the Organizational Documents of such Credit Party, and (iii) the names of the officers of such Credit Party authorized to sign the Loan Documents.

(e) Governmental Certificates. Certificates issued by the appropriate government officials of the state of organization of each Credit Party as to the existence and good standing of such Credit Party.

(f) Financing Statements. Uniform Commercial Code financing statements showing each Credit Party as debtor and Collateral Agent as the secured party.

(g) Diligence Searches. Uniform Commercial Code, litigation, bankruptcy and similar lien searches showing all financing statements and other documents or instruments on file against each Credit Party in their state of formation and such other locations as deemed reasonably necessary by the Collateral Agent.

(h) Intellectual Property Search. A search on the United States Patent and Trademark Office and United States Copyright Office database showing all registrations of or applications filed for intellectual property of the Credit Parties.

(i) Opinion of Counsel. An opinion or opinions of Kaplan Voekler Cunningham and Frank, PLC, legal counsel to the Credit Parties, as to the Loan Documents.

(j) Payment of Existing Indebtedness. Evidence that all existing Indebtedness of the Credit Parties (except those permitted pursuant to Section 9.1) have been paid in full and cancelled (or will be paid from the proceeds of the Loans) and all Liens related thereto have been terminated or released (or will be terminated and released upon the payment in full thereof).

(k) Consents. Evidence that all necessary consents to the transactions contemplated hereby have been obtained, including those required under the SPE Mortgage Debt.

(l) Property Management Agreements. Duly executed copies of the Property Management Agreements.

(m) Attorneys' Fees and Expenses. Evidence that the costs and expenses (including reasonable attorneys' fees) referred to in Section 12.1, to the extent incurred, have been paid in full by Borrower.

(n) Intellectual Property Security Agreement. An Intellectual Property Security Agreement executed by the REIT.

(o) Additional Documentation. Such additional approvals, opinions or documents as the Collateral Agent may reasonably request.

Section 6.2 Post Closing Deliveries.

(a) Insurance Certificates. As soon as practical after the Closing Date, but in any event within sixty (60) days after the Closing Date (or such later date as the Collateral Agent may agree in its sole discretion), the Borrower shall deliver to the Collateral Agent the certificates of insurance, and related endorsements or declarations pages, required by Section 8.5 hereof.

To the extent any representation and warranty would not be true or any provision of any covenant would be breached in this Agreement or any other Loan Document because the action required by this Section 6.2 was not taken on or prior to Closing Date, the respective representation and warranty shall be required to be true and correct in all material respects and the respective covenant complied with at the time the action is taken (or was required to be taken) in accordance with this Section 6.2.

ARTICLE VII
Representations and Warranties

To induce Collateral Agent and Lenders to enter into this Agreement, Borrower, as of the Closing Date and each Settlement Date, hereby represents and warrants to Collateral Agent and Lenders that:

Section 7.1 Existence. The REIT and each of its Subsidiaries, including Borrower (a) are duly organized, validly existing and in active standing under the laws of their respective jurisdictions of organization, (b) have all requisite power and authority to own their assets and carry on their business as now being or as proposed to be conducted and (c) are qualified to do business in all jurisdictions where necessary (except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect). The REIT and each of its Subsidiaries has the power and authority to execute, deliver and perform its obligations under this Agreement and the other Loan Documents to which it is or may become a party.

Section 7.2 Financial Statements. Borrower has delivered to Lenders audited financial statements of the REIT as at and for the fiscal year ended December 31, 2017, and unaudited financial statements for the fiscal quarter ended December 31, 2018. Such financial statements, have been prepared in accordance with GAAP (subject to the absence of footnotes and year-end adjustments in the case of unaudited financial statements), and fairly and accurately present in all material respects, on a consolidated basis, the financial condition of the REIT and its Subsidiaries, as of the respective dates indicated therein and the results of operations for the respective periods indicated therein. As of the date of such financial statements, the REIT and its Subsidiaries do not have any material contingent liabilities, liabilities for taxes, material forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments not reflected in such financial statements.

Section 7.3 Requisite Action; No Breach. The execution, delivery and performance by Borrower of this Agreement and the other Loan Documents to which Borrower is or may become a party have been duly authorized by all requisite action on the part of Borrower and do not and will not violate or conflict with the Organizational Documents of Borrower or any law, rule or regulation or any order, writ, injunction or decree of any court, Governmental Authority or arbitrator, and, except as could not reasonably be expected to have a Material Adverse Effect, do not and will not conflict with, result in a breach of, or constitute a default under, or result in the imposition of any Lien (other than the Liens established under the Loan Documents) upon any of the revenues or assets of Borrower or any Subsidiary pursuant to the provisions of any indenture, mortgage, deed of trust, security agreement, franchise, permit, license or other instrument or agreement by which Borrower or any Subsidiary or any of their respective properties is bound.

Section 7.4 Operation of Business. The REIT and each of its Subsidiaries possess or have a valid right to use all licenses, permits, franchises, patents, copyrights, trademarks and trade names, or rights thereto, to conduct their respective businesses substantially as now conducted and as presently proposed to be conducted.

Section 7.5 Litigation and Judgments. There is no action, suit, investigation or proceeding before or by any Governmental Authority pending, or to the knowledge of Borrower, threatened against or affecting the REIT or any Subsidiary, that could, if adversely determined, reasonably be expected to have a Material Adverse Effect. There are no outstanding judgments against the REIT or any of its Subsidiaries for the payment of money in excess of $50,000.00.

Section 7.6 Rights in Properties; Liens. The REIT and each of its Subsidiaries have good and marketable title to or valid leasehold interests in their respective properties and assets, real and personal, including the properties, assets and leasehold interests reflected in the financial statements described in Section 7.2, and none of the properties, assets or leasehold interests of the REIT or any of its Subsidiaries is subject to any Lien, except for the Permitted Liens and any other Liens hereafter approved by the Collateral Agent.

Section 7.7 Enforceability. This Agreement constitutes, and the other Loan Documents to which Borrower is a party, when delivered, shall constitute the legal, valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms, except as enforceability thereof may be limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditor's rights.

Section 7.8 Approvals. o authorization, approval or consent of, and no filing or registration with, any Governmental Authority or third party is or will be necessary for the execution, delivery or performance by Borrower of this Agreement and the other Loan Documents to which Borrower is or may become a party or the validity or enforceability thereof, except for the filing and recording of financing statements and other documents necessary in order to perfect the Liens created by the Security Agreement entered into in connection herewith.

Section 7.9 Debt. The REIT and its Subsidiaries have no Debt except Debt permitted pursuant to Section 9.1 or Debt being satisfied from the proceeds of the Loans.

Section 7.10 Use of Proceeds; Margin Securities. Neither Borrower nor any Subsidiary of the Borrower is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T, U or X of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any extension of credit under this Agreement will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying margin stock.

Section 7.11 ERISA. The REIT and each Subsidiary of the REIT have complied in all material respects with all applicable minimum funding requirements and all other applicable requirements of ERISA, and there are no existing conditions that would give rise to material liability thereunder. No Reportable Event (as defined in Section 4043 of ERISA) has occurred in connection with any employee benefit plan that might constitute grounds for the termination thereof by the Pension Benefit Guaranty Corporation or for the appointment by the appropriate United States District Court of a trustee to administer such plan.

Section 7.12 Taxes. The REIT and each Subsidiary of the REIT have filed all tax returns (federal, state and local) required to be filed on or before the date of this representation (including any future dates on which this representation is deemed to be made), including all income, franchise, employment, property and sales taxes, and have paid all of their liabilities for taxes, assessments, governmental charges and other levies that are due and payable, other than those not yet delinquent and except any such taxes, assessments, governmental charges and levies which are being contested in good faith by appropriate proceedings diligently pursued and for which adequate reserves in accordance with GAAP have been established.

Section 7.13 Disclosure. No event has occurred since the date of the most recently delivered audited financial statements, and no fact or condition exists, which has had a Material Adverse Effect or which could reasonably be expected to have a Material Adverse Effect.

Section 7.14 Subsidiaries. The REIT has no Subsidiaries other than those listed on Schedule 7.14. The REIT owns, directly or indirectly, the amount of ownership interests of each Subsidiary as set forth on Schedule 7.14.

Section 7.15 Compliance with Laws; REIT Status.

(a) Neither the REIT nor any of its Subsidiaries is in violation in any material respect of any material law, rule, regulation, order, or decree of any Governmental Authority or arbitrator.

(b) The REIT is qualified as a "real estate investment trust" under Sections 856-860 of the Internal Revenue Code.

(c) The REIT is in compliance in all material respects with all provisions of the Internal Revenue Code applicable to the qualification of the REIT as a "real estate investment trust".

Section 7.16 Compliance with Agreements. Neither the REIT nor any of its Subsidiaries is in violation in any material respect of any material document, agreement, contract or instrument to which it is a party or by which it or its properties are bound.

Section 7.17 Environmental Matters. The REIT and each of its Subsidiaries, and their respective properties, are in material compliance with all material applicable Environmental Laws and neither the REIT nor any of its Subsidiaries is subject to any material liability or obligation for remedial action thereunder. There is no pending or, to Borrower's knowledge, threatened investigation or inquiry by any Governmental Authority with respect to the REIT or any of its Subsidiaries or any of their respective properties pertaining to any Hazardous Substance. Except in the ordinary course of business and in compliance with all Environmental Laws, or as otherwise set forth in any environmental assessments or related reports (each, an "Environmental Report") obtained in connection with a Property Acquisition, to Borrower's knowledge, there are no Hazardous Substances located on or under any of the properties of the REIT or any of its Subsidiaries. Except in the ordinary course of business and in compliance with all Environmental Laws, or as set forth in any Environmental Report, to Borrower's knowledge neither the REIT nor any of its Subsidiaries has caused or permitted any Hazardous Substance to be disposed of on or under or released from any of its properties. Borrower and each Subsidiary (or any applicable tenant at a property) have obtained all material permits, licenses and authorizations which are required under and by all material Environmental Laws and necessary for the conduct of their business.

Section 7.18 Solvency. As of each Settlement Date and after giving effect to the transactions contemplated by this Agreement and the other Loan Documents, including all Loans made or to be made hereunder, no Credit Party is insolvent on a balance sheet basis such that the sum of such Person's assets exceeds the sum of such Person's liabilities, each Credit Party is able to pay its debts as they become due, and each Credit Party has sufficient capital to carry on its business.

Section 7.19 Transactions With Affiliates. Neither the REIT nor any of its Subsidiaries is a party to any transaction, arrangement or contract (including any lease or other rental agreement) with any of its Affiliates other than as permitted by Section 9.10 hereof.

Section 7.20 Investment Company Act. Neither the REIT nor any of its Subsidiaries is an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 7.21 Sanctions. Neither the REIT nor any of its Subsidiaries or, to the knowledge of Borrower, any director, officer, employee, agent, or Affiliate of Borrower or any of its Subsidiaries is a Person that is, or is owned or controlled by Persons that are: (a) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, "Sanctions"), or (b) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions.

Section 7.22 Anti-Corruption. Neither the REIT nor any of its Subsidiaries, nor, to the knowledge of Borrower, any director, officer, employee, agent, or Affiliate of Borrower or any of its Subsidiaries has (a) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (b) made any direct or indirect unlawful payment to any government official or employee from corporate funds, (c) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977 or the Bribery Act 2010 of the United Kingdom or similar law of the European Union or any European Union Member State or similar law of a jurisdiction in which Borrower or any Subsidiary conduct their business and to which they are lawfully subject or (d) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

ARTICLE VIII
Affirmative Covenants

Borrower covenants and agrees that, until Payment in Full, Borrower will perform and observe the covenants set forth below, unless Required Lenders shall otherwise consent in writing.

Section 8.1 Reporting Requirements. Borrower will deliver to each Lender:

(a) Annual Financial Statements. As soon as available, and in any event within one hundred twenty (120) days after the end of each fiscal year of the REIT, beginning with the fiscal year ending December 31, 2019, a copy of the annual audited financial statements of the REIT and its Subsidiaries for such fiscal year containing, on a consolidated basis, balance sheets, statements of income, statements of members' capital and statements of cash flows as at the end of such fiscal year and for the 12-month period then ended, in each case setting forth in comparative form the figures for the preceding fiscal year, all in reasonable detail, prepared in accordance with GAAP, and audited and certified without qualification by independent certified public accountants of recognized standing reasonably acceptable to the Hale (and for purposes hereof Hale has approved Cherry Bekaert, LLP, the current independent certified public accountants for the REIT).

(b) Quarterly Financial Statements. As soon as available, and in any event within forty five (45) days after the end of each fiscal quarter of the REIT (including the last fiscal quarter of each fiscal year of the REIT), a copy of the unaudited financial statements of the REIT and its Subsidiaries as of the end of such fiscal quarter and for the portion of the fiscal year then ended, containing, on a consolidated basis, balance sheets, statements of income, statements of members' capital and statements of cash flows in each case setting forth in comparative form the figures for the corresponding period of the preceding fiscal year, comparisons to budget, and a management discussion and analysis, all in reasonable detail and certified by a Financial Officer to have been prepared in accordance with GAAP and to fairly and accurately present in all material respects the financial condition and results of operations of the REIT and its Subsidiaries, on a consolidated basis, at the date and for the periods indicated therein, subject to changes resulting from normal year-end audit adjustments and absence of footnote disclosures.

(c) Monthly Financial Statements. As soon as available, and in any event within forty five (45) days after the end of each calendar month (other than months which are also fiscal quarter ends), beginning with the month ending March 31, 2019, a copy of the unaudited financial statements of the REIT and its Subsidiaries as of the end of such calendar month and for the portion of the fiscal year then ended, containing, on a consolidated basis, balance sheets, statements of income, statements of members' capital and statements of cash flows in each case setting forth in comparative form the figures for the corresponding period of the preceding fiscal year, all in reasonable detail and certified by a Financial Officer to have been prepared in accordance with GAAP and to fairly and accurately present in all material respects the financial condition and results of operations of the REIT and its Subsidiaries, on a consolidated basis, at the date and for the periods indicated therein.

(d) Compliance Certificate. (i) Concurrently with the delivery of the financial statements required by Section 8.1(b), a Compliance Certificate as of the last day of such fiscal quarter and (ii) together with the financial statements delivered pursuant to Section 8.1(a), a Compliance Certificate as of the last day of the fiscal year covered by such financial statements, in each case executed by a Financial Officer and containing detailed calculations of the covenants contained in Sections 9.1 and 9.3(d) and Article X.

(e) Tax Returns. Within ten (10) days following the filing thereof, copies of each federal income tax return filed by a Credit Party.

(f) Annual Projection Reports. As soon as available, and in any event at least thirty (30) days prior to the end of each fiscal year of the REIT, a copy of the annual business plan for the ensuing year, including financial projections and a Capital Expenditure budget.

(g) Notice of Tax Investigations or Prior Period Unassessed Liabilities. As soon as possible, and in any event within five (5) Business Days after Borrower becomes aware thereof, notice of any pending investigations of the REIT or any Subsidiary of the REIT by any taxing authority or of any pending but unassessed tax liability incurred during a prior period of the REIT or any of its Subsidiaries.

(h) Certificate of Insurance. Upon request of Collateral Agent or any Lender, a certificate or certificates evidencing that the insurance required by Section 8.5 is in full force and effect and that such policies have been extended.

