

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-40873

Orion Office REIT Inc.

(Exact name of registrant as specified in its charter)

Maryland

87-1656425

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

2398 E. Camelback Road, Suite 1060

Phoenix

AZ

85016

(Address of principal executive offices)

(Zip Code)

(602) 698-1002

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

<i>Title of each class:</i>	<i>Trading Symbol(s):</i>	<i>Name of each exchange on which registered:</i>
Common Stock	\$0.001 par value per share ONL	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer

Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 55,869,819 shares of common stock of Orion Office REIT Inc. outstanding as of May 3, 2024.

ORION OFFICE REIT INC.
For the quarterly period ended March 31, 2024

	Page
<u>PART I</u>	
Item 1. Unaudited Financial Statements	3
Orion Office REIT Inc. Consolidated Balance Sheets as of March 31, 2024 and December 31, 2023	3
Orion Office REIT Inc. Consolidated Statements of Operations for the Three Months Ended March 31, 2024 and 2023	4
Orion Office REIT Inc. Consolidated Statements of Comprehensive Income (Loss) for the Three Months Ended March 31, 2024 and 2023	5
Orion Office REIT Inc. Consolidated Statements of Equity for the Three Months Ended March 31, 2024 and 2023	6
Orion Office REIT Inc. Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2024 and 2023	7
Notes to Orion Office REIT Inc. Consolidated Financial Statements	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	26
Item 3. Quantitative and Qualitative Disclosures About Market Risk	45
Item 4. Controls and Procedures	46
<u>PART II</u>	
Item 1. Legal Proceedings	47
Item 1A. Risk Factors	47
Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities	48
Item 3. Defaults Upon Senior Securities	48
Item 4. Mine Safety Disclosures	48
Item 5. Other Information	48
Item 6. Exhibits	49
Signatures	50

PART I — FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements.

ORION OFFICE REIT INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except for share and per share data) (Unaudited)

	March 31, 2024	December 31, 2023
ASSETS		
Real estate investments, at cost:		
Land	\$ 223,439	\$ 223,264
Buildings, fixtures and improvements	1,081,788	1,097,132
Total real estate investments, at cost	1,305,227	1,320,396
Less: accumulated depreciation	165,490	158,791
Total real estate investments, net	1,139,737	1,161,605
Accounts receivable, net	24,942	24,663
Intangible lease assets, net	110,145	126,364
Cash and cash equivalents	23,618	22,473
Other assets, net	87,077	88,828
Total assets	\$ 1,385,519	\$ 1,423,933
LIABILITIES AND EQUITY		
Mortgages payable, net	\$ 353,028	\$ 352,856
Credit facility revolver	116,000	116,000
Accounts payable and accrued expenses	23,732	30,479
Below-market lease liabilities, net	6,753	8,074
Distributions payable	5,587	5,578
Other liabilities, net	24,468	23,943
Total liabilities	529,568	536,930
Common stock, \$0.001 par value, 100,000,000 shares authorized 55,869,819 and 55,783,548 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	56	56
Additional paid-in capital	1,145,264	1,144,636
Accumulated other comprehensive loss	(45)	(264)
Accumulated deficit	(290,710)	(258,805)
Total stockholders' equity	854,565	885,623
Non-controlling interest	1,386	1,380
Total equity	855,951	887,003
Total liabilities and equity	\$ 1,385,519	\$ 1,423,933

The accompanying notes are an integral part of these statements.

ORION OFFICE REIT INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except for per share data) (Unaudited)

	Three Months Ended March 31,	
	2024	2023
Rental	\$ 46,995	\$ 49,990
Fee income from unconsolidated joint venture	202	200
Total revenues	47,197	50,190
Operating expenses:		
Property operating	15,999	15,344
General and administrative	4,949	4,309
Depreciation and amortization	24,504	28,166
Impairments	19,685	3,754
Transaction related	110	105
Total operating expenses	65,247	51,678
Other (expenses) income:		
Interest expense, net	(8,146)	(7,139)
Other income, net	163	36
Equity in loss of unconsolidated joint venture, net	(116)	(123)
Total other (expenses) income, net	(8,099)	(7,226)
Loss before taxes	(26,149)	(8,714)
Provision for income taxes	(77)	(160)
Net loss	(26,226)	(8,874)
Net income attributable to non-controlling interest	(6)	(11)
Net loss attributable to common stockholders	\$ (26,232)	\$ (8,885)
Weighted-average shares outstanding - basic and diluted	55,803	56,642
Basic and diluted net loss per share attributable to common stockholders	\$ (0.47)	\$ (0.16)

The accompanying notes are an integral part of these statements.

ORION OFFICE REIT INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands) (Unaudited)

	<u>Three Months Ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Net loss	\$ (26,226)	\$ (8,874)
Total other comprehensive income (loss):		
Unrealized gain (loss) on interest rate derivatives	219	(72)
Reclassification of previous unrealized gain on interest rate derivatives into net loss	—	(1,696)
Total other comprehensive income (loss)	219	(1,768)
Total comprehensive loss	(26,007)	(10,642)
Comprehensive income attributable to non-controlling interest	(6)	(11)
Total comprehensive loss attributable to common stockholders	<u>\$ (26,013)</u>	<u>\$ (10,653)</u>

The accompanying notes are an integral part of these statements.

ORION OFFICE REIT INC.
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except for share data) (Unaudited)

	<u>Common Stock</u>			Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity	Non- Controlling Interest	Total Equity
	Number of Shares	Par Value	Additional Paid-In Capital					
Balance, January 1, 2024	55,783,548	\$ 56	\$ 1,144,636	\$ (264)	\$ (258,805)	\$ 885,623	\$ 1,380	\$ 887,003
Net (loss) income	—	—	—	—	(26,232)	(26,232)	6	(26,226)
Distributions	—	—	—	—	(5,673)	(5,673)	—	(5,673)
Repurchases of common stock to settle tax obligations	(46,598)	—	(162)	—	—	(162)	—	(162)
Equity-based compensation, net	132,869	—	790	—	—	790	—	790
Other comprehensive income, net	—	—	—	219	—	219	—	219
Balance, March 31, 2024	<u>55,869,819</u>	<u>\$ 56</u>	<u>\$ 1,145,264</u>	<u>\$ (45)</u>	<u>\$ (290,710)</u>	<u>\$ 854,565</u>	<u>\$ 1,386</u>	<u>\$ 855,951</u>

	<u>Common Stock</u>			Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity	Non- Controlling Interest	Total Equity
	Number of Shares	Par Value	Additional Paid-In Capital					
Balance, January 1, 2023	56,639,040	\$ 57	\$ 1,147,014	\$ 6,308	\$ (178,910)	\$ 974,469	\$ 1,389	\$ 975,858
Net (loss) income	—	—	—	—	(8,885)	(8,885)	11	(8,874)
Distributions	—	—	—	—	(5,721)	(5,721)	—	(5,721)
Repurchases of common stock to settle tax obligations	(12,728)	—	(74)	—	—	(74)	—	(74)
Equity-based compensation, net	37,615	—	526	—	—	526	—	526
Other comprehensive income, net	—	—	—	(1,768)	—	(1,768)	—	(1,768)
Balance, March 31, 2023	<u>56,663,927</u>	<u>\$ 57</u>	<u>\$ 1,147,466</u>	<u>\$ 4,540</u>	<u>\$ (193,516)</u>	<u>\$ 958,547</u>	<u>\$ 1,400</u>	<u>\$ 959,947</u>

The accompanying notes are an integral part of these statements.

ORION OFFICE REIT INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands) (Unaudited)

	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (26,226)	\$ (8,874)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	24,504	28,166
Non-cash revenue adjustments, net	(808)	(2,656)
Impairments	19,685	3,754
Amortization of deferred financing costs	924	1,048
Equity-based compensation	790	526
Equity in loss of unconsolidated joint venture, net	116	123
Changes in assets and liabilities:		
Accounts receivable, net and other assets, net	(2,970)	(4,308)
Accounts payable, accrued expenses and other liabilities, net	(4,993)	(6,338)
Net cash provided by operating activities	11,022	11,441
Cash flows from investing activities:		
Capital expenditures and leasing costs	(4,412)	(3,138)
Return of investment from unconsolidated joint venture	461	421
Principal repayments received on notes receivable	200	—
Proceeds from the settlement of property-related insurance claims	—	250
Net cash used in investing activities	(3,751)	(2,467)
Cash flows from financing activities:		
Payments of deferred financing costs	—	(40)
Repurchases of common stock to settle tax obligations	(162)	(74)
Payments of deferred equity offering costs	—	(10)
Distributions paid	(5,579)	(5,664)
Other financing activities	(85)	(56)
Net cash used in financing activities	(5,826)	(5,844)
Net change in cash and cash equivalents and restricted cash	1,445	3,130
Cash and cash equivalents and restricted cash, beginning of year	57,198	55,311
Cash and cash equivalents and restricted cash, end of period	\$ 58,643	\$ 58,441
Reconciliation of Cash and Cash Equivalents and Restricted Cash		
Cash and cash equivalents at beginning of year	\$ 22,473	\$ 20,638
Restricted cash at beginning of year	34,725	34,673
Cash and cash equivalents and restricted cash at beginning of year	\$ 57,198	\$ 55,311
Cash and cash equivalents at end of period	\$ 23,618	\$ 23,755
Restricted cash at end of period	35,025	34,686
Cash and cash equivalents and restricted cash at end of period	\$ 58,643	\$ 58,441

The accompanying notes are an integral part of these statements.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Note 1 – Organization

Organization

Orion Office REIT Inc. (the “Company”, “Orion”, “we” or “us”) is an internally managed real estate investment trust (“REIT”) engaged in the ownership, acquisition, and management of a diversified portfolio of office buildings located in high-quality suburban markets across the U.S. and leased primarily on a single-tenant net lease basis to creditworthy tenants. Our portfolio is comprised of traditional office buildings, as well as governmental office, medical office, flex/laboratory and R&D and flex/industrial properties.

The Company was initially formed as a wholly-owned subsidiary of Realty Income Corporation (“Realty Income”). Following completion of the merger transaction involving Realty Income and VEREIT, Inc. (“VEREIT”) on November 1, 2021, Realty Income contributed the combined business comprising certain office real properties and related assets previously owned by subsidiaries of Realty Income, and certain office real properties and related assets previously owned by subsidiaries of VEREIT (the “Separation”), to the Company and its operating partnership, Orion Office REIT LP (“Orion OP”), and on November 12, 2021, effected a special distribution to its stockholders of all the outstanding shares of common stock of the Company (the “Distribution”).

Following the Distribution, the Company became independent and publicly traded and its common stock, par value \$0.001 per share, trades on the New York Stock Exchange (the “NYSE”) under the symbol “ONL” and has elected to be taxed as a REIT for U.S. federal income tax purposes, commencing with its initial taxable year ended December 31, 2021.

As of March 31, 2024, the Company owned and operated 75 office properties with an aggregate of 8.7 million leasable square feet located in 29 states. In addition, the Company owns an equity interest in OAP/VER Venture, LLC (the “Arch Street Joint Venture”), an unconsolidated joint venture with an affiliate of Arch Street Capital Partners, LLC (“Arch Street Capital Partners”). As of March 31, 2024, the Arch Street Joint Venture owned a portfolio consisting of six office properties totaling approximately 1.0 million leasable square feet located within six states.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The consolidated statements of the Company presented herein include the accounts of the Company and its consolidated subsidiaries. All intercompany transactions have been eliminated upon consolidation. The financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”). The consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. These adjustments are considered to be of a normal, recurring nature.

The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2023, which are included in the Company’s Annual Report on Form 10-K filed with the SEC on February 27, 2024. Information and footnote disclosures normally included in financial statements have been condensed or omitted pursuant to the rules and regulations of the SEC and U.S. GAAP.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its consolidated subsidiaries and a consolidated joint venture. The portion of the consolidated joint venture not owned by the Company is presented as non-controlling interest in the Company’s consolidated balance sheets, statements of operations, statements of comprehensive income (loss) and statements of equity.

For legal entities being evaluated for consolidation, the Company must first determine whether the interests that it holds and fees it receives qualify as variable interests in the entity. A variable interest is an investment or other interest that will absorb portions of an entity’s expected losses or receive portions of the entity’s expected residual returns. The Company’s evaluation includes consideration of fees paid to the Company where the Company acts as a decision maker or service provider to the entity being evaluated. If the Company determines that it holds a variable interest in an entity, it evaluates whether that entity is a variable interest entity (“VIE”). VIEs are entities where investors lack sufficient equity at risk for the entity to finance

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

its activities without additional subordinated financial support or where equity investors, as a group, lack one or more of the following characteristics: (a) the power to direct the activities that most significantly impact the entity's economic performance, (b) the obligation to absorb the expected losses of the entity; or (c) the right to receive the expected returns of the entity. The Company consolidates entities that are not VIEs if it has a majority voting interest or other rights that result in effectively controlling the entity.

The Company then qualitatively assesses whether it is (or is not) the primary beneficiary of a VIE, which is generally defined as the party who has a controlling financial interest in the VIE. Consideration of various factors include, but are not limited to, the Company's ability to direct the activities that most significantly impact the entity's economic performance and its obligation to absorb losses from or right to receive benefits of the VIE that could potentially be significant to the VIE. The Company continually evaluates the need to consolidate VIEs based on standards set forth in U.S. GAAP.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management makes significant estimates regarding real estate investment impairments.

Revenue Recognition

Rental Revenue

For operating leases with minimum scheduled rent increases, the Company recognizes rental revenue on a straight-line basis, including the effect of any free rent periods, over the lease term when collectability of lease payments is probable. Variable lease payments are recognized as rental revenue in the period when the changes in facts and circumstances on which the variable lease payments are based occur.

Certain of the Company's leases also contain provisions for tenants to reimburse the Company for real estate taxes, insurance and maintenance and other property operating expenses. Such reimbursements are included in rental revenue on a gross basis. Property operating expenses paid directly by tenants are recorded on a net basis (i.e., treated as fully offset by an identical amount of assumed reimbursement revenue) and, therefore, are not included in the Company's consolidated financial statements.

The Company continually reviews receivables related to rent, straight-line rent and property operating expense reimbursements and determines collectability by taking into consideration the tenant's payment history, the financial condition of the tenant, business conditions in the industry in which the tenant operates and economic conditions in the area in which the property is located. The review includes a binary assessment of whether or not substantially all of the amounts due under a tenant's lease agreement are probable of collection. For leases that are deemed probable of collection, revenue continues to be recorded on a straight-line basis over the lease term. For leases that are deemed not probable of collection, revenue is recorded as cash is received and the Company reduces rental revenue for any straight-line rent receivables. The Company recognizes all changes in the collectability assessment for an operating lease as an adjustment to rental revenue. During the three months ended March 31, 2024 and 2023, the Company recorded a reduction to rental revenue of less than \$0.1 million for income not probable of collection. Periodically the Company receives reimbursement for certain end of lease obligations or reimbursements from previous tenants that are recognized on a cash basis or when the amounts are definitively agreed upon. During the three months ended March 31, 2024, the Company recognized \$2.7 million of such reimbursements. No such amounts were recognized during the three months ended March 31, 2023.

Rental revenue also includes lease termination income collected from tenants to allow for the tenants to settle their lease obligations and/or to vacate their space prior to their scheduled termination dates, as well as amortization of above and below-market leases and lease incentives. During the three months ended March 31, 2024 and 2023, the Company recognized \$1.6 million of lease termination income.

Fee Income from Unconsolidated Joint Venture

The Company provides various services to the Arch Street Joint Venture in exchange for market-based fees. Total asset and property management fees earned in connection with this entity was \$0.2 million for the three months ended March 31, 2024 and 2023.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Cash and Cash Equivalents

Cash and cash equivalents include cash in bank accounts, as well as investments in highly-liquid funds with original maturities of three months or less. The Company deposits cash with high quality financial institutions. These deposits are guaranteed by the Federal Deposit Insurance Corporation (“FDIC”) up to an insurance limit of \$250,000. At times, the Company’s cash and cash equivalents may exceed federally insured levels. Although the Company bears risk on amounts in excess of those insured by the FDIC, it has not experienced and does not anticipate any losses due to the high quality of the institutions where the deposits are held.

Restricted Cash

The Company had \$35.0 million and \$34.7 million in restricted cash as of March 31, 2024 and December 31, 2023, respectively, primarily comprised of reserves held by the lender under the CMBS Loan (as defined in Note 6 – Debt, Net) for future rent concessions and tenant improvement allowances. Restricted cash is included in other assets, net on the Company’s consolidated balance sheets.

Recent Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, Improvements to Reportable Segment Disclosures (Topic 280, Segment Reporting). ASU 2023-07 serves to improve reportable segment disclosure requirements, primarily through enhanced disclosures, on both an annual and interim basis, about significant segment expenses that are regularly provided to the chief operating decision maker (“CODM”) and included within each reported measure of profit or loss, other segment items and a description of its composition by reportable segment, the title and position of the CODM, and an explanation of how the CODM uses the reported measures of segment profit or loss in assessing segment performance and deciding how to allocate resources. The guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of the adoption of ASU 2023-07 on its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures (Topic 740, Income Taxes). ASU 2023-09 serves to enhance transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and information on income taxes paid. The update also includes certain other amendments to improve the effectiveness of income tax disclosures. The guidance is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company does not currently anticipate the guidance under ASU 2023-09 will have a material impact on its consolidated financial statements.

Note 3 – Real Estate Investments and Related Intangibles

Property Acquisitions

During the three months ended March 31, 2024, the Company acquired for no consideration the fee interest in one parcel of land in connection with the maturity of the tax advantaged bond and ground lease structure. As a result of the transaction, \$3.5 million that was previously classified as a finance lease right-of-use asset with respect to such land parcel previously subject to the ground lease was reclassified from other assets, net to real estate investments in the Company’s consolidated balance sheet as of March 31, 2024. The Company did not have any other acquisitions during the three months ended March 31, 2024. During the three months ended March 31, 2023, the Company had no acquisitions.

Property Dispositions and Real Estate Assets Held for Sale

During the three months ended March 31, 2024 and 2023, the Company had no dispositions. As of March 31, 2024, the Company had no properties classified as held for sale.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Intangible Lease Assets and Liabilities

Intangible lease assets and liabilities consisted of the following (in thousands, except weighted-average useful life):

	Weighted-Average Useful Life (Years)	March 31, 2024	December 31, 2023
Intangible lease assets:			
In-place leases, net of accumulated amortization of \$186,666 and \$193,470, respectively	6.8	\$ 88,375	\$ 103,997
Leasing commissions, net of accumulated amortization of \$3,451 and \$3,033, respectively	12.4	13,772	13,539
Above-market lease assets, net of accumulated amortization of \$11,111 and \$10,372, respectively	7.4	4,221	5,006
Deferred lease incentives, net of accumulated amortization of \$541 and \$419, respectively	10.5	3,777	3,822
Total intangible lease assets, net		<u>\$ 110,145</u>	<u>\$ 126,364</u>
Intangible lease liabilities:			
Below-market leases, net of accumulated amortization of \$23,026 and \$23,176, respectively	11.9	\$ 6,753	\$ 8,074

The aggregate amount of amortization of above-market and below-market leases included as a net increase to rental revenue was \$0.5 million and \$0.2 million for the three months ended March 31, 2024 and 2023, respectively. The aggregate amount of amortization of deferred lease incentives included as net decreases to rental revenue were \$0.1 million for the three months ended March 31, 2024 and 2023. The aggregate amount of in-place leases, leasing commissions and other lease intangibles amortized and included in depreciation and amortization expense was \$16.0 million and \$19.7 million for the three months ended March 31, 2024 and 2023, respectively.

The following table provides the projected amortization expense and adjustments to rental revenue related to the intangible lease assets and liabilities for the next five years as of March 31, 2024 (in thousands):

	Remainder of 2024	2025	2026	2027	2028	2029
In-place leases:						
Total projected to be included in amortization expense	\$ 33,762	\$ 21,627	\$ 15,247	\$ 7,337	\$ 4,592	\$ 1,872
Leasing commissions:						
Total projected to be included in amortization expense	\$ 1,151	\$ 1,480	\$ 1,476	\$ 1,450	\$ 1,306	\$ 1,125
Above-market lease assets:						
Total projected to be deducted from rental revenue	\$ 2,176	\$ 850	\$ 682	\$ 237	\$ 115	\$ 63
Deferred lease incentives:						
Total projected to be deducted from rental revenue	\$ 373	\$ 480	\$ 383	\$ 359	\$ 346	\$ 335
Below-market lease liabilities:						
Total projected to be added to rental revenue	\$ 2,465	\$ 1,036	\$ 817	\$ 655	\$ 571	\$ 389

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Investment in Unconsolidated Joint Venture

The following is a summary of the Company's investment in the Arch Street Joint Venture, as of March 31, 2024 and December 31, 2023 and for the three months ended March 31, 2024 and 2023 (dollars in thousands):

Investment	Ownership % ⁽¹⁾	Number of Properties	Carrying Value of Investment		Equity in Loss, Net Three Months Ended	
			March 31, 2024	December 31, 2023	March 31, 2024	March 31, 2023
Arch Street Joint Venture ⁽²⁾⁽³⁾	20%	6	\$ 12,972	13,549	\$ (116)	(123)

(1) The Company's ownership interest reflects its legal ownership interest. The Company's legal ownership interest may, at times, not equal the Company's economic interest because of various provisions in the joint venture agreement regarding capital contributions, distributions of cash flow based on capital account balances and allocations of profits and losses. As a result, the Company's actual economic interest (as distinct from its legal ownership interest) in certain of the properties could fluctuate from time to time and may not wholly align with its legal ownership interest.

(2) During the three months ended March 31, 2024 and 2023, the Arch Street Joint Venture did not acquire any properties.

(3) The total carrying value of the Company's investment in the Arch Street Joint Venture was greater than the underlying equity in net assets by \$ 0.3 million and \$0.4 million as of March 31, 2024 and December 31, 2023, respectively. This difference is related to a step up in the fair value of the investment in the Arch Street Joint Venture in connection with the Separation and the Distribution. The step up in fair value was allocated based on the underlying assets and liabilities of the Arch Street Joint Venture and is being amortized over the estimated useful lives of the respective assets and liabilities in accordance with the Company's accounting policies.

The non-recourse mortgage notes associated with the Arch Street Joint Venture of \$136.7 million as of March 31, 2024 are scheduled to mature on November 27, 2024, and the Arch Street Joint Venture has two successive one-year options to extend the maturity until November 27, 2026. The extension options are subject to satisfaction of certain conditions, including satisfaction of certain financial and operating covenants. The Arch Street Joint Venture may be unable to satisfy the extension conditions, and is also evaluating alternatives to refinance this obligation. The Company cannot provide any assurance the Arch Street Joint Venture will be able to satisfy the extension conditions or otherwise extend or refinance the loan. If the Arch Street Joint Venture is unable to extend or refinance the mortgage notes, the Company's investment in the Arch Street Joint Venture could be materially adversely affected.

Note 4 – Receivables and Other Assets:

Accounts receivable, net consisted of the following as of March 31, 2024 and December 31, 2023 (in thousands):

	March 31, 2024	December 31, 2023
Accounts receivable, net	\$ 8,978	\$ 9,008
Straight-line rent receivable, net	15,964	15,655
Total	<u>\$ 24,942</u>	<u>\$ 24,663</u>

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Other assets, net consisted of the following as of March 31, 2024 and December 31, 2023 (in thousands):

	March 31, 2024	December 31, 2023
Restricted cash	\$ 35,025	\$ 34,725
Right-of-use assets, net ⁽¹⁾	22,902	26,596
Investment in unconsolidated joint venture	12,972	13,549
Deferred costs, net ⁽²⁾	6,941	7,693
Notes receivable ⁽³⁾	3,500	3,700
Prepaid expenses	4,159	1,318
Other assets, net	1,578	1,247
Total	\$ 87,077	\$ 88,828

(1) Amortization expense for below market right-of-use asset was less than \$ 0.1 million for the three months ended March 31, 2024 and 2023. Includes right-of-use finance leases of \$ 5.6 million, right-of-use operating leases of \$10.8 million and a below-market right-of-use asset, net of \$ 6.6 million, as of March 31, 2024. Includes right-of-use finance leases of \$9.0 million, right-of-use operating leases of \$ 10.9 million and a below-market right-of-use asset, net of \$6.6 million, as of December 31, 2023.

(2) Amortization expense for deferred costs related to the Revolving Facility was \$ 0.8 million and \$ 0.5 million for the three months ended March 31, 2024 and 2023, respectively. Accumulated amortization for deferred costs related to the Revolving Facility was \$5.8 million and \$ 5.1 million as of March 31, 2024 and December 31, 2023, respectively. Includes outstanding deferred equity offering costs of \$0.6 million, which will be offset against additional paid in capital for future issuances of shares of the Company's common stock, as of both March 31, 2024 and December 31, 2023.

(3) Notes receivable includes two seller financed promissory notes for two properties sold during the year ended December 31, 2023. These loans have been structured as first mortgage loans on the properties sold with an unsecured recourse guaranty from the buyer principal(s).

Note 5 – Fair Value Measures

Items Measured at Fair Value on a Recurring Basis

The following tables present information about the Company's assets and liabilities measured at fair value on a recurring basis as of March 31, 2024 and December 31, 2023, aggregated by the level in the fair value hierarchy within which those instruments fall (in thousands):

	Level 1	Level 2	Level 3	Balance as of March 31, 2024
Derivative liabilities	\$ —	\$ 45	\$ —	\$ 45

	Level 1	Level 2	Level 3	Balance as of December 31, 2023
Derivative liabilities	\$ —	\$ 264	\$ —	\$ 264

Derivative Liabilities – The Company's derivative financial instruments comprise interest rate collar agreements entered into in order to hedge interest rate volatility with respect to the Company's borrowings with an aggregate notional amount of \$60.0 million as of March 31, 2024 and December 31, 2023 (as described in Note 6 – Debt, Net). The valuation of derivative instruments is determined using a discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, as well as observable market-based inputs, including interest rate curves and implied volatilities. In addition, credit valuation adjustments are incorporated into the fair values to account for the Company's potential nonperformance risk and the performance risk of the counterparties.

Although the Company determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with those derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by the Company and its counterparties. However, as of March 31, 2024 and December 31, 2023, the Company assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and determined that the credit valuation adjustments are not significant to the overall valuation of the Company's derivatives. As a result, the Company determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Items Measured at Fair Value on a Non-Recurring Basis

Certain financial and nonfinancial assets and liabilities are measured at fair value on a non-recurring basis and are subject to fair value adjustments in certain circumstances, such as when there is evidence of impairment.

Real Estate and Other Investments – The Company performs quarterly impairment review procedures for real estate investments, right of use assets and its investment in the Arch Street Joint Venture, primarily through continuous monitoring of events and changes in circumstances that could indicate the carrying value of such assets may not be recoverable.

As part of the Company's impairment review procedures, net real estate assets representing two and three properties were deemed to be impaired during the three months ended March 31, 2024 and 2023, respectively, resulting in impairment charges of \$19.7 million and \$3.8 million during the three months ended March 31, 2024 and 2023, respectively. The impairment charges reflect changes in the Company's future cash flow assumptions for agreed-upon or estimated sales proceeds with respect to real estate assets that were expected to be sold as well as changes to assumptions with regard to management's intent to sell or lease the real estate assets.

The following table summarizes our provisions for impairment during the periods indicated below (dollars in thousands):

	Three Months Ended March 31,	
	2024	2023
Number of properties	2	3
Carrying value of impaired properties	\$ 30,060	\$ 28,357
Provisions for impairment	(19,685)	(3,754)
Estimated fair value	\$ 10,375	\$ 24,603

The Company estimates fair values using Level 2 and Level 3 inputs and uses a combined income and market approach, specifically using discounted cash flow analysis and/or recent comparable sales transactions. The evaluation of real estate assets for potential impairment requires the Company's management to exercise significant judgment and make certain key assumptions, including the following: (1) capitalization rates; (2) discount rates; (3) number of years the property will be held; (4) property operating expenses; and (5) re-leasing assumptions including number of months to re-lease, market rental revenue and required tenant improvements. There are inherent uncertainties in making these estimates such as market conditions and performance and sustainability of the Company's tenants.

For the Company's impairment tests for the real estate assets during the three months ended March 31, 2024, the fair value measurement for one property was determined based on the sales price under a definitive agreement and one property was determined by a discount rate of 9.0% and capitalization rate of 8.5%. During the three months ended March 31, 2024, impairment charges of \$19.7 million were recorded for held and used properties and no impairment charges were recorded for held for sale properties.

For the Company's impairment tests for the real estate assets during the three months ended March 31, 2023, the fair value measurement for all three impaired properties was determined by applying an estimated sales price based on market data. During the three months ended March 31, 2023, impairment charges of \$3.8 million were recorded for held and used properties and no impairment charges were recorded for held for sale properties.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

The following tables present certain of the Company's assets measured at fair value on a non-recurring basis as of March 31, 2024 and December 31, 2023, aggregated by the level in the fair value hierarchy within which those assets fall (in thousands):

	Level 1	Level 2 ⁽¹⁾	Level 3 ⁽¹⁾	Balance as of March 31, 2024
Assets of properties held and used	\$ —	\$ 2,100	\$ 8,275	\$ 10,375

	Level 1	Level 2 ⁽¹⁾	Level 3 ⁽¹⁾	Balance as of December 31, 2023
Assets of properties held and used	\$ —	\$ —	\$ 5,402	\$ 5,402

(1) The fair value of the level 2 category is derived using negotiated sales prices with third parties and the fair value of the level 3 category is derived using discounted cash flow analysis and management estimates of selling prices.

Fair Value of Financial Instruments

The fair value of short-term financial instruments such as cash and cash equivalents, restricted cash, accounts receivable, notes receivable and accounts payable approximate their carrying value in the accompanying consolidated balance sheets due to their short-term nature. The fair values of the Company's long-term financial instruments are reported below (dollars in thousands):

	Level	Carrying Value at March 31, 2024	Fair Value at March 31, 2024	Carrying Value at December 31, 2023	Fair Value at December 31, 2023
Assets:					
Notes receivable	3	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Liabilities ⁽¹⁾:					
Mortgages payable	2	\$ 355,000	\$ 331,245	\$ 355,000	\$ 334,897
Credit facility revolver	2	116,000	116,000	116,000	116,000
Derivative liabilities	2	45	45	264	264
Total		<u>\$ 471,045</u>	<u>\$ 447,290</u>	<u>\$ 471,264</u>	<u>\$ 451,161</u>

(1) Current and prior period liabilities' carrying and fair values exclude net deferred financing costs.

Notes Receivable – The carrying value of the Company's long-term promissory note receivable was determined to be at fair value based on management's estimates of credit spreads and observable market interest rates, representing level 3 on the fair value hierarchy.

Debt – The fair value is estimated by an independent third party using a discounted cash flow analysis, based on management's estimates of credit spreads and observable market interest rates, representing level 2 on the fair value hierarchy.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Note 6 – Debt, Net

As of March 31, 2024, the Company had \$469.0 million of debt outstanding, including net deferred financing costs, with a weighted-average years to maturity of 2.7 years and a weighted-average effective interest rate for the three months ended March 31, 2024 of 5.88%. The following table summarizes the carrying value of debt as of March 31, 2024 and December 31, 2023, and the debt activity for the three months ended March 31, 2024 (in thousands):

	Three Months Ended March 31, 2024				Balance as of March 31, 2024
	Balance as of December 31, 2023	Debt Issuances	Repayments, Extinguishment and Assumptions	Accretion and Amortization	
Mortgages payable:					
Outstanding balance	\$ 355,000	\$ —	\$ —	\$ —	\$ 355,000
Deferred costs	(2,144)	—	—	172	(1,972)
Mortgages payable, net	352,856	—	—	172	353,028
Credit facility revolver	116,000	—	—	—	116,000
Total debt	\$ 468,856	\$ —	\$ —	\$ 172	\$ 469,028

The following table summarizes the scheduled aggregate principal repayments due on the Company’s debt outstanding as of March 31, 2024 (in thousands):

	Total
April 1, 2024 to December 31, 2024	\$ —
2025	—
2026 ⁽¹⁾	116,000
2027	355,000
Total	\$ 471,000

(1) As described below, the Company’s Revolving Facility is scheduled to mature on November 12, 2024 and Orion OP has an option to extend the maturity date to May 12, 2026 if customary conditions are satisfied. This table assumes exercise of the extension option.

Credit Agreement

In connection with the Separation and the Distribution, on November 12, 2021, the Company, as parent, and Orion OP, as borrower, entered into (i) a credit agreement (the “Credit Agreement”) providing for a three-year, \$425.0 million senior revolving credit facility (the “Revolving Facility”), including a \$25.0 million letter of credit sub-facility, and a two-year, \$175.0 million senior term loan facility (the “Term Loan Facility”) with Wells Fargo Bank, National Association, as administrative agent, and the lenders and issuing banks party thereto and (ii) a credit agreement (the “Bridge Credit Agreement”) providing for a six-month, \$355.0 million senior bridge term loan facility (the “Bridge Facility”) with Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto.

In February 2022, as further described below, the Company refinanced the Bridge Facility in full with the \$355.0 million CMBS Loan (defined below), and the Bridge Credit Agreement was terminated. In June 2023, as further described below, the Term Loan Facility was repaid and retired with borrowings under the Revolving Facility and, as of March 31, 2024, \$116.0 million was outstanding under the Revolving Facility.

The Company and Orion OP have entered into three amendments to the Credit Agreement. The purpose of the first amendment entered into in December 2022 was to change the benchmark rate for borrowings under the Credit Agreement from LIBOR to SOFR (the secured overnight financing rate as administered by the Federal Reserve Bank of New York). The purpose of the second amendment entered into in June 2023 was to repay and retire \$175.0 million of outstanding borrowings under the Term Loan Facility with borrowings from the Revolving Facility which was undrawn at the time of the second amendment, provide Orion OP with the option to extend the maturity of the Revolving Facility for an additional 18 months to May 12, 2026 from November 12, 2024 and to effect certain other modifications. The extension option is subject to customary conditions including there being no default or event of default, such as the failure to satisfy a financial or other covenant, and the payment of an extension fee. The Company’s ability to satisfy these conditions and continue to comply with the terms of the

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Revolving Facility is partially dependent upon the Company having a sufficient level of unencumbered asset value as defined in the Credit Agreement with respect to the Revolving Facility. After giving effect to the third amendment described below, Orion OP expects to be able to satisfy the loan extension conditions and, therefore, intends to elect the option to extend the maturity date of the Revolving Facility until May 12, 2026, during the second quarter of 2024. However, there can be no assurance that the Company will be able to satisfy the extension conditions and continue to comply with the Revolving Facility.

On May 3, 2024, the Company entered into a third amendment to the Credit Agreement which resulted in a permanent \$75.0 million reduction in the capacity of the Revolving Facility to \$350.0 million, while making a proportional reduction in the minimum value of the unencumbered asset pool required under the Credit Agreement and certain other modifications to financial covenants. See Note 15 – Subsequent Events for further information.

The interest rate applicable to the loans under the Revolving Facility may be determined, at the election of Orion OP, on the basis of Daily Simple SOFR, Term SOFR or a base rate, in the case of a SOFR loan, plus a SOFR adjustment of 0.10% per annum, and in the case of a SOFR loan or a base rate loan, plus an applicable margin of 3.25% for SOFR loans and 2.25% for base rate loans. Loans under the Revolving Facility may be prepaid and reborrowed, and unused commitments under the Revolving Facility may be reduced, at any time, in whole or in part, by Orion OP, without premium or penalty (except for SOFR breakage costs).

In December 2022, the Company entered into interest rate swap agreements with an aggregate notional amount of \$175.0 million, which effectively fixed the interest rate on \$175.0 million of principal under the Revolving Facility (or, until June 29, 2023, the Term Loan Facility) at 3.92% per annum until November 12, 2023. Upon the scheduled expiration of the interest rate swap agreements, the Company entered into interest rate collar agreements on a total notional amount of \$60.0 million to hedge against interest rate volatility on the Revolving Facility. Under the agreements, the benchmark rate for the Revolving Facility will float between 5.50% per annum and 4.20% per annum on \$25.0 million, and 5.50% per annum and 4.035% per annum on \$35.0 million, effective from November 13, 2023 until May 12, 2025. As of March 31, 2024, the weighted average effective interest rate of the Revolving Facility was 8.66%.

To the extent that amounts under the Revolving Facility remain unused, Orion OP is required to pay a quarterly commitment fee on the unused portion of the Revolving Facility in an amount equal to 0.25% per annum of the unused portion of the Revolving Facility.

The Revolving Facility is guaranteed pursuant to a guaranty by the Company and, subject to certain exceptions, substantially all of Orion OP's existing and future subsidiaries (including substantially all of its subsidiaries that directly or indirectly own unencumbered real properties), other than certain joint ventures and subsidiaries that own real properties subject to certain other indebtedness (such subsidiaries of Orion OP, the "Subsidiary Guarantors").

The Revolving Facility is secured by, among other things, first priority pledges of the equity interests in the Subsidiary Guarantors.

The Revolving Facility requires that Orion OP comply with various covenants, including covenants restricting, subject to certain exceptions, liens, investments, mergers, asset sales and the payment of certain dividends. Pursuant to the second amendment described above, if, on any day, Orion OP has unrestricted cash and cash equivalents in excess of \$25.0 million (excluding amounts that are then designated for application or use and are subsequently used for such purposes within 30 days), Orion OP will use such excess amount to prepay loans under the Revolving Facility, without premium or penalty and without any reduction in the lenders' commitment under the Revolving Facility.

In addition, the Revolving Facility giving effect to the modifications pursuant to the second amendment described above, requires that Orion OP satisfy the following financial covenants:

- ratio of total debt to total asset value of not more than 0.60 to 1.00;
- ratio of adjusted EBITDA to fixed charges of not less than 1.50 to 1.00;
- ratio of secured debt to total asset value of not more than 0.40 to 1.00;
- ratio of unsecured debt to unencumbered asset value of not more than 0.60 to 1.00;
- ratio of net operating income from all unencumbered real properties to unsecured interest expense of not less than 2.00 to 1.00; and
- the unencumbered asset value maintained by Orion OP must be at least \$600.0 million.

Pursuant to the second amendment described above, if the ratio of unsecured debt to unencumbered asset value exceeds 0.35 to 1.00 as of the end of two consecutive fiscal quarters, Orion OP will be required, within 90 days and subject to cure

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

rights, to grant the administrative agent a first priority lien on all the properties included in the pool of unencumbered assets (other than properties identified for disposition by the Company so long as such properties are sold within one year of such identification). Pursuant to the third amendment described above, the minimum unencumbered asset value has been reduced to \$500.0 million, from \$600.0 million.

As of March 31, 2024, Orion OP was in compliance with the Revolving Facility financial covenants.

The Revolving Facility includes customary representations and warranties of the Company and Orion OP, which must be true and correct in all material respects as a condition to future extensions of credit under the Revolving Facility. The Revolving Facility also includes customary events of default, the occurrence of which, following any applicable grace period, would permit the lenders to, among other things, declare the principal, accrued interest and other obligations of Orion OP under the Revolving Facility to be immediately due and payable and foreclose on the collateral securing the Revolving Facility.

CMBS Loan

On February 10, 2022, certain indirect subsidiaries of the Company (the “Mortgage Borrowers”) obtained a \$55.0 million fixed rate mortgage loan (the “CMBS Loan”) from Wells Fargo Bank, National Association (together with its successor, the “Lender”), which is secured by the Mortgage Borrowers’ fee simple or ground lease interests in 19 properties owned indirectly by the Company (collectively, the “Mortgaged Properties”). During March 2022, Wells Fargo effected a securitization of the CMBS Loan. The CMBS Loan bears interest at a fixed rate of 4.971% per annum and matures on February 11, 2027.

The CMBS Loan requires monthly payments of interest only and all principal is due at maturity. The proceeds of the CMBS Loan were used to repay the Bridge Facility. Upon closing of the CMBS Loan, the Mortgage Borrowers funded \$35.5 million of loan reserves primarily for future rent concessions and tenant improvement allowances under the leases with respect to the 19 Mortgaged Properties. These amounts, as well as the transaction expenses incurred in connection with the CMBS Loan, were funded with cash on hand and borrowings under the Company’s Revolving Facility.

The CMBS Loan is secured by, among other things, first priority mortgages and deeds of trust granted by the Mortgage Borrowers and encumbering the Mortgaged Properties.

The CMBS Loan is generally not freely prepayable by the Mortgage Borrowers without payment of certain prepayment premiums and costs. The CMBS Loan may be prepaid in whole, but not in part, except as provided in the loan agreement governing the CMBS Loan (the “CMBS Loan Agreement”), at any time following the Prepayment Lockout Release Date (as defined in the CMBS Loan Agreement) (generally in March 2024, two years after the CMBS Loan has been fully securitized), subject to the payment of a yield maintenance premium and the satisfaction of other terms and conditions set forth in the CMBS Loan Agreement. Further, releases of individual properties are permitted in connection with an arms’ length third party sale upon repayment of the Release Price (as defined in the CMBS Loan Agreement) for the applicable individual property and subject to payment of the applicable yield maintenance premium and the satisfaction of other terms and conditions set forth in the CMBS Loan Agreement.

The CMBS Loan Agreement also contains customary cash management provisions, including certain trigger events (such as failure of the Mortgage Borrowers to satisfy a minimum debt yield) which allow the Lender to retain any excess cash flow as additional collateral for the Loan, until such trigger event is cured.

In connection with the CMBS Loan Agreement, the Company (as the guarantor) delivered a customary non-recourse carveout guaranty to the Lender (the “Guaranty”), under which the Company guaranteed the obligations and liabilities of the Mortgage Borrowers to the Lender with respect to certain non-recourse carveout events and the circumstances under which the CMBS Loan will be fully recourse to the Mortgage Borrowers, and which includes requirements for the Company to maintain a net worth of no less than \$355.0 million and liquid assets of no less than \$10.0 million, in each case, exclusive of the values of the collateral for the CMBS Loan. As of March 31, 2024, the Company was in compliance with these financial covenants.

The Mortgage Borrowers and the Company also provided a customary environmental indemnity agreement, pursuant to which the Mortgage Borrowers and the Company agreed to protect, defend, indemnify, release and hold harmless the Lender from and against certain environmental liabilities relating to the Mortgaged Properties.

The CMBS Loan Agreement includes customary representations, warranties and covenants of the Mortgage Borrowers and the Company. The CMBS Loan Agreement also includes customary events of default, the occurrence of which, following any applicable grace period, would permit the Lender to, among other things, declare the principal, accrued interest and other obligations of the Mortgage Borrowers to be immediately due and payable and foreclose on the Mortgaged Properties.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

The Company's mortgages payable consisted of the following as of March 31, 2024 (dollars in thousands):

	Encumbered Properties	Net Carrying Value of Collateralized Properties ⁽¹⁾	Outstanding Balance	Weighted-Average Interest Rate	Weighted-Average Years to Maturity
Fixed-rate debt	19	\$ 425,544	\$ 355,000	4.97 %	2.9

(1) Net carrying value is real estate assets, including right-of-use assets, net of real estate liabilities.

The table above does not include non-recourse mortgage notes associated with the Arch Street Joint Venture of \$36.7 million as of March 31, 2024.

Note 7 – Derivatives and Hedging Activities

Cash Flow Hedges of Interest Rate Risk

As of March 31, 2024 and December 31, 2023, the Company had outstanding derivative agreements with an aggregate notional amount of \$60.0 million, which were designated as cash flow hedges under U.S. GAAP. The interest rate derivative agreements comprise interest rate collar agreements entered into in order to hedge interest rate volatility with respect to the Company's borrowings under the Revolving Facility. Under the agreements, the benchmark rate for the Revolving Facility will float between 5.50% per annum and 4.20% per annum on \$25.0 million, and 5.50% per annum and 4.035% per annum on \$35.0 million, effective from November 13, 2023 until May 12, 2025.

The Company was previously party to derivative agreements with an aggregate notional amount of \$175.0 million, which were also designated as cash flow hedges under U.S. GAAP. The interest rate derivative agreements, which expired on November 12, 2023, comprised interest rate swap agreements which effectively fixed the interest rate on the Company's borrowings under the Revolving Facility (or, until June 29, 2023, the Term Loan Facility) until November 12, 2023.

The table below presents the fair value of the Company's derivative financial instruments designated as cash flow hedges as well as their classification in the Company's consolidated balance sheets as of March 31, 2024 and December 31, 2023 (in thousands):

Derivatives Designated as Hedging Instruments	Balance Sheet Location	March 31, 2024	December 31, 2023
Interest rate collars	Other liabilities, net	\$ (45)	\$ (264)

During the three months ended March 31, 2024, the Company recorded net unrealized gains of \$0.2 million for changes in the fair value of its cash flow hedges in accumulated other comprehensive loss. During the three months ended March 31, 2023, the Company recorded unrealized losses of less than \$0.1 million for changes in the fair value of its cash flow hedges in accumulated other comprehensive loss.

During the three months ended March 31, 2024, the Company did not reclassify any previous net gains or losses from accumulated other comprehensive loss into interest expense as a result of the hedged transactions impacting earnings. During the three months ended March 31, 2023, the Company reclassified previous net gains of \$1.7 million from accumulated other comprehensive income into interest expense as a result of the hedged transactions impacting earnings.

During the next twelve months, the Company estimates that no amounts will be reclassified from other comprehensive income to interest expense.

Derivatives Not Designated as Hedging Instruments

As of each of March 31, 2024 and December 31, 2023, the Company had no derivatives that were not designated as qualifying hedging relationships.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Tabular Disclosure of Offsetting Derivatives

The table below details a gross presentation, the effects of offsetting and a net presentation of the Company's derivatives as of March 31, 2024 and December 31, 2023 (in thousands). The net amounts of derivative assets or liabilities can be reconciled to the tabular disclosure of fair value.

	Offsetting of Derivative Assets and Liabilities							
	Gross Amounts of Recognized Assets	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Net Amounts of Assets Presented in the Consolidated Balance Sheets	Net Amounts of Liabilities Presented in the Consolidated Balance Sheets	Financial Instruments	Cash Collateral Received	Net Amount
March 31, 2024	\$ —	\$ (45)	\$ —	\$ —	\$ (45)	\$ —	\$ —	\$ (45)
December 31, 2023	\$ —	\$ (264)	\$ —	\$ —	\$ (264)	\$ —	\$ —	\$ (264)

Note 8 – Supplemental Cash Flow Disclosures

Supplemental cash flow information was as follows during the periods indicated below (in thousands):

	Three Months Ended March 31,	
	2024	2023
Supplemental disclosures:		
Cash paid for interest	\$ 7,232	\$ 6,107
Cash paid for income taxes, net of refunds	\$ (23)	\$ 52
Non-cash investing and financing activities:		
Accrued capital expenditures and leasing costs	\$ 2,188	\$ 2,434
Distributions declared and unpaid	\$ 5,587	\$ 5,666
Land acquired upon finance lease termination	\$ 3,470	\$ —

Note 9 – Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following as of March 31, 2024 and December 31, 2023 (in thousands):

	March 31, 2024	December 31, 2023
Accrued real estate and other taxes	\$ 7,444	\$ 11,794
Accrued operating and other	6,822	8,673
Accrued capital expenditures and leasing costs	5,206	6,284
Accounts payable	2,172	1,606
Accrued interest	2,088	2,122
Total	<u>\$ 23,732</u>	<u>\$ 30,479</u>

Note 10 – Commitments and Contingencies

Leasing

As part of its ordinary re-leasing activities, the Company has agreed and anticipates that it will continue to agree to provide rent concessions to tenants and incur leasing costs with respect to its properties, including amounts paid directly to tenants to improve their space and/or building systems, or tenant improvement allowances, landlord agreements to perform and pay for certain improvements, and leasing commissions. These rent concessions and leasing costs could be significant and are expected

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

to vary due to factors such as competitive market conditions for leasing of commercial office space and the volume of square footage subject to re-leasing by the Company.

As of March 31, 2024, the Company had the following estimated total outstanding commitments (in thousands):

	March 31, 2024 ⁽¹⁾
Tenant improvement allowances	\$ 43,238
Reimbursable landlord work ⁽²⁾	6,906
Non-reimbursable landlord work ⁽²⁾	3,787
Leasing commissions	323
Total	\$ 54,254

(1) Outstanding commitments do not include rent concessions as such amounts are recorded as a component of straight-line rent receivable, net, in accordance with U.S. GAAP.

(2) Landlord work represents specific improvements agreed to within the lease agreement to be performed by us, as landlord, as a new and non-recurring obligation and in order to induce the tenant to enter into a new lease or lease renewal or extension. Commitments for reimbursable and non-reimbursable landlord work include estimates and are subject to change.

The timing of the Company's cash outlay for tenant improvement allowances is significantly uncertain and will depend upon the applicable tenant's schedule for the improvements and corresponding use of capital, if any. For assets financed on the CMBS Loan, the Company has funded reserves with the lender for tenant improvement allowances and rent concessions. The restricted cash included in the reserve totaled \$34.7 million as of March 31, 2024, including \$23.6 million for tenant improvement allowances and \$11.1 million for rent concessions, and is included in other assets, net in the Company's consolidated balance sheets.

Litigation

From time to time, the Company may be party to various legal proceedings which it believes are routine in nature and incidental to the operation of its business. The Company does not believe that any such legal proceedings will have a material adverse effect upon its consolidated position or results of operations.

Environmental Matters

In connection with the ownership and operation of real estate, the Company may potentially be liable for costs and damages related to environmental matters. The Company has not been notified by any governmental authority of any non-compliance, liability or other claim, and is not aware of any other environmental condition, in each case, that it believes will have a material adverse effect upon its consolidated position or results of operations.

Note 11 – Leases

Lessor

As of March 31, 2024, the Company's operating leases have non-cancelable lease terms ranging from 0.2 years to 15.1 years. Certain leases with tenants include tenant options to extend or terminate the lease agreements or to purchase the underlying assets. Lease agreements may also contain rent increases that are based on an index or rate (e.g., the consumer price index).

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

The components of rental revenue from the Company’s operating leases during the periods indicated below were as follows (in thousands):

	Three Months Ended March 31,	
	2024	2023
Fixed:		
Cash rental revenue	\$ 31,678	\$ 36,104
Straight-line rental revenue	549	2,684
Lease intangible amortization	414	114
Fixed property operating cost reimbursements	1,446	1,384
Other fixed rental revenue	1,038	150
Total fixed	35,125	40,436
Variable:		
Variable property operating cost reimbursements	11,196	8,482
Other variable rental revenue	674	1,072
Total variable	11,870	9,554
Total rental revenue	\$ 46,995	\$ 49,990

The following table presents future minimum base rent payments due to the Company under the terms of its operating lease agreements, excluding expense reimbursements, over the next five years and thereafter as of March 31, 2024 (in thousands).

	Future Minimum Base Rent Payments	
April 1, 2024 - December 31, 2024	\$	81,093
2025		77,612
2026		74,207
2027		54,027
2028		42,697
2029		32,422
Thereafter		140,636
Total	\$	502,694

Lessee

The Company is the lessee under ground lease arrangements and corporate office leases, which meet the criteria under U.S. GAAP for an operating lease. As of March 31, 2024, the Company’s operating leases had remaining lease terms ranging from 1.7 years to 60.8 years, which includes options to extend. Under the operating leases, the Company pays rent and may also pay variable costs, including property operating expenses and common area maintenance. The weighted-average discount rate used to measure the lease liability for the Company’s operating leases was 3.83% as of March 31, 2024. As the Company’s leases do not provide an implicit rate, the Company used an estimated incremental borrowing rate based on the information available at the lease commencement date or the lease guidance adoption date, as applicable, in determining the present value of lease payments.

Operating lease costs were \$0.3 million for the three months ended March 31, 2024 and 2023. No cash paid for operating lease liabilities was capitalized for the three months ended March 31, 2024 and 2023.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

The following table reflects the maturity analysis of payments due from the Company over the next five years and thereafter for ground and corporate office lease obligations as of March 31, 2024 (in thousands).

	Future Minimum Lease Payments
April 1, 2024 - December 31, 2024	\$ 876
2025	1,184
2026	778
2027	752
2028	761
2029	473
Thereafter	12,044
Total	16,868
Less: imputed interest	5,866
Total	\$ 11,002

Note 12 – Stockholders’ Equity

Common Stock

The Company was initially capitalized on July 15, 2021 with the issuance of 100,000 shares of common stock to Realty Income for a total of \$1,000.

On November 10, 2021, the Company issued 56,525,650 additional shares of common stock to Realty Income, such that Realty Income owned 56,625,650 shares of the Company’s common stock. On November 12, 2021, Realty Income effected the Distribution.

Dividends

During the three months ended March 31, 2024 and 2023, the Company’s Board of Directors declared quarterly cash dividends on shares of the Company’s common stock as follows:

Declaration Date	Record Date	Paid Date	Distributions Per Share
February 27, 2024	March 29, 2024	April 15, 2024	\$ 0.10
March 7, 2023	March 31, 2023	April 17, 2023	\$ 0.10

On May 7, 2024, the Company’s Board of Directors declared a quarterly cash dividend of \$0.10 per share for the second quarter of 2024, payable on July 15, 2024, to stockholders of record as of June 28, 2024.

Arch Street Warrants

On November 12, 2021, in connection with the Distribution, Orion OP entered into an Amended and Restated Limited Liability Company Agreement (the “LLCA”) of the Arch Street Joint Venture, by and between Orion OP and OAP Holdings LLC (the “Arch Street Partner”), an affiliate of Arch Street Capital Partners, pursuant to which the Arch Street Partner consented to the transfer of the equity interests of the Arch Street Joint Venture previously held by VEREIT Real Estate, L.P. to Orion OP.

Also on November 12, 2021, in connection with the entry into the LLCA, the Company granted certain affiliates of the Arch Street Partner warrants to purchase up to 1,120,000 shares of the Company’s common stock (the “Arch Street Warrants”). The Arch Street Warrants entitle the respective holders to purchase shares of the Company’s common stock at a price per share equal to \$22.42, at any time. The Arch Street Warrants may be exercised, in whole or in part, through a cashless exercise, in which case the holder would receive upon such exercise the net number of shares of Company common stock determined according to the formula set forth in the Arch Street Warrants. The Arch Street Warrants expire on the earlier of (a) ten years

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

after issuance and (b) if the Arch Street Joint Venture is terminated, the later of the termination of the Arch Street Joint Venture and seven years after issuance.

Share Repurchase Program

On November 1, 2022, the Company's Board of Directors authorized the repurchase of up to \$50.0 million of the Company's outstanding common stock until December 31, 2025, as market conditions warrant (the "Share Repurchase Program"). Repurchases may be made through open market purchases, privately negotiated transactions, structured or derivative transactions, including accelerated stock repurchase transactions, or other methods of acquiring shares in accordance with applicable securities laws and other legal requirements. The Share Repurchase Program does not obligate the Company to make any repurchases at a specific time or in a specific situation. Repurchases are subject to prevailing market conditions, the trading price of the Company's common stock, the Company's liquidity and anticipated liquidity needs, financial performance and other conditions. Shares of common stock repurchased by the Company under the Share Repurchase Program, if any, will be returned to the status of authorized but unissued shares of common stock. The Company did not repurchase any shares under the Share Repurchase Program during the three months ended March 31, 2024 or 2023. As of March 31, 2024, the Company had approximately \$45.0 million available under the Share Repurchase Program.

Note 13 - Equity-Based Compensation

The Company has an equity-based incentive award plan (the "Equity Plan") for officers, other employees, non-employee directors and consultants who provide services to the Company. Awards under the Equity Plan are accounted for under U.S. GAAP as share-based payments. The expense for such awards is recognized over the requisite service period, which is generally the vesting period. Under the Equity Plan, the Company may grant various types of awards, including restricted stock units that will vest if the recipient maintains employment with the Company over the requisite service period (the "Time-Based RSUs") and restricted stock units that may vest in a number ranging from 0% to 100% of the total number of units granted, based on the Company's total shareholder return measured on an absolute basis ("TSR-Based RSUs") and based on certain operational performance metrics ("Metrics-Based RSUs" and collectively with the TSR-Based RSUs, "Performance-Based RSUs"), in each case for officers and other employees during a three-year performance period. The Company also granted Time-Based RSUs to its non-employee directors which are scheduled to vest on the earlier of the one-year anniversary of the grant date and the next annual meeting, subject to the recipient's continued service with the Company.

During the three months ended March 31, 2024 and 2023, the Company granted Time-Based RSUs and/or Performance-Based RSUs to officers and other employees of the Company. The fair value of the Time-Based RSUs is determined using the closing stock price on the grant date and is expensed over the requisite service period on a straight-line basis. The fair value of the TSR-Based RSUs is determined using a Monte Carlo simulation which takes into account multiple input variables that determine the probability of satisfying the required total shareholder return, and such fair value is expensed over the performance period. The fair value of the Metrics-Based RSUs is determined using the closing stock price on the grant date and is expensed over the requisite service period to the extent that the likelihood of achieving the performance metrics is probable. As of March 31, 2024, the Company determined that the likelihood of achieving some of the performance metrics was probable and, accordingly, the Company recognized compensation expense for such Metrics-Based RSUs and determined that the likelihood of achieving the remaining performance metrics was improbable and the Company recognized no compensation expense for the remaining Metrics-Based RSUs.

Time-Based RSUs and Performance-Based RSUs do not provide for any rights of a common stockholder prior to the vesting of such restricted stock units. Equity-based compensation expense related to Time-Based RSUs and Performance-Based RSUs for the three months ended March 31, 2024 and 2023 was \$0.8 million and \$0.5 million, respectively. As of March 31, 2024, total unrecognized compensation expense related to Time-Based RSUs and Performance-Based RSUs was approximately \$6.1 million, with an aggregate weighted-average remaining term of 2.2 years.

The Company is also required under U.S. GAAP to recognize equity-based compensation expense for awards to its former employees of Realty Income time-based restricted stock units and stock options granted in connection with the Separation and the Distribution. Equity-based compensation expense for the three months ended March 31, 2024 and 2023, related to such Realty Income equity-based compensation awards, was less than \$0.1 million. As of March 31, 2024, there was no remaining unrecognized compensation expense related to Realty Income time-based restricted stock units and stock options.

ORION OFFICE REIT INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2024 (Unaudited)

Note 14 - Net Income (Loss) Per Share

The computation of basic and diluted earnings per share is as follows for the three months ended March 31, 2024 and 2023 (in thousands, except per share data):

	Three Months Ended March 31,	
	2024	2023
Net loss	\$ (26,226)	\$ (8,874)
Income attributable to non-controlling interest	(6)	(11)
Net loss available to common stockholders used in basic and diluted net loss per share	(26,232)	(8,885)
Weighted average shares of common stock outstanding - basic	55,803	56,642
Effect of dilutive securities ⁽¹⁾	—	—
Weighted average shares of common stock - diluted	55,803	56,642
Basic and diluted net loss per share attributable to common stockholders	\$ (0.47)	\$ (0.16)

(1) As of March 31, 2024 and 2023, there were no adjustments to the weighted average common shares outstanding used in the diluted calculation given that all potentially dilutive shares were anti-dilutive.

The following were excluded from diluted net loss per share attributable to common stockholders, as the effect would have been antidilutive (in thousands):

	Three Months Ended March 31,	
	2024	2023
Weighted average unvested Time-Based RSUs ⁽¹⁾	55	18
Weighted average stock warrants	1,120	1,120

(1) Net of assumed repurchases in accordance with the treasury stock method and exclude Performance-Based RSUs for which the performance thresholds have not been met by the end of the applicable reporting period.

Note 15 – Subsequent Events

Amendment to Revolving Credit Agreement

On May 3, 2024, the Company, as parent, and Orion OP, as borrower, entered into a third amendment (the “Third Amendment”) to their Credit Agreement with Wells Fargo Bank, National Association, as Administrative Agent, and the lenders party thereto.

Under the terms of the Third Amendment, Orion OP and the lenders agreed to reduce the borrowing capacity of the Company’s Revolving Facility to \$350.0 million, from \$425.0 million, and to certain financial covenant changes, including a proportional reduction in the minimum unencumbered asset value that must be maintained by the Company to \$500.0 million, from \$600.0 million.

Distributions

On May 7, 2024, the Company’s Board of Directors declared a quarterly cash dividend of \$0.10 per share for the second quarter of 2024, payable on July 15, 2024, to stockholders of record as of June 28, 2024.

Leasing Activity

During April 2024, the United States Government exercised a four-year renewal option for 413,000 square feet at the Company’s property in Covington, Kentucky. Additionally, the Company entered into a 2.3-year lease for 1,000 square feet at one of its properties in The Woodlands, Texas.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with the accompanying consolidated financial statements and notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q.

Forward-Looking Statements

This Quarterly Report on Form 10-Q includes “forward-looking statements” which reflect Orion Office REIT Inc.’s (the “Company,” “Orion,” “we,” or “us”) expectations and projections regarding future events and plans, future financial condition, results of operations, liquidity and business, including leasing and occupancy, acquisitions, dispositions, rent receipts, expected borrowings and financing costs and the payment of future dividends. Generally, the words “anticipates,” “assumes,” “believes,” “continues,” “could,” “estimates,” “expects,” “goals,” “intends,” “may,” “plans,” “projects,” “seeks,” “should,” “targets,” “will,” “guidance,” variations of such words and similar expressions identify forward-looking statements. These forward-looking statements are based on information currently available to us and involve a number of known and unknown assumptions and risks, uncertainties and other factors, which may be difficult to predict and beyond the Company’s control, that could cause actual events and plans or could cause our business, financial condition, liquidity and results of operations to differ materially from those expressed or implied in the forward-looking statements. These factors include, among other things, those discussed below. Information regarding historical rent collections should not serve as an indication of future rent collection. We disclaim any obligation to publicly update or revise any forward-looking statements, whether as a result of changes in underlying assumptions or factors, new information, future events or otherwise, except as may be required by law.

The following are some, but not all, of the assumptions, risks, uncertainties and other factors that could cause our actual results to differ materially from those presented in our forward-looking statements:

- the risk of rising interest rates, including that our borrowing costs may increase and we may be unable to extend or refinance our debt obligations on favorable terms and in a timely manner, or at all;
- the risk of inflation, including that our operating costs, such as insurance premiums, utilities, real estate taxes, capital expenditures and repair and maintenance costs, may rise;
- conditions associated with the global market, including an oversupply of office space, tenant credit risk and general economic conditions and geopolitical conditions;
- the extent to which changes in workplace practices and office space utilization, including remote and hybrid work arrangements, will continue and the impact that may have on demand for office space at our properties;
- our ability to acquire new properties and sell non-core assets on favorable terms and in a timely manner, or at all;
- our ability to comply with the terms of our credit agreements or to meet the debt obligations on our properties, including our ability to satisfy the conditions to extend our Revolving Facility;
- our ability to access the capital markets to raise additional equity or refinance maturing debt on favorable terms and in a timely manner, or at all;
- changes in the real estate industry and in performance of the financial markets and interest rates and our ability to effectively hedge against interest rate changes;
- the risk of tenants defaulting on their lease obligations, which is heightened due to our focus on single-tenant properties;
- our ability to renew leases with existing tenants or re-let vacant space to new tenants on favorable terms and in a timely manner, or at all;
- the cost of rent concessions, tenant improvement allowances and leasing commissions;
- the potential for termination of existing leases pursuant to tenant termination rights;
- the amount, growth and relative inelasticity of our expenses;
- risks associated with the ownership and development of real property;
- risks accompanying the management of OAP/VER Venture, LLC (the “Arch Street Joint Venture”), our unconsolidated joint venture, in which we hold a non-controlling ownership interest;
- our ability to close pending real estate transactions, which may be subject to conditions that are outside of our control;
- our ability to accurately forecast the payment of future dividends on our common stock, and the amount of such dividends;

- risks associated with acquisitions, including the risk that we may not be in a position, or have the opportunity in the future, to make suitable property acquisitions on advantageous terms and/or that such acquisitions will fail to perform as expected;
- risks associated with the fact that we have a limited operating history and our future performance is difficult to predict;
- our properties may be subject to impairment charges;
- risks resulting from losses in excess of insured limits or uninsured losses;
- risks associated with the potential volatility of our common stock;
- the risk that we may fail to maintain our income tax qualification as a real estate investment trust; and
- other risks and uncertainties detailed from time to time in our SEC filings.

