


**WALTON STREET REAL ESTATE FUND VII-Q, L.P.**

**FIFTH AMENDED AND RESTATED  
LIMITED PARTNERSHIP AGREEMENT**


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**WALTON STREET REAL ESTATE FUND VII-Q, L.P.**

**FIFTH AMENDED AND RESTATED  
LIMITED PARTNERSHIP AGREEMENT**

THIS FIFTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT of Walton Street Real Estate Fund VII-Q, L.P., a Delaware limited partnership (the “Fund”), is made as of November 18, 2013 among the General Partner and the Limited Partners admitted to the Fund from time to time. Certain capitalized terms are defined in Section 1.6.

WHEREAS, the Fund was formed by the filing of a certificate of limited partnership with the Secretary of State of the State of Delaware on October 3, 2011 by the General Partner;

WHEREAS, the General Partner and the initial limited partner of the Fund whose signature is set forth on the signature page hereto (the “Initial Limited Partner”) entered into a Limited Partnership Agreement as of October 3, 2011 (the “Original Partnership Agreement”) for the formation of the Fund under the Delaware Act;

WHEREAS, the General Partner and certain Limited Partners entered into an Amended and Restated Limited Partnership Agreement as of May 2, 2012, to permit the withdrawal of the Initial Limited Partner and the admission of the additional Limited Partners and, further, to amend and restate the terms of the Original Partnership Agreement;

WHEREAS, the General Partner and certain Limited Partners entered into a Second Amended and Restated Limited Partnership Agreement as of August 2, 2012 to amend and restate the terms of the Amended and Restated Limited Partnership Agreement;

WHEREAS, the General Partner and certain Limited Partners entered into a Third Amended and Restated Limited Partnership Agreement as of September 13, 2012 to amend and restate the terms of the Second Amended and Restated Limited Partnership Agreement;

WHEREAS, the General Partner and certain Limited Partners entered into a Fourth Amended and Restated Limited Partnership Agreement as of October 1, 2013 to amend and restate the terms of the Third Amended and Restated Limited Partnership Agreement; and

WHEREAS, the parties hereto desire to amend and restate the Fourth Amended and Restated Limited Partnership Agreement of the Fund to make the modifications hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to amend and restate the Fourth Amended and Restated Limited Partnership Agreement of the Fund in its entirety to read as follows:

## ARTICLE I

### GENERAL PROVISIONS

1.1 Formation. The Fund has been formed and is hereby continued as a limited partnership under the Delaware Act. The rights and duties of the Partners shall be as provided in the Delaware Act, except as modified by this Agreement.

1.2 Name. The name of the Fund shall be “Walton Street Real Estate Fund VII-Q, L.P.” or such other name or names as may be designated from time to time by the General Partner. The General Partner shall provide written notice to the Limited Partners of the designation of any such name or names.

1.3 Purpose. The purpose of the Fund is to make investments in and acquisitions of Real Estate Assets and to engage in any and all activities incidental or ancillary thereto (including the investment in and acquisition of other Fund Assets).

1.4 Place of Business. The Fund shall maintain its principal place of business in Chicago, Illinois, or such other place as may be designated from time to time by the General Partner. The General Partner shall provide written notice to the Limited Partners of the designation of any other principal place of business.

1.5 Registered Office and Registered Agent. The address of the registered office of the Fund in the State of Delaware shall be 1209 Orange Street, Wilmington, Delaware 19801, or such other place as may be designated from time to time by the General Partner. The name of the registered agent for service of process on the Fund in the State of Delaware at such address shall be The Corporation Trust Company, or such other Person as may be designated from time to time by the General Partner.

1.6 Definitions. As used in this Agreement, the following terms shall, unless the context otherwise requires, have the meanings given to them below:

“Acquisition Fee” has the meaning given to it in Section 5.2.

“Action” has the meaning given to it in Section 6.5(f).

“Adjusted Capital Account” means, with respect to any Partner, the balance in such Partner’s Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments: (i) crediting to such Capital Account any amounts that such Partner is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulation Sections 1.704-1(b)(2)(ii)(b)(3), 1.704-1(b)(2)(ii)(c), 1.704-2(g) and 1.704-2(i)(5) and (ii) debiting to such Capital Account the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) to the extent such items are not otherwise reflected in such Capital Account.

“Advisers Act” means the U.S. Investment Advisers Act of 1940, as amended, or any successor thereto, as in effect at the time of reference.



“Advisory Board” has the meaning given to it in Section 8.1.

[REDACTED]

“Agreement” means this Fifth Amended and Restated Limited Partnership Agreement as in effect at the time of reference.

“Allocation Period” means a Taxable Year or an Interim Period, as the case may be.

“Alternative Investment Vehicle” has the meaning given to it in Section 13.2(c).

“Alternative Investment Vehicle Contribution” means, with respect to any Partner, the dollar amount such Partner has contributed in cash to any Alternative Investment Vehicle less any amounts distributed to such Partner from such Alternative Investment Vehicle that constitutes a return of capital. Any Alternative Investment Vehicle Contribution shall reduce such Partner’s Unfunded Commitment.

[REDACTED]

[REDACTED]

“Assignee” has the meaning given to it in Section 7.2(b)(ii).

[REDACTED]

[REDACTED]

“Available Assets” means cash and other assets of the Fund that the General Partner reasonably determines are available for distribution. Available Assets shall not include, without limitation, any amounts determined by the General Partner to be reasonably necessary for (i) the payment of the Fund’s current liabilities and other current obligations, (ii) the establishment of reasonable reserves for other liabilities and obligations, (iii) the maintenance of adequate working capital for the continued conduct of the Fund’s business and for the ownership and operation of the Operating Companies and Fund Assets, (iv) making payments under Article V, (v) during the Commitment Period, reinvestment in new and/or existing Real Estate Assets, Operating Companies and Fund Assets and (vi) after the Commitment Period, reinvestment in existing Operating Companies and Fund Assets, including making Follow On Investments.

“Bankruptcy” means, with respect to the General Partner, the happening of any of the following: (i) the filing of an application by the General Partner for, or a consent to, the appointment of a trustee of its assets, (ii) the filing by the General Partner of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing its inability to pay its debts as they come due, (iii) the making by the General Partner of a general assignment for the benefit of its creditors, (iv) the filing by the General Partner of an answer admitting the material allegations of, or its consenting to, or defaulting in answering, a bankruptcy petition filed against it in any bankruptcy proceeding, (v) the expiration of sixty (60) days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating the General Partner a bankrupt or appointing a trustee of its assets if such entry is not dismissed, vacated or stayed pending appeal within such sixty (60) days or (vi) the dissolution of the General Partner.

[REDACTED]

“Base Rate” means, on any date, a variable rate per annum equal to the rate of interest most recently published by The Wall Street Journal as the “prime rate” at large U.S. money center banks.

“Beneficial Ownership” has the meaning set forth in the REIT Operating Agreement. The term “Beneficially Owned” has a correlative meaning.

“Benefit Plan Investor” means any Partner that is a “benefit plan investor” as defined in Section 3(42) of ERISA and any regulations promulgated thereunder.

“BHCA” has the meaning given to it in Section 7.7(b)(i).

“BHC Interest” has the meaning given to it in Section 7.7(b)(ii).

“BHC Partner” has the meaning given to it in Section 7.7(b)(iii).

“Business Day” means any day (determined by reference to Chicago time), other than Saturday, Sunday or a day banks are authorized or required to be closed in New York, New York or Chicago, Illinois.

“Capital Account” has the meaning given to it in Section 2.2(a).

“Capital Call” has the meaning given to it in Section 2.1(c).

“Capital Contribution” means, with respect to any Partner, at any time, the amount of capital actually (i) contributed to the Fund by such Partner on or prior to such time pursuant to Capital Calls or through reinvestment by the General Partner, either in the aggregate or with respect to specified Fund Assets, Acquisition Fees, or expenses, as the context may require, and (ii) paid by such Partner directly to the General Partner or (any of its Affiliates) as Management Fees (which, for the avoidance of doubt, shall exclude the amount of any Distributable Proceeds offset against the Management Fee payment obligation pursuant to the offset mechanism in Section 5.1(b)).

[REDACTED]

“Charitable Beneficiary” has the meaning set forth in the REIT Operating Agreement.

[REDACTED]

[REDACTED]

“Code” means the U.S. Internal Revenue Code of 1986, or any successor thereto, as in effect at the time of reference.

[REDACTED]

“Commitment” means, with respect to any Partner, the dollar amount such Partner has agreed to contribute in cash to the Fund, on the terms and subject to the conditions contained in this Agreement and in such Partner’s Subscription Agreement.

“Commitment Period” means the period from the Initial Closing Date through November 2, 2017, unless earlier terminated or suspended as provided in Section 2.1(d), 6.11(g) or 12.4.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

“Default” has the meaning given to it in Section 13.3(b).

“Defaulted Amount” has the meaning given to it in Section 13.3(a).

“Defaulted Interest” has the meaning given to it in Section 13.3(d).

“Defaulted Interest Offer” has the meaning given to it in Section 13.3(d).

“Defaulting Partner” has the meaning given to it in Section 13.3(a).

“Delaware Act” means the Delaware Revised Uniform Limited Partnership Act, Delaware Code Title 6, §§ 17-101, et seq., or any successor thereto, as in effect at the time of reference.

“Depreciation” means, for each Taxable Year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such fiscal year, except that if the Gross Asset Value of a Fund Asset differs from its adjusted basis for federal income tax purposes at the beginning of such Taxable Year, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Taxable Year bears to such beginning adjusted tax basis; provided, that if the adjusted basis for federal income tax purposes of a Fund Asset at the beginning of such Taxable Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

“Disclosure Law” has the meaning given to it in Section 7.8(b).

“Disclosure Recipient” means, with respect to any Limited Partner, such Person’s Affiliates, directors, officers, employees, representatives, agents, beneficial owners, attorneys or other financial or professional advisors or consultants. For the avoidance of doubt, any Advisory Board member representing a Limited Partner (or group of Fund Partners) shall be deemed to be a Disclosure Recipient of such Limited Partner (or each such Fund Partner), including with respect to any reports received pursuant to Section 8.5.

“Disposition” or “Disposed of Investment” means, with respect to all or a portion of a Fund Asset, the refinancing, sale, exchange or other disposition by the Fund of all or such portion of such Fund Asset for cash, securities or other property. An in-kind distribution of all or part of a Fund Asset that has not theretofore been deemed to have been Disposed of shall be deemed a Disposition of all or part of such Fund Asset as of the date of and to the extent of such distribution.

[REDACTED]

“Distributable Proceeds” means the cash proceeds received by the Fund from the disposition, refinancing or casualty, in whole or in part, of a Fund Asset, or any cash dividends, interest income, rental income, break-up fees or other items of ordinary income received by the Fund from a Fund Asset or potential investment, in each such case (x) net of all related costs and expenses and (y) only to the extent of Available Assets.

[REDACTED]

“ERISA” means the U.S. Employee Retirement Income Security Act of 1974, as amended, or any successor thereto, as in effect at the time of reference.

[REDACTED]

[REDACTED]

“Excess Shares” has the meaning set forth in the REIT Operating Agreement.

“Excess Share Trust” has the meaning set forth in the REIT Operating Agreement.

“Existing Partners” has the meaning given to it in Section 2.2(d).

“Facility” has the meaning given to it in Section 13.4(a).

“Final Closing Date” has the meaning given to it in Section 7.5.

“First Refusal Offer” has the meaning given to it in Section 7.2(b)(ii).

“First Refusal Period” has the meaning given to it in Section 7.2(b)(iii).

[REDACTED]

“Follow On Investments” has the meaning given to it in Section 2.1(c).

[REDACTED]

[REDACTED]

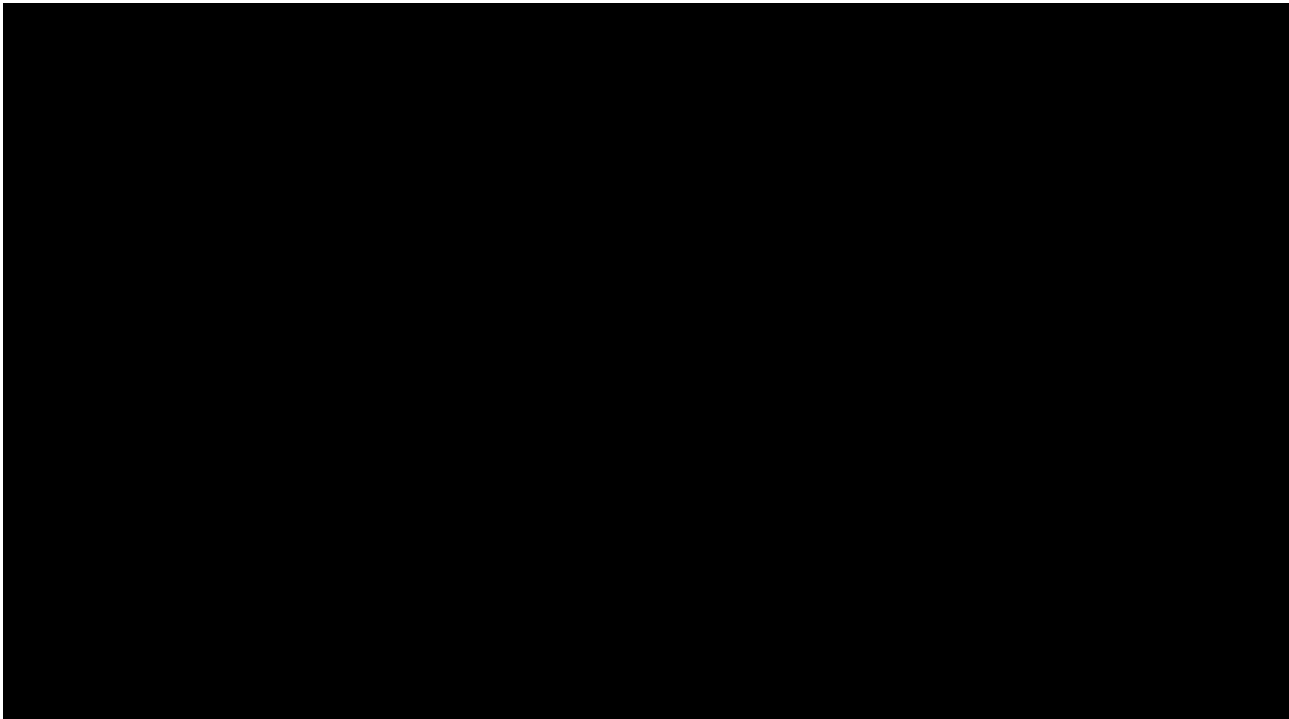
[REDACTED]

“Fractions Rule” means Code Section 514(c)(9)(E) and the regulations promulgated thereunder.

“Fund” has the meaning given to it in the introductory paragraph.

“Fund Asset” means the interest of any Operating Company in any entity or security (whether in corporate securities, equity, debt or hybrid securities, partnership or joint venture interests, including interests in strategic alliances that provide a benefit to the Fund, other contractual rights or otherwise), or group of related entities, securities, investment vehicles and any Real Estate Assets and business and other assets, or group of related Real Estate Assets and business and other assets, owned, directly or indirectly, by such Operating Company and acquired by such Operating Company in one transaction or a series of related transactions, as determined in good faith by the General Partner, other than short-term investments of amounts funded but not yet invested in a Fund Asset.

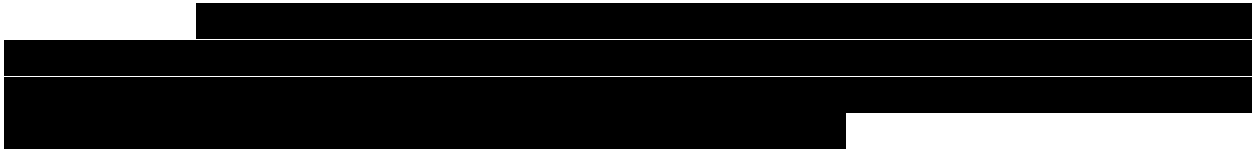
“Fund Partners” means the Partners of this Fund, together with the partners of each Parallel Fund.



“Funds” means the Fund, the Parallel Funds, the New Funds, the Alternative Investment Vehicles, the Prior Funds and any successor funds or sidecars to any of the foregoing.



“General Partner” means Walton Street Managers VII, L.P., a Delaware limited partnership, in its capacity as the general partner of the Fund (and not in its capacity as a Limited Partner), and its successors and assigns, and each Person admitted as an additional or substitute General Partner of the Fund in accordance with this Agreement.



“Gross Asset Value” means, with respect to any Fund Asset, such Fund Asset’s adjusted basis for federal income tax purposes, except as follows:

- (i) the initial Gross Asset Value of any Fund Asset contributed by a Partner to the Fund shall be the gross fair market value of such Fund Asset, as determined in good faith by the General Partner;
- (ii) the Gross Asset Value of all property of the Fund shall be adjusted to equal the respective gross fair market values of such property, as determined in good faith by the General Partner, as of the following times: (A) the acquisition of an additional interest in the Fund by any new or existing Partner in exchange for more than a *de minimis* Funded

Commitment; (B) the distribution by the Fund to a Partner of more than a *de minimis* amount of property of the Fund (including cash) as consideration for an interest of a Partner in the Fund; (C) the Liquidation of the Fund; and (D) in connection with a grant of an interest in the Fund (other than a *de minimis* amount) as consideration for the provision of services to or for the benefit of the Fund by an existing Partner acting in a Partner capacity or by a new Partner in anticipation of becoming a Partner; provided, that adjustments pursuant to clauses (A) and (B) above shall be made only if the General Partner reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners;

(iii) in the event property other than cash and Marketable Securities were to be distributed either by operation of law or an amendment to this Agreement, the Gross Asset Value of any property of the Fund distributed to any Partner shall be adjusted to equal the gross fair market value of such property on the date of distribution as determined by the General Partner; and

(iv) the Gross Asset Values of Fund Assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m); provided, that Gross Asset Values shall not be adjusted pursuant to this subsection (iv) to the extent the General Partner determines that an adjustment pursuant to subsection (ii) hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subsection (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraph (i), (ii) or (iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

“Indemnified Party” has the meaning given to it in Sections 6.5(a).

“Indemnifying Partner” has the meaning given to it in Section 4.5(b).

“Initial Closing Date” means the earliest date that the Fund or any Parallel Fund accepts subscriptions from Limited Partners (other than a closing at which subscriptions are accepted solely from any Principals or other employees of the General Partner or its Affiliates).

“Initial Investment Date” means the Investment Date of the first Fund Asset acquired by the Fund.

“Initial Valuation Date” means “initial valuation date” as defined in 29 C.F.R. § 2510.3-101(d)(5).

“Interim Period” means any interim accounting period within a Taxable Year established by the General Partner and that is permitted or required by Code Section 706.



“Investment Company Act” means the U.S. Investment Company Act of 1940, as amended, or any successor thereto, as in effect at the time of reference.

“Investment Date” means, with respect to any Fund Asset, the date such Fund Asset was acquired by the Fund.

[REDACTED]

[REDACTED]

[REDACTED]

“Limited Partner” means each Person admitted to the Fund from time to time, including each Person admitted as an additional or substitute limited partner of the Fund in accordance with the terms of this Agreement.

“Liquidation” means (i) when used with reference to the Fund, the earlier of (A) the date upon which the Fund is terminated under Code Section 708(b)(1) or (B) the date upon which the Fund ceases to be a going concern and (ii) when used with reference to any Partner, the earlier of (A) the date upon which there is a Liquidation of the Fund or (B) the date upon which such Partner’s entire interest in the Fund is terminated other than pursuant to a Transfer to a Person other than the Fund.

“Liquidator” has the meaning given to it in Section 9.3(a).

“Majority in Interest of the Fund Partners” means, as of any date of determination, Fund Partners owning interests in the Fund and the Parallel Funds representing more than 50% of the aggregate of the Funded Commitments and the funded commitments to the Parallel Funds (or, if there are no Funded Commitments at that time, based on the aggregate of the Commitments and the capital contribution commitments of such Fund Partners to the Parallel Funds) of Fund Partners. A Majority in Interest of any group of Fund Partners that is less than all the Fund Partners shall be determined by applying the principles set forth in the preceding sentence to such group of Fund Partners.

“Management Fee” has the meaning given to it in Section 5.1.

“Marketable Securities” means securities that are (i) registered under the Securities Act or traded on a United States national securities exchange (within the meaning of the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); (ii) may be transferred by the Partners pursuant to applicable registration rights or under Securities and Exchange Commission Rule 144 (as then in effect) without regard to any volume restrictions; and (iii) not subject to any contractual lock-up or similar restriction at the time of their distribution.

“Minimum Commitment” has the meaning given to it in Section 14.1(b).

“Minimum Gain” means the gain the Fund would realize if it disposed of all the Fund Assets subject to nonrecourse liabilities greater than the Gross Asset Values of such Fund Assets in full satisfaction of such liabilities (and for no other consideration).

[REDACTED]

“New Fund” has the meaning given to it in Section 12.2(d).

“New Investment” has the meaning given to it in Section 12.2(c).

“New Partner” has the meaning given to it in Section 2.2(d).

“Nonrecourse Deductions” has the meaning set forth in Treasury Regulation Section 1.704-2(b)(1).

“Notice” has the meaning given to it in Section 11.6(a).

“Obligations” has the meaning given to it in Section 13.4(c).

“Offer Closing Date” has the meaning given to it in Section 7.2(b)(ii).

“Offered Interest” has the meaning given to it in Section 7.2(b)(ii).

“Offering Memorandum” has the meaning given to it in Section 14.10.

“Operating Company” means any real estate investment trust, limited liability company, limited partnership, trust or other limited liability entity organized by the General Partner as contemplated by Section 13.1.

“Operating Company Agreements” means the declaration of trusts and related bylaws, limited liability company agreements, limited partnership agreements or other constituent documents of the Operating Companies as in effect at the time of reference.

“Original Partnership Agreement” has the meaning given to it in the Recitals.

“Oversight Fee” has the meaning given to it in Section 5.3.

“Parallel Fund(s)” means one or more entities that invest in Fund Assets side-by-side with the Fund, generally on the basis of capital commitments as determined in good faith by the General Partner.

[REDACTED]

[REDACTED]

“Partner” means the General Partner or any Limited Partner.

“Partner Fraction” means, with respect to each Partner, a fraction, the numerator of which is such Partner’s Commitment and the denominator of which is the aggregate Commitments of all Partners.

“Partner Nonrecourse Debt” means any nonrecourse debt of the Fund for which any Partner bears the economic risk of loss.

“Partner Nonrecourse Deduction” means any item of Fund loss, deduction or Code Section 705(a)(2)(B) expenditure (Fund expenditures not deductible in computing its taxable income and not properly allocable to capital account) that is attributable to Partner Nonrecourse Debt.