(i) Notice of Litigation. Promptly after the commencement thereof, notice of all actions, suits and proceedings before any Governmental Authority against Borrower or any Guarantor which could have a Material Adverse Effect.

(j) Notice of Judgments. Within five (5) Business Days of the rendering thereof, notice of any judgment against Borrower or any Guarantor in an amount which is greater than $100,000.00.

(k) Notice of Default. As soon as possible and in any event within five (5) Business Days after Borrower becomes aware of the occurrence of each Event of Default and any Unmatured Event of Default that will not, in the Borrower's reasonable estimation be resolved prior to becoming an Event of Default, a written notice setting forth the details of such Event of Default or Unmatured Event of Default and the action which Borrower has taken and proposes to take with respect thereto.

(l) Notice of Material Adverse Effect. As soon as possible, and in any event within five (5) Business Days after Borrower becomes aware thereof, notice of the occurrence of any event or the existence of any fact or condition which could have a Material Adverse Effect.

(m) General Information. Promptly after receipt of any such request, such other information concerning Borrower, any Guarantor or the real property of the Credit Parties or their Subsidiaries as Collateral Agent or a Lender may from time to time reasonably request.

Section 8.2 Maintenance of Existence; Conduct of Business. Borrower will preserve and maintain, and will cause each Subsidiary to preserve and maintain, its corporate existence and all of its material leases, privileges, licenses, permits, franchises, qualifications and rights that are necessary in the ordinary conduct of its business; provided that upon the sale of any property held by any SPE, such SPE may be liquidated and dissolved in the ordinary course of business.

Section 8.3 Maintenance of Properties. Borrower will maintain, and will cause each Subsidiary of Borrower to maintain, its assets and properties in good condition and repair, ordinary wear and tear and casualty events excepted.

Section 8.4 Taxes and Claims. Borrower will pay or discharge, and will cause each Subsidiary of Borrower to pay or discharge, at or before maturity or before becoming delinquent (a) all taxes, levies, assessments and governmental charges imposed on it or its income or profits or any of its property and (b) all lawful claims for labor, material and supplies, which, if unpaid, might become a Lien upon any of its property; provided, however, that neither Borrower nor any such Subsidiary shall be required to pay or discharge any claim, tax, levy, assessment or governmental charge (a "Tax or Claim Charge"), which is being contested in good faith by appropriate proceedings diligently pursued, if (i) no Lien has been filed of record with respect to such Tax or Claim Charge, (ii) no Collateral or any portion thereof or interest therein would be in any danger of sale, forfeiture or loss by reason of the contest for such Tax or Claim Charge, and (iii) Borrower or such Subsidiary has established adequate reserves against such Tax or Claim Charge in accordance with GAAP.

Section 8.5 Insurance. Borrower will maintain, and will cause each Subsidiary of Borrower to maintain, with financially sound and reputable insurance companies, worker's compensation insurance, liability insurance and insurance on its property, assets and business, all at least in such amounts and against such risks as are usually insured against by Persons engaged in similar businesses and as are reasonably acceptable to the Collateral Agent; provided that with respect to any insurance for a property encumbered by SPE Mortgage Debt, satisfaction of the insurance requirements under such Debt shall constitute acceptable insurance. Each casualty insurance policy and each insurance policy covering Collateral shall by endorsement name Collateral Agent as lender loss payee (or "mortgagee loss payee", if applicable) and each policy of liability insurance shall by endorsement or the terms thereof name Collateral Agent as an additional insured. All such policies shall provide that they will not be cancelled without thirty (30) days prior written notice to Collateral Agent or ten (10) days in case of non-payment of a premium. Subject in all events to the rights of the lenders under the SPE Mortgage Debt, in case of loss due to casualty, Collateral Agent shall be entitled to receive and retain the proceeds of the insurance policies in excess of $500,000.00, and to, in Collateral Agent's reasonable discretion, either apply the same against the Obligations or release such proceeds to Borrower; provided if any such insurance proceeds are necessary for the repair or replacement of any Collateral as long as there is no Event of Default hereunder, such proceeds shall be released to Borrower to be used for such repairs or replacements. All proceeds of insurance policies in an aggregate amount equal to or less than $500,000.00 shall be paid to Borrower, and such proceeds shall be used to repair and restore the Collateral in substantially the same condition of such Collateral immediately prior to such loss. If any loss shall occur at any time when Borrower or any Subsidiary of Borrower shall be in default as to the performance of this covenant, Collateral Agent shall, subject to the terms of the SPE Mortgage Debt, nonetheless be entitled to the benefit of all insurance held by or for such Person, to the same extent as if it had been made payable to Collateral Agent.

Section 8.6 Inspection . At any reasonable time and in reasonable intervals, Borrower will permit, and will cause each Subsidiary of Borrower to permit, representatives of the Collateral Agent or Lenders to examine and make copies of the books and records of, and, subject to the rights of tenants, visit and inspect the properties or assets of Borrower and any such Subsidiary and to discuss the business, operations and financial condition of any such Persons with their respective officers and employees and with their independent certified public accountants.

Section 8.7 Keeping Books and Records. Borrower will maintain, and will cause each Subsidiary of Borrower to maintain, proper books of record and account in which full, true and correct entries in conformity with GAAP in all material respects shall be made of all dealings and transactions in relation to its business and activities.

Section 8.8 Compliance with Laws. Borrower will comply, and will cause each Subsidiary of Borrower to comply, in all material respects, with all material applicable laws, rules, regulations and orders of any court, Governmental Authority or arbitrator.

Section 8.9 Compliance with Agreements. Borrower will comply, and will cause each Subsidiary of Borrower to comply, in all material respects, with all material agreements, contracts and instruments binding on it or affecting its properties or business.

Section 8.10 Further Assurances. Borrower will execute and deliver, and will cause each Subsidiary of Borrower to execute and deliver, such further instruments as may be reasonably requested by the Collateral Agent to carry out the provisions and purposes of this Agreement and the other Loan Documents and to preserve and perfect the Liens of Collateral Agent in the Collateral.

Section 8.11 ERISA. Borrower will comply, and will cause each Subsidiary of Borrower to comply, with all minimum funding requirements, and all other material requirements, of ERISA, if applicable, so as not to give rise to any liability thereunder.

Section 8.12 Continuity of Operations. Borrower will continue to conduct, and will cause each Subsidiary of Borrower to continue to conduct, its primary businesses (and any other business reasonably related or complementary thereto) as conducted or contemplated to be conducted as of the Closing Date.

Section 8.13 LNR Property Owners. Borrower will use its reasonable efforts, under the LNR Property Documents and otherwise, to cause the LNR Property Owners to comply with the covenants applicable to the Borrower's Subsidiaries, under this Article VIII and Article IX below.

ARTICLE IX
Negative Covenants

Borrower covenants and agrees that, until Payment in Full, Borrower will perform and observe the covenants set forth below, unless Required Lenders shall otherwise consent in writing.

Section 9.1 Debt. Borrower will not incur, create, assume or permit to exist, and will not permit any Subsidiary to incur, create, assume or permit to exist, any Debt, except (a) the Obligations, (b) purchase money Debt and Capitalized Lease Obligations in an aggregate principal amount which does not exceed $250,000 outstanding (or, in the case of the SPEs, such amounts as may be set forth in the applicable SPE Mortgage Debt documents) at any time, (c) Debt arising from the endorsement of instruments for collection in the ordinary course of business, (d) Debt owed by (i) one Credit Party to another Credit Party or (ii) any Subsidiary to Borrower, (e) obligations of any Credit Party for taxes, assessments or other governmental charges which are (i) not at the time delinquent or thereafter payable without penalty or (ii) being contested in good faith by appropriate proceedings and, in each case, for which such Credit Party maintains adequate reserves in accordance with GAAP, (f) the SPE Mortgage Debt, (g) Debt arising from one or more judgments which do not, in themselves, give rise to an Event of Default, provided such judgments are satisfied or stayed within thirty (30) days of their rendering, (h) Debt set forth on Schedule 9.1, (i) Debt arising under Rate Management Transactions so long as entered into for bona fide hedging of liabilities of the Borrower and its Subsidiaries and not for speculative purposes, and (j) unsecured Debt of Borrower or any of its Subsidiaries to the extent not permitted by any of the foregoing clauses, provided that the aggregate outstanding principal amount of all such Debt pursuant to this clause (j) does not exceed $250,000 at any time (or, in the case of the SPEs, such amounts as may be set forth in the applicable SPE Mortgage Debt documents).

Section 9.2 Limitation on Liens. Borrower will not incur, create, assume or permit to exist, and will not permit any Subsidiary to incur, create, assume or permit to exist, any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except the following ("Permitted Liens"): (a) Liens in favor of Collateral Agent, (b) purchase money Liens and Liens evidencing Capitalized Lease Obligations securing Debt permitted by Section 9.1(b), which Liens cover only the assets financed with the Debt permitted by Section 9.1(b), (c) any current encumbrances existing on any of the properties of the SPE's (including, but not limited to any exceptions reflected in any title insurance policy with respect to any such assets) and any future encumbrances consisting of easements, zoning restrictions or other restrictions on the use of real property that do not (individually or in the aggregate) materially affect the value of the assets encumbered thereby (or such affect was reflected in any purchase price paid in connection with the acquisition of any such asset) or materially impair the ability of Borrower or any Subsidiary to use such assets in its business, and none of which is violated in any material aspect by existing or proposed structures or land use, (d) Liens for taxes, assessments or other governmental charges (a "Tax or Government Charge") which (i) are not delinquent, or (ii) for which (A) no Lien has been filed of record with respect to such Tax or Government Charge, (B) no Collateral or any portion thereof or interest therein would be in any danger of sale, forfeiture or loss by reason of the contest for such Tax or Government Charge, and (C) Borrower or such Subsidiary has established adequate reserves against such Tax or Government Charge in accordance with GAAP, (e) Liens of mechanics, materialmen, warehousemen, carriers or other similar statutory Liens securing obligations that are not yet due and are incurred in the ordinary course of business, (f) Liens (other than any Lien imposed by ERISA) incurred or deposits made in the ordinary course of business in connection with workers compensation, unemployment insurance and other types of social security, (g) leases or subleases granted in the ordinary course of business to others not interfering in any material respect with the business of the Borrower or any of its Subsidiaries and any interest or title of a lessor under any lease not in violation of this Agreement, (h) Liens arising from precautionary uniform commercial code financing statements filed under any lease permitted by this Agreement and with respect to which no grant of security interest has been made, (i) Liens (including the right of set-off) in favor of a bank or other depositary institution arising as a matter of law or in the ordinary course of business encumbering deposits, (j) Investments of cash permitted by Section 9.6(a), (k) Liens solely on cash earnest money deposits made by Borrower and its Subsidiaries in connection with any letter of intent or purchase agreement in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 9.6 to be applied against the purchase price for such Investment, solely to the extent such Investment or sale, disposition, transfer or lease would have been permitted on the date of the creation of such Lien and (l) other Liens securing other Debt or other obligations permitted herein or other obligations, provided that all Liens permitted under this clause (l) shall not exceed $500,000.00 in the aggregate at any time and shall not encumber any portion of Credit Parties' accounts, chattel paper, instruments, promissory notes, inventory, fixtures, furnishings, furniture, machinery, equipment, or rolling stock.

Section 9.3 Mergers, Acquisitions, Dissolutions and Disposition of Assets. Borrower will not, and will not permit any Subsidiary of Borrower to, (a) become a party to a merger, consolidation, partnership, joint venture or other business combination or purchase or otherwise acquire all or a substantial part of the assets of any Person or any shares or other evidence of beneficial ownership of any Person, provided Credit Parties may enter into any Property Acquisition, (b) dissolve or liquidate, (c) amend its Organizational Documents in any manner adverse to Collateral Agent or Lenders, the payment and/or performance of the Obligations or the Liens created under the Loan Documents, or (d) sell, lease, assign, transfer or otherwise dispose of its assets, except, (i) in the ordinary course of business, dispose of or lease inventory, (ii) in the ordinary course of business, dispose of any used, obsolete, worn out or surplus property (including, without limitation, used vehicles) that is, in the reasonable good faith judgment of such Credit Party, no longer economically or commercially practicable or necessary to maintain or useful in the conduct of the business of the Credit Parties, taken as a whole, provided that the aggregate amount of fair market value of all dispositions pursuant to this Section 9.3(d)(ii) shall not exceed $100,000.00 during any fiscal year, (iii) transactions among Credit Parties not resulting in a Change of Control, (iv) any involuntary disposition constituting a casualty event or condemnation, confiscation, requisition, seizure or taking, (v) give discounts or compromises for less than the face value of accounts receivable in order to resolve disputes that occur in the ordinary course of business, and (vi) other asset dispositions not otherwise permitted hereunder; provided, however, that in the case of this clause (vi), all of the following conditions are met: (w) the market value of all assets disposed of pursuant to this clause (vi) does not exceed $50,000.00 individually and $100,000.00 in the aggregate during any fiscal year of Borrower with respect to all such transactions; (x) the consideration received is at least equal to the fair market value of such assets; (y) not later than the Three Month Date, the net proceeds of such disposition shall have been either (A) reinvested in assets used in the business of Credit Parties on which Collateral Agent has a perfected Lien subject only to Permitted Liens or (B) applied as required by Section 4.3, as applicable; and (z) no Unmatured Event of Default or Event of Default shall then exist or result from such disposition.

Section 9.4 Subsidiaries. Borrower will not create or acquire any Subsidiary of Borrower, unless (a) such new Subsidiary is an SPE, (b) the Borrower has (i) specifically pledged its Equity Interests in such new Subsidiary to Collateral Agent, and (ii) delivered to Collateral Agent evidence of its authority to enter into such pledge and (c) if such Subsidiary is not an Excluded Subsidiary, (i) such new Subsidiary has executed and delivered to Collateral Agent the Subsidiary Guaranty Agreement and Security Agreement (or joinders thereto in form and substance reasonably satisfactory to the Collateral Agent), (ii) such new Subsidiary has delivered to Collateral Agent a certified copy of its Organizational Documents and evidence of its authority to enter into the documents referred to in clause (b)(ii) above, and (iii) to the extent requested by Collateral Agent, Borrower has delivered a legal opinion in form and substance reasonably satisfactory to them with respect to such new Subsidiary and the foregoing documents. Any joinder agreement executed pursuant to this Section shall constitute a Loan Document.

Section 9.5 Restricted Payments. Borrower will not declare or pay any Distribution except for the following (the "Permitted Distributions"): (a) Distributions to enable the REIT to distribute the minimum amount of dividends necessary for the REIT to maintain its status as a "real estate investment trust" for U.S. federal and state income tax purposes, (b) Distributions that are payable solely in additional shares of its Equity Interests (or warrants, options or other rights to acquire additional shares of its Equity Interests but excluding Disqualified Equity Interests), (c) Distributions by the REIT necessary for it to avoid the payment of federal or state income or excise taxes for undistributed income, (d) Tax Distributions and (e) provided that no Event of Default has occurred and is then continuing or would result from the making of such Distribution on a pro forma basis, other Distributions by the Borrower to its partners, or the REIT to its shareholders in accordance with the Organizational Documents as in effect on the Closing Date or as modified with the consent of Hale.