All forward-looking statements should be read in light of the risks identified in Part I, Item 1A. Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

We use certain defined terms throughout this Quarterly Report on Form 10-Q that have the following meanings:

When we refer to "annualized base rent," we mean the monthly aggregate cash amount charged to tenants under our leases (including monthly base rent receivables and certain fixed contractually obligated reimbursements by our tenants), as of March 31, 2024, multiplied by 12, including the Company's pro rata share of such amounts from the Arch Street Joint Venture, the Company's unconsolidated joint venture with an affiliate of Arch Street Capital Partners, LLC ("Arch Street Capital Partners"). Annualized base rent is not indicative of future performance.

Under a "net lease", the tenant occupying the leased property (usually as a single tenant) does so in much the same manner as if the tenant were the owner of the property. There are various forms of net leases, most typically classified as triple net or double net. Triple net leases typically require that the tenant pay all expenses associated with the property (e.g., real estate taxes, insurance, maintenance and repairs). Double net leases typically require that the tenant pay all operating expenses associated with the property (e.g., real estate taxes, insurance and maintenance), but excludes some or all major repairs (e.g., roof, structure and parking lot). Accordingly, the owner receives the rent "net" of these expenses, rendering the cash flow associated with the lease predictable for the term of the lease.

Overview

Orion is an internally managed real estate investment trust ("REIT") engaged in the ownership, acquisition, and management of a diversified portfolio of office buildings located in high-quality suburban markets across the U.S. and leased primarily on a single-tenant net lease basis to creditworthy tenants. Our portfolio is comprised of traditional office buildings, as well as governmental office, medical office, flex/laboratory and R&D and flex/industrial properties.

As of March 31, 2024, we owned and operated 75 office properties with an aggregate of 8.7 million leasable square feet located in 29 states with an occupancy rate of 75.3% and a weighted-average remaining lease term of 4.0 years. Including our pro rata share of leasable square feet and annualized base rent from the Arch Street Joint Venture, we owned an aggregate of 8.9 million leasable square feet with an occupancy rate of 75.8%, or 83.2% adjusted for properties that are currently under agreements to be sold, and a weighted-average remaining lease term of 4.1 years as of March 31, 2024.

The Company was initially formed as a wholly-owned subsidiary of Realty Income Corporation ("Realty Income"). Following completion of the merger transaction involving Realty Income and VEREIT, Inc. ("VEREIT") on November 1, 2021, Realty Income contributed the combined business comprising certain office real properties and related assets previously owned by subsidiaries of Realty Income, and certain office real properties and related assets previously owned by subsidiaries of VEREIT (the "Separation"), to the Company and its operating partnership, Orion Office REIT LP ("Orion OP"), and, on November 12, 2021, effected a special distribution to its stockholders of all the outstanding shares of common stock of the Company (the "Distribution").

Following the Distribution, the Company became independent and publicly traded and our common stock, par value \$0.001 per share, trades on the NYSE under the symbol "ONL".

Factors That May Influence Our Operating Results and Financial Condition

Rental Revenues

Our operating results depend primarily upon generating rental revenue from the properties in our portfolio. The amount of rental revenue generated by these properties is affected by our ability to maintain or increase occupancy levels, which will depend upon our ability to re-lease expiring space at favorable rates (see “Economic Environment and Tenant Retention” below). In addition, we have agreed to provide rent concessions to tenants and incur leasing costs with respect to our properties, including amounts paid directly to tenants to improve their space and/or building systems, or tenant improvement allowances, landlord agreements to perform and pay for certain improvements, and leasing commissions, and we anticipate we will continue to do so in future periods (see “Leasing Activity and Capital Expenditures” below).

Economic Environment and Tenant Retention

Our portfolio comprises primarily single-tenant leases, and tenant retention remains a significant challenge, as we have faced and will continue to face significant lease expirations the next few years. For example, leases representing approximately 22.7% and 13.2% of our annualized base rent are scheduled to expire in 2024 and 2025, respectively, and we may be unable to renew leases or find replacement tenants. Certain changes in office space utilization, including increased remote and hybrid work arrangements and tenants consolidating their real estate footprint, continue to impact the office leasing market. The utilization and demand for office space continue to face headwinds and the duration and ultimate impact of current trends on the demands for office space at our properties remains uncertain and subject to change. Accordingly, we do not yet know what the full extent of the impacts will be on our or our tenants’ businesses and operations or the long-term outlook for leasing our properties. Higher interest rates, inflationary pressures, geopolitical hostilities and tensions, and concerns that the U.S. economy may enter an economic recession have caused disruptions in the financial markets and these factors could adversely affect our and our tenants’ financial condition and the ability or willingness of our tenants to renew our leases or pay rent to us.

Our leasing and asset disposition activity since the completion of our distribution from Realty Income continues to be adversely impacted by a variety of market and property specific conditions. Since the onset of the COVID-19 pandemic, the office leasing market has experienced significantly reduced demand for space and changes in space usage as tenants seek to attract employees back to the office, in newer, renovated buildings with more amenities. As of March 31, 2024, 59.3%, 35.0% and 5.7% of our office buildings by square feet were classified as class A, class B and class C, respectively, as determined by the most recent appraisals of the properties. In the current office environment, class B and class C buildings generally have been experiencing reduced demand and lease or sell at discounts to class A buildings and our tenants and prospective new tenants across our portfolio sometimes compare the cost and the value of leasing space in our building to the value of newer space with more amenities asking higher rent in other buildings in the market. The class of buildings we own may be negatively impacting our leasing velocity and pushing our leasing costs higher, and has negatively impacted our sales price on non-core asset dispositions.

Indebtedness

We have incurred significant amounts of indebtedness and, therefore, are subject to the risks normally associated with debt financing, including that we may be unable to extend or refinance our debt obligations as they come due. Deteriorating office fundamentals, high interest rates and market sentiment towards the office sector may restrict our access to, and likely increase our cost of, capital as we seek to extend or refinance our debts. We intend to exercise our extension option to extend the maturity date our Revolving Facility until May 12, 2026, and upon doing so, our nearest debt maturity are the non-recourse mortgage notes associated with the Arch Street Joint Venture of \$136.7 million as of March 31, 2024 which are scheduled to mature on November 27, 2024. The Arch Street Joint Venture has two successive one-year options to extend the maturity date until November 27, 2026, however, the extension options are subject to satisfaction of certain conditions, including satisfaction of certain financial and operating covenants. The Arch Street Joint Venture may be unable to satisfy the extension conditions, and is also evaluating alternatives to refinance this obligation. We cannot provide any assurance that the Arch Street Joint Venture will be able to satisfy the extension conditions or otherwise extend or refinance the loan. If the Arch Street Joint Venture is unable to extend or refinance the mortgage notes, our investment in the Arch Street Joint Venture could be materially adversely affected.

Property Acquisitions and Dispositions

As part of our business strategy, we may acquire properties if market conditions permit and we are presented with an attractive opportunity to do so. Our ability to execute on asset acquisition activity will be highly dependent upon favorable

market conditions, including attractive yields on properties and access to requisite financing. We cannot provide any assurance as to whether we will be able to acquire assets on favorable terms and in a timely manner, or at all.

One of our main asset management strategies since the completion of our distribution from Realty Income has been to sell vacant and identified non-core assets that do not fit our long-term investment objectives. The sale of these assets will allow us to both reduce carry costs and avoid the uncertainty and significant capital expenditures associated with re-tenanting. We expect to continue this non-core asset disposition strategy in 2024. We cannot provide any assurance as to whether we will be able to sell non-core assets on favorable terms and in a timely manner, or at all.

Emerging Growth Company Status

We are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act (the “JOBS Act”). As such, we are eligible to take advantage of certain exemptions from various reporting requirements that apply to other public companies that are not emerging growth companies, including compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and the requirements to hold a non-binding advisory vote on executive compensation and any golden parachute payments not previously approved. We cannot predict if investors will find our common stock less attractive because we rely on the exemptions available to us as an emerging growth company. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

In addition, Section 107 of the JOBS Act provides that an emerging growth company may take advantage of the extended transition period provided in Section 13(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the benefits of this extended transition period and, therefore, will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies until we can no longer avail ourselves of the exemptions applicable to emerging growth companies or until we affirmatively and irrevocably opt out of the extended transition period.

We will remain an emerging growth company until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed \$1.235 billion, (ii) the last day of the fiscal year following the fifth anniversary of the date of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act, (iii) the date that we become a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, which would occur on the last day of the fiscal year in which the market value of our common stock that is held by non-affiliates exceeds \$700.0 million as of the last business day of our most recently completed second fiscal quarter, or (iv) the date on which we have issued more than \$1.0 billion in non-convertible debt during the preceding three-year period. As of June 30, 2023, the market value of our common stock held by non-affiliates was less than \$700.0 million, and therefore, we expect to remain an “emerging growth company” at least until the next measuring date, which is June 30, 2024.

Basis of Presentation

For the three months ended March 31, 2024 and 2023, the consolidated financial statements of the Company include the accounts of the Company and its consolidated subsidiaries and a consolidated joint venture.

Election as a REIT

The Company elected to be taxed as a REIT for U.S. federal income tax purposes under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, commencing with the taxable year ended December 31, 2021. To maintain our qualification as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute annually at least 90% of our REIT taxable income, subject to certain adjustments and excluding any net capital gain, to stockholders. As a REIT, except as discussed below, we generally are not subject to federal income tax on taxable income that we distribute to our stockholders so long as we distribute at least 90% of our annual taxable income (computed without regard to the deduction for dividends paid and excluding net capital gains). REITs are subject to a number of other organizational and operational requirements. Even if we maintain our qualification for taxation as a REIT, we may become subject to certain state and local taxes on our income and property, and federal income taxes on certain income and excise taxes on our undistributed income.

Critical Accounting Estimates

Our accounting policies have been established to conform with U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires us to use judgment in the application of accounting policies, including making estimates and assumptions. These judgments affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Management believes that we have made these estimates and assumptions in an appropriate manner and in a way that accurately reflects our financial condition. We continually test and evaluate these estimates and assumptions using our historical knowledge of the business, expectations and projections regarding future events and plans, as well as other factors, to ensure that they are reasonable for reporting purposes. However, actual results may differ from these estimates and assumptions. If our judgment or interpretation of the facts and circumstances relating to the various transactions had been different, it is possible that different accounting estimates would have been applied, thus resulting in a different presentation of the financial statements. Additionally, other companies may utilize different assumptions or estimates that may impact comparability of our results of operations to those of companies in similar businesses. We believe the following critical accounting policy involves significant judgments and estimates used in the preparation of our financial statements, which should be read in conjunction with the more complete discussion of our accounting policies and procedures included in Note 2 - Summary of Significant Accounting Policies to our consolidated financial statements.

Real Estate Impairment

We invest in real estate assets and subsequently monitor those investments quarterly for impairment. The risks and uncertainties involved in applying the principles related to real estate impairment include, but are not limited to, the following:

- The review of impairment indicators and subsequent determination of the undiscounted future cash flows could require us to reduce the value of assets and recognize an impairment loss.
- The evaluation of real estate assets for potential impairment requires our management to exercise significant judgment and make certain key assumptions, including the following: (1) capitalization rate; (2) discount rate; (3) number of years the property will be held; (4) property operating expenses; and (5) re-leasing assumptions including the number of months to re-lease, market rental revenue and required tenant improvements. There are inherent uncertainties in making these estimates such as market conditions and performance and sustainability of our tenants.
- Changes related to management's intent to sell or lease the real estate assets used to develop the forecasted cash flows may have a material impact on our financial results.

Recently Issued Accounting Pronouncements

Recently issued accounting pronouncements are described in Note 2 - Summary of Significant Accounting Policies to our consolidated financial statements.

Significant Transactions Summary

Activity through March 31, 2024

Real Estate Operations

- During the three months ended March 31, 2024, we completed approximately 0.1 million square feet of lease renewals and new leases across four different properties, including a new lease with the United States Government for approximately 86,000 square feet at our property in Lincoln, Nebraska. The United States Government will be backfilling vacant space and is expected to take occupancy in the third quarter of 2025, following landlord's build-out of the United States Government premises, at which time the Lincoln, Nebraska property will be fully leased to two tenants. During April 2024, the United States Government exercised a 4.0-year renewal option for approximately 413,000 square feet at our property in Covington, Kentucky. Additionally, we entered into a 2.3-year lease for approximately 1,000 square feet at one of our properties in The Woodlands, Texas.
- During the three months ended March 31, 2024, three leases expired consisting of 424,000 square feet. As of March 31, 2024, we had a total of 14 fully vacant properties, seven of which had pending agreements for sale. Also during the three months ended March 31, 2024, we modified one lease to take back approximately 16,000 square feet of space at the Company's property in Lincoln, Nebraska, and the tenant vacated the space on April 1, 2024. Substantially all of this vacant space will be backfilled by the United States Government as part of their new lease at the Lincoln, Nebraska property described above.

Debt

- On May 3, 2024, we entered into an amendment to the Credit Agreement (the “Third Amendment”), pursuant to which we have rightsized the revolver to \$350.0 million through a \$75.0 million-capacity reduction. See “Part II, Item 5. Other Information” for more details about the Third Amendment.
- As of March 31, 2024 and after giving effect to the Third Amendment to the Revolving Facility described above, we had \$234.0 million of borrowing capacity under the Revolving Facility and \$116.0 million of outstanding borrowings thereunder. Our interest rate collar agreements with an aggregate notional amount of \$60.0 million remain in effect until May 12, 2025.

Equity

- The Company’s Board of Directors declared a quarterly cash dividend of \$0.10 per share for the first quarter of 2024 which was paid on April 15, 2024. On May 7, 2024 the Company’s Board of Directors declared a quarterly cash dividend of \$0.10 per share for the second quarter of 2024, payable on July 15, 2024, to stockholders of record as of June 28, 2024.

Portfolio Overview

Real Estate Portfolio Metrics

Our financial performance is impacted by the timing of dispositions and the operating performance of our operating properties. The following table shows the property statistics of our operating properties as of March 31, 2024 and December 31, 2023, including our pro rata share of the applicable statistics of the properties owned by the Arch Street Joint Venture:

	March 31, 2024	December 31, 2023
Portfolio Metrics		
Operating properties	75	75
Arch Street Joint Venture properties	6	6
Rentable square feet (in thousands) ⁽¹⁾	8,874	8,884
Annualized base rent (in thousands)	\$132,794	\$141,293
Occupancy rate ⁽²⁾	75.8%	80.4%
Investment-grade tenants ⁽³⁾	70.1%	70.6%
Weighted-average remaining lease term (in years)	4.1	4.0

(1) Represents leasable square feet of operating properties and the Company’s pro rata share of leasable square feet of properties owned by the Arch Street Joint Venture.

(2) Occupancy rate equals the sum of leased square feet divided by rentable square feet. The occupancy rate as of March 31, 2024 equals 83.2% adjusted for properties that are currently under agreements to be sold.

(3) Based on annualized base rent of our real estate portfolio, including the Company’s pro rata share of annualized base rent for properties owned by the Arch Street Joint Venture, as of March 31, 2024. Investment-grade tenants are those with a credit rating of BBB- or higher by Standard & Poor’s Financial Services LLC or a credit rating of Baa3 or higher by Moody’s Investor Service, Inc. The ratings may reflect those assigned by Standard & Poor’s Financial Services LLC or Moody’s Investor Service, Inc. to the lease guarantor or the parent company, as applicable.

Operating Performance

In addition, management uses the following financial metrics to assess our operating performance (in thousands, except per share amounts).

Financial Metrics	Three Months Ended March 31,	
	2024	2023
Total revenues	\$ 47,197	\$ 50,190
Net loss attributable to common stockholders	\$ (26,232)	\$ (8,885)
Basic and diluted net loss per share attributable to common stockholders	\$ (0.47)	\$ (0.16)
FFO attributable to common stockholders ⁽¹⁾	\$ 18,389	\$ 23,473
FFO attributable to common stockholders per diluted share ⁽¹⁾	\$ 0.33	\$ 0.41
Core FFO attributable to common stockholders ⁽¹⁾	\$ 20,365	\$ 25,283
Core FFO attributable to common stockholders per diluted share ⁽¹⁾	\$ 0.36	\$ 0.45

(1) See the Non-GAAP Measures section below for descriptions of our non-GAAP measures and reconciliations to the most comparable U.S. GAAP measure.

Leasing Activity and Capital Expenditures

We remain highly focused on leasing activity, given the 4.1 year weighted-average remaining lease term and the significant lease maturities which will occur across the portfolio over the next few years. If our tenants decide not to renew their leases, terminate their leases early or default on their leases, we will seek to re-lease the space to new tenants. We may not, however, be able to re-lease the space to suitable replacement tenants on a timely basis, or at all. Our properties may not be as attractive to existing or new tenants as properties owned by our competitors due to age of buildings, physical condition, lack of amenities or other similar factors. Even if we are able to renew leases with existing tenants or enter into new leases with replacement tenants, the terms of renewals or new leases, including the cost of required renovations, improvements or concessions to tenants, may be less favorable to us than current lease terms. As a result, our net income and ability to pay dividends to stockholders could be materially adversely affected. Further, if any of our properties cannot be leased on terms and conditions favorable to us, we may seek to dispose of the property; however, such property may not be marketable at a suitable price without substantial capital improvements, alterations, or at all, which could inhibit our ability to effectively dispose of those properties and could require us to expend capital to fund necessary capital improvements or alterations. In general, when we sell properties that are vacant or soon to be vacant, the valuation will be discounted to reflect that the new owner will bear carrying costs until the property has been leased up and take the risk that the property may not be leased up on a timely basis, favorable terms or at all.

As an owner of commercial real estate, we are required to make capital expenditures with respect to our portfolio, which include normal building improvements to replace obsolete building components and expenditures to extend the useful life of existing assets and lease related expenditures to retain existing tenants or attract new tenants to our properties. We have agreed to provide rent concessions to tenants and incur leasing costs with respect to our properties, including amounts paid directly to tenants to improve their space and/or building systems, or tenant improvement allowances, landlord agreements to perform and pay for certain improvements, and leasing commissions. We anticipate that we will continue to agree to tenant improvement allowances, the amount of which may increase in future periods. These rent concessions and leasing costs could be significant and are expected to vary due to factors such as competitive market conditions for leasing of commercial office space and the volume of square footage subject to re-leasing by us.

As of March 31, 2024, we had the following estimated total outstanding rent concessions and leasing costs (in thousands, except per square foot amounts).

	Outstanding Amount	Related Square Footage ⁽¹⁾	Outstanding Amount Per Square Foot
Rent concessions ⁽²⁾	\$ 12,088	711	\$ 17.00
Tenant improvement allowances	43,238	1,480	29.21
Reimbursable landlord work ⁽³⁾	6,906	128	53.95
Non-reimbursable landlord work ⁽³⁾	3,787	427	8.87
Leasing commissions	323	170	1.90
Total	<u>\$ 66,342</u>	1,885	<u>\$ 35.19</u>

(1) Certain leases may contain more than one of the above rent concessions and leasing costs. The total square footage associated with our outstanding rent concessions and leasing costs excludes any duplicate square footage for the purpose of calculating the total outstanding amount per square foot.

(2) Rent concessions include free rent for future periods under our leases where the lease term has commenced and include estimates of property operating expenses, where applicable.

(3) Landlord work represents specific improvements agreed to within the lease agreement to be performed by us, as landlord, as a new non-recurring obligation and in order to induce the tenant to enter into a new lease or lease renewal or extension. Outstanding reimbursable and non-reimbursable landlord work amounts include estimates and are subject to change.

The actual amount we pay for tenant improvement allowances may be lower than the amount agreed upon in the applicable lease and will depend upon the tenant's use of the capital on the agreed upon timeline. The timing of our cash outlay for tenant improvement allowances is significantly uncertain and will depend upon the applicable tenant's schedule for the improvements and corresponding use of capital, if any. We estimate that the foregoing rent concessions and leasing costs will be funded between 2024 and 2039.

We have funded and intend to continue to fund our outstanding leasing costs with cash on hand, which may include proceeds from dispositions. For assets financed on our CMBS Loan, we have funded reserves with the lender for tenant improvement allowances and rent concessions. The restricted cash included in this reserve totaled \$34.7 million as of March 31, 2024, including \$23.6 million for tenant improvement allowances and \$11.1 million for rent concessions, and is included in other assets, net in our consolidated balance sheets.

During the three months ended March 31, 2024 and 2023, we entered into new and renewal leases as summarized in the following tables (dollars and square feet in thousands):

	Three Months Ended March 31, 2024		
	New Leases	Renewals	Total
Number of leases	2	3	5
Rentable square feet leased	92	16	108
Weighted average rental rate change (cash basis) ⁽¹⁾⁽²⁾	N/A	32.6 %	32.6 %
Tenant rent concessions and leasing costs ⁽³⁾	\$ 8,432	\$ 688	\$ 9,120
Tenant rent concessions and leasing costs per rentable square foot ⁽⁴⁾	\$ 91.46	\$ 43.33	\$ 84.39
Weighted average lease term (by rentable square feet) (years) ⁽⁵⁾	7.2	10.8	7.7
Tenant rent concessions and leasing costs per rentable square foot per year	\$ 12.68	\$ 4.01	\$ 10.91

	Three Months Ended March 31, 2023		
	New Leases	Renewals	Total
Number of leases	2	2	4
Rentable square feet leased	15	68	83
Weighted average rental rate change (cash basis) ⁽¹⁾⁽²⁾	(20.3)%	26.9 %	19.7 %
Tenant rent concessions and leasing costs ⁽³⁾	\$ 756	\$ 984	\$ 1,740
Tenant rent concessions and leasing costs per rentable square foot ⁽⁴⁾	\$ 50.38	\$ 14.68	\$ 21.21
Weighted average lease term (by rentable square feet) (years) ⁽⁵⁾	8.8	14.3	13.3
Tenant rent concessions and leasing costs per rentable square foot per year	\$ 5.72	\$ 1.03	\$ 1.60

- (1) Represents weighted average percentage increase or decrease in (i) the annualized monthly cash amount charged to the applicable tenants (including monthly base rent receivables and certain fixed contractually obligated reimbursements by the applicable tenants, which may include estimates) as of the commencement date of the new lease term (excluding any full or partial rent abatement period) compared to (ii) the annualized monthly cash amount charged to the applicable tenants (including the monthly base rent receivables and certain fixed contractually obligated reimbursements by the applicable tenants, which may include estimates) as of the expiration date of the prior lease term. Contractually obligated reimbursements include estimated amortization of certain landlord funded improvements under our United States Government leases. If a space has been vacant for more than 12 months prior to the execution of a new lease or was previously otherwise not generating full cash rental revenue, the lease will be excluded from the rental rate change calculation.
- (2) Excludes two new leases for approximately 92,000 square feet of space for the three months ended March 31, 2024 and one new lease for approximately 4,000 square feet of space for the three months ended March 31, 2023, that had been vacant for more than 12 months at the time the new lease was executed.
- (3) Includes tenant improvement allowances and base building allowances, leasing commissions and free rent (includes estimates of property operating expenses, where applicable). Beginning in 2024, we have updated this calculation to also include estimates for certain reimbursable and non-reimbursable landlord funded improvements, and have applied this change retrospectively for comparison purposes.
- (4) Includes reimbursable landlord funded improvements of \$51.89 per rentable square foot for new leases, \$17.09 per rentable square foot for renewals, and \$46.77 per rentable square foot in total for the three months ended March 31, 2024. There were no reimbursable landlord funded improvements included in the tenant rent concessions and leasing costs for the three months ended March 31, 2023.
- (5) Weighted average lease term does not include specified periods of the stated lease term during which a tenant has the right to terminate their space without a termination fee, or "non-firm terms." The total weighted average lease term for new leases and renewals executed during the three months ended March 31, 2024 and 2023 would be 14.2 years and 17.1 years, respectively, if such non-firm terms were included.

During the three months ended March 31, 2024, three leases across two properties expired consisting of 424,000 square feet. Subsequent to March 31, 2024, we entered into a contract to sell one of the properties comprising approximately 96,000 square feet and expect that sale to close in the second quarter of 2024. We currently intend to re-tenant the other property comprising approximately 328,000 square feet over time. For the property we intend to re-let, the base rent per square foot under the lease at expiration was approximately \$22.00 per square foot, and our estimate of market rent at this property is \$25.00 to \$28.00 per square foot. Our market rent estimates are based on a variety of assumptions and we cannot provide any assurance that we will be able to re-let vacant space to new tenants on these or any other terms, in a timely manner, or at all. Our plans with respect to vacant properties are subject to change.

During the three months ended March 31, 2024 and 2023, amounts capitalized by the Company for lease related costs, lease incentives and building, fixtures and improvements were as follows (in thousands):

	Three Months Ended March 31,	
	2024	2023
Lease related costs ⁽¹⁾	\$ 651	\$ 884
Lease incentives ⁽²⁾	77	—
Building, fixtures and improvements ⁽³⁾	2,717	2,454
Total capital expenditures	\$ 3,445	\$ 3,338

(1) Lease related costs generally include lease commissions paid in connection with the execution of new and/or renewed leases.

(2) Lease incentives generally include expenses paid on behalf of the tenant or reimbursed to the tenant, including expenditures related to the construction of tenant-owned improvements.

(3) Building, fixtures and improvements generally include expenditures to replace obsolete building or land components, expenditures that extend the useful life of existing assets and expenditures to construct landlord owned improvements.

Results of Operations

The results of operations discussed in this section include the accounts of the Company and its consolidated subsidiaries for the three months ended March 31, 2024 and 2023.

Revenues

The table below sets forth, for the periods presented, revenue information and the dollar amount change year over year (in thousands):

	Three Months Ended March 31,		
	2024	2023	2024 vs 2023 Increase/(Decrease)
Rental	\$ 46,995	\$ 49,990	\$ (2,995)
Fee income from unconsolidated joint venture	202	200	2
Total revenues	\$ 47,197	\$ 50,190	\$ (2,993)

Rental

The decrease in rental revenue of \$3.0 million during the three months ended March 31, 2024 as compared to the same period in 2023 was primarily due to the impact from a decrease in our overall occupied square footage due to scheduled vacancies of \$4.0 million and the impact from property dispositions of \$2.0 million. Our portfolio occupancy rate was 75.3% and we had 75 properties with an aggregate of 8.7 million leasable square feet as of March 31, 2024, as compared to a portfolio occupancy rate of 87.2% and 81 properties with an aggregate of 9.5 million leasable square feet as of March 31, 2023. The decrease in revenues was partially offset by \$2.7 million of reimbursements from previous tenants for certain end of lease obligations during the three months ended March 31, 2024.

Fee income from unconsolidated joint venture

Fee income from unconsolidated joint venture consists of fees earned for providing various services to the Arch Street Joint Venture. Fee income from unconsolidated joint venture remained consistent at \$0.2 million during the three months ended March 31, 2024 as compared to the same period in 2023.

Operating Expenses

The table below sets forth, for the periods presented, certain operating expense information and the dollar amount change year over year (in thousands):

	Three Months Ended March 31,		
	2024	2023	2024 vs 2023 Increase/(Decrease)
Property operating	15,999	15,344	655
General and administrative	4,949	4,309	640
Depreciation and amortization	24,504	28,166	(3,662)
Impairments	19,685	3,754	15,931
Transaction related	110	105	5
Total operating expenses	<u>\$ 65,247</u>	<u>\$ 51,678</u>	<u>\$ 13,569</u>

Property operating expenses

Property operating expenses such as taxes, insurance, ground rent and maintenance include both reimbursable and non-reimbursable property expenses. Property operating expenses remained relatively consistent at \$16.0 million and \$15.3 million during the three months ended March 31, 2024 and 2023, respectively, which is primarily the net result of increases due to timing of certain operating expenses of \$1.5 million and from additional property vacancies which resulted in the recognition of certain operating expenses which were previously paid directly by the tenant such as property taxes of \$0.9 million, offset by decreases in expenses resulting from property dispositions of \$1.8 million.

General and administrative expenses

General and administrative expenses increased \$0.6 million during the three months ended March 31, 2024 as compared to the same period in 2023, primarily due to increased stock compensation expense for additional equity award issuances of \$0.3 million and timing of corporate expenses of \$0.3 million during the three months ended March 31, 2024.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased \$3.7 million during the three months ended March 31, 2024 as compared to the same period in 2023 primarily due to the full amortization of certain intangible assets as a result of leases expiring in accordance with their terms and early terminations.

Impairments

Impairments increased \$15.9 million during the three months ended March 31, 2024 as compared to the same period in 2023. The impairment charges of \$19.7 million in the three months ended March 31, 2024, include a total of two properties and the charges reflect management's estimates of lease renewal probability, timing and terms of such renewals, carrying costs for vacant properties, sale probability and estimates of sale proceeds. Impairment charges totaling \$3.8 million with respect to three properties were recorded during the same period in 2023. See Note 5 - Fair Value Measures for further information.

Transaction related expenses

Transaction related expense remained relatively consistent at \$0.1 million during the three months ended March 31, 2024 as compared to the same period in 2023.

Other (Expense) Income and Provision for Income Taxes

The table below sets forth, for the periods presented, certain financial information and the dollar amount change year over year (in thousands):

	Three Months Ended March 31,		
	2024	2023	2024 vs 2023 Increase/(Decrease)
Interest expense, net	\$ (8,146)	\$ (7,139)	\$ 1,007
Other income, net	\$ 163	\$ 36	\$ 127
Equity in loss of unconsolidated joint venture, net	\$ (116)	\$ (123)	\$ (7)
Provision for income taxes	\$ (77)	\$ (160)	\$ (83)

Interest expense, net

Interest expense, net increased \$1.0 million during the three months ended March 31, 2024 as compared to the same period in 2023, which was primarily due to higher interest rates, partially offset by lower outstanding debt during the three months ended March 31, 2024. The Company's average debt outstanding and weighted-average interest rate on its debt obligations were \$471.0 million and 5.88%, respectively for the three months ended March 31, 2024, compared to \$530.0 million and 4.38%, respectively, for the three months ended March 31, 2023. Interest expense for the three months ended March 31, 2024 included no offsets of reclassified previous gains or losses on interest rate derivatives from accumulated other comprehensive income (loss), compared with \$1.7 million reclassified gains during the three months ended March 31, 2023.

Other income, net

Other income, net increased \$0.1 million during the three months ended March 31, 2024 as compared to the same period in 2023, which was primarily due to interest income from money market accounts and notes receivable.

Equity in loss of unconsolidated joint venture, net

Equity in loss of the unconsolidated joint venture remained relatively consistent during the three months ended March 31, 2024 as compared to the same period in 2023.

Provision for income taxes

The provision for income taxes consists of certain state and local income and franchise taxes. The provision for income taxes remained relatively consistent during the three months ended March 31, 2024 as compared to the same period in 2023.

Non-GAAP Measures

Our results are presented in accordance with U.S. GAAP. We also disclose certain non-GAAP measures, as discussed further below. Management uses these non-GAAP financial measures in our internal analysis of results and believes these measures are useful to investors for the reasons explained below. These non-GAAP financial measures should not be considered as substitutes for any measures derived in accordance with U.S. GAAP.

Funds From Operations ("FFO") and Core Funds from Operations ("Core FFO") Attributable to Orion

Due to certain unique operating characteristics of real estate companies, as discussed below, the National Association of Real Estate Investment Trusts, Inc. ("Nareit"), an industry trade group, has promulgated a supplemental performance measure known as funds from operations ("FFO"), which we believe to be an appropriate supplemental performance measure to reflect the operating performance of the Company. FFO is not equivalent to our net income (loss) as determined under U.S. GAAP.

Nareit defines FFO as net income (loss) computed in accordance with U.S. GAAP adjusted for gains or losses from disposition of real estate assets, depreciation and amortization of real estate assets, impairment write-downs on real estate, and our pro rata share of FFO adjustments related to the unconsolidated joint venture. We calculate FFO in accordance with Nareit's definition described above.

In addition to FFO, we use Core FFO as a non-GAAP supplemental financial performance measure to evaluate the operating performance of the Company. Core FFO, as defined by the Company, excludes from FFO items that we believe do not reflect the ongoing operating performance of our business such as transaction related expenses, spin related expenses, amortization of deferred financing costs, amortization of deferred lease incentives, net, equity-based compensation, amortization of premiums and discounts on debt, net and gains or losses on extinguishment of swaps and/or debt, and our pro rata share of Core FFO adjustments related to the unconsolidated joint venture.

We believe that FFO and Core FFO allow for a comparison of the performance of our operations with other publicly-traded REITs, as FFO and Core FFO, or a substantially similar measure, are routinely reported by publicly-traded REITs, each adjust for items that we believe do not reflect the ongoing operating performance of our business and we believe are often used by analysts and investors for comparison purposes.

For all of these reasons, we believe FFO and Core FFO, in addition to net income (loss), as defined by U.S. GAAP, are helpful supplemental performance measures and useful in understanding the various ways in which our management evaluates the performance of the Company over time. However, not all REITs calculate FFO and Core FFO the same way, so comparisons with other REITs may not be meaningful. FFO and Core FFO should not be considered as alternatives to net income (loss) and are not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs. Neither the SEC, Nareit, nor any other regulatory body has evaluated the acceptability of the exclusions used to adjust FFO in order to calculate Core FFO and its use as a non-GAAP financial performance measure.

The table below presents a reconciliation of FFO and Core FFO to net loss attributable to common stockholders, the most directly comparable U.S. GAAP financial measure, for the three months ended March 31, 2024 and 2023 (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2024	2023
Net loss attributable to common stockholders	\$ (26,232)	\$ (8,885)
Depreciation and amortization of real estate assets	24,472	28,142
Impairment of real estate	19,685	3,754
Proportionate share of adjustments for unconsolidated joint venture	464	462
FFO attributable to common stockholders	\$ 18,389	\$ 23,473
Transaction related	110	105
Amortization of deferred financing costs	924	1,048
Amortization of deferred lease incentives	123	102
Equity-based compensation	790	526
Proportionate share of adjustments for unconsolidated joint venture	29	29
Core FFO attributable to common stockholders	\$ 20,365	\$ 25,283
Weighted-average shares of common stock outstanding - basic	55,803	56,642
Effect of weighted-average dilutive securities ⁽¹⁾	55	18
Weighted-average shares of common stock outstanding - diluted	55,858	56,660
FFO attributable to common stockholders per diluted share	\$ 0.33	\$ 0.41
Core FFO attributable to common stockholders per diluted share	\$ 0.36	\$ 0.45

(1) Dilutive securities include unvested restricted stock units net of assumed repurchases in accordance with the treasury stock method and exclude Performance-Based RSUs for which the performance thresholds have not been met by the end of the applicable reporting period. Such dilutive securities are not included when calculating net loss per diluted share applicable to the Company for the three months ended March 31, 2024 and 2023, as the effect would be antidilutive.

Liquidity and Capital Resources

General

Our principal liquidity needs for the next twelve months are to: (i) fund operating expenses; (ii) pay interest on our debt; (iii) pay dividends to our stockholders; (iv) fund capital expenditures and leasing costs at properties we own; and (v) fund new acquisitions, including acquisitions related to the Arch Street Joint Venture. We believe that our principal sources of short-term liquidity, which are our cash and cash equivalents on hand, cash flows from operations, proceeds from real estate dispositions, and borrowings under the Revolving Facility, are sufficient to meet our liquidity needs for the next twelve months. As of March 31, 2024, we had \$23.6 million of cash and cash equivalents and, after giving effect to the third amendment to the Credit Agreement discussed below, \$234.0 million of borrowing capacity under the Revolving Facility.

Our Revolving Facility is scheduled to mature in November 2024, and we have the option to extend the maturity an additional 18 months until May 12, 2026. The extension option is subject to customary conditions, including there being no default or event of default, such as the failure to satisfy a financial or other covenant. Our ability to satisfy these conditions and continue to comply with the terms of the Revolving Facility is partially dependent upon us having a sufficient level of unencumbered asset value as defined in the credit agreement with respect to the Revolving Facility. As of March 31, 2024, our unencumbered asset value for this purpose was \$773.4 million. On May 3, 2024, we entered into the Third Amendment to the Revolving Facility. Under the terms of the Third Amendment, we and the lenders agreed to reduce the borrowing capacity of the Revolving Facility to \$350.0 million, from \$425.0 million, and to certain financial covenant changes, including a proportional reduction in the minimum unencumbered asset value that we must maintain to \$500.0 million, from \$600.0 million. After giving effect to the Third Amendment, our unencumbered asset value as of March 31, 2024 was \$863.4 million, and Orion OP expects to be able to satisfy the loan extension conditions and, therefore, intends to elect the option to extend the maturity date of the Revolving Facility until May 12, 2026, during the second quarter of 2024. However, there can be no assurance that we will be able to satisfy the extension conditions and continue to comply with the Revolving Facility.

We do not expect the reduced commitment under the Revolving Facility to adversely impact the execution of our business plan, and the reduced commitment will modestly benefit us by lowering the unused fees we are obligated to pay to the lenders.

The non-recourse mortgage notes associated with the Arch Street Joint Venture of \$136.7 million as of March 31, 2024 are also scheduled to mature in November 2024, and the Arch Street Joint Venture has two successive one-year options to extend the maturity until November 27, 2026. The extension options are subject to satisfaction of certain conditions, including satisfaction of certain financial and operating covenants. The Arch Street Joint Venture may be unable to satisfy the extension conditions, and is also evaluating alternatives to refinance this obligation. We cannot provide any assurance that the Arch Street Joint Venture will be able to satisfy the extension conditions or otherwise extend or refinance the loan. If the Arch Street Joint Venture is unable to extend or refinance the mortgage notes, our investment in the Arch Street Joint Venture could be materially adversely affected.

Our principal liquidity needs beyond the next twelve months are to: (i) repay, extend or refinance debt at or prior to maturity; (ii) pay dividends to our stockholders; (iii) fund capital expenditures and leasing costs at properties we own; and (iv) fund new acquisitions, including acquisitions related to the Arch Street Joint Venture. We generally believe we will be able to satisfy these liquidity needs by a combination of cash flows from operations, borrowings under the Revolving Facility, proceeds from real estate dispositions, new borrowings such as bank term loans or other secured or unsecured debt, and issuances of equity securities. We believe we will be successful in either repaying or refinancing our debt obligations at or prior to maturity, but we cannot provide any assurance we will be able to do so. Our ability to extend or refinance debt, raise capital and/or sell assets will be affected by various factors existing at the relevant time, such as capital and credit market conditions, the state of the national and regional economies, commercial real estate market conditions, available interest rate levels, the lease terms for and equity in and value of any related collateral, our financial condition and the operating history of the collateral, if any.

Credit Agreements

Summary

The following is a summary of the interest rate and scheduled maturities of our consolidated debt obligations as of March 31, 2024 (in thousands):

	Interest Rate	Maturity	Principal Amounts Due During the Years Ending December 31,				
			Total	2024	2025	2026	2027
Credit facility revolver ⁽¹⁾⁽²⁾	SOFR + 3.35%	May 2026	\$ 116,000	\$ —	\$ —	\$ 116,000	\$ —
Mortgages payable ⁽³⁾	4.971 %	February 2027	355,000	—	—	—	355,000
Total			\$ 471,000	\$ —	\$ —	\$ 116,000	\$ 355,000

(1) Includes interest rate margin of 3.25% plus SOFR adjustment of 0.10%. As of March 31, 2024, we had \$60.0 million of variable rate debt outstanding under the Revolving Facility which was subject to interest rate collar agreements to hedge against interest rate volatility. Under the agreements, the benchmark rate for the Revolving Facility will float between 5.50% per annum and 4.20% per annum on \$25.0 million, and 5.50% per annum and 4.035% per annum on \$35.0 million, effective from November 13, 2023 until May 12, 2025.

(2) The credit facility revolver matures on November 12, 2024 with an option to extend the maturity an additional 18 months to May 12, 2026 if customary conditions are satisfied. This table assumes exercise of the extension option.

(3) The table above does not include non-recourse mortgage notes associated with the Arch Street Joint Venture of \$136.7 million as of March 31, 2024.

Credit Agreement Obligations

In connection with the Separation and the Distribution, on November 12, 2021, we, as parent, and Orion OP, as borrower, entered into (i) a credit agreement (the “Credit Agreement”) providing for a three-year, \$425.0 million senior revolving credit facility (the “Revolving Facility”), including a \$25.0 million letter of credit sub-facility, and a two-year, \$175.0 million senior term loan facility (the “Term Loan Facility”) with Wells Fargo Bank, National Association, as administrative agent, and the lenders and issuing banks party thereto and (ii) a credit agreement (the “Bridge Credit Agreement”) providing for a six-month, \$355.0 million senior bridge term loan facility (the “Bridge Facility”) with Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto.

In February 2022, as further described below, we refinanced the Bridge Facility in full with the \$355.0 million CMBS Loan (defined below), and the Bridge Credit Agreement was terminated. In June 2023, as further described below, the Term Loan Facility was repaid and retired with borrowings under the Revolving Facility.

As of March 31, 2024, we had \$471.0 million of total consolidated debt outstanding, consisting of a \$355.0 million CMBS Loan and \$116.0 million outstanding under our Revolving Facility. In addition, our pro rata share of the mortgage notes of the Arch Street Joint Venture was \$27.3 million as of March 31, 2024.

We have entered into three amendments to the Credit Agreement. The purpose of the first amendment entered into in December 2022 was to change the benchmark rate for borrowings under the Credit Agreement from LIBOR to SOFR (the secured overnight financing rate as administered by the Federal Reserve Bank of New York). The purpose of the second amendment entered into in June 2023 was to repay and retire \$175.0 million of outstanding borrowings under the Term Loan Facility with borrowings from the Revolving Facility (which was undrawn at the time of the second amendment), provide us with the option to extend the maturity of the Revolving Facility for an additional 18 months to May 12, 2026 from November 12, 2024 and to effect certain other modifications. The extension option may be exercised beginning on May 16, 2024 and is subject to customary conditions including there being no default or event of default, such as the failure to satisfy a financial or other covenant, and the payment of an extension fee. As described above, on May 3, 2024, we entered into the Third Amendment, which resulted in a permanent \$75.0 million reduction in the capacity of the Revolving Facility to \$350.0 million, while making a proportional reduction in the minimum value of the unencumbered asset pool required under the Credit Agreement and certain other modifications to financial covenants.

The interest rate applicable to the loans under the Revolving Facility may be determined, at the election of Orion OP, on the basis of Daily Simple SOFR, Term SOFR or a base rate, in the case of a SOFR loan, plus a SOFR adjustment of 0.10% per annum, and in the case of a SOFR loan or a base rate loan, plus an applicable margin of 3.25% for SOFR loans and 2.25% for base rate loans. Loans under the Revolving Facility may be prepaid and reborrowed, and unused commitments under the Revolving Facility may be reduced, at any time, in whole or in part, by Orion OP, without premium or penalty (except for SOFR breakage costs).

In December 2022, we entered into interest rate swap agreements with an aggregate notional amount of \$175.0 million, which effectively fixed the interest rate on \$175.0 million of principal under the Revolving Facility at 3.92% per annum until November 12, 2023. Upon the scheduled expiration of the interest rate swap agreements, we entered into interest rate collar agreements on a total notional amount of \$60.0 million to hedge against interest rate volatility on the Revolving Facility. Under the agreements, the benchmark rate for the Revolving Facility will float between 5.50% per annum and 4.20% per annum on \$25.0 million, and 5.50% per annum and 4.035% per annum on \$35.0 million, effective from November 13, 2023 until May 12, 2025.

To the extent that amounts under the Revolving Facility remain unused, Orion OP is required to pay a quarterly commitment fee on the unused portion of the Revolving Facility in an amount equal to 0.25% per annum of the unused portion of the Revolving Facility.

The Revolving Facility is guaranteed pursuant to a guaranty by us and, subject to certain exceptions, substantially all of Orion OP's existing and future subsidiaries (including substantially all of its subsidiaries that directly or indirectly own unencumbered real properties), other than certain joint ventures and subsidiaries that own real properties subject to certain other indebtedness (such subsidiaries of Orion OP, the "Subsidiary Guarantors").

The Revolving Facility is secured by, among other things, first priority pledges of the equity interests in the Subsidiary Guarantors.

Revolving Facility Covenants

The Revolving Facility requires that Orion OP comply with various covenants, including covenants restricting, subject to certain exceptions, liens, investments, mergers, asset sales and the payment of certain dividends. Pursuant to the second amendment described above, if, on any day, Orion OP has unrestricted cash and cash equivalents in excess of \$25.0 million (excluding amounts that are then designated for application or use and are subsequently used for such purposes within 30 days), Orion OP will use such excess amount to prepay loans under the Revolving Facility, without premium or penalty and without any reduction in the lenders' commitment under the Revolving Facility.

In addition, the Revolving Facility requires that Orion OP satisfy certain financial covenants. The following is a summary of financial covenants for the Company's Revolving Facility and the Company's compliance therewith as of March 31, 2024, as calculated per the terms of the Credit Agreement, giving effect to the modifications pursuant to the second amendment described above. These calculations are presented to show the Company's compliance with the financial covenants and are not measures of the Company's liquidity or performance.

Revolving Facility Financial Covenants	Required	March 31, 2024
Ratio of total indebtedness to total asset value	≤ 60%	38.5%
Ratio of adjusted EBITDA to fixed charges	≥ 1.5x	3.5x
Ratio of secured indebtedness to total asset value	≤ 40%	29.4%
Ratio of unsecured indebtedness to unencumbered asset value	≤ 60% ⁽¹⁾	13.8%
Ratio of unencumbered adjusted NOI to unsecured interest expense	≥ 2.00x	7.00x
Unencumbered asset value ⁽²⁾	≥ \$600.0 million	\$773.4 million

(1) Pursuant to the second amendment described above, if the ratio of unsecured debt to unencumbered asset value exceeds 35% as of the end of two consecutive fiscal quarters, Orion OP will be required, within 90 days and subject to cure rights, to grant the administrative agent a first priority lien on all the properties included in the pool of unencumbered assets (other than properties identified for disposition by us so long as such properties are sold within one year of such identification).

(2) Pursuant to the Third Amendment described above, as of May 3, 2024, the minimum unencumbered asset value has been reduced to \$500.0 million, from \$600.0 million.

As of March 31, 2024, Orion OP was in compliance with these financial covenants.

The Revolving Facility includes customary representations and warranties of us and Orion OP, which must be true and correct in all material respects as a condition to future extensions of credit under the Revolving Facility. The Revolving Facility also includes customary events of default, the occurrence of which, following any applicable grace period, would permit the lenders to, among other things, declare the principal, accrued interest and other obligations of Orion OP under the Revolving Facility to be immediately due and payable and foreclose on the collateral securing the Revolving Facility.

CMBS Loan

On February 10, 2022, certain indirect subsidiaries of the Company (the “Mortgage Borrowers”) obtained a \$355.0 million fixed rate mortgage loan (the “CMBS Loan”) from Wells Fargo Bank, National Association (together with its successor, the “Lender”), which is secured by the Mortgage Borrowers’ fee simple or ground lease interests in 19 properties owned indirectly by the Company (collectively, the “Mortgaged Properties”). During March 2022, Wells Fargo effected a securitization of the CMBS Loan. The CMBS Loan bears interest at a fixed rate of 4.971% per annum and matures on February 11, 2027.

The CMBS Loan requires monthly payments of interest only and all principal is due at maturity. The proceeds of the CMBS Loan were used to repay the Bridge Facility. Upon closing of the CMBS Loan, the Mortgage Borrowers funded \$35.5 million of loan reserves primarily for future rent concessions and tenant improvement allowances under the leases with respect to the 19 Mortgaged Properties. These amounts, as well as the transaction expenses incurred in connection with the CMBS Loan, were funded with cash on hand and borrowings under the Company’s Revolving Facility.

The CMBS Loan is secured by, among other things, first priority mortgages and deeds of trust granted by the Mortgage Borrowers and encumbering the Mortgaged Properties.

The CMBS Loan is generally not freely prepayable by the Mortgage Borrowers without payment of certain prepayment premiums and costs. The CMBS Loan may be prepaid in whole, but not in part, except as provided in the loan agreement governing the CMBS Loan (the “CMBS Loan Agreement”), at any time following the Prepayment Lockout Release Date (as defined in the CMBS Loan Agreement) (generally in March 2024, two years after the CMBS Loan has been fully securitized), subject to the payment of a yield maintenance premium and the satisfaction of other terms and conditions set forth in the CMBS Loan Agreement. Further, releases of individual properties are permitted in connection with an arms’ length third party sale upon repayment of the Release Price (as defined in the CMBS Loan Agreement) for the applicable individual property and subject to payment of the applicable yield maintenance premium and the satisfaction of other terms and conditions set forth in the CMBS Loan Agreement.

The CMBS Loan Agreement also contains customary cash management provisions, including certain trigger events (such as failure of the Mortgage Borrowers to satisfy a minimum debt yield) which allow the Lender to retain any excess cash flow as additional collateral for the Loan, until such trigger event is cured.

In connection with the CMBS Loan Agreement, the Company (as the guarantor) delivered a customary non-recourse carveout guaranty to the Lender (the “Guaranty”), under which the Company guaranteed the obligations and liabilities of the Mortgage Borrowers to the Lender with respect to certain non-recourse carveout events and the circumstances under which the CMBS Loan will be fully recourse to the Mortgage Borrowers, and which includes requirements for the Company to maintain a net worth of no less than \$355.0 million and liquid assets of no less than \$10.0 million, in each case, exclusive of the values of the collateral for the CMBS Loan. As of March 31, 2024, the Company was in compliance with these financial covenants.

The Mortgage Borrowers and the Company also provided a customary environmental indemnity agreement, pursuant to which the Mortgage Borrowers and the Company agreed to protect, defend, indemnify, release and hold harmless the Lender from and against certain environmental liabilities relating to the Mortgaged Properties.

The CMBS Loan Agreement includes customary representations, warranties and covenants of the Mortgage Borrowers and the Company. The CMBS Loan Agreement also includes customary events of default, the occurrence of which, following any applicable grace period, would permit the Lender to, among other things, declare the principal, accrued interest and other obligations of the Mortgage Borrowers to be immediately due and payable and foreclose on the Mortgaged Properties.

Arch Street Warrants

On November 12, 2021, in connection with the Distribution, Orion OP entered into an amendment and restatement of the limited liability agreement (the “LLCA”) for the Arch Street Joint Venture with the Arch Street Partner, an affiliate of Arch Street Capital Partners, pursuant to which the Arch Street Partner consented to the transfer of the equity interests of the Arch Street Joint Venture previously held by VEREIT Real Estate, L.P. to Orion OP.

Also on November 12, 2021, in connection with the entry into the LLCA, we granted the Arch Street Partner and Arch Street Capital Partners warrants to purchase up to 1,120,000 shares of our common stock (the “Arch Street Warrants”). The Arch Street Warrants entitle the respective holders to purchase shares of our common stock at a price per share equal to \$22.42, at any time. The Arch Street Warrants may be exercised, in whole or in part, through a cashless exercise, in which case the holder would receive upon such exercise the net number of shares of our common stock determined according to the formula set forth in the Arch Street Warrants. The Arch Street Warrants expire on the earlier of (a) ten years after issuance and (b) if the Arch Street Joint Venture is terminated, the later of the termination of the Arch Street Joint Venture and seven years after issuance.

In accordance with our obligation under the Arch Street Warrants, on November 2, 2022, we filed with the SEC a registration statement on Form S-3 for the registration, under the Securities Act, of the shares of our common stock issuable upon exercise of the Arch Street Warrants, and the registration statement was declared effective by the SEC on November 14, 2022. We will use our commercially reasonable efforts to maintain the effectiveness of the registration statement, and a current prospectus relating thereto, until the earlier of (a) the expiration of the Arch Street Warrants, or (b) the shares issuable upon such exercise become freely tradable under United States federal securities laws by anyone who is not an affiliate (as such term is defined in Rule 144 under the Securities Act (or any successor rule)) of us. The holders of the Arch Street Warrants will also remain subject to the ownership limitations pursuant to our organizational documents.

Right of First Offer Agreement

In connection with the entry into the LLCA, we and the Arch Street Joint Venture entered into that certain Right of First Offer Agreement (the “ROFO Agreement”), dated November 12, 2021, pursuant to which, subject to certain limitations, we agreed not to acquire or purchase a fee simple or ground leasehold interest in any office real property, including by way of an acquisition of equity interests, within certain investing parameters without first offering the property for purchase to the Arch Street Joint Venture. The ROFO Agreement will expire upon the earlier of (1) November 12, 2024 (the third anniversary of its execution), (2) the date on which the Arch Street Joint Venture is terminated or (3) the date on which the Arch Street Joint Venture’s gross book value of assets is below \$50.0 million. If the Arch Street Joint Venture decides not to acquire any such property, we may seek to acquire the property independently, subject to certain restrictions. We do not anticipate that the ROFO Agreement will have a material impact on our ability to acquire additional real estate investments, although it could result in us acquiring future properties through the Arch Street Joint Venture rather than as sole owner.

Derivatives and Hedging Activities

During the year ended December 31, 2021, we entered into interest rate swap agreements with an aggregate notional amount of \$175.0 million, effective on December 1, 2021 and terminating on November 12, 2023, which were designated as cash flow hedges, in order to hedge interest rate volatility. During the year ended December 31, 2022, in connection with the transition of the benchmark rate for borrowings under the Credit Agreement from LIBOR to SOFR, we terminated the interest rate swap agreements that had been entered into during the year ended December 31, 2021, and entered into new interest rate swap agreements with an aggregate notional amount of \$175.0 million, effective on December 1, 2022 and terminating on November 12, 2023, which were designated as cash flow hedges, to hedge interest rate volatility with respect to our borrowings under the Term Loan Facility. These swap agreements remained in effect for the \$175.0 million of borrowings under the Revolving Facility used to pay down the Term Loan Facility until November 12, 2023. Upon the scheduled expiration of the interest rate swap agreements, we entered into interest rate collar agreements on a total notional amount of \$60.0 million to hedge against interest rate volatility on the Revolving Facility. Under the agreements, the benchmark rate for the Revolving Facility will float between 5.50% per annum and 4.20% per annum on \$25.0 million, and 5.50% per annum and 4.035% per annum on \$35.0 million, effective from November 13, 2023 until May 12, 2025.

Dividends

We have elected to be taxed as a REIT for U.S. federal income tax purposes beginning with our taxable year ended December 31, 2021. We intend to make regular distributions to our stockholders to satisfy the requirements to maintain our qualification as a REIT.

During the three months ended March 31, 2024, the Company's Board of Directors declared quarterly cash dividends on shares of our common stock as follows:

Declaration Date	Record Date	Paid Date	Distributions Per Share
February 27, 2024	March 29, 2024	April 15, 2024	\$0.10

On May 7, 2024, the Company's Board of Directors declared a quarterly cash dividend of \$0.10 per share for the second quarter of 2024, payable on July 15, 2024, to stockholders of record as of June 28, 2024.

Our dividend policy is established at the discretion of the Company's Board of Directors and future dividends may be funded from a variety of sources. We expect that for the years ended December 31, 2024 and 2025, our dividends will exceed our net income under U.S. GAAP because of non-cash expenses, mainly depreciation and amortization expense and impairment charges, which are included in net income. To the extent that our funds available for distribution are less than the amount we must distribute to our stockholders to satisfy the requirements to maintain our qualification as a REIT, we may consider various means to cover any such shortfall, including borrowing under our Revolving Facility or other loans, selling certain of our assets or using a portion of the net proceeds we receive from future offerings of equity, equity-related securities or debt securities or declaring share dividends. In addition, our organizational documents permit us to issue shares of preferred equity that could have a preference on dividends, and if we do, the dividend preference on the preferred equity could limit our ability to pay dividends to the holders of our common stock.

Universal Shelf Registration Statement

On November 2, 2022, the Company filed a universal shelf registration statement on Form S-3 (the "Universal Shelf") with the SEC, and the Universal Shelf was declared effective by the SEC on November 14, 2022. Pursuant to the Universal Shelf, the Company is able to offer and sell from time to time in multiple transactions, up to \$750.0 million of the Company's securities, including through "at the market" offering programs or firm commitment underwritten offerings. These securities may include shares of the Company's common stock, shares of the Company's preferred stock, depository shares representing interests in shares of the Company's preferred stock, debt securities, warrants to purchase shares of the Company's common stock or shares of the Company's preferred stock and units consisting of two or more shares of common stock, shares of preferred stock, depository shares, debt securities and warrants.

ATM Program

In November 2022, the Company established, as part of its Universal Shelf, an "at the market" offering program for its common stock (the "ATM Program"). Pursuant to the ATM Program, the Company may from time to time offer and sell shares of its common stock, having an aggregate offering price of up to \$100.0 million. Such offers or sales of shares of the Company's common stock may be made in privately negotiated transactions, including block trades, brokers' transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act, including sales made directly on the New York Stock Exchange, or through forward transactions under separate master forward sale confirmations and related supplemental confirmations for the sale of shares of the Company's common stock on a forward basis. As of March 31, 2024, we had not sold any shares of common stock pursuant to the ATM Program.

Net proceeds from the securities issued, if any, may be used for general corporate purposes, which may include funding capital expenditures and leasing costs at our properties and repaying outstanding indebtedness. The Company has no immediate plans to issue any securities for capital raising purposes pursuant to the Universal Shelf or otherwise.

Share Repurchase Program

On November 1, 2022, the Company's Board of Directors authorized the repurchase of up to \$50.0 million of the Company's outstanding common stock until December 31, 2025, as market conditions warrant (the "Share Repurchase Program"). Repurchases may be made through open market purchases, privately negotiated transactions, structured or derivative transactions, including accelerated stock repurchase transactions, or other methods of acquiring shares in accordance with applicable securities laws and other legal requirements. The Share Repurchase Program does not obligate the Company to make any repurchases at a specific time or in a specific situation. Repurchases are subject to prevailing market conditions, the trading price of the Company's common stock, the Company's liquidity and anticipated liquidity needs, financial performance and other conditions. Shares of common stock repurchased by the Company under the Share Repurchase Program, if any, will be returned to the status of authorized but unissued shares of common stock. The Company did not repurchase any shares under

the Share Repurchase Program during the three months ended March 31, 2024 or 2023. As of March 31, 2024, the Company had approximately \$45.0 million available under the Share Repurchase Program.

Cash Flow Analysis for the Three Months Ended March 31, 2024 and 2023

The following table summarizes the changes in cash flows for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 (in thousands):

	Three Months Ended March 31,		2024 vs 2023 Increase/(Decrease)
	2024	2023	
Net cash provided by operating activities	\$ 11,022	\$ 11,441	\$ (419)
Net cash used in investing activities	\$ (3,751)	\$ (2,467)	\$ (1,284)
Net cash used in financing activities	\$ (5,826)	\$ (5,844)	\$ 18

Net cash provided by operating activities decreased \$0.4 million during the three months ended March 31, 2024, compared to the same period in 2023, primarily due to a decrease in our revenue overall as a result of dispositions and vacancies, offset by net changes in accounts receivable, net and other assets, net as well as accounts payable, accrued expenses and other liabilities, net.

Net cash used in investing activities increased \$1.3 million during the three months ended March 31, 2024, compared to the same period in 2023, primarily due to a \$1.3 million increase in capital expenditures and leasing costs.

Net cash used in financing activities remained relatively consistent during the three months ended March 31, 2024, compared to the same period in 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

See information appearing under the caption “Liquidity and Capital Resources” appearing in “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Quarterly Report on Form 10-Q.

Market Risk

The market risk associated with financial instruments and derivative financial instruments is the risk of loss from adverse changes in market prices or interest rates. Our market risk arises primarily from interest rate risk relating to variable-rate borrowings. To meet our short and long-term liquidity requirements, we borrow funds at a combination of fixed and variable rates. Our interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows and to manage our overall borrowing costs. To achieve these objectives, from time to time, we may enter into interest rate hedge contracts such as swaps, caps, collars, treasury locks, options and forwards in order to mitigate our interest rate risk with respect to various debt instruments. We would not hold or issue these derivative contracts for trading or speculative purposes.

Interest Rate Risk

As of March 31, 2024, our debt included fixed-rate debt, with a fair value and carrying value of \$331.2 million and \$355.0 million, respectively. Changes in market interest rates on our fixed-rate debt impact the fair value of the debt, but they have no impact on interest incurred or cash flow. For instance, if interest rates rise 100 basis points, and the fixed-rate debt balance remains constant, we expect the fair value of our debt to decrease, the same way the price of a bond declines as interest rates rise. The sensitivity analysis related to our fixed-rate debt assumes an immediate 100 basis point move in interest rates from March 31, 2024 levels, with all other variables held constant. A 100 basis point increase in market interest rates would result in a decrease in the fair value of our fixed-rate debt of \$8.4 million. A 100 basis point decrease in market interest rates would result in an increase in the fair value of our fixed-rate debt of \$8.7 million.

As of March 31, 2024, our debt included variable-rate debt with a fair value and carrying value of \$116.0 million. As a result, we are subject to the potential impact of rising interest rates, which could negatively impact our results of operations and cash flows. The sensitivity analysis related to our variable-rate debt assumes an immediate 100 basis point move in interest rates from March 31, 2024 levels and excludes the impact of the derivative instrument, with all other variables held constant. A 100 basis point increase or decrease in variable interest rates would result in a decrease or increase in the fair value of our variable-rate debt of less than \$0.1 million and would increase or decrease our interest expense by \$1.2 million annually.

As of March 31, 2024, the Company had interest rate collar agreements in place on a total notional amount of \$60.0 million to hedge against interest rate volatility on the Revolving Facility. See Note 6 – Debt, Net to our consolidated financial statements.

As of March 31, 2024, our outstanding derivative agreements had a fair value that resulted in net liabilities of less than \$0.1 million. See Note 7 – Derivatives and Hedging Activities to our consolidated and combined financial statements for further discussion.

As the information presented above includes only those exposures that existed as of March 31, 2024, it does not consider exposures or positions arising after that date. The information presented herein has limited predictive value. Future actual realized gains or losses with respect to interest rate fluctuations will depend on cumulative exposures, hedging strategies employed and the magnitude of the fluctuations.

These amounts were determined by considering the impact of hypothetical interest rate changes on our borrowing costs and assume no other changes in our capital structure.

Credit Risk

Concentrations of credit risk arise when a number of tenants are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations, including those to the Company, to be similarly affected by changes in economic conditions. The Company is subject to tenant, geographic and industry concentrations. See “Item 1. Business” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023. Any downturn of the economic conditions in one or more of these tenants, geographies or industries, or any other concentrations to which the Company is subject, could result in a material reduction of our cash flows or material losses to us.

The factors we consider in determining the credit risk of our tenants include, but are not limited to: payment history; credit status and change in status (credit ratings for public companies are used as a primary metric); change in tenant space needs (*i.e.*, expansion/downsize); tenant financial performance; economic conditions in a specific geographic region; and industry specific credit considerations. We believe that the credit risk of our portfolio is reduced by the high quality and diversity of our existing tenant base, reviews of prospective tenants’ risk profiles prior to lease execution and consistent monitoring of our portfolio to identify potential problem tenants.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms, and that such information is accumulated and communicated to us, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, we recognize that no controls and procedures, no matter how well designed and operated, can provide absolute assurance of achieving the desired control objectives.

As required by Rules 13a-15(b) and 15d-15(b) of the Exchange Act, an evaluation was conducted under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2024. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures, as of March 31, 2024, were effective at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act of 1934) during the three months ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

As of the end of the period covered by this Quarterly Report on Form 10-Q, we are not a party to, and none of our properties are subject to, any material pending legal proceedings.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed in Part I, Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2023, except as set forth below.

We have existing debt and refinancing risks that could have a material adverse effect on our business, financial condition and results of operations, including the risk that we will be unable to extend or refinance some or all of our debt.