“Person” means any individual, partnership, corporation, limited liability company, trust, association or other entity.

“PFIC” has the meaning given to it in Section 6.6(c).

“Plan Asset Event” has the meaning set forth in Section 6.2(d).

“Plan Asset Regulation” means the U.S. Department of Labor regulation located at 29 C.F.R. Section 2510.3-101, or any successor regulation thereto, as in effect at the time of reference, as modified by Section 3(42) of ERISA.

“Plan Assets” mean “plan assets” as defined in the Plan Asset Regulation.

[REDACTED]

[REDACTED]

[REDACTED]

“Principal” means any of Neil G. Bluhm, Ira J. Schulman, Jeffrey S. Quicksilver, Eric C. Mogentale or K. Jay Weaver.

“Prior Funds” means Walton Street Real Estate Fund VI, L.P. and its parallel funds, Walton Street Real Estate Fund V, L.P. and its parallel funds, including Walton Street Real Estate Sidecar V, L.P., Walton Street Real Estate Fund IV, L.P. and its parallel funds, Walton Street Real Estate Fund III, L.P., Walton Street Real Estate Fund II, L.P. and Walton Street Real Estate Fund I, L.P.

“Profits” or “Losses” means, for each Allocation Period, an amount equal to the Fund’s taxable income or taxable loss for such period, determined in accordance with federal income tax principles, with the following adjustments:

(i) there shall be added to such taxable income or taxable loss an amount equal to any income received by the Fund during such Allocation Period that is wholly exempt from federal income tax (e.g., interest income that is exempt from federal income tax under Code Section 103);

(ii) any expenditures of the Fund described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses, shall be subtracted from such taxable income or loss;

(iii) in the event the Gross Asset Value of any Fund Asset is adjusted pursuant to this Agreement, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such Fund Asset for purposes of computing Profits or Losses, and shall be allocated in accordance with the provisions of Article III;

(iv) gain or loss resulting from any disposition of Fund Assets with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of such Fund Asset disposed of, notwithstanding that the adjusted tax basis of such Fund Asset differs from its Gross Asset Value;

(v) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Period; and

(vi) to the extent an adjustment to the adjusted tax basis of any Fund Asset pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in Liquidation of a Partner’s interest in the Fund, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the Fund Asset) or loss (if the adjustment decreases the basis of the Fund Asset) from the disposition of the Fund Asset and shall be taken into account for purposes of computing Profits or Losses; provided, that such amount shall not be adjusted pursuant to this subsection (vi) to the extent the General Partner determines that an adjustment pursuant to subsection (iii) is otherwise appropriate.

“Promote Profits Interest” has the meaning assigned to it in Section 4.2(a)(iv).

“Qualified Organization” means any “qualified organization” within the meaning of Code Section 514(c)(9)(C).

“Qualified U.S. Tax-Exempt Partner” means any Partner that is (i) a “qualified organization” as defined under Section 514(c)(9)(C) of the Code or (ii) a state pension plan exempt from tax under Section 115 of the Code.

“Qualifying Investment” means a Fund Asset that is eligible to be held by an entity that qualifies as a REIT for federal income tax purposes as determined by the General Partner in its sole and absolute discretion; provided, that no investment made outside of the United States will be considered a Qualifying Investment, unless the General Partner in its sole and absolute discretion determines that such investment may be held by a REIT without any adverse income tax consequences (U.S. or non-U.S.) to the Partners.

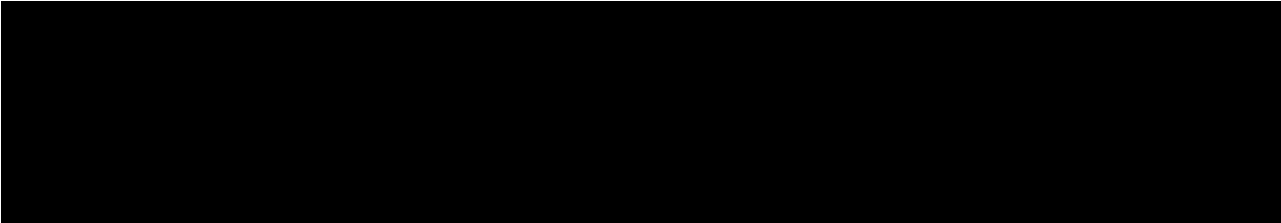
“Real Estate Assets” means all direct and indirect interests (including fee or leasehold title, mortgages, participating and convertible mortgages, options, leases, partnership and joint venture interests, including interests in strategic alliances that provide a benefit to the Fund, equity and debt of entities that own real estate and other contractual rights in real estate) in unimproved and improved real property (including assets such as hotels and land development companies and personal property and fixtures used in connection therewith) and all direct and indirect interests in real estate related businesses (including real estate development and service companies).

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



“Regulated Investor” has the meaning given to it in Section 6.3(b).

“Regulatory Issue” has the meaning set forth in Section 6.3(b).

“REIT” means a real estate investment trust under the Code.

“REIT Operating Agreement” means the Limited Liability Company Agreement of any REIT Subsidiary, as the same may be amended from time to time. Each REIT Operating Agreement will be in substantially the same form, subject to any legal, tax, regulatory or similar considerations.

“REIT Subsidiary” means a subsidiary of the Fund that has qualified or intends to qualify as a REIT.

“Removed General Partner” has the meaning given to it in Section 6.11(a).

“REOC” means a “real estate operating company” within the meaning of the Plan Asset Regulation.

“Replacement General Partner” has the meaning given to it in Section 6.11(e).

“Required Interest” has the meaning given to it in Section 14.1(b).

“ROFR Closing Date” shall have the meaning given to it in Section 7.2(b)(iii).

“Securities Act” means the U.S. Securities Act of 1933, as amended, or any successor thereto, as in effect at the time of reference.

“Side Letter” shall have the meaning given to it in Section 14.11.

“Subscription Agreement” means, with respect to each Partner, the Subscription Agreement between such Partner and the Fund.

“Substitute Limited Partner” has the meaning given to it in Section 7.2(e).

“Suspension Mode” has the meaning given to it in Section 12.4(a).



[REDACTED]

“Taxable Year” means the Fund’s accounting period for federal income tax purposes determined pursuant to Section 11.2.

[REDACTED]

“Transfer” means a sale, assignment, pledge, encumbrance or other transfer or disposition.

“UBTI” means unrelated business taxable income as defined in Code Sections 512-514.

[REDACTED]

“Unfunded Commitment” means that portion of a Partner’s Commitment that is not a Funded Commitment and that is not an Alternative Investment Vehicle Contribution. Amounts distributed to a Partner pursuant to Section 4.2(a)(i) after the Commitment Period shall not increase a Partner’s Unfunded Commitment.

“VCOC” means a “venture capital operating company” within the meaning of the Plan Asset Regulation.

“Walton Fund” means any of the Prior Funds, a New Fund or any successor funds or sidecars thereto.

1.7 Interpretation. Accounting terms used but not otherwise defined herein shall have the meanings given to them under generally accepted accounting principles. Unless the context otherwise requires: (a) as used in this Agreement (including exhibits, schedules and amendments), the masculine, feminine or neuter gender shall be deemed to include the others; (b) references to Sections, Articles paragraphs, subparagraphs and clauses refer to sections, articles, paragraphs, subparagraphs and clauses of this Agreement; (c) words such as “herein,” “hereinafter,” “hereof,” “hereto,” “hereby” and “hereunder,” and words of like import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision, (d) the word “federal” means the U.S. federal government; (e) a term has the meaning assigned to it; (f) “or” is not exclusive; (g) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation”; (h) references to “\$” or “dollars” shall mean United States dollars; (i) unless otherwise expressly provided herein, any agreement, instrument or statute defined or referred to herein or in any agreement, instrument or statute that is referred

to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (i) in the case of agreements or instruments, by waiver or consent, and (ii) in the case of statutes, by succession of comparable successor statutes, and references to all attachments thereto and instruments incorporated therein; and (j) all references to any Partner shall mean and include such Partner and any Person duly admitted as a partner in the Fund in substitution therefor in accordance with this Agreement, unless the context otherwise requires. In the event an ambiguity or question of intent or interpretation arises, the parties hereto intend that no presumption or burden of proof shall arise favoring or disfavoring any Partner by virtue of the authorship of any of the provisions of this Agreement.

ARTICLE II

COMMITMENTS AND CAPITAL ACCOUNTS

2.1 Commitments; Capital Calls.

(a) On the terms and subject to the limitations set forth in this Section 2.1, each Partner hereby agrees to fund its Commitment and agrees that its obligation to fund its Commitment is absolute and unconditional, without right of offset, counterclaim or defense.

(b) [REDACTED]

(c) [REDACTED]



[REDACTED]


(d) At any time after at least [REDACTED] of the aggregate Commitments have been invested (including any amounts committed for investment and amounts reserved for additional investments in Fund Assets or assets of any Alternative Investment Vehicle), as determined in good faith by the General Partner, the General Partner, upon written notice to all Partners, [REDACTED] subject to making Capital Calls for Follow On Investments and to pay Management Fees. Upon the cancellation of all then Unfunded Commitments, the Commitment Period shall terminate. Within ten (10) Business Days after the termination of the Commitment Period, the General Partner shall return to each Partner any portion of such Partner's Funded Commitment held by the Fund that is not invested in any Fund Asset or not specified for investment in any Fund Asset.

(e) Notwithstanding Section 2.1(c), until such time as the General Partner delivers to each Benefit Plan Investor (and the escrow agent, if any) a certificate that identifies the exception from holding Plan Assets on which the Fund relies at such time and certifies that the Fund's assets are not Plan Assets at such time, all Capital Contributions otherwise required to be made to the Fund by a Benefit Plan Investor shall instead be required to be deposited directly by such Benefit Plan Investor into an escrow account that is intended to comply with Department of Labor Advisory Opinion 95-04A.

[REDACTED]



2.2 Capital Accounts.

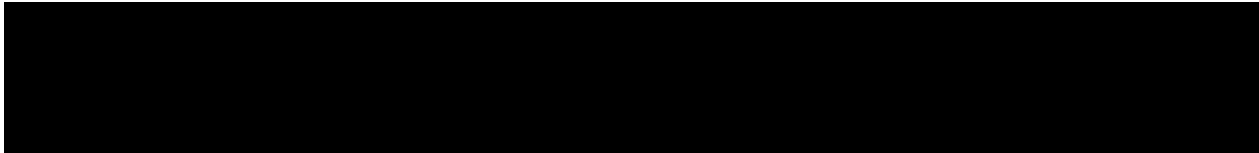
(a) The Fund shall establish a separate capital account (a “Capital Account”) for each Partner. Capital Accounts shall be increased by Capital Contributions funded to the Fund (which, for the avoidance of doubt, excludes amounts paid to the General Partner or its Affiliates as Management Fees) and adjusted to reflect the allocations set forth in Article III and the distributions set forth in Article IV. 



(b) No Partner shall be entitled to interest on any portion of its Capital Account or Funded Commitment (other than as contemplated by Section 13.1(b)).

(c) No Partner shall have any right to demand or receive the return of any portion of its Capital Account or Funded Commitment (other than as contemplated by Section 13.2(e)). The Partners intend that no distribution (nor any part of any distribution) made to any Partner pursuant to this Agreement shall be deemed a withdrawal of capital, even if such distribution represents (in full or in part) a distribution of depreciation or any other non-cash item accounted for as a loss or deduction from or offset to the Fund’s income, and that, subject to applicable law, no Partner shall be obligated to pay any such amount to or for the account of the Fund or any creditor of the Fund.

(d) In the event a Limited Partner (a “New Partner”) is admitted as a Limited Partner or increases its Commitment after the Initial Closing Date and such New Partner makes a Capital Contribution pursuant to Section 13.1(b), and the General Partner distributes, or is deemed to distribute, to the other Partners (the “Existing Partners”) the amount contributed to the Fund by such New Partner pursuant to Section 13.1(b), such New Partner shall be treated as purchasing a pro rata share of the interests in the Fund of the Existing Partners, and a portion of the Capital Account of each Existing Partner shall be allocated to such New Partner so that after such allocation the Capital Account of such New Partner and such Existing Partners are in proportion to their Funded Commitments.



ARTICLE III

ALLOCATIONS

3.1 Allocation of Profits.



3.2 Allocation of Losses.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3.3 Special Allocation in Disposition Year and Subsequent Years.

Notwithstanding Section 3.1 or 3.2, but subject to Sections 3.4 and 3.5, in connection with the dissolution of the Fund, Profits or Losses shall be allocated among the Partners in such a manner that the distributions to each Partner pursuant to Section 4.3 shall be, to the maximum extent possible, the same amount as would be distributed to such Partner if such distributions were to be governed by Section 4.2. Notwithstanding the preceding sentence, actual distributions made subsequent to the allocations under this Section 3.3 shall be made pursuant to Section 4.3.

3.4 Special Allocations.

(a) Notwithstanding any other provision of this Article III (other than Section 3.4(b)), losses, deductions and other expenses attributable to a Partner Nonrecourse Debt shall be allocated to the Partner that bears the economic risk of loss for such debt. If more than one Partner bears the risk of loss for a Partner Nonrecourse Debt, any Partner Nonrecourse Deduction attributable to such debt shall be allocated among such Partners in accordance with the ratios in which the Partners share the economic risk of loss for such Partner Nonrecourse Debt. If there is a net decrease during an Allocation Period of Minimum Gain attributable to a Partner Nonrecourse Debt, then Fund income and gain for such Allocation Period (and, if

(b) Notwithstanding any other provision of this Article III, if there is a net decrease in Minimum Gain during any Allocation Period, each Partner shall be allocated income and gain for such Allocation Period (and, if necessary, for subsequent Allocation Periods) in the amounts and of such character as determined according to the Treasury Regulations under Code Section 704(b). This Section 3.4(b) is intended to be a minimum gain chargeback provision that complies with the requirements of Treasury Regulation Section 1.704-2(f) and shall be interpreted in a manner consistent therewith.

(c) If, despite the limitations set forth in subsections (a) and (b) above, any Partner has a deficit balance in its Capital Account as of the end of any Allocation Period, computed after the application of subsections (a) and (b) above but before the application of any other provisions of this Article III, and determined as set forth in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6), then income and gains for such Allocation Period shall be allocated to all such Partners in proportion to, and to the extent of, such Capital Account deficits. For this purpose, a Partner's Capital Account shall be (i) reduced for distributions that, as of the end of the Allocation Period in question, reasonably are expected to be made to such Partner by the Fund to the extent they exceed offsetting increases to such Partner's Capital Account that are reasonably expected to occur during (or prior to) the Taxable Years in which such distributions reasonably are expected to be made (other than increases pursuant to subsections (a) and (b) above, except as permitted by the Treasury Regulations under Code Section 704(b)) and (ii) increased by amounts that such Partner is obligated to restore or is deemed to be obligated to restore pursuant to U.S. Treasury Regulation Sections 1.704-1(b)(2)(ii)(b)(3), 1.704-1(b)(2)(ii)(c), 1.704-2(g) and 1.704-2(i)(5). This Section 3.4(c) is intended to be a qualified income offset provision that complies with the requirements of U.S. Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(d) Subject to Section 3.5(b), if the Internal Revenue Service successfully asserts an adjustment to the taxable income of a Partner and, as a result of such adjustment, the Fund is entitled to a deduction for federal income tax purposes in excess of any gain recognized by the Fund, such excess deduction shall be allocated to such Partner. Subject to Section 3.5(b), if the Internal Revenue Service successfully asserts an adjustment to the taxable income of the Fund and, as a result of such adjustment, any Partner is entitled to a deduction for federal income tax purposes in excess of any gain recognized by such Partner, the additional Fund taxable income shall be allocated to such Partner. Subject to Section 3.5(b), if the Internal Revenue Service successfully asserts an adjustment to the taxable income of the Fund disallowing deductions for any of the fees paid or payable to the General Partner and its Affiliates as described in Article V, then additional Fund taxable income allocable to the Partners as a result of such disallowance shall be reallocated to the General Partner.

(e) Subject to Section 3.5(b), any special allocations pursuant to Section 3.4(a), 3.4(b) or 3.4(c) shall be taken into account in computing subsequent allocations pursuant to this Article III, so that the net amount of any items so allocated and all other items allocated pursuant to this Article III shall, to the extent possible, be equal to the net amount that would

have been allocated to each such Partner pursuant to this Article III if such special allocations had not been made.

(f) Subject to Section 3.5(b), the Losses allocated pursuant to Section 3.2 shall not exceed the maximum amount of Losses that can be so allocated without causing any Limited Partner to be allocated an Excess Loss. If some but not all Limited Partners would be allocated an Excess Loss as a result of an allocation of Losses under Section 3.2, the limitation contained in this Section 3.4(f) shall be applied on a Limited Partner-by-Limited Partner basis so as to allocate the maximum permissible Losses to each Limited Partner under Section 1.704-1(b)(2)(ii)(d) of the Regulations. All Losses in excess of the limitation contained in this Section 3.4(f) shall be allocated to the General Partner. Subject to Section 3.5(b), with respect to each Allocation Period thereafter, 100% of Profits shall be allocated to the Partners up to the aggregate of, and in proportion to, any Excess Loss previously allocated to each Partner in accordance with this Section 3.4(f) in the reverse order in which such Excess Losses were allocated.

(g) Nonrecourse Deductions shall be allocated to the Partners pro rata in accordance with their respective Partner Fractions.

3.5 Other Allocations. Notwithstanding anything to the contrary in this Agreement (other than Sections 3.4(a), 3.4(b) and 3.4(c)):

(a) without violating the requirements of Section 3.5(b), all allocations under this Article III may be adjusted insofar as may be required in the good faith judgment of the General Partner in order to minimize the recognition of UBTI by any Partner which is a Qualified Organization; provided, that no such adjustment that has a material adverse effect upon any Partner shall be made without such Partner's consent; and

(b) the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts, liquidating in accordance with positive Capital Accounts and allocations to Partners are intended to comply with Code Section 514(c)(9)(E) and the Regulations thereunder and Code Section 704(b) and the Regulations thereunder, and shall be interpreted and applied in a manner consistent therewith without limiting any rights or authority of the General Partner with respect to the Fund.

3.6 Changes in Proportionate Interests. If during any Taxable Year there is a relative change among the relative Commitments or Funded Commitments of the Partners, then Profits, Losses and other Fund items for such Taxable Year shall be allocated according to the varying interests of the Partners pursuant to any reasonable method selected by the General Partner and determined by it to be permitted under Code Section 706 and consistent with the requirements of Section 3.5. Such method shall establish rules for determining the Profits, Losses and other Fund items attributable to any Interim Periods within a Taxable Year.

3.7 Tax Allocations.

(a) Except as otherwise provided in this Section 3.7, items of Fund taxable income, gain, loss and deduction shall be determined in accordance with Code Section 703, and

the Partners' distributive shares of such items for purposes of Code Section 702 shall be determined according to their respective shares of Profits or Losses to which such items relate.

(b) Items of Fund taxable income, gain, loss and deduction with respect to any property contributed to the Fund by a Partner shall be allocated among the Partners in accordance with Code Section 704(c), as determined by the General Partner, so as to take account of any variation between the adjusted basis of such property to the Fund for federal income tax purposes and its Gross Asset Value.

(c) If the Gross Asset Value of any Fund Asset is adjusted pursuant to the Fund's maintenance of Capital Accounts under Section 2.2(a), subsequent allocations of items of taxable income, gain, loss and deduction with respect to such property shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c), as determined by the General Partner.

(d) Allocation of tax credits, tax credit recapture and any items related thereto shall be allocated to the Partners according to their interests in such items as determined in good faith by the General Partner.

(e) Allocations pursuant to this Section 3.7 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Partner's Capital Account or share of Profits, Losses, distributions or other Fund items pursuant to any provision of this Agreement.

### 3.8 Administration of Capital Accounts.

(a) The General Partner shall adjust the Capital Accounts of the Partners at the end of each Allocation Period to reflect the allocations and distributions set forth in this Agreement. With respect to the admission of any Partner, the increase of any Commitment and any Transfer of all or any portion of a Partner's interest in the Fund, the Fund may, as determined by the General Partner, utilize a monthly convention for all purposes of this Agreement (including distributions and allocations of Profits and Losses), whereby such admission, increase or Transfer shall be effective and shall be treated as occurring at the commencement of the first day of the calendar month following the calendar month in which such admission, increase or Transfer occurs. Under such convention, all Profits, Losses, distributions and other items shall be allocated and distributed to those Persons who were Partners as of the date, determined in accordance with such monthly convention, on which such Profits, Losses, distributions or other items arose or are to be made.

(b) If there is an ambiguity regarding the application of this Article III to a particular situation, the General Partner shall allocate items of income, gain, loss, deduction and credit related to such situation in such proportions as the General Partner deems equitable, practicable and consistent with this Agreement and the Code (including the regulations promulgated thereunder). It is understood that the allocations pursuant to this Article III are intended to produce a result consistent with the distribution provisions of Article IV and the economic arrangements among the Partners.

3.9 Tax Expenses. Items of tax expense payable by the Fund (or any entity the Fund uses to invest in Fund Assets that is treated as either a disregarded entity or a partnership and not an association taxable as a corporation for federal income tax purposes) on income payable, directly or indirectly, to the Fund shall be included in the computation of Profits and Losses and allocated pursuant to Section 3.1 or 3.2; provided, that where a direct or indirect withholding tax on income or payments to the Fund is calculated, under applicable law, at different rates or on a different basis with respect to income allocable to some (but not all) of the Partners, such expense or deduction shall not be taken into account for purposes of determining Profits and Losses and such tax expense or withholding tax shall (subject to compliance with the Fractions Rule) be allocated to, and such expense or withholding tax shall reduce the amount distributable to, the Partners pursuant to Section 4.2 as reasonably determined by the General Partner, in a manner that reflects the rate or basis of taxation that is applicable to each such Partner (and the amount withheld shall be treated as having been received by such Partner for purposes of Section 4.2). Notwithstanding the foregoing proviso, all allocations of foreign tax expense of the Fund shall be allocated pursuant to Section 3.1 and Section 3.2 as part of Profits and Losses until such time as the General Partner is advised by counsel that an allocation of such expenses pursuant to the above proviso is permitted pursuant to Code Section 514(c)(9).

ARTICLE IV

DISTRIBUTIONS

4.1 Distribution Policy. [REDACTED]

[REDACTED]



[REDACTED]

For purposes of the preceding sentence, “excess Marketable Securities” shall be the positive difference (if any) between the Marketable Securities actually distributed to the General Partner pursuant to Section 4.2 (or Section 4.3, as applicable) and the Marketable Securities that would have been distributable to the General Partner had the distribution taken place after the full sixty (60) day valuation period set forth in clause (x) above.