Section 9.6 Investments. Borrower will not make, and will not permit any Subsidiary to make, any Investment in any Person other than:

(a) Liquid Investments;

(b) Property Acquisitions;

(c) any endorsement of a check or other medium of payment for deposit or collection, or any similar transaction in the normal course of business;

(d) Investments consisting of loans and advances to employees of the Borrower in the ordinary course of business not to exceed $10,000.00 in the aggregate at any time outstanding;

(e) deposits required to be made in the ordinary course of business in an amount reasonably acceptable to the Collateral Agent made to a landlord in the ordinary course of business to secure or support obligations of Borrower under a lease of real property; and

(f) other Investments approved by the Collateral Agent in writing.

Section 9.7 Compliance with Environmental Laws. Borrower will not, and will not permit any Subsidiary of Borrower to, (a) use (or permit any tenant to use) any of their respective properties or assets for the handling, processing, storage, transportation or disposal of any Hazardous Substance, except in the ordinary course of business and in material compliance with all material Environmental Laws, (b) generate any Hazardous Substance, (c) conduct any activity which is likely to cause a release or threatened release of any Hazardous Substance, or (d) otherwise conduct any activity or use any of their respective properties or assets in any manner that is likely to violate any material Environmental Law.

Section 9.8 Accounting. Borrower will not make, and will not permit any Subsidiary of Borrower to make, any change in accounting treatment or reporting practices (including any change to its fiscal year from December 31), except as required by GAAP.

Section 9.9 Change of Business. Borrower will not enter into, or permit any Subsidiary of Borrower to enter into, any type of business which is materially different from the business in which Borrower or such Subsidiary is engaged or contemplated to be engaged as of the Closing Date.

Section 9.10 Transactions With Affiliates. Borrower will not enter into, or permit to exist, and will not permit any Subsidiary of Borrower to enter into or permit to exist, any transaction, arrangement or contract (including any lease or other rental agreement) with any of its Affiliates which is on terms which are materially less favorable than are obtainable from any Person who is not an Affiliate of Borrower or such Subsidiary, other than (a) distributions permitted by Section 9.5, Investments permitted by clause (f) of Section 9.6, management fees permitted by Section 9.12, and fees paid pursuant to the Property Management Agreements, (b) the LNR Property Documents and (c) transactions among the Credit Parties permitted by this Agreement.

Section 9.11 Compliance with Government Regulations. Borrower will not, and will not permit any Subsidiary of Borrower to, (a) be or become subject at any time to any law, regulation or list of any governmental agency (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits any Lender from making any advance or extension of credit to Borrower or from otherwise conducting business with Borrower, or (b) fail to provide documentary and other evidence of Borrower's identity as may be requested by any Lender at any time to enable such Lender to verify Borrower's identity or to comply with any applicable law or regulation, including, without limitation Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

Section 9.12 Management Fees. Borrower will not pay any management fees to any Person; provided, however, that Borrower may pay fees to the applicable managers pursuant to the Property Management Agreements (i) as in effect on the date hereof or as amended with the consent of Hale or (ii) as hereafter entered into in connection with a Property Acquisition in accordance with clause (b) of the definition thereof.

Section 9.13 Sanctions. Borrower will not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (a) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions, or (b) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as underwriter, advisor, investor, or otherwise).

Section 9.14 Anti-Corruption. No part of the proceeds of the Loans shall be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977.

ARTICLE X
Financial Covenant

Borrower covenants and agrees that, until Payment in Full, Borrower will perform and observe the financial covenants set forth below.

Section 10.1 Fixed Charge Coverage Ratio. Borrower covenants and agrees that, until Payment in Full, the Credit Parties will at all times maintain a Fixed Charge Coverage Ratio of not less than 1.00 to 1.00. The Fixed Charge Coverage Ratio will be calculated and tested quarterly as of the last day of each fiscal quarter of the REIT, commencing with the fiscal quarter ending March 31, 2019, for the period of four quarters ended as of such date (a "rolling or trailing four quarters" basis).

ARTICLE XI
Default

Section 11.1 Events of Default. Each of the following shall be deemed an "Event of Default":

(a) Borrower shall fail to pay (i) principal of or interest on any Note when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) or (ii) any other Obligations or any part thereof when due, and, with respect to this clause (ii), such failure shall have continued for a period of ten (10) Business Days.

(b) Any representation or warranty made or deemed made by Borrower or any Obligated Party (or any of their respective officers) in any Loan Document or in any certificate, report, notice or financial statement furnished at any time in connection with this Agreement shall be false, misleading or erroneous in any material respect when made or deemed to have been made.

(c) Borrower or any Obligated Party shall fail to perform, observe or comply with (i) any covenant, agreement or term contained in Section 8.1, Section 8.2 (with respect to Borrower's existence), Article IX or Article X of this Agreement or (ii) any covenant, agreement or term contained in any other Section of this Agreement or any other Loan Document and, with respect to this clause (ii), such failure shall have continued for a period of ten (10) Business Days after the earlier of (y) an officer of any Credit Party obtaining knowledge of such failure or (z) the Borrower's receipt of written notice of such failure from Collateral Agent or a Lender (any such notice to be identified, in full or in part, as a notice of default (or similar language) and to refer specifically to this clause); provided, however, in the case of a default that cannot be cured within such ten (10) Business Day period despite Borrower's diligent efforts but is susceptible of being cured within thirty (30) days of the earlier of (y) an officer of any Credit Party obtaining knowledge of such failure or (z) the Borrower's receipt of written notice of such failure from Collateral Agent or a Lender, then Borrower shall have such additional time as is reasonably necessary to effect such cure, but in no event in excess of thirty (30) days from the earlier of (y) an officer of any Credit Party obtaining knowledge of such failure or (z) the Borrower's receipt of written notice of such failure from Collateral Agent or a Lender.

(d) Borrower, any Subsidiary of Borrower, any Obligated Party, or any LNR Property Owner shall commence a voluntary proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or a substantial part of its property or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it or shall make a general assignment for the benefit of creditors or shall generally fail to pay its debts as they become due or shall take any corporate action to authorize any of the foregoing.

(e) An involuntary proceeding shall be commenced against Borrower, any Subsidiary of Borrower, any Obligated Party, or any LNR Property Owner seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official for it or a substantial part of its property, and such involuntary proceeding shall remain undismissed and unstayed for a period of sixty (60) days.

(f) Subject to the applicable contest rights set forth in Sections 7.12 and 8.4, Borrower, any Subsidiary, any Obligated Party or any LNR Property Owner shall fail to discharge, within a period of thirty (30) days after the commencement thereof, any attachment, sequestration or similar proceeding or proceedings involving an aggregate amount in excess of $250,000.00 against any of its assets or properties.

(g) Borrower, any Subsidiary of Borrower, any Obligated Party or any LNR Property Owner shall fail to satisfy and discharge, within a period of thirty (30) days after the rendering thereof, any judgment or judgments against it for the payment of money in an aggregate amount in excess of $250,000.00.

(h) Borrower, any Subsidiary of Borrower, any Obligated Party or any LNR Property Owner shall fail to pay when due any principal of or interest on any Debt in excess of $100,000.00 (other than the Obligations), or the maturity of any such Debt shall have been accelerated, or any such Debt shall have been required to be prepaid prior to the stated maturity thereof other than satisfaction of the associated SPE Mortgage Debt upon the sale of a property, or any event shall have occurred that permits (or, with the giving of notice or lapse of time or both, would permit) any holder or holders of such Debt or any Person acting on behalf of such holder or holders to accelerate the maturity thereof or require any such prepayment.

(i) This Agreement or any other Loan Document shall for any reason not be, or cease to be, in full force and effect or shall be declared null and void or the validity or enforceability thereof shall be contested or challenged by Borrower or any Obligated Party or any of their respective owners, or Borrower or any Obligated Party shall deny (other than upon satisfaction of the Obligations) that it has any further liability or obligation under any of the Loan Documents, or any Lien or security interest created by the Loan Documents shall for any reason not be, or cease to be, a valid, perfected security interest in and Lien upon any of the Collateral purported to be covered thereby with the priority required by the Loan Documents.

(j) The REIT shall fail to maintain its status as a "real estate investment trust" in compliance with all applicable provisions under the Internal Revenue Code relating to such status.

(k) A Change of Control shall have occurred.

Section 11.2 Remedies Upon Default. If any Event of Default shall occur and be continuing, the Required Lenders may do any one or more of the following: (a) declare the outstanding Principal of, accrued and unpaid interest on the Loans and other Obligations (including the Make Whole Amount) or any part thereof to be immediately due and payable, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest or other formalities of any kind (other than any such notices specifically required under the Loan Documents), all of which are hereby expressly waived by Borrower, (b) direct the Collateral Agent to foreclose or otherwise enforce any Lien granted to Collateral Agent to secure payment and performance of the Obligations and (c) exercise any and all rights and remedies afforded by the laws of the State of New York or any other jurisdiction by any of the Loan Documents, by equity or otherwise; provided, however, that upon the occurrence of an Event of Default under Section 11.1(d) or Section 11.1(e), the outstanding Principal of and accrued and unpaid interest on the Loans and the other Obligations (including the Make Whole Amount) shall become immediately due and payable without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest or other formalities of any kind, all of which are hereby expressly waived by Borrower.

Section 11.3 Performance by Collateral Agent. If Borrower shall fail to perform any covenant, duty or agreement contained in any of the Loan Documents, Collateral Agent may perform or attempt to perform such covenant, duty or agreement on behalf of Borrower. In such event, Borrower shall, at the request of Collateral Agent, promptly pay any amount expended by Collateral Agent in such performance or attempted performance to Collateral Agent, together with interest thereon at the Default Rate from the date of such expenditure until paid. Notwithstanding the foregoing, it is expressly agreed that Collateral Agent shall not have any liability or responsibility for the performance of (or a duty to perform) any obligation of Borrower under this Agreement or any other Loan Document.

ARTICLE XII
Miscellaneous

Section 12.1 Expenses of Agent and Lenders. Borrower hereby agrees to pay to Collateral Agent and each Lender on demand (a) all reasonable and documented out of pocket costs and expenses incurred by Collateral Agent or such Lender in connection with the preparation, negotiation and execution of this Agreement and the other Loan Documents and any and all amendments, modifications, renewals, extensions and supplements thereof and thereto, including, without limitation, the reasonable fees and expenses of each Lender's legal counsel, (b) all reasonable and documented out of pocket costs and expenses incurred by the Collateral Agent or such Lender in connection with the enforcement of this Agreement or any other Loan Document, including, without limitation, the reasonable fees and expenses of each Lender's legal counsel and (c) all other reasonable and documented out of pocket costs and expenses incurred by the Collateral Agent or Lenders in connection with this Agreement or any other Loan Document, including, without limitation, all costs, expenses, taxes (other than the Excluded Taxes), assessments, filing fees and other charges levied by any Governmental Authority or otherwise payable in respect of this Agreement or any other Loan Document or, to the extent permitted hereunder, in obtaining any insurance policy, audit or appraisal in respect of the Collateral.

Section 12.2 INDEMNIFICATION. BORROWER HEREBY INDEMNIFIES THE COLLATERAL AGENT AND EACH LENDER AND EACH AFFILIATE THEREOF AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS AND AGENTS FROM, AND HOLDS EACH OF THEM HARMLESS AGAINST, ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) (COLLECTIVELY, "CLAIMS") TO WHICH ANY OF THEM MAY BECOME SUBJECT WHICH DIRECTLY OR INDIRECTLY ARISE FROM OR RELATE TO (A) THE NEGOTIATION, EXECUTION, DELIVERY, PERFORMANCE, ADMINISTRATION OR ENFORCEMENT OF ANY OF THE LOAN DOCUMENTS, (B) ANY OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS, (C) ANY BREACH BY BORROWER OF ANY REPRESENTATION, WARRANTY, COVENANT OR OTHER AGREEMENT CONTAINED IN ANY OF THE LOAN DOCUMENTS, OR (D) THE PRESENCE, RELEASE, THREATENED RELEASE, DISPOSAL, REMOVAL OR CLEANUP OF ANY HAZARDOUS SUBSTANCE LOCATED ON, ABOUT, WITHIN OR AFFECTING ANY OF THE PROPERTIES OR ASSETS OF BORROWER OR ANY SUBSIDIARY OF BORROWER (IN ALL CASES, WHETHER OR NOT CAUSED OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNIFIED PARTY); PROVIDED, HOWEVER, THAT BORROWER'S INDEMNIFICATION OBLIGATIONS UNDER THIS SECTION 12.2 SHALL NOT APPLY TO THE EXTENT THAT THE CLAIMS ARISE AS A RESULT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNIFIED PERSON.

Section 12.3 Limitation of Liability. Neither the Collateral Agent, any Lender nor any Affiliate, officer, director, employee, attorney or agent of the Collateral Agent or a Lender shall have any liability with respect to, and Borrower hereby waives, releases and agrees not to sue any of them upon, any claim for any special, indirect, incidental, exemplary, punitive or consequential damages suffered or incurred by Borrower in connection with, arising out of, or in any way related to, this Agreement or any of the other Loan Documents, or any of the transactions contemplated by this Agreement or any of the other Loan Documents.

Section 12.4 No Waiver; Cumulative Remedies. No failure on the part of the Collateral Agent or Lenders to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided for in this Agreement and the other Loan Documents are cumulative and not exclusive of any rights and remedies provided by law.

Section 12.5 Successors and Assigns. This Agreement is binding upon and shall inure to the benefit of Collateral Agent, Lenders and Borrower and their respective successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations under this Agreement without prior written consent of Lenders and Collateral Agent.

Section 12.6 Survival. All representations and warranties made in this Agreement or any other Loan Document or in any document, statement or certificate furnished in connection with this Agreement shall survive the execution and delivery of this Agreement and the other Loan Documents, and no investigation by Collateral Agent or a Lender or any closing shall affect the representations and warranties or the right of Collateral Agent and Lenders to rely upon them. Without prejudice to the survival of any other obligation of Borrower hereunder, the obligations of Borrower under Sections 12.1 and 12.2 shall survive repayment of the Notes.

Section 12.7 Recovery of Payments. Borrower agrees that to the extent Borrower makes a payment or payments to or for the account of any Lender, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy, insolvency or similar state or federal law, common law or equitable cause (whether as a result of any demand, settlement, litigation or otherwise), then, to the extent of such payment or repayment, (a) the Obligations intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been received, and (b) all Liens created under the Loan Documents (to the extent discharged) shall be revived and continued in full force and effect as if such payment had not been received. The agreements and obligations in this Section shall survive repayment of the Loans.

Section 12.8 Amendment. This Agreement may be amended, and Borrower may take any action herein prohibited, or omit to perform any act herein required to be performed by them, if Borrower shall obtain the prior written consent of the Required Lenders to such amendment, action or omission to act; provided, however, that, (a) without the prior written consent of all of the Lenders or, in the case of the following clauses (i) and (ii), each Lender adversely affected thereby, no such agreement shall (i) decrease or forgive the Principal amount of any Loan, or extend the Maturity Date of any Loan, or decrease the rate of interest on any Loan, or any fees or other amounts payable hereunder, (ii) effect any waiver, amendment or modification that by its terms changes the amount, allocation, payment or pro rata sharing of payment on or among the Loans, or postpones any date fixed by this Agreement or any other Loan Document for any payment of Principal or interest, (iii) amend the provisions of this Section 12.8, the definition of the term "Required Lenders" or of the term "Loan", or (iv) release Borrower from their obligations under the applicable Loan Documents and (b) unless also signed by the Collateral Agent, modify the duties, rights or obligations of the Collateral Agent.

Section 12.9 Reserved.