We have both fixed and variable rate indebtedness and may incur additional indebtedness in the future, including borrowings under our Revolving Facility. Our Revolving Facility is scheduled to mature in November 2024, and we have the option to extend the maturity an additional 18 months until May 12, 2026. The extension option is subject to customary conditions, including there being no default or event of default, such as the failure to satisfy a financial or other covenant. Our ability to satisfy these conditions and continue to comply with the terms of the Revolving Facility is partially dependent upon us having a sufficient level of unencumbered asset value as defined in the credit agreement with respect to the Revolving Facility. As of March 31, 2024, our unencumbered asset value for this purpose was \$773.4 million. On May 3, 2024, we entered into an amendment to the Revolving Facility. Under the terms of the amendment, we and the lenders agreed to reduce the borrowing capacity of the Revolving Facility to \$350.0 million, from \$425.0 million, and to certain financial covenant changes, including a proportional reduction in the minimum unencumbered asset value that we must maintain to \$500.0 million, from \$600.0 million. After giving effect to the amendment, our unencumbered asset value as of March 31, 2024 was \$863.4 million, and we expect to be able to satisfy the loan extension conditions and therefore, intend to elect the option to extend the maturity date of the Revolving Facility until May 12, 2026. However, there can be no assurance that we will be able to satisfy the extension conditions and continue to comply with the Revolving Facility.

If we are unable to meet the conditions to extend and continue to comply with the Revolving Facility, we might be forced to sell assets to generate cash, which might be on unfavorable terms, if at all, or we might not be able to make all required payments of principal and interest on our debt, which could result in a default, result in our lenders foreclosing on our assets, or otherwise have a material adverse effect on our financial condition and results of operations.

The non-recourse mortgage notes associated with the Arch Street Joint Venture of \$136.7 million as of March 31, 2024 are also scheduled to mature in November 2024, and the Arch Street Joint Venture has two successive one-year options to extend the maturity until November 27, 2026. The extension options are subject to satisfaction of certain conditions, including satisfaction of certain financial and operating covenants. The Arch Street Joint Venture may be unable to satisfy the extension conditions, and is also evaluating alternatives to refinance this obligation. We cannot provide any assurance the Arch Street Joint Venture will be able to satisfy the extension conditions or otherwise extend or refinance the loan. If the Arch Street Joint Venture is unable to extend or refinance the mortgage notes, our investment in the Arch Street Joint Venture could be materially adversely affected.

As a result of the indebtedness we incur, we are, and expect to be, subject to the risks normally associated with debt financing including:

- that we will be unable to extend, refinance or repay our debt as it becomes due or increase the availability of overall debt on terms as favorable as those of our existing debt, or at all;
- that interest rates may rise;
- that our cash flow could be insufficient to make required payments of principal and interest;
- that required payments on mortgages and on our other debt are not reduced if the economic performance of any property declines;
- that debt service obligations will reduce funds available for distribution to our stockholders;
- that any default on our debt, due to noncompliance with financial covenants or otherwise, could result in acceleration of those obligations; and

- that if our degree of leverage is viewed unfavorably by lenders or potential joint venture partners, it could affect our ability to obtain additional financing.

If we are unable to repay, extend or refinance our indebtedness as it becomes due, we may need to sell assets or to seek protection from our creditors under applicable law, which may have a material adverse effect on our business, financial condition and results of operations.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.

Recent Sales of Unregistered Securities

None.

Use of Proceeds from Sales of Registered Securities

Not applicable.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Amendment to Revolving Credit Agreement

On May 3, 2024, Orion Office REIT Inc. (the “Company”), as parent, and its operating partnership, Orion Office REIT LP (“Orion OP”) as borrower, entered into a third amendment (the “Third Amendment”) to their credit agreement with Wells Fargo Bank National Association, as Administrative Agent, and the lenders party thereto (as amended, the “Credit Agreement”).

Under the terms of the Third Amendment, Orion OP and the lenders agreed to reduce the borrowing capacity of the Company’s senior revolving credit facility (the “Revolving Facility”) to \$350.0 million, from \$425.0 million, and to certain financial covenant changes, including a proportional reduction in the minimum unencumbered asset value that must be maintained by Orion OP to \$500.0 million, from \$600.0 million.

The Administrative Agent and other lenders under the Revolving Facility or their affiliates are also agents and forward purchasers under the Company’s “at the market” offering program for its common stock.

The above descriptions of the Third Amendment and the Credit Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of the Third Amendment (including the copy of the Credit Agreement attached thereto), which is attached as Exhibit 10.1 to this Quarterly Report on Form 10-Q, and incorporated by reference herein.

Rule 10b5-1 Trading Agreements

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(c) of Regulation S-K.

Item 6. Exhibits.

The following exhibits are included, or incorporated by reference, in this Quarterly Report on Form 10-Q for the period ended March 31, 2024 (and are numbered in accordance with Item 601 of Regulation S-K):

Exhibit No.	Description
10.1*	Third Amendment to the Credit Agreement, dated as of May 3, 2024, among Orion Office REIT LP, as Borrower, Orion Office REIT, Inc., as Parent, Wells Fargo Bank, National Association, as Administrative Agent, and the Lenders party thereto.
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.SCH**	Inline XBRL Taxonomy Extension Schema Document.
101.CAL**	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF**	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB**	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104**	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*).

* Filed herewith

** In accordance with Item 601(b)(32) of Regulation S-K, this Exhibit is not deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section. Such certifications will not be deemed incorporated by reference into any filing under the federal securities laws, Section 27A of the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

THIRD AMENDMENT TO CREDIT AGREEMENT

THIS THIRD AMENDMENT TO CREDIT AGREEMENT, dated as of May 3, 2024 (this “Agreement”), is among ORION OFFICE REIT LP, a limited partnership formed under the laws of the State of Maryland (the “Borrower”), ORION OFFICE REIT INC., a corporation formed under the laws of the State of Maryland (“Parent”), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (in such capacity, the “Agent”), and the Lenders (defined below) party hereto.

RECITALS

WHEREAS, the Borrower, the Parent, the lenders from time to time party thereto (the “Lenders”) and the Agent are parties to the Credit Agreement, dated as of November 12, 2021 (as amended by the First Amendment to Credit Agreement, dated as of December 1, 2022, as further amended by the Second Amendment to Credit Agreement, dated as of June 29, 2023, and as further amended, restated, modified or supplemented prior to the date hereof, the “Existing Credit Agreement”; the Existing Credit Agreement, as modified hereby and as further amended from time to time in accordance with the terms thereof, the “Amended Credit Agreement”). Terms used but not defined herein shall have the respective meanings ascribed thereto in the Amended Credit Agreement.

WHEREAS, the Loan Parties have requested, and the Agent and the Lenders party hereto (which such Lenders comprise the Requisite Lenders under the Existing Credit Agreement) have agreed, to amend certain provisions of the Existing Credit Agreement, on the term and conditions set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

I. **AMENDMENTS TO CREDIT AGREEMENT.** Subject to the conditions precedent set forth in Section IV below, as of the Third Amendment Effective Date (as defined below), the Existing Credit Agreement is hereby amended to delete the red font stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the blue font double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in Exhibit A attached hereto such that, immediately after giving effect to this Agreement, the Amended Credit Agreement will read as set forth in Exhibit A. For the avoidance of doubt, Annexes, Schedules and Exhibits to the Amended Credit Agreement shall remain in the form attached to the Existing Credit Agreement, except that Schedule I to the Amended Credit Agreement shall be replaced by Schedule I attached to this Agreement.

II. **REDUCTION OF REVOLVING COMMITMENTS.** On the Third Amendment Effective Date, in accordance with Section 2.13 of the Existing Credit Agreement and notwithstanding any notice requirement set forth therein (and any such notice requirement being expressly waived), the aggregate amount of the Revolving Commitments of all Revolving Lenders shall be permanently reduced to \$350,000,000.

III. **REPRESENTATIONS.** The Borrower, on its own behalf and on behalf of the other Loan Parties, hereby represents, warrants and confirms that the representations and warranties in Article VII of the Amended Credit Agreement and the other Loan Documents are true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) as of the date hereof, except to the extent any such representation or warranty relates solely to an earlier date, in which case such representation or warranty shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of such earlier date, and the representations and warranties contained in Section 7.1.(k) of the Amended Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 9.1. or 9.2. of the Amended Credit Agreement.

IV. CONDITIONS TO EFFECTIVENESS. This Agreement will become effective on the first date (such date, the “Third Amendment Effective Date”) on which each of the following conditions is satisfied:

A. The Agent shall have received counterparts of this Agreement executed and delivered by the Borrower, the other Loan Parties, the Lenders party hereto, constituting the Requisite Lenders, and the Agent.

B. The Agent shall have received counterparts of the Consent, Reaffirmation, Agreement and Amendment of Guarantor in substantially the form attached hereto as Exhibit B, duly executed by each Guarantor.

C. The Agent shall have received a Compliance Certificate, executed on behalf of Parent or the Borrower by a Responsible Officer of Parent or the Borrower, prepared as of the last day of the most recent fiscal quarter of Parent for which financials are available, evidencing pro forma compliance with the covenants set forth in Section 10.1. of the Amended Credit Agreement.

D. The Agent and Wells Fargo Securities, LLC shall have received all other reasonable fees and other amounts due and payable by the Borrower to the Agent and Wells Fargo Securities, LLC, on or prior to the date hereof, including, to the extent invoiced, reimbursement or payment of all out of pocket expenses required pursuant to the terms of the Amended Credit Agreement to be reimbursed or paid by the Borrower in connection herewith.

E. The representations and warranties contained in Article VII of the Amended Credit Agreement and the other Loan Documents shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of the Third Amendment Effective Date, except to the extent any such representation or warranty relates solely to an earlier date, in which case such representation or warranty shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of such earlier date, and the representations and warranties contained in Section 7.1.(k) of the Amended Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 9.1. or 9.2. of the Amended Credit Agreement.

F. As of the date hereof, both immediately before and immediately after entering into this Agreement, no Default or Event of Default exists.

V. MISCELLANEOUS.

A. Each party hereto agrees that, except as specifically amended hereby, the Loan Documents shall remain unmodified and in full force and effect. The Borrower and Parent hereby ratify and confirm their respective obligations under the Amended Credit Agreement and the other Loan Documents to which it is a party. Nothing in this Agreement shall limit, impair or constitute a waiver of the rights, powers or remedies available to the Administrative Agent or the Lenders under the Amended Credit Agreement or any other Loan Document.

B. On and after the date hereof, references in the Amended Credit Agreement or in any other Loan Document to the Loan Documents shall be deemed to be references to the Loan Documents as amended hereby and as further amended, restated, modified or supplemented from time to time. This Agreement shall constitute a Loan Document.

C. This Agreement may be executed in any number of counterparts, all of which taken together

shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing

NAI-1539712032v7

-2-

any such counterpart. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic mail message shall be effective as delivery of a manually executed counterpart of this Agreement.

D. This Agreement shall be construed in accordance with and governed by the law of the State of New York. Section 13.4. of the Amended Credit Agreement is incorporated herein by reference, *mutatis mutandis*.

E. Any provision in this Agreement that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of this Agreement are declared to be severable.


F. The words “execute,” “execution,” “signed,” “signature,” and words of like import in or related to (i) any document to be signed by any Lender or Issuing Bank (collectively, the “Lender Parties”), in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form; and (ii) any document to be signed by the Borrower or any other Loan Party in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature of such Lender Party, the Borrower or other Loan Party, or the use of a paper-based recordkeeping system with respect to such Lender Party, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary, the Agent is under no obligation to agree to accept electronic signatures from any Lender Party, the Borrower or other Loan Party in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it; provided further that, upon the request of the Agent or any Lender, any such electronic signature shall be followed by a manually executed version thereof. Each of the undersigned hereby (i) agrees that, for all purposes, electronic images of this Agreement (including with respect to any of the Lender Parties’ signature pages thereto) shall have the same legal effect, validity, admissibility into evidence and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity, admissibility into evidence or enforceability of this Agreement based solely on the lack of paper original copies hereof, including with respect to any of the Lender Parties’ signatures hereto.

[Remainder of page intentionally blank]

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


Borrower

ORION OFFICE REIT LP,

By: 
Name: Gavin B. Brandon
Title: Executive Vice President, Chief Financial Officer and
Treasurer

Parent

ORION OFFICE REIT INC.,

By: 
Name: Gavin B. Brandon
Title: Executive Vice President, Chief Financial Officer and
Treasurer

[ORION – Third Amendment to Credit Agreement]

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**, as Administrative Agent and a
Revolving Lender

By: Rebecca Ghermezi
Name: Rebecca Ghermezi
Title: Vice President

ORION – Third Amendment to Credit Agreement

JPMORGAN CHASE BANK, N.A., as a Revolving
Lender

By:  _____

Name: Ryan Dempsey
Title: Authorized Officer



MIZUHO BANK, LTD., as a Revolving Lender

By: 

Name: Donna DeMagistris

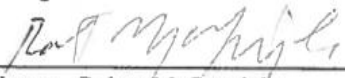
Title: Managing Director

[ORION – Third Amendment to Credit Agreement]

TD Bank, N.A., as a Revolving Lender

By:  _____
Name: Nathan Bondini
Title: Vice President

**PENTAGON FEDERAL CREDIT UNION, as a
Revolving Lender**

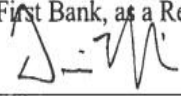
By: 

Name: Robert McGunnigle

Title: SVP, CRE Lending & Portfolio Management

MidFirst Bank, as a Revolving Lender

By:



Name: Darrin Rigler

Title: Senior Vice President

The Bank of Nova Scotia, as a Revolving Lender

By:  _____
Name: Chelsea McCune
Title: Director

EXHIBIT A

Amended Credit Agreement

[Attached]

Execution Version

EXHIBIT A TO ~~SECOND~~THIRD AMENDMENT TO CREDIT AGREEMENT,
DATED AS OF ~~JUNE 29, 2023~~MAY 3, 2024

CREDIT AGREEMENT

dated as of November 12, 2021

conformed through

~~SECOND~~THIRD AMENDMENT TO CREDIT AGREEMENT

dated as of ~~June 29~~May 3, 20232024

by and among

ORION OFFICE REIT INC.,
as Parent,

ORION OFFICE REIT LP,
as Borrower,

THE FINANCIAL INSTITUTIONS PARTY HERETO
AND THEIR ASSIGNEES UNDER SECTION 13.5.,
as Lenders,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as the Administrative Agent

WELLS FARGO SECURITIES, LLC,
JPMORGAN CHASE BANK, N.A.,
MIZUHO BANK, LTD. and
TD BANK, N.A.,
as Joint Lead Arrangers and Joint Bookrunners,

and

JPMORGAN CHASE BANK, N.A.,
MIZUHO BANK, LTD. and
TD BANK, N.A.,
as Syndication Agents

| NAI-~~1535429342v17~~[1539712033v8](#)

TABLE OF CONTENTS

Article I. Definitions.....	1
Section 1.1. Definitions.....	1
Section 1.2. General; References to Central Time.....	<u>3739</u>
Section 1.3. Financial Attributes of Non-Wholly Owned Subsidiaries.....	<u>3840</u>
Section 1.4. Rates.....	<u>3840</u>
Section 1.5. Divisions.....	<u>3940</u>
Article II. Credit Facility.....	<u>3941</u>
Section 2.1. Revolving Loans.....	<u>3941</u>
Section 2.2. [Intentionally Omitted.].....	<u>4042</u>
Section 2.3. [Intentionally Omitted.].....	<u>4042</u>
Section 2.4. Letters of Credit.....	<u>4042</u>
Section 2.5. Changed Circumstances.....	<u>4547</u>
Section 2.6. Rates and Payment of Interest on Loans.....	<u>4749</u>
Section 2.7. Number of Interest Periods.....	<u>4850</u>
Section 2.8. Repayment of Loans.....	<u>4950</u>
Section 2.9. Prepayments.....	<u>4950</u>
Section 2.10. Continuation.....	<u>4951</u>
Section 2.11. Conversion.....	<u>5052</u>
Section 2.12. Notes.....	<u>5052</u>
Section 2.13. Voluntary Reductions of the Revolving Commitments.....	<u>5153</u>
Section 2.14. Extension of the Revolving Termination Date.....	<u>5153</u>
Section 2.15. Expiration Date of Letters of Credit Past Revolving Commitment Termination.....	<u>5254</u>
Section 2.16. Amount Limitations.....	<u>5254</u>
Section 2.17. Incremental Increases.....	<u>5254</u>
Section 2.18. Funds Transfer Disbursements.....	<u>5456</u>
Article III. Payments, Fees and Other General Provisions.....	<u>5556</u>
Section 3.1. Payments.....	<u>5556</u>
Section 3.2. Pro Rata Treatment.....	<u>5557</u>
Section 3.3. Sharing of Payments by Lenders.....	<u>5658</u>
Section 3.4. Several Obligations.....	<u>5658</u>
Section 3.5. Fees.....	<u>5758</u>
Section 3.6. Computations.....	<u>5759</u>
Section 3.7. Usury.....	<u>5859</u>
Section 3.8. Statements of Account.....	<u>5860</u>
Section 3.9. Defaulting Lenders.....	<u>5860</u>
Section 3.10. Taxes.....	<u>6163</u>
Article IV. UNENCUMBERED POOL.....	<u>6567</u>
Section 4.1. Unencumbered Pool Requirements.....	<u>6567</u>
Article V. Yield Protection, Etc.....	<u>6667</u>
Section 5.1. Additional Costs; Capital Adequacy.....	<u>6667</u>
Section 5.2. [Reserved].....	<u>6769</u>
Section 5.3. Illegality.....	<u>6769</u>
Section 5.4. Compensation.....	<u>6769</u>
Section 5.5. [Reserved].....	<u>6870</u>

| [REDACTED] [\[REDACTED\]](#)

| NAI-~~1535429342v17~~[1539712033v8](#)

Section 5.6. Replacement of Lenders.....	<u>6870</u>
Section 5.7. Change of Lending Office.....	<u>6971</u>
Section 5.8. Assumptions Concerning Funding of Term SOFR Loans.....	<u>6971</u>
Article VI. Conditions Precedent.....	<u>6971</u>
Section 6.1. Initial Conditions Precedent.....	<u>6971</u>
Section 6.2. Conditions Precedent to All Loans and Letters of Credit.....	<u>7274</u>
Article VII. Representations and Warranties.....	<u>7375</u>
Section 7.1. Representations and Warranties.....	<u>7375</u>
Section 7.2. Survival of Representations and Warranties, Etc.....	<u>8082</u>
Article VIII. Affirmative Covenants.....	<u>8182</u>
Section 8.1. Preservation of Existence and Similar Matters.....	<u>8183</u>
Section 8.2. Compliance with Applicable Law.....	<u>8183</u>
Section 8.3. Maintenance of Property.....	<u>8183</u>
Section 8.4. Conduct of Business.....	<u>8183</u>
Section 8.5. Insurance.....	<u>8183</u>
Section 8.6. Payment of Taxes and Claims.....	<u>8284</u>
Section 8.7. Books and Records; Inspections.....	<u>8284</u>
Section 8.8. Use of Proceeds.....	<u>8385</u>
Section 8.9. Environmental Matters.....	<u>8385</u>
Section 8.10. Further Assurances.....	<u>8385</u>
Section 8.11. Material Contracts.....	<u>8385</u>
Section 8.12. REIT Status.....	<u>8485</u>
Section 8.13. Exchange Listing.....	<u>8486</u>
Section 8.14. Guarantors; Collateral.....	<u>8486</u>
Section 8.15. Springing Security Covenant.....	<u>8486</u>
Article IX. Information.....	<u>8789</u>
Section 9.1. Quarterly Financial Statements.....	<u>8789</u>
Section 9.2. Year-End Statements.....	<u>8789</u>
Section 9.3. Compliance Certificate.....	<u>8890</u>
Section 9.4. Other Information.....	<u>8890</u>
Section 9.5. Electronic Delivery of Certain Information.....	<u>9092</u>
Section 9.6. Public/Private Information.....	<u>9193</u>
Section 9.7. USA Patriot Act Notice; Compliance.....	<u>9193</u>
Article X. Negative Covenants.....	<u>9294</u>
Section 10.1. Financial Covenants.....	<u>9294</u>
Section 10.2. Negative Pledge.....	<u>9698</u>
Section 10.3. Restrictions on Intercompany Transfers.....	<u>9698</u>
Section 10.4. Merger, Consolidation, Sales of Assets and Other Arrangements.....	<u>9799</u>
Section 10.5. Plan Assets; Prohibited Transactions.....	<u>98100</u>
Section 10.6. Fiscal Year.....	<u>99101</u>
Section 10.7. Modifications of Organizational Documents and Material Contracts.....	<u>99101</u>
Section 10.8. Use of Proceeds.....	<u>99101</u>
Section 10.9. Subordinated Debt Prepayments; Amendments.....	<u>99101</u>
Section 10.10. Transactions with Affiliates.....	<u>100102</u>
Section 10.11. Development Property and Unimproved land.....	<u>101103</u>

Section 10.12.....	Environmental Matters. 101 <u>103</u>
Article XI. Default.....	101 <u>103</u>
Section 11.1. Events of Default.....	101 <u>103</u>
Section 11.2. Remedies Upon Event of Default.....	104 <u>106</u>
Section 11.3. Marshaling; Payments Set Aside.....	105 <u>107</u>
Section 11.4. Flood Laws.....	106 <u>108</u>
Section 11.5. Allocation of Proceeds.....	106 <u>108</u>
Section 11.6. Letter of Credit Collateral Account.....	107 <u>109</u>
Section 11.7. Rescission of Acceleration by Requisite Lenders.....	108 <u>110</u>
Section 11.8. Performance by Administrative Agent.....	108 <u>110</u>
Section 11.9. Rights Cumulative.....	108 <u>110</u>
Article XII. The Administrative Agent.....	109 <u>111</u>
Section 12.1. Appointment and Authorization.....	109 <u>111</u>
Section 12.2. Administrative Agent as Lender.....	110 <u>112</u>
Section 12.3. Approvals of Lenders.....	110 <u>112</u>
Section 12.4. Notice of Events of Default.....	111 <u>113</u>
Section 12.5. Administrative Agent's Reliance.....	111 <u>113</u>
Section 12.6. Indemnification of Administrative Agent.....	111 <u>113</u>
Section 12.7. Lender Credit Decision, Etc.....	112 <u>114</u>
Section 12.8. Successor Administrative Agent.....	113 <u>115</u>
Section 12.9. Titled Agents.....	114 <u>116</u>
Section 12.10. Specified Derivatives Contracts and Specified Cash Management Agreements.....	114 <u>116</u>
Section 12.11. Erroneous Payments.....	114 <u>116</u>
Section 12.12. Collateral and Guaranty Matters.....	116 <u>118</u>
Section 12.13. Post-Foreclosure Plans.....	117 <u>119</u>
Section 12.14. Certain ERISA Matters.....	118 <u>120</u>
Article XIII. Miscellaneous.....	119 <u>121</u>
Section 13.1. Notices.....	119 <u>121</u>
Section 13.2. Expenses.....	121 <u>123</u>
Section 13.3. Setoff.....	122 <u>124</u>
Section 13.4. Litigation; Jurisdiction; Other Matters; Waivers.....	123 <u>125</u>
Section 13.5. Successors and Assigns.....	124 <u>126</u>
Section 13.6. Amendments and Waivers.....	128 <u>130</u>
Section 13.7. Nonliability of Administrative Agent and Lenders.....	130 <u>132</u>
Section 13.8. Confidentiality.....	130 <u>132</u>
Section 13.9. Indemnification.....	131 <u>133</u>
Section 13.10. Termination; Survival.....	132 <u>134</u>
Section 13.11. Severability of Provisions.....	132 <u>134</u>
Section 13.12. GOVERNING LAW.....	133 <u>135</u>
Section 13.13. Counterparts.....	133 <u>135</u>
Section 13.14. Obligations with Respect to Loan Parties and Subsidiaries.....	133 <u>135</u>
Section 13.15. Independence of Covenants.....	133 <u>135</u>
Section 13.16. Limitation of Liability.....	133 <u>135</u>
Section 13.17. Entire Agreement.....	133 <u>135</u>
Section 13.18. Construction.....	134 <u>136</u>
Section 13.19. Acknowledgement and Consent to Bail-In of Affected Financial Institutions.....	134 <u>136</u>

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NAI-1535429342v171539712033v8



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|

Section 13.20. Headings.....	134 <u>136</u>
Section 13.21. Acknowledgement Regarding Any Supported QFCs.....	134 <u>136</u>

|

SCHEDULE I	Commitments
SCHEDULE 1.1.(a)	List of Loan Parties
SCHEDULE 1.1.(b)	Permitted Liens
SCHEDULE 4.2	Unencumbered Pool Properties
SCHEDULE 7.1.(b)	Ownership Structure
SCHEDULE 7.1.(f)	Title to Properties; Liens
SCHEDULE 7.1.(g)	Existing Indebtedness; Total Liabilities
SCHEDULE 7.1.(h)	Material Contracts
SCHEDULE 7.1.(i)	Litigation
SCHEDULE 7.1.(s)	Affiliate Transactions
SCHEDULE 8.15(a)	Collateral Property Diligence
EXHIBIT A	Form of Assignment and Assumption Agreement
EXHIBIT B	Form of Disbursement Instruction Agreement
EXHIBIT C	Form of Guaranty
EXHIBIT D	Form of Notice of Borrowing
EXHIBIT E	Form of Notice of Continuation
EXHIBIT F	Form of Notice of Conversion
EXHIBIT G	Form of Revolving Note
EXHIBIT H	Form of Term Note
EXHIBITS I	Forms of U.S. Tax Compliance Certificates
EXHIBIT J	Form of Compliance Certificate
EXHIBIT K	Form of Pledge Agreement

THIS CREDIT AGREEMENT (this “**Agreement**”), dated as of November 12, 2021 by and among (i) ORION OFFICE REIT LP, a limited partnership formed under the laws of the State of Maryland (the “**Borrower**”), (ii) ORION OFFICE REIT INC., a corporation formed under the laws of the State of Maryland (“**Parent**”), (iii) each of the financial institutions initially a signatory hereto together with their successors and assignees under Section 13.5. (the “**Lenders**”), and (iv) WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (the “**Administrative Agent**”), with WELLS FARGO SECURITIES, LLC, JPMORGAN CHASE BANK, N.A., MIZUHO BANK, LTD. and TD BANK, N.A., as Joint Lead Arrangers and Joint Bookrunners (in such capacities, the “**Arrangers**”), and WELLS FARGO BANK, NATIONAL ASSOCIATION, JPMORGAN CHASE BANK, N.A., MIZUHO BANK, LTD. and TD BANK, N.A., as Syndication Agents (the “**Syndication Agents**”).

WHEREAS, the Administrative Agent, the Issuing Banks and the Lenders desire to make available to the Borrower a credit facility in the initial amount of \$600,000,000, which will include an initial \$175,000,000 term loan facility and an initial \$425,000,000 revolving credit facility with a \$25,000,000 letter of credit subfacility on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, such parties hereby agree as follows:

ARTICLE I. DEFINITIONS

Section 1.1. Definitions.

In addition to terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Agreement:

“**Abated Rent**” means rent that is forgiven or set at a reduced rate as compared to the “fixed” or “base” rent set forth in the applicable Rent Abated Lease; provided, however, at no time shall Abated Rent include any Impinged Rent.

“**Accession Agreement**” means an Accession Agreement substantially in the form of Annex I to the Guaranty.

“**Additional Costs**” has the meaning given that term in Section 5.1.(b).

“**Adjusted Daily Simple SOFR**” means, for any day (a “**Simple SOFR Rate Day**”), a rate per annum equal to the greater of (a) the sum of (i) SOFR for the day (such day, a “**Simple SOFR Determination Day**”) that is five (5) U.S. Government Securities Business Days prior to (A) if such Simple SOFR Rate Day is a U.S. Government Securities Business Day, such Simple SOFR Rate Day or (B) if such Simple SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such Simple SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website; provided that if by 5:00 p.m. on the second (2nd) U.S. Government Securities Business Day immediately following any Simple SOFR Determination Day, SOFR in respect of such Simple SOFR Determination Day has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to Adjusted Daily Simple SOFR has not occurred, then SOFR for such Simple SOFR Determination Day will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator’s Website; provided further that SOFR as determined pursuant to this proviso shall be utilized for purposes of calculation of Adjusted Daily Simple SOFR for no more than three (3) consecutive Simple SOFR Rate Days and (ii) the Simple SOFR Adjustment and (b) the Floor. Any change in Adjusted Daily Simple SOFR due to a change in SOFR

regression and (c) the effect of any change in expected entry, simple COX and to a change in COX.

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shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

“Adjusted Funds Available For Distribution” means Funds Available For Distribution adjusted to add-back tenant improvement allowances and leasing commissions, and plus Impinged Rent.

“Adjusted NOI” means, for any period, Net Operating Income from all Unencumbered Pool Properties for such period, adjusted for Net Operating Income losses suffered by any Property for which a Casualty/Condemnation Event has occurred with respect to such Property which has not been fully restored and paid for in full.

“Adjusted Term SOFR” means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

“Administrative Agent” means Wells Fargo Bank, National Association, as contractual representative of the Lenders under this Agreement, or any successor “Administrative Agent” appointed pursuant to Section 12.8.

“Administrative Agent Fee Letter” means that certain fee letter dated as of October 20, 2021, between the Borrower and the Administrative Agent.

“Administrative Questionnaire” means the Administrative Questionnaire completed by each Lender and delivered to the Administrative Agent in a form supplied by the Administrative Agent to the Lenders from time to time.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. Unless explicitly set forth to the contrary, a reference to an “Affiliate” means an Affiliate of the Borrower.

“Agreement” has the meaning set forth in the first paragraph hereof.

“Agreement Date” means the date as of which this Agreement is dated.

“Agreement Date Transactions” means, collectively, (a) the repayment of certain Indebtedness of the Loan Parties and their Subsidiaries to occur on or prior to the Effective Date, (b) the Merger (as defined in the Merger Agreement) and the transactions contemplated thereby including, but not limited to, (i) the Reorganization Plan (as defined in the Merger Agreement), (ii) the OfficeCo Distribution (as defined in the Merger Agreement) and (iii) the listing of common equity interests of Parent on the New York Stock Exchange, (c) the initial borrowings and other extensions of credit under this Agreement and the CMBS Term Loan Facility on the Effective Date and (d) the payment of fees, commissions and expenses in connection with each of the foregoing.

“Announcements” has the meaning assigned thereto in Section 1.4.

“**Anti-Corruption Laws**” means all Applicable Laws of any jurisdiction from time to time concerning or relating to bribery or corruption, including the United States Foreign Corrupt Practices Act of 1977 and the rules and regulations thereunder and the U.K. Bribery Act 2010 and the rules and regulations thereunder.

“**Anti-Money Laundering Laws**” means any and all Applicable Laws related to terrorism financing, money laundering, any predicate crime to money laundering or any financial record keeping, including any applicable provision of the PATRIOT Act and The Currency and Foreign Transactions Reporting Act (also known as the “Bank Secrecy Act,” 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“**Applicable Law**” means all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, executive orders, and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“**Applicable Margin**” means, from and after the Second Amendment Effective Date, 3.25% for Daily Simple SOFR Loans or Term SOFR Loans and 2.25% for Base Rate Loans.

“**Appraisal**” means, with respect to any Property, an M.A.I. appraisal commissioned by and addressed to the Administrative Agent (reasonably acceptable to the Administrative Agent as to form and appraisal date), prepared by a professional appraiser reasonably acceptable to the Administrative Agent, having at least the minimum qualifications required under Applicable Law governing the Administrative Agent and the Lenders, including, without limitation, FIRREA, and determining both the “as-is” market value of such Property as between a willing buyer and a willing seller and the “as-stabilized value” of such Property.

“**Appraised Value**” means, with respect to any Property, the “as-is” or “as-stabilized”, as applicable, market value of such Property as reflected in the most recent Appraisal of such Property accepted by Administrative Agent, as the same may have been adjusted by the Administrative Agent based upon its internal review of such Appraisal which is based on criteria and factors then generally used and considered by the Administrative Agent, which review shall be conducted prior to acceptance of such Appraisal by the Administrative Agent.

“**Approved Fund**” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“**Arch Street Joint Venture**” means OAP/VER Venture, LLC, a Delaware limited liability company.

“**Arrangers**” has the meaning set forth in the introductory paragraph hereof.

“**Assignment and Assumption**” means an Assignment and Assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 13.5.), and accepted by the Administrative Agent, in substantially the form of Exhibit A or any other form approved by the Administrative Agent.

“**Available Tenor**” means, as of any date of determination and with respect to any then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or

component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.5.(c)(iv).

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bankruptcy Code" means 11 U.S.C. §§ 101 *et seq.*

"Base Rate" means, at any time, the highest of (a) the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of 1%, (b) the Prime Rate and (c) Adjusted Daily Simple SOFR in effect on such day plus 1%; each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Rate or Adjusted Daily Simple SOFR, as applicable (provided that clause (c) shall not be applicable during any period in which Adjusted Daily Simple SOFR is unavailable or unascertainable).

"Base Rate Loan" means any Loan bearing interest at a rate based upon the Base Rate.

"Benchmark" means, initially, Adjusted Daily Simple SOFR or Adjusted Term SOFR, as applicable; provided that if a Benchmark Transition Event has occurred with respect to Adjusted Daily Simple SOFR or Adjusted Term SOFR, as applicable, or the applicable then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.5.(c)(i).

"Benchmark Replacement" means, with respect to any Benchmark Transition Event for any then-current Benchmark, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for such Benchmark giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to such then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor (if applicable), the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent

and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities.

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to any then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors (if applicable) of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor (if applicable) of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, if the applicable then-current Benchmark has any Available Tenors, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors (if applicable) of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to any then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors (if applicable) of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor (if applicable) of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the FRB, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors (if applicable) of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will

continue to provide any Available Tenor (if applicable) of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if the applicable then-current Benchmark has any Available Tenors, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Start Date**” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“**Benchmark Unavailability Period**” means, with respect to any then-current Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date with respect to such Benchmark has occurred if, at such time, no Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.5.(c)(i) and (y) ending at the time that a Benchmark Replacement has replaced such Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.5.(c)(i).

“**Benefit Arrangement**” means at any time an “employee benefit plan” within the meaning of Section 3(3) of ERISA which is not a Plan or a Multiemployer Plan and which is maintained or otherwise contributed to by the Borrower or any Subsidiary.

“**Borrower**” has the meaning set forth in the introductory paragraph hereof and shall include the Borrower’s successors and permitted assigns.

“**Borrower Information**” has the meaning given that term in Section 2.6.(c).

“**Business Day**” means any day that (a) is not a Saturday, Sunday or other day on which the Federal Reserve Bank of New York is closed and (b) is not a day on which commercial banks in New York, New York are closed.

“**Capitalization Rate**” means 10.0%.

“**Capitalized Lease Obligations**” means obligations under a lease (or other arrangement conveying the right to use property) to pay rent or other amounts that are required to be capitalized for financial reporting purposes in accordance with GAAP. The amount of a Capitalized Lease Obligation is the capitalized amount of such obligation as would be required to be reflected on a balance sheet of the applicable Person prepared in accordance with GAAP as of the applicable date.

“**Cash Collateralize**” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Issuing Banks or the Revolving Lenders, as collateral for Letter of Credit Liabilities

or obligations of Revolving Lenders to fund participations in respect of Letter of Credit Liabilities, cash or deposit account balances or, if the Administrative Agent and the Issuing Banks shall agree in their sole discretion, other credit support, in each case pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the Issuing Banks. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means (a) securities issued, guaranteed or insured by the United States or any of its agencies with maturities of not more than one year from the date acquired; (b) time deposits, certificates of deposit or bankers' acceptances with maturities of not more than one year from the date acquired issued by any Lender (or bank holding company owning any Lender) or by any other United States federal or state chartered commercial bank of recognized standing, or a commercial bank organized under the laws of any other country which is a member of the Organisation for Economic Co-operation and Development, or a political subdivision of any such country, acting through a branch or agency, which bank has capital and unimpaired surplus in excess of \$500,000,000 and which bank or its holding company has a short-term commercial paper rating of at least A-2 or the equivalent by S&P or at least P-2 or the equivalent by Moody's; (c) reverse repurchase agreements with terms of not more than seven days from the date acquired, for securities of the type described in clause (a) above and entered into only with commercial banks having the qualifications described in clause (b) above; (d) commercial paper issued by any Lender (or any bank holding company owning any Lender) or by any other Person incorporated under the laws of the United States or any State thereof and rated at least A-2 or the equivalent thereof by S&P or at least P-2 or the equivalent thereof by Moody's, in each case with maturities of not more than one year from the date acquired; and (e) investments in money market funds registered under the Investment Company Act of 1940 which have net assets of at least \$500,000,000 and at least 85% of whose assets consist of securities and other obligations of the type described in clauses (a) through (d) above.

"Cash Management Agreement" means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card (including non-card electronic payables and purchasing cards), electronic funds transfer and other cash management arrangements.

"Casualty/Condemnation Event" means the occurrence of (i) any damage to an Unencumbered Pool Property, in whole or in part, by fire or other casualty or (ii) any condemnation of any Unencumbered Pool Property, in each case, equaling or exceeding twenty percent (20%) of the as-is Appraised Value of such Property.

"CMBS Borrowers" means Cole OF Hopewell Township NJ, LLC, Orion Bedford TX LLC, Orion Sterling VA LLC, Orion Phoenix AZ LLC, Cole OF Urbana MD, LLC, CLF Pulco One LLC, Orion Memphis TN LLC, Orion Columbus OH LLC, Cole OF Duluth GA, LLC, ARC ESSTLMO001, LLC, ARCP OFC Malvern PA, LLC, Cole OF Kennesaw GA, LLC, Realty Income East Syracuse Fair Lakes, LLC, Realty Income East Windsor SciPark, LLC, Orion Nashville TN LLC, Orion Cedar Rapids IA LLC, Orion Malone NY LLC, Orion Paris TX LLC and Orion Brownsville TX 2 LLC.

"CMBS Lender" means Wells Fargo Bank National Association, together with its successors and/or assigns.

"CMBS Loan" means that certain loan by the CMBS Lender to the CMBS Borrower pursuant to the CMBS Loan Agreement.

"CMBS Loan Agreement" means that certain Loan Agreement, dated as of February 10, 2022, by and among the CMBS Borrowers, as borrower, and the CMBS Lender, as lender.

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“**Collateral**” means any collateral or other property securing the Obligations at any time pursuant to the Loan Documents and, for the avoidance of doubt, shall include all “Pledged Collateral” as defined in the Pledge Agreement. From and after the Borrower’s compliance with the Springing Security Covenant Conditions, Collateral shall include all “Property,” “Improvements,” and “Collateral” (or other similar term) under and as defined in each Security Instrument, all “Management Agreements” (or other similar term) as defined in any Property Management Contract Assignment, and all other property subject to a Lien created by a Security Document.

“**Collateral Agent**” means Wells Fargo Bank, National Association, in its capacity as collateral agent under the Security Documents.

“**Commitment**” means as to a Lender, such Lender’s Revolving Commitment.

“**Commodity Exchange Act**” means the Commodity Exchange Act, 7 U.S.C. § 1 et seq.

“**Compliance Certificate**” has the meaning given that term in Section 9.3.

“**Conforming Changes**” means, with respect to either the use or administration of an initial Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 5.4. and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“**Connection Income Taxes**” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“**Continue**”, “**Continuation**” and “**Continued**” each refers to the continuation of a SOFR Loan from one Interest Period to another Interest Period pursuant to Section 2.10.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“**Convert**”, “**Conversion**” and “**Converted**” each refers to the conversion of a Loan of one Type into a Loan of another Type pursuant to Section 2.11.

“**Covered Party**” has the meaning given that term in Section 13.21.(a).

“**Credit Event**” means any of the following: (a) the making (or deemed making) of any Loan, (b) the Conversion of a Base Rate Loan into a SOFR Loan, (c) the Continuation of a Term SOFR Loan

and (d) the issuance of a Letter of Credit or the amendment of a Letter of Credit that extends the maturity, or increases the Stated Amount, of such Letter of Credit.

“Daily Simple SOFR Loan” means any Loan bearing interest at a rate based on Adjusted Daily Simple SOFR (other than pursuant to the Adjusted Daily Simple SOFR component of the definition of “Base Rate”).

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” means any of the events specified in Section 11.1., whether or not there has been satisfied any requirement for the giving of notice, the lapse of time, or both.

“Defaulting Lender” means, subject to Section 3.9.(f), any Lender that (a) has failed to (i) fund all or any portion of its Loans within 2 Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s reasonable determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the Issuing Banks or any other Lender any other amount required to be paid by it hereunder (including, with respect to a Revolving Lender, in respect of its participation in Letters of Credit) within 2 Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or any Issuing Bank in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s reasonable determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) in the case of a Revolving Lender, has failed, within 3 Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 3.9.(f)) upon delivery of written notice by the Administrative Agent of such determination to the Borrower, the Issuing Banks and each Lender.

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“Derivatives Contract” means a “swap agreement” as defined in Section 101 of the Bankruptcy Code. Notwithstanding anything to the contrary in the foregoing, any Permitted Bond Hedge Transaction, Permitted Warrant Transaction, or Permitted Corresponding Swap Transaction, and any obligations thereunder, in each case, shall not constitute Derivatives Contracts.

“Derivatives Termination Value” means, in respect of any one or more Derivatives Contracts, after taking into account the effect of any legally enforceable netting agreement or provision relating thereto, (a) for any date on or after the date such Derivatives Contracts have been terminated or closed out, the termination amount or value determined in accordance therewith, and (b) for any date prior to the date such Derivatives Contracts have been terminated or closed out, the then-current mark-to-market value for such Derivatives Contracts, determined based upon one or more mid-market quotations or estimates provided by any recognized dealer in Derivatives Contracts (which may include the Administrative Agent, any Lender, any Specified Derivatives Provider or any Affiliate of any of them).

“Development Property” means a Property, subject to the last sentence of this definition, designated as such by the Borrower, on which the improvements related to the development have not been substantially completed. A Development Property shall cease to constitute a Development Property on the earlier of (a) the date on which all improvements (other than tenant improvements on unoccupied space) related to the development of such Property have been substantially completed for at least 12 months and (b) the date on which the Borrower elects in its sole discretion to remove the designation as a “Development Property”.

“Disbursement Instruction Agreement” means an agreement substantially in the form of Exhibit B to be executed and delivered by the Borrower pursuant to Section 6.1.(a), as the same may be amended, restated or modified from time to time with the prior written approval of the Administrative Agent.

“Dollars” or **“\$”** means the lawful currency of the United States.

“Domestic Subsidiary” means any Subsidiary organized under the laws of the United States or any political subdivision of the United States.

“EBITDA” means, with respect to a Person for any period and without duplication, the sum of (a) net income (loss) of such Person for such period determined on a consolidated basis, but excluding the following (but only to the extent included in determining net income (loss) for such period): (i) depreciation and amortization; (ii) interest expense; (iii) income tax expense; (iv) extraordinary or nonrecurring items, including without limitation, gains and losses from the sale of Properties; (v) gains and losses resulting from currency exchange effects and hedging arrangements; (vi) non-cash stock compensation costs of such Person for such period, and (vii) equity in net income (loss) of its Unconsolidated Affiliates; plus (b) such Person’s Ownership Share of EBITDA of its Unconsolidated Affiliates; plus (c) Impinged Rent. EBITDA shall be adjusted to remove any impact from straight line rent level adjustments required under GAAP, amortization of above and below market rent intangibles pursuant to FASB ASC 805 and amortization of deferred lease incentives. For purposes of this definition, nonrecurring items shall be deemed to include, but shall not be limited to, (w) gains and losses on early extinguishment of Indebtedness, (x) severance and other restructuring charges, (y) transaction costs of the Agreement Date Transactions and any other acquisitions, dispositions, capital markets offerings, debt financings and amendments thereto not permitted to be capitalized pursuant to GAAP and (z) non-cash impairment charges.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any

entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any credit institution or investment firm established in any EEA Member Country.

“Effective Date” means the date on which all of the conditions precedent set forth in Section 6.1. shall have been fulfilled or waived by all of the Lenders.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 13.5.(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 13.5.(b)(iii)).

“Eligible Ground Lease” means a ground lease containing terms and conditions customarily required by mortgagees making a loan secured by the interest of the holder of the leasehold estate demised pursuant to a ground lease, including without limitation, the following: (a) a remaining term (including any unexercised extension options exercisable at the sole option of the ground lessee) of 30 years or more from the Agreement Date; (b) the right of the lessee to mortgage and encumber its interest in the leased property, and to amend the terms of any such mortgage or encumbrance, in each case, without the consent of the lessor; (c) the obligation of the lessor to give the holder of any mortgage Lien on such leased property written notice of any defaults on the part of the lessee and agreement of such lessor that such lease will not be terminated until such holder has had a reasonable opportunity to cure or complete foreclosures, and fails to do so; (d) reasonably acceptable transferability of the lessee’s interest under such lease, including ability to sublease (provided that a provision that if a consent of such ground lessor is required, such consent is subject to either an express reasonableness standard or an objective financial standard for the transferee that is reasonably satisfactory to the Administrative Agent shall be deemed acceptable); and (e) clearly determinable rental payment terms.

“Environmental Claims” means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, accusations, allegations, notices of noncompliance or violation, investigations (other than internal reports prepared by any Person in the ordinary course of business and not in response to any third party action or request of any kind) or proceedings relating in any way to any actual or alleged violation of or liability under any Environmental Law or relating to any permit issued, or any approval given, under any such Environmental Law, including any and all claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to public health or the environment.

“Environmental Laws” means any Applicable Law relating to the protection of public health or the environment, including, but not limited to, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Materials.

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“Equity Interest” means (a) in the case of a corporation, capital stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, (c) in the case of a partnership, partnership interests (whether general or limited), (d) in the case of a limited liability company, membership interests, (e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person and (f) any and all warrants, rights or options to purchase any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, and the rules and regulations thereunder.

“ERISA Event” means, with respect to the ERISA Group, (a) any “reportable event” as defined in Section 4043 of ERISA with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the withdrawal of a member of the ERISA Group from a Plan subject to Section 4063 of ERISA during a plan year in which it was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) the incurrance by a member of the ERISA Group of any liability with respect to the withdrawal or partial withdrawal from any Multiemployer Plan; (d) the incurrance by any member of the ERISA Group of any liability under Title IV of ERISA with respect to the termination of any Plan or Multiemployer Plan; (e) the institution of proceedings to terminate a Plan or Multiemployer Plan by the PBGC; (f) the failure by any member of the ERISA Group to make when due required contributions to a Multiemployer Plan or Plan unless such failure is cured within 30 days or the filing pursuant to Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard; (g) any other event or condition that would reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or Multiemployer Plan or the imposition of liability under Section 4069 or 4212(c) of ERISA; (h) the receipt by any member of the ERISA Group of any notice or the receipt by any Multiemployer Plan from any member of the ERISA Group of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is reasonably expected to be, insolvent (within the meaning of Section 4245 of ERISA), in reorganization (within the meaning of Section 4241 of ERISA), or in “critical” status (within the meaning of Section 432 of the Internal Revenue Code or Section 305 of ERISA); (i) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any member of the ERISA Group or the imposition of any Lien in favor of the PBGC under Title IV of ERISA; or (j) a determination that a Plan is, or is reasonably expected to be, in “at risk” status (within the meaning of Section 430 of the Internal Revenue Code or Section 303 of ERISA).

“ERISA Group” means the Borrower, any Subsidiary and all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control, which, together with the Borrower or any Subsidiary, are treated as a single employer under Sections 414(b) or (c) of the Internal Revenue Code or, solely for Section 412 of the Internal Revenue Code and Sections 302 or 4007 of ERISA, Sections 414(m) or (o) of the Internal Revenue Code.

“Erroneous Payment” has the meaning given that term in Section 12.11.

“Erroneous Payment Deficiency Assignment” has the meaning given that term in Section 12.11.

“Erroneous Payment Impacted Class” has the meaning given that term in Section 12.11.

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“**Erroneous Payment Return**” has the meaning given that term in Section 12.11.

“**Escrow Account**” means the account established by the master servicer of the CMBS Loan into which funds were deposited pursuant to the CMBS Loan Agreement from which account the Impinged Rent is to be released during the Rent-Free Period.

“**EU Bail-In Legislation Schedule**” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor thereto), as in effect from time to time.

“**Event of Default**” means any of the events specified in Section 11.1., provided that any requirement for passage of time, giving of notice, or any other condition, has been satisfied.

“**Exchange Act**” means the Securities Exchange Act of 1934 (15 U.S.C. § 77 et seq.).

“**Excluded Subsidiary**” means any Subsidiary (a) holding title to assets that are or are to become collateral for any Secured Indebtedness of such Subsidiary (or the assets of which consist of Equity Interests of such a Subsidiary), that is prohibited from Guarantying the Indebtedness of any other Person pursuant to (i) any document, instrument or agreement evidencing such Secured Indebtedness or (ii) a provision of such Subsidiary’s organizational documents which provision was included in such Subsidiary’s organizational documents as a condition to the extension of such Secured Indebtedness, (b) that is prohibited by law or governmental regulations from Guarantying the Obligations, (c) that is (i) not a Wholly Owned Subsidiary and (ii) prohibited from Guarantying the Indebtedness of any other Person without the consent of any Person (other than the Borrower and its Wholly Owned Subsidiaries) pursuant to a provision of such Subsidiary’s organizational documents which provision was required by a third party equity owner of such Subsidiary, or (d) that is a Foreign Subsidiary, Foreign Subsidiary HoldCo or a Subsidiary of any Foreign Subsidiary or of any Foreign Subsidiary HoldCo.

“**Excluded Swap Obligation**” means, with respect to any Loan Party, any Swap Obligation if, and to the extent that, all or a portion of the liability of such Loan Party for or the Guarantee of such Loan Party of, or the grant by such Loan Party of a Lien to secure, such Swap Obligation (or any liability or guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Loan Party’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the liability for or the Guarantee of such Loan Party or the grant of such Lien becomes effective with respect to such Swap Obligation (such determination being made after giving effect to any applicable keepwell, support or other agreement for the benefit of the applicable Loan Party, including under any applicable provision of the Guaranty). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or Lien is or becomes illegal for the reasons identified in the immediately preceding sentence of this definition.

“**Excluded Taxes**” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to an Applicable Law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to

an assignment request by the Borrower under Section 5.6.) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 3.10., amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.10.(g) and (d) any withholding Taxes imposed under FATCA.

"Extended Letter of Credit" has the meaning given that term in Section 2.4.(b).

"Extending Revolving Lenders" means, collectively, each Revolving Lender that is a party to the Second Amendment, together with such Lender's successors and assigns.

"Extended Revolving Termination Date" has the meaning specified in the definition of "Revolving Termination Date."

"Extension Notice" has the meaning given that term in Section 2.14.(a).

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Internal Revenue Code.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that if such rate is not so published for any day which is a Business Day, the Federal Funds Rate for such day shall be the average of the quotation for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by the Administrative Agent. Notwithstanding the foregoing, if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fee Letters" means the Administrative Agent Fee Letter and the Lead Arranger Fee Letter.

"Fees" means the fees and commissions provided for or referred to in Section 3.5. and any other fees payable by the Borrower hereunder or under any other Loan Document.

"FIRREA" means the Financial Institution Recovery, Reform and Enforcement Act of 1989.

"First Amendment Effective Date" means December 1, 2022.

"Fixed Charges" means, with respect to a Person and for a given period, the sum of (a) the Interest Expense of such Person for such period, plus (b) the aggregate of all regularly scheduled principal payments on Indebtedness made by such Person during such period (excluding balloon, bullet or similar payments of principal due upon the stated maturity of Indebtedness), plus (c) the aggregate amount of all Preferred Dividends paid by such Person during such period. The Borrower's Ownership Share of the

Fixed Charges of its Unconsolidated Affiliates will be included when determining the Fixed Charges of the Borrower.

“**Flood Laws**” has the meaning given that term in Section 11.4.

“**Floor**” means a rate of interest equal to 0.00%.

“**Foreign Lender**” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes.

“**Foreign Subsidiary**” means any Subsidiary that is not a Domestic Subsidiary.

“**Foreign Subsidiary Holdco**” means a Domestic Subsidiary substantially all of the assets of which consist of Equity Interests of, or Indebtedness owing from, one or more Foreign Subsidiaries.

“**FRB**” means the Board of Governors of the Federal Reserve System of the United States.

“**Fronting Exposure**” means, at any time there is a Defaulting Lender that is a Revolving Lender, with respect to an Issuing Bank, such Defaulting Lender’s Revolving Commitment Percentage of the outstanding Letter of Credit Liabilities with respect to Letters of Credit issued by such Issuing Bank other than Letter of Credit Liabilities as to which such Defaulting Lender’s participation obligation has been reallocated to other Revolving Lenders or Cash Collateralized in accordance with the terms hereof.

“**Fund**” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit in the ordinary course of its activities.

“**Funds Available For Distribution**” means Funds From Operations less capital expenditures, but modified to exclude transaction related expenses, spin related expenses, gains or losses on extinguishment of swaps and/or debt, amortization of deferred lease incentives, amortization of deferred financing costs, equity-based compensation, amortization of premiums and discounts on debt, net, amortization of above market leases, net of amortization of below market lease liabilities, and straight-line rental revenue. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds available for distribution on the same basis.

“**Funds From Operations**” means net income available to common stockholders (computed in accordance with GAAP), plus depreciation, amortization and impairments, but excluding gains on the sale of investment properties from “continuing operations” and “discontinued operations” (as indicated on the consolidated statements of income (and accompanying notes) of the Borrower) and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. Funds From Operations shall be calculated consistent with the National Association of Real Estate Investments Trusts, Inc. (“NAREIT”) as of the Agreement Date, but without giving effect to any supplements, amendments or other modifications promulgated after the Agreement Date.

“**GAAP**” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the

United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governmental Approvals” means all authorizations, consents, approvals, permits, licenses and exemptions of, and all registrations and filings with or issued by, any Governmental Authorities.

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guaranteed Obligations” means, collectively, (a) the Obligations and (b) all existing or future payment and other obligations owing by any Loan Party under any Specified Derivatives Contract (other than any Excluded Swap Obligation) or any Specified Cash Management Agreement.

“Guarantor” means (i) Parent and (ii) any Person that is party to the Guaranty as a “Guarantor” and shall in any event include each Subsidiary of the Borrower (other than an Excluded Subsidiary) that is required to become a Guarantor in order to comply with Section 8.14.

“Guaranty”, “Guaranteed” or to **“Guarantee”** as applied to any obligation means and includes: (a) a guaranty (other than by endorsement of negotiable instruments for collection in the ordinary course of business), directly or indirectly, in any manner, of any part or all of such obligation, or (b) an agreement, direct or indirect, contingent or otherwise, and whether or not constituting a guaranty, the practical effect of which is to assure the payment or performance (or payment of damages in the event of nonperformance) of any part or all of such obligation whether by: (i) the purchase of securities or obligations, (ii) the purchase, sale or lease (as lessee or lessor) of property or the purchase or sale of services primarily for the purpose of enabling the obligor with respect to such obligation to make any payment or performance (or payment of damages in the event of nonperformance) of or on account of any part or all of such obligation, or to assure the owner of such obligation against loss, (iii) the supplying of funds to or in any other manner investing in the obligor with respect to such obligation, (iv) repayment of amounts drawn down by beneficiaries of letters of credit (including Letters of Credit), or (v) the supplying of funds to or investing in a Person on account of all or any part of such Person’s obligation under a Guaranty of any obligation or indemnifying or holding harmless, in any way, such Person against any part or all of such obligation. As the context requires, “Guaranty” shall also mean the guaranty executed and delivered pursuant to Section 6.1. or 8.14. and substantially in the form of Exhibit C.

“Hazardous Materials” means any substances or materials (a) which are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants, chemical substances or mixtures or toxic substances (or words of similar intent or meaning) under any Environmental Law, (b) which are toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise harmful to public health or the environment and are or become regulated by any Governmental Authority, (c) the presence of which require investigation or remediation under any Environmental Law or common law, (d) the discharge or emission or release of which requires a permit or license under any Environmental Law or other Governmental Approval, (e) which are deemed by a Governmental Authority to constitute a nuisance or a trespass which pose a health or safety hazard to Persons or neighboring properties, or (f) which contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or waste, crude oil, nuclear fuel, natural gas or synthetic gas.

“**Hopewell Asset**” means that certain premises consisting of three office buildings and certain other improvements located at 1500, 1550 & 1600 Merrill Lynch Drive, Township of Hopewell, New Jersey.

“**Impinged Rent**” means, for the period beginning on December 1, 2024 through and including November 30, 2025 (the “**Rent-Free Period**”) with respect to the Hopewell Asset, all amounts disbursed on a monthly basis from the Escrow Account and received by the Borrower.

“**Increase Effective Date**” has the meaning assigned thereto in Section 2.17(c).

“**Incremental Amendment**” has the meaning assigned thereto in Section 2.17(f).

“**Incremental Facilities Limit**” means \$225,000,000 less the total aggregate initial principal amount (as of the date of incurrence thereof) of all previously incurred Incremental Increases.

“**Incremental Increase**” has the meaning assigned thereto in Section 2.17(a).

“**Incremental Lender**” has the meaning assigned thereto in Section 2.17(b).

“**Indebtedness**” means, with respect to a Person, at the time of computation thereof, all of the following (without duplication): (a) all obligations of such Person in respect of money borrowed or for the deferred purchase price of property or services (other than (A) trade debt incurred in the ordinary course of business and (B) any earnout obligation until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP (excluding disclosure on the notes and footnotes thereto) and if not paid after becoming due and payable); (b) all obligations of such Person, whether or not for money borrowed (i) represented by notes payable, or drafts accepted, in each case representing extensions of credit, (ii) evidenced by bonds, debentures, notes or similar instruments, or (iii) constituting purchase money indebtedness, conditional sales contracts, title retention debt instruments or other similar instruments, upon which interest charges are customarily paid or that are issued or assumed as full or partial payment for property or for services rendered; (c) Capitalized Lease Obligations of such Person; (d) all reimbursement obligations (contingent or otherwise) of such Person under or in respect of any letters of credit or acceptances (whether or not the same have been presented for payment); (e) all Off-Balance Sheet Obligations of such Person; (f) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Mandatorily Redeemable Stock issued by such Person or any other Person, valued at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; (g) net obligations under any Derivatives Contract not entered into as a hedge against interest rate risk in respect of existing Indebtedness, in an amount equal to the Derivatives Termination Value thereof at such time (but in no event less than zero) (but, for the avoidance of doubt, Indebtedness of the Loan Parties shall not include any agreement, commitment or arrangement for the sale of Equity Interests issued by the Loan Parties at a future date that could be discharged solely by (A) delivery of the Loan Parties’ Equity Interests (other than Mandatorily Redeemable Stock), or, (B) solely at the Loan Parties’ option made at any time, payment of the net cash value of such Equity Interests at the time, irrespective of the form or duration of such agreement, commitment or arrangement; provided, however, that during the period of time, if any, following an election by the Loan Parties to pay the net cash value of such Equity Interest and prior to payment of such net cash value, the obligation to pay such net cash value shall be included as “Indebtedness” hereunder (it being understood and agreed that the amount of such Indebtedness shall be calculated based on the closing price of the applicable Loan Party’s Equity Interests on the date of such election, irrespective of the market price of such Loan Party’s Equity Interests at any time following such election, including at the time of payment)); (h) all Indebtedness of other Persons which such Person has guaranteed or is otherwise recourse to such Person (except for guaranties of customary exceptions for fraud,

misapplication of funds, environmental indemnities, voluntary bankruptcy, collusive involuntary bankruptcy and other similar customary exceptions to non-recourse liability); and (i) all Indebtedness of another Person secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property or assets owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness or other payment obligation (valued in the case of this clause (i) at the lesser of (A) the aggregate unpaid amount of such Indebtedness and (B) if such Indebtedness is non-recourse, the fair market value of the property encumbered thereby as determined by such Person in good faith). Indebtedness of a Person shall include Indebtedness of any other Person to the extent such Indebtedness is recourse to such first Person. All Loans and Letter of Credit Liabilities shall constitute Indebtedness of the Borrower. Notwithstanding anything to the contrary in the foregoing, any Permitted Bond Hedge Transaction, Permitted Warrant Transaction, or Permitted Corresponding Swap Transaction, and any obligations thereunder, in each case, shall not constitute Indebtedness.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower or any other Loan Party under any Loan Document and (b) to the extent not otherwise described in the immediately preceding clause (a), Other Taxes.

“Initial Revolving Termination Date” has the meaning specified in the definition of “Revolving Termination Date.”

“Intellectual Property” has the meaning given that term in Section 7.1.(t).

“Interest Expense” means, with respect to a Person and for any period, without duplication, total interest expense of such Person, including capitalized interest not funded under a construction loan interest reserve account, determined on a consolidated basis in accordance with GAAP for such period; provided, that Interest Expense shall not include (i) capitalized interest funded from a construction loan interest reserve account held by another lender and not included in the calculation of cash for balance sheet reporting purposes, (ii) commitment or arrangement fees, (iii) premiums or penalties (including, without limitation, any make-whole payments associated with the early repayment, redemption or defeasance of Indebtedness) or (iv) upfront and one-time financing fees, including amortization of original issue discount. The Borrower’s Ownership Share of the Interest Expense of its Unconsolidated Affiliates will be included when determining the Interest Expense of the Borrower.

“Interest Period” means, as to each Term SOFR Loan, the period commencing on the date such Term SOFR Loan is disbursed or converted to, or continued as, a Term SOFR Loan and ending on the date one (1), three (3), or six (6) months thereafter, in each case as selected by the Borrower in its Notice of Borrowing or Notice of Conversion/Continuation and subject to availability; provided that:

(a) the Interest Period shall commence on the date of advance of or conversion to any Term SOFR Loan and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the immediately preceding Interest Period expires;

(b) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day;

(c) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period;

(d) no Interest Period shall extend beyond the Revolving Termination Date;

(e) there shall be no more than 15 Interest Periods in effect at any time; and

(f) no tenor that has been removed from this definition pursuant to Section 2.5.(c)(iv) shall be available for specification in any Notice of Borrowing, Notice of Conversion or Notice of Continuation.

“Interest Rate Swap” means, collectively, (i) that certain restructured interest rate swap transaction confirmation and related ISDA 2002 Master Agreement between JP Morgan Chase Bank, N.A. and the Borrower in the notional amount of \$59,000,000 with a trade date and effective date of December 1, 2021, a restructured trade date of December 2, 2022, and a termination date of November 12, 2023, (ii) that certain interest rate swap transaction confirmation and related ISDA 2002 Master Agreement between Mizuho Capital Markets LLC and the Borrower in the notional amount of \$58,000,000 with a trade date of December 2, 2022, an effective date of December 1, 2022, and a termination date of November 12, 2023, and (iii) that certain amended and restated interest rate swap transaction confirmation and related ISDA 2002 Master Agreement between The Toronto-Dominion Bank, New York Branch and the Borrower in the notional amount of \$58,000,000 with a trade date of December 1, 2021, an effective date of December 1, 2022 and a termination date of November 12, 2023.

“Internal Revenue Code” means the Internal Revenue Code of 1986.

“Investment” means, with respect to any Person, any acquisition or investment (whether or not of a controlling interest) by such Person, by means of any of the following: (a) the purchase or other acquisition of any Equity Interest in another Person, (b) a loan, advance or extension of credit to, capital contribution to, Guaranty of Indebtedness of, or purchase or other acquisition of any Indebtedness of, another Person, including any partnership or joint venture interest in such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute the business or a division or operating unit of another Person. Except as expressly provided otherwise, for purposes of determining compliance with any covenant contained in a Loan Document, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“IRS” means the United States Internal Revenue Service.