4.2 Distributions.

(a) Cash received by the Fund as Distributable Proceeds with respect to each Fund Asset shall be distributed at such times as determined by the General Partner and shall be apportioned among the Partners in proportion to their respective Partner Fractions, and the amount so apportioned to the General Partner or any Affiliate of the General Partner may be distributed to such Person in the discretion of the General Partner. Subject to Section 4.2(b) below, the amount of Distributable Proceeds initially apportioned to each Partner shall be distributed to such Partner and the General Partner as follows:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4.3 Distributions on Dissolution. If the Fund is dissolved, distributions shall be made to those Partners whose Capital Accounts have positive balances, in accordance with such balances and Code Section 704(b) and the U.S. Treasury Regulations thereunder, after

taking into account all adjustments thereto for the Taxable Year(s) during which such dissolution occurs. Distributions made in accordance with a liquidation described in the immediately preceding sentence shall, to the extent possible, be made within the time periods specified by U.S. Treasury Regulation Section 1.704-1(b)(2)(ii)(b).

4.4 Distributions in Kind.

[REDACTED]

4.5 Deemed Distributions.

[REDACTED]

[REDACTED]

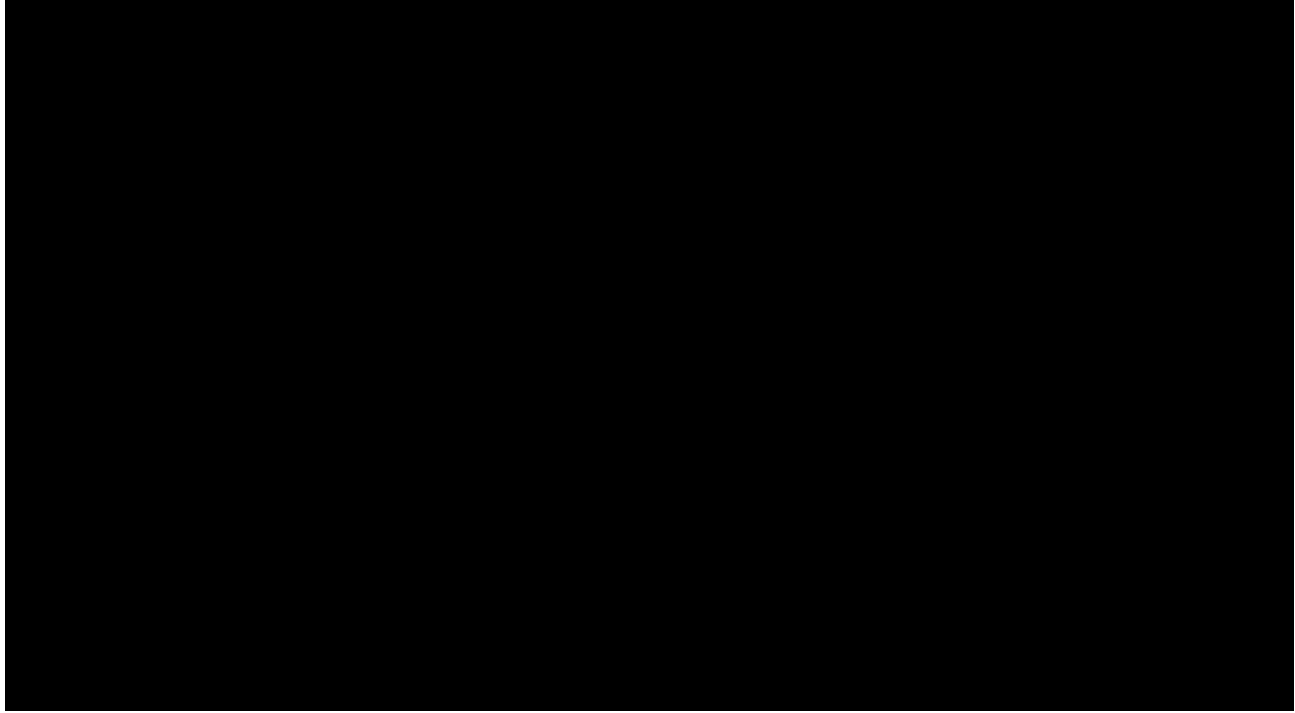


ARTICLE V

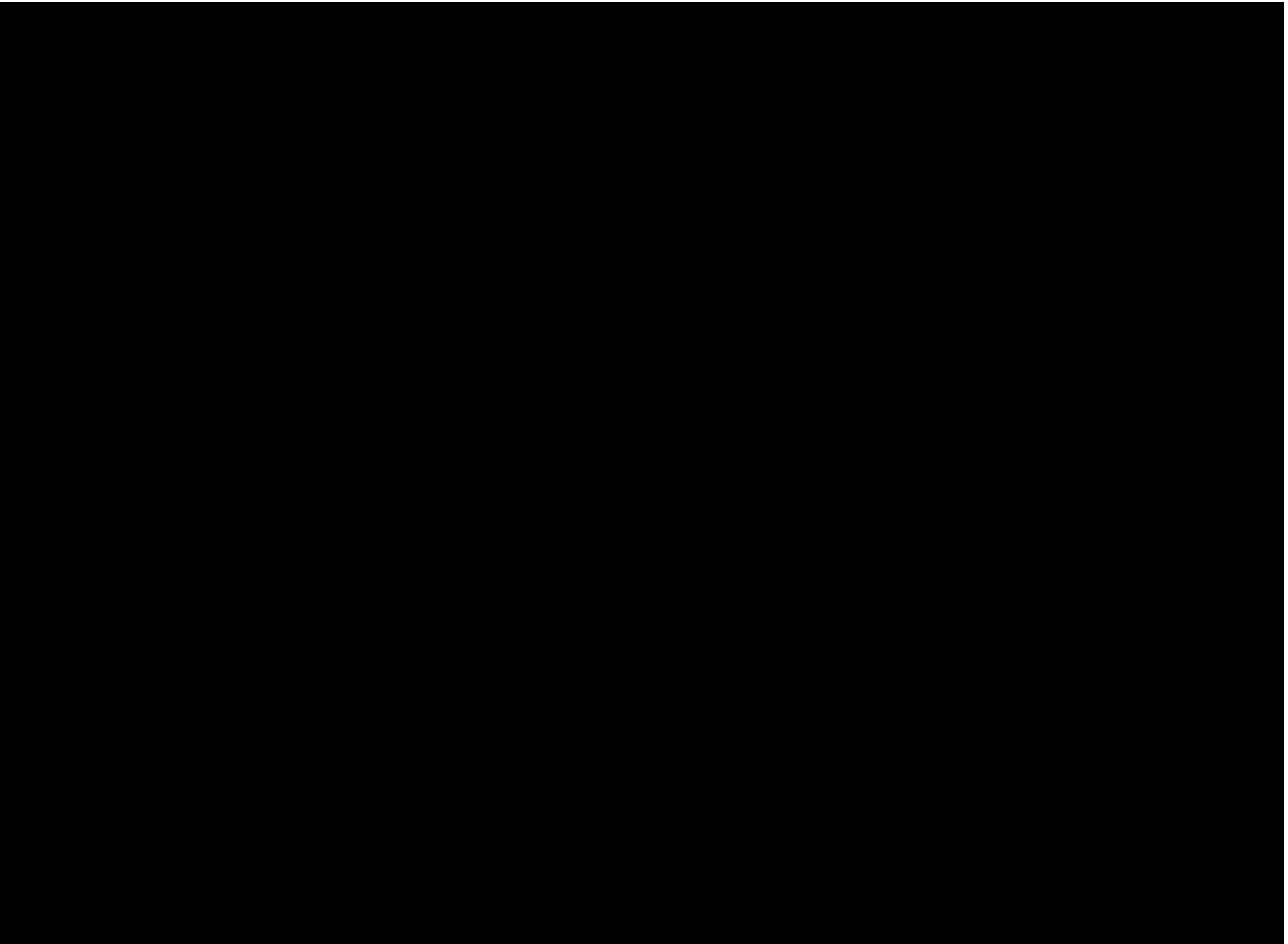
FEES AND EXPENSES

5.1 Management Fee.





5.4 Expenses.



[REDACTED]

5.5 Allocation of Fund and Parallel Fund Expenses. The General Partner in good faith shall allocate all shared liabilities, operating expenses as provided in Section 5.4(b) and organizational expenses as provided in Section 5.4(a) among the Fund and the Parallel Funds pro rata according to the aggregate Commitments of the Fund and the respective capital contribution commitments of Fund Partners to each of the Parallel Funds; provided, however, that liabilities and expenses that the General Partner determines are specific to the Fund and/or one or more of the Parallel Funds shall be allocated to the Fund and such Parallel Fund(s), as the case may be, on a basis the General Partner determines in good faith is fair and reasonable.

## ARTICLE VI

### THE GENERAL PARTNER

#### 6.1 Management Rights, Duties and Powers of the General Partner.

(a) The business of the Fund shall be managed by or under the authority of the General Partner. The General Partner shall have all rights, powers and authority of a General Partner under the Delaware Act and otherwise under applicable law and as provided for in this Agreement. Without limiting by implication the generality of the foregoing, but subject to the limitations and the restrictions set forth herein, the General Partner shall have all rights, power and authority to do for, on behalf of and in the name of the Fund all things that it deems necessary, proper or desirable to carry out its duties and responsibilities, including the right, power and authority from time to time to acquire by purchase, lease, exchange or otherwise any business, real estate or other assets (including all Fund Assets) that may be necessary, proper or desirable to the accomplishment of the purpose of the Fund; to make investments in, reinvest in and hold Fund Assets; to form Operating Companies to hold Fund Assets in such manner and upon such terms as the General Partner may determine (subject to Section 13.1 and any other applicable provision of this Agreement); to permit the withdrawal and admission of Limited Partners from, into and among the Fund and the Parallel Funds; to allocate and reallocate interests in Fund Assets among the Fund and the Parallel Funds; to create reserve accounts for the payment of obligations, purchase price, expansion costs, improvements and maintenance of Fund Assets (including the purchase of joint venture interests relating to Fund Assets); to incur liabilities and obligations, to pay fees and expenses and to make other expenditures in connection

with Fund Assets or otherwise in connection with the activities of the Fund; to employ and dismiss from employment any and all employees, agents, independent contractors, attorneys and accountants; to let or lease all or any portion of a Fund Asset for any purpose and without limit as to the term thereof, whether or not such term (including renewal terms) shall extend beyond the date of termination of the Fund or any Operating Company and whether or not the portion so leased is to be occupied by the lessee or, in turn, subleased in whole or in part to others; to create, by grant or otherwise, easements and servitude; to borrow money on an unsecured basis; to borrow money and, subject to Section 13.4, as security therefor to mortgage or grant a security interest in all or any portion of a Fund Asset, pledge or otherwise grant a security interest in all or any Commitments and delegate or otherwise collaterally assign to a third party lender under a Facility the General Partner's right to make Capital Calls up to the amount of such Facility; to obtain refinancings or replacements of any mortgages or other security instruments related in any way to a Fund Asset, and to prepay in whole or in part, refinance, recast, modify, consolidate or extend the terms of any indebtedness owed by the Fund or affecting all or any portion of a Fund Asset; to place record title to all or any portion of a Fund Asset in the name or names of a nominee or nominees or a trustee for the purpose of mortgage financing or any other convenience; to enter into agreements intended to hedge risks associated with interest rates, currency exchange rates, equity prices and similar risks with respect to the Fund or Fund Assets; to guarantee recourse obligations of any Operating Company or Fund Asset; to construct, alter, improve, repair, raze, rebuild or replace any building or other improvement on all or any portion of a Fund Asset; to reinvest in new Fund Assets during the Commitment Period; to reinvest in existing Fund Assets during and after the Commitment Period; to purchase interests in the Fund pursuant to Section 7.2; to sell, lease, exchange or convey, and to grant an option for the sale, lease, exchange or conveyance of, any or all of a Fund Asset; to do any and all of the foregoing at such price, rental or amount, for cash, notes, securities or other property and upon such terms as the General Partner deems necessary, proper or desirable; to take any action the General Partner determines is necessary or desirable to ensure that the assets of the Fund are not deemed to be Plan Assets; and to enter into, execute, acknowledge and deliver any and all contracts, agreements or other instruments to effectuate any or all of the foregoing; provided, that the General Partner shall have no right, power or authority to avoid its ultimate obligations under this Agreement by delegation of authority or responsibility.

(b) It is understood and agreed that any officer of the General Partner or any officer of the general partner of the General Partner may act for and in the name of the General Partner under this Agreement. In dealing with any such officer acting for or on behalf of the Fund, no Person shall be required to inquire into, and Persons dealing with the Fund are entitled to rely conclusively on, the right, power and authority of the General Partner to bind the Fund.

(c) The General Partner acknowledges that as a general partner of the Fund it has fiduciary duties to the Partners under applicable law, including the Delaware Act and the Advisers Act, as such duties are modified by the specific provisions of this Agreement (which modifications are intended to replace duties otherwise existing at law or in equity solely to the extent inconsistent therewith). It shall be the duty and responsibility of the General Partner to manage and control the investments, business and affairs of the Fund. [REDACTED]

[REDACTED] The General Partner shall

not be obligated as the General Partner of the Fund to provide services directly to Fund Assets such as property and construction management, development, leasing, mortgage financing or insurance brokerage services or other services that an Affiliate of the General Partner may be in the business of providing, and may employ an agent or agents for such purpose (which, subject to Section 12.1(b), may include Affiliates of the General Partner).

(d) Subject to the terms of this Agreement, all determinations, acts and designations to be made hereunder shall be made solely by the General Partner in its reasonable discretion and shall be final and binding for all purposes of this Agreement, the Operating Company Agreements and the Subscription Agreements.

(e) The General Partner shall take into account the taxes that would be required to be paid by a Qualified Organization in determining whether the projected return from a potential investment justifies the investment, and shall use reasonable best efforts to structure the Fund's acquisition, management and disposition of Fund Assets so as to minimize, to the extent reasonably possible and to the extent not inconsistent with the best interests of the Fund and the Parallel Funds or the Fund's and the Parallel Funds' investment objectives, including that of maximizing pre-tax returns, [REDACTED].

(f) The General Partner, in its sole discretion, may enter into an investment advisory or management agreement on behalf of the Fund with an Affiliate of the General Partner pursuant to which such Affiliate of the General Partner may provide certain services to the Fund; provided, that (i) no fees shall be payable by the Fund to such Affiliate of the General Partner pursuant to such agreement, except that the Management Fees and Acquisition Fees otherwise payable hereafter and any other fees that may be authorized to be paid to the General Partner or any Affiliate thereof pursuant to the terms of this Agreement may be paid instead to such Affiliate of the General Partner and (ii) such agreement shall terminate upon (A) the dissolution of the Fund, (B) the removal of the General Partner in accordance with the terms hereof or (C) other circumstances as described in such agreement.

## 6.2 ERISA Matters.

(a) [REDACTED]

(b) Each Partner that is or will be a Benefit Plan Investor on the closing date (or date of transfer, if applicable) when it is admitted to the Fund shall so notify the General Partner in writing prior to such closing date (or date of transfer, if applicable). Any Limited Partner that has not indicated in its Subscription Agreement (or transfer documentation, in the case of a transfer) that it is a Benefit Plan Investor hereby represents, warrants and covenants that it is not a Benefit Plan Investor, it is not acting on behalf of a Benefit Plan Investor and, so long as it holds an interest in the Fund, it will not be and will not be acting on behalf of a Benefit Plan Investor.



(c) It is intended that none of the Fund, the General Partner or any of their Affiliates will act as or be deemed to be a fiduciary under ERISA with respect to any Benefit Plan Investor or the assets of the Fund; [REDACTED]

(d) Should the General Partner reasonably determine that the continued participation of a Benefit Plan Investor would result in the assets of the Fund being deemed Plan Assets of such Benefit Plan Investor (a “Plan Asset Event”), the General Partner shall so notify each of the Benefit Plan Investors in writing as soon as reasonably practicable following such determination. Thereafter, the General Partner shall take reasonable steps to correct or cure the Plan Asset Event and, if the General Partner determines that it is not reasonably likely that the Fund’s Plan Asset Event can be reasonably corrected or cured, taking into account the overall interest of the Fund, the General Partner shall terminate the Fund and wind up its affairs in accordance with Article IX. In connection with the foregoing obligation, in addition to any other powers the General Partner may have, the General Partner shall have the authority to take any of the following actions, in its sole discretion and considering the best interests of the Fund: (i) any action necessary or desirable, in the General Partner’s reasonable judgment, to cure the Fund’s failure to qualify as a VCOC or REOC, if applicable; (ii) in accordance with the provisions of Section 14.1, amend this Agreement to cure any illegality or other adverse consequences to the Fund; (iii) amend, terminate or restructure any then existing or contemplated arrangements to cure any illegality or other adverse consequences to the Fund; (iv) redeem any Limited Partner’s interest in the Fund, in whole or in part, in a manner consistent with the procedures in Section 6.3(d); (v) require the sale of all or any portion of any Benefit Plan Investor’s interest in the Fund to one or more Limited Partners at the Redemption Value or (vi) terminate the Fund and wind up its affairs in accordance with Article IX. If the General Partner elects to cure or correct a Plan Asset Event that was not the result of a breach of a representation, warranty or covenant made by one or more Benefit Plan Investors pursuant to clause (iv) above, the General Partner will redeem the interests of all Benefit Plan Investors on a pro rata basis to the extent necessary to cure or correct the Plan Asset Event. If the Plan Asset Event is a result of a breach of a representation, warranty or covenant made by one or more Benefit Plan Investors, the General Partner shall have the authority, in its sole discretion and considering the best interests of the Fund, to redeem interests in the Fund in a disproportionate manner.

### 6.3 Regulatory Matters.

(a) Each Limited Partner acknowledges that the assets of the Fund are not intended to constitute plan assets of such Limited Partner for purposes of any applicable non-U.S., state or local law governing the investment and management of the assets of that Limited Partner, and that, as a result, none of the Fund, the General Partner or any of their Affiliates intend to be acting as a fiduciary within the meaning of any applicable non-U.S., state or local law relating to governmental plans or foreign plans with respect to such Limited Partner or the Fund assets; provided, however, that this provision is not intended to negate the fiduciary duties imposed upon a general partner under the Delaware Act.

(b) In the event that the General Partner believes that (i) the investment in the Fund by a Limited Partner that is a governmental plan, foreign plan or other regulated entity (other than a Benefit Plan Investor) (each, a “Regulated Investor”) may result in (A) any violation of any law applicable to such Regulated Investor, (B) the treatment of the assets of the Fund as assets of such Regulated Investor or (C) the treatment of the Fund or the General Partner as a fiduciary under any law applicable to such Regulated Investor and (ii) if, in the reasonable judgment of the General Partner, any of the foregoing conditions result in or may result in any adverse consequences to the Fund or the General Partner (both of (i) and (ii), a “Regulatory Issue”), then the General Partner, in its sole discretion, (x) may require that such Regulated Investor provide (at such Regulated Investor’s expense) an opinion of counsel, reasonably acceptable to the General Partner in form and substance, that no Regulatory Issue exists or, (y) in the event such an opinion is not delivered within a reasonable time after being requested, may (1) in accordance with the provisions of Section 14.1, amend this Agreement to cure any illegality or other adverse consequences to the Fund; (2) amend, terminate or restructure any then existing or contemplated arrangements to cure any illegality or other adverse consequences to the Fund; (3) redeem such Regulated Investor’s interest in the Fund, in whole or in part, in a manner consistent with the procedures in Section 6.3(d); (4) require the sale of all or any portion of such Regulated Investor’s interest in the Fund to one or more Limited Partners at the Redemption Value or (5) terminate the Fund and wind up its affairs in accordance with Article IX.

(c) Effective upon the date specified by the General Partner in the notice sent to a Limited Partner, notifying such Limited Partner of the General Partner’s determination to completely or partially redeem such Limited Partner’s interest in the Fund pursuant to Section 6.2(d) or 6.3(b) (the “Redemption Effective Date”), such Limited Partner (the “Redeemed Limited Partner”) shall cease to be a Partner of the Fund with respect to the withdrawn portion of its interest (the “Redeemed Interest”) only and, in addition to its right to receive payment for the Redeemed Interest as provided in Section 6.3(d), shall continue to be entitled, with respect to its remaining interest only, if any, to the rights of a Partner under this Agreement (including the right to have any allocations made to its Capital Account (as such may be adjusted) pursuant to Article III, the right to receive distributions pursuant to Article IV and upon dissolution of the Fund pursuant to Article IX and the right to vote on matters as provided in this Agreement).

(d) The Redemption Value shall be paid by the Fund to such Redeemed Limited Partner in cash by paying to such Limited Partner a “pro rata portion” of each distribution payable to the Redeemed Limited Partners until the Redemption Value has been fully paid; provided, that the General Partner shall be under no obligation to sell, finance or refinance any Fund property or assets or to take any other action to effect such redemption that, in the judgment of the General Partner, may affect adversely the Fund (taking into account the liquidity needs of the Fund) or any Partner. For purposes of the preceding sentence, a Redeemed Limited Partner’s “pro rata portion” of a distribution shall be an amount equal to the amount such Redeemed Limited Partner would have received in respect of the Redeemed Interest had such interest not been redeemed.