Section 12.10 Notices. (a) All notices and other communications provided for in this Agreement and the other Loan Documents shall be in writing and may (subject to paragraph (b) below) be telecopied (faxed), mailed by certified mail return receipt requested, or delivered by hand or overnight courier service to the intended recipient at the addresses specified below or at such other address as shall be designated by any party listed below in a notice to the other parties listed below given in accordance with this Section.

If to any Credit Party:

HC Government Realty Holdings, L.P.
c/o Hale Partnership Capital Management
390 S. Liberty Street, Suite 100
Winston-Salem, NC 27101
Attention: Jacqlyn Piscetelli
Email: jackie@halepartnership.com

If to Hale or Collateral Agent:

c/o Hale Partnership Capital Management
2115 E 7th Street, Suite 101
Charlotte, NC 28204
Attention: Steve Hale
Email: steve@halepartnership.com

With a copy to:

c/o Hale Partnership Capital Management
3675 Marine Drive
Greenville, NC 27834
Attention: Brad Garner
Email: brad@halepartnership.com

With a copy (which shall not constitute notice) to:

Moore & Van Allen PLLC
100 North Tryon Street, Suite 4700
Charlotte, North Carolina 28202
Attention: Ryan Smith
Email: ryansmith@mvalaw.com

Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telecopy (fax), subject to confirmation of receipt, when personally delivered if by hand or overnight courier service or, in the case of a mailed notice, when duly deposited in the mails, in each case given or addressed as aforesaid.

(b) The Collateral Agent, Lenders or Borrower may, 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 Collateral Agent or a Lender otherwise prescribes, notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), provided, that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) Rejection or other refusal to accept a notice, request or communication, or the inability to deliver a notice, request or communication because of a changed address of which no notice was given shall be deemed to be receipt of the notice, request or communication otherwise sent under the terms of this Section.

Section 12.11 Applicable Law; Venue; Service of Process. This Agreement shall be governed by and construed in accordance with the laws of the State of New York and the applicable laws of the United States of America. All judicial proceedings brought against Borrower with respect to this Agreement or any of the other Loan Documents may be brought in any federal or state court of competent jurisdiction in the Southern District of New York and in any state court sitting in New York County, New York, and, by execution and delivery of this Agreement, Borrower accepts, for itself and in connection with its properties, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Agreement from which no appeal has been taken or is available. Borrower agrees that service of process upon it may be made by certified or registered mail, return receipt requested, at its office specified in this Agreement. Nothing herein or in any of the other Loan Documents shall affect the right of the Collateral Agent or Lenders to serve process in any other manner permitted by law or shall limit the right of the Collateral Agent or any Lender to bring any action or proceeding against Borrower or with respect to any of its property in courts in other jurisdictions. Any action or proceeding by Borrower against the Collateral Agent or Lenders shall be brought only in a federal court of competent jurisdiction in the Southern District of New York or in any state court sitting in New York County, New York.

Section 12.12 Counterparts. This Agreement and the other Loan Documents may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed signature page of this Agreement and/or any other Loan Document by a scanned PDF document attached to an e-mail or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

Section 12.13 Severability. Any provision of this Agreement held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision held to be invalid or illegal.

Section 12.14 Headings. The headings, captions and arrangements used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

Section 12.15 Consent to Participations. Lenders shall have the right at any time and from time to time to sell or transfer one or more participation interests in the Loans, the Notes and the indebtedness evidenced thereby to one or more purchasers ("Participants"), whether related or unrelated to such Lender. Such Lender may provide to any one or more Participants or potential Participants any information, financial statements, data or knowledge such Lender may have about Borrower or about any other matter relating to the Obligations, and Borrower waives any rights to privacy it may have with respect to such matters, provided that such Participant or potential Participant shall agree to treat any such information which is identified as confidential with the same degree of care to maintain the confidentiality of such information as such person would accord to its own confidential information. Borrower further waives any and all notices of sale of participation interests and notices of repurchases of participation interests. Borrower agrees that the owners of any participation interests will be considered as the absolute owners of their interests in the Obligations and will have all the rights granted under the participation agreements or other agreements governing the sale of their participation interests, provided that (a) such Participants shall not have any direct rights under this Agreement or the Loan Documents and (b) Borrower shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Section 12.16 Sale of Obligations and Information Sharing. Borrower agrees that Lenders may sell, transfer or assign the Obligations, the Loans, the Notes, this Agreement and/or the Loan Documents to one or more Persons ("Purchasers"); provided, that the written consent of the Borrower shall be required for any such sale, transfer or assignment unless (a) such sale, transfer or assignment is to a Lender or an Affiliate of a Lender or (b) an Event of Default has occurred and is continuing (such consent not to be unreasonably withheld or delayed and shall be deemed given if Borrower fails to respond within ten (10) Business Days of a request for such consent). Borrower agrees that Lenders may provide any information or knowledge, including, but not limited to financial statements of Borrower, any Subsidiary or any Obligated Party, which such Lender may have about Borrower, any Subsidiary or any Obligated Party or about any matter relating to this Agreement or the Loan Documents, including, but not limited to any information regarding the Collateral, to (i) any ratings agencies in connection with any financing such Lender may obtain, (ii) any financing source or investor of such Lender who agrees to hold such information confidential in a manger consistent with the terms of this Section 12.16 or (iii) any of its subsidiaries or Affiliates or their successors, or to any one or more Purchasers or potential Purchasers, provided that any such Purchaser or potential Purchaser shall agree to treat any such information which is identified as confidential with the same degree of care to maintain the confidentiality of such information as such person would accord to its own confidential information. Borrower irrevocably waives any and all rights it may have under any law, rule or regulation which may prohibit such disclosure, including, but not limited to, any rights of privacy. A transferring Lender shall give prior notice to Borrower of any sale, transfer or assignment of the Obligations, the Loans, the Notes, this Agreement and/or the Loan Documents pursuant to this Section 12.16.

Section 12.17 USA Patriot Act. Each Lender hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow such Lender to identify Borrower in accordance with the Act.

Section 12.18 Anti-Terrorism Law. (a) None of Borrower, any Subsidiary of Borrower or any Obligated Party is in material violation of any requirement of any law relating to terrorism or money laundering ("Anti-Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

(b) None of Borrower, any Subsidiary of Borrower or any Obligated Party is any of the following: (i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order, (ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order, (iii) a Person with which Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (iv) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order, or (v) a Person that is named as a "specially designated national and blocked Person" on the most current list published by OFAC at its official website or any replacement website or other replacement official publication of such list.

Section 12.19 Time of the Essence. The parties agree that time shall be of the essence in the performance of all of the terms and conditions of this Agreement and the Loan Documents.

Section 12.20 WAIVER OF TRIAL BY JURY . BORROWER, COLLATERAL AGENT AND EACH LENDER HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) BETWEEN BORROWER, COLLATERAL AGENT AND EACH LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR ANY RELATIONSHIP BETWEEN BORROWER, COLLATERAL AGENT AND EACH LENDER. THIS PROVISION IS A MATERIAL INDUCEMENT TO COLLATERAL AGENT AND EACH LENDER TO PROVIDE THE FINANCING EVIDENCED BY THIS AGREEMENT AND THE LOAN DOCUMENTS.

Section 12.21 ENTIRE AGREEMENT. THIS AGREEMENT, THE NOTES AND THE OTHER LOAN DOCUMENTS REFERRED TO HEREIN EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THEREOF AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

ARTICLE XIII
COLLATERAL AGENCY PROVISIONS

Section 13.1 Appointment.

Each of the Lenders hereby irrevocably designates and appoints HCM Agency, LLC (and its permitted successors and assigns) as the Collateral Agent of such Lender (or the Lenders represented by it) under this Agreement and the other Loan Documents for the term hereof (and HCM Agency, LLC hereby accepts such appointment) and each such Lender irrevocably authorizes the Collateral Agent to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement or the other Loan Documents, the Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein and therein, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or the other Loan Documents or otherwise exist against the Collateral Agent. Any reference to the Collateral Agent in this Agreement or the other Loan Documents shall be deemed to refer to the Collateral Agent solely in its capacity as Collateral Agent and not in its capacity, if any, as a Lender.

Section 13.2 Delegation of Duties.

The Collateral Agent may execute any of its respective duties under this Agreement or the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Collateral Agent shall not be responsible to Lenders for the negligence or misconduct of any agents or attorneys-in-fact selected by the Collateral Agent with reasonable care.

Section 13.3 Exculpatory Provisions.

Neither the Collateral Agent nor any of its officers, directors, employees, agents, attorneys-in-fact, Subsidiaries or Affiliates shall be (i) liable to Lenders for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement (except for actions occasioned by its or such Person's own gross negligence or willful misconduct), or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by Borrower or any of its Subsidiaries or any officer thereof contained in this Agreement, the other Loan Documents or in any certificate, report, statement or other document referred to or provided for in, or received by the Collateral Agent under or in connection with, this Agreement or the other Loan Documents or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of Borrower or any of its Subsidiaries to perform its obligations hereunder or thereunder. The Collateral Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or of any other Loan Document, or to inspect the properties, books or records of Borrower or any of its Subsidiaries.

Section 13.4 Reliance by Collateral Agent.

The Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Credit Parties), independent accountants and other experts selected by the Collateral Agent. The Collateral Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless the Collateral Agent shall have actual notice of any transferee. The Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement and the other Loan Documents unless it shall first receive such advice or concurrence of the Required Lenders (or, when expressly required hereby, all the Lenders) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action except for its own gross negligence or willful misconduct. The Collateral Agent shall in all cases be fully protected from Lenders in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Required Lenders (or, when expressly required hereby, all the Lenders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future Lenders.

Section 13.5 Notices of Default.

The Collateral Agent shall take such action with respect to an Event of Default as shall be reasonably directed by the Required Lenders solely with respect to any Collateral; provided that unless and until the Collateral Agent shall have received such directions, the Collateral Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Event of Default as it shall deem advisable in the best interests of the Lenders, except to the extent that other provisions of this Agreement or the other Loan Documents expressly require that any such action be taken or not be taken only with the consent and authorization or the request of the Lenders or Required Lenders, as applicable.

Section 13.6 Non-Reliance on the Collateral Agent and Other Lenders.

Each of the Lenders expressly acknowledges that neither the Collateral Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact, Subsidiaries or Affiliates has made any representations or warranties to it and that no act by the Collateral Agent hereinafter taken, including any review of the affairs of Borrower, shall be deemed to constitute any representation or warranty by the Collateral Agent to any Lender. Each of the Lenders represents that it has made and will continue to make, independently and without reliance upon the Collateral Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Credit Parties. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Collateral Agent hereunder or under the other Loan Documents, the Collateral Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, financial and other condition or creditworthiness of the Credit Parties which may come into the possession of the Collateral Agent or any of its respective officers, directors, employees, agents, attorneys-in-fact, Subsidiaries or Affiliates.

Section 13.7 Indemnification.

Each of the Lenders hereby agrees to indemnify the Collateral Agent in its capacity as such (to the extent not reimbursed by Borrower and without limiting the obligation of Borrower to do so), ratably according to the respective amounts of their Loans, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including, without limitation, at any time following the payment of the Loans) be imposed on, incurred by or asserted against the Collateral Agent in any way relating to or arising out of this Agreement, the other Loan Documents, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Collateral Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements to the extent they result from the Collateral Agent's gross negligence or willful misconduct. The agreements in this Section 13.7 shall survive the payment of the Loans and all other amounts payable hereunder and the termination of this Agreement and the other Loan Documents.

Section 13.8 The Collateral Agent in Its Individual Capacity.

The Collateral Agent and its respective Subsidiaries and Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Credit Parties as though the Collateral Agent were not a Collateral Agent hereunder. With respect to any Loan made by it, the Collateral Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not a Collateral Agent, and the term "Lenders" shall include the Collateral Agent in its individual capacity.

Section 13.9 Resignation of the Collateral Agent; Successor Collateral Agent.

The Collateral Agent may resign as Collateral Agent at any time by giving thirty (30) days advance notice thereof to the Lenders and Borrower and, thereafter, the retiring Collateral Agent shall be discharged from its duties and obligations hereunder. 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 continuing; such approval not to be unreasonably withheld or delayed), to appoint a successor Collateral Agent. If no successor Collateral Agent shall have been so appointed by the Required Lenders, been approved (so long as no Event of Default has occurred and is continuing) by Borrower or have accepted such appointment within fifteen (15) days after the Collateral Agent's giving of notice of resignation, then the Collateral Agent shall use its commercially reasonable efforts to appoint a successor Collateral Agent reasonably acceptable to Borrower (so long as no Unmatured Event of Default or Event of Default has occurred and is continuing), on behalf of the Lenders. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, such successor Collateral Agent shall thereupon succeed to and become vested with all rights, powers, privileges and duties of the retiring Collateral Agent. After any retiring Collateral Agent's resignation hereunder as Collateral Agent, the provisions of this Section 13.9 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Collateral Agent. If no successor has accepted appointment as Collateral Agent by the date which is thirty (30) days following a retiring Collateral Agent's notice of resignation, the retiring Collateral Agent's resignation shall nevertheless thereupon become effective and the Required Lenders shall perform all of the duties of the Collateral Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above.

Section 13.10 Release of Collateral. Lenders hereby irrevocably authorize Collateral Agent, at its option and in its reasonable discretion, to release any Lien granted to or held by Collateral Agent upon any Collateral (a) upon Payment in Full; (b) constituting property being sold or disposed of in compliance with the provisions of this Agreement; or (c) if approved, authorized or ratified in writing by the Required Lenders. The Collateral Agent shall promptly, upon the written request of the Borrower, execute and deliver to the Credit Parties such documents as may be necessary to evidence the release of any Lien granted to or held by the Collateral Agent upon any Collateral (a) upon Payment in Full, (b) which constitutes property sold or to be sold or disposed of as part of or in connection with any disposition permitted in accordance with the terms of this Agreement, (c) which constitutes property in which a Credit Party owned no interest at the time the Lien was granted or at any time thereafter or (d) if approved, authorized or ratified in writing by the Required Lenders, or all the Lenders, as the case may be.

Section 13.11 Reimbursement by Lenders.

To the extent that Borrower for any reason fail to indefeasibly pay any amount required under Section 12.1 or 12.2 to be paid by it to the Collateral Agent (or any sub-agent thereof), or any officer, director, employee, attorney or agent (each a "Related Party") of any of the foregoing, each Lender severally agrees to pay to the Collateral Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's applicable percentage thereof (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Collateral Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Collateral Agent (or any such sub-agent) in connection with such capacity. For the purposes of this Section 13.11, the "applicable percentage" of a Lender shall be the percentage of the total aggregate principal amount of the Loans held by such Lender at such time.

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

BORROWER:

HC GOVERNMENT REALTY HOLDINGS, L.P.