“Issuing Bank” means, individually and collectively, as the context hereof may suggest or require, Wells Fargo, JPMorgan Chase Bank, N.A., TD Bank, N.A. and any other Lender that agrees in writing to act as an Issuing Bank, each in its capacity as an issuer of Letters of Credit pursuant to Section 2.4.

“L/C Commitment Amount” has the meaning given to that term in Section 2.4.(a).

“L/C Disbursement” has the meaning given to that term in Section 3.9.(b).

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“**Lead Arranger Fee Letter**” means that certain fee letter dated as of October 20, 2021, by and among the Borrower, the Arrangers and the Administrative Agent.

“**Lender**” means each financial institution from time to time party hereto as a “Lender,” together with its respective successors and permitted assigns.

“**Lender Parties**” means, collectively, the Administrative Agent, the Lenders, the Issuing Banks, the Specified Derivatives Providers, the Specified Cash Management Banks, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 12.5, any other holder from time to time of any Obligations and, in each case, their respective successors and permitted assigns.

“**Lending Office**” means, for each Lender and for each Type of Loan, the office of such Lender specified in such Lender’s Administrative Questionnaire or in the applicable Assignment and Assumption, or such other office of such Lender as such Lender may notify the Administrative Agent in writing from time to time.

“**Letter of Credit**” has the meaning given that term in Section 2.4.(a).

“**Letter of Credit Collateral Account**” means a special deposit account maintained by the Administrative Agent, for the benefit of the Administrative Agent, the Issuing Banks and the Revolving Lenders, and under the sole dominion and control of the Administrative Agent, for the benefit of the Issuing Banks and the Revolving Lenders.

“**Letter of Credit Documents**” means, with respect to any Letter of Credit, collectively, any application therefor, any certificate or other document presented in connection with a drawing under such Letter of Credit and any other agreement, instrument or other document governing or providing for (a) the rights and obligations of the parties concerned or at risk with respect to such Letter of Credit or (b) any collateral security for any of such obligations.

“**Letter of Credit Liabilities**” means, without duplication, at any time and in respect of any Letter of Credit (a) the Stated Amount of such Letter of Credit plus (b) the aggregate unpaid principal amount of all Reimbursement Obligations of the Borrower at such time due and payable in respect of all drawings made under such Letter of Credit. For purposes of this Agreement, (i) a Revolving Lender (other than a Revolving Lender that is the Issuing Bank for the applicable Letter of Credit) shall be deemed to hold a Letter of Credit Liability in an amount equal to its participation interest under Section 2.4. in the related Letter of Credit, and the Revolving Lender that is the Issuing Bank for such Letter of Credit shall be deemed to hold a Letter of Credit Liability in an amount equal to its retained interest in the related Letter of Credit after giving effect to the acquisition by the other Revolving Lenders of their participation interests under such Section and (ii) if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“**Lien**” as applied to the property of any Person means: (a) any security interest, encumbrance, mortgage, deed to secure debt, deed of trust, assignment of leases and rents, pledge, lien, hypothecation, assignment, charge or lease constituting a Capitalized Lease Obligation, conditional sale or other title retention agreement, or other security title or encumbrance of any kind in respect of any property of such Person, or upon the income, rents or profits therefrom; and (b) any arrangement, express or implied, under which any property of such Person is transferred, sequestered or otherwise identified for the purpose of subjecting the same to the payment of Indebtedness or performance of any other obligation in priority to the payment of the general, unsecured creditors of such Person (provided, however, that an

agreement that either (a) conditions a Person's ability to encumber its assets upon the maintenance of one or more specified ratios or financial tests (including any financial ratio such as a maximum ratio of unsecured debt to unencumbered assets) that limit such Person's ability to encumber its assets but that do not generally prohibit the encumbrance of its assets, or the encumbrance of specific assets or (b) requires the grant of a Lien to secure Unsecured Indebtedness if a Lien is granted to secure the Obligations or other Unsecured Indebtedness of such Person, shall not constitute a "Lien").

"Loan Documents" means this Agreement, each Note, the Guaranty, the Pledge Agreement and each other Security Document, each Letter of Credit Document, the Fee Letters and each other document or instrument now or hereafter executed and delivered by a Loan Party to the Administrative Agent or a Lender in connection with, pursuant to or relating to this Agreement (other than any Specified Derivatives Contract and any Specified Cash Management Agreement) that is designated as a "Loan Document".

"Loan Party" means each of the Borrower, each other Person who guarantees all or a portion of the Obligations and/or who pledges any collateral to secure all or a portion of the Obligations. Schedule 1.1.(a) sets forth the Loan Parties in addition to the Borrower as of the Second Amendment Effective Date.

"Loans" means the Revolving Loans and "Loan" means a Revolving Loan.

"Mandatorily Redeemable Stock" means, with respect to any Person, any Equity Interest of such Person which by the terms of such Equity Interest (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable), upon the happening of any event or otherwise, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than an Equity Interest to the extent redeemable in exchange for common stock or other equivalent common Equity Interests), (b) is convertible into or exchangeable or exercisable for Indebtedness or Mandatorily Redeemable Stock, or (c) is redeemable at the option of the holder thereof, in whole or part (other than an Equity Interest which is redeemable in exchange for common stock or other equivalent common Equity Interests or, at the option of the Person responding to the redemption, for cash in lieu of Equity Interests, or a combination thereof), in the case of each of clauses (a) through (c), on or prior to the Revolving Termination Date.

"Material Adverse Effect" means, a materially adverse effect on (a) the business, assets, liabilities, condition (financial or otherwise), or results of operations of Parent, the Borrower and its Subsidiaries taken as a whole, (b) the ability of the Borrower and the Guarantors, taken as a whole, to perform their obligations under the Loan Documents, taken as a whole, (c) the validity or enforceability of any of the Loan Documents, (d) the rights and remedies of the Lenders, the Issuing Banks and the Administrative Agent, taken as a whole, under any of the Loan Documents, or (e) from and after the date of a Springing Security Covenant Trigger Event, when used with respect to an Unencumbered Pool Property, the use, value or operation of all Unencumbered Pool Properties, taken as a whole.

"Material Contract" means any written contract or other written arrangement (other than Loan Documents, "Loan Documents" (as defined in the CMBS Loan Agreement), Specified Derivatives Contracts and Specified Cash Management Agreements), to which the Borrower, any Subsidiary or any other Loan Party is a party as to which the breach, nonperformance, cancellation or failure to renew by any party thereto could reasonably be expected to have a Material Adverse Effect.

"Maximum Unencumbered Leverage Ratio" has the meaning given that term in Section 10.1.(d).

“**Maximum Unencumbered Leverage Ratio Cure**” has the meaning given that term in Section 10.1.(d).

“**Maximum Unencumbered Leverage Ratio Cure Period**” has the meaning given that term in Section 10.1.(d).

“**Merger Agreement**” means that certain Agreement and Plan of Merger, dated as of April 29, 2021, by and among Realty Income Corporation, RAMS MD Subsidiary I, Inc., RAMS Acquisition Sub II, LLC, VEREIT, Inc., and VEREIT Operating Partnership, L.P., as amended through the Agreement Date.

“**Minimum Property Value**” means, for a Property, if for the fiscal quarter most recently ended the Occupancy Rate of such Property:

(a) exceeds 80.0%, (i) Net Operating Income for such Property (other than a Property with a Net Operating Income that is less than or equal to zero, in which case, the Net Operating Income of such Property shall be deemed zero) for the fiscal quarter most recently ended, multiplied by 4 divided by (ii) the Capitalization Rate; or

(b) is equal to or less than 80.0%, at its option, the Borrower shall elect to apply for such fiscal quarter, either:

(i) (A) Net Operating Income for such Property (other than a Property with a Net Operating Income that is less than or equal to zero) for the fiscal quarter most recently ended, multiplied by 4, divided by (B) the Capitalization Rate; or

(ii) (A) in the case of a Property with an Occupancy Rate equal to or less than 80.0% for 12 consecutive months or less, 70.0% of the undepreciated book value of such Property, or (B) in the case of a Property with an Occupancy Rate equal to or less than 80.0% for more than 12 consecutive months, 50.0% of the undepreciated book value of such Property;

provided, however, notwithstanding the foregoing clauses (a) and (b), the Minimum Property Value of any Property that is subject to an arms-length contract for sale (including a customary deposit) with a third party purchaser and the due diligence period thereunder has expired shall be the contract price of such Property determined at the expiration of the due diligence period thereof; provided, further, however, for any Property that has been under contract to be sold for a period equal to or greater than 12 months after the due diligence period thereunder has expired, the Minimum Property Value of such Property shall be determined in accordance with clauses (a) or (b) above, as applicable.

“**MIRE Event**” means, any increase, extension or renewal of any of the Commitments or Loans (including any Incremental Increase pursuant to Section 2.17.), but excluding (i) any continuation or conversion of Loans, (ii) the making of any Loan, (iii) the issuance, renewal or extension of Letters of Credit and (iv) any extension of the Revolving Commitments pursuant to Section 2.14.

“**Moody’s**” means Moody’s Investors Service, Inc. and its successors.

“**Mortgage**” means a mortgage, deed of trust, deed to secure debt or similar security instrument made by a Person owning an interest in real estate granting a Lien on such interest in real estate as security for the payment of Indebtedness.

“**Mortgage Receivable**” means a promissory note secured by a Mortgage of which the Borrower or a Subsidiary is the holder and retains the rights of collection of all payments thereunder.

“**Multiemployer Plan**” means at any time a multiemployer plan within the meaning of Section 4001(a)(3) of ERISA to which any member of the ERISA Group is then making or accruing an obligation to make contributions or has within the preceding six plan years made contributions, including for these purposes any Person which ceased to be a member of the ERISA Group during such six-year period.

“**Negative Pledge**” means, with respect to a given asset, any provision of a document, instrument or agreement (other than any Loan Document) which prohibits or purports to prohibit the creation or assumption of any Lien on such asset as security for Indebtedness of the Person owning such asset or any other Person; provided, however, that an agreement that either (a) conditions a Person’s ability to encumber its assets upon the maintenance of one or more specified ratios or financial tests (including any financial ratio such as a maximum ratio of unsecured debt to unencumbered assets) that limit such Person’s ability to encumber its assets but that do not generally prohibit the encumbrance of its assets, or the encumbrance of specific assets or (b) requires the grant of a Lien to secure Unsecured Indebtedness if a Lien is granted to secure the Obligations or other Unsecured Indebtedness of such Person, shall not constitute a “Negative Pledge”.

“**Net Cash Proceeds**” means the aggregate cash proceeds received by the Borrower or any of its Subsidiaries, in respect of any Qualified Collateral Property Sale, net of (a) customary direct costs incurred in connection therewith (including legal, accounting and investment banking fees, and underwriting discounts and commissions), and (b) taxes paid or payable as a result thereof; it being understood that “Net Cash Proceeds” shall include, without limitation, any cash or cash equivalents received upon the sale or other disposition of any non-cash or non-cash equivalent consideration received by the Borrower or any of its Subsidiaries in respect of any Qualified Collateral Property Sale.

“**Net Operating Income**” means, for any Property and for a given period, the following (without duplication and determined on a consistent basis with prior periods): (a) rents and other revenues received in the ordinary course from such Property (including proceeds from rent loss or business interruption insurance (but not in excess of the actual rent otherwise payable) but excluding pre-paid rents and revenues and security deposits except to the extent applied in satisfaction of tenants’ obligations for rent), plus (b) with respect to the Hopewell Asset, Impinged Rent, minus (c) all expenses paid (excluding interest but including an appropriate accrual for property taxes and insurance) related to the ownership, operation or maintenance of such Property (other than those expenses normally covered by a management fee), including but not limited to property taxes, assessments and the like, insurance, utilities, payroll costs, maintenance, repair and landscaping expenses, marketing expenses, and general and administrative expenses (including an appropriate allocation for legal, accounting, advertising, marketing and other expenses incurred in connection with such Property, but specifically excluding depreciation and general overhead expenses of the Borrower and its Subsidiaries and any property management fees), minus (d) the Reserve for Replacements for such Property as of the end of such period, minus (e) the greater of (i) the actual property management fee paid during such period with respect to such Property and (ii) an imputed management fee in an amount equal to 1% of the gross revenues for such Property for such period. Notwithstanding the foregoing, solely with respect to Abated Rent during any applicable period provided for in a Rent Abated Lease with no more than one and one half months of Abated Rent per lease year calculated over the term of the entire Rent Abated Lease (i.e., if a Rent Abated Lease has a ten-year term, the limit would be fifteen months of rent abatement over the term of such Rent Abated Lease), the Borrower may include such Abated Rent for the applicable period in clause (a) above valued at an amount equal to the ratable portion of the applicable tenant’s initial year one base rental rates under such Rent Abated Lease plus, with respect to tenants under a Rent Abated Lease that is also a Triple Net Lease, estimated expense reimbursements (i.e. if the initial year one base rent is \$25.00 per square foot per

| Estimated Expense Reimbursements (i.e., if the initial year base rent is \$22.00 per square foot per

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annum and there are no expense reimbursements for the applicable period, Abated Rent for one quarter would be \$6.25 per square foot); provided that in any applicable Compliance Certificate where the Borrower has included Abated Rent as part of Net Operating Income, the Borrower has included a description of such rent abatements including the revenue adjustments applicable as a result thereof and such other information reasonably requested by the Administrative Agent.

“Non-Consenting Lender” means any Lender that does not approve any consent, approval, amendment or waiver that (a) requires the consent of all Lenders or all affected Lenders in accordance with the terms of Section 13.6. and (b) has been approved by the Requisite Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-Wholly Owned Subsidiary” means any Subsidiary of the Borrower that is not a Wholly Owned Subsidiary.

“Nonrecourse Indebtedness” means, with respect to a Person, (a) Indebtedness for borrowed money in respect of which recourse for payment (except for customary exceptions for fraud, misapplication of funds, environmental indemnities, voluntary bankruptcy, collusive involuntary bankruptcy and other similar customary exceptions to nonrecourse liability) is contractually limited to specific assets of such Person encumbered by a Lien securing such Indebtedness and (b) if such Person is a Single Asset Entity, any Indebtedness for borrowed money of such Person.

“Notes” means the Revolving Notes.

“Notice of Borrowing” means a notice substantially in the form of Exhibit D (or such other form reasonably acceptable to the Administrative Agent and containing the information required in such Exhibit) to be delivered to the Administrative Agent pursuant to Section 2.1.(b) evidencing the Borrower’s request for a borrowing of Revolving Loans.

“Notice of Continuation” means a notice substantially in the form of Exhibit E (or such other form reasonably acceptable to the Administrative Agent and containing the information required in such Exhibit) to be delivered to the Administrative Agent pursuant to Section 2.10. evidencing the Borrower’s request for the Continuation of a Term SOFR Loan.

“Notice of Conversion” means a notice substantially in the form of Exhibit F (or such other form reasonably acceptable to the Administrative Agent and containing the information required in such Exhibit) to be delivered to the Administrative Agent pursuant to Section 2.11. evidencing the Borrower’s request for the Conversion of a Loan from one Type to another Type.

“Obligations” means, individually and collectively: (a) the aggregate principal balance of, and all accrued and unpaid interest on, all Loans; (b) all Reimbursement Obligations and all other Letter of Credit Liabilities; and (c) all other indebtedness, liabilities, obligations, covenants and duties of the Borrower and the other Loan Parties owing to the Administrative Agent, any Issuing Bank or any Lender of every kind, nature and description, under or in respect of this Agreement or any of the other Loan Documents, including, without limitation, the Fees, Protective Advances and indemnification obligations, whether direct or indirect, absolute or contingent, due or not due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any promissory note. For the avoidance of doubt, “Obligations” shall not include any indebtedness, liabilities, obligations, covenants or duties in respect of Specified Derivatives Contracts or Specified Cash Management Agreements.

“Occupancy Rate” means, with respect to a Property at any time, the ratio, expressed as a percentage, of (a) the net rentable square footage of such Property actually occupied by tenants that are not Affiliates of the Borrower and paying rent at rates not materially less than rates generally prevailing at the time the applicable lease was entered into, pursuant to binding leases as to which no monetary default has occurred and has continued unremedied for 45 or more days to (b) the aggregate net rentable square footage of such Property.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control.

“Off-Balance Sheet Obligations” means, with respect to a Person: (a) obligations of such Person in respect of any financing transaction or series of financing transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person has sold, conveyed or otherwise transferred, or granted a security interest in, accounts, payments, receivables, rights to future lease payments or residuals or similar rights to payment to a special purpose Subsidiary or Affiliate of such Person; (b) obligations of such Person under a sale and leaseback transaction that does not create a liability on the balance sheet of such Person; (c) obligations of such Person under any so-called “synthetic” lease transaction; and (d) obligations of such Person under any other transaction which is the functional equivalent of, or takes the place of, a borrowing but which does not constitute a liability on the balance sheet of such Person.

“Option to Extend” has the meaning given that term in Section 2.14.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 5.6.).

“Ownership Share” means, with respect to any Subsidiary of a Person (other than a Wholly Owned Subsidiary) or any Unconsolidated Affiliate of a Person, the greater of (a) such Person’s relative nominal direct and indirect ownership interest (expressed as a percentage) in such Subsidiary or Unconsolidated Affiliate or (b) such Person’s relative direct and indirect economic interest (calculated as a percentage) in such Subsidiary or Unconsolidated Affiliate determined in accordance with the applicable provisions of the declaration of trust, articles or certificate of incorporation, articles of organization, partnership agreement, joint venture agreement or other applicable organizational document of such Subsidiary or Unconsolidated Affiliate.

“Parent” has the meaning set forth in the introductory paragraph hereof and shall include the Parent’s successors and permitted assigns.

“Participant” has the meaning given that term in Section 13.5.(d).

“Participant Register” has the meaning given that term in Section 13.5.(d).

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“**PATRIOT Act**” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“**Payment Recipient**” has the meaning given that term in Section 12.11.

“**PBGC**” means the Pension Benefit Guaranty Corporation or any successor agency.

“**Permitted Bond Hedge Transaction**” means any call or capped call option (or substantively equivalent derivative transaction) relating to Parent’s common stock (or other securities or property following a merger event or other change of the common stock of Parent) purchased by Parent or Borrower in connection with the issuance of any Permitted Exchangeable Indebtedness; provided that the purchase price for such Permitted Bond Hedge Transaction, less the proceeds received by Parent or Borrower, as applicable, from the sale of any related Permitted Warrant Transaction, does not exceed the net proceeds received by Borrower from the issuance of such Permitted Exchangeable Indebtedness in connection with such Permitted Bond Hedge Transaction.

“**Permitted Corresponding Swap Transaction**” means a call option, bond hedge, warrant or substantially equivalent derivative transaction between Borrower and Parent on terms mirroring any Permitted Bond Hedge Transactions and/or Permitted Warrant Transaction entered into by Parent in connection with the issuance of any Permitted Exchangeable Indebtedness.

“**Permitted Exchangeable Indebtedness**” means any unsecured notes issued by Borrower that are exchangeable into a fixed number (subject to customary anti-dilution adjustments, “make-whole” increases and other customary changes thereto) of shares of common stock of Parent (or other securities or property following a merger event or other change of the common stock of Parent), cash or any combination thereof (with the amount of such cash or such combination determined by reference to the market price of such common stock or such other securities); provided that, the Indebtedness thereunder must satisfy each of the following conditions: (i) both immediately prior to and after giving effect (including pro forma effect) thereto, no Event of Default shall exist or result therefrom, (ii) such Indebtedness is not guaranteed by any Subsidiary of Borrower (for the avoidance of doubt such Indebtedness may be guaranteed by Parent and any Subsidiary of Parent that is not a Subsidiary of Borrower), and (iii) the terms, conditions and covenants of such Indebtedness must be customary for exchangeable Indebtedness of such type (as determined by Borrower in good faith).

“**Permitted Liens**” means, with respect to any asset or property of a Person, (a) Liens securing taxes, assessments and other charges or levies imposed by any Governmental Authority (excluding any Lien imposed pursuant to any of the provisions of ERISA or pursuant to any Environmental Laws) which, in each case, are not at the time required to be paid or discharged under Section 8.6., (b) the claims of materialmen, mechanics, carriers, warehousemen or landlords for labor, materials, supplies or rentals incurred in the ordinary course of business, which, in each case, are not at the time required to be paid or discharged under Section 8.6.; (c) Liens consisting of deposits or pledges made, in the ordinary course of business, in connection with, or to secure payment of, obligations under workers’ compensation, unemployment insurance or similar Applicable Laws or performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature; (d) Liens consisting of encumbrances in the nature of covenants, conditions, zoning restrictions, easements, rights of way and rights or restrictions on the use of real property, which do not materially detract from the value of such property or impair the intended use thereof in the business of such Person; (e) the rights of tenants under leases or subleases not interfering with the ordinary conduct of business of such Person; (f) Liens in favor of the Administrative Agent and/or the Collateral Agent for their respective benefit and the benefit of the other Lender Parties; (g) [reserved], (h) any option, contract or other agreement to sell an asset provided such sale is otherwise permitted by this Agreement. (i) with

respect to any Property, any attachment or judgment Lien on such Property arising from a judgment or order against such Person by any court or other tribunal so long as such judgment or order does not create or result in an Event of Default hereunder and is paid, stayed or dismissed through appropriate appellate proceedings on or before 60 days from the date of entry and (j) Liens in existence on the Second Amendment Effective Date and set forth on Schedule 1.1.(b) and with respect to Unencumbered Properties acquired after the Second Amendment Effective Date, Liens in existence as of the date such Property was acquired and set forth on Schedule 1.1.(b) (as supplemented by the Borrower on such date) that are reasonably acceptable to the Administrative Agent.

“Permitted Warrant Transaction” means any call option, warrant or right to purchase (or substantively equivalent derivative transaction) relating to Parent’s common stock (or other securities or property following a merger event or other change of the common stock of Parent) and/or cash (in an amount determined by reference to the price of such common stock) sold by Parent or Borrower substantially concurrently with any purchase by Parent or Borrower of a related Permitted Bond Hedge Transaction.

“Person” means any natural person, corporation, limited partnership, general partnership, joint stock company, limited liability company, limited liability partnership, joint venture, association, company, trust, bank, trust company, land trust, business trust or other organization, whether or not a legal entity, or any other nongovernmental entity, or any Governmental Authority.

“Pipeline Disposition Period” means (a) with respect to the Pipeline Disposition Properties described in clauses (a) through (f) of the definition thereof, the period commencing on the Second Amendment Effective Date and continuing until June 29, 2024 and (b) with respect to any other Pipeline Disposition Properties, the period commencing on the date that the Borrower identified such property as a “Pipeline Disposition Property” in the applicable Unencumbered Asset Certificate and continuing for a period of twelve (12) months.

“Pipeline Disposition Properties” means each of the following Unencumbered Pool Properties (a) the Property referred to as GSA VA, located in Caldwell, Idaho, (b) the Property referred to as Walgreens Campus, located in Deerfield, Illinois, (c) the Property referred to as GSA VA, located in New Port Richey, Florida, (d) the Property referred to as Texas Instruments, located in Tucson, Arizona, (e) the Property referred to as Experian, located in Schaumburg, Illinois, (f) the Property referred to as Express Scripts, located in Berkeley, Missouri and (g) as of the date of the occurrence of any Springing Security Covenant Trigger Event, any other Properties that the Borrower identified as a “Pipeline Disposition Property” in the Unencumbered Asset Certificate delivered prior to the occurrence of such Springing Security Covenant Trigger Event.

“Plan” means at any time an “employee pension benefit plan” within the meaning of Section 3(2) of ERISA (other than a Multiemployer Plan) which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Internal Revenue Code and either (a) is maintained, or contributed to, by any member of the ERISA Group for employees of any member of the ERISA Group or (b) has at any time within the preceding six years been maintained, or contributed to, by any Person which was at such time a member of the ERISA Group for employees of any Person which was at such time a member of the ERISA Group.

“Plan Assets” means “plan assets” as defined by 29 C.F.R. 2510.3-101, as modified by Section 3(42) of ERISA.

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“Pledge Agreement” means that certain Pledge Agreement, dated as of the Agreement Date, by and among the Loan Parties party thereto and the Administrative Agent, in substantially the form of Exhibit K.

“Post-Default Rate” means (a) with respect to any principal of any Loan or any Reimbursement Obligation, the rate otherwise applicable plus an additional two percent (2.0%) per annum and (b) with respect to any other Obligation, a rate per annum equal to the Base Rate as in effect from time to time plus the Applicable Margin for Base Rate Loans plus two percent (2.0%).

“Post-Foreclosure Plan” has the meaning given that term in Section 12.13.

“Preferred Dividends” means, for any period and without duplication, all Restricted Payments paid during such period on Preferred Equity Interests issued by the Borrower or any Subsidiary. Preferred Dividends shall not include dividends or distributions (a) paid or payable solely in Equity Interests (other than Mandatorily Redeemable Stock) payable to holders of such class of Equity Interests, (b) paid or payable to Parent, the Borrower or a Subsidiary, or (c) constituting or resulting in the redemption of Preferred Equity Interests, other than scheduled redemptions not constituting balloon, bullet or similar redemptions in full.

“Preferred Equity Interests” means, with respect to any Person, Equity Interests in such Person which are entitled to preference or priority over any other Equity Interest in such Person in respect of the payment of dividends or distribution of assets upon liquidation or both.

“Prime Rate” means, at any time, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

“Principal Office” means the office of the Administrative Agent located at 600 South 4th St., 8th Floor, Minneapolis, Minnesota 55415, or any other subsequent office that the Administrative Agent shall have specified as the Principal Office by written notice to the Borrower and the Lenders.

“Pro Rata Share” means, as to each Lender, the ratio, expressed as a percentage of (a) the amount of such Lender’s Revolving Commitment to (b) the aggregate amount of the Revolving Commitments of all Lenders; provided, however, that if at the time of determination the Revolving Commitments have terminated or been reduced to zero, the “Pro Rata Share” of each Lender shall be the ratio, expressed as a percentage of (A) the sum of the unpaid principal amount of all outstanding Revolving Loans and Letter of Credit Liabilities owing to such Lender as of such date to (B) the sum of the aggregate unpaid principal amount of all outstanding Revolving Loans and Letter of Credit Liabilities of all Lenders as of such date. If at the time of determination the Commitments have been terminated or reduced to zero and there are no outstanding Loans or Letter of Credit Liabilities, then the Pro Rata Shares of the Lenders shall be determined as of the most recent date on which Commitments were in effect or Loans or Letter of Credit Liabilities were outstanding. For purposes of this definition, a Revolving Lender shall be deemed to hold a Letter of Credit Liability to the extent such Revolving Lender has acquired a participation therein under the terms of this Agreement and has not failed to perform its obligations in respect of such participation.

“Property” means a parcel (or group of related parcels) of real property owned or leased (in whole or in part) by the Borrower, any Subsidiary or any Unconsolidated Affiliate.

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“Property Management Contract Assignment” means an Assignment and Subordination of Management Agreement executed by a Subsidiary of the Borrower encumbering an Unencumbered Pool Property after a Springing Security Covenant Trigger Event and the applicable property manager in favor of the Administrative Agent for its benefit and the benefit of the other Lenders, in form and substance reasonably satisfactory to the Administrative Agent. Such document may, at the Administrative Agent’s election, constitute a subordination of the Property Management Agreement rather than an assignment thereof.

“Property Release” has the meaning given that term in Section 8.15.(b).

“Protective Advance” means all sums expended as determined by the Administrative Agent to be necessary or appropriate after the Borrower or any other Loan Party fails to do so when required: (a) to protect the validity, enforceability, perfection or priority of the Liens in any of the Collateral and the instruments evidencing the Obligations; (b) to prevent the value of any Collateral from being materially diminished (assuming the lack of such a payment within the necessary time frame could potentially cause such Collateral to lose value); or (c) to protect any of the Collateral from being materially damaged, impaired, mismanaged or taken, including, without limitation, any amounts expended in connection therewith in accordance with Section 12.12. or Section 12.13.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Qualified Collateral Property Sale” means a sale of any Unencumbered Pool Property subject to a Security Instrument to an unaffiliated third party purchaser (excluding, for the avoidance of doubt, any Affiliate of the Borrower or any Subsidiary of the Borrower) on arms’ length terms.

“Qualified ECP Guarantor” means, in respect of any Swap Obligation, each Loan Party that has total assets exceeding \$10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“Qualified Plan” means a Benefit Arrangement that is intended to be tax-qualified under Section 401(a) of the Internal Revenue Code.

“Recipient” means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

“Register” has the meaning given that term in Section 13.5.(c).

“Regulatory Change” means, with respect to any Lender, any change effective after the Agreement Date in Applicable Law (including without limitation, Regulation D of the FRB) or the adoption or making after such date of any interpretation, directive or request applying to a class of banks, including such Lender, of or under any Applicable Law (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) by any Governmental Authority or monetary authority charged with the interpretation or administration thereof or compliance by any Lender with any request or directive regarding capital adequacy or liquidity. Notwithstanding anything herein to the contrary, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking

Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Regulatory Change”, regardless of the date enacted, adopted, implemented or issued.

“**Reimbursement Obligation**” means the absolute, unconditional and irrevocable obligation of the Borrower to reimburse an Issuing Bank for any drawing honored by such Issuing Bank under a Letter of Credit issued by such Issuing Bank.

“**REIT**” means a Person qualifying for treatment as a “real estate investment trust” under the Internal Revenue Code.

“**Related Parties**” means, with respect to any Person, such Person’s Affiliates and the partners, shareholders, directors, trustees, officers, employees, agents, counsel, other advisors and representatives of such Person and of such Person’s Affiliates.

“**Relevant Governmental Body**” means the FRB or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the FRB or the Federal Reserve Bank of New York, or any successor thereto.

“**Rent Abated Lease**” means (a) a new lease pursuant to which economic terms (including Abated Rent) for the original lease term is provided or (b) a present lease for which a renewal or extension period is agreed (in the form of an amendment, amendment and restatement or new lease) pursuant to which new economic terms (including Abated Rent) for the remainder of such original lease term and the renewal or extension period is provided.

“**Rent-Free Period**” has the meaning specified in the definition of “Impinged Rent.”

“**Requisite Lenders**” means, as of any date, (a) Revolving Lenders having more than 50% of the aggregate amount of the Revolving Commitments of all Revolving Lenders, or (b) if the Revolving Commitments have been terminated or reduced to zero, the Revolving Lenders holding more than 50% of the principal amount of the aggregate outstanding Revolving Loans and Letter of Credit Liabilities; provided that in determining such percentage at any given time, all then existing Defaulting Lenders will be disregarded and excluded. For purposes of this definition, a Revolving Lender (other than an Issuing Bank) shall be deemed to hold a Letter of Credit Liability to the extent such Revolving Lender has acquired a participation therein under the terms of this Agreement and has not failed to perform its obligations in respect of such participation.

“**Reserve for Replacements**” means, for any period and with respect to any Property, an amount equal to (a) the aggregate square footage of all completed space of such Property times (b) \$0.25 times (c) the number of days in such period divided by (d) 365. If the term Reserve for Replacements is used without reference to any specific Property, then it shall be determined on an aggregate basis with respect to all Properties and the applicable Ownership Shares of all Properties of all Unconsolidated Affiliates.

“**Resolution Authority**” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“**Responsible Officer**” means with respect to Parent, the Borrower or any Subsidiary, the chief executive officer, president, vice president, chief financial officer, treasurer or assistant treasurer of Parent, the Borrower or such Subsidiary.

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“Restricted Payment” means (a) any dividend or other distribution, direct or indirect, on account of any Equity Interests of the Parent, Borrower or any of its Subsidiaries now or hereafter outstanding, except a dividend or other distribution payable solely in shares of that class of Equity Interests or common Equity Interests to the holders of that class; (b) any redemption, conversion, exchange, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any Equity Interests of the Parent, Borrower or any of its Subsidiaries now or hereafter outstanding, other than a redemption or such other similar payment payable solely in shares of that class of Equity Interests or common Equity Interests to the holders of that class; and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire any Equity Interests of the Parent, Borrower or any of its Subsidiaries now or hereafter outstanding.

“Revolver Interest Expense” means, with respect to a person and for any period, all Interest Expense under the Loan Documents for such period to the extent any portion of the Obligations constitutes Secured Indebtedness of such person.

“Revolving Commitment” means, as to each Revolving Lender, such Revolving Lender’s obligation to make Revolving Loans pursuant to Section 2.1., to issue (in the case of an Issuing Bank) and to participate (in the case of the other Lenders) in Letters of Credit pursuant to Section 2.4.(i), in an amount up to, but not exceeding the amount set forth for such Lender on Schedule I as such Revolving Lender’s “Revolving Commitment Amount” or as set forth in any applicable Assignment and Assumption, or agreement executed by a Person becoming a Lender in accordance with Section 2.17., as the same may be reduced from time to time pursuant to Section 2.13. or increased or reduced as appropriate to reflect any assignments to or by such Revolving Lender effected in accordance with Section 13.5. or increased as appropriate to reflect any increase effected in accordance with Section 2.17.

“Revolving Commitment Percentage” means, as to each Lender with a Revolving Commitment, the ratio, expressed as a percentage, of (a) the amount of such Lender’s Revolving Commitment to (b) the aggregate amount of the Revolving Commitments of all Revolving Lenders; provided, however, that if at the time of determination the Revolving Commitments have been terminated or been reduced to zero, the “Revolving Commitment Percentage” of each Lender with a Revolving Commitment shall be the “Revolving Commitment Percentage” of such Lender in effect immediately prior to such termination or reduction.

“Revolving Credit Exposure” means, as to any Revolving Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Revolving Lender’s participation in Letter of Credit Liabilities at such time.

“Revolving Lender” means a Lender having a Revolving Commitment, or if the Revolving Commitments have terminated, holding any Revolving Loans.

“Revolving Loan” means a loan made by a Revolving Lender to the Borrower pursuant to Section 2.1.(a).

“Revolving Note” means a promissory note of the Borrower substantially in the form of Exhibit G, payable to a Revolving Lender in a principal amount equal to the amount of such Lender’s Revolving Commitment.

“Revolving Termination Date” means, initially, November 12, 2024 (the “**Initial Revolving Termination Date**”), as such date may be extended pursuant to the Option to Extend set forth in Section 2.14. (the “**Extended Revolving Termination Date**”).

“**S&P**” means S&P Global Ratings, a division of S&P Global Inc. and any successor thereto.

“**Sanctioned Country**” means at any time, a country, region or territory which is itself (or whose government is) the subject or target of any Sanctions (including, as of the Agreement Date, Cuba, Iran, North Korea, Syria, Venezuela and Crimea).

“**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC (including OFAC’s Specially Designated Nationals and Blocked Persons List and OFAC’s Consolidated Non-SDN List), the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state, His Majesty’s Treasury, Global Affairs Canada, or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any such Person or Persons described in clauses (a) and (b), including a Person that is deemed by OFAC to be a Sanctions target based on the ownership of such legal entity by Sanctioned Person(s) or (d) any Person otherwise a target of Sanctions, including vessels and aircraft, that are designated under any Sanctions program.

“**Sanctions**” means any and all economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and restrictions and anti-terrorism laws, including but not limited to those imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, any European Union member state, His Majesty’s Treasury, Canada, or other relevant sanctions authority in any jurisdiction in which (a) Parent, the Borrower or any of its Subsidiaries or Affiliates is located or conducts business, (b) in which any of the proceeds of the extensions of credit hereunder will be used, or (c) from which repayment of the extensions of credit hereunder will be derived.

“**SEC**” means the U.S. Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“**Second Amendment**” means the Second Amendment to Credit Agreement, dated as of the Second Amendment Effective Date, entered into among the Borrower, Parent, the Lenders party thereto and the Administrative Agent.

“**Second Amendment Effective Date**” means June 29, 2023.

“**Secured Indebtedness**” means, with respect to a Person as of a given date, the aggregate principal amount of all Indebtedness of such Person outstanding on such date that is secured in any manner by any Lien on any property of such Person and, in the case of the Borrower, shall include (without duplication) the Secured Indebtedness of the Borrower’s Subsidiaries and the Borrower’s Ownership Share of the Secured Indebtedness of its Unconsolidated Affiliates. For the avoidance of doubt, at all times following the delivery of any Security Instrument and for so long as any Security Instrument is required to secure any Guaranteed Obligations in accordance with the terms of this Agreement, all Indebtedness under the Loan Documents shall constitute Secured Indebtedness.

“**Secured Indebtedness Ratio Adjustment**” has the meaning given that term in Section 10.1(c).

“**Securities Act**” means the Securities Act of 1933 (15 U.S.C. § 77 *et seq.*).

“**Security Documents**” means, collectively, any Security Instrument, the Pledge Agreement, any Property Management Contract Assignment and any other security agreement, pledge agreement, financing statement, or other document, instrument or agreement creating, evidencing or perfecting the

Administrative Agent's Liens in any of the Collateral, including, without limitation, any assignment of leases and rents and any collateral assignment of reciprocal easement agreements, architectural and construction related contracts, permits, or licenses, in each case, to the extent applicable.

"Security Instrument" means, collectively, (i) a mortgage, deed of trust, deed to secure debt, or equivalent instrument, (ii) if required by the jurisdiction where the Property is located to perfect a security lien against any fixtures, furniture, equipment, accounts and certain other property, a UCC-1 fixture filing, and (iii) if required by the jurisdiction where the Property is located to perfect a security lien against and/or a present assignment of a Property's rents and leases, an assignment of leases and rents, each executed (or completed, as applicable) by a Subsidiary of the Borrower in favor of the Administrative Agent, for its benefit and the benefit of the other Lenders, in form and substance satisfactory to the Administrative Agent.

"Simple SOFR Adjustment" means a percentage equal to 0.10% per annum.

"Simple SOFR Determination Day" has the meaning specified in the definition of "Adjusted Daily Simple SOFR".

"Simple SOFR Rate Day" has the meaning specified in the definition of "Adjusted Daily Simple SOFR".

"Single Asset Entity" means a Person (other than an individual) that (a) only owns a single Property; (b) is engaged only in the business of owning, developing and/or leasing such Property; and (c) receives substantially all of its gross revenues from such Property. In addition, if the assets of a Person consist solely of (i) Equity Interests in one or more other Single Asset Entities that collectively own a single Property and (ii) cash and other assets of nominal value incidental to such Person's ownership of the other Single Asset Entities, such Person shall also be deemed to be a Single Asset Entity for purposes hereof.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Loan" means any Daily Simple SOFR Loan or Term SOFR Loan.

"Solvent" means, when used with respect to any Person, that (a) the fair value and the fair salable value of its assets (excluding any Indebtedness due from any Affiliate of such Person) are each in excess of the fair valuation of its total liabilities (including all contingent liabilities computed at the amount which, in light of all facts and circumstances existing at such time, represents the amount that could reasonably be expected to become an actual and matured liability); (b) such Person is able to pay its debts or other obligations in the ordinary course as they mature; and (c) such Person has capital not unreasonably small to carry on its business and all business in which it proposes to be engaged.

"Specified Cash Management Agreement" means any Cash Management Agreement that is made or entered into at any time, or in effect at any time now or hereafter, whether as a result of an

assignment or transfer or otherwise, between or among any Loan Party and any Specified Cash Management Bank.

“Specified Cash Management Bank” means any Person that (a) at the time it enters into a Cash Management Agreement with a Loan Party, is a Lender or an Affiliate of a Lender or (b) at the time it (or its Affiliate) becomes a Lender or the Administrative Agent (including on the Effective Date), is a party to a Cash Management Agreement with a Loan Party, in each case in its capacity as a party to such Cash Management Agreement.

“Specified Derivatives Contract” means any Derivatives Contract that is made or entered into at any time, or in effect at any time now or hereafter, whether as a result of an assignment or transfer or otherwise, between or among any Loan Party and any Specified Derivatives Provider.

“Specified Derivatives Provider” means any Person that (a) at the time it enters into a Specified Derivatives Contract with a Loan Party, is a Lender or an Affiliate of a Lender or (b) at the time it (or its Affiliate) becomes a Lender or the Administrative Agent (including on the Effective Date), is a party to a Specified Derivatives Contract with a Loan Party, in each case in its capacity as a party to such Specified Derivatives Contract.

“Springing Security Covenant” has the meaning given that term in Section 8.15.(a).

“Springing Security Covenant Conditions” means, following the occurrence of a Springing Security Covenant Trigger Event, the Springing Security Covenant conditions set forth in Section 8.15(a).

“Springing Security Covenant Deadline” means (i) with respect to any Unencumbered Pool Properties that are not identified as Pipeline Disposition Properties prior to the occurrence of a Springing Security Covenant Trigger Event, 90 days after delivery of a Compliance Certificate reflecting the occurrence of a Springing Security Covenant Trigger Event, (ii) with respect to any Pipeline Disposition Properties, for any such properties that were not sold by the expiration of the Pipeline Disposition Period and if a Springing Security Covenant Trigger Event shall have occurred, 90 days after the expiration of the Pipeline Disposition Period, and (iii) for any Property acquired after the occurrence of a Springing Security Covenant Trigger Event, 90 days after such Property is acquired by the applicable Subsidiary of the Borrower.

“Springing Security Covenant Trigger Event” has the meaning given that term in Section 10.1.(d).

“Stated Amount” means the amount available to be drawn by a beneficiary under a Letter of Credit from time to time, as such amount may be increased or reduced from time to time in accordance with the terms of such Letter of Credit.

“Subordinated Debt” means Indebtedness for money borrowed of the Borrower or any of its Subsidiaries that is subordinated in right of payment to the Loans and the other Guaranteed Obligations in a manner satisfactory to the Administrative Agent in its sole and absolute discretion. For the avoidance of doubt, Permitted Exchangeable Indebtedness shall not constitute Subordinated Debt.

“Subsidiary” means, for any Person, any corporation, partnership, limited liability company, trust or other entity of which at least a majority of the Equity Interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other individuals performing similar functions of such corporation, partnership, limited liability company or other entity (without regard to the occurrence of any contingency) is at the time directly or indirectly owned or controlled by such Person or

one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person, and shall include all Persons the accounts of which are consolidated with those of such Person pursuant to GAAP. Unless explicitly set forth to the contrary, a reference to a “Subsidiary” means a direct or indirect Subsidiary of the Borrower.

“**Substantial Amount**” means, at the time of determination thereof, an amount in excess of 25% of total consolidated assets (exclusive of depreciation) at such time of the Borrower and its Subsidiaries determined on a consolidated basis.

“**Swap Obligation**” means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act. Notwithstanding anything to the contrary in the foregoing, any Permitted Bond Hedge Transaction, any Permitted Warrant Transaction, any Permitted Corresponding Swap Transaction, and any obligations thereunder, in each case, shall not constitute “Swap Obligations”.

“**Syndication Agents**” has the meaning set forth in the introductory paragraph hereof.

“**Taxes**” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“**Term SOFR**” means, for any calculation, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “**Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (Eastern time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“**Term SOFR Adjustment**” means a percentage equal to 0.10% per annum.

“**Term SOFR Administrator**” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“**Term SOFR Loan**” means any Loan bearing interest at a rate based on Adjusted Term SOFR.

“**Term SOFR Reference Rate**” means the forward-looking term rate based on SOFR.

[“Third Amendment” means the Third Amendment to Credit Agreement, dated as of May 3, 2024, entered into among the Borrower, Parent, the Lenders party thereto and the Administrative Agent.](#)

“**Title Insurance Company**” means a title company reasonably acceptable to the Administrative Agent.

“**Title Policy**” means, with respect to each Unencumbered Pool Property for which a Security Instrument is delivered after a Springing Security Covenant Trigger Event, an ALTA standard form title insurance policy (or, if such form is not available, an equivalent, legally promulgated form of mortgagee title insurance policy reasonably acceptable to the Administrative Agent) issued by a Title Insurance Company (with such co-insurance or reinsurance as the Administrative Agent may reasonably require) in an amount as the Administrative Agent may reasonably require based on the Appraised Value of such Unencumbered Pool Property insuring the priority of the Security Instrument thereon and that the Borrower or a Subsidiary, as applicable, holds marketable or indefeasible (with respect to Texas) fee simple (or leasehold, if applicable) title to such parcel, subject only to encumbrances reasonably acceptable to the Administrative Agent and which shall not contain standard exceptions for mechanics liens, persons in occupancy (other than tenants as tenants only under tenant leases with no rights of purchase) or matters which would be shown by a survey (unless approved by the Administrative Agent in its reasonable discretion), shall not insure over any matter except to the extent that any such affirmative insurance is acceptable to the Administrative Agent in its reasonable discretion, and shall contain such endorsements and affirmative insurance as the Administrative Agent may reasonably require to the extent available in the jurisdiction in which such Unencumbered Pool Property is located, including, but not limited to, an aggregation endorsement to the extent available in the jurisdiction in which such Unencumbered Pool Property is located, but may exclude, in any event, affirmative coverage for preferential transfers. “**Titled Agent**” has the meaning given that term in Section 12.9.

“**Total Asset Value**” means, at a given time, the sum (without duplication) of all of the following of the Borrower and its Subsidiaries determined on a consolidated basis: (a) cash and Cash Equivalents (other than tenant deposits and other cash and Cash Equivalents the disposition of which is restricted in any way but including (x) fully refundable earnest money deposits associated with potential acquisitions and (y) Unrestricted 1031 Cash); ~~plus (b)(i) Net Operating Income for all Properties (other than Properties with Net Operating Income that is less than or equal to zero) for the fiscal quarter most recently ended multiplied by 4 divided by (ii) the Capitalization Rate~~ the sum of the Minimum Property Value of all Properties; plus (c) the purchase price paid by the Borrower or any Subsidiary (less any amounts paid to the Borrower or such Subsidiary as a purchase price adjustment, held in escrow, retained as a contingency reserve, or in connection with other similar arrangements) for any Property acquired by the Borrower or such Subsidiary during the four consecutive fiscal quarters most recently ended; plus (d) the GAAP book value of all Development Properties; plus (e) the GAAP book value of Unimproved Land; provided that to the extent the combined value of clauses (d) and (e) above exceeds 10.0% of Total Asset Value, such excess shall be excluded. The Borrower’s Ownership Share of assets held by Unconsolidated Affiliates (excluding assets of the type described in the immediately preceding clause (a)) shall be included in the calculation of Total Asset Value consistent with the above described treatment for assets owned by the Borrower or a Subsidiary. For purposes of determining Total Asset Value: (i) Net Operating Income from Development Properties, Properties disposed of by the Borrower or any Subsidiary during the fiscal quarter most recently ended and Properties acquired by the Borrower or any Subsidiary during the four consecutive fiscal quarters most recently ended, in each case, shall be excluded from the immediately preceding clause (b); (ii) to the extent the amount of Total Asset Value attributable to Properties leased pursuant to ground leases would exceed 10.0% of Total Asset Value, such excess shall be excluded; (iii) to the extent the amount of Total Asset Value attributable Borrower’s Ownership Share of assets held by Unconsolidated Affiliates would exceed 20.0% of Total Asset Value, such excess shall be excluded; and (iv) the value and Net Operating Income of any Property for which a Casualty/Condemnation Event has occurred with respect to such Property which has not been fully restored and paid for in full will be adjusted to factor any loss of income and/or value resulting from such Casualty/Condemnation Event. To the extent that the amount of Total Asset Value attributable to Properties for which the Minimum Property Value is determined pursuant to clause (b)(ii) of the definition of Minimum Property Value exceeds 25.0% of Total Asset Value, such excess shall be excluded.

“**Total Indebtedness**” means, as to any Person as of a given date and without duplication: (a) all Indebtedness of such Person and its Subsidiaries determined on a consolidated basis and (b) such Person’s Ownership Share of the Indebtedness of any Unconsolidated Affiliate of such Person.

“**Triple Net Lease**” means a lease for which a tenant pays a “base” or “fixed” rent plus tenant’s share of operating expenses, real estate taxes, and other pass-through components.

“**Type**” with respect to any Revolving Loan, refers to whether such Loan or portion thereof is a SOFR Loan or a Base Rate Loan.

“**UCC**” means the Uniform Commercial Code as in effect in any applicable jurisdiction.

“**UK Financial Institution**” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“**UK Resolution Authority**” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“**Unadjusted Benchmark Replacement**” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“**Unconsolidated Affiliate**” means, with respect to any Person, any other Person in whom such Person holds an Investment, which Investment is accounted for in the financial statements of such Person on an equity basis of accounting and whose financial results would not be consolidated under GAAP with the financial results of such Person on the consolidated financial statements of such Person.

“**Unencumbered Asset Certificate**” has the meaning given that term in Section 4.2.

“**Unencumbered Asset Value**” means, at any time, the sum (without duplication) of (a) ~~(i) the Net Operating Income~~ sum of the Minimum Property Value of all Unencumbered Pool Properties (excluding (A) Development Properties and (B) any Unencumbered Pool Property that has a negative or zero Net Operating Income for such period) for the fiscal quarter of the Borrower most recently ended ~~multiplied by 4 and divided by (ii) the Capitalization Rate;~~ plus (b) the current GAAP book value of all Development Properties that are Unencumbered Pool Properties; plus (c) cash and Cash Equivalents (other than tenant deposits and other cash and Cash Equivalents the disposition of which is restricted in any way but including (x) fully refundable earnest money deposits associated with potential acquisitions and (y) Unrestricted 1031 Cash). If an Unencumbered Pool Property (other than a Development Property) was acquired by the Borrower or a Subsidiary during the four consecutive fiscal quarters of the Borrower most recently ended, then the Net Operating Income from such Unencumbered Pool Property shall be excluded from determination of Unencumbered Asset Value and Unencumbered Asset Value shall be increased by an amount equal to the purchase price paid by the Borrower or any Subsidiary for such Unencumbered Pool Property (less any amounts paid to the Borrower or such Subsidiary as a purchase price adjustment, held in escrow, retained as a contingency reserve, or in connection with other similar arrangements). To the extent that Unencumbered Properties leased pursuant to ground leases would, in the aggregate, account for more than 5% of Unencumbered Asset Value, such excess shall be excluded. To the extent that Development Properties would, in the aggregate, account for more than 5% of Unencumbered Asset Value, such excess shall be excluded. The value and Net Operating Income of

any Property for which a Casualty/Condemnation Event has occurred with respect to such Property which has not been fully restored and paid for in full will be adjusted to factor any loss of income and/or value resulting from such Casualty/Condemnation Event. To the extent that the amount of Unencumbered Asset Value attributable to Unencumbered Pool Properties for which the Minimum Property Value is determined pursuant to clause (b)(ii) of the definition of Minimum Property Value exceeds 25.0% of Unencumbered Asset Value, such excess shall be excluded.

“Unencumbered Leverage Ratio Adjustment” has the meaning given that term in Section 10.1.(d).

“Unencumbered Pool” means, collectively, all of the Unencumbered Pool Properties.

“Unencumbered Pool Property” means the Properties designated as such pursuant to Section 4.2 and set forth on Schedule 4.2 (as updated from time to time in accordance with Section 4.2).

“Unencumbered Pool Property Pledged Interests” has the meaning assigned to such term in Section 8.15.(a)(ii)(C).

“Unencumbered Property” means, a Property which satisfies all of the following requirements: (a) such Property is 100% owned in fee simple, or leased under an Eligible Ground Lease, by (i) the Borrower or (ii) a Guarantor; (b) such Property is leased to third party tenants on a net lease basis; (c) regardless of whether such Property is owned by the Borrower or a Subsidiary of the Borrower, the Borrower has the corporate or other organizational right directly, or indirectly through a Subsidiary, to take the following actions without the need to obtain the consent of any Person (other than any provision of a document, instrument or an agreement that either (x) conditions a Person’s ability to encumber or transfer its assets upon the maintenance of one or more specified ratios or financial tests (including any financial ratio such as a maximum ratio of unsecured debt to unencumbered assets) that limit such Person’s ability to transfer or encumber its assets but that do not generally prohibit the encumbrance or transfer of its assets, or the transfer or encumbrance of specific assets or (y) requires the grant of a Lien to secure Unsecured Indebtedness if a Lien is granted to secure the Obligations or other Unsecured Indebtedness of such Person): (i) to create Liens on such Property as security for Indebtedness of the Borrower or such Subsidiary, as applicable, and (ii) to sell, transfer or otherwise dispose of such Property; (d) neither such Property, nor if such Property is owned by a Subsidiary of the Borrower, any of the Borrower’s direct or indirect ownership interest in such Subsidiary, is subject to (i) any Lien other than Permitted Liens or (ii) any Negative Pledge; (e) such Property is free of all structural defects, title defects and environmental conditions except for such defects or conditions individually or collectively which do not materially adversely affect the profitable operation of such Property; and (f) such Property is located in a State of the United States or in the District of Columbia; provided, that for purposes of calculating the financial covenants contained in Section 10.1., upon the satisfaction of the Springing Security Covenant Conditions, no Property shall fail to constitute an “Unencumbered Property” pursuant to clause (c) or (d) of this definition on account of the terms contained in this Agreement.

“Unimproved Land” means land on which no development (other than improvements that are not material and are temporary in nature) has occurred.

“United States” means the United States of America.

“Unrestricted 1031 Cash” means the aggregate amount of cash of the Borrower, each Guarantor and each Subsidiary that is held in escrow in connection with the completion of “like-kind” exchanges being effected in accordance with Section 1031 of the Internal Revenue Code.

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“Unsecured Indebtedness” means, with respect to a Person, Indebtedness of such Person that is not Secured Indebtedness and, in the case of the Borrower, shall include (without duplication) the Unsecured Indebtedness of the Borrower’s Subsidiaries and the Borrower’s Ownership Share of the Unsecured Indebtedness of its Unconsolidated Affiliates; provided, however, that any Indebtedness that is secured only by a pledge of Equity Interests shall be deemed to be Unsecured Indebtedness.

“Unsecured Interest Expense” means, with respect to a Person and for any period, all Interest Expense of such Person for such period attributable to Unsecured Indebtedness of such Person.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Internal Revenue Code.

“U.S. Tax Compliance Certificate” has the meaning assigned to such term in Section 3.10.(g)(ii)(B)(III).

“Wells Fargo” means Wells Fargo Bank, National Association, and its successors and assigns.

“Wholly Owned Subsidiary” means any Subsidiary of a Person in respect of which all of the Equity Interests (other than, in the case of a corporation, directors’ qualifying shares) are at the time directly or indirectly owned and controlled by such Person or one or more other Subsidiaries of such Person or by such Person and one or more other Subsidiaries of such Person.

“Withdrawal Liability” means any liability as a result of a complete or partial withdrawal from a Multiemployer Plan as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Withholding Agent” means (a) the Borrower, (b) any other Loan Party and (c) the Administrative Agent, as applicable.

“Write-Down and Conversion Powers” means (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.2. General; References to Central Time.

Unless otherwise indicated, all accounting terms, ratios and measurements shall be interpreted or determined in accordance with GAAP as in effect as of the Agreement Date; provided that, if at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Requisite Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to

preserve the original intent thereof in light of such change in GAAP (subject to the approval of the appropriate Lenders pursuant to Section 13.6.); provided, further, that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements or other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Notwithstanding the preceding sentence, the calculation of liabilities shall not include any fair value adjustments to the carrying value of liabilities to record such liabilities at fair value pursuant to electing the fair value option election under FASB ASC 825-10-25 (formerly known as FAS 159, The Fair Value Option for Financial Assets and Financial Liabilities) or other FASB standards allowing entities to elect fair value option for financial liabilities. Notwithstanding any provision in GAAP that took effect for any fiscal year ending on or after December 31, 2018 that would require lease obligations (including, but not limited to, lease obligations under any Eligible Ground Leases) that would be treated as operating leases as of the Agreement Date to be classified and accounted for as capital leases or otherwise reflected on the consolidated balance sheet of Parent and its consolidated Subsidiaries, such lease obligations shall continue to be treated as operating leases for all purposes under this Agreement and be excluded from the definition of Indebtedness and other relevant definitions under this Agreement in which such lease obligations would otherwise be included as capital leases.

References in this Agreement to “Sections”, “Articles”, “Exhibits” and “Schedules” are to sections, articles, exhibits and schedules herein and hereto unless otherwise indicated. References in this Agreement to any document, instrument or agreement (a) shall include all exhibits, schedules and other attachments thereto, (b) except as expressly provided otherwise in any Loan Document, shall include all documents, instruments or agreements issued or executed in replacement thereof, to the extent permitted hereby and (c) shall mean such document, instrument or agreement, or replacement or predecessor thereto, as amended, supplemented, restated or otherwise modified from time to time to the extent not otherwise stated herein or prohibited hereby and in effect at any given time. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter. Except as expressly provided otherwise in any Loan Document, (i) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, (ii) the word “or” shall not be exclusive and shall have the inclusive meaning of “and/or” and (iii) any reference to any Person shall be construed to include such Person’s permitted successors and permitted assigns. Titles and captions of Articles, Sections, subsections and clauses in this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement. Unless otherwise indicated, all references to time are references to Central time daylight or standard, as applicable.

Section 1.3. Financial Attributes of Non-Wholly Owned Subsidiaries.

When determining compliance by Parent or the Borrower with any financial covenant contained in any of the Loan Documents (a) only the Ownership Share of the Parent or the Borrower, as applicable, of the financial attributes (including, for the avoidance of doubt, items of income or expense and Indebtedness) of a Subsidiary that is not a Wholly Owned Subsidiary shall be included and (b) the Parent’s Ownership Share of the Borrower shall be deemed to be 100.0%.

Section 1.4. Rates.

The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 2.5.(c), will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its Affiliates or other related entities may engage in transactions that affect the calculation of Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR, or Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.5. Divisions.

For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II. CREDIT FACILITY

Section 2.1. Revolving Loans.

(a) Making of Revolving Loans. Subject to the terms and conditions set forth in this Agreement, including without limitation, Section 2.16., each Revolving Lender severally and not jointly agrees to make Revolving Loans denominated in Dollars to the Borrower during the period from and including the Effective Date to but excluding the Revolving Termination Date, in an aggregate principal amount at any one time outstanding up to, but not exceeding, the amount of such Revolving Lender's Revolving Commitment. Each borrowing of Revolving Loans that are to be (i) Base Rate Loans shall be in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess thereof and (ii) SOFR Loans shall be in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess thereof. Notwithstanding the immediately preceding two sentences but subject to Section 2.16., a borrowing of Revolving Loans may be in the aggregate amount of the unused Revolving Commitments. Within the foregoing limits and subject to the terms and conditions of this Agreement, the Borrower may borrow, re-borrow and re-borrow Revolving Loans

(b) Requests for Revolving Loans. Not later than 11:00 a.m. Central time (i) on the date of a borrowing of Revolving Loans that are to be Base Rate Loans, (ii) on the date of a borrowing of Revolving Loans that are to be Daily Simple SOFR Loans and (iii) at least three (3) U.S. Government Securities Business Days prior to a borrowing of Revolving Loans that are to be Term SOFR Loans, the Borrower shall deliver to the Administrative Agent a Notice of Borrowing. Each Notice of Borrowing shall specify the aggregate principal amount of the Revolving Loans to be borrowed, the date such Revolving Loans are to be borrowed (which must be a Business Day), the Type of the requested Revolving Loans, and if such Revolving Loans are to be Term SOFR Loans, the initial Interest Period for such Revolving Loans. Each Notice of Borrowing shall be irrevocable once given and binding on the Borrower. Prior to delivering a Notice of Borrowing, the Borrower may (without specifying whether a Revolving Loan will be a Base Rate Loan, Daily Simple SOFR Loan or Term SOFR Loan) request that the Administrative Agent provide the Borrower with the most recent SOFR and Term SOFR available to the Administrative Agent. The Administrative Agent shall provide such quoted rate to the Borrower on the date of such request or as soon as possible thereafter.

(c) Funding of Revolving Loans. Promptly after receipt of a Notice of Borrowing under the immediately preceding subsection (b), the Administrative Agent shall notify each Revolving Lender of the proposed borrowing. Each Revolving Lender shall deposit an amount equal to the Revolving Loan to be made by such Revolving Lender to the Borrower with the Administrative Agent at the Principal Office, in immediately available funds not later than 11:00 a.m. Central time on the date of such proposed Revolving Loans. Subject to fulfillment of all applicable conditions set forth herein, the Administrative Agent shall make available to the Borrower in the account specified in the Disbursement Instruction Agreement, not later than 2:00 p.m. Central time on the date of the requested borrowing of Revolving Loans, the proceeds of such amounts received by the Administrative Agent.

(d) Assumptions Regarding Funding by Revolving Lenders. With respect to Revolving Loans to be made after the Effective Date, unless the Administrative Agent shall have been notified by any Revolving Lender that such Revolving Lender will not make available to the Administrative Agent a Revolving Loan to be made by such Revolving Lender in connection with any borrowing, the Administrative Agent may assume that such Revolving Lender will make the proceeds of such Revolving Loan available to the Administrative Agent in accordance with this Section, and the Administrative Agent may (but shall not be obligated to), in reliance upon such assumption, make available to the Borrower the amount of such Revolving Loan to be provided by such Revolving Lender. In such event, if such Revolving Lender does not make available to the Administrative Agent the proceeds of such Revolving Loan, then such Revolving Lender and the Borrower severally agree to pay to the Administrative Agent on demand the amount of such Revolving Loan with interest thereon, for each day from and including the date such Revolving Loan is made available to the Borrower but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Revolving Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (ii) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Revolving Lender shall pay the amount of such interest to the Administrative Agent for the same or overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Revolving Lender pays to the Administrative Agent the amount of such Revolving Loan, the amount so paid shall constitute such Revolving Lender's Revolving Loan included in the borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Revolving Lender that shall have failed to make available the proceeds of a Revolving Loan to be made by such Revolving Lender.

(e) SOFR Conversion. On and as of the First Amendment Effective Date, all outstanding Revolving Loans, if any (other than any Revolving Loans that are Base Rate Loans), shall be converted to Daily Simple SOFR Loans. Notwithstanding anything to the contrary set forth in this Agreement (including, without limitation, Section 5.4. hereof), no amounts shall be owed by the Borrower in respect of any breakage costs associated with such conversion.

Section 2.2. [Intentionally Omitted.]

Section 2.3. [Intentionally Omitted.]

Section 2.4. Letters of Credit.

(a) Letters of Credit. Subject to the terms and conditions of this Agreement, including without limitation, Section 2.16., the Issuing Banks, on behalf of the Revolving Lenders, agree to issue for the account of the Borrower during the period from and including the Effective Date to, but excluding, the date 30 days prior to the Revolving Termination Date, one or more standby letters of credit (each a "**Letter of Credit**") denominated in Dollars up to a maximum aggregate Stated Amount at any one time outstanding not to exceed \$25,000,000 as such amount may be reduced from time to time in accordance with the terms hereof (the "**L/C Commitment Amount**"); provided, however, that an Issuing Bank shall not be obligated to issue any Letter of Credit if after giving effect to such issuance, the aggregate Stated Amounts of Letters of Credit issued by such Issuing Bank and then outstanding would exceed one-third of the L/C Commitment Amount.

(b) Terms of Letters of Credit. At the time of issuance, the amount, form, terms and conditions of each Letter of Credit, and of any drafts or acceptances thereunder, shall be subject to the approval of the applicable Issuing Bank and the Borrower. Notwithstanding the foregoing, in no event may (i) the expiration date of any Letter of Credit extend beyond the date that is 30 days prior to the Revolving Termination Date, or (ii) any Letter of Credit have a duration in excess of one year; provided, however, a Letter of Credit may (A) contain a provision providing for the automatic extension of the expiration date in the absence of a notice of non-renewal from the applicable Issuing Bank but in no event shall any such provision permit the extension of the current expiration date of such Letter of Credit beyond the earlier of (x) the date that is 30 days prior to the Revolving Termination Date and (y) the date one year after the current expiration date and/or (B) extend up to one year beyond the Revolving Termination Date; provided that not later than 30 days prior to the Revolving Termination Date, such Letter of Credit is fully Cash Collateralized and the Borrower has delivered to the Administrative Agent a reimbursement agreement and such other documentation as the Administrative Agent and/or the applicable Issuing Bank may reasonably require (each, an "**Extended Letter of Credit**"). The initial Stated Amount of each Letter of Credit shall be at least \$50,000 (or such lesser amount as may be acceptable to the applicable Issuing Bank, the Administrative Agent and the Borrower).