6.4 Limited Liability.

[REDACTED]

[REDACTED]

[REDACTED]

6.5 Indemnification.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

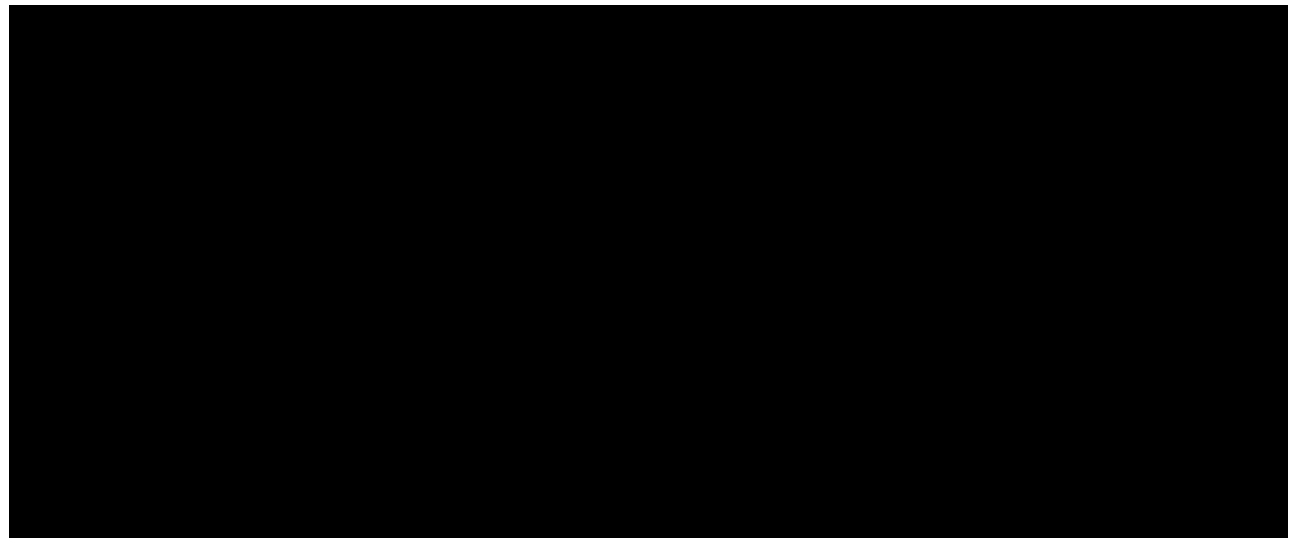
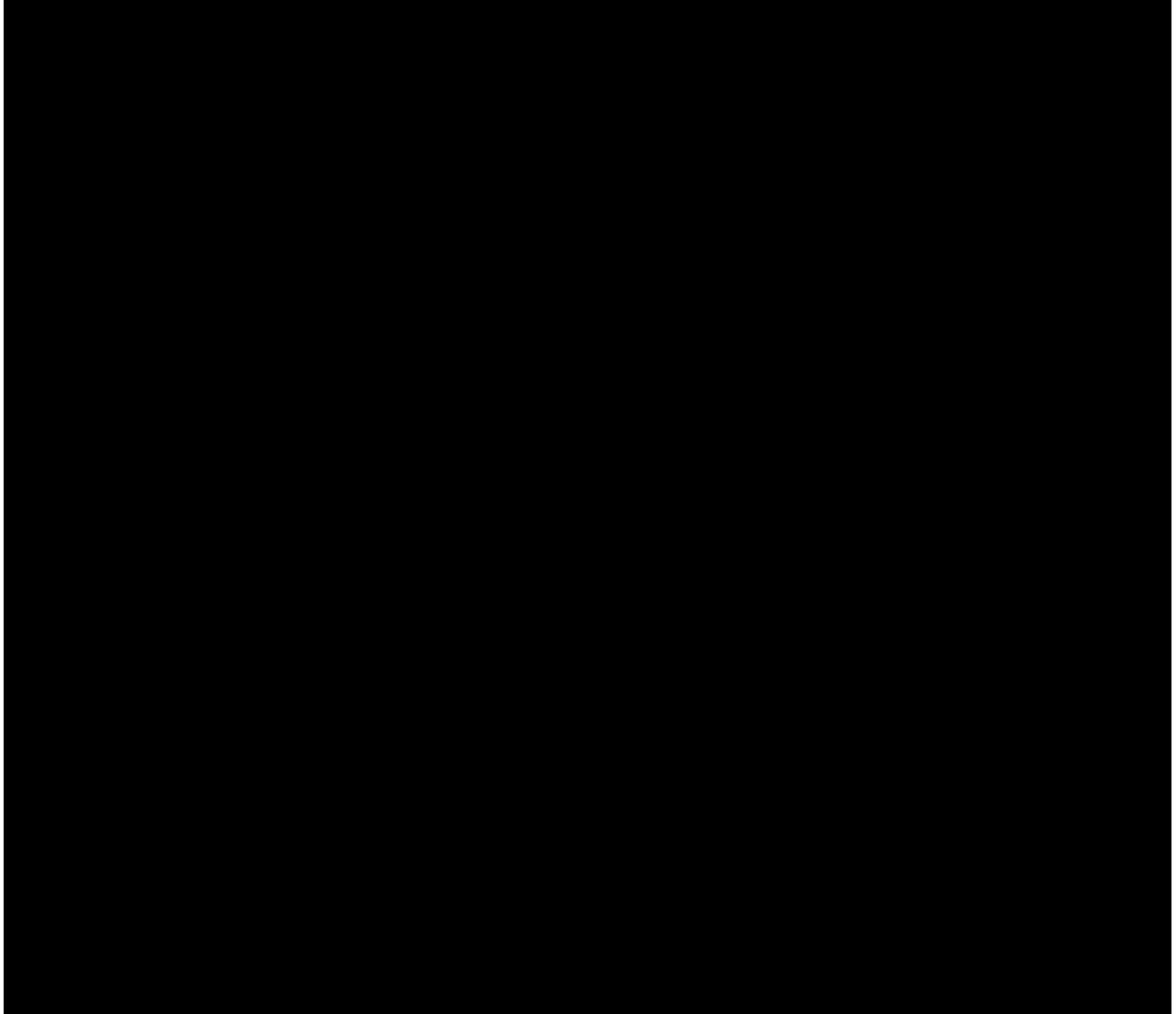
[REDACTED]

[REDACTED]

[REDACTED]

6.6 Investment Limitations.

[REDACTED]



(d) The Fund shall not invest in Real Estate Assets located in the Republic of Sudan.

6.7 Investment Restrictions.

[REDACTED]

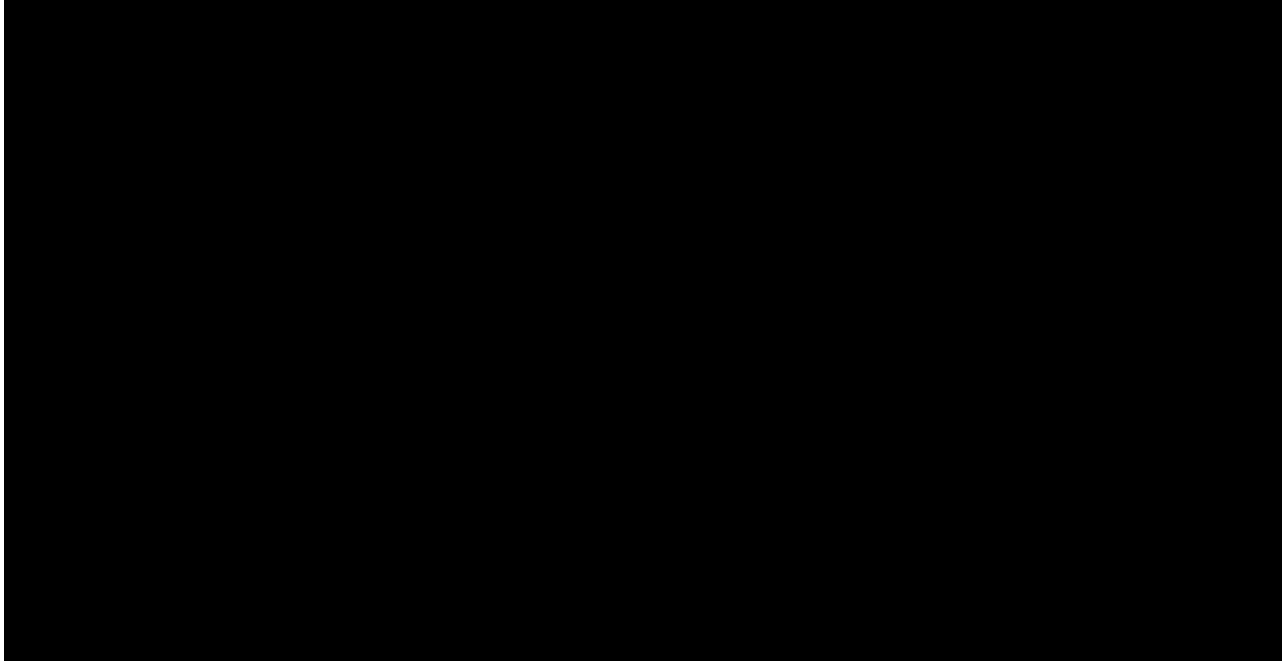
6.8 Borrowing Limitations.

[REDACTED]

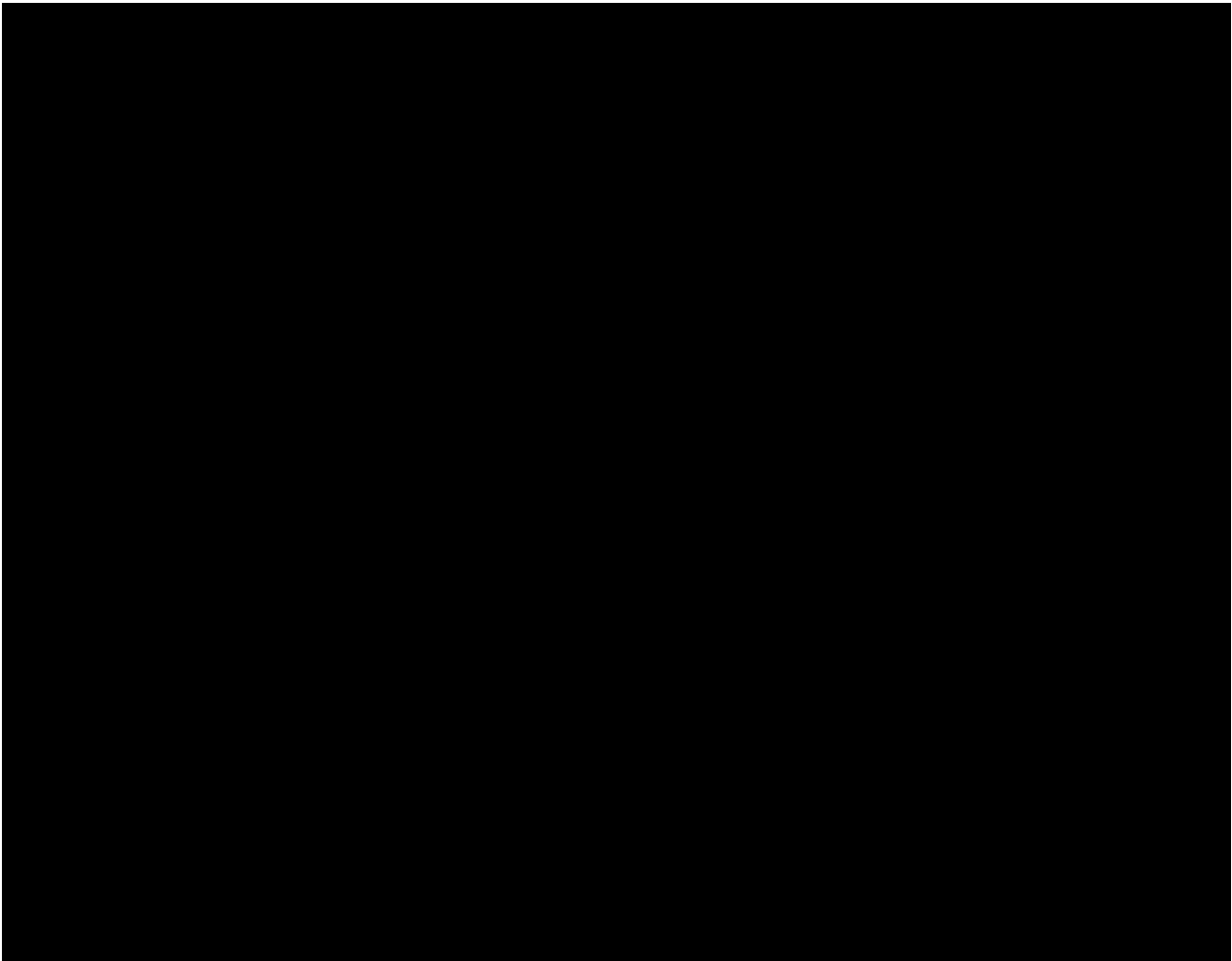
6.9 General Partner's Right to Withdraw. A General Partner shall not withdraw or resign as a General Partner of the Fund if there is not more than one General Partner. If there is more than one General Partner, a General Partner may withdraw or resign as a General Partner and after such withdrawal or resignation the remaining General Partner shall carry on the business of the Fund.

6.10 Transfer of Interests.

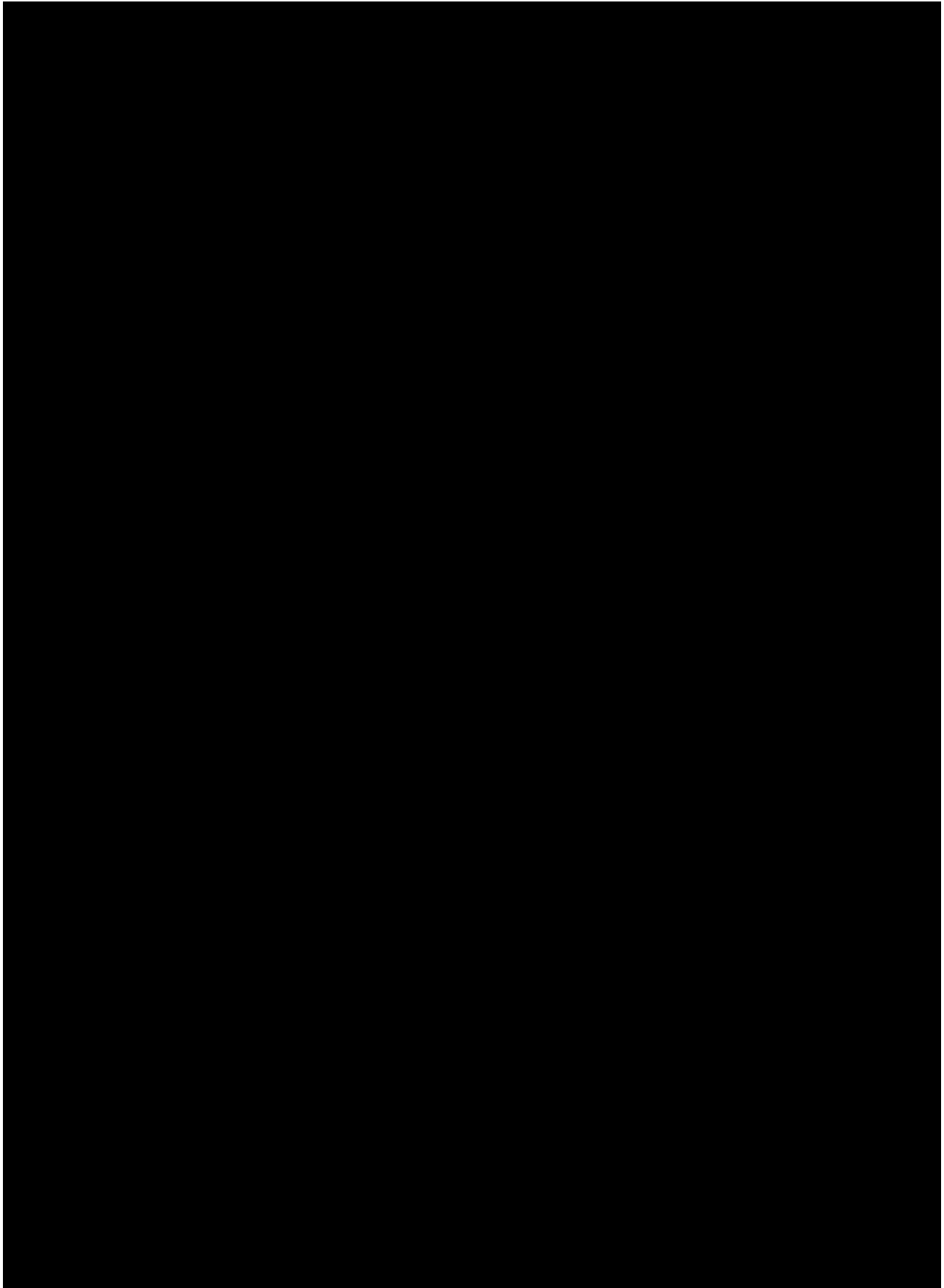
[REDACTED]

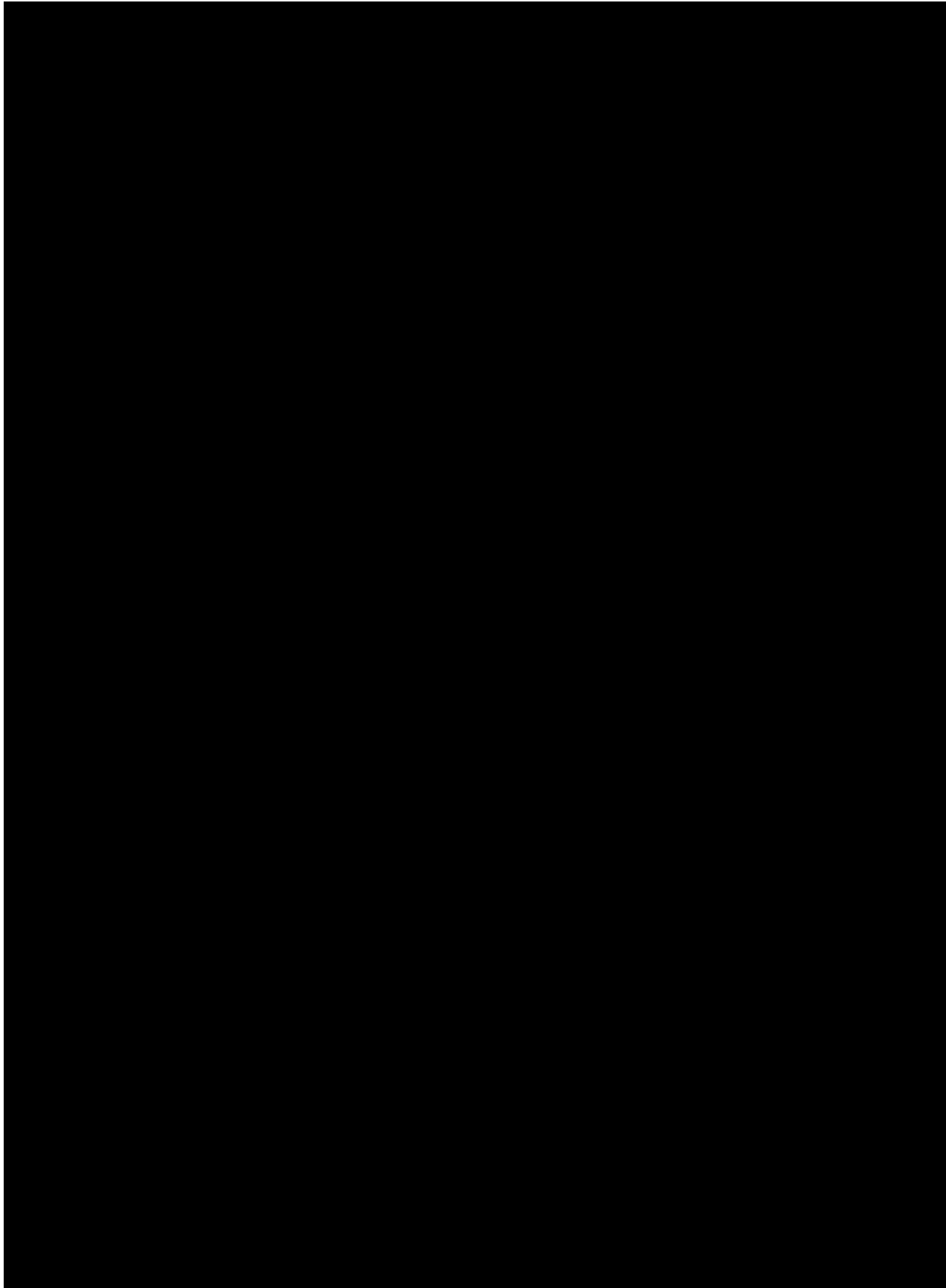


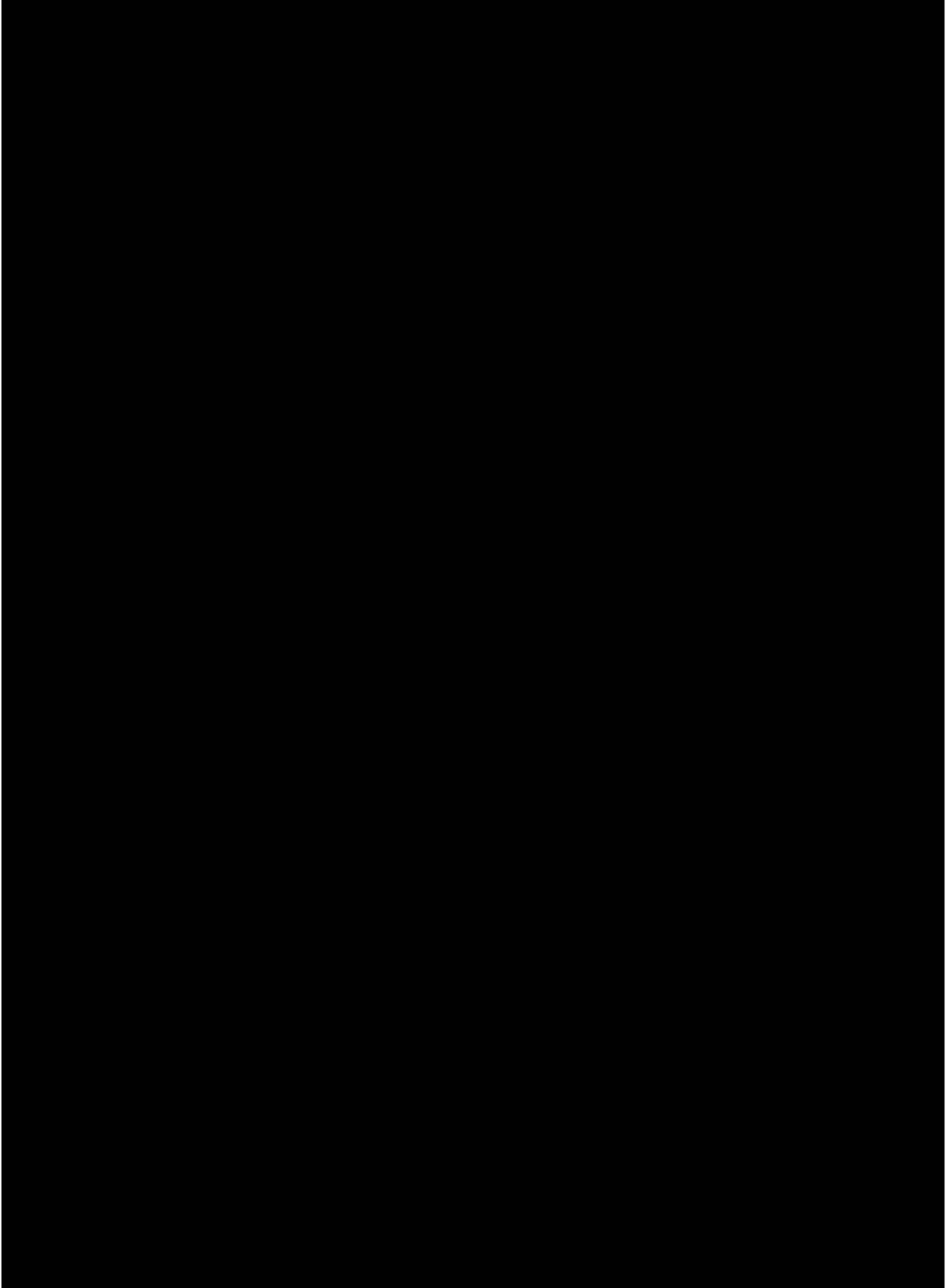
6.11 Removal of the General Partner.