By: HC Government Realty Trust, Inc., its general partner

By:
Name:
Title:

[Signature Page to Loan Agreement]

COLLATERAL AGENT AND LENDERS:

HCM AGENCY, LLC,

as Collateral Agent

By: /s/ Steven A. Hale
Name: Steven A. Hale II
Title: Manager

THE VANDERBILT UNIVERSITY,
as a Lender

By: Hale Partnership Capital Management, LLC,
its investment manager

By: /s/ Steven A. Hale
Name: Steven A. Hale II
Title: Manager

HALE GOVERNMENT BUILDING FUND, L.P.,
as a Lender

By: Hale Partnership Capital Advisors, LLC,
its general partners

By: /s/ Steven A. Hale
Name: Steven A. Hale II
Title: Founder

HALE MEDICAL OFFICE BUILDING FUND, L.P., as a Lender

By: Hale Partnership Capital Advisors, LLC,
its general partner

By: /s/ Steven A. Hale
Name: Steven A. Hale II
Title: Founder

[Signature Page to Loan Agreement]

Annex A

Lender	Closing Date Term Loan
The Vanderbilt University	$5,000,000
Hale Government Building Fund, L.P.	$3,500,000
Hale Medical Office Building Fund, L.P.	$2,000,000
Total	$10,500,000

Exhibit 6.3

GUARANTY AGREEMENT

WHEREAS, the execution of this Guaranty Agreement, dated as of March 19, 2019, is a condition to the lenders party to the Loan Agreement referred to below (the "Lenders") making certain loans to HC GOVERNMENT REALTY HOLDINGS, L.P., a Delaware limited partnership ("Borrower"), pursuant to that certain Loan Agreement dated as of the date hereof, between Borrower, the Lenders and HCM AGENCY, LLC, in its capacity as collateral agent (the " Agent") (such Loan Agreement as it may hereafter be amended, restated, supplemented or modified from time to time, is hereinafter referred to as the "Loan Agreement"). Capitalized terms used but not defined herein are used as defined in the Loan Agreement

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned (each a "Guarantor"; collectively, the "Guarantors"), hereby irrevocably and unconditionally guarantee to Lenders and the Agent the full and prompt payment and performance of the Guaranteed Indebtedness (hereinafter defined).

This Guaranty Agreement shall be upon the following terms:

I. The term "Guaranteed Indebtedness", as used herein means all of the "Obligations", as defined in the Loan Agreement. The term "Guaranteed Indebtedness" shall include any and all post-petition interest and expenses (including reasonable attorneys' fees) whether or not allowed under any bankruptcy, insolvency, or other similar law. As of the date of this Guaranty Agreement, the Obligations include, but are not limited to, the Loans evidenced by the Notes and all renewals, extensions, amendments, increases, decreases or other modifications of any of the foregoing and all promissory notes given in renewal, extension, amendment, increase, decrease or other modification thereof.

II. This instrument shall be an absolute, continuing, irrevocable, and unconditional guaranty of payment and performance, and not a guaranty of collection, and each Guarantor shall remain liable on its obligations hereunder until the payment and performance in full of the Guaranteed Indebtedness. No set-off, counterclaim, recoupment, reduction, or diminution of any obligation, or any defense of any kind or nature which Borrower may have against Agent or Lenders or any other party, or which any Guarantor may have against Borrower, Agent, Lenders, or any other party, shall be available to, or shall be asserted by, such Guarantor against Agent or Lenders or any subsequent holder of the Guaranteed Indebtedness or any part thereof or against payment of the Guaranteed Indebtedness or any part thereof.

III. If any Guarantor becomes liable for any indebtedness owing by Borrower to Agent or Lenders by endorsement or otherwise, other than under this Guaranty Agreement, such liability shall not be in any manner impaired or affected hereby, and the rights of Agent or Lenders hereunder shall be cumulative of any and all other rights that Agents or Lenders may ever have against such Guarantor. The exercise by Agent or Lenders of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

IV. In the event of default by Borrower in payment or performance of the Guaranteed Indebtedness, or any part thereof, when such Guaranteed Indebtedness becomes due, whether by its terms, by acceleration, or otherwise, Guarantors shall promptly pay the amount due thereon to each Lender without notice or demand in lawful currency of the United States of America and it shall not be necessary for Agent or Lenders (or the Required Lenders), in order to enforce such payment by each Guarantor, first to institute suit or exhaust its remedies against Borrower or others liable on such Guaranteed Indebtedness, or to enforce any rights against any collateral which shall ever have been given to secure such Guaranteed Indebtedness. Until the Guaranteed Indebtedness is paid in full, to the fullest extent permitted by applicable law, each Guarantor waives any and all rights it may now or hereafter have under any agreement or at law or in equity (including, without limitation, any law subrogating such Guarantor to the rights of Agent or Lenders) to assert any claim against or seek contribution, indemnification or any other form of reimbursement from Borrower or any other party liable for payment of any or all of the Guaranteed Indebtedness for any payment made by any Guarantor under or in connection with this Guaranty Agreement or otherwise.

V. If acceleration of the time for payment of any amount payable by Borrower under the Guaranteed Indebtedness is stayed upon the insolvency, bankruptcy, or reorganization of Borrower, all such amounts otherwise subject to acceleration under the terms of the Guaranteed Indebtedness shall nonetheless be payable by Guarantors hereunder forthwith on written demand by the Required Lenders.

VI. Each Guarantor hereby agrees that its obligations under this Guaranty Agreement shall not be released, discharged, diminished, impaired, reduced, or affected for any reason or by the occurrence of any event, including, without limitation, one or more of the following events, whether or not with notice to or the consent of Guarantors: (a) the taking or accepting of collateral as security for any or all of the Guaranteed Indebtedness or the release, surrender, exchange, or subordination of any collateral now or hereafter securing any or all of the Guaranteed Indebtedness; (b) any partial release of the liability of any Guarantor hereunder, or the full or partial release of any other guarantor or obligor from liability for any or all of the Guaranteed Indebtedness; (c) any disability of Borrower, or the dissolution, insolvency, or bankruptcy of Borrower, any Guarantor, or any other party at any time liable for the payment of any or all of the Guaranteed Indebtedness; (d) any renewal, extension, modification, waiver, amendment, or rearrangement of any or all of the Guaranteed Indebtedness or any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Indebtedness; (e) any adjustment, indulgence, forbearance, waiver, or compromise that may be granted or given by Agent or Lenders to Borrower, any Guarantor, or any other party ever liable for any or all of the Guaranteed Indebtedness; (f) any neglect, delay, omission, failure, or refusal of Agent or Lenders to take or prosecute any action for the collection of any of the Guaranteed Indebtedness or to foreclose or take or prosecute any action in connection with any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Indebtedness; (g) the unenforceability or invalidity of any or all of the Guaranteed Indebtedness or of any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Indebtedness; (h) any payment by Borrower or any other party to Agent or Lenders is held to constitute a preference under applicable bankruptcy or insolvency law or if for any other reason Agent or Lenders are required to refund any payment or pay the amount thereof to someone else; (i) the settlement or compromise of any of the Guaranteed Indebtedness; (j) the non-perfection of any security interest or lien securing any or all of the Guaranteed Indebtedness; (k) any impairment of any collateral securing any or all of the Guaranteed Indebtedness; (l) the failure of Agent to sell any collateral securing any or all of the Guaranteed Indebtedness in a commercially reasonable manner or as otherwise required by law; (m) any change in the corporate existence, structure, or ownership of Borrower; or (n) any other circumstance which might otherwise constitute a defense available to, or discharge of, Borrower or any Guarantor.

VII. Each Guarantor represents and warrants to Agent and Lenders as set forth below:

(1) Each Guarantor is a limited liability company or corporation, as applicable, duly organized, validly existing and in good standing under the laws of the state of its organization, is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary (except where failure to so qualify would not have a Material Adverse Effect).

(2) Each Guarantor has the limited liability company or corporate power, as applicable, authority and legal right to execute, deliver, and perform its obligations under this Guaranty Agreement and this Guaranty Agreement constitutes the legal, valid, and binding obligation of such Guarantor, enforceable against such Guarantor in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, or other laws of general application relating to the enforcement of creditor's rights.

(3) The execution, delivery, and performance by each Guarantor of this Guaranty Agreement have been duly authorized by all requisite action on the part of such Guarantor and do not and will not violate or conflict with the Organizational Documents of such Guarantor or any law, rule, or regulation or any order, writ, injunction or decree of any court, governmental authority, or arbitrator, and do not and will not conflict with, result in a breach of, or constitute a default under, or result in the imposition of any lien upon any of the revenues or assets of such Guarantor pursuant to the provisions of any indenture, mortgage, deed of trust, security agreement, franchise, permit, license, or other instrument or agreement by which such Guarantor or its properties is bound.

(4) No authorization, approval, or consent of, and no filing or registration with, any court, governmental authority, or third party is necessary for the execution, delivery or performance by such Guarantor of this Guaranty Agreement or the validity or enforceability thereof, or, if any authorization, approval or consent is necessary, such authorization, approval or consent has been obtained or made on or prior to the date hereof.

(5) To the best of Guarantor's knowledge and belief, the value of the consideration received and to be received by such Guarantor as a result of Borrower, Agent and Lenders entering into the Loan Agreement and such Guarantor executing and delivering this Guaranty Agreement is reasonably worth at least as much as the liability and obligation of such Guarantor hereunder, and such liability and obligation and the Loan Agreement have benefitted and may reasonably be expected to benefit such Guarantor directly or indirectly.

(6) Such Guarantor, together with Borrower and each other Guarantor (as defined in the Loan Agreement) on a consolidated basis, both before and after execution and performance of this Guaranty Agreement and the other Loan Documents and the documents evidencing other permitted indebtedness of the Credit Parties, (i) is not insolvent and (ii) its liabilities do not exceed its assets.

(7) Neither Guarantor (i) has engaged in any material business or activities, or entered into, executed or performed any material agreement, arrangement, instrument or transaction, (ii) owns any material property (other than Equity Interests of the Borrower and, indirectly, the Borrower's Subsidiaries), (iii) has incurred any indebtedness, or (iv) has granted any Liens in any of its property, in each case, other than (A) entering into and performing its obligations under this Guaranty Agreement and the Loan Documents to which it is a party, (B) undertaking activities incidental to its status as a holding company, (C) incurring and discharging limited liability company or corporate and administrative overhead, costs and expenses relating to maintenance of its existence or otherwise relating to the business of its Subsidiaries in accordance with the Loan Documents, (D) issuing, selling and redeeming its own Equity Interests, subject to the terms of this Agreement, (E) holding directors and members' meetings and (F) as specifically contemplated by the Loan Agreement.

VIII. Each Guarantor covenants and agrees that, until Payment in Full, such Guarantor will observe the covenants set forth below:

(1) Each Guarantor will furnish promptly to Agent and Lenders written notice of the occurrence of any default under this Guaranty Agreement or any Event of Default of which such Guarantor has knowledge.

(2) Each Guarantor will furnish promptly to Agent and Lenders such additional information concerning such Guarantor as Agent or a Lender may reasonably request.

(3) Each Guarantor will comply with all of the covenants contained in the Loan Agreement with which Borrower agrees in the Loan Agreement to cause such Guarantor to comply, as if such Guarantor were a party to the Loan Agreement, and all of such covenants are incorporated herein by reference as if set forth herein in full.

(4) Neither Guarantor shall (i) engage in any material business or activities, or enter into, execute or perform any material agreement, arrangement, instrument or transaction, (ii) own any material property (other than Equity Interests of the Borrower and, indirectly, the Borrower's Subsidiaries), (iii) incur any indebtedness, or (iv) grant any Liens in any of its property, in each case, other than (A) entering into and performing its obligations under this Guaranty Agreement and the Loan Documents to which it is a party, (B) undertaking activities incidental to its status as a holding company, (C) incurring and discharging limited liability company or corporate and administrative overhead, costs and expenses relating to maintenance of its existence or otherwise relating to the business of its Subsidiaries in accordance with the Loan Documents, (D) issuing, selling and redeeming its own Equity Interests, subject to the terms of this Guaranty Agreement and the Loan Agreement, (E) holding directors and members' meetings or (F) as specifically contemplated by the Loan Agreement or otherwise consented to by the Required Lenders.

(5) HC Government Realty Trust, Inc., a Maryland corporation and Guarantor, shall use its commercially reasonable efforts to maintain its status as a "real estate investment trust" in compliance with all applicable provisions under the Internal Revenue Code relating to such status.

IX. Upon the occurrence and during the continuance of an Event of Default, Agent and each Lender shall have the right to set off and apply against this Guaranty Agreement or the Guaranteed Indebtedness or both, at any time and without notice to any Guarantor, any and all deposits (general or special, time or demand, provisional or final) or other sums at any time credited by or owing from Agent or such Lender to any Guarantor whether or not the Guaranteed Indebtedness is then due and irrespective of whether or not Agent or such Lender shall have made any demand under this Guaranty Agreement. The rights and remedies of Agent and Lenders hereunder are in addition to other rights and remedies (including, without limitation, other rights of setoff) which they may have.

X. Each Guarantor hereby agrees that the Subordinated Indebtedness (as hereinafter defined) shall be subordinate and junior in right of payment to the prior payment in full of all Guaranteed Indebtedness, and each Guarantor hereby assigns the Subordinated Indebtedness to Agent and Lenders as security for the Guaranteed Indebtedness. If any sums shall be paid to any Guarantor by Borrower or any other person or entity on account of the Subordinated Indebtedness, such sums shall be held in trust by such Guarantor for the benefit of Agent and the Lenders and shall forthwith be paid to Agent without affecting the liability of such Guarantor under this Guaranty Agreement. For purposes of this Guaranty Agreement, the term "Subordinated Indebtedness" means all indebtedness, liabilities, and obligations of Borrower or any Subsidiary to each Guarantor, whether such indebtedness, liabilities, and obligations now exist or are hereafter incurred or arise, or whether the obligations of Borrower or such Subsidiary thereon are direct, indirect, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of the person or persons in whose favor such indebtedness, obligations, or liabilities may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by any Guarantor.

XI. No amendment or waiver of any provision of this Guaranty Agreement or consent to any departure by any Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed by such Guarantor and the Required Lenders. No failure on the part of Agent or Lenders to exercise and no delay in exercising, and no course of dealing with respect to, any right, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.

XII. This Guaranty Agreement is for the benefit of Agent and Lenders and their successors and assigns, and in the event of an assignment of the Guaranteed Indebtedness, or any part thereof, the rights and benefits hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This Guaranty Agreement is binding not only on each Guarantor, but on each Guarantor's successors and assigns.

XIII. Each Guarantor recognizes that Agent and Lenders are relying upon this Guaranty Agreement and the undertakings of such Guarantor hereunder in making extensions of credit to Borrower under the Loan Agreement and further recognizes that the execution and delivery of this Guaranty Agreement is a material inducement to Agent and Lenders in entering into the Loan Agreement. Each Guarantor hereby acknowledges that there are no conditions to the full effectiveness of this Guaranty Agreement.

XIV. This Guaranty Agreement shall be governed by and construed in accordance with the laws of the State of New York and the applicable laws of the United States of America. Any action or proceeding against any Guarantor under or in connection with this Guaranty Agreement may be brought in any federal court of competent jurisdiction in the Southern District of New York and in any state court sitting in New York, New York, and each Guarantor hereby irrevocably submits to the nonexclusive jurisdiction of such courts, and waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court. Each Guarantor agrees that service of process upon it may be made by certified or registered mail, return receipt requested, at its address specified in the Loan Agreement. Nothing herein shall affect the right of the Agent or Lenders to serve process in any other manner permitted by law or shall limit the right of Agent or Lenders to bring any action or proceeding against any Guarantor or with respect to any of a Guarantor's property in courts in other jurisdictions. Any action or proceeding by any Guarantor against Agent or Lenders shall be brought only in a federal court of competent jurisdiction in the Southern District of New York or in any state court sitting in New York, New York.

XV. Each Guarantor shall pay all reasonable and documented out-of-pocket attorneys' fees and all other reasonable and documented out-of-pocket costs and expenses incurred by Agent or Lenders in connection with the preparation, administration, amendment, enforcement, or collection of this Guaranty Agreement.