(c) Requests for Issuance of Letters of Credit. The Borrower shall give the Issuing Bank it desires to issue a Letter of Credit and the Administrative Agent written notice at least 5 Business Days prior to the requested date of issuance of such Letter of Credit (or such shorter notice as may be acceptable to the Administrative Agent and such Issuing Bank), such notice to describe in reasonable detail the proposed terms of such Letter of Credit and the nature of the transactions or obligations proposed to be supported by such Letter of Credit, and in any event shall set forth with respect to such Letter of Credit the proposed (i) initial Stated Amount, (ii) beneficiary, and (iii) expiration date. The Borrower shall also execute and deliver such customary applications and agreements for standby letters of credit, and other forms as requested from time to time by the applicable Issuing Bank. Provided the Borrower has given the notice prescribed by the first sentence of this subsection and delivered such applications and agreements referred to in the preceding sentence, subject to the other terms and

applications and agreements referred to in the preceding sentence, subject to the other terms and

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- 43 -

conditions of this Agreement, including the satisfaction of any applicable conditions precedent set forth in Section 6.2., the applicable Issuing Bank shall issue the requested Letter of Credit on the requested date of issuance for the benefit of the stipulated beneficiary but in no event prior to the date 5 Business Days following the date after which such Issuing Bank has received all of the items required to be delivered to it under this subsection (or such earlier date as may be acceptable to the Administrative Agent and such Issuing Bank). An Issuing Bank shall not at any time be obligated to issue any Letter of Credit if such issuance would conflict with, or cause such Issuing Bank or any Revolving Lender to exceed any limits imposed by, any Applicable Law or such issuance would violate one or more policies of such Issuing Bank applicable to letters of credit generally. References herein to "issue" and derivations thereof with respect to Letters of Credit shall also include extensions or modifications of any outstanding Letters of Credit, unless the context otherwise requires. Upon the written request of the Borrower, an Issuing Bank shall deliver to the Borrower a copy of each Letter of Credit issued by such Issuing Bank within a reasonable time after the date of issuance thereof. To the extent any term of a Letter of Credit Document (excluding any certificate or other document presented by a beneficiary in connection with a drawing under such Letter of Credit) is inconsistent with a term of any Loan Document, the term of such Loan Document shall control. The Borrower shall examine the copy of any Letter of Credit or any amendment to a Letter of Credit that is delivered to it by the applicable Issuing Bank and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will promptly (but in any event, within 5 Business Days after the later of (x) receipt by the beneficiary of such Letter of Credit of the original of, or amendment to, such Letter of Credit, as applicable and (y) receipt by the Borrower of a copy of such Letter of Credit or amendment, as applicable) notify such Issuing Bank. The Borrower shall be conclusively deemed to have waived any such claim against the applicable Issuing Bank and its correspondents unless such notice is given as aforesaid.

(d) Reimbursement Obligations. Upon receipt by an Issuing Bank from the beneficiary of a Letter of Credit issued by such Issuing Bank of any demand for payment under such Letter of Credit and such Issuing Bank's determination that such demand for payment complies with the requirements of such Letter of Credit, such Issuing Bank shall promptly notify the Borrower and the Administrative Agent of the amount to be paid by such Issuing Bank as a result of such demand and the date on which payment is to be made by such Issuing Bank to such beneficiary in respect of such demand; provided, however, that an Issuing Bank's failure to give, or delay in giving, such notice shall not discharge the Borrower in any respect from the applicable Reimbursement Obligation. The Borrower hereby absolutely, unconditionally and irrevocably agrees to pay and reimburse each Issuing Bank for the amount of each demand for payment under each Letter of Credit issued by such Issuing Bank at or prior to the date on which payment is to be made by such Issuing Bank to the beneficiary thereunder, without presentment, demand, protest or other formalities of any kind. Upon receipt by an Issuing Bank of any payment in respect of any Reimbursement Obligation owing with respect to a Letter of Credit issued by such Issuing Bank, such Issuing Bank shall promptly pay to the Administrative Agent for the account of each Revolving Lender that has acquired a participation therein under the second sentence of the immediately following subsection (i) such Revolving Lender's Revolving Commitment Percentage of such payment.

(e) Manner of Reimbursement. Upon its receipt of a notice referred to in the immediately preceding subsection (d), the Borrower shall advise the Administrative Agent and the applicable Issuing Bank whether or not the Borrower intends to borrow hereunder to finance its obligation to reimburse such Issuing Bank for the amount of the related demand for payment and, if it does, the Borrower shall submit a timely request for such borrowing as provided in the applicable provisions of this Agreement. If the Borrower fails to so advise the Administrative Agent and the applicable Issuing Bank, or if the Borrower fails to reimburse the applicable Issuing Bank for a demand for payment under a Letter of Credit by the date of such payment, the failure of which the applicable Issuing Bank shall promptly notify the Administrative Agent, then (i) if the applicable conditions contained in Article VI. would permit the making of Revolving Loans, the Borrower shall be deemed to have requested a borrowing of Revolving

making of revolving Loans, the Borrower shall be deemed to have requested a borrowing of revolving

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- 44 -

Loans (which shall be Base Rate Loans) in an amount equal to the unpaid Reimbursement Obligation and the Administrative Agent shall give each Revolving Lender prompt notice of the amount of the Revolving Loan to be made available to the Administrative Agent not later than 12:00 noon Central time and (ii) if such conditions would not permit the making of Revolving Loans, the provisions of subsection (j) of this Section shall apply. The limitations set forth in the second sentence of Section 2.1.(a) shall not apply to any borrowing of Base Rate Loans under this subsection.

(f) Effect of Letters of Credit on Revolving Commitments. Upon the issuance by an Issuing Bank of a Letter of Credit and until such Letter of Credit shall have expired or been cancelled, the Revolving Commitment of each Revolving Lender shall be deemed to be utilized for all purposes of this Agreement in an amount equal to the product of (i) such Revolving Lender's Revolving Commitment Percentage and (ii) (A) the Stated Amount of such Letter of Credit plus (B) any related Reimbursement Obligations then outstanding.

(g) Issuing Banks' Duties Regarding Letters of Credit; Unconditional Nature of Reimbursement Obligations. In examining documents presented in connection with drawings under Letters of Credit and making payments under Letters of Credit issued by an Issuing Bank against such documents, such Issuing Bank shall only be required to use the same standard of care as it uses in connection with examining documents presented in connection with drawings under letters of credit in which it has not sold participations and making payments under such letters of credit. The Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, none of the Administrative Agent, any of the Issuing Banks or any of the Revolving Lenders shall be responsible for, and the Borrower's obligations in respect of Letters of Credit shall not be affected in any manner by, (i) the form, validity, sufficiency, accuracy, genuineness or legal effects of any document submitted by any party in connection with the application for and issuance of or any drawing honored under any Letter of Credit even if such document should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any Letter of Credit, or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) failure of the beneficiary of any Letter of Credit to comply fully with conditions required in order to draw upon such Letter of Credit; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telex, telecopy, electronic mail or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any Letter of Credit, or of the proceeds thereof; (vii) the misapplication by the beneficiary of any Letter of Credit or of the proceeds of any drawing under any Letter of Credit; or (viii) any consequences arising from causes beyond the control of the Issuing Banks, the Administrative Agent or the Revolving Lenders. None of the above shall affect, impair or prevent the vesting of any of the Issuing Bank's, the Administrative Agent's or any Revolving Lender's rights or powers hereunder. Any action taken or omitted to be taken by an Issuing Bank under or in connection with any Letter of Credit issued by such Issuing Bank, if taken or omitted in the absence of gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final, non-appealable judgment), shall not create against such Issuing Bank any liability to the Borrower, the Administrative Agent or any Lender. In this connection, the obligation of the Borrower to reimburse an Issuing Bank for any drawing made under any Letter of Credit issued by such Issuing Bank, and to repay any Revolving Loan made pursuant to the second sentence of the immediately preceding subsection (e), shall be absolute, unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement and any other applicable Letter of Credit Document under all circumstances whatsoever, including without limitation, the following circumstances: (A) any lack of validity or enforceability of any Letter of Credit Document or any term or provisions therein; (B) any amendment or waiver of or any consent to departure from all or any of the Letter of Credit Documents; (C) the existence of any claim

consent to departure from all or any of the Letter of Credit Documents; (C) the existence of any claim,

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- 45 -

setoff, defense or other right which the Borrower may have at any time against such Issuing Bank, any other Issuing Bank, the Administrative Agent, any Lender, any beneficiary of a Letter of Credit or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or in the Letter of Credit Documents or any unrelated transaction; (D) any breach of contract or dispute between the Borrower, the Issuing Bank, the Administrative Agent, any Lender or any other Person; (E) any demand, statement or any other document presented under a Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein or made in connection therewith being untrue or inaccurate in any respect whatsoever; (F) any non-application or misapplication by the beneficiary of a Letter of Credit or of the proceeds of any drawing under such Letter of Credit; (G) payment by such Issuing Bank under any Letter of Credit against presentation of a draft or certificate which does not strictly comply with the terms of such Letter of Credit; and (H) any other act, omission to act, delay or circumstance whatsoever that might, but for the provisions of this Section, constitute a legal or equitable defense to or discharge of, or provide a right of setoff against, the Borrower's Reimbursement Obligations. Notwithstanding anything to the contrary contained in this Section or Section 13.9., but not in limitation of the Borrower's unconditional obligation to reimburse an Issuing Bank for any drawing made under a Letter of Credit as provided in this Section and to repay any Revolving Loan made pursuant to the second sentence of the immediately preceding subsection (e), the Borrower shall have no obligation to indemnify the Administrative Agent, any Issuing Bank or any Lender in respect of any liability incurred by the Administrative Agent, such Issuing Bank or such Lender arising solely out of the gross negligence or willful misconduct of the Administrative Agent, such Issuing Bank or such Lender in respect of a Letter of Credit as determined by a court of competent jurisdiction in a final, non-appealable judgment. Except as otherwise provided in this Section, nothing in this Section shall affect any rights the Borrower may have with respect to the gross negligence or willful misconduct of the Administrative Agent, any Issuing Bank or any Lender with respect to any Letter of Credit.

(h) Amendments, Etc. The issuance by an Issuing Bank of any amendment, supplement or other modification to any Letter of Credit issued by such Issuing Bank shall be subject to the same conditions applicable under this Agreement to the issuance of new Letters of Credit (including, without limitation, that the request therefor be made through the applicable Issuing Bank and the Administrative Agent), and no such amendment, supplement or other modification shall be issued unless either (i) the respective Letter of Credit affected thereby would have complied with such conditions had it originally been issued hereunder in such amended, supplemented or modified form or (ii) the Administrative Agent and the Revolving Lenders, if any, required by Section 13.6. shall have consented thereto. In connection with any such amendment, supplement or other modification, the Borrower shall pay the fees, if any, payable under the last sentence of Section 3.5.(c).

(i) Revolving Lenders' Participation in Letters of Credit. Immediately upon the issuance by an Issuing Bank of any Letter of Credit each Revolving Lender shall be deemed to have absolutely, irrevocably and unconditionally purchased and received from such Issuing Bank, without recourse or warranty, an undivided interest and participation to the extent of such Revolving Lender's Revolving Commitment Percentage of the liability of such Issuing Bank with respect to such Letter of Credit and each Revolving Lender thereby shall absolutely, unconditionally and irrevocably assume, as primary obligor and not as surety, and shall be unconditionally obligated to such Issuing Bank to pay and discharge when due, such Revolving Lender's Revolving Commitment Percentage of such Issuing Bank's liability under such Letter of Credit. In addition, upon the making of each payment by a Revolving Lender to the Administrative Agent for the account of an Issuing Bank in respect of any Letter of Credit issued by it pursuant to the immediately following subsection (j), such Revolving Lender shall, automatically and without any further action on the part of such Issuing Bank, the Administrative Agent or such Revolving Lender, acquire (i) a participation in an amount equal to such payment in the Reimbursement Obligation owing to such Issuing Bank by the Borrower in respect of such Letter of Credit and (ii) a participation in a percentage equal to such Revolving Lender's Revolving Commitment

Credit and (ii) a participation in a percentage equal to such Revolving Lender's Revolving Commitment

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- 46 -

Percentage in any interest or other amounts payable by the Borrower in respect of such Reimbursement Obligation (other than the Fees payable to such Issuing Bank pursuant to the last sentence of Section 3.5.(c)).

(j) Payment Obligation of Revolving Lenders. Each Revolving Lender severally agrees to pay to the Administrative Agent, for the account of an Issuing Bank, on demand in immediately available funds in Dollars the amount of such Revolving Lender's Revolving Commitment Percentage of each drawing paid by such Issuing Bank under each Letter of Credit issued by it to the extent such amount is not reimbursed by the Borrower pursuant to the immediately preceding subsection (d); provided, however, that in respect of any drawing under any Letter of Credit, the maximum amount that any Revolving Lender shall be required to fund, whether as a Revolving Loan or as a participation, shall not exceed such Revolving Lender's Revolving Commitment Percentage of such drawing except as otherwise provided in Section 3.9.(d). If the notice referenced in the second sentence of Section 2.4.(e) is received by a Revolving Lender not later than 11:00 a.m. Central time, then such Lender shall make such payment available to the Administrative Agent not later than 2:00 p.m. Central time on the date of demand therefor; otherwise, such payment shall be made available to the Administrative Agent not later than 1:00 p.m. Central time on the next succeeding Business Day. Each Revolving Lender's obligation to make such payments to the Administrative Agent under this subsection, and the Administrative Agent's right to receive the same for the account of the applicable Issuing Bank, shall be absolute, irrevocable and unconditional and shall not be affected in any way by any circumstance whatsoever, including without limitation, (i) the failure of any other Revolving Lender to make its payment under this subsection, (ii) the financial condition of the Borrower or any other Loan Party, (iii) the existence of any Default or Event of Default, including any Event of Default described in Section 11.1.(e) or (f), (iv) the termination of the Revolving Commitments or (v) the delivery of Cash Collateral in respect of any Extended Letter of Credit. Each such payment to the Administrative Agent for the account of the applicable Issuing Bank shall be made without any offset, abatement, withholding or deduction whatsoever.

(k) Information to Revolving Lenders. Promptly following any change in Letters of Credit outstanding issued by an Issuing Bank, such Issuing Bank shall provide to the Administrative Agent, which shall promptly provide the same to each Revolving Lender and the Borrower, a notice describing the aggregate amount of all Letters of Credit issued by such Issuing Bank outstanding at such time. Upon the request of the Administrative Agent from time to time, an Issuing Bank shall deliver any other information reasonably requested by the Administrative Agent (or a Revolving Lender through the Administrative Agent) with respect to such Letter of Credit that is the subject of the request. Other than as set forth in this subsection, the Issuing Banks and the Administrative Agent shall have no duty to notify the Lenders regarding the issuance or other matters regarding Letters of Credit issued hereunder. The failure of any Issuing Bank or the Administrative Agent to perform its requirements under this subsection shall not relieve any Revolving Lender from its obligations under the immediately preceding subsection (j).

Section 2.5. Changed Circumstances.

(a) Circumstances Affecting Benchmark Availability. Subject to clause (c) below, in connection with any request for a SOFR Loan or a conversion to or continuation thereof or otherwise, if for any reason (i) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that reasonable and adequate means do not exist for ascertaining Adjusted Daily Simple SOFR pursuant to the definition thereof or Adjusted Term SOFR pursuant to the definition thereof with respect to a proposed Term SOFR Loan on or prior to the first day of the applicable Interest Period or (ii) the Requisite Lenders shall determine (which determination shall be conclusive and binding absent manifest error) that Adjusted Daily Simple SOFR or Adjusted Term SOFR, as applicable, does not adequately and fairly reflect the cost to such Lenders of making or maintaining any such Loan during

adequately and fairly reflect the cost to such Lenders of making or maintaining any such Loan during,

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with respect to Adjusted Term SOFR, such Interest Period and, in the case of clause (ii), the Requisite Lenders have provided notice of such determination to the Administrative Agent, then, in each case, the Administrative Agent shall promptly give notice thereof to the Borrower. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to convert any Loan to or continue any Loan as a SOFR Loan, shall be suspended (to the extent of the affected SOFR Loans or the affected Interest Periods) until the Administrative Agent (with respect to clause (ii), at the instruction of the Requisite Lenders) revokes such notice. Upon receipt of such notice, (A) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loans or the affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans in the amount specified therein and (B) any outstanding affected SOFR Loans will be deemed to have been converted into Base Rate Loans (I) with respect to any Daily Simple SOFR Loans, immediately and (II) with respect to any Term SOFR Loans, at the end of the applicable Interest Period. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 5.4.

(b) Laws Affecting SOFR Availability. If, after the date hereof, the introduction of, or any change in, any Applicable Law or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any of the Lenders (or any of their respective Lending Offices) with any request or directive (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, shall make it unlawful or impossible for any of the Lenders (or any of their respective Lending Offices) to honor its obligations hereunder to make or maintain any SOFR Loan, or to determine or charge interest based upon SOFR, Adjusted Daily Simple SOFR, Daily Simple SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, such Lender shall promptly give notice thereof to the Administrative Agent and the Administrative Agent shall promptly give notice to the Borrower and the other Lenders (an "Illegality Notice"). Thereafter, until each affected Lender notifies the Administrative Agent and the Administrative Agent notifies the Borrower that the circumstances giving rise to such determination no longer exist, (i) any obligation of the Lenders to make Daily Simple SOFR Loans or Term SOFR Loans, as applicable, and any right of the Borrower to convert any Loan to a Daily Simple SOFR Loan or a Term SOFR Loan, as applicable, shall be suspended and (ii) if necessary to avoid such illegality, the Administrative Agent shall compute the Base Rate without reference to clause (c) of the definition of "Base Rate". Upon receipt of an Illegality Notice, the Borrower shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all affected SOFR Loans to Base Rate Loans (in each case, if necessary to avoid such illegality, the Administrative Agent shall compute the Base Rate without reference to clause (c) of the definition of "Base Rate") (A) with respect to any Daily Simple SOFR Loans, on the date interest is due therefor and (B) with respect to any Term SOFR Loans, on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such SOFR Loans to such day, or immediately, if any Lender may not lawfully continue to maintain such SOFR Loans to such day. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 5.4.

(c) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event with respect to any Benchmark, the Administrative Agent and the Borrower may amend this Agreement to replace such Benchmark with a Benchmark Replacement. Any such amendment with respect to a

replace such benchmark with a benchmark replacement. Any such amendment with respect to a

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- 48 -

Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all affected Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Requisite Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.5.(c)(i) will occur prior to the applicable Benchmark Transition Start Date.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(iii) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.5.(c)(iv). Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.5.(c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.5.(c).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if any then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (1) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (2) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (B) if a tenor that was removed pursuant to clause (A) above either (1) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (2) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, (A) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of any affected SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such

request into a request for a borrowing of or conversion to Base Rate Loans and (B) any outstanding affected SOFR Loans will be deemed to have been converted to Base Rate Loans (I) with respect to any Daily Simple SOFR Loans, immediately and (II) with respect to any Term SOFR Loans, at the end of the applicable Interest Period. During any Benchmark Unavailability Period with respect to any Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark that is the subject of such Benchmark Unavailability Period or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

Section 2.6. Rates and Payment of Interest on Loans.

(a) Rates. The Borrower promises to pay to the Administrative Agent for the account of each Lender interest on the unpaid principal amount of each Loan made by such Lender for the period from and including the date of the making of such Loan to but excluding the date such Loan shall be paid in full, at the following per annum rates:

(i) during such periods as such Loan is a Base Rate Loan, at the Base Rate (as in effect from time to time), plus the Applicable Margin for Base Rate Loans;

(ii) during such periods as such Loan is a Daily Simple SOFR Loan, at the Adjusted Daily Simple SOFR (as in effect from time to time), plus the Applicable Margin for SOFR Loans; and

(iii) during such periods as such Loan is a Term SOFR Loan, at Adjusted Term SOFR for such Loan for the Interest Period therefor, plus the Applicable Margin for SOFR Loans.

Notwithstanding the foregoing, at the election of the Requisite Lenders while an Event of Default exists (or automatically while an Event of Default under Sections 11.1.(a), 11.1.(e) or 11.1.(f) exists), the Borrower shall pay to the Administrative Agent for the account of each Lender and the Issuing Banks, as the case may be, interest at the Post-Default Rate on the outstanding principal amount of any Loan made by such Lender, on all Reimbursement Obligations and on any other amount payable by the Borrower hereunder or under the Notes held by such Lender to or for the account of such Lender (including without limitation, accrued but unpaid interest to the extent permitted under Applicable Law).

(b) Payment of Interest. All accrued and unpaid interest on the outstanding principal amount of each Loan shall be payable (i) (A) if such Loan is a Base Rate Loan or a Daily Simple SOFR Loan, monthly in arrears on the first day of each month, commencing with the first full calendar month occurring after the Effective Date or (B) if such Loan is a Term SOFR Loan, on the last day of the Interest Period applicable thereto and, if such Interest Period is longer than three months, at three month intervals following the first day of such Interest Period and (ii) on any date on which the principal balance of such Loan is due and payable in full (whether at maturity, due to acceleration or otherwise). Interest payable at the Post-Default Rate shall be payable from time to time on demand. All determinations by the Administrative Agent of an interest rate hereunder shall be conclusive and binding on the Lenders and the Borrower for all purposes, absent manifest error.

(c) Borrower Information Used to Determine Applicable Interest Rates. The parties understand that the applicable interest rate for the Obligations and certain fees set forth herein may be determined and/or adjusted from time to time based upon certain financial ratios and/or other information to be provided or certified to the Lenders by the Borrower (the "**Borrower Information**"). If it is subsequently determined that any such Borrower Information was incorrect (for whatever reason, including without limitation because of a subsequent restatement of earnings by the Borrower) at the time

including without limitation because of a subsequent restatement of earnings by the Borrower) at the time

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- 50 -

it was delivered to the Administrative Agent, and if the applicable interest rate or fees calculated for any period were lower than they should have been had the correct information been timely provided, then, such interest rate and such fees for such period shall be automatically recalculated using correct Borrower Information. The Administrative Agent shall promptly notify the Borrower in writing of any additional interest and fees due because of such recalculation, and the Borrower shall pay such additional interest or fees due to the Administrative Agent, for the account of each Lender, within 10 Business Days of receipt of such written notice (it being understood and agreed that no Default or Event of Default shall be deemed to have occurred so long as the Borrower pays such additional interest or fees within such 10 Business Day period). Any recalculation of interest or fees required by this provision shall survive the termination of this Agreement, and, except as otherwise expressly provided in this Section 2.6(c), this provision shall not in any way limit any of the Administrative Agent's, any Issuing Bank's, or any Lender's other rights under this Agreement.

(d) Initial Benchmark Conforming Changes. In connection with the use or administration of any Benchmark, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of any Benchmark.

Section 2.7. Number of Interest Periods.

There may be no more than 15 different Interest Periods for Term SOFR Loans outstanding at the same time.

Section 2.8. Repayment of Loans.

(a) Revolving Loans. The Borrower promises to repay the entire outstanding principal amount of, and all accrued but unpaid interest on, the Revolving Loans on the Revolving Termination Date.

Section 2.9. Prepayments.

(a) Optional. Subject to Section 5.4., the Borrower may prepay any Loan at any time without premium or penalty. The Borrower shall give the Administrative Agent at least (w) in the case of any Daily Simple SOFR Loan, at least three (3) U.S. Government Securities Business Days, (x) in the case of any Term SOFR Loan, at least three (3) U.S. Government Securities Business Days and (y) in the case of any other Loan, three (3) Business Days, prior written notice of the prepayment of such Loan, as applicable, (or such shorter notice as may be acceptable to the Administrative Agent). Each voluntary prepayment of Loans shall be in an aggregate minimum amount of \$1,000,000 and integral multiples of \$500,000 in excess thereof (or if less the remaining principal amount of the Loans).

(b) Mandatory Prepayment.

(i) On any day that the aggregate amount of the unrestricted cash and Cash Equivalents of the Borrower and its Subsidiaries (that is not then designated for application or use and is subsequently used for such purposes within thirty (30) days thereof) exceeds \$25,000,000, the Borrower shall promptly (and in any event within five (5) Business Days after such date) prepay the Revolving Loans (without any reduction in the Revolving Commitments), without premium or penalty, in an amount equal to such excess; provided, however, during any period that the Interest Rate Swap is outstanding, if any such prepayment would cause the outstanding principal balance of all Loans to be less than \$175,000,000, then the Borrower shall instead prepay the outstanding principal balance of all Loans to \$175,000,000 and pay any additional excess into an escrow account established by the Administrative Agent to hold such funds as cash collateral securing the Loans until the Interest Rate Swap has expired or terminated, at which time such funds will be utilized to prepay the Loans.

(ii) If the Borrower encumbers an Unencumbered Pool Property (as designated as such on and as of the effective date of the Third Amendment) with the incurrence of Secured Indebtedness, the Borrower shall promptly (and in any event within five (5) Business Days) after the receipt of the Net Cash Proceeds from such Secured Indebtedness, prepay the Revolving Loans (without any reduction in the Revolving Commitments), without premium or penalty, in an amount equal one hundred percent (100%) of all such Net Cash Proceeds.

(c) Qualified Collateral Property Sale. If the Borrower requests a Property Release in accordance with Section 8.15.(b) following the consummation of a Qualified Collateral Property Sale, then, no later than the third Business Day following the date of receipt by the Borrower of the Net Cash Proceeds from such Qualified Collateral Property Sale the Borrower shall, or shall cause the applicable Subsidiary to (1) provide the Administrative Agent written notice of the receipt of such Net Cash Proceeds and (2) prepay the outstanding Revolving Loans (without any reduction in the Revolving Commitments), in an amount equal to one hundred percent (100%) of all such Net Cash Proceeds.

(d) Casualty/Condemnation Proceeds. If any Casualty/Condemnation Event proceeds are to be assigned to the Administrative Agent in accordance with Section 8.15.(a).(ii).(D)., the Borrower or the applicable Guarantor shall (1) give the Administrative Agent written notice of the receipt of any Casualty/Condemnation Event proceeds to be assigned, and (2) prepay the outstanding Revolving Loans (without any reduction in the Revolving Commitments), in an amount equal to one hundred percent (100%) of such Casualty/Condemnation proceeds (net of any costs expended to secure such award).

Section 2.10. Continuation.

So long as no Default or Event of Default exists, the Borrower may on any Business Day, with respect to any Term SOFR Loan, elect to maintain such Term SOFR Loan or any portion thereof as a Term SOFR Loan by selecting a new Interest Period for such Term SOFR Loan. Each Continuation of a Term SOFR Loan shall be in an aggregate minimum amount of \$1,000,000 and integral multiples of \$500,000 in excess of that amount (or if less, the aggregate amount of the Term SOFR Loan being continued), and each new Interest Period selected under this Section shall commence on the last day of the immediately preceding Interest Period. Each selection of a new Interest Period shall be made by the Borrower giving to the Administrative Agent a Notice of Continuation not later than 11:00 a.m. Central time on the third U.S. Government Securities Business Days prior to the date of any such Continuation. Such notice by the Borrower of a Continuation shall be by telecopy, electronic mail or other similar form of communication in the form of a Notice of Continuation, specifying (a) the proposed date of such Continuation. (b) the Term SOFR Loans, and portions thereof subject to such Continuation and (c) the

duration of the selected Interest Period, all of which shall be specified in such manner as is necessary to comply with all limitations on Loans outstanding hereunder. Each Notice of Continuation shall be irrevocable by and binding on the Borrower once given. Promptly after receipt of a Notice of Continuation, the Administrative Agent shall notify each Lender of the proposed Continuation. If the Borrower shall fail to select in a timely manner a new Interest Period for any Term SOFR Loan in accordance with this Section, such Loan will automatically, on the last day of the current Interest Period therefor, continue as a Term SOFR Loan with an Interest Period of one month; provided, however that if an Event of Default exists, such Loan will automatically, on the last day of the current Interest Period therefor, Convert into a Base Rate Loan notwithstanding the first sentence of Section 2.11. or the Borrower's failure to comply with any of the terms of such Section. For the avoidance of doubt, any Daily Simple SOFR Loan shall automatically continue as a Daily Simple SOFR Loan until such Loan is repaid, prepaid or Converted by the Borrower in accordance with the terms of this Agreement.

Section 2.11. Conversion.

The Borrower may, upon the Borrower's giving of a Notice of Conversion to the Administrative Agent by telecopy, electronic mail or other similar form of communication, Convert (a) on any Business Day, all or any portion of any outstanding Base Rate Loans into one or more SOFR Loans and (b) with respect to any (x) Daily Simple SOFR Loan, on any Business Day or (y) Term SOFR Loan, upon the expiration of any Interest Period therefor, in each case, any outstanding SOFR Loans into Base Rate Loans, Daily Simple SOFR Loans or Term SOFR Loans; provided, however, a Base Rate Loan may not be Converted into a SOFR Loan if an Event of Default exists. Each Conversion shall be in an aggregate minimum amount of \$1,000,000 and integral multiples of \$500,000 in excess of that amount. Each such Notice of Conversion shall be given not later than 11:00 a.m. Central time three (3) Business Days prior to the date of any proposed Conversion. Promptly after receipt of a Notice of Conversion, the Administrative Agent shall notify each Lender of the proposed Conversion. Subject to the restrictions specified above, each Notice of Conversion shall be by telecopy, electronic mail or other similar form of communication in the form of a Notice of Conversion specifying (a) the requested date of such Conversion, (b) the Type of Loan to be Converted, (c) the portion of such Type of Loan to be Converted, (d) the Type of Loan such Loan is to be Converted into and (e) if such Conversion is into a Term SOFR Loan, the requested duration of the Interest Period of such Loan. Each Notice of Conversion shall be irrevocable by and binding on the Borrower once given.

Section 2.12. Notes.

(a) Notes. Except in the case of a Revolving Lender that has notified the Administrative Agent in writing that it elects not to receive a Revolving Note, the Revolving Loans made by each Revolving Lender shall, in addition to this Agreement, also be evidenced by a Revolving Note, payable to such Revolving Lender in a principal amount equal to the amount of its Revolving Commitment as originally in effect and otherwise duly completed.

(b) Records. The date, amount, interest rate, Type and duration of Interest Periods (if applicable) of each Loan made by each Lender to the Borrower, and each payment made on account of the principal thereof, shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(c) Lost, Stolen, Destroyed or Mutilated Notes. Upon receipt by the Borrower of (i) written notice from a Lender that a Note of such Lender has been lost, stolen, destroyed or mutilated, and (ii)(A) in the case of loss, theft or destruction, an unsecured agreement of indemnity from such Lender in form reasonably satisfactory to the Borrower, or (B) in the case of mutilation, upon surrender and cancellation of such Note, the Borrower shall at its own expense execute and deliver to such Lender a new Note dated the date of such lost, stolen, destroyed or mutilated Note.

Section 2.13. Voluntary Reductions of the Revolving Commitments.

The Borrower shall have the right to terminate or reduce the aggregate unused amount of the Revolving Commitments (for which purpose use of the Revolving Commitments shall be deemed to include the aggregate amount of all Letter of Credit Liabilities) at any time and from time to time without penalty or premium upon not less than 5 Business Days prior written notice to the Administrative Agent of each such termination or reduction (or such shorter notice as may be acceptable to the Administrative Agent), which notice shall specify the effective date thereof and the amount of any such reduction (which in the case of any partial reduction of the Revolving Commitments shall not be less than \$10,000,000 and integral multiples of \$1,000,000 in excess of that amount in the aggregate) (“**Commitment Reduction Notice**”); provided, however, the Borrower may not reduce the aggregate amount of the Revolving Commitments below \$100,000,000 unless the Borrower is terminating the Revolving Commitments in full. Any Commitment Reduction Notice may be conditioned upon the effectiveness of other credit facilities, or the occurrence of any other event specified therein, in which case such notice may be revoked by the Borrower upon written notice to the Administrative Agent if such condition is not met. Promptly after receipt of a Commitment Reduction Notice the Administrative Agent shall notify each Lender of the proposed Revolving Commitment termination or Revolving Commitment reduction. The Revolving Commitments, once reduced or terminated pursuant to this Section, may not be increased or reinstated except pursuant to Section 2.17. The Borrower shall pay all interest and fees on the Revolving Loans accrued to the date of such reduction or termination of the Revolving Commitments to the Administrative Agent for the account of the Revolving Lenders, including but not limited to any applicable compensation due to each Revolving Lender in accordance with Section 5.4.

Section 2.14. Extension of the Revolving Termination Date.

The Borrower shall have one (1) option to extend (the “**Option to Extend**”) the Initial Revolving Termination Date by eighteen (18) months to May 12, 2026 upon the satisfaction of each of the following conditions precedent:

(a) the Borrower shall provide written notice (the “**Extension Notice**”) to the Administrative Agent of the Borrower’s election to exercise the Option to Extend not more than one hundred eighty (180) days but not less than thirty (30) days prior to the Initial Revolving Termination Date;

(b) as of the date of receipt by the Administrative Agent of the Extension Notice and as of the Initial Revolving Termination Date, no Default or Event of Default shall have occurred and be continuing, and the Borrower;

(c) the representations and warranties made or deemed made by the Borrower or any other Loan Party contained in Article VII and any other Loan Document shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of the Initial Revolving Termination Date, except to the extent any such representation or warranty relates solely to an earlier date in which case such representation or warranty shall be true and correct in all material respects

(except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of such earlier date, and the representations and warranties contained in Section 7.1.(k) shall be deemed to refer to the most recent statements furnished pursuant to Section 9.1. or 9.2.;

(d) on or before the Initial Revolving Termination Date, the Borrower shall pay to the Administrative Agent, for the account of each of the Extending Revolving Lenders, the extension fee provided for in Section 3.5.(d); and

(e) the Borrower shall provide to the Administrative Agent an officer's certificate in form and substance reasonably satisfactory to the Administrative Agent, certifying that the conditions set forth in clauses (a) through (d) above have been, or will be, satisfied on or prior to the Initial Revolving Termination Date.

Section 2.15. Expiration Date of Letters of Credit Past Revolving Commitment Termination.

If on the date the Revolving Commitments are terminated or reduced to zero (whether voluntarily, by reason of the occurrence of an Event of Default or otherwise) there are any Letters of Credit outstanding hereunder and the aggregate Stated Amount of such Letters of Credit exceeds the balance of available funds on deposit in the Letter of Credit Collateral Account, then the Borrower shall, on such date, pay to the Administrative Agent, for its benefit and the benefit of the Revolving Lenders and the Issuing Banks, for deposit into the Letter of Credit Collateral Account, an amount of money equal to the amount of such excess.

Section 2.16. Amount Limitations.

Notwithstanding any other term of this Agreement or any other Loan Document, no Lender shall be required to make a Loan, no Issuing Bank shall be required to issue a Letter of Credit and no reduction of the Revolving Commitments pursuant to Section 2.13. shall take effect, if immediately after the making of such Loan, the issuance of such Letter of Credit or such reduction in the Revolving Commitments, the aggregate principal amount of all outstanding Revolving Loans, together with the aggregate amount of all Letter of Credit Liabilities, would exceed the aggregate amount of the Revolving Commitments at such time.

Section 2.17. Incremental Increases.

(a) Request for Incremental Increase. At any time after the Agreement Date, upon written notice to the Administrative Agent, the Borrower may, from time to time, request one or more increases in the Revolving Commitments (each, an "**Incremental Increase**"); provided that (A) the aggregate initial principal amount of such requested Incremental Increase shall not exceed the Incremental Facilities Limit, (B) any such Incremental Increase shall be in a minimum amount of \$5,000,000 (or such lesser amount as agreed to by the Administrative Agent) or, if less, the remaining amount of the Incremental Facilities Limit, (C) no existing Lender will be required to provide any portion of such Incremental Increase and (D) no more than 5 Incremental Increases shall be permitted during the term of this Agreement.

(b) Incremental Lenders. Each notice from the Borrower pursuant to this Section 2.17. shall set forth the requested amount and proposed terms of the relevant Incremental Increase. Incremental Increases may be provided by any existing Lender or by any other Persons (each such Lender or other Person, an "**Incremental Lender**"); provided that the Administrative Agent, and each Issuing Bank, as

applicable, shall have consented (not to be unreasonably withheld or delayed) to such Incremental Lender's providing such Incremental Increases to the extent any such consent would be required under Section 12.8. for an assignment of Loans or Commitments, as applicable, to such Incremental Lender. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each proposed Incremental Lender is requested to respond, which shall in no event be less than 10 Business Days from the date of delivery of such notice to the proposed Incremental Lenders (or such shorter period as agreed to by the Administrative Agent). Each proposed Incremental Lender may elect or decline, in its sole discretion, and shall notify the Administrative Agent within such time period whether it agrees, to provide an Incremental Increase and, if so, whether by an amount equal to, greater than or less than requested. Any Person not responding within such time period shall be deemed to have declined to provide an Incremental Increase.

(c) Increase Effective Date and Allocations. The Administrative Agent and the Borrower shall determine the effective date (the "**Increase Effective Date**") and the final allocation of such Incremental Increase (limited in the case of the Incremental Lenders to their own respective allocations thereof). The Administrative Agent shall promptly notify the Borrower and the Incremental Lenders of the final allocation of such Incremental Increases and the Increase Effective Date.

(d) Terms of Incremental Increases. The terms of each Incremental Increase (which shall be set forth in the relevant Incremental Amendment) shall be determined by the Borrower and the applicable Incremental Lenders; provided that:

(i) in the case of each Incremental Increase:

(A) each such Incremental Increase shall have the same terms, including maturity and Applicable Margin, as the Revolving Loans; provided that (x) any upfront fees payable by the Borrower to the Lenders under any Incremental Increases may differ from those payable under the then existing Revolving Commitments and (y) the Applicable Margins or interest rate floor applicable to any Incremental Increase may be higher than the Applicable Margins or interest rate floor applicable to the Revolving Loans if the Applicable Margins or interest rate floor applicable to the Revolving Loans are increased to equal the Applicable Margins and interest rate floor applicable to such Incremental Increase; and

(B) the outstanding Revolving Loans and Letter of Credit Liabilities will be reallocated by the Administrative Agent on the applicable Increase Effective Date among the Revolving Lenders (including the Incremental Lenders providing such Incremental Increase) in accordance with their revised Revolving Commitment Percentages (and the Revolving Lenders (including the Incremental Lenders providing such Incremental Increase) agree to make all payments and adjustments necessary to effect such reallocation and the Borrower shall pay any and all costs required pursuant to Section 13.9.in connection with such reallocation as if such reallocation were a repayment);

(ii) each Incremental Increase shall constitute Obligations of the Borrower and will be guaranteed by the Guarantors and secured on a *pari passu* basis with the Obligations.

(e) Conditions to Effectiveness of Incremental Increases. Any Incremental Increase shall become effective as of such Increase Effective Date and shall be subject to the following conditions precedent:

(iii) no Default or Event of Default shall exist on such Increase Effective Date immediately prior to or after giving effect to (A) such Incremental Increase or (B) the making of the initial extensions of credit pursuant thereto that are made on the Increase Effective Date;

(iv) all of the representations and warranties set forth in Article VII shall be true and correct in all material respects (or if qualified by materiality or Material Adverse Effect, in all respects) as of such Increase Effective Date, or if such representation speaks as of an earlier date, as of such earlier date;

(v) the Administrative Agent shall have received from the Borrower, a Compliance Certificate demonstrating that the Borrower is in compliance with the financial covenants set forth in Section 10.1.;

(vi) the Loan Parties shall have executed an Incremental Amendment in form and substance reasonably acceptable to the Borrower and the applicable Incremental Lenders; and

(vii) the Administrative Agent shall have received from the Borrower, any customary legal opinions or other documents (including a resolution duly adopted by the board of directors (or equivalent governing body) of each Loan Party authorizing such Incremental Increase), modifications to existing instruments and documents of the type required by Section 8.14., reasonably requested by Administrative Agent in connection with such Incremental Increase.

(f) Incremental Amendments. Each such Incremental Increase shall be effected pursuant to an amendment (an “**Incremental Amendment**”) to this Agreement and, as appropriate, the other Loan Documents, executed by the Loan Parties, the Administrative Agent and the applicable Incremental Lenders, which Incremental Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.17.

(g) Use of Proceeds. The proceeds of any Incremental Increase may be used by Parent, the Borrower and its Subsidiaries for (a) working capital and other general corporate purposes, including the financing of Restricted Payments, acquisitions and other Investments, in each case, to the extent permitted hereunder, (b) the payment of fees and expenses incurred in connection with such Incremental Increase and (c) any other use not prohibited by this Agreement.

Section 2.18. Funds Transfer Disbursements.

The Borrower hereby authorizes the Administrative Agent to disburse the proceeds of any Loan made by the Lenders or any of their Affiliates pursuant to the Loan Documents as requested by an authorized representative of the Borrower to any of the accounts designated in the Disbursement Instruction Agreement.

ARTICLE III. PAYMENTS, FEES AND OTHER GENERAL PROVISIONS

Section 3.1. Payments.

(a) Payments by Borrower. Except to the extent otherwise provided herein, all payments of principal, interest, Fees and other amounts to be made by the Borrower under this Agreement, the Notes or any other Loan Document shall be made in Dollars, in immediately available funds, without setoff, deduction or counterclaim (excluding Taxes required to be withheld pursuant to Section 3.10.), to the

Administrative Agent at the Principal Office, not later than 1:00 p.m. Central time on the date on which such payment shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day). Subject to Section 11.5., the Borrower shall, at the time of making each payment under this Agreement or any other Loan Document, specify to the Administrative Agent the amounts payable by the Borrower hereunder to which such payment is to be applied. Each payment received by the Administrative Agent for the account of a Lender under this Agreement or any Note shall be paid to such Lender by wire transfer of immediately available funds in accordance with the wiring instructions provided by such Lender to the Administrative Agent from time to time, for the account of such Lender at the applicable Lending Office of such Lender. Each payment received by the Administrative Agent for the account of an Issuing Bank under this Agreement shall be paid to such Issuing Bank by wire transfer of immediately available funds in accordance with the wiring instructions provided by such Issuing Bank to the Administrative Agent from time to time, for the account of such Issuing Bank. In the event the Administrative Agent fails to pay such amounts to such Lender or such Issuing Bank, as the case may be, within one Business Day of receipt of such amounts, the Administrative Agent shall pay interest on such amount until paid at a rate per annum equal to the Federal Funds Rate from time to time in effect. If the due date of any payment under this Agreement or any other Loan Document would otherwise fall on a day which is not a Business Day such date shall be extended to the next succeeding Business Day and interest shall continue to accrue at the rate, if any, applicable to such payment for the period of such extension.

(b) Presumptions Regarding Payments by Borrower. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or an Issuing Bank hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may (but shall not be obligated to), in reliance upon such assumption, distribute to the Lenders or the Issuing Banks, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent on demand that amount so distributed to such Lender or such Issuing Bank, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

Section 3.2. Pro Rata Treatment.

Except to the extent otherwise provided herein: (a) each borrowing from the Revolving Lenders under Sections 2.1.(a), 2.4.(e) and 2.5.(e) shall be made from the Revolving Lenders, each payment of the fees under Sections 3.5.(b), the first sentence of 3.5.(c), and 3.5.(e) shall be made for the account of the Revolving Lenders, and each termination or reduction of the amount of the Revolving Commitments under Section 2.13. shall be applied to the respective Revolving Commitments of the Revolving Lenders, pro rata according to the amounts of their respective Revolving Commitments; (b) each payment or prepayment of principal of Revolving Loans shall be made for the account of the Revolving Lenders pro rata in accordance with the respective unpaid principal amounts of the Revolving Loans held by them, provided that, subject to Section 3.9., if immediately prior to giving effect to any such payment in respect of any Revolving Loans the outstanding principal amount of the Revolving Loans shall not be held by the Revolving Lenders pro rata in accordance with their respective Revolving Commitments in effect at the time such Revolving Loans were made, then such payment shall be applied to the Revolving Loans in such manner as shall result, as nearly as is practicable, in the outstanding principal amount of the Revolving Loans being held by the Revolving Lenders pro rata in accordance with such respective Revolving Commitments; (c) each payment of interest on Revolving Loans shall be made for the account of the Revolving Lenders pro rata in accordance with the amounts of interest on such Revolving Loans

of the Revolving Lenders pro rata in accordance with the amounts of interest on such Revolving Loans

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- 58 -

then due and payable to the respective Lenders; (d) the Conversion and Continuation of Revolving Loans of a particular Type (other than Conversions provided for by Sections 5.1.(c) and 5.5.) shall be made pro rata among the Revolving Lenders according to the amounts of their respective Revolving Loans and the then current Interest Period for each Lender's portion of each such Loan shall be coterminous; and (e) the Revolving Lenders' participation in, and payment obligations in respect of, Letters of Credit under Section 2.4., shall be in accordance with their respective Revolving Commitment Percentages.

Section 3.3. Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal or interest on any of its Loans or other Obligations owing to such Lender resulting in such Lender receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such Obligation greater than the share thereof as provided in Section 3.2. or Section 11.5., as applicable, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other Obligations owing to 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 applicable Lenders ratably in accordance with Section 3.2. or Section 11.5., as applicable; 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 (x) any payment made by the Borrower or any other Loan Party pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 3.9.(e) or (z) any payment obtained by a Lender as consideration for the assignment of, or sale of a participation in, any of its Loans or participations in Letters of Credit to any assignee or participant, other than to the Borrower or any of its Subsidiaries or Affiliates (as to which the provisions of this Section shall apply).

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

Section 3.4. Several Obligations.

No Lender shall be responsible for the failure of any other Lender to make a Loan or to perform any other obligation to be made or performed by such other Lender hereunder, and the failure of any Lender to make a Loan or to perform any other obligation to be made or performed by it hereunder shall not relieve the obligation of any other Lender to make any Loan or to perform any other obligation to be made or performed by such other Lender.

Section 3.5. Fees.

(a) Closing Fee. On the Effective Date, the Borrower agrees to pay to the Administrative Agent and each Lender all fees then due and payable as have been agreed to in writing by the Borrower, the Arrangers and the Administrative Agent in the Fee Letters or otherwise.

(b) Unused Fees. During the period from the Effective Date to but excluding the Revolving Termination Date, the Borrower agrees to pay to the Administrative Agent for the account of the Revolving Lenders an unused fee in an amount equal to (i) 0.25% per annum times (ii) the difference between (A) the aggregate amount of the Revolving Commitments and (B) the aggregate outstanding principal balance of Revolving Loans and Letter of Credit Liabilities. Such fee shall be computed on a daily basis and payable quarterly in arrears on the first day of each January, April, July and October during the term of this Agreement and on the Revolving Termination Date or any earlier date of termination of the Revolving Commitments or reduction of the Revolving Commitments to zero.

(c) Letter of Credit Fees. The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender a letter of credit fee at a rate per annum equal to the Applicable Margin for Revolving Loans that are SOFR Loans times the daily average Stated Amount of each Letter of Credit for the period from and including the date of issuance of such Letter of Credit (x) to and including the date such Letter of Credit expires or is cancelled or terminated or (y) to but excluding the date such Letter of Credit is drawn in full. In addition to such fees, the Borrower shall pay to each Issuing Bank solely for its own account, a fronting fee in respect of each Letter of Credit issued by such Issuing Bank equal to the greater of 0.125% and \$500. The fees provided for in this subsection shall be nonrefundable and payable in arrears (i) quarterly on the first day of January, April, July and October, (ii) on the Revolving Termination Date, (iii) on the date the Revolving Commitments are terminated or reduced to zero and (iv) thereafter from time to time on demand of the Administrative Agent. The Borrower shall pay directly to each Issuing Bank from time to time on demand all commissions, charges, costs and expenses in the amounts customarily charged or incurred by such Issuing Bank from time to time in like circumstances with respect to the issuance, amendment, renewal or extension of any Letter of Credit or any other transaction relating thereto.

(d) Extension Fee. If the Borrower exercises the Option to Extend in accordance with Section 2.14., the Borrower agrees to pay to the Administrative Agent, for the account of each Extending Revolving Lender, a fee in an amount equal to 0.20% of the aggregate Revolving Commitment in effect on the Initial Revolving Termination Date.

(e) [Reserved].

(f) [Reserved].

(g) Administrative and Other Fees. The Borrower agrees to pay the administrative and other fees of the Administrative Agent as provided in the Administrative Agent Fee Letter and as may be otherwise agreed to in writing from time to time by the Borrower and the Administrative Agent.

Section 3.6. Computations.

Unless otherwise expressly set forth herein, any accrued interest on any Loan, any Fees or any other Obligations due hereunder shall be computed on the basis of a year of 360 days and the actual number of days elapsed.

Section 3.7. Usury.

In no event shall the amount of interest due or payable on the Loans or other Obligations exceed the maximum rate of interest allowed by Applicable Law and, if any such payment is paid by the Borrower or any other Loan Party or received by any Lender, then such excess sum shall be credited as a payment of principal, unless the Borrower shall notify the respective Lender in writing that the Borrower elects to have such excess sum returned to it forthwith. It is the express intent of the parties hereto that

effects to have such excess sum returned to it forthwith. It is the express intent of the parties hereto that

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- 60 -

the Borrower not pay and the Lenders not receive, directly or indirectly, in any manner whatsoever, interest in excess of that which may be lawfully paid by the Borrower under Applicable Law. The parties hereto hereby agree and stipulate that the only charge imposed upon the Borrower for the use of money in connection with this Agreement is and shall be the interest specifically described in Section 2.6.(a)(i) and (ii). Notwithstanding the foregoing, the parties hereto further agree and stipulate that all agency fees, syndication fees, facility fees, closing fees, letter of credit fees, underwriting fees, default charges, late charges, funding or “breakage” charges, increased cost charges, attorneys’ fees and reimbursement for costs and expenses paid by the Administrative Agent or any Lender to third parties or for damages incurred by the Administrative Agent or any Lender, in each case, in connection with the transactions contemplated by this Agreement and the other Loan Documents, are charges made to compensate the Administrative Agent or any such Lender for underwriting or administrative services and costs or losses performed or incurred, and to be performed or incurred, by the Administrative Agent and the Lenders in connection with this Agreement and shall under no circumstances be deemed to be charges for the use of money. All charges other than charges for the use of money shall be fully earned and nonrefundable when due.

Section 3.8. Statements of Account.

The Administrative Agent will account to the Borrower monthly with a statement of Loans, accrued interest and Fees, charges and payments made pursuant to this Agreement and the other Loan Documents, and such account rendered by the Administrative Agent shall be deemed conclusive upon the Borrower absent manifest error. The failure of the Administrative Agent to deliver such a statement of accounts shall not relieve or discharge the Borrower from any of its obligations hereunder.

Section 3.9. Defaulting Lenders.

Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(a) Waivers and Amendments. Such Defaulting Lender’s right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Requisite Lenders and in Section 13.6.

(b) Defaulting Lender Waterfall. Any payment of principal, interest, Fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article XI. or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 13.3. shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Banks hereunder; third, to Cash Collateralize the Issuing Banks’ Fronting Exposures with respect to such Defaulting Lender in accordance with subsection (e) below; fourth, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender’s potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Issuing Banks’ future Fronting Exposures with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with subsection (e) below; sixth, to the payment of any amounts owing to the Lenders or the Issuing Banks as a result of any judgment of a court of competent jurisdiction obtained by

any Lender or any Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or amounts owing by such Defaulting Lender under Section 2.4.(j) in respect of Letters of Credit (such amounts "**L/C Disbursements**"), in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Article VI. were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Disbursements owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in Letter of Credit Liabilities are held by the Revolving Lenders pro rata in accordance with their respective Revolving Commitment Percentages (determined without giving effect to the immediately following subsection (d)). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this subsection shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents thereto.

(c) Certain Fees.

(i) No Defaulting Lender shall be entitled to receive any Fee payable under Section 3.5.(b) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(ii) Each Defaulting Lender shall be entitled to receive the Fee payable under Section 3.5.(c) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Revolving Commitment Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to the immediately following subsection (e).

(iii) With respect to any Fee not required to be paid to any Defaulting Lender pursuant to the immediately preceding clause (ii), the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such Fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letter of Credit Liabilities that has been reallocated to such Non-Defaulting Lender pursuant to the immediately following subsection (d), (y) pay to the Issuing Banks the amount of any such Fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Bank's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such Fee.

(d) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in Letter of Credit Liabilities shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving Commitment Percentages (determined without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. Subject to Section 13.19., no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Revolving Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

following such reallocation.

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(e) Cash Collateral.

(i) If the reallocation described in the immediately preceding subsection (d) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, Cash Collateralize the Issuing Banks' Fronting Exposures in accordance with the procedures set forth in this subsection.

(ii) At any time that there shall exist a Defaulting Lender that is a Revolving Lender, within 1 Business Day following the written request of the Administrative Agent or an Issuing Bank (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize such Issuing Bank's Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to the immediately preceding subsection (d) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the aggregate Fronting Exposure of such Issuing Bank with respect to Letters of Credit issued and outstanding at such time.

(iii) The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to the Administrative Agent, for the benefit of the Issuing Banks, and agree to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lenders that are Revolving Lenders' obligation to fund participations in respect of Letter of Credit Liabilities, to be applied pursuant to the immediately following clause (iv). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent and the Issuing Banks as herein provided, or that the total amount of such Cash Collateral is less than the aggregate Fronting Exposures of the Issuing Banks with respect to Letters of Credit issued and outstanding at such time, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(iv) Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section in respect of Letters of Credit shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of Letter of Credit Liabilities (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(v) Cash Collateral (or the appropriate portion thereof) provided to reduce the Issuing Banks' Fronting Exposures shall no longer be required to be held as Cash Collateral pursuant to this subsection following (x) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Revolving Lender), or (y) the determination by the Administrative Agent and the Issuing Banks that there exists excess Cash Collateral; provided that, subject to the immediately preceding subsection (b), the Person providing Cash Collateral and the Issuing Banks may (but shall not be obligated to) agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations and provided further that to the extent that such Cash Collateral was provided by the Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Loan Documents.

(f) Defaulting Lender Cure. If the Borrower, the Administrative Agent and the Issuing Banks agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon, as of the effective date specified in such notice and subject to any

notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any

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- 63 -

conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause, as applicable the Revolving Loans and funded and unfunded participations in Letters of Credit to be held pro rata by the Revolving Lenders in accordance with their respective Revolving Commitment Percentages (determined without giving effect to the immediately preceding subsection (d)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to Fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(g) New Letters of Credit. So long as any Revolving Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

(h) Purchase of Defaulting Lender's Commitment/Loans. During any period that a Lender is a Defaulting Lender, the Borrower may, by the Borrower giving written notice thereof to the Administrative Agent, such Defaulting Lender and the other Lenders, demand that such Defaulting Lender assign its Commitment and Loans to an Eligible Assignee subject to and in accordance with the provisions of Section 13.5.(b). No party hereto shall have any obligation whatsoever to initiate any such replacement or to assist in finding an Eligible Assignee. In addition, any Lender who is not a Defaulting Lender may, but shall not be obligated, in its sole discretion, to acquire the face amount of all or a portion of such Defaulting Lender's Commitment and Loans via an assignment subject to and in accordance with the provisions of Section 13.5.(b). In connection with any such assignment, such Defaulting Lender shall promptly execute all documents reasonably requested to effect such assignment, including an appropriate Assignment and Assumption and, notwithstanding Section 13.5.(b), shall pay to the Administrative Agent an assignment fee in the amount of \$7,500, provided that failure by a Defaulting Lender to execute any such Assignment and Assumption shall not invalidate such assignment. The exercise by the Borrower of its rights under this Section shall be at the Borrower's sole cost and expense and at no cost or expense to the Administrative Agent or any of the Lenders.

Section 3.10. Taxes.

(a) Issuing Bank. For purposes of this Section, the term "Lender" includes the Issuing Banks and the term "Applicable Law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower or any other Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower or other applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) Payment of Other Taxes by the Borrower. The Borrower and the other Loan Parties shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d) Indemnification by the Borrower. The Borrower and the other Loan Parties shall jointly and severally indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower or another Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower and the other Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.5. relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this subsection. The provisions of this subsection shall continue to inure to the benefit of an Administrative Agent following its resignation or removal as Administrative Agent.

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower or any other Loan Party to a Governmental Authority pursuant to this Section, the Borrower or such other Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in the immediately

following clauses (ii)(A), (ii)(B) and (ii)(D)) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person:

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), an electronic copy (or an original if requested by the Borrower or the Administrative Agent) of an executed IRS Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, an electronic copy (or an original if requested by the Borrower or the Administrative Agent) of an executed IRS Form W-8BEN, or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(II) an electronic copy (or an original if requested by the Borrower or the Administrative Agent) of an executed IRS Form W-8ECI;

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "**U.S. Tax Compliance Certificate**") and (y) an electronic copy (or an original if requested by the Borrower or the Administrative Agent) of IRS Form W-8BEN or W-8BEN-E, as applicable; or

(IV) to the extent a Foreign Lender is not the beneficial owner, an electronic copy (or an original if requested by the Borrower or the Administrative Agent) of an executed IRS Form W-8BEN or W-8BEN-E, as applicable;

Agent) of an executed IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), an electronic copy (or an original if requested by the Borrower or the Administrative Agent) of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this subsection (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental

Authority) in the event that such indemnified party is required to repay such refund to such Governmental

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Authority. Notwithstanding anything to the contrary in this subsection, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this subsection the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) Survival. Each party's obligations under this Section shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

ARTICLE IV. UNENCUMBERED POOL

Section 4.1. Unencumbered Pool Requirements.

At all times prior to the satisfaction of all Springing Security Covenant Conditions, the Properties in the Unencumbered Pool shall satisfy the following requirements, to Administrative Agent's reasonable satisfaction:

- (a) All Unencumbered Pool Properties shall be Unencumbered Properties;
- (b) There shall be at least five (5) Unencumbered Pool Properties; and
- (c) No Unencumbered Pool Property shall be Unimproved Land.

Section 4.2. Eligibility and Addition of Properties.

(a) Initial Unencumbered Pool Properties. As of the Agreement Date, the Properties identified on Schedule 4.2 shall be the "Unencumbered Pool Properties" and each an "Unencumbered Pool Property".

(b) Additional Unencumbered Pool Properties. After the Agreement Date, the Properties designated as such by Borrower in the most recent certificate (an "**Unencumbered Asset Certificate**") executed by a Responsible Officer of the Borrower that: (i) sets forth an updated Schedule 4.2 listing each Unencumbered Pool Property then existing; and (ii) certifies that each such Property is an Unencumbered Property fully qualified as such under the applicable criteria for inclusion as an Unencumbered Pool Property. For the avoidance of doubt, Properties may be added to, or removed from, the Unencumbered Pool by the delivery of an Unencumbered Asset Certificate in accordance with this clause (b).

(c) Excluded Unencumbered Pool Properties. If at any time any Unencumbered Pool Property fails to meet all such criteria for qualification (x) such Unencumbered Pool Property shall automatically cease to be an Unencumbered Pool Property for all purposes hereunder and thereafter be excluded from the Unencumbered Pool until such time as it meets all such criteria and (y) Borrower shall, within five (5) Business Days of such Property ceasing to meet all criteria for qualification as an Unencumbered Pool Property, deliver a notice thereof to Administrative Agent together with an updated Unencumbered Asset Certificate reflecting the updated listing of all of the Unencumbered Pool Properties and a new Compliance Certificate reflecting the revised calculations excluding such Property as an Unencumbered Pool Property.

Unencumbered Pool Property.

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- 68 -

ARTICLE V. YIELD PROTECTION, ETC.

Section 5.1. Additional Costs; Capital Adequacy.

(a) Capital Adequacy. If any Lender determines that any Regulatory Change affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity ratios or requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Regulatory Change (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered (other than as a result of Regulation D of the FRB or other similar reserve requirement applicable to any other category of liabilities or category of extensions of credit or other assets by reference to which the interest rate on SOFR Loans is determined to the extent utilized when determining Adjusted Daily Simple SOFR or Adjusted Term SOFR, as applicable, for such Loans).

(b) Additional Costs. In addition to, and not in limitation of the immediately preceding subsection (a), the Borrower shall promptly pay to the Administrative Agent for the account of a Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender for any costs incurred by such Lender that it determines are attributable to its making or maintaining of any SOFR Loans or its obligation to make any SOFR Loans hereunder, any reduction in any amount receivable by such Lender under this Agreement or any of the other Loan Documents in respect of any of such SOFR Loans or such obligation or the maintenance by such Lender of capital in respect of its SOFR Loans or its Commitments (such increases in costs and reductions in amounts receivable being herein called "**Additional Costs**"), resulting from any Regulatory Change that:

(i) changes the basis of taxation of any amounts payable to such Lender under this Agreement or any of the other Loan Documents in respect of any of such SOFR Loans or its Commitments (other than Indemnified Taxes, Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and Connection Income Taxes);

(ii) imposes or modifies any reserve (including pursuant to regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D of the FRB, as amended and in effect from time to time)), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, any Lender; or

(iii) imposes on any Lender any other condition, cost or expense (other than Taxes) affecting this Agreement or the SOFR Loans made by such Lender.

(c) [Reserved].

(d) Additional Costs in Respect of Letters of Credit. Without limiting the obligations of the Borrower under the preceding subsections of this Section (but without duplication), if as a result of any Regulatory Change or any risk-based capital guideline or other requirement heretofore or hereafter issued

by any Governmental Authority there shall be imposed, modified or deemed applicable any Tax (other than Indemnified Taxes, Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and Connection Income Taxes), reserve, special deposit, capital adequacy or similar requirement against or with respect to or measured by reference to Letters of Credit and the result shall be to increase the cost to an Issuing Bank of issuing (or any Revolving Lender of purchasing participations in) or maintaining its obligation hereunder to issue (or purchase participations in) any Letter of Credit or reduce any amount receivable by an Issuing Bank or any Revolving Lender hereunder in respect of any Letter of Credit, then, upon demand by such Issuing Bank or such Revolving Lender, the Borrower shall pay immediately to such Issuing Bank or, in the case of such Revolving Lender, to the Administrative Agent for the account of such Revolving Lender, from time to time as specified by such Issuing Bank or such Revolving Lender, such additional amounts as shall be sufficient to compensate such Issuing Bank or such Revolving Lender for such increased costs or reductions in amount.

(e) Notification and Determination of Additional Costs. Each of the Administrative Agent, the Issuing Banks and the Lenders, as the case may be, agrees to notify the Borrower (and in the case of an Issuing Bank or a Lender, to notify the Administrative Agent) of any event occurring after the Agreement Date entitling the Administrative Agent, such Issuing Bank or such Lender to compensation under any of the preceding subsections of this Section as promptly as practicable. The failure of the Administrative Agent, any Issuing Bank or any Lender to give such notice shall not release the Borrower from any of its obligations hereunder; provided, however, that the Borrower shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Borrower of the Regulatory Change giving rise to such increased costs or reductions, and of such Lender's or such Issuing Bank's intention to claim compensation therefor (except that, if the Regulatory Change giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof). The Administrative Agent, each Issuing Bank and each Lender, as the case may be, agrees to furnish to the Borrower (and in the case of an Issuing Bank or a Lender to the Administrative Agent as well) a certificate setting forth the basis and amount of each request for compensation under this Section. Determinations by the Administrative Agent, such Issuing Bank or such Lender, as the case may be, of the effect of any Regulatory Change shall be conclusive and binding for all purposes, absent manifest error. The Borrower shall pay the Administrative Agent, any such Issuing Bank and or any such Lender, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

Section 5.2. [Reserved].

Section 5.3. Illegality.

Notwithstanding any other provision of this Agreement, if any Lender shall determine (which determination shall be conclusive and binding) that it is unlawful for such Lender to honor its obligation to make or maintain SOFR Loans hereunder, then such Lender shall promptly notify the Borrower thereof (with a copy of such notice to the Administrative Agent) and such Lender's obligation to make or Continue, or to Convert Loans of any other Type into, SOFR Loans shall be suspended, until such time as such Lender may again make and maintain SOFR Loans (in which case the provisions of Section 5.5. shall be applicable).