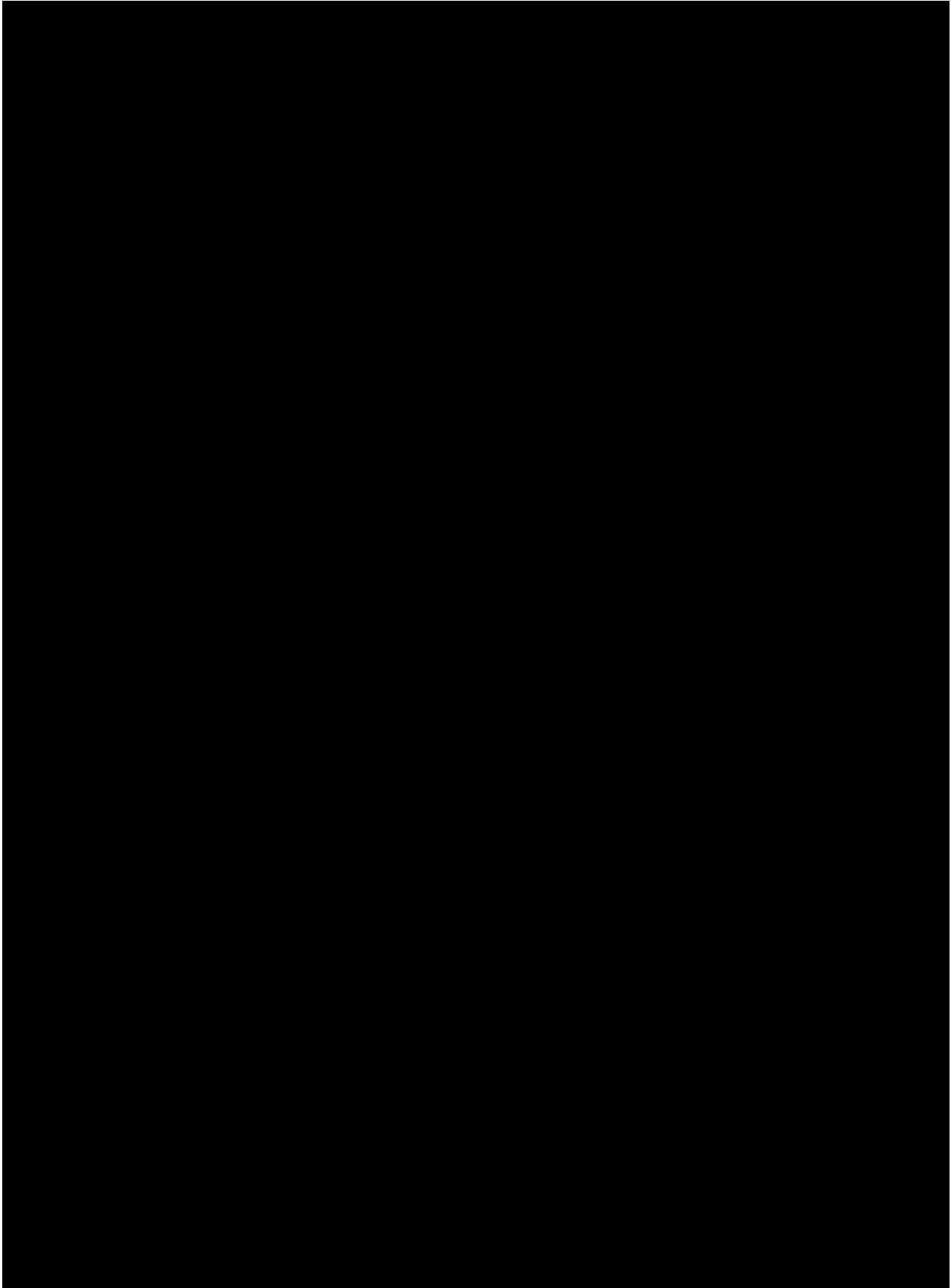














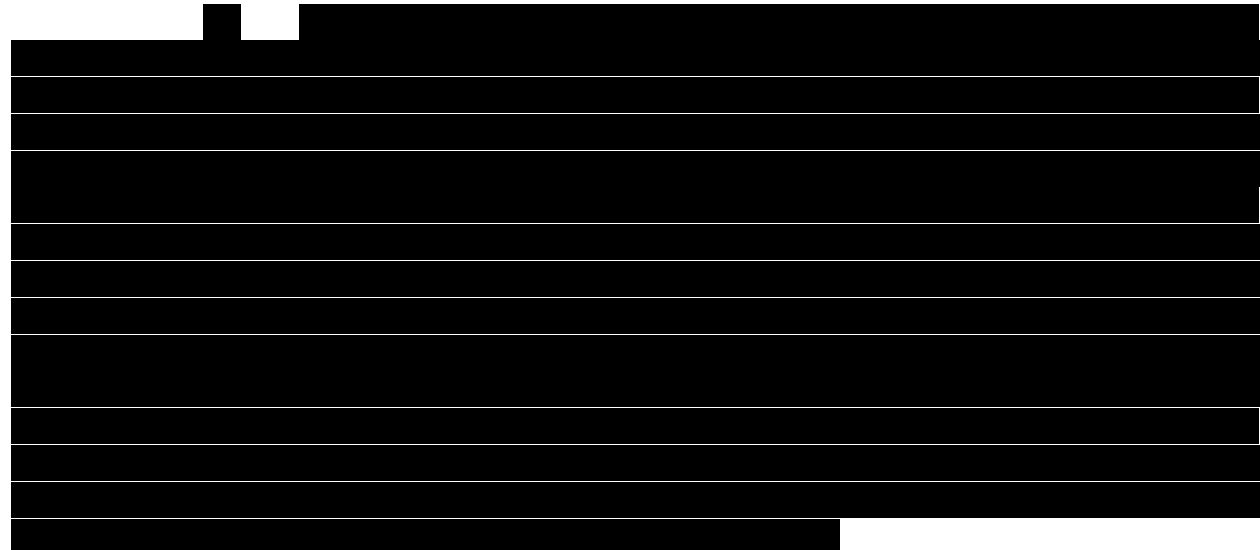
ARTICLE VII

LIMITED PARTNERS

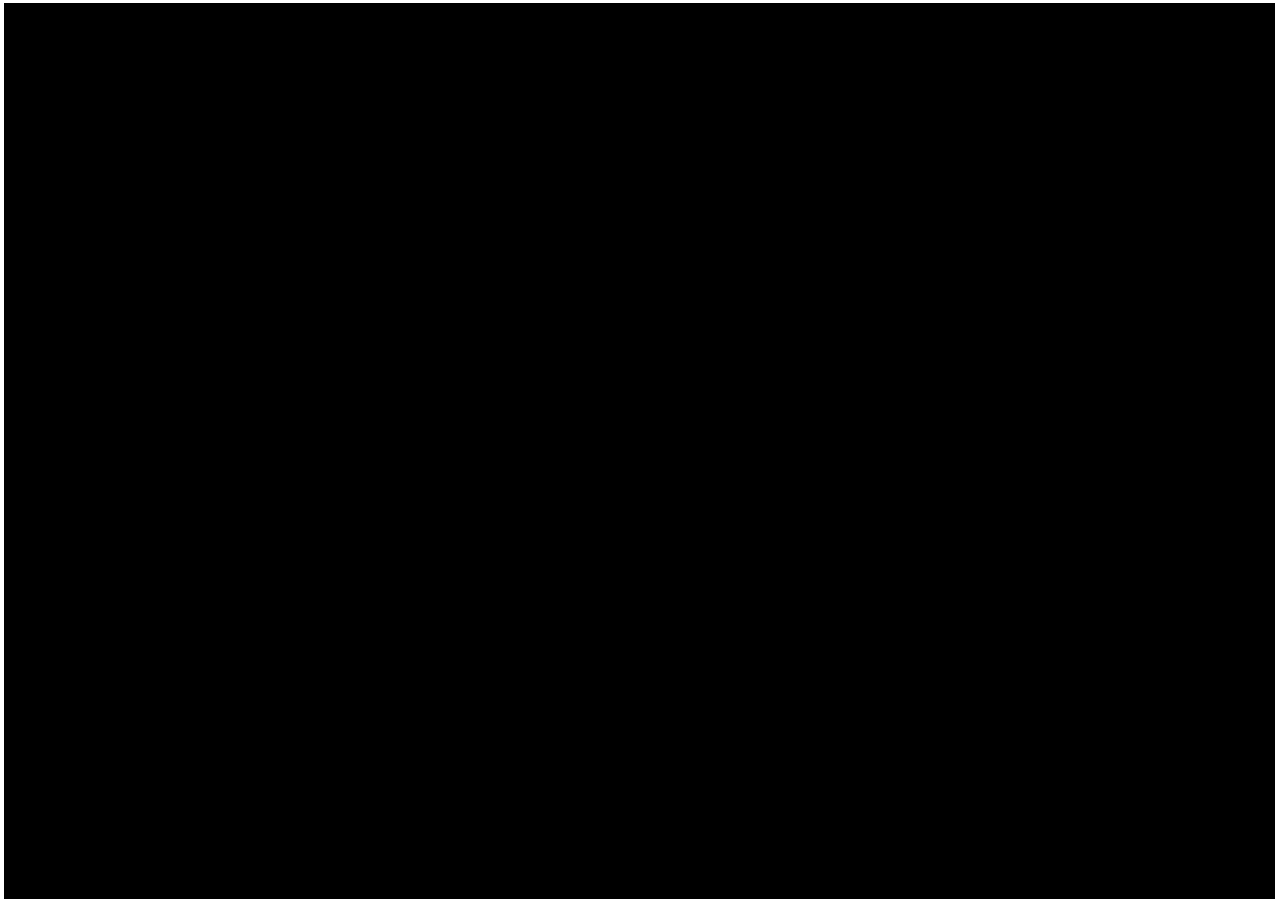
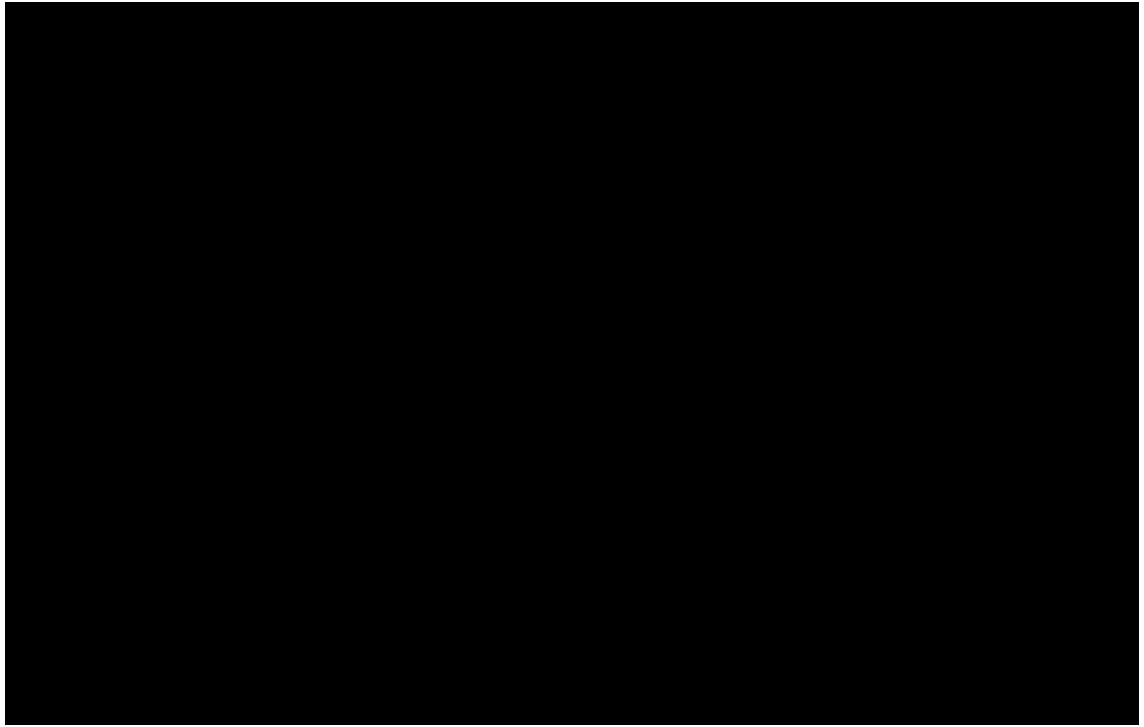
7.1 Limited Liability: [REDACTED]

(a) Except to the extent required by the Delaware Act, this Agreement and the Subscription Agreements, the Limited Partners shall not be liable for any debts, obligations or liabilities of the Fund. [REDACTED]

[REDACTED] To the fullest extent permitted by applicable law, no Limited Partner owes any fiduciary duty to the Fund or any other Partners as a result of such Limited Partner's status as a Limited Partner; provided, that each Limited Partner shall have the duty to act in accordance with the implied contractual covenant of good faith and fair dealing.



[REDACTED] of meeting the Fund's obligations with respect to an Investment-Specific Giveback Amount:



7.2 Transfer of Interests.

(a) General Limitation. No Limited Partner may Transfer all or any part of its interest in the Fund without the prior written consent of the General Partner; provided, however, a Limited Partner may Transfer all or any part of its interest in the Fund to an Affiliate of such Limited Partner (or, if the Limited Partner is a trustee to one or more employee benefit plans, to a co-trustee or a successor trustee to such plans or any successor plans) without the prior written consent of the General Partner if the transferring Limited Partner Transfers such interest in accordance with the following clauses (i) and (ii) and executes an acknowledgment in form satisfactory to the General Partner asserting that the transferring Limited Partner remains liable for the full amount of its Unfunded Commitment. Each Limited Partner agrees to pay (or at the General Partner's sole discretion, reimburse the Fund, the General Partner or any of their respective Affiliates for) all expenses (including attorney's fees and expenses) incurred by the Fund, the General Partner or any of their respective Affiliates in connection with any Transfer requested by such Limited Partner, whether or not such Transfer is ultimately consummated; provided, that the General Partner may reduce the Distributable Proceeds otherwise distributable to a Limited Partner by the amount of any such expenses (in which case the amount of such reduction shall be deemed distributed to such Limited Partner). The General Partner may cause the withdrawal and admission of the transferring Limited Partner and/or such Person's transferee from, into and among the Fund, the Parallel Funds and the Alternative Investment Vehicles in connection with any such Transfer, provided, that such withdrawal and/or admission shall not adversely affect such Limited Partner or transferee.

(i) Without limiting the generality of the preceding clause, unless waived by the General Partner, (A) no Transfer shall be permitted at any time that the Facility is outstanding and secured by a pledge contemplated in Section 13.4(c) hereof, unless either (1) the transferring Limited Partner remains liable for the full amount of its Unfunded Commitment after the Transfer or (2) all amounts that would become due under such Facility as a result of the Transfer by such Limited Partner of its interest in the Fund are paid to the lender of such Facility or (3) the lender consents to such Transfer as provided in the Facility, (B) no Transfer shall be permitted if it would create a material risk of adverse tax consequences to any Partner (other than the transferor and transferee), including any material risk that the Fund will be treated as a "publicly traded partnership" under Code Section 7704 or will fail to qualify for any safe harbor, exemption or other favorable treatment under Code Section 7704, the regulations thereunder and any administrative rulings or policies with respect thereto, (C) no Transfer shall be permitted that has a reasonable likelihood of requiring registration or qualification of the Fund or any Affiliates

or the securities of any of them under federal, state or foreign securities laws, (D) to the extent the Fund is then relying, or desires to preserve its ability to rely, on Section 3(c)(7) of the Investment Company Act, each transferee of a Partner's interest shall be a "qualified purchaser," as such term is defined in the Investment Company Act, (E) to the extent that the Fund is then relying, or desires to preserve its ability to rely, on Section 3(c)(1) of the Investment Company Act, no Transfer shall be permitted that would increase the number of the Fund's beneficial owners under Section 3(c)(1), (F) no Transfer shall be permitted if such Transfer would result in the Fund being considered to have terminated within the meaning of Code Section 708 and (G) no Transfer shall be permitted if such Transfer, in the General Partner's good faith determination, may cause the assets of the Fund to be deemed Plan Assets. Each transferee shall be required to satisfy the conditions of Section 6.2(b). Any Transfer made in violation of the foregoing provisions shall be void, of no force and effect, and the Limited Partner attempting to make such Transfer shall remain obligated to fund its entire Unfunded Commitment.

(ii) The General Partner shall withhold its consent to any proposed Transfer of all or any part of an interest in the Fund (including any right to or attribute of such interest or the capital, profits or distributions of the Fund), any such Transfer or purported Transfer shall be null and void and the Fund shall not recognize the transferee, purported transferee or purported beneficial owner of such interest as a direct or indirect holder of an interest in the Fund for any purpose, if the General Partner determines that such Transfer, alone or when cumulated with other Transfers (proposed or otherwise), would result in more than 2% of the interests in the capital or profits of the Fund being transferred during such Taxable Year, unless the General Partner receives an opinion of counsel to the Fund that such Transfer or proposed Transfer will not result in the Fund being treated as a "publicly traded partnership" under Code Section 7704 or in the Fund failing to qualify for any safe harbor, exemption or other favorable treatment under Code Section 7704, the regulations thereunder and any administrative rulings or policies with respect thereto. For purposes of the preceding sentence, a Transfer will not include transfers that, in the determination of the General Partner, constitute (A) transfers in which the basis of the interest in the hands of the transferee is determined, in whole or in part, by reference to its basis in the hands of the transferor or is determined under Code Section 732, (B) transfers at death, (C) transfers to a spouse, brother, sister, ancestor or lineal descendant of the Transferring Partner, (D) transfers involving the issuance of interests by the Fund in exchange for consideration, (E) transfers involving distributions from a retirement plan or individual retirement account, (F) block transfers where a Partner, in one or more transactions during any thirty (30) calendar day period, transfers in the aggregate more than 2% of the total interests in Fund capital or profits, (G) transfers pursuant to a right under redemption or repurchase agreement that is exercisable only upon the death, disability or mental incompetence of the Partner or upon the retirement or termination of services of an individual who actively participated in the management of the Fund or performed services on a full-time basis for the Fund, (H) transfers through a "qualified matching service," as defined by Treasury Regulation Section 1.7704-1(g) or (I) transfers by one or more Partners of interests representing more than 50% of the total interests in Fund capital and profits in one transaction or a series of related transactions. Transfers to which the General Partner withholds its consent pursuant to this Section 7.2(a)(ii) will be permitted in the order requested as soon as such Transfers can be made without violating the provisions of this Section 7.2(a)(ii).

(b) Assignments by Limited Partners; Right of First Refusal.



(i) No Limited Partner may Transfer all or any part of its interest in the Fund to any Person (other than an Affiliate of such Limited Partner in accordance with Section 7.2(a)) unless (A) such Transfer is for cash consideration to a bona fide third party purchaser, (B) such selling Limited Partner complies with the restrictions set forth in this Section 7.2 and (C) such selling Limited Partner has first made a First Refusal Offer (as defined below) and such Limited Partner has not received a written acceptance for all of the Offered Interest (as defined below) before the expiration of the First Refusal Period (as defined below).

(ii) If the General Partner consents to a proposed Transfer pursuant to Section 7.2(a), then the Limited Partner entering into an agreement to Transfer all or any part of its interest in the Fund to a bona fide third party purchaser (other than an Affiliate of such Limited Partner in accordance with Section 7.2(a)) (the “Assignee”) shall give written notice to the General Partner, certifying the name and address of the proposed Assignee, the terms and conditions of the proposed sale including the purchase price and the proposed closing date (which shall be no sooner than the expiration of the First Refusal Period) (the “Offer Closing Date”) and any information with respect to said Assignee’s capital source(s) and financial condition available to the selling Limited Partner, and the Limited Partner shall offer to sell such interest (the “Offered Interest”) to the General Partner (and its designees) and Fund Partners with Commitments of [REDACTED] or more, in each case upon such terms and conditions and in accordance with the provisions hereof (the “First Refusal Offer”); provided, that the General Partner may exclude any Fund Partner from the right to receive such First Refusal Offer if in the General Partner’s reasonable discretion, such exclusion is necessary or desirable for legal, tax or regulatory reasons, such as the General Partner’s determination, in its sole and absolute discretion, that such acquisition would result in (i) a non-exempt prohibited transaction under ERISA or Section 4975 of the Code that would subject the Fund to excise tax penalties under Section 4975 of the Code or (ii) the Fund being deemed to hold Plan Assets of any Benefit Plan Investor; provided, further, that with respect to Transfers by any Limited Partner with a Commitment of less than [REDACTED], the General Partner may, in its sole discretion, (x) waive the requirement of the First Refusal Offer or (y) direct such opportunity to one or more Limited Partners, including the General Partner’s Affiliates. The selling Limited Partner shall make customary representations, warranties and covenants, including that the Offered Interest shall be sold free and clear of any liens, encumbrances, pledges, security interests, restrictions and contractual claims of every kind and nature whatsoever.

(iii) Subject to the conditions set forth in Section 7.2(b)(ii) above, the General Partner (and its designees) and Fund Partners with Commitments of [REDACTED] or more shall have the first right to purchase the Offered Interest at the price set forth in the First Refusal Offer, by giving written notice of acceptance to the selling Limited Partner within ten (10) Business Days after receipt of the First Refusal Offer (the “First Refusal Period”). Such Fund Partners shall be entitled to purchase a pro rata portion of the Offered Interest based on their respective Commitments (and commitments to Parallel Funds, if applicable). In the event one or more Fund Partners do not accept the First Refusal Offer within [REDACTED] Business Days after receiving notice thereof from the General Partner, the General Partner shall be entitled to assign such Fund Partners’ right to purchase the pro rata portion of the Offered Interest to one or more designees (whether third parties, the General Partner and its Affiliates or other Fund Partners) as it shall determine in its sole discretion. The General Partner, its designees and Fund Partners who have accepted the First Refusal Offer shall be obligated to consummate the purchase of the

Offered Interest in accordance with the terms of the First Refusal Offer by the later of (A) the Offer Closing Date or (B) fifteen (15) Business Days after expiration of the First Refusal Period (such later date, the “ROFR Closing Date”). At the General Partner’s sole discretion, the General Partner may elect to treat acceptance of the First Refusal Offer by a Partner and failure to consummate the purchase of such Partner’s pro rata portion of the Offered Interest in accordance with the terms set forth herein as a “Default” of such Partner for purposes of Section 13.3.