XVI. To the fullest extent permitted by applicable law, each Guarantor hereby waives promptness, diligence, notice of any default under the Guaranteed Indebtedness, demand for payment, notice of acceptance of this Guaranty Agreement, presentment, notice of protest, notice of dishonor, notice of the incurring by Borrower of additional indebtedness, and all other notices and demands with respect to the Guaranteed Indebtedness and this Guaranty Agreement.

XVII. Lenders and Agent may exercise any and all rights granted to them under the Loan Agreement and the other Loan Documents without affecting the validity or enforceability of this Guaranty Agreement. Any notices given hereunder shall be given in the manner provided by and to the addresses set forth in the Loan Agreement (and any notice to the Guarantor shall be provided care of the Borrower).

XVIII. Each Guarantor hereby represents and warrants to Agent and Lenders that such Guarantor has adequate means to obtain from Borrower on a continuing basis information concerning the financial condition and assets of Borrower and that such Guarantor is not relying upon Agent or Lenders to provide (and neither Agent or Lenders shall have any duty to provide) any such information to such Guarantor either now or in the future.

XIX. Each Guarantor understands and agrees that (a) Agent and Lenders' document retention policy involves the imaging of executed loan documents and the destruction of the paper originals, and (b) each Guarantor waives any right that it may have to claim that the imaged copies of the Loan Documents are not originals.

XX. EACH GUARANTOR, AGENT AND LENDERS (BY THEIR ACCEPTANCE HEREOF) HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) BETWEEN ANY GUARANTOR AND AGENT OR LENDERS ARISING OUT OF OR IN ANY WAY RELATED TO THIS GUARANTY AGREEMENT, THE OTHER LOAN DOCUMENTS OR ANY RELATIONSHIP BETWEEN ANY GUARANTOR, AGENT AND/OR LENDERS. THIS PROVISION IS A MATERIAL INDUCEMENT TO AGENT AND LENDERS TO PROVIDE THE FINANCING EVIDENCED BY THE LOAN AGREEMENT AND THE LOAN DOCUMENTS.

XXI. THIS GUARANTY AGREEMENT EMBODIES THE FINAL, ENTIRE AGREEMENT OF EACH GUARANTOR, AGENT AND LENDERS WITH RESPECT TO SUCH GUARANTOR'S GUARANTY OF THE GUARANTEED INDEBTEDNESS AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OR OTHER EXTRINSIC EVIDENCE OF ANY NATURE. THERE ARE NO ORAL AGREEMENTS BETWEEN ANY GUARANTOR, AGENT AND/OR LENDERS. THIS GUARANTY AGREEMENT MAY NOT BE AMENDED EXCEPT IN WRITING BY EACH GUARANTOR AND THE REQUIRED LENDERS.

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DATED and EFFECTIVE as of the day and year first written above.

GUARANTORS:

HOLMWOOD PORTFOLIO HOLDINGS, LLC, a Delaware limited liability company

By: /s/ Robert R. Kaplan, Jr.
Name: Robert R. Kaplan, Jr.
Title: President

HC GOVERNMENT REALTY TRUST, INC.,
a Maryland corporation

By: /s/ Robert R. Kaplan, Jr.
Name: Robert R. Kaplan, Jr.
Title: President

signature page to holding company guaranty agreement

Exhibit 6.4

SECURITY AND PLEDGE AGREEMENT

THIS SECURITY AND PLEDGE AGREEMENT dated as of March19, 2019 (this "Agreement"), is by and among HC GOVERNMENT REALTY HOLDINGS, L.P., a Delaware limited partnership ("Borrower"), HOLMWOOD PORTFOLIO HOLDINGS, LLC, a Delaware limited liability company ("Limited Partner"), HC GOVERNMENT REALTY TRUST, INC., a Maryland corporation ("General Partner", and together with Borrower and Limited Partner, each a "Grantor", and collectively, the "Grantors") and HCM AGENCY, LLC, in its capacity as collateral agent ("Secured Party").

R E C I T A L S:

A. Borrower and Secured Party have entered into that certain Loan Agreement dated as of even date herewith (as the same may be amended, restated supplemented or modified from time to time, the "Loan Agreement") pursuant to which the Lenders party thereto have agreed to provide certain term loan facilities to Borrower, as further set forth therein. Capitalized terms used but not defined herein are used as defined in the Agreement.

B. Limited Partner and General Partner have entered into that certain Guaranty Agreement dated as of even date herewith (as the same may be amended, restated supplemented or modified from time to time, "Guaranty Agreement") for the benefit of Secured Party and Lenders pursuant to which and subject to the terms and conditions thereof, each such Grantor has guaranteed to Secured Party and the Lenders the obligations of Borrower under the Loan Agreement.

C. Secured Party has conditioned its obligations under the Loan Agreement upon, among other things, the execution and delivery of this Agreement by the Grantors.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I.
Security Interest

Section 1. Security Interest. Each Grantor hereby grants to Secured Party a continuing security interest in such Grantor's right, title and interest in and to all of the following property, whether now owned, existing, leased or licensed or hereafter arising, acquired, leased licensed, developed, generated, adopted or created for or by any Grantor, and wherever arising or located, and howsoever any Grantor's interest therein may arise or appear (whether by ownership, security interest, claim or otherwise) (such property being hereinafter called the "Collateral"): all of its accounts, accounts receivable, chattel paper, commercial tort claims set forth on Schedule 1 (as the same may be updated from time to time), contract rights, documents, deposit accounts, electronic chattel paper, equipment, financial assets, fixtures, funds on deposit with Secured Party, general intangibles, goods, instruments, inventory, investment property, investment securities, letter-of-credit rights, payment intangibles, Pledged Equity, promissory notes, software, supporting obligations, and all other personal property, whether now owned or hereafter acquired, including without limitation, all lease receivables and note receivables, all cash and currency, notes, drafts and acceptances arising therefrom, all returned and repossessed goods arising from or relating to any such accounts, or other proceeds of any sale, lease or other disposition of inventory, all tradenames, copyrights (and any applications therefor), trademarks (and any applications therefor), patents (and any applications therefor) and licenses, domain names, all other intellectual property, software, and all proceeds (including insurance proceeds) and products thereof.

As used herein, "Pledged Equity" shall mean (a) all of its investment property, securities and capital stock, now owned or hereafter acquired, including the stock listed on Schedule 2 hereto; (b) all dividends (cash or otherwise), financial assets, investment securities, investment property, rights to receive dividends, stock dividends, distributions upon redemption or liquidation, distributions as a result of split-ups, recapitalizations or rearrangements, stock rights, rights to subscribe, voting rights, rights to receive securities, and all new securities and other property of any nature related to or arising from the foregoing or which any Grantor is at any time entitled to receive on account of the investment securities and capital stock described in clause (a) of the definition hereof; (c) all of its partnership interests and membership interests, whether such interests are general intangibles, securities or investment properties, now owned or hereafter acquired, including the membership interests and partnership interests listed on Schedule 2 hereto (collectively, the "Non-Corporate Entities"), and all of its rights as a member or partner, as applicable, in each Non-Corporate Entity, including, without limitation, all of its membership or partnership interests, as applicable, in each Non-Corporate Entity and all of its economic rights, member or partner rights, powers and status, as applicable, and governance and control rights in each Non-Corporate Entity, whether now owned or hereafter acquired; (d) all of its rights under the organizational documents of the Non-Corporate Entities described in clause (c) above (collectively, the "Non-Corporate Entity Agreements"); (e) all (i) profits, income, surplus, money, instruments, documents, chattel paper, accounts, general intangibles, credits, claims, demands and other property (real or personal) and revenues of any kind or character now or hereafter relating to, accruing or arising under or in respect of the Non-Corporate Entities or the Non-Corporate Entity Agreements, and (ii) property, real or personal, now or hereafter owned by the Non-Corporate Entities or paid, payable or otherwise distributed or distributable or transferred or transferable to any Grantor under, in connection with or otherwise in respect of the Non-Corporate Entities or the Non-Corporate Entity Agreements (whether by reason of such Grantor's ownership interest, loans by such Grantor or otherwise); and (f) all products and proceeds of or from any and all of the foregoing.

All terms used herein that are defined in the Uniform Commercial Code as adopted in the State of New York shall have the meanings specified in the Uniform Commercial Code as adopted by the State of New York as in effect from time to time (the "UCC"), including but not limited to, the following terms: accession, account, as extracted collateral, bank, chattel paper, commercial tort claim, consumer goods, deposit account, document, electronic chattel paper, equipment, farm products, financial asset, fixtures, general intangible, goods, instrument, inventory, investment property, letter of credit right, manufactured home, proceeds, securities entitlement, securities account, securities intermediary, security, software, supporting obligation and tangible chattel paper.

Notwithstanding the foregoing provisions, no Excluded Property (as hereinafter defined) shall be subject to the security interest and pledge granted pursuant to this Section 1; provided, however, proceeds and other assets or property received from, arising from, in exchange for or in respect of any Excluded Property shall be subject to the security interest and assignment granted by each Grantor pursuant to this Section 1 and shall constitute Collateral hereunder unless any such assets or property are themselves Excluded Property. For purposes of this Agreement, "Excluded Property" means any of the following current or future property or assets of any Grantor:

(a) any contracts, licenses, permits, accounts or chattel paper (collectively, the "Article 9 Override Property"), now or hereafter held or owned by any Grantor, to the extent, in each case, that (i) a security interest may not be granted by any Grantor in such directly held Article 9 Override Property as a matter of law, or under the terms of the governing document applicable thereto, without the consent of one or more applicable parties thereto, and (ii) such consent has not been obtained; provided that the Collateral shall include (A) any and all proceeds of such directly held Article 9 Override Property to the extent that the proceeds are not themselves directly held Article 9 Override Property which would otherwise fall into the exception provided above, (B) upon receipt by any Grantor or Secured Party of any such applicable party or parties' consent with respect to any otherwise excluded directly held Article 9 Override Property, thereafter such directly held Article 9 Override Property, (C) Article 9 Override Property to the extent that the restriction on any Grantor granting a security interest therein is not effective under applicable law, (D) payment intangibles and (E) Article 9 Override Property to the extent that, notwithstanding any provisions contained therein or related thereto which prohibit assignments thereof, the UCC permits the assignment thereof for collateral purposes, and the assignment thereof is not otherwise precluded by law;

(b) any equipment, machinery or other fixed asset which any Grantor has or may hereafter acquire with the financing of another secured party, provided such exclusion shall only apply if such financing is permitted under the Loan Agreement (collectively, the "PMSI Lien Assets"), and such exclusion shall only apply to the extent that (i) a security interest may not be granted by any Grantor in such PMSI Lien Asset under the terms of the lien document applicable thereto without the consent of the secured party thereto, and (ii) such consent has not been obtained. Notwithstanding the foregoing, the Collateral shall include a previously excluded PMSI Lien Asset (i) upon receipt by any Grantor or Secured Party of the other secured party's consent to Secured Party's lien thereon, or (ii) upon the release of the underlying purchase money lien held by the financing secured party with respect to such PMSI Lien Asset;

(c) any equipment, inventory, machinery or other fixed asset which any Grantor leases or may hereafter lease with the financing of another secured party, provided such exclusion shall only apply if such financing is permitted under the Loan Agreement (collectively, the "Capitalized Lease Lien Assets"), and such exclusion shall only apply to the extent that (i) a security interest may not be granted by any Grantor in such Capitalized Lease Lien Asset under the terms of the lien document applicable thereto without the consent of the secured party thereto, and (ii) such consent has not been obtained. Notwithstanding the foregoing, the Collateral shall include a previously excluded Capitalized Lease Lien Asset (i) upon receipt by any Grantor or Secured Party of the other secured party's consent to Secured Party's lien thereon, or (ii) upon the release of the underlying lien held by the financing secured party with respect to such Capitalized Lease Lien Asset, and any Grantor's acquisition of the ownership thereto;

(d) any United States trademark or service mark application filed on the basis of any Grantor's intent-to-use such mark, in each case, unless and until evidence of the use of such trademark or service mark in interstate commerce is submitted to, and accepted by, the United States Patent and Trademark Office, provided, that, to the extent such application is excluded from the Collateral, then upon the submission of evidence of use of such trademark or service mark to, and acceptance thereof by, the United States Patent and Trademark Office, such trademark or service mark application shall automatically be included in the Collateral, without further action on any party's part; and

(e) any segregated deposits that have been identified to Secured Party in writing which are subject to liens that are expressly permitted by the Loan Agreement, but which are prohibited from being subject to other liens. Notwithstanding the foregoing, the Collateral shall include a previously excluded deposit (i) upon receipt by a Grantor or Secured Party of the other secured party's consent to Secured Party's lien thereon, or (ii) upon the release of the underlying lien held by the other secured party with respect to such deposit.

Section 2. Obligations. The Collateral shall secure the following obligations, indebtedness, and liabilities (all such obligations, indebtedness, and liabilities being hereinafter called the "Obligations"):

(a) the obligations and indebtedness of Borrower to Secured Party and the Lenders under the Loan Agreement;

(b) the obligations and indebtedness of each Grantor, other than Borrower, to Secured Party and the Lenders under the Guaranty Agreement;

(c) all future advances by Secured Party or the Lenders to any Grantor;

(d) the Obligations (as defined in the Loan Agreement);

(e) all reasonable and documented out-of-pocket costs and expenses, including, without limitation, all reasonable and documented out-of-pocket attorneys' fees and legal expenses, incurred by Secured Party to preserve and maintain the Collateral, collect the Obligations, and enforce this Agreement;

(f) all other obligations, indebtedness, and liabilities of each Grantor to Secured Party or a Lender, now existing or hereafter arising, regardless of whether such obligations, indebtedness, and liabilities are similar, dissimilar, related, unrelated, direct, indirect, fixed, contingent, primary, secondary, joint, several, or joint and several; and

(1) all extensions, renewals, and modifications of any of the foregoing and all promissory notes given in renewal, extension or modification of any of the foregoing.

ARTICLE II.
Representations and Warranties

To induce Secured Party to enter into this Agreement and the Loan Agreement, each Grantor represents and warrants to Secured Party that:

Section 1. Title. Except for liens and security interests granted in favor of Secured Party or otherwise expressly permitted pursuant to the Loan Agreement and the other Loan Documents, each Grantor owns or has the right to possess and use, and with respect to Collateral acquired after the date hereof each Grantor will own or will have the right to possess and use, the Collateral free and clear of any lien, security interest, or other encumbrance.

Section 2. [Reserved].

Section 3. Financing Statements. No financing statement, security agreement, or other lien instrument covering all or any part of the Collateral is on file in any public office, except as may have been filed in favor of Secured Party or as otherwise expressly permitted pursuant to the Loan Agreement and Loan Documents.

Section 4. Intellectual Property Collateral. As of the date hereof, Schedule 3 sets forth a complete and accurate list of all copyrights, patents and trademarks, that are registered, or in respect of which an application for registration has been filed or recorded, with the United Stated Patent and Trademark Office or the United States Copyright Office or with any other foreign or domestic Governmental Authority (or comparable organization or office established pursuant to an international treaty or similar international agreement for the filing, recordation or registration of interests in intellectual property rights), together with relevant identifying information with respect to such copyrights and trademarks, in each case owned by any Grantor. The intellectual property Collateral referred to in this Section 4 that is owned by any Grantor is subsisting, valid and, to the knowledge of the Borrower, enforceable, and such intellectual property Collateral has not been adjudged invalid or unenforceable, in whole or in part.