Section 5.4. Compensation.

The Borrower shall pay to the Administrative Agent for the account of each Lender, upon the request of the Administrative Agent, such amount or amounts as the Administrative Agent shall determine

in its sole discretion shall be sufficient to compensate such Lender for any loss, cost or expense attributable to:

(a) any payment or prepayment (whether mandatory or optional) of a Term SOFR Loan or Conversion of a Term SOFR Loan made by such Lender for any reason (including, without limitation, acceleration or the exercise by the Borrower of its rights under Section 5.6.) on a date other than the last day of the Interest Period therefor; or

(b) any failure by the Borrower for any reason (including, without limitation, the failure of any of the applicable conditions precedent specified in Section 6.2. to be satisfied) to borrow a Term SOFR Loan from such Lender on the date for such borrowing, or to Convert a Base Rate Loan into a Term SOFR Loan or Continue a Term SOFR Loan on the requested date of such Conversion or Continuation.

Not in limitation of the foregoing, such compensation shall include, without limitation, in the case of a Term SOFR Loan, an amount equal to the then present value of (A) the amount of interest that would have accrued on such Term SOFR Loan for the remainder of the Interest Period at the rate applicable to such Term SOFR Loan, less (B) the amount of interest that would accrue on the same Term SOFR Loan for the same period if Term SOFR were set on the date on which such Term SOFR Loan was repaid, prepaid or Converted or the date on which the Borrower failed to borrow, Convert or Continue such Term SOFR Loan, as applicable, calculating present value by using as a discount rate Term SOFR quoted on such date. Any such statement shall be conclusive absent manifest error.

Section 5.5. [Reserved].

Section 5.6. Replacement of Lenders.

If (a) a Lender requests compensation pursuant to Section 3.10. or 5.1., and the Requisite Lenders are not also doing the same, (b) the obligation of any Lender to make SOFR Loans or to Continue, or to Convert Base Rate Loans into, SOFR Loans, shall be suspended pursuant to Section 5.3. but the obligation of the Requisite Lenders shall not have been suspended under such Section, and in the case of clause (a) or (b) such Lender has declined or is unable to designate a different Lending Office in accordance with Section 5.7., or (c) a Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, demand that such Lender, and upon such demand such Lender shall promptly, assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 13.5.(b)), all of its interests, rights (other than its existing rights to payments pursuant to Section 3.10. or Section 5.1. and rights to indemnification under Section 13.9.) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 13.5.(b)(iv);

(ii) such Lender shall have received payment of (x) the aggregate principal balance of all Loans then owing to such Lender, plus (y) the aggregate amount of payments previously made by such Lender under Section 2.4.(j) and Section 2.5.(e) that have not been repaid, plus (z) any accrued but unpaid interest thereon and accrued but unpaid fees owing to such Lender, or any other amount as may be mutually agreed upon by such Lender and Eligible Assignee;

(iii) in the case of any such assignment resulting from a claim for compensation under Section 5.1. or payments required to be made pursuant to Section 3.10., such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with Applicable Law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable Eligible Assignee shall have consented to the applicable consent, approval, amendment or waiver.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. If any Lender refuses to assign or delegate all of its interests, rights and obligations under this Agreement and the related Loan Documents after the Borrower has demanded such Lender to do so as a result of a claim for compensation under Section 5.1. or payments required to be made pursuant to Section 3.10., such Lender shall not be entitled to receive such compensation or required payments.

Section 5.7. Change of Lending Office.

If any Lender or Issuing Bank requests compensation under Section 5.1., or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, any Issuing Bank or any Governmental Authority for the account of any Lender or Issuing Bank pursuant to Section 3.10., then such Lender or Issuing Bank shall (at the written request of the Borrower) use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or issuing Letters of Credit or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or Issuing Bank, such designation or assignment (a) would eliminate or reduce amounts payable pursuant to Section 3.10. or Section 5.1., as the case may be, in the future, and (b) would not subject such Lender or Issuing Bank to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or Issuing Bank. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or Issuing Bank in connection with any such designation or assignment.

Section 5.8. Assumptions Concerning Funding of Term SOFR Loans.

Calculation of all amounts payable to a Lender under this Article shall be made as though such Lender had actually funded Term SOFR Loans through the purchase of deposits in the relevant market bearing interest at the rate applicable to such Term SOFR Loans in an amount equal to the amount of the Term SOFR Loans and having a maturity comparable to the relevant Interest Period; provided, however, that each Lender may fund each of its Term SOFR Loans in any manner it sees fit and the foregoing assumption shall be used only for calculation of amounts payable under this Article.

ARTICLE VI. CONDITIONS PRECEDENT

Section 6.1. Initial Conditions Precedent.

The obligation of the Lenders to effect or permit the occurrence of the first Credit Event hereunder, whether as the making of a Loan or the issuance of a Letter of Credit, is subject to the satisfaction or waiver of the following conditions precedent:

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(a) The Administrative Agent shall have received each of the following, in form and substance satisfactory to the Administrative Agent:

(i) counterparts of this Agreement executed by each of the parties hereto;

(ii) Revolving Notes and Term Notes executed by the Borrower, payable to each applicable Lender (excluding any Lender that has requested that it not receive Notes) and complying with the terms of Section 2.12.(a) executed by the Borrower;

(iii) the Guaranty executed by each of the Guarantors initially to be a party thereto;

(iv) the Pledge Agreement executed by each Loan Party initially to be a party thereto;

(v) opinions of (A) Latham & Watkins, LLP, counsel to the Borrower and the other Loan Parties, (B) Ballard Spahr LLP, Maryland local counsel to the Borrower and the other Loan Parties, and (C) Venable LLP, Virginia local counsel to the Borrower and the other Loan Parties, in each case, addressed to the Administrative Agent and the Lenders and covering such matters as the Administrative Agent may reasonably request;

(vi) the certificate or articles of incorporation or formation, articles of organization, certificate of limited partnership, declaration of trust or other comparable organizational instrument (if any) of each Loan Party certified as of a recent date by the Secretary of State of the state of formation of such Loan Party;

(vii) a certificate of good standing (or certificate of similar meaning) with respect to each Loan Party issued as of a recent date by the Secretary of State of the state of formation of each such Loan Party;

(viii) a certificate of incumbency signed by the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party with respect to each of the officers of such Loan Party authorized to execute and deliver the Loan Documents to which such Loan Party is a party, and in the case of the Borrower, authorized to execute and deliver on behalf of the Borrower Notices of Borrowing, requests for Letters of Credit, Notices of Conversion and Notices of Continuation;

(ix) copies certified by the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party of (A) the by-laws of such Loan Party, if a corporation, the operating agreement, if a limited liability company, the partnership agreement, if a limited or general partnership, or other comparable document in the case of any other form of legal entity and (B) all corporate, partnership, member or other necessary action taken by such Loan Party to authorize the execution, delivery and performance of the Loan Documents to which it is a party;

(x) evidence that the Collateral Agent (on behalf of the Lender Parties) shall have a valid and perfected first priority lien and security interest in the Collateral (as defined in the Pledge Agreement), including, without limitation, receipt of all certificates evidencing pledged capital stock or membership or partnership interests (if any), as applicable, with accompanying executed stock powers;

(xi) a Compliance Certificate calculated on a pro forma basis for the Borrower's fiscal quarter ended June 30, 2021, based upon the financial statements for the fiscal quarter

ended June 30, 2021, and calculated to give pro forma effect to each element of the Agreement Date Transactions;

(xii) a Disbursement Instruction Agreement effective as of the Agreement Date;

(xiii) reserved;

(xiv) copies of all Material Contracts in existence on the Agreement Date;

(xv) evidence that the Fees, if any, then due and payable under Section 3.5., together with all other fees, expenses and reimbursement amounts due and payable to the Administrative Agent and any of the Lenders, including without limitation, the fees and expenses of counsel to the Administrative Agent, have been paid;

(xvi) with respect to Parent and the Borrower and its Subsidiaries, (x) audited consolidated balance sheets and related consolidated statements of income, shareholder's equity and cash flows for the most recently completed fiscal year ended at least 90 days prior to the Agreement Date, and (y) unaudited consolidated balance sheets and related consolidated statements of income and cash flows for each interim fiscal quarter ended since the last audited financial statements and at least 45 days prior to the Agreement Date; provided that this clause (xvi) shall be satisfied by delivery of the Form 10 for the Parent's securities;

(xvii) a pro forma consolidated balance sheet and related pro forma consolidated statements of income and cash flows of Parent and its Subsidiaries for the fiscal year most recently ended for which audited financial statements are provided and for the four-quarter period ending on the last day of the most recent fiscal quarter ending at least 45 days before the Agreement Date, prepared after giving pro forma effect to each element of the Agreement Date Transactions as if the Agreement Date Transactions had occurred on the last day of such four quarter period (in the case of such balance sheet) or at the beginning of such period (in the case of such other financial statements); provided that this clause (xvii) shall be satisfied by delivery of the Form 10 for Parent's securities;

(xviii) projections for the 2022 and 2023 fiscal years prepared by management of balance sheets, income statements and cash flow statements of Parent and its Subsidiaries, in form and substance reasonably acceptable to the Arrangers (and which will not be inconsistent with information provided to the Arrangers prior to the Agreement Date);

(xix) a certificate from a Responsible Officer of the Borrower certifying that on the Agreement Date after giving pro forma effect to each element of the Agreement Date Transactions (including the incurrence any Loans under this Agreement) the Borrower and its Subsidiaries (on a consolidated basis) are Solvent;

(xxi) evidence that (i) the Merger (as defined in the Merger Agreement) has occurred substantially in accordance with the Merger Agreement without any amendment, waiver or other modification thereto that is materially adverse to the Lenders, (ii) the Reorganization Plan (as defined in the Merger Agreement) and the OfficeCo Distribution (as defined in the Merger Agreement) shall have occurred, in each case, substantially in accordance with the Merger Agreement and the Registration Statement on Form 10 filed by Parent related to the OfficeCo Distribution, as is declared effective by the Securities and Exchange Commission, without any amendment, waiver or other modification thereto that is materially adverse to the Lenders (other than the distribution of the shares of Parent common stock to the stockholders of Realty Income

than the distribution of the shares of parent common stock to the stockholders of Realty Income

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- 74 -

Corporation, which shall occur substantially contemporaneously with the Amendment Date), and (iii) the common Equity Interests of Parent shall have been approved for listing on the New York Stock Exchange as contemplated pursuant to the Merger Agreement; and

(xxii) such other documents, agreements and instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably request;

(b) there shall not have occurred or become known to the Administrative Agent or any of the Lenders any event, condition, situation or status since the date of the information contained in the financial and business projections, budgets, pro forma data and forecasts concerning the Borrower and its Subsidiaries delivered to the Administrative Agent and the Lenders prior to the Agreement Date that has had or could reasonably be expected to result in a Material Adverse Effect;

(c) no litigation, action, suit, investigation or other arbitral, administrative or judicial proceeding shall be pending or threatened which could reasonably be expected to (i) result in a Material Adverse Effect or (ii) restrain or enjoin, impose materially burdensome conditions on, or otherwise materially and adversely affect, the ability of the Borrower or any other Loan Party to fulfill its obligations under the Loan Documents to which it is a party;

(d) the Borrower, the other Loan Parties and the other Subsidiaries shall have received all approvals, consents and waivers, and shall have made or given all necessary filings and notices as shall be required to consummate the transactions contemplated hereby without the occurrence of any default under, conflict with or violation of (i) any Applicable Law or (ii) any agreement, document or instrument to which any Loan Party is a party or by which any of them or their respective properties is bound;

(e) the Borrower and each other Loan Party shall have provided, at least 5 Business Days prior to the Agreement Date, all information requested by the Administrative Agent and each Lender in order to comply with applicable "know your customer" and Anti-Money Laundering Laws, including without limitation, the Patriot Act;

(f) there shall not have occurred or exist any other material disruption of financial or capital markets that could reasonably be expected to materially and adversely affect the transactions contemplated by the Loan Documents;

(g) since December 31, 2020, there shall not have occurred a Material Adverse Effect or any event, condition or contingency that could reasonably be expected to have a Material Adverse Effect;

(h) all governmental and third-party consents and all equity holder and board of directors (or comparable entity management body) authorizations required in connection with the transactions contemplated by this Agreement and the Loan Documents shall have been obtained and shall be in full force and effect; and

(i) reserved.

Section 6.2. Conditions Precedent to All Loans and Letters of Credit.

In addition to satisfaction or waiver of the conditions precedent to the first Credit Event contained in Section 6.1., the obligations of (i) Lenders to make any Loans and (ii) the Issuing Banks to issue Letters of Credit are each subject to the further conditions precedent that: (a) no Default or Event of Default shall exist as of the date of the making of such Loan or date of issuance of such Letter of Credit or would exist immediately after giving effect thereto, and no violation of the limits described in

would exist immediately after giving effect thereto, and no violation of the limits described in

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- 75 -

Section 2.16. would occur after giving effect thereto; (b) the representations and warranties made or deemed made by the Borrower and each other Loan Party in the Loan Documents to which any of them is a party, shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of the date of the making of such Loan or date of issuance of such Letter of Credit with the same force and effect as if made on and as of such date except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of such earlier date) and except for changes in factual circumstances not prohibited under the Loan Documents; (c) in the case of the borrowing of Revolving Loans, the Administrative Agent shall have received a timely Notice of Borrowing, in the case of the issuance of a Letter of Credit the applicable Issuing Bank and the Administrative Agent shall have received a timely request for the issuance of such Letter of Credit and (d) prior to the making of any Loan or the issuance of a Letter of Credit and immediately after giving effect thereto and the subsequent use of the proceeds therefrom, the aggregate amount of unrestricted cash and Cash Equivalents of the Borrower and its Subsidiaries (that is not then designated for application or use and is subsequently used for such purposes within thirty (30) days thereof) shall not exceed \$25,000,000. Each Credit Event (other than a conversion of a SOFR Loan to a Base Rate Loan) shall constitute a certification by the Borrower to the effect set forth in the preceding sentence (both as of the date of the giving of notice relating to such Credit Event and, unless the Borrower otherwise notifies the Administrative Agent prior to the date of such Credit Event, as of the date of the occurrence of such Credit Event but limited, in the case of a continuation of a SOFR Loan or a conversion of a Base Rate Loan to a SOFR Loan, only as to the certification in (ii)(a) of the preceding sentence). In addition, the Borrower shall be deemed to have represented to the Administrative Agent and the Lenders at the time any Loan is made or any Letter of Credit is issued that all conditions to the making of such Loan or issuing of such Letter of Credit contained in this Article VI. have been satisfied. Unless set forth in writing to the contrary, the making of its initial Loan by a Lender shall constitute a certification by such Lender to the Administrative Agent for the benefit of the Administrative Agent and the Lenders that the conditions precedent for initial Loans set forth in Sections 6.1. and 6.2. have been satisfied (or waived by the Lenders in accordance with the terms of this Agreement).

ARTICLE VII. REPRESENTATIONS AND WARRANTIES

Section 7.1. Representations and Warranties.

In order to induce the Administrative Agent and each Lender to enter into this Agreement and to make Loans and, in the case of the Issuing Banks, to issue Letters of Credit, the Borrower represents and warrants to the Administrative Agent, each Issuing Bank and each Lender as follows:

(a) Organization; Power; Qualification. Each of the Borrower, the other Loan Parties and the other Subsidiaries is a corporation, partnership or other legal entity, duly organized or formed, validly existing and in good standing under the jurisdiction of its incorporation or formation, has the power and authority to own or lease its respective properties and to carry on its respective business as now being and hereafter proposed to be conducted and is duly qualified and is in good standing as a foreign corporation, partnership or other legal entity, and authorized to do business, in each jurisdiction in which the character of its properties or the nature of its business requires such qualification or authorization and where the failure to be so qualified or authorized could reasonably be expected to have, in each instance, a Material Adverse Effect. No Loan Party nor any Subsidiary thereof is an Affected Financial Institution or a Covered Party.

(b) Ownership Structure. Part I of Schedule 7.1.(b) is, as of the Second Amendment Effective Date, a complete and correct list of all Subsidiaries of the Borrower setting forth for each such Subsidiary, (i) the jurisdiction of organization of such Subsidiary, (ii) each Person holding any Equity Interest in such Subsidiary, (iii) the nature of the Equity Interests held by each such Person and (iv) the percentage of ownership of such Subsidiary represented by such Equity Interests. As of the Second Amendment Effective Date, except as disclosed in such Schedule, (A) each of the Borrower and its Subsidiaries owns, free and clear of all Liens (other than Permitted Liens of the types described in clauses (a), (f) and (g) of the definition of "Permitted Liens"), and has the unencumbered right to vote, all outstanding Equity Interests in each Subsidiary (other than in any Excluded Subsidiary) shown to be held by it on such Schedule, (B) all of the issued and outstanding capital stock of each such Person organized as a corporation is validly issued, fully paid and nonassessable and (C) there are no outstanding subscriptions, options, warrants, commitments, preemptive rights or agreements of any kind (including, without limitation, any stockholders' or voting trust agreements) for the issuance, sale, registration or voting of, or outstanding securities convertible into, any additional shares of capital stock of any class, or partnership or other ownership interests of any type in, any such Person. As of the Second Amendment Effective Date, Part II of Schedule 7.1.(b) correctly sets forth all Unconsolidated Affiliates of the Borrower, including the correct legal name of such Person, the type of legal entity which each such Person is, and all Equity Interests in such Person held directly or indirectly by the Borrower.

(c) Authorization of Loan Documents and Borrowings. The Borrower has the right and power, and has taken all necessary action to authorize it, to borrow and obtain other extensions of credit hereunder. The Borrower and each other Loan Party has the right and power, and has taken all necessary action to authorize it, to execute, deliver and perform each of the Loan Documents to which it is a party in accordance with their respective terms and to consummate the transactions contemplated hereby and thereby. The Loan Documents to which the Borrower or any other Loan Party is a party have been duly executed and delivered by the duly authorized officers of such Person and each is a legal, valid and binding obligation of such Person enforceable against such Person in accordance with its respective terms, except as the same may be limited by bankruptcy, insolvency, and other similar laws affecting the rights of creditors generally and the availability of equitable remedies for the enforcement of certain obligations (other than the payment of principal) contained herein or therein and as may be limited by equitable principles generally.

(d) Compliance of Loan Documents with Laws. The execution, delivery and performance of this Agreement and the other Loan Documents to which any Loan Party is a party in accordance with their respective terms and the borrowings and other extensions of credit hereunder do not and will not, by the passage of time, the giving of notice, or both: (i) require any material Governmental Approval not already obtained or violate in any material respect any Applicable Law (including all Environmental Laws) relating to the Borrower or any other Loan Party; (ii) conflict with, result in a breach of or constitute a default under the organizational documents of any Loan Party; (iii) conflict with, result in a breach of or constitute a default under any indenture, agreement or other instrument to which the Borrower or any other Loan Party is a party or by which it or any of its respective properties may be bound, which could reasonably be expected to have a Material Adverse Effect; or (iv) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by any Loan Party other than in favor of the Administrative Agent or the Collateral Agent for their benefit and the benefit of the other Lender Parties and Permitted Liens.

(e) Compliance with Law; Governmental Approvals. Each of the Borrower, the other Loan Parties and the other Subsidiaries is in compliance with each Governmental Approval and all other Applicable Laws relating to it except for noncompliances which, and Governmental Approvals the failure to possess which, could not, individually or in the aggregate, reasonably be expected to cause have a Material Adverse Effect.

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(f) Title to Properties; Liens. Schedule 7.1.(f) is, as of the Second Amendment Effective Date, a complete and correct listing of all Properties of the Borrower, each other Loan Party and each other Subsidiary, setting forth, for each such Property, the current occupancy status of such Property and whether such Property is a Development Property and, if such Property is a Development Property, the status of completion of such Property. Each of the Borrower, each other Loan Party and each other Subsidiary has good, marketable and legal title to, or a valid leasehold interest in, its respective assets, except for minor defects in title or interest that do not materially adversely affect the profitable operation of such assets by such Person. As of the Second Amendment Effective Date, each Property satisfies all requirements set forth in the definition of “Unencumbered Property”.

(g) Existing Indebtedness; Total Liabilities. Schedule 7.1.(g) is, as of the Second Amendment Effective Date, a complete and correct listing of all Indebtedness for borrowed money (including all Guarantees (other than Guarantees of customary exceptions to nonrecourse liability)) of each of the Borrower, the other Loan Parties and the other Subsidiaries, and if such Indebtedness is secured by any Lien, a description of all of the property subject to such Lien. As of the Second Amendment Effective Date, the Borrower, the other Loan Parties and the other Subsidiaries have performed and are in compliance in all material respects with all of the terms of such Indebtedness and all instruments and agreements relating thereto, and no default or event of default, or event or condition which with the giving of notice, the lapse of time, or both, would constitute a default or event of default, exists with respect to any such Indebtedness.

(h) Material Contracts. Schedule 7.1.(h) is, as of the Second Amendment Effective Date, a true, correct and complete listing of all Material Contracts. Each of the Borrower, the other Loan Parties and the other Subsidiaries that are parties to any Material Contract has performed and is in compliance with all of the terms of such Material Contract, and no default or event of default, or event or condition which with the giving of notice, the lapse of time, or both, would constitute such a default or event of default, exists with respect to any such Material Contract.

(i) Litigation. Except as set forth on Schedule 7.1.(i), there are no actions, suits or proceedings pending (nor, to the knowledge of any Loan Party, are there any actions, suits or proceedings threatened, nor is there any basis therefor) against or in any other way relating adversely to or affecting the Borrower, any other Loan Party, any other Subsidiary or any of their respective property in any court or before any arbitrator of any kind or before or by any other Governmental Authority which, (i) could reasonably be expected to have a Material Adverse Effect or (ii) in any manner draws into question the validity or enforceability of any Loan Document. There are no strikes, slow downs, work stoppages or walkouts or other labor disputes in progress or threatened relating to, any Loan Party or any other Subsidiary, except as could not reasonably be expected to have a Material Adverse Effect.

(j) Taxes. All federal and state income tax returns and other material tax returns of the Borrower, each other Loan Party and each other Subsidiary required by Applicable Law to be filed have been duly filed, and all federal and state income taxes and other material taxes, assessments and other governmental charges or levies upon, each Loan Party, each other Subsidiary and their respective properties, income, profits and assets which are due and payable have been paid, except any such nonpayment or non-filing which is at the time permitted under Section 8.6. As of the Agreement Date, none of the United States federal income tax returns of the Borrower, any other Loan Party or any other Subsidiary is under audit by any Governmental Authority.

(k) Financial Statements. The Borrower has furnished to each Lender copies of the financial statements described in Section 6.1.(a)(xvi). Such financial statements (including in each case related schedules and notes) are complete and correct in all material respects and present fairly, in accordance

schedules and notes) are complete and correct in all material respects and present fairly, in accordance

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- 78 -

with GAAP consistently applied throughout the periods involved, the consolidated financial position of Parent and its consolidated Subsidiaries as at their respective dates and the results of operations and the cash flows for such periods (subject, as to interim statements, to changes resulting from normal year-end audit adjustments). Neither Parent nor any of its consolidated Subsidiaries has on the Agreement Date any material contingent liabilities, liabilities, liabilities for taxes, unusual or long-term commitments or unrealized or forward anticipated losses from any unfavorable commitments that would be required to be set forth in its financial statements or notes thereto, except as referred to or reflected or provided for in said financial statements.

(l) No Material Adverse Change; Solvency. Since December 31, 2020, there has been no event, change, circumstance or occurrence that could reasonably be expected to have a Material Adverse Effect. The Borrower, the other Loan Parties and the other Subsidiaries, on a consolidated basis, are Solvent.

(m) [Reserved.]

(n) ERISA. (i) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (A) each Benefit Arrangement and Plan is in compliance with the applicable provisions of ERISA, the Internal Revenue Code and other Applicable Laws, (B) each Qualified Plan and Plan has received a favorable determination letter from the Internal Revenue Service or is maintained under a prototype plan and may rely upon a favorable opinion letter issued by the Internal Revenue Service with respect to such prototype plan and, to the best knowledge of the Borrower, nothing has occurred which would cause the loss of its reliance on each Qualified Plan's favorable determination letter or opinion letter, and (C) the "benefit obligation" of all Plans does not exceed the "fair market value of plan assets" for such Plans all as determined by and with such terms defined in accordance with FASB ASC 715.

(ii) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (A) no ERISA Event has occurred or is expected to occur; (B) there are no pending, or to the best knowledge of the Borrower, threatened, claims, actions or lawsuits or other action by any Governmental Authority, plan participant or beneficiary with respect to a Benefit Arrangement; and (C) there are no violations of the fiduciary responsibility rules with respect to any Benefit Arrangement; and (D) to the best knowledge of the Borrower, no member of the ERISA Group has engaged in a non-exempt "prohibited transaction," as defined in Section 406 of ERISA and Section 4975 of the Internal Revenue Code, in connection with any Plan, that would subject any member of the ERISA Group to a tax on prohibited transactions imposed by Section 502(i) of ERISA or Section 4975 of the Internal Revenue Code.

(o) Absence of Default. None of the Loan Parties or any of the other Subsidiaries is in default under its certificate or articles of incorporation or formation, bylaws, partnership agreement or other similar organizational documents, and no event has occurred, which has not been remedied, cured or waived: (i) which constitutes a Default or an Event of Default; or (ii) which constitutes, or which with the passage of time, the giving of notice, or both, would constitute, a default or event of default by, any Loan Party or any other Subsidiary under any agreement (other than this Agreement) or judgment, decree or order to which any such Person is a party or by which any such Person or any of its respective properties may be bound where such default or event of default could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(p) Environmental Laws. Each of the Borrower, each other Loan Party and each other Subsidiary: (i) is in compliance with all Environmental Laws applicable to its business, operations and the Properties; (ii) has obtained all Governmental Approvals which are required under Environmental Laws

properties, (ii) has obtained all Governmental Approvals which are required under Environmental Laws,

| NAI-~~1535429342v17~~[1539712033v8](#)

- 79 -

and each such Governmental Approval is in full force and effect, and (iii) is in compliance with all terms and conditions of such Governmental Approvals, where with respect to each of the immediately preceding clauses (i) through (iii) the failure to obtain or to comply with could reasonably be expected to have a Material Adverse Effect. Except for any of the following matters that could not reasonably be expected to have a Material Adverse Effect, no Loan Party has any knowledge of, nor has any Loan Party received notice of, any past, present, or pending releases, events, conditions, circumstances, activities, practices, incidents, facts, occurrences, actions, or plans that, with respect to any Loan Party or any other Subsidiary, their respective businesses, operations or with respect to the Properties, may: (x) cause or contribute to an actual or alleged violation of or noncompliance with Environmental Laws, (y) cause or contribute to any other potential common-law or legal claim or other liability, or (z) cause any of the Properties to become subject to any restrictions on ownership, occupancy, use or transferability under any Environmental Law or require the filing or recording of any notice, approval or disclosure document under any Environmental Law and, with respect to the immediately preceding clauses (x) through (z) is based on or related to the on-site or off-site manufacture, generation, processing, distribution, use, treatment, storage, disposal, transport, removal, clean up or handling, or the emission, discharge, release or threatened release of any Hazardous Material. There is no civil, criminal, or administrative action, suit, demand, claim, hearing, notice, or demand letter, mandate, order, lien, request, investigation, or proceeding pending or, to the Borrower's knowledge after due inquiry, threatened, against the Borrower, any other Loan Party or any other Subsidiary relating in any way to Environmental Laws which, could reasonably be expected to have a Material Adverse Effect. None of the Properties is listed on or proposed for listing on the National Priority List promulgated pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and its implementing regulations, or any state or local priority list promulgated pursuant to any analogous state or local law. To the Borrower's knowledge, no Hazardous Materials generated at or transported from the Properties are or have been transported to, or disposed of at, any location that is listed or proposed for listing on the National Priority List or any analogous state or local priority list, or any other location that is or has been the subject of a clean-up, removal or remedial action pursuant to any Environmental Law, except to the extent that such transportation or disposal could not reasonably be expected to result in a Material Adverse Effect.

(q) Investment Company. None of the Borrower, any other Loan Party or any other Subsidiary is (i) an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940 (15 U.S.C. § 80(a)(1), *et seq.*) or (ii) subject to any other Applicable Law which purports to regulate or restrict its ability to borrow money or obtain other extensions of credit that would impair its ability to consummate the transactions contemplated by this Agreement or to perform its obligations under any Loan Document to which it is a party.

(r) Margin Stock. None of the Borrower, any other Loan Party or any other Subsidiary is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying "margin stock" within the meaning of Regulation U of the FRB.

(s) Affiliate Transactions. Except as permitted by Section 10.10. or as otherwise set forth on Schedule 7.1.(s), none of the Borrower, any other Loan Party or any other Subsidiary is a party to or bound by any agreement or arrangement with any Affiliate.

(t) Intellectual Property. Each of the Loan Parties and each other Subsidiary owns or has the right to use, under valid license agreements or otherwise, all patents, licenses, franchises, trademarks, trademark rights, service marks, service mark rights, trade names, trade name rights, trade secrets and copyrights (collectively, "**Intellectual Property**") necessary to the conduct of its businesses, without known conflict with any patent, license, franchise, trademark, trademark right, service mark, service mark right, trade secret, trade name, copyright, or other proprietary right of any other Person. All such

right, trade secret, trade name, copyright, or other proprietary right of any other person. All such

| NAI-~~1535429342v17~~[1539712033v8](#)

- 80 -

Intellectual Property is fully protected and/or duly and properly registered, filed or issued in the appropriate office and jurisdictions for such registrations, filing or issuances, except as could not reasonably be expected to have a Material Adverse Effect. No material claim has been asserted by any Person with respect to the use of any such Intellectual Property by the Borrower, any other Loan Party or any other Subsidiary, or challenging or questioning the validity or effectiveness of any such Intellectual Property. The use of such Intellectual Property by the Borrower, the other Loan Parties and the other Subsidiaries does not infringe on the rights of any Person, subject to such claims and infringements as do not, in the aggregate, give rise to any liabilities on the part of the Borrower, any other Loan Party or any other Subsidiary that could reasonably be expected to have a Material Adverse Effect.

(u) Business. As of the Agreement Date, the Borrower, the other Loan Parties and the other Subsidiaries are engaged in the business of acquiring, developing, redeveloping, financing, owning and operating office properties and other net leased commercial properties, together with other business activities incidental thereto.

(v) Broker's Fees. No broker's or finder's fee, commission or similar compensation will be payable with respect to the transactions contemplated hereby. No other similar fees or commissions will be payable by any Loan Party for any other services rendered to the Borrower, any other Loan Party or any other Subsidiary ancillary to the transactions contemplated hereby.

(w) Accuracy and Completeness of Information. The Borrower and its Subsidiaries have disclosed to the Administrative Agent, the Issuing Banks and the Lenders all agreements, instruments and corporate or other restrictions to which the Borrower, any other Loan Party or any other Subsidiary is subject, and all other matters known to them, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No financial statement, material report, material certificate or other material written information furnished (other than industry specific or general economic information) by or on behalf of the Borrower, any other Loan Party or any other Subsidiary to the Administrative Agent, any Issuing Bank or any Lender in connection with the transactions contemplated by the Loan Documents and the negotiation of the Loan Documents or delivered hereunder or thereunder (as modified or supplemented by other information so furnished), taken together as a whole, contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, with respect to projected financial information, pro forma financial information, estimated financial information and other projected or estimated or forward-looking information, such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being recognized by the Lenders that projections are subject to contingencies and uncertainties, many of which are not within the control of Parent and its Subsidiaries and are not to be viewed as facts and that the actual results during the period or periods covered by such projections may vary from such projections and such variances may be material).

(x) Not Plan Assets; No Prohibited Transactions. None of the assets of the Borrower, any other Loan Party or any other Subsidiary constitutes Plan Assets. Assuming that no Lender funds any amount payable by it hereunder with Plan Assets, the execution, delivery and performance of this Agreement and the other Loan Documents, and the extensions of credit and repayment of amounts hereunder, do not and will not constitute "prohibited transactions" under ERISA or the Internal Revenue Code.

(y) Anti-Corruption Laws and Sanctions. None of the Borrower, any Subsidiary, any of their respective directors, officers, employees, Affiliates or to the knowledge of the Borrower, any agent or representative of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from this Agreement, (i) is a Sanctioned Person or currently the subject or target of any Sanctions

benefit from this Agreement, (1) is a Sanctioned Person or currently the subject or target of any Sanctions,

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- 81 -

(ii) has its assets located in a Sanctioned Country, (ii) directly or indirectly derives revenues from investments in, or transactions with, Sanctioned Persons or (iv) has violated any Anti-Money Laundering Law in any material respect. Each of the Borrower and its Subsidiaries, and to the knowledge of Borrower, each director, officer, employee, agent and Affiliate of Borrower and each such Subsidiary, is in compliance with the Anti-Corruption Laws in all material respects. The Borrower has implemented and maintains in effect policies and procedures designed to promote and achieve compliance with the Anti-Corruption Laws and applicable Sanctions by the Borrower, its Subsidiaries, their respective directors, officers, employees, Affiliates and agents and representatives of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from this Agreement.

(z) REIT Status. Parent will be organized in a manner that will enable it to qualify as, and will elect to be treated as, a REIT commencing with its taxable year ending December 31, 2021 and will be in compliance with the requirements and conditions imposed under the Internal Revenue Code to allow Parent to maintain its status as a REIT.

(aa) Unencumbered Pool Properties. Upon the satisfaction of the Springing Security Covenant Conditions (or on such date as specified below), the Borrower and each applicable Subsidiary represents and warrants to the Administrative Agent, each Issuing Bank and each Lender, except as would not reasonably be expected to have a Material Adverse Effect, as follows:

(i) Eligibility. Each Unencumbered Pool Property is an Unencumbered Property.

(ii) Americans with Disabilities Act Compliance. To each Loan Party's knowledge, the Unencumbered Pool Properties comply with the requirements and regulations of the Americans with Disabilities Act, of July 26, 1990, Pub. L. No. 101-336, 104 Stat. 327, 42 U.S.C. § 12101, et seq., in all material respects.

(iii) Property Agreements. On or prior to the applicable Springing Security Covenant Deadline, the Borrower and each applicable Loan Party have delivered to the Administrative Agent true, correct and complete copies of the property management agreement for each Unencumbered Pool Property. To each Loan Party's knowledge, as of the Springing Security Covenant Deadline, the property management agreement for each Unencumbered Pool Property is in full force and effect, has not been amended or modified, and there are no defaults or events of default thereunder. Except for the property management agreement, no agreements exist which are binding on any of the Loan Parties relating to the management of any of the Unencumbered Pool Properties.

(iv) Certificate of Occupancy; Licenses. To each Loan Party's knowledge, all material certificates, permits, licenses and approvals, including certificates of completion and occupancy permits, required for the legal use, occupancy and operation of each Unencumbered Pool Properties (excluding, however, certificates of occupancy for tenant spaces and improvements) have been obtained and are in full force and effect. The Borrower shall cause all such material certificates, permits, licenses and approvals to be maintained in full force and effect. The use being made of each Unencumbered Pool Property is in conformity with all material certificates, permits, licenses and approvals issued for and currently applicable to each Unencumbered Pool Property.

(v) Physical Condition. To the knowledge of the Borrower, (a) each Unencumbered Pool Property (including all buildings, improvements, parking facilities, sidewalks, storm drainage systems, roofs, plumbing systems, HVAC systems, fire protection systems, electrical systems, equipment, elevators, exterior sidings and doors, landscaping, irrigation systems and all

structural components, as applicable) is in good condition, order and repair in all material respects, subject to ordinary wear and tear; and (b) there exists no structural or other material defects in or damage not covered by insurance to any Unencumbered Pool Property, whether latent or otherwise. No Loan Party has received or has any knowledge of: (i) any written notice from any insurance company or bonding company of any defects or inadequacies in any Unencumbered Pool Property, or any part thereof, which would adversely affect the insurability of the same or cause the imposition of extraordinary premiums or charges thereon; or (ii) any written notice of any termination or threatened termination of any policy of insurance or bond.

(vi) Boundaries. (A) All of the improvements at each Unencumbered Pool Property lie wholly within the boundaries and building restriction lines of such Unencumbered Pool Property, and no improvements on adjoining properties encroach upon any Unencumbered Pool Property, and (B) no improvements, in any material respect, encroach upon or violate any easements or other encumbrances upon any Unencumbered Pool Property, except those for which affirmative coverage has been provided in the applicable Title Policy.

(vii) Flood Zone. As of the date that a Security Instrument is delivered for any Unencumbered Pool Property, except as disclosed to the Administrative Agent, no portion of such Unencumbered Pool Property will be located in an area identified by the Federal Emergency Management Agency as a special flood hazard area.

(viii) Filing and Recording Taxes. All transfer taxes, deed stamps, intangible taxes, personal property taxes or other amounts in the nature of transfer or debt taxes required to be paid under applicable law in connection with the transfer of or debt on the Unencumbered Pool Properties prior to the applicable Springing Security Covenant Deadline, if any, have been paid. Any mortgage or deed of trust recording, stamp, intangible, personal property or other similar taxes required to be paid under applicable law in connection with the execution, delivery, recordation, filing, registration, perfection or enforcement of any of the Loan Documents, including, without limitation, the Security Documents, were paid substantially concurrently with any Property becoming Collateral. All taxes and governmental assessments due and owing in respect of the Unencumbered Pool Properties have been paid prior to delinquency.

(ix) Property Information. (A) To the knowledge of Borrower, the Unencumbered Pool Properties include sufficient on-site parking to comply with Applicable Law; (B) the Unencumbered Pool Properties currently abut completed and dedicated public thoroughfares; and (C) to the knowledge of Borrower, no archaeological ruins, discoveries or specimens, or cemeteries exist on any Unencumbered Pool Property.

(x) Brokers. No agreements exist which are binding on any of the Loan Parties relating to the future leasing of such rentable spaces within the Unencumbered Pool Properties by brokers or other similar agents that are not terminable on more than thirty (30) days' notice.

(bb) Flood Hazard Insurance. The Borrower and each applicable Subsidiary represents and warrants to the Administrative Agent, each Issuing Bank and each Lender, solely upon the satisfaction of the Springing Security Covenant Conditions, with respect to each Unencumbered Pool Property as to which a Security Instrument has been delivered, the Administrative Agent has received (a) such flood hazard certifications, notices and confirmations thereof, and effective flood hazard insurance policies as described in Schedule 8.15(a), (b) all flood hazard insurance policies required hereunder have been obtained and remain in full force and effect, and the premiums thereon have been paid in full, and (c)

except as the Borrower has previously given written notice thereof to the Administrative Agent, there has been no redesignation of any Unencumbered Pool Property into or out of a special flood hazard area.

Section 7.2. Survival of Representations and Warranties, Etc.

All representations and warranties made under this Agreement and the other Loan Documents shall be deemed to be made at and as of the Agreement Date, the Effective Date, the date on which any increase of the Revolving Commitments is effectuated pursuant to Section 2.17., upon the satisfaction of the Springing Security Covenant Conditions, and/or at and as of the date of the occurrence of each Credit Event (other than a continuation of a SOFR Loan or conversion of a Loan of one Type to the other Type), except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of such earlier date) and except for changes in factual circumstances not prohibited under the Loan Documents. All such representations and warranties shall survive the effectiveness of this Agreement, the execution and delivery of the Loan Documents and the making of the Loans and the issuance of the Letters of Credit.

ARTICLE VIII. AFFIRMATIVE COVENANTS

For so long as this Agreement is in effect, the Borrower shall comply with the following covenants:

Section 8.1. Preservation of Existence and Similar Matters.

Except as otherwise permitted under Section 10.4., the Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, (a) preserve and maintain its respective existence in the jurisdiction of its incorporation or formation, (b) preserve and maintain its respective rights, franchises, licenses and privileges in the jurisdiction of its incorporation or formation and (c) qualify and remain qualified and authorized to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification and authorization except in the case of clauses (a)(solely with respect to Subsidiaries that are not Loan Parties), (b) and (c), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 8.2. Compliance with Applicable Law.

The Borrower shall comply, and shall cause each other Loan Party and each other Subsidiary to comply, and the Borrower shall use, and shall cause each other Loan Party and each other Subsidiary to use, commercially reasonable efforts to cause all other Persons occupying, using or present on the Properties to comply, with all Applicable Law, including the obtaining of all Governmental Approvals, the failure with which to comply could reasonably be expected to have a Material Adverse Effect. The Borrower shall maintain in effect and enforce policies and procedures designed to promote and achieve compliance with the Anti-Corruption Laws and applicable Sanctions by the Borrower, its Subsidiaries, their respective directors, officers, employees, Affiliates and agents and representatives of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from this Agreement.

Section 8.3. Maintenance of Property.

In addition to the requirements of any of the other Loan Documents, the Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, protect and preserve all of its respective material properties, including, but not limited to, all Intellectual Property necessary to the conduct of its

respective business, and maintain in good repair, working order and condition all tangible properties, ordinary wear and tear excepted, except as could not reasonably be expected to have a Material Adverse Effect.

Section 8.4. Conduct of Business.

The Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, carry on its respective businesses as described in Section 7.1.(u).

Section 8.5. Insurance.

(a) In addition to the requirements of any of the other Loan Documents, the Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, maintain insurance (on a replacement cost basis) with financially sound and reputable insurance companies against such risks and in such amounts as is customarily maintained by Persons engaged in similar businesses or as may be required by Applicable Law. The Borrower shall from time to time deliver to the Administrative Agent upon request a detailed list, together with copies of all policies of the insurance then in effect, stating the names of the insurance companies, the amounts and rates of the insurance, the dates of the expiration thereof and the properties and risks covered thereby.

(b) In addition to, and not in limitation of, the foregoing, on and after the occurrence of a Springing Security Covenant Trigger Event, the Borrower shall or shall cause each Guarantor owning an Unencumbered Pool Property to maintain such additional insurance with respect to such Unencumbered Pool Property as the Administrative Agent may reasonably require from time to time, including, without limitation, flood insurance coverage (including contents coverage, as applicable). All insurance policies shall be in amounts and have deductibles, limits and retentions as reasonably required by the Administrative Agent. All insurance policies shall be issued and maintained by insurers approved to do business in the jurisdiction in which the applicable Property is located and must have an A.M. Best Company financial rating and policyholder surplus acceptable to the Administrative Agent. The Borrower shall from time to time deliver to the Administrative Agent upon request a detailed list, together with copies of all policies of the insurance then in effect, stating the names of the insurance companies, the amounts and rates of the insurance, the dates of the expiration thereof and the properties and risks covered thereby and insurance certificates, in each such case, in form acceptable to the Administrative Agent, providing that the insurance coverage required under this Section 8.5. is in full force and effect and stating that coverage shall not be cancelable or materially changed without ten (10) days prior written notice to the Administrative Agent of any cancellation for nonpayment of premiums, and not less than thirty (30) days prior written notice to the Administrative Agent of any other cancellation or any modification (including a reduction in coverage), together with appropriate evidence that the Administrative Agent, for its benefit and for the benefit of the other Lenders, is named as mortgagee lender's loss payee on each property casualty insurance policy and additional insured on all other insurance policies (in each such case, pursuant to endorsements acceptable to the Administrative Agent) that the Borrower or any Loan Party actually maintains with respect to any Unencumbered Pool Property and improvements on such Property.

Section 8.6. Payment of Taxes and Claims.

The Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, pay and discharge when due (a) all federal and state income taxes and other material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any properties belonging to it, and (b) all lawful claims of materialmen, mechanics, carriers, warehousemen and landlords for labor materials supplies and rentals which if unpaid might become a Lien on any

numbers for labor, materials, supplies and rentals which, if unpaid, might become a lien on any

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- 85 -

properties of such Person; provided, however, that this Section shall not require the payment or discharge of any such tax, assessment, charge, levy or claim which is being contested in good faith by appropriate proceedings which operate to suspend the collection thereof and for which adequate reserves have been established on the books of such Person in accordance with GAAP.

Section 8.7. Books and Records; Inspections.

The Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, keep proper books of record and account in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities. The Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, permit representatives of the Administrative Agent or any Lender to visit and inspect any of their respective properties, to examine and make abstracts from any of their respective books and records and to discuss their respective affairs, finances and accounts with their respective officers, employees and independent public accountants (in the presence of an officer of the Borrower if an Event of Default does not then exist), all at such reasonable times during business hours and as often as may reasonably be requested and so long as no Event of Default exists, with reasonable prior notice. The Borrower shall be obligated to reimburse the Administrative Agent and the Lenders for their costs and expenses incurred in connection with the exercise of their rights under this Section only if such exercise occurs while an Event of Default exists. The Borrower hereby authorizes and instructs its accountants to discuss the financial affairs of the Borrower, any other Loan Party or any other Subsidiary with the Administrative Agent or any Lender.

Section 8.8. Use of Proceeds.

The Borrower will use the proceeds of Loans only (a) for the payment of a portion of the contribution from Parent and Borrower to Realty Income Corporation in connection with the OfficeCo Distribution (as defined in the Merger Agreement) as described in the Registration Statement on Form 10 filed by Parent related to the OfficeCo Distribution; (b) to finance capital expenditures of Parent, the Borrower and its Subsidiaries; (c) to provide for the working capital needs of Parent, the Borrower and its Subsidiaries and for other general corporate purposes of Parent, the Borrower and its Subsidiaries (including, on the Second Amendment Effective Date, for the repayment of the term loans originally incurred on the Agreement Date); and (d) the payment of fees and expenses incurred in connection with this Agreement and the other Loan Documents. The Borrower shall only use Letters of Credit for the same purposes for which it may use the proceeds of Loans.

Section 8.9. Environmental Matters.

The Borrower shall comply, and shall cause each other Loan Party and each other Subsidiary to comply, and the Borrower shall use, and shall cause each other Loan Party and each other Subsidiary to use, commercially reasonable efforts to cause all other Persons occupying, using or present on the Properties to comply, with all Environmental Laws (including actions to remove and dispose of all Hazardous Materials and to clean up the Properties as required under Environmental Laws) the failure with which to comply could reasonably be expected to have a Material Adverse Effect. The Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, promptly take all actions necessary to prevent the imposition of any Liens on any of their respective properties arising out of or related to any Environmental Laws. Nothing in this Section shall impose any obligation or liability whatsoever on the Administrative Agent, any Issuing Bank or any Lender.

Section 8.10. Further Assurances.

At the Borrower's cost and expense and upon request of the Administrative Agent, the Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, duly execute and deliver or cause to be duly executed and delivered, to the Administrative Agent such further instruments, documents and certificates, and do and cause to be done such further acts that may be reasonably necessary or advisable in the reasonable opinion of the Administrative Agent to carry out more effectively the provisions and purposes of this Agreement and the other Loan Documents.

Section 8.11. Material Contracts.

The Borrower shall, and shall cause each other Loan Party and each other Subsidiary to, duly and punctually perform and comply with any and all material representations, warranties, covenants and agreements expressed as binding upon any such Person under any Material Contract and the Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, do or knowingly permit to be done anything to impair materially the value of any of the Material Contracts, except, in each case, to the extent that either of the foregoing could not reasonably be expected to have a Material Adverse Effect.

Section 8.12. REIT Status.

Commencing with its taxable year ending December 31, 2021, Parent shall maintain its status as, and election to be treated as, a REIT under the Internal Revenue Code.

Section 8.13. Exchange Listing.

Parent shall maintain at least one class of common shares of Parent having trading privileges on the New York Stock Exchange or NYSE Amex Equities or which is subject to price quotations on The NASDAQ Stock Market's National Market System.

Section 8.14. Guarantors; Collateral.

(a) Within 10 Business Days of any Person becoming a Subsidiary of the Borrower (other than an Excluded Subsidiary) after the Agreement Date (or such longer period as may be agreed by the Administrative Agent), the Borrower shall deliver to the Administrative Agent each of the following in form and substance reasonably satisfactory to the Administrative Agent: (i) an Accession Agreement executed by such Subsidiary, (ii) grant a security interest in the Equity Interests of such Subsidiary subject to and in accordance with the Pledge Agreement by delivering to the Administrative Agent a duly executed supplement to the Pledge Agreement or such other document as the Administrative Agent shall reasonably deem appropriate for such purpose and comply with the terms of the Pledge Agreement, and (iii) to the extent requested by the Administrative Agent, the items that would have been delivered under subsections (v) through (ix) and (xxii) of Section 6.1.(a) and under Section 6.1.(e) if such Subsidiary had been a Subsidiary of the Borrower on the Agreement Date; provided, however, promptly (and in any event within 10 Business Days (or such longer period as may be agreed by the Administrative Agent)) upon any Excluded Subsidiary ceasing to be subject to the restriction which prevented it from becoming a Guarantor on the Effective Date or delivering an Accession Agreement pursuant to this Section, as the case may be, such Subsidiary shall comply with the provisions of this Section.

(b) The Borrower may request in writing that the Administrative Agent release, and upon receipt of such request the Administrative Agent shall release, a Guarantor from the Guaranty, and release the Equity Interests in such Guarantor and Equity Interests owned by such Guarantor from the Pledge Agreement, so long as: (i) such Guarantor is not (or simultaneously upon its release as a Guarantor will

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not be) required to be a party to the Guaranty under the immediately preceding subsection (a); (ii) no Default or Event of Default shall then be in existence or would occur as a result of such release, including without limitation, a Default or Event of Default resulting from a violation of any of the covenants contained in Section 10.1.; (iii) such Guarantor owns no Collateral; and (iv) the Administrative Agent shall have received such written request at least 10 Business Days (or such shorter period as may be acceptable to the Administrative Agent) prior to the requested date of release. Delivery by the Borrower to the Administrative Agent of any such request shall constitute a representation by the Borrower that the matters set forth in the preceding sentence (both as of the date of the giving of such request and as of the date of the effectiveness of such request) are true and correct with respect to such request.

Section 8.15. Springing Security Covenant.

(a) Springing Security Covenant. If a Springing Security Covenant Trigger Event occurs and the Borrower does not exercise a Maximum Unencumbered Leverage Ratio Cure, then the Borrower shall notify the Administrative Agent in writing and thereafter satisfy each of the conditions set forth in this Section 8.15(a) on or prior to the applicable Springing Security Covenant Deadline (the “**Springing Security Covenant**”):

(i) the applicable Property is an Unencumbered Property as of the date all of the conditions in this Section 8.15.(a) are satisfied; and

(ii) the Borrower shall have delivered to the Administrative Agent each of the following in form and substance satisfactory to the Administrative Agent:

(A) each of the items set forth on Schedule 8.15.(a) (or, if applicable, updates to such items);

(B) all of the items required to be delivered to the Administrative Agent under Section 8.14.(a). if not previously delivered or unless such property is owned by a Subsidiary of the Borrower that is, at such time, a Guarantor;

(C) a pledge of the Equity Interests issued by the Subsidiary owning each Unencumbered Pool Property (the “Unencumbered Pool Property Pledged Interests”) to the Administrative Agent, if not previously delivered. The Borrower shall also deliver to the Administrative Agent each of the following in form and substance satisfactory to the Administrative Agent: (i) a supplement to the Pledge Agreement executed by each Person that owns any such Equity Interests that are to become Unencumbered Pool Property Pledged Interests and (ii) such other schedules, supplements, instruments, certificates, or information in connection therewith as required by the Pledge Agreement (as though such Equity Interests were subject thereto on or prior to the date all conditions set forth in Section 8.15.(a) are satisfied) or as reasonably requested by the Administrative Agent;

(D) if a total Casualty/Condemnation Event occurs in connection with the applicable Property prior to the satisfaction of all Springing Security Covenant Conditions with respect to such Property, the Borrower and the applicable Subsidiary will assign and deliver such proceeds to the Administrative Agent for application as set forth in Section 2.9.(d);

(E) if applicable, an update to Schedule 1.1(a); and

(F) such other items or documents as may be appropriate under the circumstances or as the Administrative Agent may reasonably request.

(b) Borrower Requests for Property Releases. From time to time following the occurrence of a Springing Security Covenant Trigger Event, the Borrower may request, and the Administrative Agent shall not unreasonably withhold approval of such request, that any Unencumbered Pool Property be released from the Security Documents, and the Liens created thereby to the extent applicable to such Property and related Collateral, in connection with a Qualified Collateral Property Sale, which release (the “**Property Release**”) shall be subject to the satisfaction of the following conditions:

(i) No Default or Event of Default has occurred and is continuing or would occur as a result of such Property Release;

(ii) All representations and warranties in the Loan Documents are true and accurate in all material respects (except that, to the extent any representation or warranty is qualified by materiality or Material Adverse Effect or similar language, such representation or warranty shall be true and correct in all respects) at the time of such Property Release and immediately after giving effect to such Property Release, except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects (except that, to the extent any such representation or warranty is qualified by materiality or Material Adverse Effect or similar language, such representation or warranty shall have been true and correct in all respects) on and as of such earlier date);

(iii) Any prepayment to be made in accordance with Section 2.8.(b) shall have been made or shall be made substantially concurrently with such Property Release pursuant to an escrow arrangement acceptable to the Administrative Agent; and

(iv) The Administrative Agent shall have received such written request at least ten (10) Business Days (or such shorter period as may be acceptable to the Administrative Agent) prior to the requested date of release.

Delivery by the Borrower to the Administrative Agent of any such request shall constitute a representation by the Borrower that the foregoing conditions (both as of the date of such request and as of the date of such release) are true and correct with respect to such Property Release.

(c) Intentionally Omitted.

(d) Continuity of Liens. Except as set forth in Section 8.15.(b), following the occurrence of a Springing Security Covenant Trigger Event, no Unencumbered Pool Property shall be released from the Liens created by the Security Documents applicable thereto.

(e) Frequency of Appraisals. Following the occurrence of a Springing Security Covenant Trigger Event, the Appraised Value of an Unencumbered Pool Property shall be determined or redetermined, as applicable, pursuant to Appraisals conducted under each of the following circumstances:

(i) In connection with Section 8.15.(a) with the encumbrance of the Unencumbered Pool Properties with Security Instruments;

(ii) After a Springing Security Covenant Trigger Event, if any Default or Event of Default exists, upon written request from the Administrative Agent to the Borrower;

(iii) If necessary, in order to comply with FIRREA, other Applicable Law or the requirements of any Governmental Authority relating to the Administrative Agent or any of the Lenders; and

(iv) Upon written request from the Administrative Agent to the Borrower, not more frequently than once every 12 months with respect to each Unencumbered Pool Property.

(f) All Appraisals obtained pursuant to Section 8.15.(e) shall be engaged by the Administrative Agent at the Borrower's expense and shall be subject to reasonably satisfactory review and approval of the Administrative Agent. Notwithstanding anything to the contrary herein, each Lender may conduct Appraisals of any Unencumbered Pool Property at any time at such Lender's expense; provided that, for the avoidance of doubt, such Appraisal shall not be used in determining or redetermining the Appraised Value of a Unencumbered Pool Property.

(g) MIRE Events. Following the occurrence of a Springing Security Covenant Trigger Event, notwithstanding anything to the contrary set forth herein, no MIRE Event may be closed until the date that is (a) if there are no Unencumbered Pool Properties in a "special flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), twenty (20) days or (b) if there are any Unencumbered Pool Properties in a "special flood hazard area", sixty (60) days, after the Administrative Agent has delivered to the Lenders the following documents in respect of such Property: (i) a completed flood hazard determination from a third party vendor; (ii) if such Property is located in a "special flood hazard area", (A) a notification to the applicable Loan Parties of that fact and (if applicable) notification to the applicable Loan Parties that flood insurance coverage is not available and (B) evidence of the receipt by the applicable Loan Parties of such notice; and (iii) if required by applicable Flood Laws, evidence of required flood insurance with respect to which flood insurance has been made available under applicable Flood Laws; provided that any such MIRE Event may be closed prior to such period expiring if the Administrative Agent shall have received confirmation from each Lender that such Lender has completed any necessary flood insurance due diligence to its reasonable satisfaction.

(h) Other Indebtedness. Following the occurrence of a Springing Security Covenant Trigger Event, the Borrower represents, warrants and covenants that no Subsidiary owning an Unencumbered Pool Property (i) has or shall incur, acquire or suffer to exist any Indebtedness that is not Nonrecourse Indebtedness (other than obligations in respect of Indebtedness under the Loan Documents), or (ii) is or shall become obligated in respect of any Indebtedness of the Borrower or any other Subsidiary (other than obligations in respect of Indebtedness under the Loan Documents in its capacity as a Guarantor hereunder).

(i) Required Consents. Notwithstanding anything to the contrary contained in this Agreement or the other Loan Documents, following the occurrence of a Springing Security Covenant Trigger Event, the consent of all Lenders shall be required to (i) release any Loan Party from its obligations under any Security Document (except as contemplated by Section 8.15.(b)), (ii) release or dispose of an Unencumbered Pool Property under the applicable Security Instrument, or all or substantially all of the other Collateral with respect to such Unencumbered Pool Property under the other Security Documents unless released or disposed of as permitted by, and in accordance with, Section 8.15.(b) or Section 12.12., or (iii) permit the Collateral to secure any Indebtedness other than the Obligations or the Guaranteed Obligations, as applicable.

ARTICLE IX. INFORMATION

For so long as this Agreement is in effect, the Borrower shall furnish (which may be by electronic delivery in accordance with Section 9.5. hereof) to the Administrative Agent for distribution to each of the Lenders:

Section 9.1. Quarterly Financial Statements.

As soon as available and in any event within 5 Business Days after the same is required to be filed with the SEC (but in no event later than 45 days after the end of each of the first, second and third fiscal quarters of Parent), commencing with the fiscal quarter ending March 31, 2022, the unaudited consolidated balance sheet of Parent and its Subsidiaries as at the end of each fiscal quarter and the related unaudited consolidated statements of operations, stockholders' equity and cash flows of Parent and its Subsidiaries for such fiscal quarter, setting forth in each case in comparative form the figures as of the end of and for the corresponding periods of the previous fiscal year, all of which shall be certified by a Responsible Officer of Parent or the Borrower, in his or her opinion, to present fairly, in accordance with GAAP and in all material respects, the consolidated financial position of Parent and its Subsidiaries as at the date thereof and the results of operations for such period (subject to normal year-end audit adjustments).

Section 9.2. Year-End Statements.

As soon as available and in any event within 5 Business Days after the same is required to be filed with the SEC (but in no event later than 90 days after the end of each fiscal year of Parent), the audited consolidated balance sheet of Parent and its Subsidiaries as at the end of each fiscal year and the related audited consolidated statements of operations, stockholders' equity and cash flows of Parent and its Subsidiaries for such fiscal year, setting forth in comparative form the figures as at the end of and for the previous fiscal year, all of which shall be (a) certified by a Responsible Officer of Parent or the Borrower, in his or her opinion, to present fairly, in accordance with GAAP and in all material respects, the financial position of Parent and its Subsidiaries as at the date thereof and the result of operations for such period and (b) accompanied by the report thereon of KPMG LLP, any other "Big-4" accounting firm or any other independent certified public accountants of recognized national standing acceptable to the Administrative Agent, whose report shall be prepared in accordance with generally accepted auditing standards and shall not be subject to (i) any "going concern" or like qualification or exception or (ii) any qualification or exception as to the scope of such audit, except due to upcoming maturity of any Indebtedness within 12 months.

Section 9.3. Compliance Certificate.

At the time the financial statements are furnished pursuant to Sections 9.1. and 9.2., a certificate substantially in the form of Exhibit J (a "**Compliance Certificate**") executed on behalf of Parent or the Borrower by a Responsible Officer of Parent or the Borrower (a) setting forth in reasonable detail as of the end of such fiscal quarter or fiscal year, as the case may be, the calculations required to establish whether the Borrower was in compliance with the covenants contained in Section 10.1.; and (b) stating that no Default or Event of Default exists, or, if such is not the case, specifying such Default or Event of Default and its nature, when it occurred and the steps being taken by the Borrower with respect to such event, condition or failure.

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Section 9.4. Other Information.

(a) Promptly upon receipt thereof, copies of all reports, if any, submitted to Parent, the Borrower or its Board of Directors by its independent public accountants including, without limitation, any management report;

(b) [reserved];

(c) Promptly upon the mailing thereof to the shareholders of the Borrower generally, copies of all financial statements, reports and proxy statements so mailed and promptly upon the issuance thereof copies of all press releases issued by the Borrower, any other Loan Party or any other Subsidiary;

(d) [reserved];

(e) [reserved];

(f) No later than 30 days before the end of each fiscal year of the Borrower ending prior to the Revolving Termination Date, projected balance sheets, operating statements, profit and loss projections and cash flow budgets of the Borrower and its Subsidiaries on a consolidated basis for each quarter of the next succeeding fiscal year, all itemized in reasonable detail, including in the case of the cash flow budgets, excess operating cash flow, availability under this Agreement, unused availability under committed development loans, unfunded committed equity and any other committed sources of funds, as well as, cash obligations for acquisitions, unfunded development costs, capital expenditures, debt service, overhead, dividends, maturing Property loans, hedge settlements and other anticipated uses of cash. The foregoing shall be accompanied by pro forma calculations, together with detailed assumptions, required to establish whether or not the Borrower, and when appropriate its consolidated Subsidiaries, will be in compliance with the covenants contained in Sections 10.1. and at the end of each fiscal quarter of the next succeeding fiscal year;

(g) No later than 30 days before the end of each fiscal year of the Borrower ending prior to the Revolving Termination Date, a property budget for each Property for the coming fiscal year of the Borrower, together with applicable investment memorandums;

(h) If any ERISA Event shall occur that individually, or together with any other ERISA Event that has occurred, could reasonably be expected to have a Material Adverse Effect, a certificate of a Responsible Officer of the Borrower setting forth details as to such occurrence and the action, if any, which the Borrower or, to the knowledge of the Borrower, applicable member of the ERISA Group is required or proposes to take;

(i) To the extent any Loan Party or any other Subsidiary is aware of the same, prompt notice of the commencement of any proceeding or investigation by or before any Governmental Authority and any action or proceeding in any court or other tribunal or before any arbitrator against or in any other way relating to, or affecting, any Loan Party or any other Subsidiary or any of their respective properties, assets or businesses which could reasonably be expected to have a Material Adverse Effect, and prompt notice of the receipt of notice that any United States income tax returns of any Loan Party or any other Subsidiary are being audited by any Governmental Authority;

(j) A copy of any amendment to the certificate or articles of incorporation or formation, bylaws, partnership agreement or other similar organizational documents of the Borrower or any other Loan Party within 5 Business Days after the effectiveness thereof;

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(k) Prompt notice of (i) any change in the senior management of Parent or the Borrower, (ii) any change in the business, assets, liabilities, financial condition, results of operations or business prospects of any Loan Party or any other Subsidiary or (iii) the occurrence of any other event which, in the case of any of the immediately preceding clauses (i) through (iii), has had, or could reasonably be expected to have, a Material Adverse Effect;

(l) Prompt notice of the occurrence of any Default or Event of Default or any event which constitutes or which with the passage of time, the giving of notice, or otherwise, would constitute a default or event of default by any Loan Party or any other Subsidiary under any Material Contract to which any such Person is a party or by which any such Person or any of its respective properties may be bound;

(m) Promptly upon entering into any Material Contract after the Agreement Date, a copy of such contract;

(n) Prompt notice of any order, judgment or decree in excess of \$1,000,000 having been entered against any Loan Party or any other Subsidiary or any of their respective properties or assets;

(o) Any notification of a material violation of any Applicable Law or any inquiry shall have been received by any Loan Party or any other Subsidiary from any Governmental Authority, in each case, that could reasonably be expected to have a Material Adverse Effect;

(p) Prompt notice of the acquisition, incorporation or other creation of any Subsidiary, the purpose for such Subsidiary, the nature of the assets and liabilities thereof and whether such Subsidiary is an Excluded Subsidiary of the Borrower;

(q) Promptly upon the request of the Administrative Agent, evidence of the Borrower's calculation of the Ownership Share with respect to a Subsidiary or an Unconsolidated Affiliate, such evidence to be in form and detail reasonably satisfactory to the Administrative Agent;

(r) Promptly, and in any event within three (3) Business Days after the Borrower obtains knowledge thereof, any Unencumbered Pool Property failing to comply with the requirements for being an Unencumbered Property;

(s) Promptly, upon each request, such information and documentation as a Lender may reasonably request in order to comply with applicable "know your customer" and Anti-Money Laundering Laws, including without limitation, the Patriot Act;

(t) Promptly, and in any event within 3 Business Days after the Borrower obtains knowledge thereof, written notice of the occurrence of any of the following: (i) the Borrower, any Loan Party or any other Subsidiary shall receive notice that any violation of or noncompliance with any Environmental Law has or may have been committed or is threatened; (ii) the Borrower, any Loan Party or any other Subsidiary shall receive notice that any administrative or judicial complaint, order or petition has been filed or other proceeding has been initiated, or is about to be filed or initiated against any such Person alleging any violation of or noncompliance with any Environmental Law or requiring any such Person to take any action in connection with the release or threatened release of Hazardous Materials; (iii) the Borrower, any Loan Party or any other Subsidiary shall receive any notice from a Governmental Authority or private party alleging that any such Person may be liable or responsible for any costs associated with a response to, or remediation or cleanup of, a release or threatened release of Hazardous Materials or any damages caused thereby; or (iv) the Borrower, any Loan Party or any other Subsidiary shall receive notice of any other fact, circumstance or condition that could reasonably be expected to form

shall receive notice of any other fact, circumstance or condition that could reasonably be expected to form

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- 93 -

the basis of an environmental claim, and the matters covered by notices referred to in any of the immediately preceding clauses (i) through (iv), with respect to the Unencumbered Pool Properties, in any material respect, and with respect to the Properties that are not Unencumbered Pool Properties, where the matters covered by such notice(s) under the preceding clauses (i) through (iv), whether individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect;

(u) Promptly upon the reasonable request of the Administrative Agent, the Derivatives Termination Value in respect of any Specified Derivatives Contract from time to time outstanding;

(v) To the extent the Borrower, any Loan Party or any other Subsidiary is aware of the same, prompt notice of any other matter that has had, or which could reasonably be expected to have, a Material Adverse Effect; and

(w) From time to time and promptly upon each request, such data, certificates, reports, statements, documents or further information regarding any Property or the business, assets, liabilities, financial condition, results of operations or business prospects of the Borrower, any other Loan Party or any other Subsidiary as the Administrative Agent or any Lender may reasonably request.