(iv)

[REDACTED]

In no event shall the selling Limited Partner Transfer such Offered Interest to the Assignee (or any other Person) either for a price less than, or on terms more favorable to the Assignee (or such other Person) than, the purchase price and the terms stated in the First Refusal Offer without first offering the Fund (and its designees, if any) the option to purchase such Offered Interest in the manner set forth above, at the same price and terms agreed upon between the selling Limited Partner and the proposed Assignee. After the expiration of the ninety (90)-day period, any Transfer will again be subject to this Section 7.2(b).

(c) Deliverables. An assignment by a Limited Partner or an Assignee of any interest in the Fund shall be effected by (i) delivery to the General Partner and the Assignee of an executed instrument of assignment and assumption, reasonably satisfactory in form and substance to the General Partner and the Assignee, and such other documentation (including legal opinions) as the General Partner or legal counsel to the Fund and the Assignee may deem advisable and shall reasonably request; (ii) payment of any expenses, including attorneys’ fees and expenses, incurred by the Fund or the General Partner in connection with such assignment, including all such expenses incurred by the Fund associated with the consummation of the purchase of the Offered Interest pursuant to the First Refusal Offer; and (iii) the written consent by the General Partner to such assignment (unless otherwise provided in Section 7.2(a)).

(d) Assignee’s Rights. Unless an Assignee becomes a Substitute Limited Partner in accordance with the provisions of Section 7.2(e), it shall not be entitled to any of the rights (including voting rights) granted to a Limited Partner hereunder or under the Delaware Act, other than the right to receive (or be allocated) the share of Profits and Losses of the Fund, distributions and any other items attributable to a Limited Partner’s interest to which its assignor would otherwise be entitled. Any Limited Partner that shall Transfer all of its interest in the Fund shall cease to be a Limited Partner; provided, however, that such Limited Partner shall be obligated to fund Capital Calls as provided in Section 2.1 until its Assignee or Assignees shall be admitted as a Substitute Limited Partner or Substitute Limited Partners.

(e) Substitute Limited Partners. No Assignee shall have the right to become a substitute Limited Partner (a “Substitute Limited Partner”) upon Transfer of an interest in the Fund to it unless and until all the following conditions are satisfied:

(i) the duly executed and acknowledged written instrument of assignment and assumption, reasonably satisfactory in form and substance to the General Partner, shall have been filed with the Fund;

(ii) the Limited Partner and the Assignee shall have executed and acknowledged such other instruments and taken such other action as the General Partner shall deem reasonably necessary or desirable to effect such substitution, including the execution by the Assignee of a Subscription Agreement, a counterpart to this Agreement and such documents as are contemplated by Section 13.4;

(iii) the conditions set forth in this Section 7.2 shall have been satisfied, and, if requested by the General Partner, the Limited Partner or the Assignee shall have obtained an opinion of counsel reasonably satisfactory to the General Partner as to the matters set forth in Section 7.2(a) above and such other matters as the General Partner may reasonably request;

(iv) the Limited Partner or the Assignee shall have paid to the Fund such amount of money as is sufficient to cover all reasonable expenses incurred by or on behalf of the Fund in connection with such substitution; and

(v) the General Partner shall have consented, in its sole and absolute discretion, in writing to such substitution.

(f) Allocations. If any interest in the Fund is Transferred during any accounting period in compliance with the provisions of this Section 7.2, Profits and Losses, each item thereof and all other items attributable to such interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during such period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the General Partner. All distributions on or before the date of such Transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making such allocations and distributions, the Fund shall recognize such Transfer on the date of the written assignment and assumption agreement as executed by the General Partner, the transferor and the transferee or, if no such assignment and assumption agreement is executed by such Persons, at such date as the General Partner shall determine in its sole discretion.

(g) Miscellaneous. The Fund and the General Partner shall be entitled to treat the record owner (on the books of the Fund) of any interest in the Fund as the absolute owner thereof in all respects, and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as a written instrument of assignment of such interest has been received and accepted by the General Partner and recorded on the books of the Fund. Any purported Transfer by a Partner or any assignee of a partner of an interest in the Fund that is not in compliance with this Agreement is hereby declared to be null and void and of no force or effect whatsoever.

7.3 No Withdrawal. Without the consent of the General Partner, in its sole discretion, no Limited Partner may withdraw or resign as a Partner nor may a Limited Partner, except as provided in Section 13.3(c)(iii), be required to withdraw or resign, nor may a Limited

[REDACTED]

Partner borrow or, except as described in Section 13.2(e), withdraw any portion of its Funded Commitment.

7.4 No Termination. The death, retirement, resignation, expulsion, bankruptcy, dissolution or any other event that terminates the existence of a Limited Partner shall not, in and of itself, affect the existence of the Fund, and the Fund shall continue for the term of this Agreement until its existence is terminated as provided herein.

7.5 Admission of Limited Partners. A Limited Partner whose Subscription Agreement has been accepted (and not returned) by the General Partner on or prior to the Initial Closing Date shall be admitted as a Partner as of the Initial Closing Date. [REDACTED]

[REDACTED]

[REDACTED] Each such additional Limited Partner shall be admitted as a Partner as of the acceptance of its Subscription Agreement by the General Partner. Each Limited Partner hereby consents to any and all admissions of such additional Limited Partners and the acceptance of any and all such additional Commitments.

[REDACTED]

[REDACTED]

## 7.7 BHC Partners.

(a) Except as provided in this Section 7.7, BHC Interests (whether or not subsequently transferred in whole or in part to any other Person) shall not be entitled to vote or consent with respect to any matter under this Agreement or the Delaware Act, and shall be deemed to have waived any rights to vote or consent with respect to such matters. To the extent permitted by the Delaware Act, BHC Interests shall not be counted as interests of Limited Partners for purposes of determining whether any vote required under this Agreement has been approved by the requisite percentage in interest of the Limited Partners; provided, that each BHC Partner will be permitted to vote such BHC Interest on: (i) any proposal to dissolve or continue the business of the Fund (but not on the selection of any successor general partner), and each BHC Partner irrevocably waives its right to vote its BHC Interest on the selection of a successor general partner under Section 17-801 of the Delaware Act, which waiver shall be binding upon such BHC Partner and any entity that succeeds to its BHC Interests in the Fund, and (ii) matters as to which non-voting shares are permitted to vote pursuant to 12 C.F.R. §225.2(q)(2), as in effect from time to time. Except as provided in the immediately preceding sentence, BHC Interests will not be counted as interests held by any Limited Partner for purposes of determining whether any vote or consent required has been approved under this Agreement or given by the requisite percentage of the Limited Partners. Except as provided in this Section 7.7, BHC Interests will be identical in all regards to all other interests held by Limited Partners.

(b) For purposes of this Agreement:

(i) “BHCA” means the U.S. Bank Holding Company Act of 1956, as amended, and the rules and regulations promulgated thereunder.

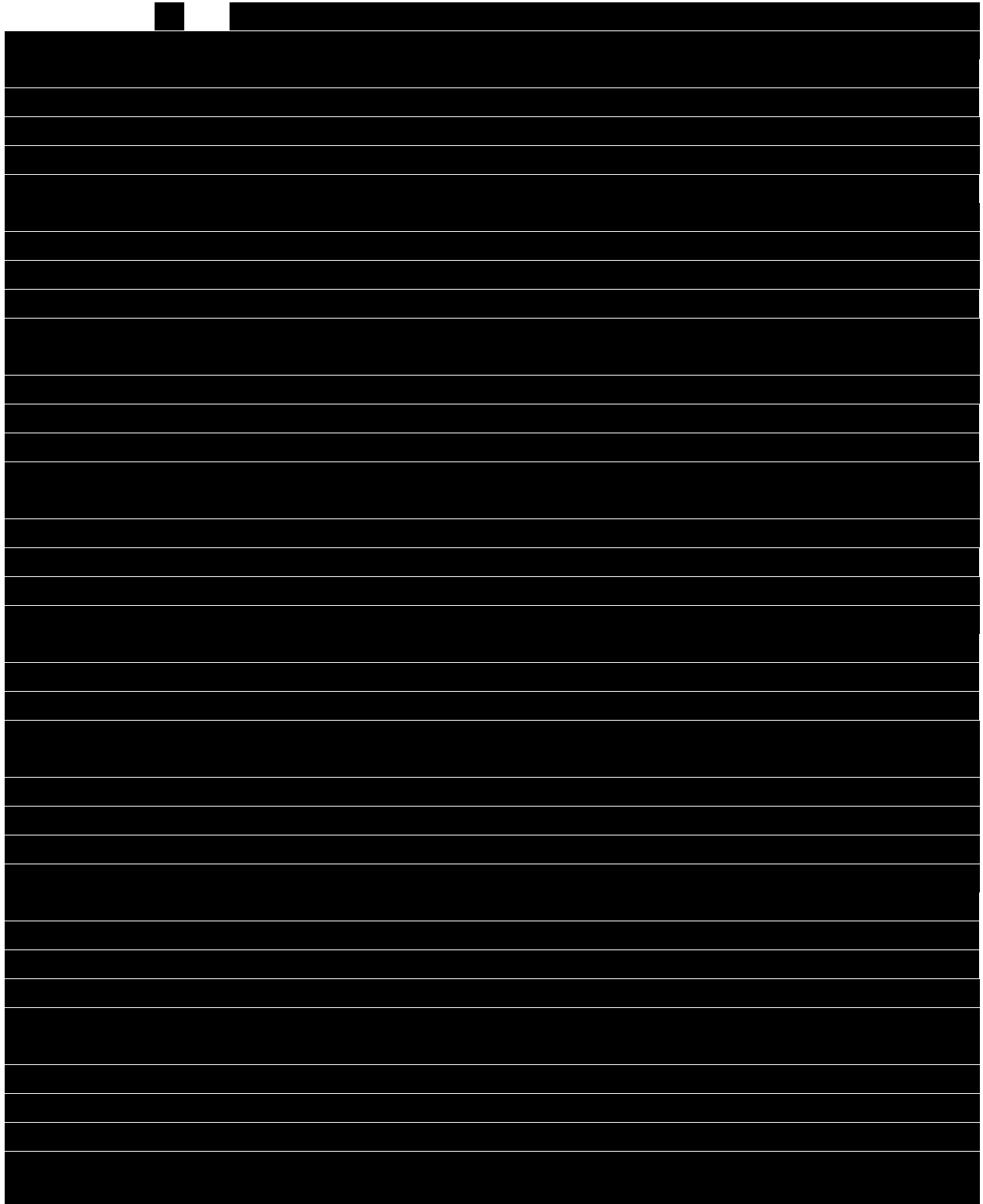
(ii) “BHC Interest” means, as of the date of any determination, that portion of the Commitment or Capital Contributions of a BHC Partner that exceeds 4.99% (or if modified by the BHCA without regard to Section 4(k) of the BHCA, such modified percentage) of total Commitments or Capital Contributions, respectively, of the Limited Partners (other than BHC Interests and any other Limited Partner interests, if any, that are non-voting interests) other than Defaulting Partners. Each BHC Partner and any affiliate (as defined in 12 U.S.C. §1841(k) of such BHC Partner that itself is a BHC Partner shall be considered a single BHC Partner for purposes of calculating a BHC Interest. In the event that the interests of a BHC Partner and such affiliate are determined in the aggregate to include BHC Interests, the BHC Partner and such affiliate may by notice to the General Partner allocate voting and BHC Interests among themselves in such percentages as they may elect.

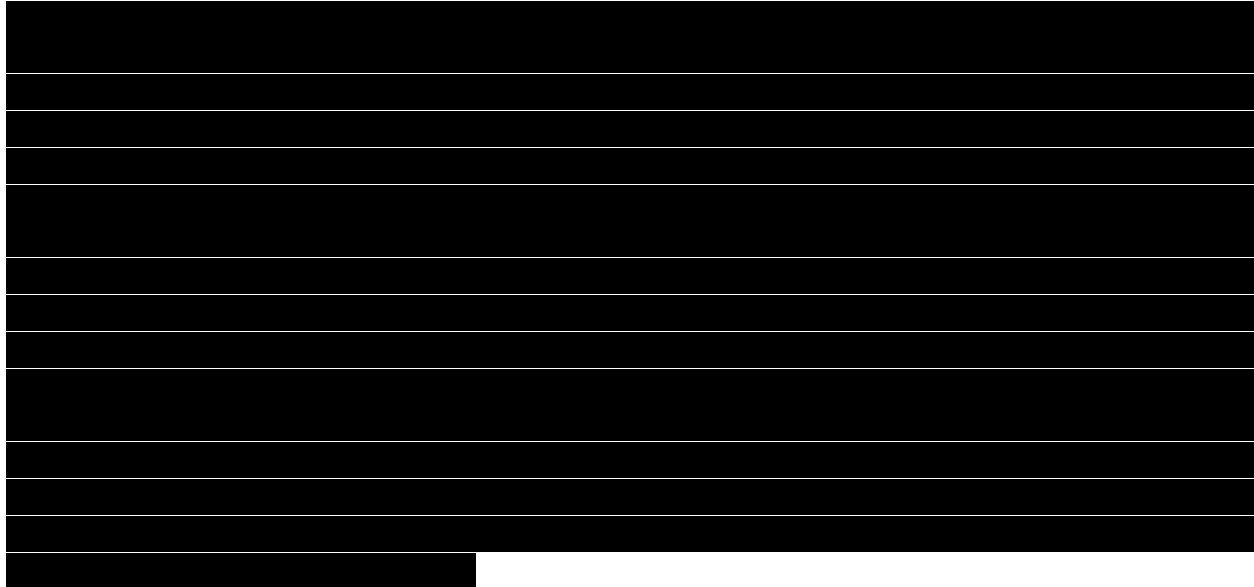
(iii) “BHC Partner” means, as of the date of determination, any Limited Partner that is a bank holding company as defined in 12 U.S.C. §1841(a), or a non-bank subsidiary of such a bank holding company and has notified the General Partner in writing of such status at any time prior to such determination.

## 7.8 Confidentiality of Information.

(a) Upon the request of any Limited Partner, the General Partner and the Fund shall use reasonable best efforts to keep confidential any confidential information obtained by

such parties in such capacities relating to any Limited Partner; provided, however, that the foregoing shall in no way prevent the General Partner from conducting the affairs of the Fund in the ordinary course; provided, further, that the foregoing shall not prevent any such Person from complying with any legal requirements applicable to such Person.





(c) Notwithstanding anything in this Agreement to the contrary, each Partner (and each employee, agent or representative of a Partner) may disclose to any and all Persons, without limitation of any kind, the United States federal income tax treatment and tax structure of the Fund or any transactions undertaken by the Fund, it being understood and agreed that, for this purpose, (i) the name of, or any other identifying information regarding, the Fund or any Partner (or any Affiliate thereof), or any investment or transaction entered into by the Fund or (ii) any performance or other information relating to the Fund or its investments do not constitute such tax treatment or tax structure information.

7.9 Required Code Section 754 Elections. Each Limited Partner hereby agrees and covenants that, with respect to such Partner's interest in the Fund, it shall not make an election under Code Section 732(d) without the prior written consent of the General Partner. Each Limited Partner hereby acknowledges and agrees that the Fund may, but shall not be obligated to, elect to be treated as an electing investment fund under Code Section 743(e) in the event the Fund qualifies to do so. In such event, each transferring Limited Partner hereby agrees to provide the Fund and its transferee with the timely notice required in IRS Notice 2005-32, or any successor guidance or interpretations(s), including such information as is necessary to enable such transferee to compute the amount of losses disallowed under Code Section 743(e). Alternatively, in the event that the Fund elects or is required to adjust the basis of the Fund property under Code Section 743, each Limited Partner hereby agrees to promptly provide the General Partner with any information reasonably requested by the General Partner in connection with such adjustment to the basis of Fund property. In addition, to the extent that the transfer to a Limited Partner (or the transfer of interests in a Limited Partner) results in the Fund adjusting the basis of Fund property, each Limited Partner that receives an interest in the Fund by reason of such transfer (or, in the case of the transfer of interest in a Limited Partner, such Limited Partner) hereby agrees to reimburse the Fund and/or the General Partner within ten (10) Business Days for any expenses (including accounting fees) reasonably incurred by the Fund and/or the General Partner (and their respective affiliates) in connection with effecting such adjustments to the basis of Fund property as it relates to such transfer. The General Partner is hereby authorized by each Limited Partner, with respect to any distribution to which such Limited Partner might

otherwise be entitled, to defer making such distribution to such Limited Partner, if at the time such distribution would otherwise be effected, such Limited Partner has not satisfied its obligation to make the reimbursements provided for in the preceding sentence within the period specified therein. The General Partner may further apply the amount of any such distribution to satisfy all or any part of such Limited Partner's obligation (in which case such amounts shall be deemed to have been distributed to such Limited Partner and then paid by such Limited Partner in full or partial satisfaction of such obligations). In the event that any such distribution consists of non-cash assets, the General Partner may, on behalf of such Limited Partner, cause the Fund to sell or otherwise liquidate such in-kind distribution upon such terms and conditions, and at such times, as the General Partner in its sole discretion deems appropriate, and apply the proceeds of such sale or other liquidation, net of transaction fees and other expenses, to satisfy all or any part of such Limited Partner's obligation that is then due. Subject to compliance with the Fractions Rule, items of Profit and Loss generated from the holding or disposition of any such deferred distribution shall be allocated solely to the Capital Account of the Limited Partner on whose behalf such amounts are held, and the corresponding items of net taxable income, gain, loss and deduction shall, to the maximum extent possible, also be allocated solely to such Limited Partner.

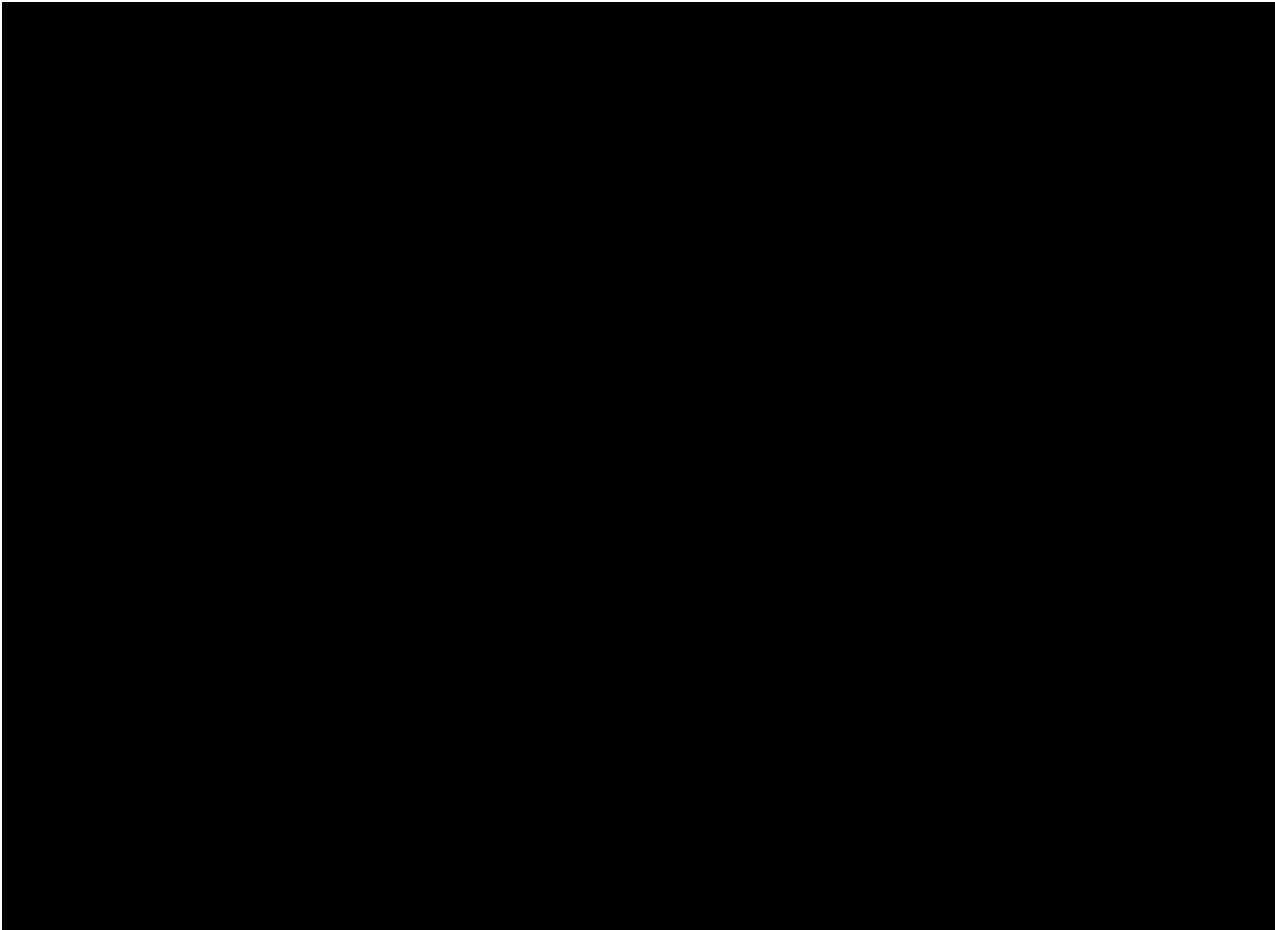
7.10 General Partner as Limited Partner. To the extent the General Partner makes a Capital Contribution, such Capital Contribution shall be deemed to be a Capital Contribution by a Limited Partner. The General Partner shall also be a Limited Partner to the extent that it acquires by Transfer or otherwise all or any part of the interest of a Limited Partner, and to such extent shall be treated as a Limited Partner in all respects.

## ARTICLE VIII

### ADVISORY BOARD

8.1 General. As soon as practicable following the Initial Closing Date, an advisory board for the Fund and the Parallel Funds (the "Advisory Board") shall be established consisting of five members or such greater number as the General Partner may determine and the General Partner agrees to use reasonable efforts to maintain the Advisory Board with at least five members. The members of the Advisory Board shall be designated by the General Partner; provided, that (a) such members shall not be Affiliates of the General Partner and (b) the General Partner may designate representatives of the General Partner who may be Affiliates of the General Partner and who shall be entitled to participate in each meeting of the Advisory Board; and provided, further, that all Advisory Board members shall be Fund Partners or directors, officers, representatives or partners of Fund Partners. For the avoidance of doubt, representatives of the General Partner are not members of the Advisory Board and do not vote. Notwithstanding anything in this Article VIII to the contrary, the General Partner shall have the right to remove an Advisory Board member at any time after the Limited Partner that such member represents becomes a Defaulting Partner.