Section 5. Valid and Perfected Security Interest. This Agreement creates a valid security interest in the Collateral and proceeds thereof securing the payment and performance in full of the Obligations. Upon (a) the filing of UCC financing statements naming each Grantor as "Grantor", naming Secured Party as "secured party" and describing the Collateral in the state of formation of such Grantor, (b) in the case of Collateral consisting of the intellectual property Collateral, in addition to the filing of such UCC financing statements, the recordation of a grant of security interest with the United States Patent and Trademark Office, the United States Copyright Office or any other Governmental Authority, as applicable, and (c) in the case of Collateral consisting of a deposit account or securities account or held in a securities account, the execution and delivery by the applicable Grantor, the applicable bank or securities intermediary and Secured Party of an agreement granting control to Secured Party over such Collateral, the security interests in the Collateral (for which perfection is governed by the UCC or obtained by filing with the United States Patent and Trademark Office, the United States Copyright Office or any other Governmental Authority) granted to Secured Party will constitute perfected security interests therein prior to all other Liens (except for Permitted Liens).

Section 6. Jurisdiction of Organization; Legal Name. Each Grantor's legal name and state of formation is as set forth on the signature pages hereto.

Section 7. Authority; No Conflict; Enforceability. Each Grantor is a limited liability company, limited partnership, or corporation duly organized, validly existing, and in good standing under the laws of its state of organization. Each Grantor has the organizational power and authority to execute, deliver, and perform this Agreement and the other Loan Documents to which it is a party, and the execution, delivery, and performance of this Agreement and such Loan Documents by such Grantor have been authorized by all necessary corporate action on the part of such Grantor and do not and will not violate any law, rule, or regulation or the Organizational Documents of such Grantor and do not and will not conflict with, result in a breach of, or constitute a default under the provisions of any indenture, mortgage, deed of trust, security agreement, or other instrument or agreement pursuant to which such Grantor or any of its property is bound. This Agreement and the other Loan Documents to which such Grantor is a party constitute legal, valid and binding obligations of such Grantor, enforceable against such Grantor in accordance with their terms except to the extent such enforceability may be limited by bankruptcy, insolvency or other laws of general application relating to the enforcement of creditor's rights.

Section 8. Principal Place of Business. Unless Grantors have given Secured Party written notice to the contrary, the principal place of business and chief executive office of each Grantor, and the office where each Grantor keeps its books and records, is located at 390 S. Liberty Street, Suite 100, Winston-Salem, North Carolina 27101.

Section 9. [Reserved].

Section 10. Substantial Benefit to Grantors. The value of the consideration received and to be received by each Guarantor as a result of Borrower, Lenders and Secured Party entering into the Loan Agreement and each Grantor executing and delivering this Agreement is reasonably worth at least as much as the liability and obligation, of such Grantor hereunder, and such liability and obligation, and the Loan Agreement have substantially benefitted and may reasonably be expected to substantially benefit such Grantor directly and indirectly.

Section 11. Representations in Loan Agreement. Each of the representations and warranties made by Borrower in the Loan Agreement with respect to each Grantor is true and correct and Secured Party and Lenders may rely on such representations and warranties as if they had been made directly by such Grantor to Secured Party.

Section 12. Business Purpose. The Collateral is used, acquired and held exclusively for business purposes and no portion of the Collateral is consumer goods. The Obligations were incurred solely for business purposes and not as a consumer-goods transaction or a consumer transaction.

Section 13. Compliance with Non-Corporate Entity Agreements. The execution, delivery and performance by each Grantor of this Agreement has been consented to by the members and partners, as applicable, of each Non-Corporate Entity being pledged pursuant hereto, and does not violate any of the Non-Corporate Entity Agreements.

Section 14. Application of Article 8 Under the UCC. Each Grantor represents and warrants that none of the Non-Corporate Entities is governed by Article 8 of the UCC. Each Grantor further represents and warrants that none of the Non-Corporate Entity Agreements state that any Non-Corporate Entity is governed by Article 8 of the UCC.

Section 15. Certificated Interests. Each Grantor represents and warrants that the membership and partnership interests, as applicable, of each Non-Corporate Entity are not certificated.

ARTICLE III.
Covenants

Each Grantor covenants and agrees with Secured Party that until the Obligations are Paid in Full:

Section 1. Maintenance. Each Grantor shall maintain the Collateral in good operating condition and repair, ordinary wear and tear and casualty events excepted, and shall not permit any intentional waste or destruction of the Collateral or any part thereof. No Grantor shall use or permit the Collateral to be used (a) in violation in any material respect of any material law or (b) in a manner that could reasonably be expected to negate insurance coverage. No Grantor shall use or permit the Collateral to be used in any manner or for any purpose that would materially impair the value of the Collateral or expose the Collateral to unusual risk, in each case outside such Grantor's ordinary course of business as conducted on the date hereof.

Section 2. Encumbrances. No Grantor shall create, permit, or suffer to exist, and shall defend the Collateral, against any lien, security interest, or other encumbrance on the Collateral except for liens and security interests in favor of Secured Party and liens expressly permitted pursuant to the Loan Agreement and Loan Documents, and each Grantor shall defend such Grantor's rights in the Collateral against any liens not expressly permitted under the Loan Agreement and Loan Documents and Secured Party's security interests in the Collateral against the claims of all persons and entities.

Section 3. Modification of Collateral. No Grantor shall take any action (or fail to take any action) to intentionally impair the rights of Secured Party in the Collateral. Without the prior written consent of Secured Party, which consent shall not be unreasonably withheld, conditioned or delayed, no Grantor shall grant any material extension of time for any payment with respect to the Collateral, or compromise, compound, or settle any of the Collateral, or release in whole or in part any person or entity liable for payment with respect to the Collateral, or allow any credit or discount for payment with respect to the Collateral, or release any lien, security interest, or assignment securing the Collateral, or otherwise amend or modify any of the Collateral; provided that such Grantor may, with respect to an account, (i) issue a refund or credit due as a result of cancellations or disputes, (ii) allow any credit or discount for payment, or (iii) agree to such extensions of time for payment and such other modifications of payment amounts or terms or settlements in respect of accounts as shall be commercially reasonable in the circumstances, all in accordance with such Grantor's ordinary course of business consistent with its collection practices as in effect from time to time.

Section 4. Disposition of Collateral. No Grantor shall sell, lease, license or otherwise dispose of the Collateral or any part thereof except (a) prior to an Event of Default, dispositions specifically permitted pursuant to the Loan Agreement and (b) until such time following an Event of Default as a Grantor receives a notice from Secured Party instructing such Grantor to cease such transactions, sales or leases of inventory in the ordinary course of business.

Section 5. Further Assurances. At any time and from time to time, upon the reasonable request of Secured Party, and at the sole expense of the Grantors, each Grantor shall promptly execute and deliver all such further instruments and documents and take such further action as Secured Party may deem necessary to preserve and perfect its security interest in the Collateral and carry out the provisions and purposes of this Agreement. Each Grantor shall promptly endorse and deliver to Secured Party all documents, instruments, and chattel paper with a value in excess of $50,000 individually or $100,000 in the aggregate that it now owns or may hereafter acquire. Notwithstanding the foregoing, actions with respect to deposit account control agreements shall be limited as set forth in Section 5.4 of the Loan Agreement.

Section 6. Risk of Loss; Insurance. Each Grantor shall be responsible for any loss of or damage to the Collateral. Each Grantor shall maintain insurance on the Collateral as required by the Loan Agreement.

Section 7. Inspection. Each Grantor shall permit, at reasonable times and in reasonable intervals, Secured Party and its representatives to examine or inspect the Collateral wherever located and to examine, inspect, and copy each Grantor's books and records in accordance with the Loan Agreement.

Section 8. Taxes. Each Grantor agrees to pay or discharge prior to delinquency all taxes, assessments, levies, and other governmental charges imposed on it or its property, except as expressly permitted pursuant to the terms of the Loan Agreement

Section 9. Notification. Each Grantor shall promptly, upon becoming aware of the same, notify Secured Party of (a) any lien, security interest, encumbrance not expressly permitted pursuant to the Loan Documents, or material claim made or, to any Grantor's knowledge, threatened against the Collateral, and (b) any material change in the value of the Collateral, including, without limitation, any material damage to or loss of the Collateral.

Section 10. Organizational Changes. No Grantor shall (a) change its name, organizational structure or state of organization (including, without limitation, through any merger or reorganization), (b) do business under any trade name, other than trade names used as of the date hereof or (c) change its principal place of business, chief executive office, or the place where it keeps its books and records, unless it shall have given Secured Party thirty (30) days prior written notice thereof (or such shorter period as Secured Party may agree) and shall have taken all actions deemed reasonably necessary by Secured Party to cause its security interest in the Collateral to be perfected with the priority required by this Agreement.

Section 11. Books and Records; Information. Each Grantor shall keep accurate and complete books and records of the Collateral and each Grantor's business and financial condition in accordance with generally accepted accounting principles consistently applied in all material respects. Each Grantor shall at such reasonable intervals as Secured Party shall reasonably request from time to time deliver to Secured Party such information regarding the Collateral, including, without limitation, lists and descriptions of the Collateral and evidence of the identity and existence of the Collateral.

Section 12. Compliance with Agreements. Each Grantor shall comply in all material respects with all material mortgages, deeds of trust, instruments, and other agreements binding on it or affecting its properties or business.

Section 13. Compliance with Laws. Each Grantor shall comply in all material respects with all material applicable laws, rules, regulations, and orders of any court or governmental authority

Section 14. [Reserved].

Section 15. Covenants Contained in the Loan Agreement. Each Grantor will comply with all the covenants and deliverable requirements contained in the Loan Agreement with which the Borrower agrees in the Loan Agreement to cause such Grantor to comply.

Section 16. Amendment of Organizational Documents. No Grantor shall permit the Organizational Documents of any Non-Corporate Entity or the issuer of any Pledged Equity to be amended in any manner adverse to Secured Party, the payment and/or performance of the Obligations or the liens created hereunder, without the prior written consent of Secured Party; provided that, notwithstanding the prohibition in this sentence, if any Organizational Documents are amended at any time during the term of this Agreement, Grantors shall promptly notify Secured Party of such amendment and deliver a fully executed copy of such amendment to Secured Party.

Section 17. Application of Article 8 Under the UCC . No Grantor shall, without executing and delivering, or causing to be executed and delivered, to Secured Party such agreements, documents and instruments as Secured Party may reasonably require, issue or acquire any Collateral consisting of an interest in a partnership or a limited liability company that (i) is dealt in or traded on a securities exchange or in a securities market, (ii) by its terms expressly provides that it is a security governed by Article 8 of the UCC, (iii) is an investment company security, (iv) is held in a securities account or (v) constitutes a security or a financial asset.

Section 18. Certificated Interests . If the equity interests of a Non-Corporate Entity is not, as of the date of this Agreement, certificated, (a) no Grantor shall, without thirty (30) days prior written notice to Secured Party (or such shorter period as Secured Party may agree), permit such Non-Corporate Entity to certificate its membership or partnership interests, as applicable and (b) in the event such Non-Corporate Entity certificates its membership or partnership interests, as applicable, such Grantor shall immediately deliver the original certificates to Secured Party, along with an endorsement in form and substance satisfactory to Secured Party in its sole discretion and such Grantor shall hold such certificates in trust for Secured Party until such delivery.

Section 19. Ordinary Distributions. If no Event of Default has occurred and is continuing and no notice has been received by a Grantor from Secured Party, then, except as provided in this Section 19, each Grantor may accept, receive and retain all dividends, distributions and other amounts paid with respect to or arising from the Collateral. If an Event of Default has occurred and is continuing and Secured Party has provided notice to a Grantor to take such action, all dividends, distributions and other amounts paid with respect to or arising from the Collateral shall be accepted by the applicable Grantor as Secured Party's agent, held by such Grantor in trust for Secured Party and promptly delivered by such Grantor to Secured Party. Further, if an Event of Default has occurred and is continuing, each Grantor authorizes Secured Party to contact the general partner, the members or any other governing body, as applicable, of each Non-Corporate Entity, and the board of directors of each corporate entity whose shares are pledged hereunder, directly and instruct such persons to deliver all dividends, distributions and other amounts paid with respect to or arising from the Collateral directly to Secured Party.

Section 20. Stock Distributions; Distributions on Liquidation or Other Events.

(1) If any Grantor shall become entitled to receive or shall receive any stock certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase, or reduction of capital or issued in connection with any reorganization), option or rights, whether as an addition to, in substitution of, or in exchange for any Pledged Equity, such Grantor agrees to accept the same as Secured Party's agent and to hold the same in trust for Secured Party, and promptly to deliver the same to Secured Party in the exact form received, with the appropriate endorsement of such Grantor when necessary or appropriate undated transfer powers duly executed in blank, to be held by Secured Party as additional Collateral for the Obligations, subject to the terms hereof.

(2) Any sums paid upon or in respect of the Collateral upon the liquidation or dissolution of any Non-Corporate Entity or the issuer of any Pledged Equity shall be paid over to Secured Party to be held by it as additional Collateral for the Obligations subject to the terms hereof. In case any distribution of capital shall be made on or in respect of the Collateral or any property shall be distributed upon or with respect to the Collateral pursuant to any recapitalization or reclassification of the capital of any Non-Corporate Entity or the issuer of any Pledged Equity or pursuant to any reorganization of any Non-Corporate Entity or the issuer of any Pledged Equity, the property so distributed shall be delivered to Secured Party to be held by it, as additional Collateral for the Obligations, subject to the terms hereof. All sums of money and property so paid or distributed in respect of the Collateral that are received by any Grantor shall be held by such Grantor in trust for Secured Party and promptly delivered by such Grantor to Secured Party.

ARTICLE IV.
Rights of Secured Party

Section 1. Power of Attorney. Each Grantor hereby irrevocably constitutes and appoints Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the name of such Grantor or in its own name, upon the occurrence and during the continuance of an Event of Default, to take any and all action and to execute any and all documents and instruments which Secured Party at any time and from time to time deems necessary to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default, each Grantor hereby gives Secured Party the power and right on behalf of such Grantor and in its own name to do any of the following, without notice to or the consent of such Grantor:

(1) to demand, sue for, collect, or receive in the name of such Grantor or in its own name, any money or property at any time payable or receivable on account of or in exchange for any of the Collateral and, in connection therewith, endorse checks, notes, drafts, acceptances, money orders, documents of title, or any other instruments for the payment of money under the Collateral or any policy of insurance;

(2) unless being contested as specifically permitted in the Loan Agreement, to pay or discharge taxes, liens, security interests, or other encumbrances levied or placed on or threatened against the Collateral;

(3) to send requests for verification to account debtors and other obligors;

(4) (i) to direct account debtors and any other parties liable for any payment under any of the Collateral to make payment of any and all monies due and to become due thereunder directly to Secured Party or as Secured Party shall direct; (ii) to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Collateral; (iii) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, proxies, stock powers, verifications, and notices in connection with accounts and other documents relating to the Collateral in the name and on behalf of such Grantor (including, if applicable, filing Forms 4, 5, 144 and Schedules 13D and 13G with the United States Securities and Exchange Commission); (iv) to exchange any of the Collateral for other property upon any merger, consolidation, reorganization, recapitalization, or other readjustment of the issuer thereof and, in connection therewith, deposit any of the Collateral with any committee, depositary, transfer agent, registrar, or other designated agency upon such terms as Secured Party may determine; (v) to insure, and to make, settle, compromise, or adjust claims under any insurance policy covering any of the Collateral; and (vi) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Secured Party were the absolute owner thereof for all purposes, and to do, at Secured Party's option and such Grantor's expense, at any time, or from time to time, all acts and things which Secured Party deems necessary to protect, preserve, or realize upon the Collateral and Secured Party's security interest therein.