Section 9.5. Electronic Delivery of Certain Information.

(a) Documents required to be delivered pursuant to the Loan Documents may be delivered by electronic communication and delivery, including, the Internet, e-mail or intranet websites to which the Administrative Agent and each Lender have access (including a commercial, third-party website or a website sponsored or hosted by the Administrative Agent or the Borrower) provided that the foregoing shall not apply to (i) notices to any Lender (or the Issuing Banks) pursuant to Article II. and (ii) any Lender that has notified the Administrative Agent and the Borrower that it cannot or does not want to receive electronic communications. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic delivery pursuant to procedures approved by it for all or particular notices or communications. Documents or notices delivered electronically shall be deemed to have been delivered 24 hours after the date and time on which the Administrative Agent or the Borrower posts such documents or the documents become available on a commercial website and the Administrative Agent or Borrower notifies each Lender of said posting and provides a link thereto provided if such notice or other communication is not sent or posted during the normal business hours of the recipient, said posting date and time shall be deemed to have commenced as of 11:00 a.m. Central time on the opening of business on the next business day for the recipient. Notwithstanding anything contained herein, the Borrower shall deliver paper copies of any documents to the Administrative Agent or to any Lender that requests such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents delivered electronically, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery. Each Lender shall be solely responsible for requesting delivery to it of paper copies and maintaining its paper or electronic documents.

(b) Documents required to be delivered pursuant to Article II. may be delivered electronically to a website provided for such purpose by the Administrative Agent pursuant to the procedures provided to the Borrower by the Administrative Agent.

(c) In addition to the procedures set forth in Section 9.5.(a) above, documents required to be delivered pursuant to Section 9.1., Section 9.2., or Section 9.4.(c) may be delivered electronically in lieu of furnishing to the Administrative Agent paper or electronic copies of the documents. To the extent such documents are filed with the SEC, the documents shall be deemed to have been delivered on the date on

documents are filed with the SEC, the documents shall be deemed to have been delivered on the date on

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- 94 -

which the Borrower or the Parent, as applicable, posts such documents on its website or on the SEC's EDGAR system. Notwithstanding the foregoing, the Borrower shall deliver paper or electronic copies of such documents to any Lender that requests the Borrower to deliver such paper or electronic copies.

Section 9.6. Public/Private Information.

The Borrower shall cooperate with the Administrative Agent in connection with the publication of certain materials and/or information provided by or on behalf of Parent and the Borrower. Documents required to be delivered pursuant to the Loan Documents shall be delivered by or on behalf of the Parent and Borrower to the Administrative Agent and the Lenders (collectively, "**Information Materials**") pursuant to this Article and the Borrower shall designate Information Materials (a) that are either available to the public or not material with respect to Parent, the Borrower and its Subsidiaries or any of their respective securities for purposes of United States federal and state securities laws, as "Public Information" and (b) that are not Public Information as "Private Information". Notwithstanding the foregoing, each Lender who does not wish to receive Private Information agrees to cause at least one individual at or on behalf of such Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of any website provided pursuant to Section 9.5. in order to enable such Lender or its delegate, in accordance with such Lender's compliance procedures and Applicable Law, including United States federal and state securities laws, to make reference to Information Materials that are not made available through the "Public Side Information" portion of such website provided pursuant to Section 9.5. and that may contain material non-public information with respect to Parent, the Borrower and its Subsidiaries or their respective securities for purposes of United States federal and state securities laws.

Section 9.7. USA Patriot Act Notice; Compliance.

The Patriot Act and federal regulations issued with respect thereto require all financial institutions to obtain, verify and record certain information that identifies individuals or business entities which open an "account" with such financial institution. Consequently, a Lender (for itself and/or as agent for all Lenders hereunder) may from time-to-time request, and the Borrower shall, and shall cause the other Loan Parties to, provide promptly upon any such request to such Lender, such Loan Party's name, address, tax identification number and/or such other identification information as shall be necessary for such Lender to comply with federal law. An "account" for this purpose may include, without limitation, a deposit account, a cash management service, a transaction or asset account, a credit account, a loan or other extension of credit, and/or other financial services product.

ARTICLE X. NEGATIVE COVENANTS

For so long as this Agreement is in effect, the Borrower shall comply with the following covenants:

Section 10.1. Financial Covenants.

(a) Maximum Leverage Ratio. The ratio of (i) Total Indebtedness of the Borrower to (ii) Total Asset Value, shall not exceed 0.60 to 1.0 at the end of any fiscal quarter of the Borrower. For purposes of calculating this ratio, (A) Total Indebtedness shall be adjusted by deducting therefrom an amount equal to the lesser of (x) unrestricted cash and Cash Equivalents of the Borrower and its Subsidiaries as of the date of determination in excess of \$15 million and (y) the amount of Total Indebtedness that matures on or before the date that is 24 months from the date of the calculation and (B) Total Asset Value shall be adjusted by deducting therefrom the amount by which Total Indebtedness is adjusted under the immediately preceding clause (A).

adjusted under the immediately preceding clause (1).

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- 95 -

(b) Minimum Fixed Charge Coverage Ratio. The ratio of (i) EBITDA of the Borrower and its Subsidiaries on a consolidated basis (which shall include the Borrower's Ownership Share of its Unconsolidated Affiliates) for the fiscal quarter of the Borrower most recently ended minus the Reserve for Replacements to (ii) Fixed Charges of the Borrower and its Subsidiaries on a consolidated basis (which shall include the Borrower's Ownership Share of its Unconsolidated Affiliates) for such period, shall not be less than 1.50 to 1.00 at the end of any fiscal quarter of the Borrower; provided that such ratio shall be calculated on a pro forma basis on the assumption that (A) any Indebtedness incurred by the Borrower or any of its Subsidiaries since the first day of such four-quarter period and the application of the proceeds therefrom (including to refinance other Indebtedness since the first day of such four-quarter period) had occurred on the first day of such period, (B) the repayment or retirement of any other Indebtedness of the Borrower or any of its Subsidiaries since the first day of such four-quarter period had occurred on the first day of such period (except that, in making such computation, the amount of Indebtedness under any revolving credit facility, line of credit or similar facility shall be computed based upon the average daily balance of such Indebtedness during such period), and (C) in the case of any acquisition or disposition by the Borrower or any Subsidiary of any asset or group of assets since the first day of such four-quarter period, including, without limitation, by merger, stock purchase or sale, or asset purchase or sale, such acquisition or disposition had occurred on the first day of such period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation; provided that, notwithstanding the foregoing, the amount of scheduled principal payments (excluding balloon, bullet or similar payments of principal due upon the stated maturity of Indebtedness) made that are included in clause (b) of the calculation of Fixed Charges for such period shall be determined on an actual rather than pro forma basis. If any Indebtedness incurred after the first day of the relevant four-quarter period bears interest at a floating rate then, for purposes of calculating the Fixed Charges, the interest rate on such Indebtedness shall be computed on a pro forma basis as if the average interest rate which would have been in effect during the entire such four-quarter period had been the applicable rate for the entire such period.

(c) Maximum Secured Indebtedness. Prior to the satisfaction of the Springing Security Covenant Conditions, the ratio of (i) Secured Indebtedness of the Borrower to (ii) Total Asset Value, shall not be greater than 0.40 to 1.00 at the end of any fiscal quarter of the Borrower. For purposes of calculating this ratio and subject to the subsequent proviso, (A1) Secured Indebtedness shall be adjusted by deducting therefrom an amount equal to the lesser of (x) unrestricted cash and Cash Equivalents of the Borrower and its Subsidiaries as of the date of determination in excess of \$15 million and (y) the amount of Secured Indebtedness that matures on or before the date that is 24 months from the date of the calculation and (B2) Total Asset Value shall be adjusted by deducting therefrom the amount by which Secured Indebtedness is adjusted under the immediately preceding clause (A); 1) (the preceding clauses (1) and (2), collectively, the "Secured Indebtedness Ratio Adjustment"); provided, however, for any fiscal quarter of the Borrower, at its option, the Borrower shall elect to apply either (x) the Secured Indebtedness Ratio Adjustment for the purposes of calculating the ratio set forth in this clause (c) or (y) the Unencumbered Leverage Ratio Adjustment for the purposes of calculating the ratio set forth in clause (d) below.

(d) Maximum Unencumbered Leverage Ratio. The ratio of (i) (A) at all times prior to the satisfaction of the Springing Security Covenant Conditions, Unsecured Indebtedness and (B) upon the satisfaction of the Springing Security Covenant Conditions and at all times thereafter, all Indebtedness under this Agreement ("Revolver Indebtedness"), in each case of the Borrower to (ii) Unencumbered Asset Value, shall not exceed (I) 0.60 to 1.00 at the end of any fiscal quarter of the Borrower, and (II) solely for the purposes of determining if a Springing Security Covenant Trigger Event has occurred, 0.35 to 1.00 at the end of any fiscal quarter of the Borrower (the "Maximum Unencumbered Leverage Ratio").

For purposes of calculating this ratio and subject to the subsequent proviso, (1) Unsecured Indebtedness or Revolver Indebtedness, as applicable, shall be adjusted by deducting therefrom an amount equal to the lesser of (x) unrestricted cash and Cash Equivalents of the Borrower and its Subsidiaries as of the date of determination in excess of \$15 million and (y) the amount of Unsecured Indebtedness or Revolver Indebtedness, as applicable, that matures on or before the date that is 24 months from the date of the calculation and (2) Unencumbered Asset Value shall be adjusted by deducting therefrom the amount by which Unsecured Indebtedness or Revolver Indebtedness, as applicable, is adjusted under the immediately preceding clause (1) (to the extent such cash and Cash Equivalents were included in such calculation of Unencumbered Asset Value); (the preceding clauses (1) and (2), collectively, the “Unencumbered Leverage Ratio Adjustment”); provided, however, for any fiscal quarter of the Borrower, at its option, the Borrower shall elect to apply either (x) the Unencumbered Leverage Ratio Adjustment for the purposes of calculating the ratio set forth in this clause (d) or (y) the Secured Indebtedness Ratio Adjustment for the purposes of calculating the ratio set forth in clause (c) above.

Upon the occurrence of a Springing Security Covenant Trigger Event, the Borrower shall comply with the Springing Security Covenant on prior to the applicable Springing Security Covenant Deadline. If the Borrower delivers Compliance Certificates for two consecutive fiscal quarters reflecting non-compliance with the Maximum Unencumbered Leverage Ratio (the date of delivery of such Compliance Certificate, a “Springing Security Covenant Trigger Event”), and no later than 15 calendar days after the date of delivery of such second Compliance Certificate (the “Maximum Unencumbered Leverage Ratio Cure Period”), and only if such Compliance Certificate was submitted when and as required under Section 9.1. and 9.2., the Borrower may submit evidence reasonably acceptable to the Administrative Agent that the Borrower was in compliance with the Maximum Unencumbered Leverage Ratio on or prior to the expiration of the Maximum Unencumbered Leverage Ratio Cure Period, and after giving pro forma effect to such cure, (i) the Borrower shall be deemed to be in compliance with the Maximum Unencumbered Leverage Ratio, (ii) the Borrower shall not be required to comply with the Springing Security Covenant and (iii) the Springing Security Covenant Trigger Event shall be deemed to have not occurred (such cure referred to as a “Maximum Unencumbered Leverage Ratio Cure”). Notwithstanding the foregoing, in no event shall the Borrower be permitted to exercise the Maximum Unencumbered Leverage Ratio Cure (i) more than three (3) times in the aggregate prior to the Revolving Termination Date and (ii) more than two (2) times in any four (4) consecutive fiscal quarters.

(e) Minimum Unencumbered Interest Coverage Ratio. The ratio of (i) Adjusted NOI to (ii) (x) at all times prior to the satisfaction of the Springing Security Covenant Conditions, the Unsecured Interest Expense and (y) following the satisfaction of the Springing Security Covenant Conditions, the Revolver Interest Expense, of the Borrower for the fiscal quarter of the Borrower most recently ended, shall not be less than 2.00 to 1.00 at the end of any fiscal quarter of the Borrower; provided that such ratio shall be calculated on a pro forma basis on the assumption that (A) any Indebtedness incurred by the Borrower or any of its Subsidiaries since the first day of such four-quarter period and the application of the proceeds therefrom (including to refinance other Indebtedness since the first day of such four-quarter period) had occurred on the first day of such period, (B) the repayment or retirement of any other Indebtedness of the Borrower or any of its Subsidiaries since the first day of such four-quarter period had occurred on the first day of such period (except that, in making such computation, the amount of Indebtedness under any revolving credit facility, line of credit or similar facility shall be computed based upon the average daily balance of such Indebtedness during such period), and (C) in the case of any acquisition or disposition by the Borrower or any Subsidiary of any asset or group of assets since the first day of such four-quarter period, including, without limitation, by merger, stock purchase or sale, or asset purchase or sale, such acquisition or disposition had occurred on the first day of such period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation. If any Indebtedness incurred after the first day of the relevant four-quarter period bears

calculation. If any indebtedness incurred after the first day of the relevant four-quarter period bears

| NAI-~~1535429342v17~~[1539712033v8](#)

- 97 -

interest at a floating rate then, for purposes of calculating Unsecured Interest Expense or Revolver Interest Expense, as applicable, the interest rate on such Indebtedness shall be computed on a pro forma basis as if the average interest rate which would have been in effect during the entire such four-quarter period had been the applicable rate for the entire such period.

(f) Minimum Unencumbered Asset Value. Prior to the satisfaction of the Springing Security Covenant Conditions, the Unencumbered Asset Value of the Borrower shall not be less than ~~\$600~~500 million at the end of any fiscal quarter of the Borrower.

(g) Maturity of Indebtedness. Any Indebtedness, other than Indebtedness under this Agreement and Indebtedness incurred by the Arch Street Joint Venture, incurred on or after the Second Amendment Effective Date shall mature no earlier than the Revolving Termination Date.

(h) [Reserved].

(i) [Reserved].

(j) Dividends and Other Restricted Payments. The Borrower shall not, and shall not permit any of its Subsidiaries to, declare or make any Restricted Payment; provided, however, that the Borrower and its Subsidiaries may declare and make the following Restricted Payments so long as no Event of Default would result therefrom:

(i) (A) the Borrower may pay cash dividends to the Parent and other holders of partnership interests in the Borrower with respect to any fiscal year ending during the term of this Agreement to the extent necessary for the Parent to distribute, and the Parent may so distribute, cash dividends to its shareholders, and (B) the Borrower or any of its Subsidiaries may repurchase outstanding Equity Interests of the Borrower or any of its Subsidiaries, and the Parent may repurchase outstanding Equity Interests of the Parent, so long as, in each case, Parent is in compliance with Section 8.12. at the time that such Restricted Payment is made; provided that the aggregate amount of all Restricted Payments made pursuant to this Section 10.1.(j)(i) shall not to exceed the greater of (x) the amount required to be distributed for the Parent to remain in compliance with Section 8.12. or (y) at all times prior to January 1, 2023, 95% of Funds From Operations and, at all times thereafter, 100% of Adjusted Funds Available for Distribution;

(ii) the Borrower may pay cash dividends to the Parent and other holders of partnership interests in the Borrower with respect to any fiscal year ending during the term of this Agreement such that the Parent receives an amount sufficient to enable the Parent to distribute to its shareholders, and the Parent may so distribute cash distributions to its shareholders, in an amount sufficient to enable the Parent to qualify as a REIT and to avoid payment of income or excise taxes imposed under Sections 857(b)(1) and 4981 of the Internal Revenue Code;

(iii) a Subsidiary that is a Non-Wholly Owned Subsidiary may make cash distributions to holders of Equity Interests issued by such Subsidiary so long as such distributions are made ratably according to the holders' respective holdings of the type of Equity Interest in respect of which such distributions are being made; and

(iv) Subsidiaries may pay Restricted Payments to the Borrower or any other Subsidiary.

Notwithstanding the foregoing, but subject to the following sentence, if an Event of Default exists, the Borrower may declare and make cash distributions to the Parent and other holders of partnership interests

Borrower may declare and make cash distributions to the parent and other holders of partnership interests

| NAI-~~1535429342v17~~[1539712033v8](#)

- 98 -

in the Borrower with respect to any fiscal year to the extent necessary for the Parent to distribute, and the Parent may so distribute, an aggregate amount not to exceed the minimum amount necessary for the Parent to remain in compliance with Section 8.12. If an Event of Default specified in Section 11.1.(a), Section 11.1.(f) or Section 11.1.(g) shall exist, or if as a result of the occurrence of any other Event of Default any of the Obligations have been accelerated pursuant to Section 11.2.(a), the Borrower shall not, and shall not permit any Subsidiary to, make any Restricted Payments to any Person other than to the Borrower or any Subsidiary that is a Guarantor.

Notwithstanding anything to the contrary contained in this Agreement, the financial covenants set forth in this Section 10.1. above and the constituent defined terms used therein (directly and indirectly) shall exclude assets and liabilities of Parent and its Subsidiaries associated with Indebtedness that has been defeased in full with cash and Cash Equivalents in accordance with the terms of the documentation governing such Indebtedness.

Notwithstanding the foregoing, and for the avoidance of doubt, this Section 10.1. shall not prohibit (i) the exchange by holders of (including any cash payment upon exchange), or required payment of any principal or premium on (including, for the avoidance of doubt, in respect of a required repurchase in connection with the redemption of Permitted Exchangeable Indebtedness upon satisfaction of a condition related to the stock price of Parent's common stock), or required payment of any interest with respect to, any Permitted Exchangeable Indebtedness, in each case, in accordance with the terms of the indenture governing such Permitted Exchangeable Indebtedness; provided that, to the extent both (a) the aggregate amount of cash payable upon conversion or payment of any Permitted Exchangeable Indebtedness (excluding any required payment of interest with respect to such Permitted Exchangeable Indebtedness and excluding any payment of cash in lieu of a fractional share due upon conversion thereof) exceeds the aggregate principal amount thereof and (b) such conversion or payment does not trigger or correspond to an exercise or early unwind or settlement of a corresponding portion of the Permitted Bond Hedge Transactions and/or Permitted Corresponding Swap Transaction relating to such Permitted Exchangeable Indebtedness (including, for the avoidance of doubt, the case where there is no Permitted Bond Hedge Transaction or Permitted Corresponding Swap Transaction relating to such Permitted Exchangeable Indebtedness), the payment of such excess cash shall not be permitted by this clause (i); or (ii) any required payment with respect to, or required early unwind or settlement of, any Permitted Bond Hedge Transaction, Permitted Warrant Transaction or Permitted Corresponding Swap Transaction, in each case, in accordance with the terms of the agreement governing such Permitted Bond Hedge Transaction, Permitted Warrant Transaction or Permitted Corresponding Swap Transaction; provided that, to the extent cash is required to be paid under a Permitted Warrant Transaction or Permitted Corresponding Swap Transaction as a result of the election of "cash settlement" (or substantially equivalent term) as the "settlement method" (or substantially equivalent term) thereunder by Borrower or Parent (including in connection with the exercise and/or early unwind or settlement thereof), the payment of such cash shall not be permitted by this clause (ii).

In addition this Section 10.1. shall not prohibit the repurchase, exchange or induced exchange or conversion of Permitted Exchangeable Indebtedness by delivery of shares of Parent's common stock and/or a different series of Permitted Exchangeable Indebtedness (which series (x) matures after, and does not require any scheduled amortization or other scheduled payments of principal prior to, the analogous date under the indenture governing the Permitted Exchangeable Indebtedness that are so repurchased, exchanged or converted and (y) has terms, conditions and covenants that are no less favorable to Borrower, than the Permitted Exchangeable Indebtedness that is so repurchased, exchanged or converted (as determined by Borrower in good faith)) (any such series of Permitted Exchangeable Indebtedness, "**Refinancing Exchangeable Notes**") and/or by payment of cash (in an amount that does not exceed the proceeds received by Parent and/or Borrower, as applicable from the substantially concurrent issuance of shares of Parent's common stock and/or Refinancing Exchangeable Notes plus the net cash proceeds, if

SHARES OF PARENT'S COMMON STOCK AND/OR REMAINING EXCHANGEABLE NOTES plus the net cash proceeds, if

| NAI-~~1535429342v17~~[1539712033v8](#)

- 99 -

any, received by Borrower or Parent, as applicable, pursuant to the related exercise or early unwind or termination of the related Permitted Bond Hedge Transactions, Permitted Warrant Transactions and/or Permitted Corresponding Swap Transactions, if any).

Section 10.2. Negative Pledge.

(a) The Borrower shall not, and shall not permit any other Loan Party or Subsidiary to, (a) create, assume, incur, permit or suffer to exist any Lien on any Unencumbered Pool Property or any direct or indirect ownership interest of the Borrower in any Person owning any Unencumbered Pool Property, now owned or hereafter acquired, except for Permitted Liens or (b) permit any Unencumbered Pool Property or any direct or indirect ownership interest of the Borrower in any Person owning a Unencumbered Pool Property, to be subject to a Negative Pledge, in each case, if immediately prior to the creation, assumption, incurrence or existence of such Lien, or Unencumbered Pool Property or ownership interest becoming subject to a Negative Pledge, or immediately thereafter, a Default or Event of Default is or would be in existence, including without limitation, a Default or Event of Default resulting from a violation of any of the covenants contained in Section 10.1.

(b) The Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary (other than an Excluded Subsidiary) to, enter into, assume or otherwise be bound by any Negative Pledge except for a Negative Pledge contained in (i) an agreement (x) evidencing Indebtedness which (A) the Borrower, such Loan Party or such Subsidiary may create, incur, assume, or permit or suffer to exist without violation of this Agreement and (B) is secured by a Lien permitted to exist under the Loan Documents, and (y) which prohibits the creation of any other Lien on only the property securing such Indebtedness as of the date such agreement was entered into; (ii) the organizational documents or other agreements binding on any Subsidiary that is not a Wholly Owned Subsidiary (but only to the extent such Negative Pledge covers any Equity Interest in such Subsidiary or the property or assets of such Subsidiary); (iii) an agreement relating to the sale of a Subsidiary or assets pending such sale, provided that in any such case the Negative Pledge applies only to the Subsidiary or the assets that are the subject of such sale or (iv) a Negative Pledge contained in any agreement that evidences unsecured Indebtedness which contains restrictions on encumbering assets that are substantially similar to those restrictions contained in the Loan Documents; provided that, notwithstanding the foregoing, the Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, permit any Unencumbered Pool Property or any direct or indirect ownership interest of the Borrower in any Person owning any Unencumbered Pool Property to be subject to a Negative Pledge.

Section 10.3. Restrictions on Intercompany Transfers.

The Borrower shall not, and shall not permit any other Loan Party (other than Parent) or any other Subsidiary (other than an Excluded Subsidiary) to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary (other than an Excluded Subsidiary) to: (a) pay dividends or make any other distribution on any of such Subsidiary's Equity Interests owned by the Borrower or any Subsidiary; (b) pay any Indebtedness owed to the Borrower or any Subsidiary; (c) make loans or advances to the Borrower or any Subsidiary; or (d) transfer any of its property or assets to the Borrower or any Subsidiary; other than (i) with respect to clauses (a) through (d), (A) those encumbrances or restrictions contained in any Loan Document, (B) encumbrances or restrictions imposed by Applicable Law, (C) customary encumbrances and restrictions contained in agreements relating to the sale of such Subsidiary or any Property owned by such Subsidiary that exist while such sale is pending, (D) customary encumbrances and restrictions contained in agreements relating to the acquisition of any Property while such acquisition is pending, (E) customary encumbrances and restrictions governing any purchase money Liens covering only the property subject to such Lien, (F) those encumbrances and restrictions contained in the CMBS Loan Agreement or in any

such Lien, (c) those covenants and restrictions contained in the CMBS Loan Agreement or in any

| NAI-~~1535429342v17~~[1539712033v8](#)

- 100 -

other agreement that evidences Unsecured Indebtedness, which restrictions on the actions described above are substantially similar to those contained in the Loan Documents, or (G) customary restrictions contained in the organizational documents of any Subsidiary that is not a Wholly Owned Subsidiary (but only to the extent applicable to the Equity Interest in such Subsidiary or the assets of such Subsidiary), or, (ii) with respect to clause (d), (A) customary provisions restricting assignment of any agreement entered into by the Borrower, any other Loan Party or any other Subsidiary in the ordinary course of business, (B) restrictions on the ability of any Loan Party or any Subsidiary to transfer, directly or indirectly, Equity Interests (and beneficial interest therein) in any Excluded Subsidiary pursuant to the terms of any Secured Indebtedness of such Excluded Subsidiary, (C) customary restrictions on transfer contained in leases applicable only to the property subject to such lease, (D) restrictions on transfer contained in any agreement relating to the transfer, sale, conveyance or other disposition of a Subsidiary or the assets of a Subsidiary permitted under this Agreement pending such transfer, sale, conveyance or other disposition; provided that in any such case, the restrictions apply only to the Subsidiary or the assets that are the subject of such transfer, sale, conveyance or other disposition, (E) customary non-assignment provisions or other customary restrictions on transfer arising under licenses and other contracts entered into in the ordinary course of business; provided, that such restrictions are limited to assets subject to such licenses and contracts and (F) restrictions on transfer contained in any agreement evidencing Secured Indebtedness secured by a Lien on assets that the Borrower or a Subsidiary may create, incur, assume, or permit or suffer to exist under this Agreement; provided that in any such case, the restrictions apply only to the assets that are encumbered by such Lien.

Section 10.4. Merger, Consolidation, Sales of Assets and Other Arrangements.

The Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, (a) enter into any transaction of merger or consolidation; (b) liquidate, windup or dissolve itself (or suffer any liquidation or dissolution); (c) convey, sell, lease, sublease, transfer or otherwise dispose of, in one transaction or a series of transactions, all or any substantial part of its business or assets, or the capital stock of or other Equity Interests in any of its Subsidiaries, whether now owned or hereafter acquired; or (d) acquire a Substantial Amount of the assets of, or make an Investment of a Substantial Amount in, any other Person; provided, however, that:

(i) any Subsidiary of Parent may merge with a Loan Party so long as such Loan Party is the survivor and any Subsidiary of Parent that is not a Loan Party may merge with any other Subsidiary that is not a Loan Party;

(ii) any Subsidiary of Parent may sell, transfer or dispose of its assets to a Loan Party and any Subsidiary of Parent that is not a Loan Party may sell, transfer or dispose of its assets to any other Subsidiary of Parent that is not a Loan Party;

(iii) a Loan Party (other than Parent and the Borrower) and any Subsidiary of Parent that is not (and is not required to be) a Loan Party may convey, sell, transfer or otherwise dispose of, in one transaction or a series of transactions, all or any substantial part of its business or assets, or the capital stock of or other Equity Interests in any of its Subsidiaries, and immediately thereafter liquidate, provided that immediately prior to any such conveyance, sale, transfer, disposition or liquidation and immediately thereafter and after giving effect thereto, no Default or Event of Default is or would be in existence;

(iv) any Loan Party and any other Subsidiary or Parent may, directly or indirectly, (A) acquire (whether by purchase, acquisition of Equity Interests of a Person, or as a result of a merger or consolidation) a Substantial Amount of the assets of, or make an Investment of a Substantial Amount in, any other Person, provided that for any acquisitions of Property, other

substantial amount in, any other person, provided that for any acquisitions of property, other

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- 101 -

than acquisitions of Property related to the Arch Street Joint Venture, the weighted average lease term of all leases at such acquired Property, taken as a whole, on the date of closing such acquisition, shall be not less than five (5) years, and (B) sell, lease or otherwise transfer, whether by one or a series of transactions, all or any portion of its assets (including capital stock or other securities of Subsidiaries) to any other Person, so long as, in each case, (1) the Borrower shall have given the Administrative Agent at least 10-days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice of such consolidation, merger, acquisition, Investment, sale, lease or other transfer; (2) immediately prior thereto, and immediately thereafter and after giving effect thereto, no Default or Event of Default is or would be in existence, including, without limitation, a Default or Event of Default resulting from a breach of Section 10.1.; (3) [reserved] and (4) at the time the Borrower gives notice pursuant to clause (1) of this subsection, if such sale, lease or other transfer constitutes a Substantial Amount, the Borrower shall have delivered to the Administrative Agent for distribution to each of the Lenders a Compliance Certificate, calculated on a pro forma basis, evidencing the continued compliance by the Loan Parties with the terms and conditions of this Agreement and the other Loan Documents, including without limitation, the financial covenants contained in Section 10.1., after giving effect to such consolidation, merger, acquisition, Investment, sale, lease or other transfer;

(v) the Borrower, the other Loan Parties and the other Subsidiaries of Parent may (A) lease and sublease their respective assets, as lessor or sublessor (as the case may be), in the ordinary course of their business, (B) sell their respective assets in the ordinary course of business or because such assets have become damaged, worn, obsolete or unnecessary or are no longer used or useful in their business and (C) convey, sell, transfer or otherwise dispose of cash and Cash Equivalents and inventory, fixtures, furnishings and equipment in the ordinary course of business; and

(vi) for the avoidance of doubt, (A) the Borrower may make any required payments in connection with a Permitted Bond Hedge Transaction, Permitted Warrant Transaction or Permitted Corresponding Swap Transaction and (B) Parent and its Subsidiaries may make any Restricted Payment permitted by Section 10.1.(j).

Further, no Loan Party nor any Subsidiary, shall enter into any sale-leaseback transactions or other transaction by which such Person shall remain liable as lessee (or the economic equivalent thereof) of any real or personal property that it has sold or leased to another Person.

Section 10.5. Plan Assets; Prohibited Transactions.

The Borrower shall not, and shall not permit any other Loan Party or Subsidiary to, take any action or omit to take any action that would result (i) in any such Person holding Plan Assets or (ii) in the execution, delivery or performance of this Agreement and the other Loan Documents, and the extensions of credit and repayment of amounts hereunder, resulting in or constituting a non-exempt prohibited transaction under ERISA or Section 4975 of the Internal Revenue Code (assuming for such purpose that no Lender funds any amount payable by it hereunder with Plan Assets).

Section 10.6. Fiscal Year.

The Borrower shall not, and shall not permit any other Loan Party or other Subsidiary to, change its fiscal year from that in effect as of the Agreement Date (except to cause any Subsidiary's fiscal year to be consistent with that of the Borrower).

Section 10.7. Modifications of Organizational Documents and Material Contracts.

The Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, amend, supplement, restate or otherwise modify or waive the application of any provision of its certificate or articles of incorporation or formation, by-laws, operating agreement, declaration of trust, partnership agreement or other applicable organizational document if such amendment, supplement, restatement or other modification (a) is adverse to the interest of the Administrative Agent, the Issuing Banks or the Lenders in any material respect or (b) could reasonably be expected to have a Material Adverse Effect (provided, that, for the avoidance of doubt, amendments to include or modify customary special purpose entity provisions in connection with the incurrence of Secured Indebtedness permitted hereunder shall not be deemed adverse to the interest of the Administrative Agent, the Issuing Banks or the Lenders or to reasonably be expected to result in a Material Adverse Effect for purposes of this Section 10.7.). The Borrower shall not enter into, and shall not permit any Subsidiary or other Loan Party to enter into, any amendment or modification to any Material Contract which could reasonably be expected to have a Material Adverse Effect or permit any Material Contract with respect to Material Indebtedness to be canceled or terminated prior to its stated maturity as a result of a default or event of default thereunder.

Section 10.8. Use of Proceeds.

The Borrower shall not, and shall not permit any other Loan Party, any other Subsidiary or any of its of their respective directors, officers, employees and agents to, use any proceeds of the Loans or any Letter of Credit to purchase or carry, or to reduce or retire or refinance any credit incurred to purchase or carry, any margin stock (within the meaning of Regulation U or Regulation X of the FRB) or to extend credit to others for the purpose of purchasing or carrying any such margin stock. The Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, use any proceeds of the Loans or any Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 10.9. Subordinated Debt Prepayments; Amendments.

The Borrower shall not, and shall not permit any other Loan Party or other Subsidiary to, prepay any principal of, or accrued interest on, any Subordinated Debt or otherwise make any voluntary or optional payment with respect to any principal of, or accrued interest on, any Subordinated Debt prior to the originally scheduled maturity date thereof or otherwise redeem or acquire for value any Subordinated Debt other than:

- (a) any payment of principal or interest made in accordance with the applicable subordination terms governing such Subordinated Debt;
- (b) refinancing with the proceeds of additional Subordinated Debt; or
- (c) conversion or exchange to Equity Interests (other than Mandatorily Redeemable Stock).

Further, the Borrower shall not, and shall not permit any other Loan Party or other Subsidiary to, amend or modify, or permit the amendment or modification of, any agreement or instrument evidencing any Subordinated Debt where such amendment or modification provides for the following or which has any of the following effects:

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- (a) increases the rate of interest accruing on such Subordinated Debt;
 - (b) increases the amount of any scheduled installment of principal or interest, or shortens the date on which any such installment or principal or interest becomes due;
 - (c) shortens the final maturity date of such Subordinated Debt;
 - (d) increases the principal amount of such Subordinated Debt;
 - (e) amends any financial or other covenant contained in any document or instrument evidencing any Subordinated Debt in a manner which is more onerous in any material respect, taken as a whole, to the Borrower or such Subsidiary;
 - (f) provides for the payment of additional fees or the increase in existing fees; and/or
 - (g) otherwise could reasonably be expected to be adverse in any material respect, taken as a whole, to the interests of the Administrative Agent or the Lenders.

Section 10.10. Transactions with Affiliates.

The Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, permit to exist or enter into any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate, except (a) as set forth on Schedule 7.1.(s), (b) transactions in the ordinary course of and pursuant to the reasonable requirements of the business of the Borrower, such other Loan Party or such other Subsidiary and upon fair and reasonable terms which are no less favorable to the Borrower, such other Loan Party or such other Subsidiary than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate, (c) payments of compensation, perquisites and fringe benefits arising out of any employment or consulting relationship in the ordinary course of business, (d) Restricted Payments not prohibited by Section 10.1.(j), (e) transactions with Unconsolidated Affiliates relating to the provision of management services and overhead and similar arrangements in the ordinary course of business, (f) employment and severance arrangements between the Loan Parties or any of their Subsidiaries and their respective officers and employees in the ordinary course of business and transactions pursuant to stock option plans and employee benefit plans and arrangements, (g) the payment of customary fees and reasonable out-of-pocket costs to, and indemnities provided on behalf of, directors, managers, officers, employees and consultants of the Loan Parties and their Subsidiaries in the ordinary course of business to the extent attributable to the ownership, management or operation of the Loan Parties and their Subsidiaries, (h) transactions between or among the Loan Parties and transactions between or among Subsidiaries that are not Loan Parties and (i) any Permitted Corresponding Swap Transaction and as otherwise reasonably necessary or advisable to effectuate the entry into and performance of obligations by Parent and/or Borrower, as applicable, of any Permitted Exchangeable Indebtedness, Permitted Bond Hedge Transaction, Permitted Warrant Transaction or Permitted Corresponding Swap Transaction, as determined by Borrower in good faith. Notwithstanding the foregoing, no payments may be made with respect to any items set forth on such Schedule 7.1.(s) if a Default or Event of Default exists or would result therefrom.

Section 10.11. Development Property and Unimproved land.

The Borrower shall not, and shall not permit any other Loan Party or any other Subsidiary to, acquire or develop any new Development Property or Unimproved Land, other than the expansion of any improvements on Property pursuant to a tenant expansion option contained in any existing lease

agreement for any such Property or in any future lease agreement or lease agreement amendment for any such Property.

Section 10.12. Environmental Matters.

The Borrower shall not, and shall not permit any other Loan Party, any other Subsidiary or any other Person to, use, generate, discharge, emit, manufacture, handle, process, store, release, transport, remove, dispose of or clean up any Hazardous Materials on, under or from the Properties in violation of any Environmental Law or in a manner that could lead to any environmental claim or pose a risk to human health, safety or the environment, in each case, that could reasonably be expected to have a Material Adverse Effect. Nothing in this Section shall impose any obligation or liability whatsoever on the Administrative Agent or any Lender.

ARTICLE XI. DEFAULT

Section 11.1. Events of Default.

Each of the following shall constitute an Event of Default, whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of Applicable Law or pursuant to any judgment or order of any Governmental Authority:

(a) Default in Payment. The Borrower or any other Loan Party shall fail to pay under this Agreement or any other Loan Document (whether upon demand, at maturity, by reason of acceleration or otherwise), (i) when due, the principal of any of the Loans or any Reimbursement Obligation, or (ii) within 5 Business Days, any interest or fees or any of the other payment Obligations owing by the Borrower or any other Loan Party under this Agreement or any other Loan Document.

(b) Default in Performance.

(i) Any Loan Party shall fail to perform or observe any term, covenant, condition or agreement on its part to be performed or observed and contained in Section 8.1.(a) (solely with respect to the existence of the Borrower and Parent), Section 9.4.(l), Section 9.4.(o) or Article X. (other than the failure to satisfy the Maximum Unencumbered Leverage Ratio the consequences of which shall, for the avoidance of doubt, solely determine whether or not a Springing Security Covenant Trigger Event has occurred and shall not constitute a Default or Event of Default); or

(ii) Any Loan Party shall fail to perform or observe any term, covenant, condition or agreement contained in this Agreement or any other Loan Document to which it is a party and not otherwise mentioned in this Section, and in the case of this subsection (b)(ii) only, such failure shall continue for a period of 30 days (or in the case of any failure to perform or observe any term, covenant, condition or agreement contained in Article IX. (other than Section 9.4.(l) or Section 9.4.(o)), 5 Business Days) after the earlier of (x) the date upon which a Responsible Officer of the Borrower or such other Loan Party obtains knowledge of such failure or (y) the date upon which the Borrower has received written notice of such failure from the Administrative Agent.

(c) Misrepresentations. Any written statement, representation or warranty made or deemed made by or on behalf of any Loan Party under this Agreement or under any other Loan Document, or any amendment hereto or thereto, or in any other writing or statement at any time furnished by, or at the direction of, any Loan Party to the Administrative Agent, any Issuing Bank or any Lender, shall at any

time prove to have been incorrect or misleading in any material respect when furnished or made or deemed made.

(d) Indebtedness Cross-Default.

(i) The Borrower, any other Loan Party or any other Subsidiary shall fail to make any payment when due and payable (giving effect to all grace and cure periods thereunder) in respect of any Indebtedness (other than the Loans and Reimbursement Obligations) having an aggregate outstanding principal amount (or, in the case of any Derivatives Contract, having, without regard to the effect of any close-out netting provision, a Derivatives Termination Value), in each case individually or in the aggregate with all other Indebtedness as to which such a failure exists, of \$10,000,000 or more (“**Material Indebtedness**”); or

(ii) (x) The maturity of any Material Indebtedness shall have been accelerated in accordance with the provisions of any indenture, contract or instrument evidencing, providing for the creation of or otherwise concerning such Material Indebtedness or (y) any Material Indebtedness shall have been required to be prepaid, repurchased, redeemed or defeased prior to the stated maturity thereof; or

(iii) Any other event shall have occurred and be continuing which permits any holder or holders of any Material Indebtedness, any trustee or agent acting on behalf of such holder or holders or any other Person, to accelerate the maturity of any such Material Indebtedness or require any such Material Indebtedness to be prepaid, repurchased, redeemed or defeased prior to its stated maturity (giving effect to all grace and cure periods thereunder);

provided that clauses (ii) and (iii) above shall not apply to any redemption, exchange, repurchase, conversion or settlement with respect to any Permitted Exchangeable Indebtedness, or satisfaction of any condition giving rise to or permitting the foregoing, pursuant to their terms unless such redemption, repurchase, conversion or settlement results from a default thereunder or an event of the type that constitutes an Event of Default.

(e) Voluntary Bankruptcy Proceeding. The Borrower, any other Loan Party or any other Subsidiary that accounts for more than \$10,000,000 of Total Asset Value as of any date of determination shall: (i) commence a voluntary case under the Bankruptcy Code or other federal bankruptcy laws (as now or hereafter in effect); (ii) file a petition seeking to take advantage of any other Applicable Laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts; (iii) consent to, or fail to contest in a timely and appropriate manner, any petition filed against it in an involuntary case under such bankruptcy laws or other Applicable Laws or consent to any proceeding or action described in the immediately following subsection (f); (iv) apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of a substantial part of its property, domestic or foreign; (v) admit in writing its inability to pay its debts as they become due; (vi) make a general assignment for the benefit of creditors; (vii) make a conveyance fraudulent as to creditors under any Applicable Law; or (viii) take any corporate or partnership action for the purpose of effecting any of the foregoing.

(f) Involuntary Bankruptcy Proceeding. A case or other proceeding shall be commenced against the Borrower, any other Loan Party or any other Subsidiary that accounts for more than \$10,000,000 of Total Asset Value as of any date of determination in any court of competent jurisdiction seeking: (i) relief under the Bankruptcy Code or other federal bankruptcy laws (as now or hereafter in effect) or under any other Applicable Laws, domestic or foreign, relating to bankruptcy, insolvency,

effect) or under any other Applicable Laws, domestic or foreign, relating to bankruptcy, insolvency,

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- 106 -

reorganization, winding-up, or composition or adjustment of debts; or (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of such Person, or of all or any substantial part of the assets, domestic or foreign, of such Person, and in the case of either clause (i) or (ii) such case or proceeding shall continue undismissed or unstayed for a period of 60 consecutive days, or an order granting the remedy or other relief requested in such case or proceeding (including, but not limited to, an order for relief under such Bankruptcy Code or such other federal bankruptcy laws) shall be entered.

(g) Revocation of Loan Documents. Any Loan Party shall disavow, revoke or terminate any Loan Document to which it is a party or shall otherwise challenge or contest in any action, suit or proceeding in any court or before any Governmental Authority the validity or enforceability of any Loan Document or any Loan Document shall cease to be in full force and effect (except as a result of the express terms thereof).

(h) Judgment. A judgment or order for the payment of money or for an injunction or other non-monetary relief shall be entered against the Borrower, any other Loan Party, or any other Subsidiary by any court or other tribunal and (i) such judgment or order shall continue for a period of 30 days without being paid, stayed or dismissed through appropriate appellate proceedings and (ii) either (A) the amount of such judgment or order for which insurance coverage has not been acknowledged in writing by the applicable insurance carrier (or the amount as to which the insurer has denied liability) exceeds, individually or together with all other such judgments or orders entered against the Borrower, any other Loan Party or any other Subsidiary, \$10,000,000 or (B) in the case of an injunction or other non-monetary relief, such injunction or judgment or order could reasonably be expected to have a Material Adverse Effect.

(i) Attachment. A warrant, writ of attachment, execution or similar process shall be issued against any property of the Borrower, any other Loan Party or any other Subsidiary, which exceeds, individually or together with all other such warrants, writs, executions and processes, \$10,000,000 in amount and such warrant, writ, execution or process shall not be paid, discharged, vacated, stayed or bonded for a period of 30 days; provided, however, that if a bond has been issued in favor of the claimant or other Person obtaining such warrant, writ, execution or process, the issuer of such bond shall execute a waiver or subordination agreement in form and substance satisfactory to the Administrative Agent pursuant to which the issuer of such bond subordinates its right of reimbursement, contribution or subrogation to the Obligations and waives or subordinates any Lien it may have on the assets of the Borrower, any other Loan Party or any other Subsidiary.

(j) ERISA.

(i) Any ERISA Event shall have occurred that together with all other such ERISA Events (if any) would reasonably be expected to result in a Material Adverse Effect; or

(ii) The “benefit obligation” of all Plans exceeds the “fair market value of plan assets” for such Plans (all as determined, and with such terms defined, in accordance with FASB ASC 715) by an amount that would reasonably be expected to result in a Material Adverse Effect.

(k) Loan Documents. An Event of Default shall occur under any of the other Loan Documents.

(l) Change of Control.

(i) Any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the

the Exchange Act becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the

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- 107 -

Exchange Act, except that a Person will be deemed to have “beneficial ownership” of all securities that such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 25.0% of the Equity Interests of the Parent entitled to vote in the election of members of the board of directors (or equivalent governing body) of the Parent; or

(ii) During any period of 12 consecutive months ending after the Agreement Date, individuals who at the beginning of any such 12-month period constituted the Board of Directors of the Parent (together with any new directors whose election by such board or whose nomination for election by the shareholders of the Parent was approved by a vote of a majority of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of the Parent then in office; or

(iii) The Parent ceases to own directly or indirectly 80% of the Equity Interests of the Borrower.

(m) Damage; Strike; Casualty. Any strike, lockout, labor dispute, embargo, condemnation, act of God or public enemy, or other casualty which causes, for more than 30 consecutive days beyond the coverage period of any applicable business interruption insurance, the cessation or substantial curtailment of revenue producing activities of the Loan Parties and their Subsidiaries, taken as a whole, and only if such event or circumstance could reasonably be expected to have a Material Adverse Effect.

Section 11.2. Remedies Upon Event of Default.

Upon the occurrence of an Event of Default the following provisions shall apply:

(a) Acceleration; Termination of Facilities.

(i) Automatic. Upon the occurrence of an Event of Default specified in Sections 11.1.(e) or 11.1.(f), (1)(A) the principal of, and all accrued interest on, the Loans and the Notes at the time outstanding, (B) an amount equal to 103% of the Stated Amount of all Letters of Credit outstanding as of the date of the occurrence of such Event of Default for deposit into the Letter of Credit Collateral Account and (C) all of the other Obligations, including, but not limited to, the other amounts owed to the Lenders and the Administrative Agent under this Agreement, the Notes or any of the other Loan Documents shall become immediately and automatically due and payable without presentment, demand, protest, or other notice of any kind, all of which are expressly waived by the Borrower on behalf of itself and the other Loan Parties and (2) the Commitments and the obligation of the Issuing Banks to issue Letters of Credit hereunder, shall all immediately and automatically terminate.

(ii) Optional. If any other Event of Default shall exist, the Administrative Agent may, and at the direction of the Requisite Lenders shall: (1) declare (A) the principal of, and accrued interest on, the Loans and the Notes at the time outstanding, (B) an amount equal to 103% of the Stated Amount of all Letters of Credit outstanding as of the date of the occurrence of such Event of Default for deposit into the Letter of Credit Collateral Account and (C) all of the other Obligations, including, but not limited to, the other amounts owed to the Lenders and the Administrative Agent under this Agreement, the Notes or any of the other Loan Documents to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly

waived by the Borrower on behalf of itself and the other Loan Parties, and (2) terminate the Commitments and the obligation of the Issuing Banks to issue Letters of Credit hereunder.

(b) Loan Documents. The Requisite Lenders may direct the Administrative Agent to, and the Administrative Agent if so directed shall, exercise any and all of its rights under any and all of the other Loan Documents.

(c) Applicable Law. The Requisite Lenders may direct the Administrative Agent to, and the Administrative Agent if so directed shall, exercise all other rights and remedies it may have under any Applicable Law.

(d) Appointment of Receiver. To the extent permitted by Applicable Law, the Administrative Agent and the Lenders shall be entitled to the appointment of a receiver for the assets and properties of the Borrower and its Subsidiaries, without notice of any kind whatsoever and without regard to the adequacy of any security for the Obligations or the solvency of any party bound for its payment, to take possession of all or any portion of the property and/or the business operations of the Borrower and its Subsidiaries and to exercise such power as the court shall confer upon such receiver.

(e) Remedies in Respect of Specified Derivatives Contracts and Specified Cash Management Agreements. Notwithstanding any other provision of this Agreement or other Loan Document, each Specified Derivatives Provider and Specified Cash Management Bank shall have the right, with prompt notice to the Administrative Agent, but without the approval or consent of or other action by the Administrative Agent, the Issuing Banks or the Lenders, and without limitation of other remedies available to such Specified Derivatives Provider or Specified Cash Management Bank, as applicable, under contract or Applicable Law, to undertake any of the following: (a) in the case of a Specified Derivatives Provider, to declare an event of default, termination event or other similar event under any Specified Derivatives Contract and to create an "Early Termination Date" (as defined therein) in respect thereof, (b) in the case of a Specified Derivatives Provider, to determine net termination amounts in respect of any and all Specified Derivatives Contracts in accordance with the terms thereof, and to set off amounts among such contracts, (c) in the case of a Specified Derivatives Provider, to set off or proceed against deposit account balances, securities account balances and other property and amounts held by such Specified Derivatives Provider and (d) to prosecute any legal action against the Borrower, any Loan Party or other Subsidiary to enforce or collect net amounts owing to such Specified Derivatives Provider or Specified Cash Management Bank, as applicable, in each case, pursuant to the terms of any Specified Derivatives Contract or Specified Cash Management Agreement, as applicable.

Section 11.3. Marshaling; Payments Set Aside.

No Lender Party shall be under any obligation to marshal any assets in favor of any Loan Party or any other party or against or in payment of any or all of the Guaranteed Obligations. To the extent that any Loan Party makes a payment or payments to a Lender Party, or a Lender Party enforces its security interest or exercises its right of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then to the extent of such recovery, the Guaranteed Obligations, or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

Section 11.4. Flood Laws.

Wells Fargo has adopted internal policies and procedures that address requirements placed on federally regulated lenders under the National Flood Insurance Reform Act of 1994 and related legislation (the “**Flood Laws**”). Wells Fargo, as Administrative Agent, will post on the applicable electronic platform (or otherwise distribute to each Lender in the syndicate) documents that it receives in connection with the Flood Laws. However, Wells Fargo reminds each Lender and Participant that, pursuant to the Flood Laws, each federally regulated Lender (whether acting as a Lender or Participant) is responsible for assuring its own compliance with the flood insurance requirements.

Section 11.5. Allocation of Proceeds.

If an Event of Default exists, all payments received by the Administrative Agent (or any Lender as a result of its exercise of remedies permitted under Section 13.3.) under any of the Loan Documents in respect of any Guaranteed Obligations shall be applied in the following order and priority:

(a) to payment of that portion of the Guaranteed Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Administrative Agent in its capacity as such and the Issuing Banks in their capacity as such, ratably among the Administrative Agent and the Issuing Banks in proportion to the respective amounts described in this clause (a) payable to them;

(b) to payment of that portion of the Guaranteed Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders under the Loan Documents, including attorney fees, ratably among the Lenders in proportion to the respective amounts described in this clause (b) payable to them;

(c) [reserved];

(d) to payment of that portion of the Guaranteed Obligations constituting accrued and unpaid interest on the Loans and Reimbursement Obligations, ratably among the Lenders and the Issuing Banks in proportion to the respective amounts described in this clause (d) payable to them;

(e) [reserved];

(f) to payment of that portion of the Guaranteed Obligations constituting unpaid principal of the Loans, Reimbursement Obligations, other Letter of Credit Liabilities and payment obligations then owing under Specified Derivatives Contracts and Specified Cash Management Agreements, ratably among the Lenders, the Issuing Banks, the Specified Derivatives Providers and the Specified Cash Management Banks in proportion to the respective amounts described in this clause (f) payable to them; provided, however, to the extent that any amounts available for distribution pursuant to this clause are attributable to the issued but undrawn amount of an outstanding Letter of Credit, such amounts shall be paid to the Administrative Agent for deposit into the Letter of Credit Collateral Account; and

(g) the balance, if any, after all of the Guaranteed Obligations have been paid in full, to the Borrower or as otherwise required by Applicable Law.

Notwithstanding the foregoing, Guaranteed Obligations arising under Specified Cash Management Agreements and Specified Derivatives Contracts shall be excluded from the application described above.

Agreements and Specified Derivatives Contracts shall be excluded from the application described above

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- 110 -

if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may request, from the applicable Specified Cash Management Bank or Specified Derivatives Provider, as the case may be. Each Specified Cash Management Bank or Specified Derivatives Provider not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article XII. for itself and its Affiliates as if a “Lender” party hereto.

Section 11.6. Letter of Credit Collateral Account.

(a) As collateral security for the prompt payment in full when due of all Letter of Credit Liabilities and the other Obligations, the Borrower hereby pledges and grants to the Administrative Agent, for the ratable benefit of the Administrative Agent, the Issuing Banks and the Revolving Lenders as provided herein, a security interest in all of its right, title and interest in and to the Letter of Credit Collateral Account and the balances from time to time in the Letter of Credit Collateral Account (including the investments and reinvestments therein provided for below). The balances from time to time in the Letter of Credit Collateral Account shall not constitute payment of any Letter of Credit Liabilities until applied by the Issuing Banks as provided herein. Anything in this Agreement to the contrary notwithstanding, funds held in the Letter of Credit Collateral Account shall be subject to withdrawal only as provided in this Section.

(b) Amounts on deposit in the Letter of Credit Collateral Account shall be invested and reinvested by the Administrative Agent in such Cash Equivalents as the Administrative Agent shall determine in its sole discretion. All such investments and reinvestments shall be held in the name of and be under the sole dominion and control of the Administrative Agent for the ratable benefit of the Administrative Agent, the Issuing Banks and the Revolving Lenders; provided, that all earnings on such investments and reinvestments will be credited to and retained in the Letter of Credit Collateral Account. The Administrative Agent shall exercise reasonable care in the custody and preservation of any funds held in the Letter of Credit Collateral Account and shall be deemed to have exercised such care if such funds are accorded treatment substantially equivalent to that which the Administrative Agent accords other funds deposited with the Administrative Agent, it being understood that the Administrative Agent shall not have any responsibility for taking any necessary steps to preserve rights against any parties with respect to any funds held in the Letter of Credit Collateral Account.

(c) If a drawing pursuant to any Letter of Credit occurs on or prior to the expiration date of such Letter of Credit, the Borrower and the Revolving Lenders authorize the Administrative Agent to use the monies deposited in the Letter of Credit Collateral Account to reimburse such Issuing Bank for the payment made by such Issuing Bank to the beneficiary with respect to such drawing.

(d) If an Event of Default exists, the Administrative Agent may (and, if instructed by the Requisite Lenders, shall) in its (or their) discretion at any time and from time to time elect to liquidate any such investments and reinvestments and apply the proceeds thereof to the Obligations in accordance with Section 11.5.

(e) So long as no Default or Event of Default exists, and to the extent amounts on deposit in or credited to the Letter of Credit Collateral Account exceed the aggregate amount of the Letter of Credit Liabilities then due and owing, the Administrative Agent shall, from time to time, at the written request of the Borrower, deliver to the Borrower within 10 Business Days after the Administrative Agent’s receipt of such request from the Borrower, against receipt but without any recourse, warranty or representation whatsoever, such amount of the credit balances in the Letter of Credit Collateral Account as exceeds the aggregate amount of Letter of Credit Liabilities at such time. When all of the Obligations shall have been

aggregate amount of Letter of Credit Liabilities at such time, when all of the Obligations shall have been

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- 111 -

paid in full and no Letters of Credit remain outstanding, the Administrative Agent shall deliver to the Borrower, against receipt but without any recourse, warranty or representation whatsoever, the balances remaining in the Letter of Credit Collateral Account.

(f) The Borrower shall pay to the Administrative Agent from time to time such fees as the Administrative Agent normally charges for similar services in connection with the Administrative Agent's administration of the Letter of Credit Collateral Account and investments and reinvestments of funds therein.

Section 11.7. Rescission of Acceleration by Requisite Lenders.

If at any time after acceleration of the maturity of the Loans and the other Obligations, the Borrower shall pay all arrears of interest and all payments on account of principal of the Obligations which shall have become due otherwise than by acceleration (with interest on principal and, to the extent permitted by Applicable Law, on overdue interest, at the rates specified in this Agreement) and all Events of Default and Defaults (other than nonpayment of principal of and accrued interest on the Obligations due and payable solely by virtue of acceleration) shall become remedied or waived to the satisfaction of the Requisite Lenders, then by written notice to the Borrower, the Requisite Lenders may elect, in the sole discretion of such Requisite Lenders, to rescind and annul the acceleration and its consequences. The provisions of the preceding sentence are intended merely to bind all of the Lenders to a decision which may be made at the election of the Requisite Lenders, and are not intended to benefit the Borrower and do not give the Borrower the right to require the Lenders to rescind or annul any acceleration hereunder, even if the conditions set forth herein are satisfied.

Section 11.8. Performance by Administrative Agent.

If the Borrower or any other Loan Party shall fail to perform any covenant, duty or agreement contained in any of the Loan Documents, the Administrative Agent may, after notice to the Borrower, perform or attempt to perform such covenant, duty or agreement on behalf of the Borrower or such other Loan Party after the expiration of any cure or grace periods set forth herein. In such event, the Borrower shall, at the request of the Administrative Agent, promptly pay any amount reasonably expended by the Administrative Agent in such performance or attempted performance to the Administrative Agent, together with interest thereon at the applicable Post-Default Rate from the date of such expenditure until paid. Notwithstanding the foregoing, neither the Administrative Agent nor any Lender shall have any liability or responsibility whatsoever for the performance of any obligation of the Borrower under this Agreement or any other Loan Document.

Section 11.9. Rights Cumulative.

(a) Generally. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders under this Agreement and each of the other Loan Documents, of the Specified Derivatives Providers under the Specified Derivatives Contracts, and of the Specified Cash Management Banks under the Specified Cash Management Agreements, shall be cumulative and not exclusive of any rights or remedies which any of them may otherwise have under Applicable Law. In exercising their respective rights and remedies the Administrative Agent, the Issuing Banks, the Lenders, the Specified Derivatives Providers and the Specified Cash Management Banks may be selective and no failure or delay by any such Lender Party in exercising any right shall operate as a waiver of it, nor shall any single or partial exercise of any power or right preclude its other or further exercise or the exercise of any other power or right.

(b) Enforcement by Administrative Agent. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Article XI. for the benefit of all the Lenders and the Issuing Banks; provided that the foregoing shall not prohibit (i) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (ii) the Issuing Banks from exercising the rights and remedies that inure to their benefit (solely in their capacity as an Issuing Bank) hereunder or under the other Loan Documents, (iii) any Specified Derivatives Provider or Specified Cash Management Bank from exercising the rights and remedies that inure to its benefit under any Specified Derivatives Contract or Specified Cash Management Agreement, as applicable, (iv) any Lender from exercising setoff rights in accordance with Section 13.3. (subject to the terms of Section 3.3.), or (v) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (x) the Requisite Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Article XI. and (y) in addition to the matters set forth in clauses (ii), (iv) and (v) of the preceding proviso and subject to Section 3.3., any Lender may, with the consent of the Requisite Lenders, enforce any rights and remedies available to it and as authorized by the Requisite Lenders.

ARTICLE XII. THE ADMINISTRATIVE AGENT

Section 12.1. Appointment and Authorization.

Each Lender hereby irrevocably appoints and authorizes the Administrative Agent to take such action as contractual representative on such Lender's behalf and to exercise such powers under this Agreement and the other Loan Documents as are specifically delegated to the Administrative Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto. Not in limitation of the foregoing, each Lender authorizes and directs the Administrative Agent to enter into the Loan Documents for the benefit of the Lenders. Each Lender hereby agrees that, except as otherwise set forth herein, any action taken by the Requisite Lenders in accordance with the provisions of this Agreement or the Loan Documents, and the exercise by the Requisite Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders. Nothing herein shall be construed to deem the Administrative Agent a trustee or fiduciary for any Lender or to impose on the Administrative Agent duties or obligations other than those expressly provided for herein. Without limiting the generality of the foregoing, the use of the terms "Agent", "Administrative Agent", "agent" and similar terms in the Loan Documents with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead, use of such terms is merely a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties. The Administrative Agent shall deliver or otherwise make available to each Lender, promptly upon receipt thereof by the Administrative Agent, copies of each of the financial statements, certificates, notices and other documents delivered to the Administrative Agent pursuant to Article IX. that the Borrower is not otherwise required to deliver directly to the Lenders. The Administrative Agent will furnish to any Lender, upon the request of such Lender, a copy (or, where appropriate, an original) of any document, instrument, agreement, certificate or notice furnished to the Administrative Agent by the Borrower, any other Loan Party or any other Affiliate of the Borrower, pursuant to this Agreement or any other Loan Document not already delivered or otherwise made available to such Lender pursuant to the terms of this Agreement or any such other Loan Document. As

available to such Lender pursuant to the terms of this Agreement or any such other Loan Document. As

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- 113 -

to any matters not expressly provided for by the Loan Documents (including, without limitation, enforcement or collection of any of the Obligations), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Requisite Lenders (or all of the Lenders if explicitly required under any other provision of this Agreement), and such instructions shall be binding upon all Lenders and all holders of any of the Obligations; provided, however, that, notwithstanding anything in this Agreement to the contrary, the Administrative Agent shall not be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or any other Loan Document or Applicable Law. Not in limitation of the foregoing, the Administrative Agent may exercise any right or remedy it or the Lenders may have under any Loan Document upon the occurrence of a Default or an Event of Default unless the Requisite Lenders have directed the Administrative Agent otherwise. Without limiting the foregoing, no Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Requisite Lenders, or where applicable, all the Lenders.

Section 12.2. Administrative Agent as Lender.

The Lender acting as Administrative Agent shall have the same rights and powers as a Lender, a Specified Derivatives Provider or a Specified Cash Management Bank, as the case may be, under this Agreement, any other Loan Document, any Specified Derivatives Contract or any Specified Cash Management Agreement, as the case may be, as any other Lender, Specified Derivatives Provider or any Specified Cash Management Bank and may exercise the same as though it were not the Administrative Agent; and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include the Lender acting as Administrative Agent in each case in its individual capacity. Such Lender and its Affiliates may each accept deposits from, maintain deposits or credit balances for, invest in, lend money to, act as trustee under indentures of, serve as financial advisor to, and generally engage in any kind of business with the Borrower, any other Loan Party or any other Affiliate thereof as if it were any other bank and without any duty to account therefor to the Issuing Banks, the other Lenders, any Specified Derivatives Providers or any Specified Cash Management Banks. Further, the Administrative Agent and any Affiliate may accept fees and other consideration from the Borrower for services in connection with this Agreement, any Specified Derivatives Contract or any Specified Cash Management Agreement, or otherwise without having to account for the same to the Issuing Banks, the other Lenders, any Specified Derivatives Providers or any Specified Cash Management Banks. The Issuing Banks and the Lenders acknowledge that, pursuant to such activities, the Lender acting as Administrative Agent or its Affiliates may receive information regarding the Borrower, other Loan Parties, other Subsidiaries and other Affiliates (including information that may be subject to confidentiality obligations in favor of such Person) and acknowledge that the Administrative Agent shall be under no obligation to provide such information to them.