8.3 Operation of the Advisory Board.

(a) Each member of the Advisory Board shall hold office until his or her successor is appointed or until such member's earlier resignation or removal. Any member of the Advisory Board may resign at any time upon written notice to the General Partner. [REDACTED]



(b) [REDACTED]



[REDACTED] The attendance of a member of the Advisory Board at a meeting shall constitute a waiver of notice of such meeting. Any notice hereinabove provided for may be waived at any time, whether before or after the event, by written waiver, a signed copy of which waiver shall be retained by the General Partner. [REDACTED]



[REDACTED] If a member of the Advisory Board is unable to attend a meeting, the Limited Partner that such member represents may, with the General Partner's prior consent, appoint a replacement Advisory Board member for the sole purpose of attending and participating in such meeting on such Limited Partner's behalf and such replacement shall be deemed to be an Advisory Board member for all purposes of such meeting and shall be deemed immediately removed from the Advisory Board immediately following such meeting and

automatically replaced by the Advisory Board member such Person was replacing.

(c) Any action required or permitted to be taken at any meeting of the Advisory Board may be taken without a meeting if all members of the Advisory Board consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Advisory Board.

(d) Members of the Advisory Board may participate in a meeting of the Advisory Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

8.4 Expenses.

(a) The Fund shall reimburse members of the Advisory Board for reasonable travel expenses incurred in connection with their service on the Advisory Board.

8.5 Reports. The General Partner shall use all commercially reasonable efforts to provide the members of the Advisory Board with written notice of all matters to be discussed at each meeting of the Advisory Board at least [REDACTED] Business Days prior to such meeting. The General Partner shall furnish to the Advisory Board:

(a) [REDACTED]

(b) any other information reasonably requested by the Advisory Board to enable it to be fully informed about the investments, business and affairs of the Fund.

ARTICLE IX

DURATION, TERMINATION AND DISSOLUTION

9.1 Duration. [REDACTED]

9.2 Dissolution of the Fund. T

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

9.3 Winding-Up the Fund.

(a) Upon dissolution of the Fund, the business and affairs of the Fund shall be wound up as provided in this Section 9.3. The General Partner shall act as the "Liquidator;" provided, that if the Fund has been dissolved pursuant to Section 9.2(a), the Liquidator shall be a Person approved by a Majority in Interest of the Fund Partners that are not the General Partner or Affiliates of the General Partner. The Liquidator shall wind up the affairs of the Fund, shall

dispose of such Fund Assets as it deems necessary or appropriate and shall pay and distribute the assets of the Fund, including the proceeds of any such disposition, as follows:

(i) first, to creditors, including Partners who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Fund (whether by payment or by establishment of reserves as determined by the Liquidator in its sole discretion), other than distributions to Partners pursuant to Article IV; and

(ii) second, to the Partners in accordance with Section 4.3.

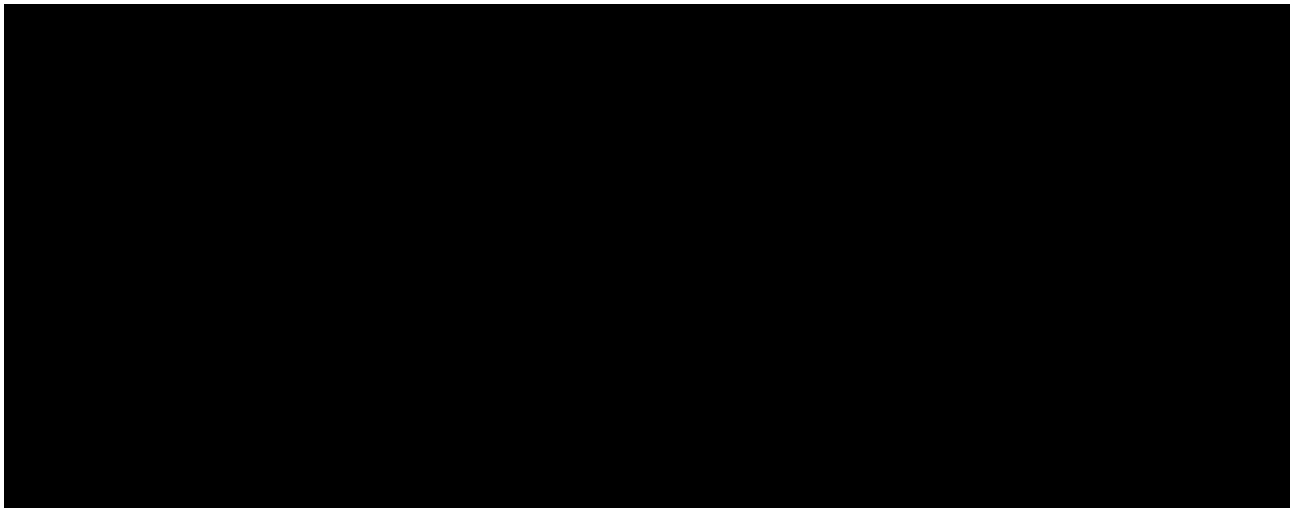
(b)




To the extent that the receipt of in-kind distributions or the possession of such securities or interests by a BHC Partner would violate the BHCA without regard to Section 4(k) thereof, such BHC Partner shall receive cash in lieu of such in-kind distributions. To the extent that the receipt of in-kind distributions or the possession of such securities or interests by a Benefit Plan Investor would violate ERISA, such Benefit Plan Investor shall receive cash in lieu of such in-kind distributions.

(c) Each Limited Partner shall look solely to the assets of the Fund for all distributions with respect to the Fund, its Capital Account, its Funded Commitment and its share of Profits, Losses and other tax items, and shall have no recourse therefor (upon dissolution or otherwise) against the General Partner (except as provided herein), the Liquidator or any other Limited Partner (or any of their Affiliates).

9.4 General Partner Claw-Back.





(b) To the extent not appropriately treated as a deficit restoration obligation for income tax purposes pursuant to the provisions of Section 704 and Section 514 of the Code, amounts contributed and distributed pursuant to Section 9.4(a) shall be treated as a guaranteed payment pursuant to Section 707 of the Code.

## ARTICLE X

### BOOKS OF ACCOUNT, REPORTS AND INFORMATION

10.1 Books of Account. The Fund shall maintain complete and accurate books of account of the Fund's affairs at the Fund's principal office. The Fund's books of account shall be kept on the accrual basis. The funds of the Fund shall not be commingled with the funds of any other Person, except in connection with investments made with other Persons in Fund Assets.

10.2 Fiscal Year. The fiscal year of the Fund shall be the Taxable Year set forth in Section 11.2, unless otherwise determined by the General Partner. The General Partner shall provide written notice to the Partners of any determination to change the fiscal year of the Fund.

10.3 Reports. The General Partner shall furnish each Limited Partner:

(a) within [REDACTED] after the end of each fiscal quarter following the first fiscal quarter in which Commitments have been Funded or the Fund has drawn on a line of credit under a Facility (other than the fiscal quarter in which the fiscal year ends), unaudited quarterly financial statements of the Fund (prepared on a fair value basis in accordance with U.S. generally accepted accounting principles consistently applied), a status report on the Fund Assets and a good faith estimate of the General Partner of the net asset value of the Limited Partner's interest in the Fund;

(b) within [REDACTED] after the end of each fiscal year, beginning with the first fiscal year in which Commitments have been funded or the Fund has drawn on a line of credit under a Facility, audited financial statements of the Fund for such fiscal year (prepared on a fair value basis in accordance with U.S. generally accepted accounting principles consistently applied and accompanied by an auditor's report of a firm of independent public accountants of recognized national standing selected by the General Partner); and

(c) within one hundred and twenty (120) days after the end of each Taxable Year, information on Schedule K-1 for the Fund and such other information as may be necessary for Partners to complete their tax returns (provided, that such documents shall be subject to timely revision based on information not reasonably available to the General Partner within such one hundred and twenty (120)-day time period).

10.4 Annual Meeting. The General Partner shall hold annually a general informational meeting for the Limited Partners. The Fund shall bear the cost of the annual meeting.

10.5 Access to Information. [REDACTED]

10.6 Access to Books and Records. [REDACTED]

## ARTICLE XI

### CERTAIN TAX MATTERS

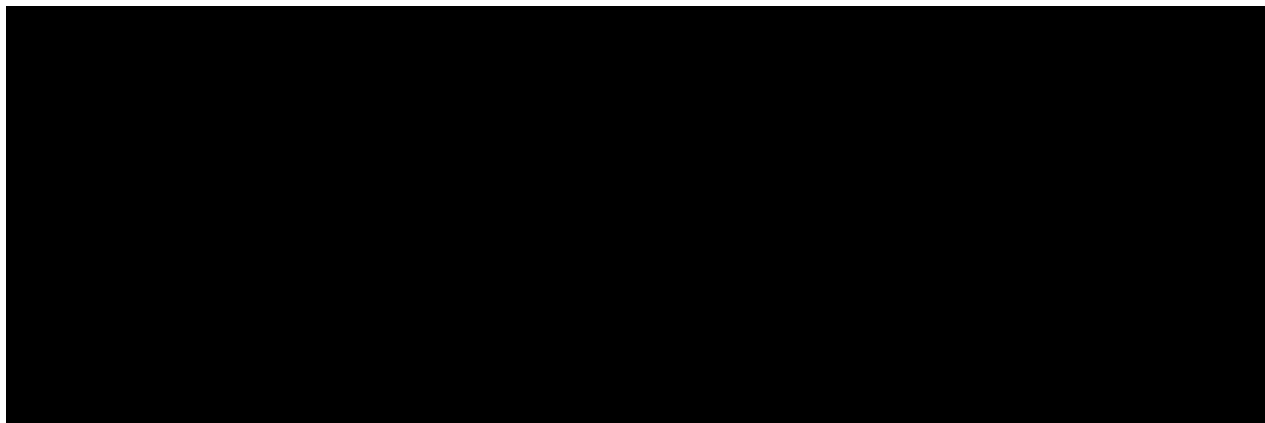
11.1 Preparation of Tax Returns. The General Partner shall arrange for the preparation and timely filing of all tax returns required to be filed by the Fund.

11.2 Tax Elections. The “Taxable Year” shall be the calendar year, unless the General Partner shall determine otherwise in compliance with applicable law. The General Partner may make on behalf of the Fund the election referred to in Code Section 754 and may seek to revoke such election if it determines that such election or revocation is in the Fund’s best interest. The General Partner shall determine whether to make or revoke any other available election pursuant to the Code. Upon request of the General Partner, each Limited Partner shall supply the information necessary to give proper effect to any such election or revocation.

11.3 Tax Controversies. The General Partner is hereby designated the “Tax Matters Partner” (as defined in Code Section 6231), and is authorized and required to represent the Fund (at the Fund’s expense) in connection with all examinations of the Fund’s business and affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Fund funds for professional services and costs associated therewith. Each Limited Partner agrees to cooperate with the General Partner and to do or refrain from doing any or all things reasonably requested by the General Partner with respect to the conduct of such proceedings. The General Partner shall provide the Limited Partners with all notices required to

be provided to them by law in connection with such proceedings, and shall otherwise keep the Limited Partners reasonably informed of the progress thereof.

11.4 Certain Tax Elections. The Fund shall not file an election (i) pursuant to Code Section 761 not to be treated as a partnership or (ii) pursuant to Treasury Regulation Section 301.7701-3(c) to be treated as an association taxable as a corporation.



11.6 Code Section 83 Safe Harbor Election.

(a) By executing this Agreement, each Partner authorizes and directs the Fund to elect to have the “Safe Harbor” described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43 (the “Notice”) apply to any interest in the Fund transferred to a service provider by the Fund on or after the effective date of such Revenue Procedure in connection with services provided to the Fund. For purposes of making such Safe Harbor election, the General Partner is hereby designated as the “partner who has responsibility for federal income tax reporting” by the Fund and, accordingly, execution of such Safe Harbor election by the General Partner constitutes execution of a “Safe Harbor Election” in accordance with section 3.03(1) of the Notice. The Fund and each Partner hereby agrees to comply with all requirements of the Safe Harbor described in the Notice, including the requirement that each Partner shall prepare and file all federal income tax returns reporting the income tax effects of each Safe Harbor interest issued by the Fund in a manner consistent with the requirements of the Notice.

(b) Unless otherwise agreed by the General Partner (on its own behalf or on behalf of the Fund) in writing, any Partner that fails to comply with requirements set forth in Section 11.6(a) shall indemnify and hold harmless the Fund and each adversely affected Partner from and against any and all losses, liabilities, taxes, damages, judgments, fines, costs, penalties, amounts paid in settlement and reasonable out-of-pocket costs and expenses incurred in connection therewith (including costs and expenses of suits and proceedings, and reasonable fees and disbursements of counsel), in each case resulting from such Partner’s failure to comply with such requirements. The General Partner may offset distributions to which a Person is otherwise entitled under this Agreement against such Person’s obligation to indemnify the Fund and any other Person under this Section 11.6(b) (and any amount so offset with respect to such Person’s obligation to indemnify a Person other than the Fund shall be paid over to such other Person by the Fund). A Partner’s obligations to comply with the requirements of Section 11.6(a) and to

indemnify the Fund and any Partner under this Section 11.6(b) shall survive such Partner's ceasing to be a Partner of the Fund and/or the termination, dissolution, liquidation and winding up of the Fund, and, for purposes of this Section 11.6(b), the Fund shall be treated as continuing in existence. The Fund and any Partner may pursue and enforce all rights and remedies it may have against each Partner under this Section 11.6(b), including (i) instituting a lawsuit to collect such indemnification and contribution, with interest calculated, from time to time, at a rate equal to 9% per annum, compounded on the last day of each fiscal quarter and (ii) specific performance and/or immediately injunctive or other equitable relief from any court of competent jurisdiction (without the necessity of showing actual money damages, or posting any bond or other security) in order to enforce or prevent any violation of the provisions of Section 11.6(a).

(c) Each Partner authorizes the General Partner to amend Sections 11.6(a) and 11.6(b) to the extent necessary to achieve substantially the same tax treatment with respect to any interest in the Fund transferred to a service provider by the Fund in connection with services provided to the Fund as set forth in section 4 of the Notice (e.g., to reflect changes from the rules set forth in the Notice in subsequent Internal Revenue Service guidance), provided, that such amendment is not adverse to any Partner (as compared with the after-tax consequences that would result if the provisions of the Notice applied to all interests in the Fund transferred to a service provider by the Fund in connection with services provided to the Fund).

11.7 Excess Nonrecourse Liabilities. For purposes of allocating excess nonrecourse liabilities under Treasury Regulation Section 1.752-3(a)(3), the "partners interest in partnership profits" shall be determined by reference to allocations of Profits pursuant to Section 3.1(d).

11.8 REIT Provisions.

(a)

[REDACTED]

(b)

[REDACTED]

(c) Each Limited Partner hereby represents to the General Partner that it has had the opportunity to review the provisions of Article V of the REIT Operating Agreement, which sets forth, among other things, certain restrictions on direct and indirect transfers of equity interests in each REIT Subsidiary and the circumstances in which equity interests in a REIT Subsidiary will be converted into Excess Shares. Notwithstanding any other provision of this Agreement, in the event that (i) any interest in the Fund is Transferred or any direct or indirect ownership interest in any Limited Partner is Transferred and (ii) as a result of such Transfer, the



interests in any REIT Subsidiary that are held by the Fund are converted into Excess Shares pursuant to such REIT Operating Agreement, then (A) the transferee of the interests in the Fund or the Limited Partner whose ownership interests were Transferred, as the case may be, shall (1) repay to the Fund the amount of any distributions received by it from the Fund that are attributable to any interests in such REIT Subsidiary that are held by the Fund that are designated as Excess Shares and that were received on or after the date that such shares became Excess Shares, and (2) have its right to distributions pursuant to this Agreement reduced by an amount equal to the sum of the amount of cash and the fair market value of any property received by the Excess Share Trust with respect to such Excess Shares and distributed by the Excess Share Trust to the Charitable Beneficiary or used by the Excess Share Trust to pay its expenses, (B) the allocations of income, gain, loss or expense of the Fund pursuant to Section 3.1 or Section 3.2 shall be adjusted to the extent necessary to reflect the rights and obligations of such Transferee or Limited Partner as described in clause (A) of this sentence and (C) for purposes of determining such transferee's or Limited Partner's Beneficial Ownership of the interests in such REIT Subsidiary, any interests in the REIT Subsidiary that otherwise would be Beneficially Owned by such transferee or Limited Partner (but for the transfer to the Trust) shall be reduced by such number of Excess Shares. [REDACTED]

[REDACTED]

(d) [REDACTED]

[REDACTED]

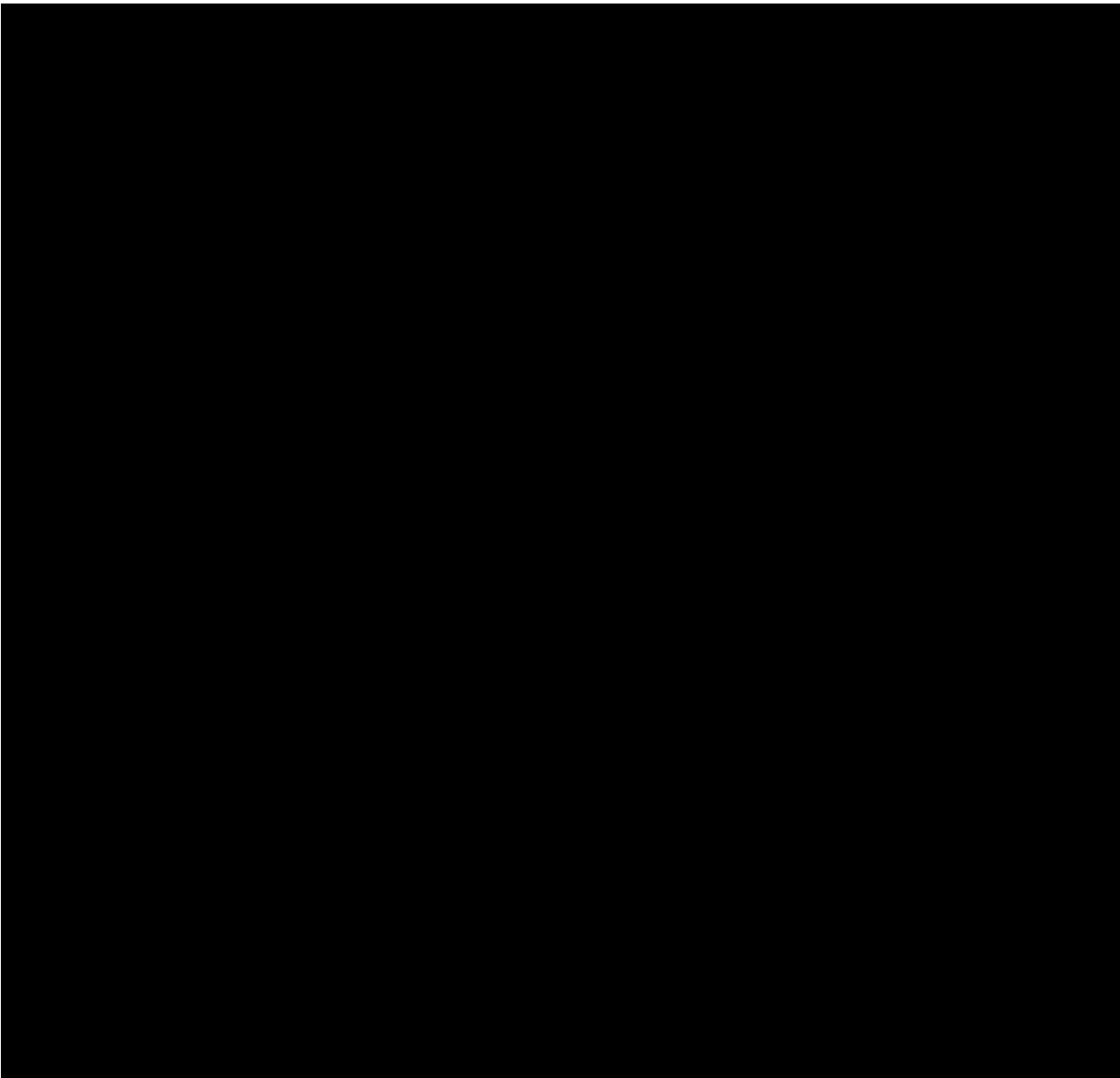
11.9 Tax Information. Each Partner shall provide the General Partner and the Fund with any information available to such Partner, representations, certificates or forms relating to such Partner (or its direct or indirect owners or account holders) that are requested from time to time by the General Partner and that the General Partner determines in good faith are necessary in order for any Fund entity to (i) satisfy any requirement imposed under Code Sections 1471 through 1474 in order to avoid any withholding required under Code Sections 1471 through 1474 (including any withholding upon any payments to such Partner under this Agreement) or (ii) comply with any reporting or withholding requirements under Code Sections 1471 through 1474. In addition, each Partner shall take such actions as the General Partner may reasonably request in connection with the foregoing.

## ARTICLE XII

### RELATIONSHIPS BETWEEN THE FUND AND THE PARTNERS

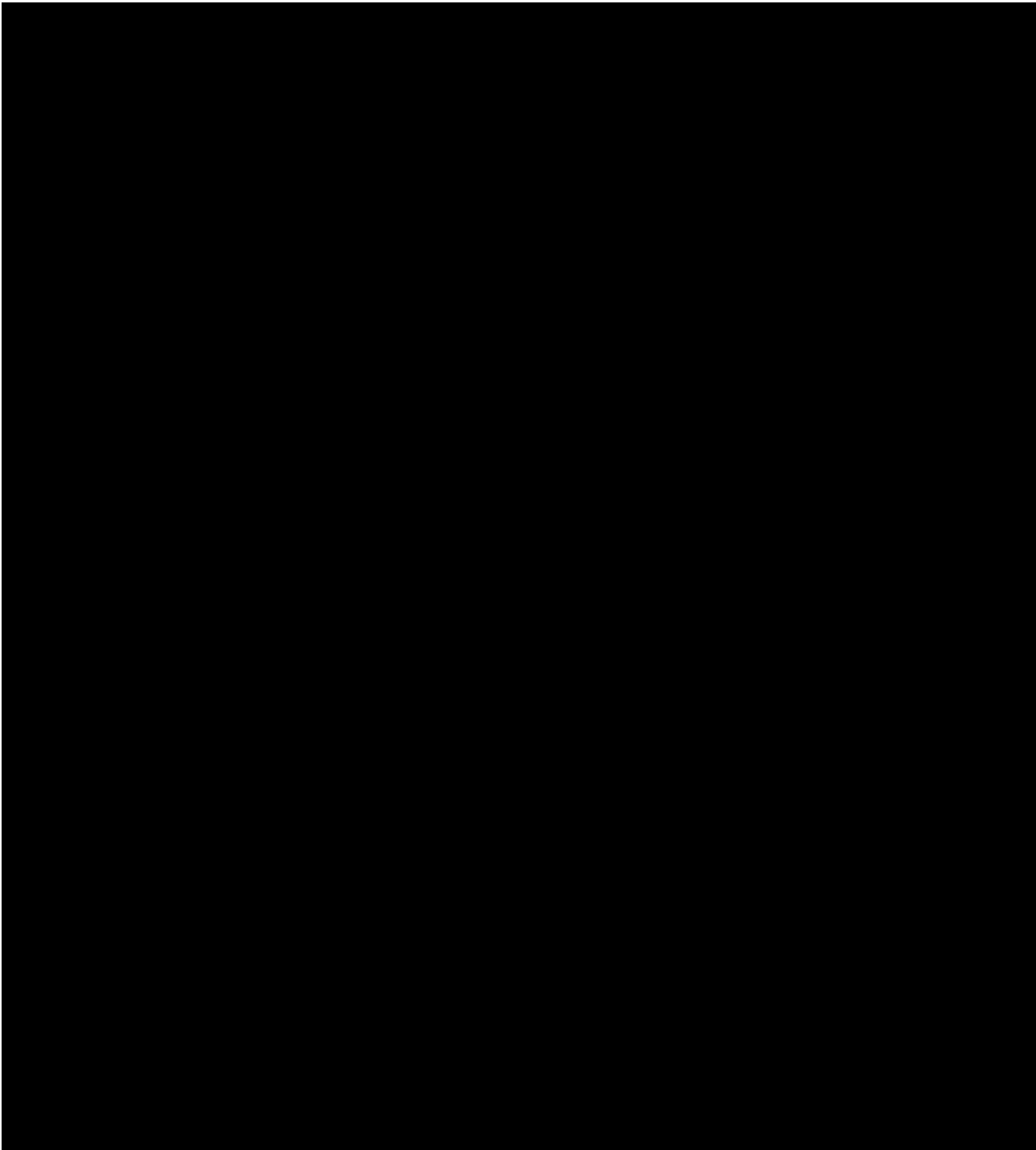
12.1 Transactions with Affiliates.