This power of attorney is a power coupled with an interest and shall be irrevocable. Secured Party shall be under no duty to exercise or withhold the exercise of any of the rights, powers, privileges, and options expressly or implicitly granted to Secured Party in this Agreement, and shall not be liable for any failure to do so or any delay in doing so. Secured Party shall not be liable for any act or omission or for any error of judgment or any mistake of fact or law in its individual capacity or in its capacity as attorney-in-fact except acts or omissions resulting from its gross negligence or willful misconduct. This power of attorney is conferred on Secured Party to protect, preserve, and realize upon its security interest in the Collateral. Secured Party shall not be responsible for any decline in the value of the Collateral and shall not be required to take any steps to preserve rights against prior parties or to protect, preserve, or maintain any security interest or lien given to secure the Collateral. This power of attorney is only exercisable by Secured Party upon the occurrence and during the continuance of an Event of Default.

Each Grantor hereby consents and agrees that the Non-Corporate Entities and the issuers of the Pledged Equity or any registrar or transfer agent or trustee for any of the Collateral shall be entitled to accept the provisions hereof as conclusive evidence of the rights of Secured Party to effect any transfer or other act pursuant to this Agreement and the authority granted to Secured Party herein, notwithstanding any other notice or direction to the contrary heretofore or hereafter given by such Grantor, or any other person, to any of such Non-Corporate Entities, issuers, obligors, registrars, transfer agents, or trustees.

Section 2. Voting Rights. So long as no Event of Default shall have occurred and be continuing, each Grantor shall be entitled to exercise any and all voting rights relating or pertaining to the Collateral or any part thereof.

Section 3. Performance by Secured Party. If any Grantor fails to perform or comply with any of its agreements contained herein, Secured Party itself may, at its sole discretion, cause or attempt to cause performance or compliance with such agreement and the expenses of Secured Party, together with interest thereon at the Default Rate, shall be payable by such Grantor to Secured Party on demand and shall constitute Obligations secured by this Agreement. Notwithstanding the foregoing, it is expressly agreed that Secured Party shall not have any liability or responsibility for the performance of any obligation of any Grantor under this Agreement.

Section 4. Assignment by Secured Party. As permitted by the Loan Agreement, Secured Party may from time to time assign the Obligations and any portion thereof and the Collateral and any portion thereof, and the assignee shall be entitled to all of the rights and remedies of Secured Party under this Agreement in relation thereto.

Section 5. Secured Party's Duty of Care . Other than the exercise of reasonable care in the physical custody of the Collateral while held by Secured Party hereunder, Secured Party shall have no responsibility for or obligation or duty with respect to all or any part of the Collateral or any matter or proceeding arising out of or relating thereto, including, without limitation, any obligation or duty to collect any sums due in respect thereof or to protect or preserve any rights against prior parties or any other rights pertaining thereto, it being understood and agreed that each Grantor shall be responsible for preservation of all rights in the Collateral.

Section 6. Financing Statements. Each Grantor expressly authorizes Secured Party to file financing statements showing such Grantor as grantor covering all or any portion of the Collateral in such filing locations as are required under the UCC by Secured Party and authorizes, ratifies and confirms any financing statement filed prior to the date hereof by Secured Party in any jurisdiction showing such Grantor as grantor covering all or any portion of the Collateral. Such financing statements may describe the Collateral as "all assets of Grantor, whether now owned or hereafter acquired", or similar language.

ARTICLE V.
Default

Section 1. Events of Default. The term "Event of Default" shall mean an Event of Default as defined in the Loan Agreement.

Section 2. Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Secured Party shall have the following rights and remedies:

(1) Secured Party may declare the Obligations or any part thereof immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by each Grantor; provided, however, that upon the occurrence of an Event of Default under Section 11.1(d) or Section 11.1(e) of the Loan Agreement, the Obligations shall become immediately due and payable without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by each Grantor.

(2) In addition to all other rights and remedies granted to Secured Party in this Agreement and in any other instrument or agreement securing, evidencing, or relating to the Obligations or any part thereof, Secured Party shall have all of the rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Secured Party may (i) without demand or notice to any Grantor, collect, receive, or take possession of the Collateral or any part thereof and for that purpose Secured Party may enter upon any premises on which the Collateral is located and remove the Collateral therefrom or render it inoperable, and/or (ii) sell, lease, or otherwise dispose of the Collateral, or any part thereof, in one or more parcels at public or private sale or sales, at Secured Party's offices or elsewhere, for cash, on credit, or for future delivery. Upon the request of Secured Party to a Grantor, such Grantor shall assemble the Collateral and make it available to Secured Party at any place designated by Secured Party that is reasonably convenient to such Grantor and Secured Party. Each Grantor agrees that Secured Party shall not be obligated to give more than ten (10) days written notice of the time and place of any public sale or of the time after which any private sale may take place and that such notice shall constitute reasonable notice of such matters. Each Grantor shall be liable for all reasonable and documented out-of-pocket expenses of retaking, holding, preparing for sale, or the like, and all reasonable and documented out-of-pocket attorneys' fees, legal expenses, and all other reasonable and documented out-of-pocket costs and expenses incurred by Secured Party in connection with the collection of the Obligations and the enforcement of Secured Party's rights under this Agreement. Secured Party may apply the Collateral against the Obligations in such order and manner as Secured Party may elect in its sole discretion. Grantors shall remain jointly and severally liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay the Obligations in full. Each Grantor waives all rights of marshalling in respect of the Collateral.

(3) Secured Party may cause any or all of the Collateral held by it to be transferred into the name of Secured Party or the name or names of Secured Party's nominee or nominees.

(4) Secured Party may exercise or cause to be exercised all voting rights and corporate powers in respect of the Collateral.

(5) Secured Party shall be entitled to receive all dividends, distributions and income payable in respect of the Collateral, and Secured Party shall be entitled to notify the Non-Corporate Entities and the issuers of the Pledged Equity to pay all such amounts directly to Secured Party. Secured Party shall have the right to apply such amounts to the Obligations in such order as it may determine

(g) Secured Party shall have the right to, but shall not be obligated to, exercise or cause to be exercised all voting rights and powers of the Grantors in respect of the Collateral, and the Grantors shall deliver to Secured Party, if requested by Secured Party, irrevocable proxies or powers of attorney with respect to the Collateral in form satisfactory to Secured Party. Notwithstanding the foregoing, it is expressly agreed that, (i) **SECURED PARTY SHALL NOT BE OBLIGATED TO PERFORM OR DISCHARGE, NOR DOES SECURED PARTY HEREBY UNDERTAKE TO PERFORM OR DISCHARGE, ANY OBLIGATIONS, DUTY OR LIABILITY OF ANY GRANTOR, UNDER ANY NON-CORPORATE ENTITY AGREEMENT OR ORGANIZATIONAL DOCUMENTS OF ANY ISSUER OF ANY PLEDGED EQUITY OR UNDER OR BY REASON OF THIS AGREEMENT**, and (ii) except for acts or omissions resulting from its gross negligence or willful misconduct, Secured Party shall not have any liability or responsibility for the performance of any obligation of any Grantor under this Agreement.

(h) On any sale of the Collateral, Secured Party is hereby authorized to comply with any limitation or restriction with which compliance is necessary, in the view of Secured Party's counsel, in order to avoid any violation of applicable law or in order to obtain any required approval of the purchaser or purchasers by any applicable governmental authority.

(6) On any sale of the Collateral, Secured Party is authorized (i) to disclaim any warranty, express or implied, and (ii) to sell any of the Collateral without any refurbishment or reconditioning thereof. Each Grantor acknowledges and agrees that the foregoing actions by Secured Party may reduce the sales proceeds from any such sale of Collateral.

Section 3. Impact of Regulations. Each Grantor hereby acknowledges and confirms that Secured Party may be unable to effect a public sale of any or all of the Collateral by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and applicable state securities laws and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers who will be obligated to agree, among other things, to acquire any shares of the Collateral for their own respective accounts for investment and not with a view to distribution or resale thereof. Each Grantor further acknowledges and confirms that any such private sale may result in prices or other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner, and Secured Party shall be under no obligation to take any steps in order to permit the Collateral to be sold at a public sale. No Grantor shall attempt to hold Secured Party responsible for selling any of the Collateral at an inadequate price even if Secured Party accepts the first offer received or if only one possible purchaser appears or bids at any such sale. Secured Party shall be under no obligation to delay a sale of any of the Collateral for any period of time necessary to permit any issuer thereof to register such Collateral for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws. If Secured Party shall sell any Collateral at a private sale, Secured Party shall have the right to rely upon the advice and opinion of any qualified appraiser or investment banker as to the commercially reasonable price obtainable on the sale thereof but shall not be obligated to obtain such advice or opinion.

ARTICLE VI.
Miscellaneous

Section 1. No Waiver; Cumulative Remedies. No failure on the part of Secured Party to exercise and no delay in exercising, and no course of dealing with respect to, any right, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies provided for in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

Section 2. Expenses. Each Grantor will pay to Secured Party all reasonable and documented out-of-pocket fees and expenses (including all reasonable legal fees and expenses) incurred by Secured Party in connection with the enforcement of any of the provisions of this Agreement or the enforcement of any of the Obligations, or any actual or attempted sale, or any exchange, enforcement, collection, compromise or settlement of any of the Collateral or receipt of the proceeds thereof, and for the care of the Collateral and defending or asserting the rights and claims of the Secured Party in respect thereof, by litigation or otherwise; and all such fees and expenses shall be Obligations within the terms of this Agreement.

Section 3. Amendment. The provisions of this Agreement may be amended or waived only by an instrument in writing signed by the parties hereto.

Section 4. Continuing Security Interest; Successors and Assigns. This Agreement creates a continuing security interest in the Collateral and will remain in full force and effect until the Obligations are Paid in Full. This Agreement shall be binding upon and inure to the benefit of each Grantor and Secured Party and their respective heirs, successors, and assigns, except that no Grantor may assign any of its rights or obligations under this Agreement without the prior written consent of Secured Party.

Section 5. Notices. All notices and other communications provided for in this Agreement shall be given as provided in the Loan Agreement.

Section 6. Applicable Law; Venue; Service of Process . This Agreement shall be governed by and construed in accordance with the laws of the State of New York and the applicable laws of the United States of America. Any judicial proceedings brought against any Grantor with respect to this Agreement or any of the other Loan Documents may be brought in any federal court of competent jurisdiction in the Southern District of New York in any state court sitting in New York, New York, and, by execution and delivery of this Agreement, each of the Grantors accepts, for itself and in connection with its properties, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Agreement from which no appeal has been taken or is available. Each Grantor agrees that service of process upon it may be made by certified or registered mail, return receipt requested, at its office specified in this Agreement. Nothing herein or in any of the other Loan Documents shall affect the right of the Secured Party or Lenders to serve process in any other manner permitted by law or shall limit the right of Lender to bring any action or proceeding against any Grantor or with respect to any of its property in courts in other jurisdictions. Any action or proceeding by any Grantor against the Secured Party or Lenders shall be brought only in a federal court of competent jurisdiction in the Southern District of New York or in any state court sitting in New York, New York

Section 7. Headings. The headings, captions, and arrangements used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

Section 8. Survival of Representations and Warranties. All representations and warranties made in this Agreement or in any certificate delivered pursuant hereto shall survive the execution and delivery of this Agreement, and no investigation by Secured Party shall affect the representations and warranties or the right of Secured Party to rely upon them.

Section 9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed signature page of this Agreement by a scanned PDF document attached to an e-mail or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

Section 10. Waiver of Bond. In the event Secured Party seeks to take possession of any or all of the Collateral by judicial process, each Grantor hereby irrevocably waives any bonds and any surety or security relating thereto that may be required by applicable law as an incident to such possession, and waives any demand for possession prior to the commencement of any such suit or action.

Section 11. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 12. Obligations Absolute. The obligations of each Grantor under this Agreement shall be absolute and unconditional and, except upon payment and performance of the Obligations in full, shall not be released, discharged, reduced, or in any way impaired by any circumstance whatsoever, including, without limitation, any amendment, modification, extension, or renewal of this Agreement, the Obligations, or any document or instrument evidencing, securing, or otherwise relating to the Obligations, or any release or subordination of collateral, or any waiver, consent, extension, indulgence, compromise, settlement, or other action or inaction in respect of this Agreement, the Obligations, or any document or instrument evidencing, securing, or otherwise relating to the Obligations, or any exercise or failure to exercise any right, remedy, power, or privilege in respect of the Obligations. Secured Party shall not have any liability or responsibility for the performance of any obligation of any Grantor under this Agreement.

Section 13. NO ORAL AGREEMENTS. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

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

GRANTORS:

HC GOVERNMENT REALTY HOLDINGS, L.P., a Delaware limited partnership

By: HC Government Realty Trust, Inc., its general partner

By: /s/ Robert R. Kaplan, Jr.
Name: Robert R. Kaplan, Jr.
Title: President

HOLMWOOD PORTFOLIO HOLDINGS, LLC, a Delaware limited liability company

By: HC Government Realty Trust, Inc., its sole member

By: /s/ Robert R. Kaplan, Jr.
Name: Robert R. Kaplan, Jr.
Title: President

HC GOVERNMENT REALTY TRUST, INC., a Maryland corporation

By: /s/ Robert R. Kaplan, Jr.
Name: Robert R. Kaplan, Jr.
Title: President

SECURED PARTY:

HCM AGENCY, LLC

By: /s/ Steven Hale II
Name: Steven Hale II
Title: President

[Signature Page to Security Agreement]

Schedule 1

Commercial Tort Claims

None.

Schedule 2

Pledged Equity

Grantor	Subsidiary	Percentage/ Number of Equity Interests Held by Grantor
HC Government Realty Trust, Inc.	Holmwood Portfolio Holdings, LLC	100% of membership interests
HC Government Realty Trust, Inc.	HC Government Realty Holdings, L.P.	2,307 Common Units (0.1% of class)
Holmwood Portfolio Holdings, LLC	HC Government Realty Holdings, L.P.	1,104,734 (47.9% of class) 144,500 (100% of class)
HC Government Realty Holdings, L.P.	GOV PSL, LLC	100% of profits interests
HC Government Realty Holdings, L.P.	GOV Jonesboro, LLC	100% of profits interests
HC Government Realty Holdings, L.P.	GOV Lorain, LLC	100% of profits interests
HC Government Realty Holdings, L.P.	GOV Ft. Smith, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV SILT, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Lakewood DOT, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Moore SSA, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Lawton SSA, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Norfolk, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Montgomery, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV San Antonio, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Knoxville, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Champaign, LLC	100% of membership interests
HC Government Realty Holdings, L.P.	GOV Sarasota, LLC	100% of membership interests

Schedule 3

Intellectual Property

Trademark Application

Grantor	Mark	Appl. No.	Filing Date
HC Government Realty Trust, Inc.	HC GOVERNMENT REALTY TRUST, INC. and Design	87133586	08/10/16