Section 12.3. Approvals of Lenders.

All communications from the Administrative Agent to any Lender requesting such Lender's determination, consent or approval (a) shall be given in the form of a written notice to such Lender, (b) shall be accompanied by a description of the matter or issue as to which such determination, consent or approval is requested, or shall advise such Lender where information, if any, regarding such matter or issue may be inspected, or shall otherwise describe the matter or issue to be resolved and (c) shall include, if reasonably requested by such Lender and to the extent not previously provided to such Lender, written materials provided to the Administrative Agent by the Borrower in respect of the matter or issue to be resolved. Unless a Lender shall give written notice to the Administrative Agent that it specifically objects to the requested determination, consent or approval (together with a reasonable written explanation of the

to the requested determination, consent or approval (together with a reasonable written explanation of the

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- 114 -

reasons behind such objection) within 10 Business Days (or such lesser or greater period as may be specifically required under the express terms of the Loan Documents) of receipt of such communication, such Lender shall be deemed to have conclusively approved such requested determination, consent or approval.

Section 12.4. Notice of Events of Default.

The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of a Default or Event of Default unless the Administrative Agent has received notice from a Lender or the Borrower referring to this Agreement, describing with reasonable specificity such Default or Event of Default and stating that such notice is a “notice of default.” If any Lender (excluding the Lender which is also serving as the Administrative Agent) becomes aware of any Default or Event of Default, it shall promptly send to the Administrative Agent such a “notice of default”; provided, a Lender’s failure to provide such a “notice of default” to the Administrative Agent shall not result in any liability of such Lender to any other party to any of the Loan Documents. Further, if the Administrative Agent receives such a “notice of default,” the Administrative Agent shall give prompt notice thereof to the Lenders.

Section 12.5. Administrative Agent’s Reliance.

Notwithstanding any other provisions of this Agreement or any other Loan Documents, neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by it under or in connection with this Agreement or any other Loan Document, except for its or their own gross negligence or willful misconduct in connection with its duties expressly set forth herein or therein as determined by a court of competent jurisdiction in a final non-appealable judgment. Without limiting the generality of the foregoing, the Administrative Agent may consult with legal counsel (including its own counsel or counsel for the Borrower or any other Loan Party), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts. Neither the Administrative Agent nor any of its Related Parties: (a) makes any warranty or representation to any Lender, any Issuing Bank or any other Person, or shall be responsible to any Lender, any Issuing Bank or any other Person for any statement, warranty or representation made or deemed made by the Borrower, any other Loan Party or any other Person in or in connection with this Agreement or any other Loan Document; (b) shall have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any other Loan Document or the satisfaction of any conditions precedent under this Agreement or any Loan Document on the part of the Borrower or other Persons, or to inspect the property, books or records of the Borrower or any other Person; (c) shall be responsible to any Lender or any Issuing Bank for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document, any other instrument or document furnished pursuant thereto or any collateral covered thereby or the perfection or priority of any Lien in favor of the Administrative Agent on behalf of the Lender Parties in any such collateral; (d) shall have any liability in respect of any recitals, statements, certifications, representations or warranties contained in any of the Loan Documents or any other document, instrument, agreement, certificate or statement delivered in connection therewith; or (e) shall incur any liability under or in respect of this Agreement or any other Loan Document by acting upon any notice, consent, certificate or other instrument or writing (which may be by telephone, teletype or electronic mail) believed by it to be genuine and signed, sent or given by the proper party or parties. The Administrative Agent may execute any of its duties under the Loan Documents by or through agents, employees or attorneys-in-fact and shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct in the selection of such agent or attorney-in-fact as determined by a court of competent jurisdiction in a final non-appealable judgment.

Section 12.6. Indemnification of Administrative Agent.

Each Lender agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so) pro rata in accordance with such Lender's respective Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits and reasonable out-of-pocket costs and expenses of any kind or nature whatsoever which may at any time be imposed on, incurred by, or asserted against the Administrative Agent (in its capacity as Administrative Agent but not as a Lender) in any way relating to or arising out of the Loan Documents, any transaction contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under the Loan Documents (collectively, "**Indemnifiable Amounts**"); provided, however, that no Lender shall be liable for any portion of such Indemnifiable Amounts to the extent resulting from the Administrative Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, non-appealable judgment; provided, further, that no action taken in accordance with the directions of the Requisite Lenders (or all of the Lenders, if expressly required hereunder) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section. Without limiting the generality of the foregoing, each Lender agrees to reimburse the Administrative Agent (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so) promptly upon demand for its Pro Rata Share (determined as of the time that the applicable reimbursement is sought) of any out-of-pocket expenses (including the reasonable fees and expenses of the counsel to the Administrative Agent) incurred by the Administrative Agent in connection with the preparation, negotiation, execution, administration, or enforcement (whether through negotiations, legal proceedings, or otherwise) of, or legal advice with respect to the rights or responsibilities of the parties under, the Loan Documents, any suit or action brought by the Administrative Agent to enforce the terms of the Loan Documents and/or collect any Obligations, any "lender liability" suit or claim brought against the Administrative Agent and/or the Lenders, and any claim or suit brought against the Administrative Agent and/or the Lenders arising under any Environmental Laws. Such out-of-pocket expenses (including counsel fees) shall be advanced by the Lenders on the request of the Administrative Agent notwithstanding any claim or assertion that the Administrative Agent is not entitled to indemnification hereunder upon receipt of an undertaking by the Administrative Agent that the Administrative Agent will reimburse the Lenders if it is actually and finally determined by a court of competent jurisdiction that the Administrative Agent is not so entitled to indemnification. The agreements in this Section shall survive the payment of the Loans and all other Obligations and the termination of this Agreement. If the Borrower shall reimburse the Administrative Agent for any Indemnifiable Amount following payment by any Lender to the Administrative Agent in respect of such Indemnifiable Amount pursuant to this Section, the Administrative Agent shall share such reimbursement on a ratable basis with each Lender making any such payment. Solely for the purposes of this Section 12.6., the term "Administrative Agent," as used in this Section 12.6., shall include the Issuing Banks.

Section 12.7. Lender Credit Decision, Etc.

Each of the Lenders and the Issuing Banks expressly acknowledges and agrees that neither the Administrative Agent nor any of its Related Parties has made any representations or warranties to such Issuing Bank or such Lender and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Borrower, any other Loan Party or any other Subsidiary or Affiliate, shall be deemed to constitute any such representation or warranty by the Administrative Agent to any Issuing Bank or any Lender. Each of the Lenders and the Issuing Banks acknowledges that it has made its own credit and legal analysis and decision to enter into this Agreement and the transactions contemplated hereby, independently and without reliance upon the Administrative Agent, any other Lender or counsel to the Administrative Agent or any of their respective Related Parties, and based on the financial

to the Administrative Agent, or any of them respective related parties, and based on the financial

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- 116 -

statements of the Borrower, the other Loan Parties, the other Subsidiaries and other Affiliates, and inquiries of such Persons, its independent due diligence of the business and affairs of the Borrower, the other Loan Parties, the other Subsidiaries and other Persons, its review of the Loan Documents, the legal opinions required to be delivered to it hereunder, the advice of its own counsel and such other documents and information as it has deemed appropriate. Each of the Lenders and the Issuing Banks also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other Lender or counsel to the Administrative Agent or any of their respective Related Parties, and based on such review, advice, documents and information as it shall deem appropriate at the time, continue to make its own decisions in taking or not taking action under the Loan Documents. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by the Borrower or any other Loan Party of the Loan Documents or any other document referred to or provided for therein or to inspect the properties or books of, or make any other investigation of, the Borrower, any other Loan Party or any other Subsidiary. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders and the Issuing Banks by the Administrative Agent under this Agreement or any of the other Loan Documents, the Administrative Agent shall have no duty or responsibility to provide any Lender or any Issuing Bank with any credit or other information concerning the business, operations, property, financial and other condition or creditworthiness of the Borrower, any other Loan Party or any other Affiliate thereof which may come into possession of the Administrative Agent or any of its Related Parties. Each of the Lenders and the Issuing Banks acknowledges that the Administrative Agent's legal counsel in connection with the transactions contemplated by this Agreement is only acting as counsel to the Administrative Agent and is not acting as counsel to any Lender or any Issuing Bank.

Section 12.8. Successor Administrative Agent.

The Administrative Agent (a) may resign at any time as Administrative Agent under the Loan Documents by giving written notice thereof to the Lenders and the Borrower or (b) may be removed by the Borrower or the Requisite Lenders at any time that the Administrative Agent, in its capacity as a Lender, is a Defaulting Lender. Upon any such resignation or removal, the Requisite Lenders shall have the right to appoint a successor Administrative Agent which appointment shall, provided no Event of Default exists, be subject to the Borrower's approval, which approval shall not be unreasonably withheld or delayed. If no successor Administrative Agent shall have been so appointed in accordance with the immediately preceding sentence, and shall have accepted such appointment, within 30 days after the current Administrative Agent's giving of notice of resignation or notice of removal, then the current Administrative Agent may, on behalf of the Lenders and the Issuing Bank, appoint a successor Administrative Agent, which shall be a Lender, if any Lender shall be willing to serve, and otherwise shall be an Eligible Assignee (but in no event shall any such successor Administrative Agent be a Defaulting Lender or an Affiliate of a Defaulting Lender); provided that if the Administrative Agent shall notify the Borrower and the Lenders that no Lender has accepted such appointment, then such resignation or removal shall nonetheless become effective in accordance with such notice and (1) the Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made to each Lender and each Issuing Bank directly, until such time as a successor Administrative Agent has been appointed as provided for above in this Section; provided, further that such Lenders and such Issuing Banks so acting directly shall be and be deemed to be protected by all indemnities and other provisions herein for the benefit and protection of the Administrative Agent as if each such Lender or Issuing Bank were itself the Administrative Agent. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the current Administrative Agent, and the current Administrative Agent shall be discharged from its duties and obligations under the Loan Documents. Any resignation or

Agent shall be discharged from its duties and obligations under the Loan Documents. Any resignation of

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- 117 -

removal by an Administrative Agent shall also constitute the resignation as an Issuing Bank by the Lender then acting as Administrative Agent (the “**Resigning Lender**”). Upon the acceptance of a successor’s appointment as Administrative Agent hereunder (i) the Resigning Lender shall be discharged from all duties and obligations of an Issuing Bank hereunder and under the other Loan Documents and (ii) the successor Administrative Agent, in its capacity as an Issuing Bank shall issue letters of credit in substitution for all Letters of Credit issued by the Resigning Lender as Issuing Bank outstanding at the time of such succession (which letters of credit issued in substitution shall be deemed to be Letters of Credit issued hereunder) or make other arrangements satisfactory to the Resigning Lender to effectively assume the obligations of the Resigning Lender with respect to such Letters of Credit. After any Administrative Agent’s resignation or removal hereunder as Administrative Agent, the provisions of this Article XII. shall continue to inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under the Loan Documents. Notwithstanding anything contained herein to the contrary, the Administrative Agent may assign its rights and duties under the Loan Documents to any of its Affiliates by giving the Borrower and each Lender prior written notice.

Section 12.9. Titled Agents.

Each of the Arrangers and Syndication Agents (each, a “**Titled Agent**”) in each such respective capacity, assumes no responsibility or obligation hereunder, including, without limitation, for servicing, enforcement or collection of any of the Loans, nor any duties as an agent hereunder for the Lenders. The titles given to the Titled Agents are solely honorific and imply no fiduciary responsibility on the part of the Titled Agents to the Administrative Agent, any Lender, the Issuing Bank, the Borrower or any other Loan Party and the use of such titles does not impose on the Titled Agents any duties or obligations greater than those of any other Lender or entitle the Titled Agents to any rights other than those to which any other Lender is entitled.

Section 12.10. Specified Derivatives Contracts and Specified Cash Management Agreements.

No Specified Cash Management Bank or Specified Derivatives Provider that obtains the benefits of Section 11.5. by virtue of the provisions hereof or of any Loan Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of any Loan Document or the Collateral other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Specified Cash Management Agreements and Specified Derivatives Contracts unless the Administrative Agent has received written notice of such Specified Cash Management Agreements and Specified Derivatives Contracts, together with such supporting documentation as the Administrative Agent may request, from the applicable Specified Cash Management Bank or Specified Derivatives Provider, as the case may be.

Section 12.11. Erroneous Payments.

(a) Each Lender, each Issuing Bank and any other party hereto hereby severally agrees that if (i) the Administrative Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or Issuing Bank or any other Lender Party (or the Lender Affiliate of a Lender Party) or any other Person that has received funds from the Administrative Agent or any of its Affiliates, either for its own account or on behalf of a Lender, Issuing Bank or other Lender Party (each such recipient, a “**Payment Recipient**”) that the Administrative Agent has determined in its sole discretion that any funds received by such Payment Recipient were erroneously transmitted to, or otherwise erroneously or mistakenly received by such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment

or, such payment receipt (whether or not known to such payment recipient) or (ii) any payment

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Recipient receives any payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, or (z) that such Payment Recipient otherwise becomes aware was transmitted or received in error or by mistake (in whole or in part) then, in each case, an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 12.11.(a), whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise; individually and collectively, an “**Erroneous Payment**”), then, in each case, such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section shall require the Administrative Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient agrees that it shall not assert any right or claim to any Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Payment Recipient agrees that, in the case of clause (a)(ii) above, it shall promptly notify the Administrative Agent in writing of such occurrence.

(c) In the case of either clause (a)(i) or (a)(ii) above, such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and upon demand from the Administrative Agent such Payment Recipient shall (or, shall cause any Person who received any portion of an Erroneous Payment on its behalf to), promptly, but in all events no later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (c), from any Lender that is a Payment Recipient or an Affiliate of a Payment Recipient (such unrecovered amount as to such Lender, an “**Erroneous Payment Return Deficiency**”), then at the sole discretion of the Administrative Agent and upon the Administrative Agent’s written notice to such Lender (i) such Lender shall be deemed to have made a cashless assignment of the full face amount of the portion of its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the “**Erroneous Payment Impacted Class**”) to the Administrative Agent or, at the option of the Administrative Agent, the Administrative Agent’s applicable lending affiliate in an amount that is equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “**Erroneous Payment Deficiency Assignment**”) plus any accrued and unpaid interest on such assigned amount, without further consent or approval of any party hereto and without any payment by the Administrative Agent or its applicable lending affiliate as the assignee of such Erroneous Payment Deficiency Assignment. The parties hereto acknowledge and agree that (1) any assignment contemplated in this clause (d) shall be made without any requirement for any payment or other consideration paid by the applicable assignee or received by the assignor, (2) the

payment or other consideration paid by the applicable assignee or received by the assignor, (L) the

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- 119 -

provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 13.5. and (3) the Administrative Agent may reflect such assignments in the Register without further consent or action by any other Person.

(e) Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent (1) shall be subrogated to all the rights of such Payment Recipient with respect to such amount and (2) is authorized to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under this Section 12.11. or under the indemnification provisions of this Agreement, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any Obligations owed by the Borrower or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Loan Party for the purpose of making a payment on the Obligations and (z) to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received; provided, that this Section 12.11. shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Loan Parties relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such Erroneous Payment not been made by the Administrative Agent.

(f) Each party's obligations under this Section 12.11. shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

(g) Nothing in this Section 12.11. will constitute a waiver or release of any claim of the Administrative Agent hereunder arising from any Payment Recipient's receipt of an Erroneous Payment.

Section 12.12. Collateral and Guaranty Matters

The Lenders (including with respect to any Specified Derivatives Contract or Specified Cash Management Agreement) irrevocably authorize the Administrative Agent, at its option and in its discretion, to take each of the following actions (or to direct the Collateral Agent to take such actions, as applicable):

(a) to take any action with respect to any Collateral or any Loan Document which may be necessary to perfect and maintain perfected the Liens upon the Collateral granted pursuant to any of the Loan Documents;

(b) to release any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Loan Document (i) upon termination of the Commitments and payment in full of all Obligations (other than (A) contingent indemnification obligations, (B) obligations in respect of Letters of Credit that have been Cash Collateralized or back-stopped and (C) obligations and liabilities under Specified Derivatives Contract or Specified Cash Management Agreement), (ii) that is sold, distributed, contributed, transferred or otherwise disposed of or to be sold, distributed, contributed,

transferred or otherwise disposed of as part of or in connection with any sale, distribution, contribution, transfer or other disposition permitted hereunder or under any other Loan Document to a Person that is not a Loan Party (including without limitation a Qualified Collateral Property Sale), (iii) if approved, authorized or ratified in writing in accordance with Section 13.6. or (iv) in the Equity Interests of any Person that becomes an Excluded Subsidiary or ceases to be a Guarantor as a result of a transaction permitted under the Loan Documents;

(c) to release any Guarantor from its obligations under the Guaranty (i) in accordance with Section 8.14., (ii) if such Person becomes an Excluded Subsidiary as a result of a transaction permitted under the Loan Documents or (iii) such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents;

(d) to subordinate any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Loan Document to the holder of any Permitted Lien; and

(e) to make, and shall be reimbursed by the Lenders (in accordance with their Pro Rata Shares) to the extent not reimbursed by the Borrower for, Protective Advances during any one (1) calendar year with respect to each Unencumbered Pool Property Pledged Interests or Unencumbered Pool Property up to the sum of (i) amounts expended to pay taxes, assessments and governmental charges or levies imposed upon such Collateral; (ii) amounts expended to pay insurance premiums for policies of insurance related to such Collateral; and (iii) \$2,500,000. Protective Advances in excess of said sum during any calendar year for any Unencumbered Pool Property Pledged Interests or Unencumbered Pool Property shall require the consent of the Requisite Lenders. Notwithstanding the foregoing, Protective Advances, that, after giving effect to the reimbursement by the Lenders of such Protective Advances, would cause the sum of any Lender's aggregate outstanding Revolving Loans, Letter of Credit Liabilities and outstanding amount of Protective Advances paid to the Administrative Agent by such Lender to exceed such Lender's Revolving Commitment shall require the consent of each Lender. The Borrower agrees to pay on demand all Protective Advances.

Upon request by the Administrative Agent at any time, the Requisite Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its (or to direct the Collateral Agent to release or subordinate its) interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 12.12. In each case as specified in this Section 12.12., the Administrative Agent will (or will direct the Collateral Agent to), at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Loan Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 12.12.

The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

Section 12.13. Post-Foreclosure Plans.

If all or any portion of the Collateral is acquired by the Administrative Agent as a result of a foreclosure or the acceptance of an assignment in lieu of foreclosure, or is retained in satisfaction of all or any part of the Obligations, the title to any such Collateral, or any portion thereof, shall

of all or any part of the Obligations, the title to any such Collateral, or any portion thereof, shall

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- 121 -

be held in the name of the Administrative Agent or a nominee or Subsidiary of the Administrative Agent, as “Administrative Agent”, for the ratable benefit of all Lenders. The Administrative Agent shall prepare a recommended course of action for such Collateral (a “**Post-Foreclosure Plan**”), which shall be subject to the approval of the Requisite Lenders. In accordance with the approved Post-Foreclosure Plan, the Administrative Agent shall manage, operate, repair, administer, complete, construct, restore or otherwise deal with the Collateral acquired, and shall administer all transactions relating thereto, including agents for the sale of such Collateral, and the collecting of rents and other sums from such Collateral and paying the expenses of such Collateral. Actions taken by the Administrative Agent with respect to the Collateral, which are not specifically provided for in the approved Post-Foreclosure Plan or reasonably incidental thereto, shall require the written consent of the Requisite Lenders by way of supplement to such Post-Foreclosure Plan. Upon demand therefor from time to time, each Lender will contribute its share (based on its Pro Rata Share) of all reasonable costs and expenses incurred by the Administrative Agent pursuant to the approved Post-Foreclosure Plan in connection with the construction, operation, management, maintenance, leasing and sale of such Collateral. In addition, the Administrative Agent shall render or cause to be rendered to each Lender, on a monthly basis, an income and expense statement for such Collateral, and each Lender shall promptly contribute its Pro Rata Share of any operating loss for such Collateral, and such other expenses and operating reserves as the Administrative Agent shall deem reasonably necessary pursuant to and in accordance with the approved Post-Foreclosure Plan. To the extent there is net operating income from such Collateral, the Administrative Agent shall, in accordance with the approved Post-Foreclosure Plan, determine the amount and timing of distributions to the Lender. All such distributions shall be made to the Lenders in accordance with their respective Pro Rata Shares. The Lenders acknowledge and agree that if title to any Collateral is obtained by the Administrative Agent or its nominee, such Collateral will not be held as a permanent investment but will, consistent with and subject to the requirements of Section 12.12. and this Section 12.13., be liquidated and the proceeds of such liquidation will be distributed in accordance with Section 11.5. as soon as practicable. The Administrative Agent shall undertake to sell such Collateral, at such price and upon such terms and conditions as the Requisite Lenders reasonably shall determine to be most advantageous to the Lenders. Any purchase money mortgage taken in connection with the disposition of such Collateral in accordance with the immediately preceding sentence shall name the Administrative Agent, as Administrative Agent for the Lenders, as the beneficiary or mortgagee. In such case, the Administrative Agent and the Lenders shall enter into an agreement with respect to such purchase money Mortgage defining the rights of the Lenders in the same Pro Rata Shares as provided hereunder, which agreement shall be in all material respects similar to this Article XII insofar as the same is appropriate or applicable.

Section 12.14. Certain ERISA Matters

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments;

(ii) the prohibited transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14, and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either subclause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant as provided in subclause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that neither the Administrative Agent, nor any of its Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

ARTICLE XIII. MISCELLANEOUS

Section 13.1. Notices.

Unless otherwise provided herein (including without limitation as provided in Section 9.5.), communications provided for hereunder shall be in writing and shall be mailed, telecopied, or delivered as follows:

If to the Borrower:

Orion Office REIT LP
2308 E. Camelback Road, Suite 1060

Phoenix, AZ 85016
Attn: General Counsel
Email: RELegal@onlreit.com

If to the Administrative Agent:

Wells Fargo Bank, National Association
401 B Street, 11th Floor
San Diego, CA 92101
Attn: Dale Northup
Telephone: (619) 699-3025
dale.a.northup@wellsfargo.com

with a copy to

Wells Fargo Bank, National Association
1512 Eureka Road, Suite 350
Roseville, CA 95661
Attn: Patty Cabrera
Telephone: (916) 788-4672
pcabrera@wellsfargo.com

If to the Administrative Agent under Article II.:

Wells Fargo Bank, National Association
600 S. 4th Street, 8th Floor
Minneapolis, MN 55415
Attn: Kirby Wilson
Telephone: (612) 667-6009
kirby.d.wilson@wellsfargo.com

If to Wells Fargo, as an Issuing Bank:

Wells Fargo Bank, National Association
401 B Street, 11th Floor
San Diego, CA 92101
Attn: Dale Northup
Telephone: (619) 699-3025
dale.a.northup@wellsfargo.com

with a copy to

Wells Fargo Bank, National Association
1512 Eureka Road, Suite 350
Roseville, CA 95661
Attn: Patty Cabrera
Telephone: (916) 788-4672
pcabrera@wellsfargo.com

If to JPMorgan Chase Bank, N.A., as an Issuing Bank:

JPMorgan Chase Bank, N.A.
10 S Dearborn Street, Floor 19
Chicago, IL 60603-2300
Attn: Letter of Credit Team
Telephone: (855) 609-9959
chicago.lc.agency.closing.team@jpmchase.com

If to TD Bank, N.A., as an Issuing Bank:

TD Bank, N.A.
203 Trumbull Street
Hartford, CT 06103
Attn: Nathan Bondini
Telephone: (860) 757-5236

If to any other Lender:

To such Lender's address or telecopy number as set forth in the applicable Administrative Questionnaire

or, as to each party at such other address as shall be designated by such party in a written notice to the other parties delivered in compliance with this Section; provided, a Lender and an Issuing Bank shall only be required to give notice of any such other address to the Administrative Agent and the Borrower. All such notices and other communications shall be effective (i) if mailed, upon the first to occur of receipt or the expiration of 3 days after the deposit in the United States Postal Service mail, postage prepaid and addressed to the address of the Borrower or the Administrative Agent, the Issuing Banks and Lenders at the addresses specified; (ii) if telecopied, when transmitted; (iii) if hand delivered or sent by overnight courier, when delivered; or (iv) if delivered in accordance with Section 9.5. to the extent applicable; provided, however, that, in the case of the immediately preceding clauses (i), (ii) and (iii), non-receipt of any communication as of the result of any change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication. Notwithstanding the immediately preceding sentence, all notices or communications to the Administrative Agent, any Issuing Bank or any Lender under Article II. shall be effective only when actually received. None of the Administrative Agent, any Issuing Bank or any Lender shall incur any liability to any Loan Party (nor shall the Administrative Agent incur any liability to any Issuing Bank or the Lenders) for acting upon any telephonic notice referred to in this Agreement which the Administrative Agent, such Issuing Bank or such Lender, as the case may be, believes in good faith to have been given by a Person authorized to deliver such notice or for otherwise acting in good faith hereunder. Failure of a Person designated to get a copy of a notice to receive such copy shall not affect the validity of notice properly given to another Person.

Section 13.2. Expenses.

The Borrower agrees (a) to pay or reimburse the Administrative Agent for all of its reasonable and documented out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of, and any amendment, supplement or modification to, any of the Loan Documents (including due diligence expenses and reasonable travel expenses related to closing), and the consummation of the transactions contemplated hereby and thereby, including the reasonable and

consummation of the transactions contemplated hereby and thereby, including the reasonable and

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- 125 -

documented fees and disbursements of one primary counsel to the Administrative Agent and one local counsel to the Administrative Agent in each applicable jurisdiction and all costs and expenses of the Administrative Agent in connection with the use of IntraLinks, SyndTrak or other similar information transmission systems in connection with the Loan Documents and the reasonable and documented fees and disbursements of one primary counsel to the Administrative Agent and one local counsel to the Administrative Agent in each applicable jurisdiction relating to all such activities, (b) to pay or reimburse the Administrative Agent, the Issuing Banks and the Lenders for all their reasonable and documented costs and expenses incurred in connection with the enforcement or preservation of any rights under the Loan Documents, including the reasonable fees and disbursements of one primary counsel for all such Persons, taken as a whole, and one local counsel in each applicable jurisdiction for all such Persons, taken as a whole (and solely, in the case of a conflict of interest, one additional counsel for each group of similarly situated affected Persons, taken as a whole) and any payments in indemnification or otherwise payable by the Lenders to the Administrative Agent pursuant to the Loan Documents, (c) to pay, and indemnify and hold harmless the Administrative Agent, the Issuing Banks and the Lenders from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any failure to pay or delay in paying, documentary, stamp, excise and other similar taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of any of the Loan Documents, or consummation of any amendment, supplement or modification of, or any waiver or consent under or in respect of, any Loan Document and (d) to the extent not already covered by any of the preceding subsections, to pay or reimburse the reasonable and documented fees and disbursements of one primary counsel to the Administrative Agent, the Issuing Banks and the Lenders, taken as a whole, and one local counsel in each applicable jurisdiction to such Persons, taken as a whole (and solely, in the case of a conflict of interest, one additional counsel for each group of similarly situated affected Persons, taken as a whole) incurred in connection with the representation of the Administrative Agent, such Issuing Bank or such Lender in any matter relating to or arising out of any bankruptcy or other proceeding of the type described in Sections 11.1.(e) or 11.1.(f), including, without limitation (i) any motion for relief from any stay or similar order, (ii) the negotiation, preparation, execution and delivery of any document relating to the Obligations and (iii) the negotiation and preparation of any debtor-in-possession financing or any plan of reorganization of the Borrower or any other Loan Party, whether proposed by the Borrower, such Loan Party, the Lenders or any other Person, and whether such fees and expenses are incurred prior to, during or after the commencement of such proceeding or the confirmation or conclusion of any such proceeding. If the Borrower shall fail to pay any amounts required to be paid by it pursuant to this Section, the Administrative Agent and/or the Lenders may pay such amounts on behalf of the Borrower and such amounts shall be deemed to be Obligations owing hereunder. For the avoidance of doubt, other than for clause (c) of this Section 13.2., this Section 13.2. shall not relate to any Taxes.

Section 13.3. Setoff.

Subject to Section 3.3. and in addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, the Borrower hereby authorizes the Administrative Agent, each Issuing Bank, each Lender, each Affiliate of the Administrative Agent, any Issuing Bank or any Lender, and each Participant, at any time or from time to time while an Event of Default exists, without notice to the Borrower or to any other Person, any such notice being hereby expressly waived (except in the case of an Issuing Bank, a Lender, an Affiliate of an Issuing Bank or a Lender, or a Participant, which shall deliver prior written notice to the Administrative Agent of the intent to exercise its rights pursuant to this Section 13.3.), to set off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured) (other than third party funds) and any other indebtedness at any time held or owing by the Administrative Agent, such Issuing Bank, such Lender, any Affiliate of the Administrative Agent, such Issuing Bank or such Lender, or such Participant, to or for the credit or the account of the Borrower against and on account of any of the Obligations, irrespective of whether or not

account of the Borrower against and on account of any of the Obligations, irrespective of whether or not

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- 126 -

any or all of the Loans and all other Obligations have been declared to be, or have otherwise become, due and payable as permitted by Section 11.2., and although such Obligations shall be contingent or unmatured. Notwithstanding anything to the contrary in this Section, if any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 3.9. and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Banks and the Lenders and (y) such Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

Section 13.4. Litigation; Jurisdiction; Other Matters; Waivers.

(a) EACH PARTY HERETO ACKNOWLEDGES THAT ANY DISPUTE OR CONTROVERSY BETWEEN OR AMONG THE BORROWER, THE ADMINISTRATIVE AGENT, ANY ISSUING BANK OR ANY OF THE LENDERS WOULD BE BASED ON DIFFICULT AND COMPLEX ISSUES OF LAW AND FACT AND WOULD RESULT IN DELAY AND EXPENSE TO THE PARTIES. ACCORDINGLY, TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE LENDERS, THE ADMINISTRATIVE AGENT, THE ISSUING BANKS AND THE BORROWER HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND OR NATURE IN ANY COURT OR TRIBUNAL IN WHICH AN ACTION MAY BE COMMENCED BY OR AGAINST ANY PARTY HERETO ARISING OUT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR BY REASON OF ANY OTHER SUIT, CAUSE OF ACTION OR DISPUTE WHATSOEVER BETWEEN OR AMONG THE BORROWER, THE ADMINISTRATIVE AGENT, ANY ISSUING BANK OR ANY OF THE LENDERS OF ANY KIND OR NATURE RELATING TO ANY OF THE LOAN DOCUMENTS.

(b) THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, ANY ISSUING BANK, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY, AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY ISSUING BANK MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH PARTY FURTHER WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH

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COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT FORUM AND EACH AGREES NOT TO PLEAD OR CLAIM THE SAME.

(c) THE BORROWER HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS AND COMPLAINT, OR OTHER PROCESS OR PAPERS ISSUED THEREIN, AND AGREES THAT SERVICE OF SUCH SUMMONS AND COMPLAINT, OR OTHER PROCESS OR PAPERS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO THE BORROWER AT ITS ADDRESS FOR NOTICES PROVIDED FOR HEREIN.

(d) THE PROVISIONS OF THIS SECTION HAVE BEEN CONSIDERED BY EACH PARTY WITH THE ADVICE OF COUNSEL AND WITH A FULL UNDERSTANDING OF THE LEGAL CONSEQUENCES THEREOF, AND SHALL SURVIVE THE PAYMENT OF THE LOANS AND ALL OTHER AMOUNTS PAYABLE HEREUNDER OR UNDER THE OTHER LOAN DOCUMENTS, THE TERMINATION OR EXPIRATION OF ALL LETTERS OF CREDIT AND THE TERMINATION OF THIS AGREEMENT.

Section 13.5. Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor Parent may assign or otherwise transfer any of its rights or obligations hereunder or under any other Loan Document without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of the immediately following subsection (b), (ii) by way of participation in accordance with the provisions of the immediately following subsection (d) or (iii) by way of pledge or assignment of a security interest subject to the restrictions of the immediately following subsection (e) (and, subject to the last sentence of the immediately following subsection (b), any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in the immediately following subsection (d) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of an assigning Revolving Lender's Revolving Commitment and/or the Revolving Loans at the time owing to it, or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in the immediately preceding subsection (A), the aggregate amount of the Revolving Commitment (which for this purpose includes Revolving Loans outstanding thereunder) or, if the applicable Revolving Commitment is not then in effect, the principal outstanding balance of the Revolving Loans of the assigning Lender, subject to each such assignment (determined as of the date the

assigning Lender subject to each such assignment (determined as of the date the

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- 128 -

Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 in the case of any assignment of a Revolving Commitment, unless each of the Administrative Agent and, so long as no Event of Default shall exist, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that if, after giving effect to such assignment, the amount of the Revolving Commitment held by such assigning Lender or the outstanding principal balance of the Loans of such assigning Lender, as applicable, would be less than \$5,000,000 in the case of a Revolving Commitment or Revolving Loans, then such assigning Lender shall assign the entire amount of its Revolving Commitment and the Loans at the time owing to it.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Revolving Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by clause (i)(B) of this subsection (b) and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) a Default or Event of Default shall exist at the time of such assignment or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 10 Business Days after having received notice thereof; and

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of a Revolving Commitment if such assignment is to a Person that is not already a Lender with a Revolving Commitment, an Affiliate of such a Lender or an Approved Fund with respect to such a Lender; and

(C) the consent of the Issuing Banks shall be required for any assignment in respect of a Revolving Commitment.

(iv) Assignment and Assumption; Notes. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$4,500 for each assignment (which fee the Administrative Agent may, in its sole discretion, elect to waive), and the assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire. If requested by the transferor Lender or the assignee, upon the consummation of any assignment, the transferor Lender, the Administrative Agent and the Borrower shall make appropriate arrangements so that new Notes are issued to the assignee and such transferor Lender, as appropriate.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its Subsidiaries, or to any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or a Subsidiary thereof.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, each Issuing Bank and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit in accordance with its Commitment. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to the immediately following subsection (c), from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 5.4., 13.2. and 13.9. and the other provisions of this Agreement and the other Loan Documents to the extent provided in Section 13.10. with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with the immediately following subsection (d).

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at the Principal Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, or a

borrower of the Administrative Agent, set participations to any person (other than a natural person, or a

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- 130 -

holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person, or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Revolving Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Issuing Banks and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to (w) increase such Lender's Commitment, (x) extend the date fixed for the payment of principal on the Loans or portions thereof owing to such Lender, (y) reduce the rate at which interest is payable thereon or (z) release any Guarantor from its Obligations under the Guaranty except as contemplated by Section 8.14.(b) or any other release in accordance with the terms hereof, in each case, as applicable to that portion of such Lender's rights and/or obligations that are subject to the participation. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.10., 5.1., 5.4. (subject to the requirements and limitations therein, including the requirements under Section 3.10.(g) (it being understood that the documentation required under Section 3.10.(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 5.6. as if it were an assignee under subsection (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 5.1. or 3.10., with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Regulatory Change that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 5.6. with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 13.3. as though it were a Lender; provided that such Participant agrees to be subject to Section 3.3. as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Commitments, Loans or other obligations under the Loan Documents (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) No Registration. Each Lender agrees that, without the prior written consent of the Borrower and the Administrative Agent, it will not make any assignment hereunder in any manner or under any circumstances that would require registration or qualification of, or filings in respect of, any Loan or Note under the Securities Act or any other securities laws of the United States of America or of any other jurisdiction.

(g) [Reserved].

(h) USA Patriot Act Notice; Compliance. In order for the Administrative Agent to comply with “know your customer” and anti-money laundering rules and regulations, including without limitation, the Patriot Act, prior to any Lender that is organized under the laws of a jurisdiction outside of the United States of America becoming a party hereto, the Administrative Agent may request, and such Lender shall provide to the Administrative Agent, its name, address, tax identification number and/or such other identification information as shall be necessary for the Administrative Agent to comply with federal law.

Section 13.6. Amendments and Waivers.

(a) Generally. Except as otherwise expressly provided in this Agreement, (i) any consent or approval required or permitted by this Agreement or any other Loan Document to be given by the Lenders may be given, (ii) any term of this Agreement or of any other Loan Document may be amended, (iii) the performance or observance by the Borrower, any other Loan Party or any other Subsidiary of any terms of this Agreement or such other Loan Document may be waived, and (iv) the continuance of any Default or Event of Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Requisite Lenders (or the Administrative Agent at the written direction of the Requisite Lenders), and, in the case of an amendment to any Loan Document, the written consent of each Loan Party which is party thereto. Subject to the immediately following subsection (b), any term of this Agreement or of any other Loan Document relating to the rights or obligations of the Revolving Lenders, and not any other Lenders, may be amended, and the performance or observance by the Borrower or any other Loan Party or any Subsidiary of any such terms may be waived (either generally or in a particular instance and either retroactively or prospectively) with, and only with, the written consent of the Requisite Lenders (and, in the case of an amendment to any Loan Document, the written consent of each Loan Party a party thereto). Notwithstanding anything to the contrary contained in this Section, the Fee Letters may only be amended, and the performance or observance by any Loan Party thereunder may only be waived, in a writing executed by the parties thereto.

(b) Additional Lender Consents. In addition to the foregoing requirements, no amendment, waiver or consent shall:

(i) increase, extend or reinstate the Commitments of a Lender without the written consent of such Lender; provided that the waiver of any Default or Event of Default or of any mandatory prepayment or reduction in Commitments shall not be deemed to be an increase, extension or reinstatement of Commitments;

(ii) reduce the principal of, or interest that has accrued or the rates of interest that will be charged on the outstanding principal amount of, any Loans or other Obligations without the written consent of each Lender directly affected thereby; provided, however, only the written consent of the Requisite Lenders shall be required (x) for the waiver of interest payable at the Post-Default Rate, retraction of the imposition of interest at the Post-Default Rate and amendment of the definition of “Post-Default Rate” and (y) to amend any financial covenant hereunder (or

of the definition of Post-Default Rate and (y) to amend any financial covenant hereunder (of

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any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or to reduce any fee payable hereunder;

(iii) reduce the amount of any Fees payable to a Lender without the written consent of such Lender; provided, however, only the written consent of the Requisite Lenders shall be required to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or to reduce any Fee payable hereunder;

(iv) modify the definitions of “Revolving Termination Date”, “Option to Extend” or “Revolving Commitment Percentage”, otherwise postpone any date fixed for, or forgive, any payment of principal of, or interest on, any Revolving Loans or for the payment of Fees or any other Obligations owing to the Revolving Lenders, or extend the expiration date of any Letter of Credit beyond the Revolving Termination Date, in each case, without the written consent of each Revolving Lender; provided that the waiver of any Default or Event of Default or of any mandatory prepayment or reduction in Commitments shall not be deemed to be a postponement or extension of the date of any payment;

(vii) modify the definition of “Pro Rata Share” or amend or otherwise modify the provisions of Section 3.2., Section 3.3. or Section 11.5. without the written consent of each Lender directly and adversely affected thereby;

(viii) amend this Section, amend Section 12.13., or amend the definitions of the terms used in this Agreement or the other Loan Documents insofar as such definitions affect the substance of this Section without the written consent of each Lender directly and adversely affected thereby;

(ix) modify the definition of the term “Requisite Lenders” or modify in any other manner the number or percentage of the Revolving Lenders required to make any determinations or waive any rights hereunder or to modify any provision hereof without the written consent of each Revolving Lender;

(xi) release any Guarantor from its obligations under the Guaranty or release or subordinate all or substantially all of the Collateral (except, in each case, as expressly contemplated by the Loan Documents) without the written consent of each Lender; or

(xii) amend, or waive the Borrower’s compliance with, Section 2.16. without the written consent of each Lender.

(c) Amendment of Administrative Agent’s Duties, Etc. No amendment, waiver or consent unless in writing and signed by the Administrative Agent, in addition to the Lenders required hereinabove to take such action, shall affect the rights or duties of the Administrative Agent under this Agreement or any of the other Loan Documents. Any amendment, waiver or consent relating to Section 2.4. or the obligations of the Issuing Banks under this Agreement or any other Loan Document shall, in addition to the Lenders required hereinabove to take such action, require the written consent of the Issuing Banks. Any amendment, waiver or consent with respect to any Loan Document that (i) diminishes the rights of a Specified Derivatives Provider or a Specified Cash Management Bank in a manner or to an extent dissimilar to that affecting the Lenders or (ii) increases the liabilities or obligations of a Specified Derivatives Provider or a Specified Cash Management Bank shall, in addition to the Lenders required hereinabove to take such action, require the consent of the Lender that is (or having an Affiliate that is)

such Specified Derivatives Provider or such Specified Cash Management Bank, as applicable.

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Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitments of any Defaulting Lender may not be increased, reinstated or extended without the written consent of such Defaulting Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the written consent of such Defaulting Lender. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon and any amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose set forth therein. No course of dealing or delay or omission on the part of the Administrative Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. Any Event of Default occurring hereunder shall continue to exist until such time as such Event of Default is waived in writing in accordance with the terms of this Section, notwithstanding any attempted cure or other action by the Borrower, any other Loan Party or any other Person subsequent to the occurrence of such Event of Default. Except as otherwise explicitly provided for herein or in any other Loan Document, no notice to or demand upon the Borrower shall entitle the Borrower to other or further notice or demand in similar or other circumstances.

(d) Technical Amendments. Notwithstanding anything to the contrary in this Section 13.6., if the Administrative Agent and the Borrower have jointly identified an ambiguity, omission, mistake or defect in any provision of this Agreement or an inconsistency between provisions of any Loan Document, the Administrative Agent and the Borrower shall be permitted to amend such provision or provisions to cure such ambiguity, omission, mistake, defect or inconsistency so long as to do so would not materially adversely affect the interests of the Lenders and the Issuing Bank. Any such amendment shall become effective without any further action or consent of any of other party to this Agreement.

Section 13.7. Nonliability of Administrative Agent and Lenders.

The relationship between the Borrower, on the one hand, and the Lenders, the Issuing Banks and the Administrative Agent, on the other hand, shall be solely that of borrower and lender. None of the Administrative Agent, any Issuing Bank or any Lender shall have any fiduciary responsibilities to the Borrower and no provision in this Agreement or in any of the other Loan Documents, and no course of dealing between or among any of the parties hereto, shall be deemed to create any fiduciary duty owing by the Administrative Agent, any Issuing Bank or any Lender to any Lender, the Borrower, any Subsidiary or any other Loan Party. None of the Administrative Agent, any Issuing Bank or any Lender undertakes any responsibility to the Borrower to review or inform the Borrower of any matter in connection with any phase of the Borrower's business or operations.

Section 13.8. Confidentiality.

The Administrative Agent, each Issuing Bank and each Lender shall maintain the confidentiality of all Information (as defined below) but in any event may make disclosure: (a) to its Affiliates and to its and its Affiliates' other respective Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any actual or proposed assignee, Participant or other transferee in connection with a potential transfer of any Commitment, Loan or participation therein as permitted hereunder, (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, or (iii) any actual or prospective credit insurance brokers and providers; (c) as required or requested by any Governmental Authority or representative

thereof or pursuant to legal process or in connection with any legal proceedings, or as otherwise required by Applicable Law (in which case the disclosing party shall use commercially reasonable efforts to promptly notify the Borrower, in advance, to the extent practicable and permitted by Applicable Law); (d) to the Administrative Agent's, such Issuing Bank's or such Lender's independent auditors and other professional advisors (provided they shall be notified of the confidential nature of the information); (e) in connection with the exercise of any remedies under any Loan Document (or any Specified Derivatives Contract or Specified Cash Management Agreement) or any action or proceeding relating to any Loan Document (or any Specified Derivatives Contract or Specified Cash Management Agreement) or the enforcement of rights hereunder or thereunder; (f) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section actually known by the Administrative Agent, such Issuing Bank or such Lender to be a breach of this Section or (ii) becomes available to the Administrative Agent, any Issuing Bank, any Lender or any Affiliate of the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis from a source other than the Borrower or any Affiliate of the Borrower; (g) to the extent requested by, or required to be disclosed to, any regulatory or similar authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners) (in which case the disclosing party shall use commercially reasonable efforts to, except with respect to any audit or examination conducted by bank accountants or any governmental regulatory authority exercising examination or regulatory authority, promptly notify the Borrower, in advance, to the extent practicable and permitted by Applicable Law); (h) of deal terms and other information customarily reported to Thomson Reuters, other bank market data collectors and similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of the Loan Documents; (i) to any other party hereto; (j) on a confidential basis to the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Loan Documents; (k) for purposes of establishing a "due diligence" defense; and (l) with the consent of the Borrower. Notwithstanding the foregoing, the Administrative Agent, each Issuing Bank and each Lender may disclose any such confidential information, without notice to the Borrower or any other Loan Party, to Governmental Authorities in connection with any regulatory examination of the Administrative Agent, such Issuing Bank or such Lender or in accordance with the regulatory compliance policy of the Administrative Agent, such Issuing Bank or such Lender. As used in this Section, the term "Information" means all information received from the Borrower, any other Loan Party, any other Subsidiary or Affiliate relating to any Loan Party or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any Issuing Bank on a nonconfidential basis prior to disclosure by the Borrower, any other Loan Party, any other Subsidiary or any Affiliate. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Section 13.9. Indemnification.

(a) The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Issuing Bank, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "**Indemnified Party**") against, and hold each Indemnified Party harmless from, and shall pay or reimburse any such Indemnified Party for, any and all losses, claims (including without limitation, Environmental Claims), damages, liabilities and related expenses (including without limitation, the reasonable and documented fees, charges and disbursements of one primary counsel for all Indemnified Parties, taken as a whole, and one local counsel in each applicable jurisdiction for all Indemnified Parties, taken as a whole (and solely in the case of a conflict of interest, one additional counsel for each group of similarly situated affected Indemnified Parties, taken as a whole)), incurred by any Indemnified Party or asserted against any Indemnified Party by any Person (including the Borrower, any other Loan Party or

asserted against any indebted party by any person (including the Borrower, any other Loan Party or

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- 135 -

any other Subsidiary) other than such Indemnified Party and its Related Parties, arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower, any other Loan Party or any other Subsidiary, or any Environmental Claim related in any way to the Borrower, any other Loan Party or any other Subsidiary, (iv) any actual or prospective claim, litigation, investigation or proceeding (an “**Indemnity Proceeding**”) relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, any other Loan Party or any other Subsidiary, and regardless of whether any Indemnified Party is a party thereto, or (v) any claim (including without limitation, any Environmental Claims), investigation, litigation or other proceeding (whether or not the Administrative Agent, any Issuing Bank or any Lender is a party thereto) and the prosecution and defense thereof, arising out of or in any way connected with the Loans, this Agreement, any other Loan Document, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby; provided, however, that such indemnity shall not, as to any Indemnified Party, be available to the extent that such losses, claims, damages, liabilities or related expenses (i) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of, or material breach of its obligations under the Loan Documents by, such Indemnified Party or (ii) arise from disputes among the Indemnified Parties not arising from an act or omission of a Loan Party. This Section 13.9. shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) If and to the extent that the obligations of the Borrower under this Section are unenforceable for any reason, the Borrower hereby agrees to make the maximum contribution to the payment and satisfaction of such obligations which is permissible under Applicable Law.

(c) The Borrower’s obligations under this Section shall survive any termination of this Agreement and the other Loan Documents and the payment in full in cash of the Obligations, and are in addition to, and not in substitution of, any of the other obligations set forth in this Agreement or any other Loan Document to which it is a party.

References in this Section 13.9. to “Lender” or “Lenders” shall be deemed to include such Persons (and their Affiliates) in their capacity as Specified Derivatives Providers and Specified Cash Management Banks, as applicable.

Section 13.10. Termination; Survival.

This Agreement shall terminate at such time as (a) all of the Commitments have been terminated, (b) all Letters of Credit have terminated or expired or been canceled or replaced (other than Letters of Credit that have been Cash Collateralized or back-stopped), (c) none of the Lenders is obligated any longer under this Agreement to make any Loans and the Issuing Banks are no longer obligated under this Agreement to issue Letters of Credit and (d) all Obligations (other than (A) obligations which survive as provided in the following sentence, (B) obligations which expressly survive termination of the Loan Documents in accordance with their terms and (C) obligations and liabilities under Specified Derivatives Contract or Specified Cash Management Agreement) have been paid and satisfied in full. The indemnities to which the Administrative Agent, the Issuing Banks and the Lenders are entitled under the provisions of Sections 3.10, 5.1, 5.4, 12.6, 13.2, and 13.9, and any other provision of this Agreement and the other

Loan Documents, and the provisions of Section 13.4., shall continue in full force and effect and shall protect the Administrative Agent, the Issuing Banks and the Lenders (i) notwithstanding any termination of this Agreement, or of the other Loan Documents, against events arising after such termination as well as before and (ii) at all times after any such party ceases to be a party to this Agreement with respect to all matters and events existing on or prior to the date such party ceased to be a party to this Agreement.

Section 13.11. Severability of Provisions.

If any provision of this Agreement or the other Loan Documents shall be determined by a court of competent jurisdiction to be invalid or unenforceable, that provision shall be deemed severed from the Loan Documents, and the validity, legality and enforceability of the remaining provisions shall remain in full force as though the invalid, illegal, or unenforceable provision had never been part of the Loan Documents.

Section 13.12. GOVERNING LAW.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

Section 13.13. Counterparts.

To facilitate execution, this Agreement and any amendments, waivers, consents or supplements may be executed in any number of counterparts as may be convenient or required (which may be effectively delivered by facsimile, in portable document format (“PDF”) or other similar electronic means). It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single document. It shall not be necessary in making proof of this document to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto.

Section 13.14. Obligations with Respect to Loan Parties and Subsidiaries.

The obligations of the Borrower to direct or prohibit the taking of certain actions by the other Loan Parties and Subsidiaries as specified herein shall be absolute and not subject to any defense the Borrower may have that the Borrower does not control such Loan Parties or Subsidiaries.

Section 13.15. Independence of Covenants.

All covenants hereunder shall be given in any jurisdiction independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

Section 13.16. Limitation of Liability.

None of the Administrative Agent, any Issuing Bank, any Lender, or any of their respective Related Parties shall have any liability with respect to, and the Borrower hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, consequential or punitive damages suffered or incurred by the Borrower in connection with, arising out of, or in any way

related to, this Agreement, any of the other Loan Documents or any of the transactions contemplated by this Agreement or any of the other Loan Documents.

Section 13.17. Entire Agreement.

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. To the extent any term of this Agreement is inconsistent with a term of any other Loan Document to which the parties of this Agreement are party, the term of this Agreement shall control to the extent of such inconsistency. There are no oral agreements among the parties hereto relating to the subject matter hereof.

Section 13.18. Construction.

The Administrative Agent, each Issuing Bank, the Borrower and each Lender acknowledge that each of them has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review this Agreement and the other Loan Documents with its legal counsel and that this Agreement and the other Loan Documents shall be construed as if jointly drafted by the Administrative Agent, each Issuing Bank, the Borrower and each Lender.

Section 13.19. Acknowledgement and Consent to Bail-In of Affected Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 13.20. Headings.

The paragraph and section headings in this Agreement are provided for convenience of reference only and shall not affect its construction or interpretation.

Section 13.21. Acknowledgement Regarding Any Supported QFCs.

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any agreement or instrument that is a QFC (such support, “**QFC Credit Support**” and, each such QFC, a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the FDIC under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 13.21., the following terms have the following meanings:

“**BHC Act Affiliate**” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“**Covered Entity**” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“**Default Right**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

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“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

[SIGNATURE PAGES HAVE BEEN REMOVED]

SCHEDULE 8.15(A)

COLLATERAL PROPERTY DILIGENCE

1. An executive summary of the Property including the following information relating to such Property: (a) a description of such Property, and (b) the current projected capital plans and, if applicable, current renovation plans for such Property;
2. An operating statement for such Property certified by a representative of the Borrower as being true and correct in all material respects and prepared in accordance with GAAP (subject to, as to interim statements, the absence of footnotes) for the previous three (3) fiscal years; provided that, with respect to any period during which such Property was owned by a Subsidiary of the Borrower for less than three (3) years, such information shall only be required to be delivered to the extent reasonably available to the Borrower and such certification may be based upon the best of the Borrower's knowledge; provided, further, that if such Property has been operating for less than three (3) years, the Borrower shall provide such projections and other information concerning the anticipated operation of such Property as the Administrative Agent may reasonably request;
3. All Security Documents for such Property;
4. Copies of all documents of record reflected in Schedule A and Schedule B of the commitment or preliminary report for the applicable Title Policy and a copy of the most recent real estate tax bill and notice of assessment;
5. A Title Policy for such Property insuring the Lien of the applicable Security Instrument;
6. An opinion of counsel in the jurisdiction in which such Property is located;
7. A survey of such Property certified by a surveyor licensed in the applicable jurisdiction to have been prepared in accordance with the then effective Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys;
8. Receipt of a completed standard flood hazard determination for such Property and if such Property is located in a FEMA-designated special flood hazard area, evidence of the Borrower's receipt of required notices and adequate flood insurance;
9. An Appraisal of such Property addressed to the Administrative Agent or on which the Administrative Agent and the Lenders are expressly permitted to rely pursuant to a reliance letter addressed to the Administrative Agent and the Lenders;
10. A "Phase I" environmental assessment of such Property, which report (a) has been prepared by an environmental engineering firm acceptable to the Administrative Agent and (b) complies with the requirements contained in the Administrative Agent's guidelines adopted from time to time by the Administrative Agent to be used in its lending practice generally and any other environmental assessments or other reports relating to such Property, including, without limitation, any "Phase II" environmental assessment prepared or recommended by such environmental engineering firm to be prepared for such Property;

11. A hazardous materials indemnity agreement with respect to matters pertinent to such Property and in form and substance acceptable to Administrative Agent.
12. A property condition report for such Property prepared by a firm or firms acceptable to the Administrative Agent;
13. To the extent requested by the Administrative Agent in its reasonable discretion, seismic reports and such other reports as are usual and customary for secured real estate loans or similar properties in the jurisdiction in which the Property is located, in each case, commissioned by the Administrative Agent in the name of the Administrative Agent, its successors and assigns;
14. If available, final certificates of occupancy and any other Governmental Approvals relating to such Property;
15. A property zoning report indicating that such Property complies with applicable zoning and land use laws;
16. Copies and assignments of (a) all Material Contracts relating to the use, occupancy, operation, maintenance, enjoyment or ownership of such Property, if any, (b) all leases with respect to such Property as requested by the Administrative Agent, and (c) any other franchises, leases or material operating agreements with respect to such Property;
17. UCC, tax, judgment, litigation, bankruptcy and lien search reports with respect to such Property and the Subsidiary owning such Property in all necessary or appropriate jurisdictions indicating that there are no Liens of record on such Property;
18. If applicable to such Property, the benefit of any tax credit or abatement program pursuant to an acknowledgment, estoppel or other agreement acceptable to the Administrative Agent;
19. Copies of any applicable ground leases and estoppels from ground lessors for such Property;
20. Inspection of such Property by the Administrative Agent and any Lender and their respective engineers and consultants as the Administrative Agent or any such Lender may require;
21. Execution and delivery of any state specific documents or waivers required and/or customary in connection with the execution of any Security Instrument, including, but not limited to, anti-coercion statements, disclosure of confession of judgments, tax affidavits, recording tax orders or other similar documents;
22. Copies of all policies of insurance required by Section 8.5, including, without limitation, such evidence of flood insurance coverage (including contents coverage, as applicable) as the Administrative Agent shall require;
23. Evidence satisfactory to the Administrative Agent that the Borrower has taken all actions required under the Flood Laws and/or requested by the Administrative Agent to assist in ensuring that each Lender is in compliance with the Flood Laws applicable to such Property; and
24. Such other documents, instruments, comfort letters, estoppels, subordination, nondisturbance and attornment agreements, consents, and other agreements and information reasonably

deemed necessary by the Administrative Agent (including any supplements to the Schedules hereto with respect to such Property reasonably acceptable to the Administrative Agent).

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SCHEDULE I

Commitments

Lender	Revolving Commitment Amount
Wells Fargo Bank, National Association	\$69,485,294.12
JPMorgan Chase Bank, N.A.	\$69,485,294.12
Mizuho Bank, Ltd.	\$69,485,294.12
TD Bank, N.A.	\$69,485,294.12
Pentagon Federal Credit Union	\$43,235,294.12
MidFirst Bank	\$14,411,764.70
The Bank of Nova Scotia	\$14,411,764.70
TOTAL	\$350,000,000.00

EXHIBIT B

Consent, Reaffirmation, Agreement and Amendment of Guarantor

[Attached]

CONSENT, REAFFIRMATION, AGREEMENT AND AMENDMENT OF GUARANTOR

Dated as of May 3, 2024

Each of the undersigned (a) acknowledges receipt of the foregoing Third Amendment to Credit Agreement (the “Amendment”), (b) consents to the execution and delivery of the Amendment, (c) reaffirms all of its obligations and covenants under (i) the Guaranty, dated as of November 12, 2021, executed and delivered by each of the undersigned (the “Guarantors”) and Parent, in favor of the Agent, for the benefit of Lenders (as amended, restated, modified or supplemented from time to time, the “Guaranty”); (ii) the Pledge Agreement, dated as of November 12, 2021, by and among the Borrower, Parent, the Guarantors and the Agent, for the benefit of itself and the other Secured Parties (as amended, restated, modified or supplemented from time to time, the “Pledge Agreement”); and (iii) each of the other Loan Documents to which it is a party (together with the Guaranty and the Pledge Agreement, as amended, restated, modified or supplemented from time to time, individually or collectively as the context may suggest or require, the “Guarantor Documents”), and (d) agrees that none of its obligations and covenants under the Guarantor Documents shall be reduced or limited by the execution and delivery of the Amendment. Terms used but not defined herein shall have the respective meanings ascribed thereto in the Amendment or the Amended Credit Agreement (as defined in the Amendment), as applicable.

Each Guarantor hereby represents and warrants to the Agent and each Lender that: (a) such Guarantor has duly executed, delivered and authorized this Consent, Reaffirmation, Agreement and Amendment of Guarantor (this “Guarantor Consent”); (b) such Guarantor has obtained all necessary consents, if any, required in connection with the execution, delivery and performance of this Guarantor Consent and the transactions contemplated hereby; (c) the execution, delivery and performance of this Guarantor Consent and the transactions contemplated hereby do not violate such Guarantor’s organizational documents or any contract to which it is a party, which could reasonably be expected to have a Material Adverse Effect, (d) no Default or Event of Default exists under the Guarantor Documents and (e) all representations and warranties of such Guarantor in the Guarantor Documents to which it is a party remain true and correct in all material respects and are deemed remade as of the date hereof (except with respect to representations and warranties made as of an expressed date, in which case such representations and warranties were true and correct in all material respects as of such earlier date).

The parties hereto hereby agree as follows:

(a) All references in the Guarantor Documents to the “Credit Agreement” shall hereafter refer to the Credit Agreement, as amended by the Amendment; and

(b) All references in the Guarantor Documents to any “Loan Document” by whatever nomenclature shall hereafter refer to such Loan Document as amended by the Amendment.

Notwithstanding the foregoing, each Guarantor acknowledges and understands that neither the Administrative Agent nor any Lender has any obligation to inform such Guarantor of any matter set forth herein in the future or to seek such Guarantor’s acknowledgment or agreement to any future amendments, waivers or consents, and nothing herein shall create such a duty.

[Signatures on Following Page]

GUARANTORS

**Orion Office REIT Inc.
257 W. Genesee, LLC
ARC ATMTPSC001 LLC
ARC HRPBPAA001, LLC
ARC HRPBPAB002, LLC
ARC HRPWARI001, LLC
ARC TITUCAZ001, LLC
ARCP GSPLTNY01, LLC
ARCP OFC Covington KY, LLC
ARCP OFC Dublin OH, LLC
CLF Cheyenne Tulsa, LLC
CLF Farinon San Antonio LLC
CLF Fresno Business Trust
CLF Lakeside Richardson LLC
CLF Pulco Two LLC
CLF Sawdust Member, LLC
CLF Sierra, LLC
CLF Westbrook Malvern Business Trust
Cole OF Bedford MA, LLC
Cole OF Nashville TN, LLC
Cole OF Parsippany NJ, LLC
KDC Norman Woods Business Trust
Orion Amherst NY LLC
Orion Augusta GA LLC
Orion Berkeley MO LLC
Orion Blair NE LLC
Orion Brownsville TX 1 LLC
Orion Caldwell ID LLC
Orion Cocoa FL LLC
Orion Dallas TX LLC
Orion Deerfield IL 1 LLC
Orion Deerfield IL 2 LLC**

By: 

Name: Gavin B. Brandon

Title: Executive Vice President, Chief Financial Officer
and Treasurer

[ORION – Third Amendment Consent, Reaffirmation, Agreement and Amendment of Guarantor]

**Orion Eagle Pass TX 1 LLC
Orion Eagle Pass TX 2 LLC
Orion Deerfield IL 6 LLC
Orion Denver CO LLC
Orion Fort Worth TX LLC
Orion Deerfield IL 3 LLC
Orion Deerfield IL 4 LLC
Orion Deerfield IL 5 LLC
Orion Grangeville ID LLC
Orion Indianapolis IN LLC
Orion Irving TX LLC
Orion Knoxville TN LLC
Orion Lawrence KS 1 LLC
Orion Lawrence KS 2 LLC
Orion Lincoln NE LLC
Orion Longmont CO LLC
Orion Milwaukee WI LLC
Orion Minneapolis MN LLC
Orion New Port Richey FL LLC
Orion Office REIT Services LLC
Orion Office Systems LLC
Orion Oklahoma City OK LLC
Orion Parkersburg WV LLC
Orion Plano TX LLC
Orion Redding CA LLC
Orion Salem OR LLC
Orion Schaumburg IL LLC
Orion Sioux City IA LLC
Orion St Charles MO LLC
Orion TRS Inc.
Orion Tulsa OK LLC
Orion Uniontown OH LLC
Realty Income Providence LaSalle Square, LLC**

By: _____

Name: Gavin B. Brandon

Title: Executive Vice President, Chief Financial
Officer and Treasurer

[ORION – Third Amendment Consent, Reaffirmation, Agreement and Amendment of Guarantor]

ORION OFFICE REIT INC.
CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul H. McDowell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Orion Office REIT Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

/s/ Paul H. McDowell

Paul H. McDowell
Chief Executive Officer and President
(Principal Executive Officer)

ORION OFFICE REIT INC.
CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gavin B. Brandon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Orion Office REIT Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

/s/ Gavin B. Brandon

Gavin B. Brandon
Chief Financial Officer, Executive Vice President and Treasurer
(Principal Financial Officer)

**ORION OFFICE REIT INC.
CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Orion Office REIT Inc. (the "Company") for the period ended March 31, 2024 (the "Report"), I, Paul H. McDowell, Chief Executive Officer of the Company, certify to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2024

/s/ Paul H. McDowell

Paul H. McDowell

Chief Executive Officer and President

(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

ORION OFFICE REIT INC.
CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Orion Office REIT Inc. (the "Company") for the period ended March 31, 2024 (the "Report"), I, Gavin B. Brandon, Executive Vice President and Chief Financial Officer of the Company, certify to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2024

/s/ Gavin B. Brandon

Gavin B. Brandon

Chief Financial Officer, Executive Vice President and Treasurer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.