(a) Any Limited Partner, its Affiliates and any of their respective officers, directors, employees, shareholders, partners and trustees (and any other Person to which any of the foregoing are related or in which any of the foregoing are interested), may be employed by or on behalf of the Fund and may transact other business with the Fund (whether as a buyer, seller, lessor, lessee, manager, broker, agent, trustee, provider of services, lender or otherwise) and shall, subject to applicable law, have the same rights and obligations to the Fund as a Person who is not a Partner, including the right to receive from the Fund a fair and reasonable compensation, price, fee, commission or other payment therefor. Neither the Fund nor any Partner shall have, as a consequence of the relationships created hereby and by the Operating Company Agreements, any rights in or to any income or profits derived from such employment or other transactions or relationships.



12.2 Right of First Opportunity; Co-Investment.

[REDACTED]



12.3 Other Activities.

(a) Subject to Section 12.2 in the case of the General Partner and the Associates, (i) any Partner, its Affiliates and any of their respective officers, directors, employees, shareholders, partners and trustees (and any other Person to which any of the foregoing are related or in which any of the foregoing are interested), from time to time for its, his or her own account or for the account of others, may invest in or possess Real Estate Assets, may engage in other business ventures of any nature and may render services (including

investment advisory services) of any kind to other business ventures of any nature and (ii) the fact that a Partner may encounter opportunities to purchase, otherwise acquire, lease, sell or otherwise dispose of Real Estate Assets, other assets or other business ventures and may take advantage of such opportunities itself or introduce such opportunities to entities in which it has or does not have any interest shall not subject such Partner to liability to the Fund or to any of the other Partners on account of the lost opportunity. Neither the Fund nor any Partner shall, by virtue of this Agreement, the Operating Company Agreements or the relationships created hereby or thereby, have any interest in or to such investments or ventures (or the income or profits derived therefrom) or be entitled to participate therein, and the pursuit of such investments and ventures, even though competitive with the business of the Fund, shall not be deemed wrongful or improper. Nothing in this Agreement or any Operating Company Agreement shall be deemed to prohibit any Partner or any Affiliate of any Partner from dealing with, or otherwise engaging in business with, any other Partner or any Person transacting business with the Fund.

(b)

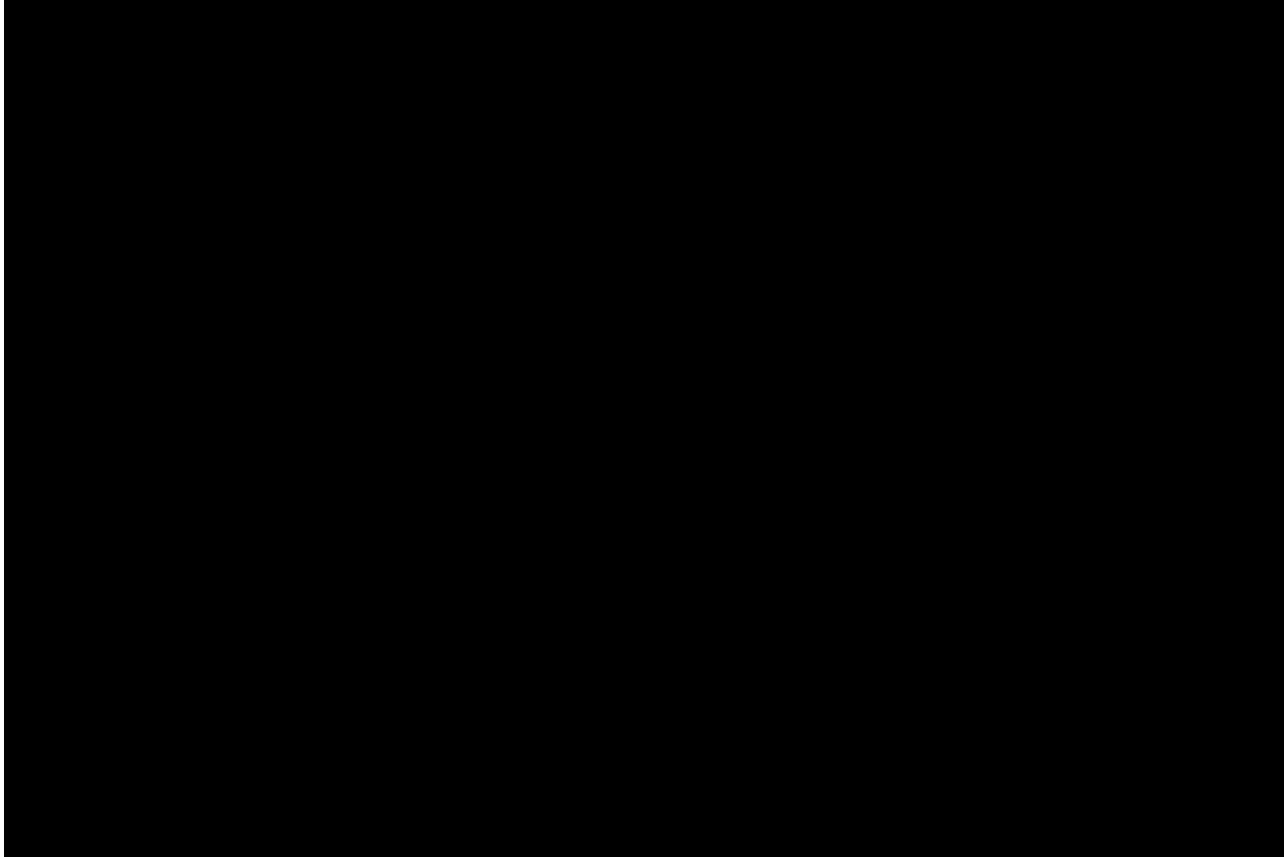
[REDACTED]

(c)

[REDACTED]



12.4 Key Person Provisions.

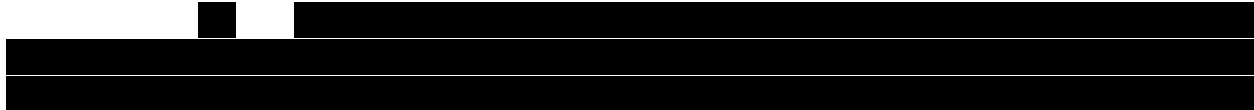


ARTICLE XIII

OTHER FUND MATTERS

13.1 Operating Companies.

(a) The General Partner intends to organize and capitalize one or more Operating Companies for the purpose of pursuing investments in Fund Assets. Each Partner who participates in an Operating Company shall be deemed to participate in each Fund Asset held by such Operating Company pro rata based on the portion of the Funded Commitment of such Partner with respect to or that relates to such Operating Company. The General Partner shall in good faith make all determinations as to the amount required to fund an Operating Company and the amount of each Partner's Funded Commitment attributable to each Fund Asset.





13.2 Participation in Investments.

(a) No later than the time a Capital Call is made with respect to a particular proposed investment in a Fund Asset, the General Partner shall give each Partner written notice of such investment, which notice shall contain such information as the General Partner deems reasonably necessary in connection with determining whether a Partner may be excused from participating in such investment pursuant to such Partner's Subscription Agreement. At any time prior to making a particular proposed investment in a Fund Asset, a Partner may be excused by

the General Partner from participating in such proposed investment in the manner set forth in such Partner's Subscription Agreement.

(b) At any time prior to making a particular investment in a Fund Asset, the General Partner may exclude any Partner from participating in such investment if: (i) in the opinion of the General Partner (based to the extent deemed appropriate upon the advice of counsel), such participation would conflict with legal or regulatory requirements applicable to such Partner, or (ii) the General Partner determines that the investment should be limited to current investors who are Partners at the time of making the investment and disclosure of exclusion from such investment is made to future investors before becoming Partners in the Fund.

(c) If any Partner has been excused or excluded from participating in any investment in a particular proposed Fund Asset, or otherwise is precluded due to reasonable regulatory considerations as determined by the General Partner in its sole discretion, such investment shall not be made by the Fund but shall instead be made by a limited partnership, limited liability company or similar entity (an "Alternative Investment Vehicle") owned by all of the Partners (together with the Parallel Funds, if any) who have not been so excused or excluded. Each Alternative Investment Vehicle shall be established pursuant to and governed by an agreement with substantially identical terms to the terms of this Agreement. The Partners (including the General Partner and its Affiliates with respect to their Commitments as Partners and including the Parallel Funds, if any) who have not been so excused or excluded shall contribute to each Alternative Investment Vehicle all of the amounts required to fund such Alternative Investment Vehicle, with each such Partner contributing its pro rata portion of such amounts (based on the Commitments of the Partners participating in such Alternative Investment Vehicle) up to such Partner's then Unfunded Commitment.

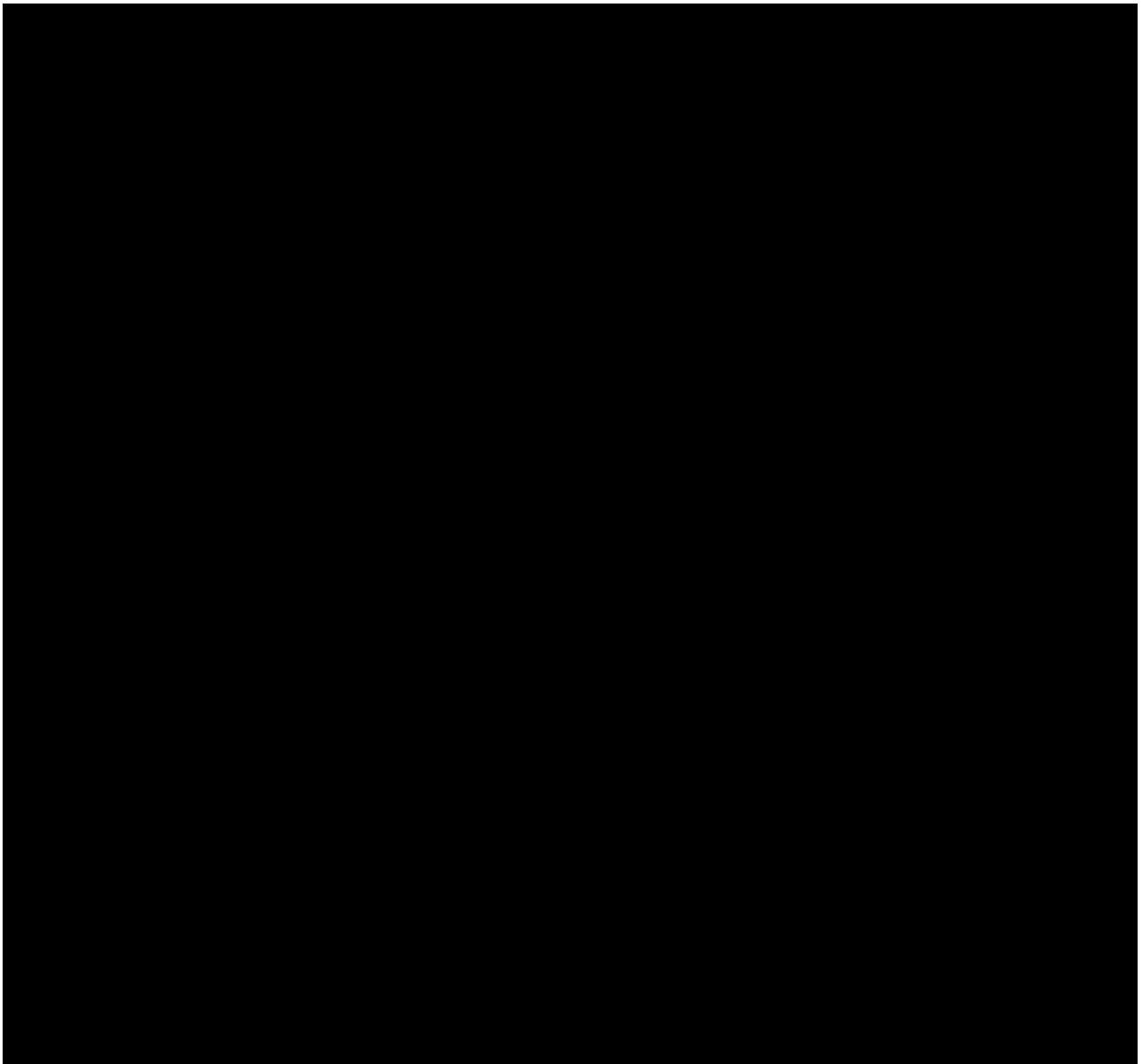
(d) If and to the extent additional funds are required to make an investment in an Alternative Investment Vehicle because a Partner has been excused or excluded from participating therein, each Partner who will participate in such Alternative Investment Vehicle shall, upon five (5) Business Days' prior written notice, pay by wire transfer of immediately available funds on the day and in the amounts and to the account or accounts specified by the General Partner its pro rata share (based on the Funded Commitments of the Partners participating in such Alternative Investment Vehicle) of the additional funds required up to such Partner's then Unfunded Commitment; provided, that no Limited Partner shall, without such Limited Partner's consent, be obligated to fund a Capital Call with respect to any one investment in an Alternative Investment Vehicle if such Capital Call would exceed █████ of the Limited Partner's Commitment.

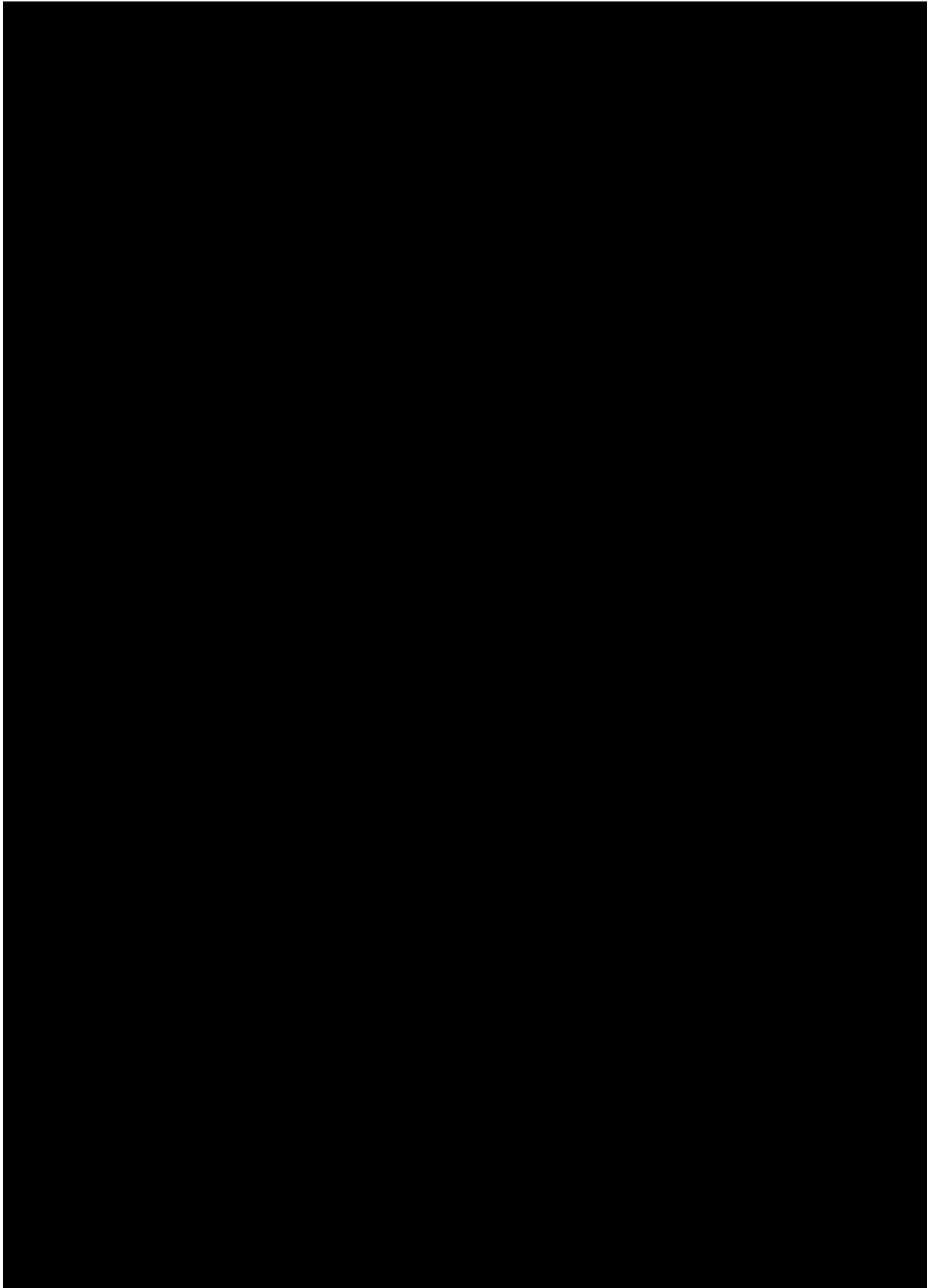
(e) To the extent a Partner who has been excused or excluded from participating in an Alternative Investment Vehicle has met a Capital Call all or a portion of which is attributable to such investment, that portion of such Capital Call attributable to such investment shall be promptly refunded to such Partner without interest. The Commitment of each Partner who has been excused or excluded from participating in the Alternative Investment Vehicle shall be reduced by an amount equal to the amount of the Capital Call made with respect to such investment pursuant to Section 13.2(a).

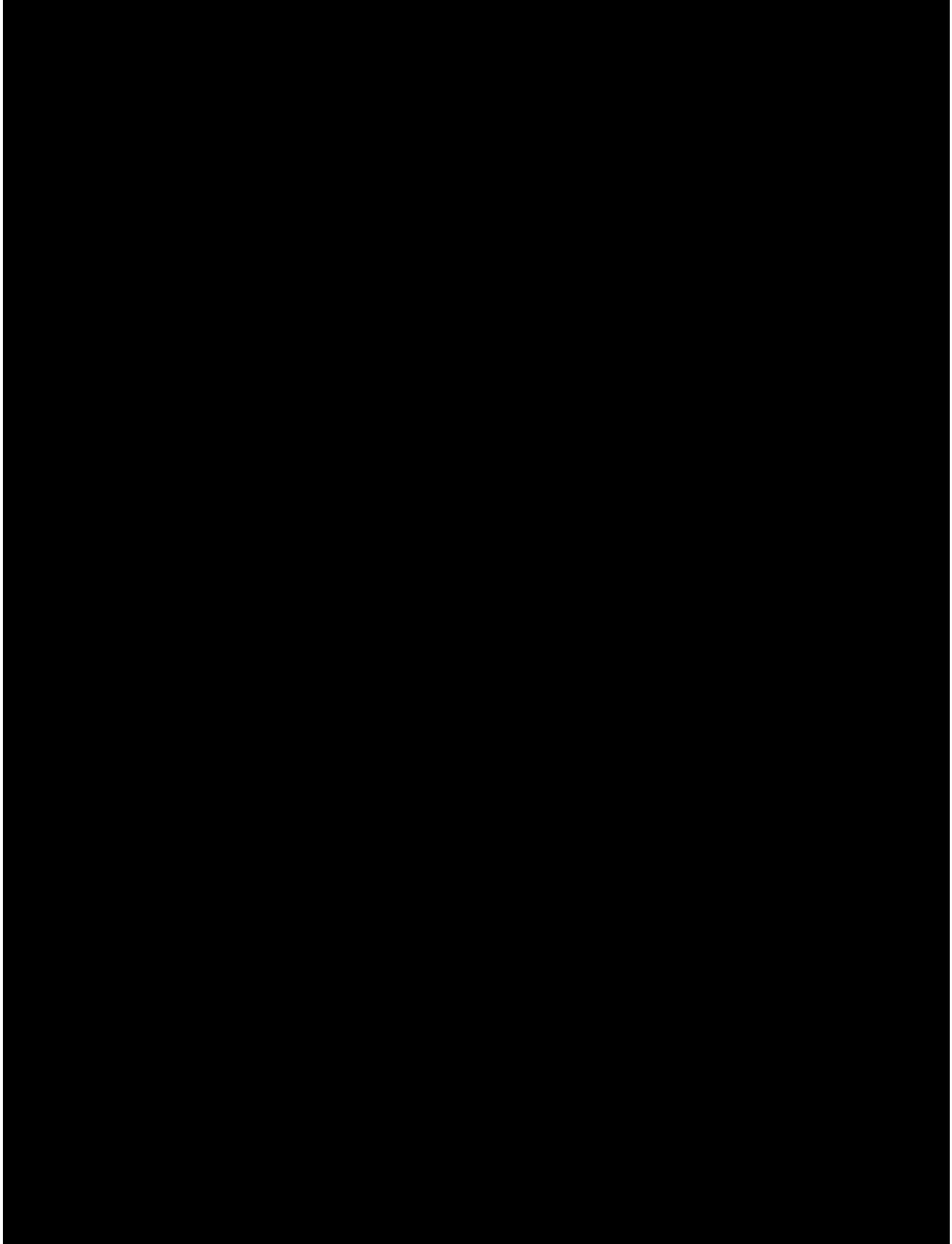


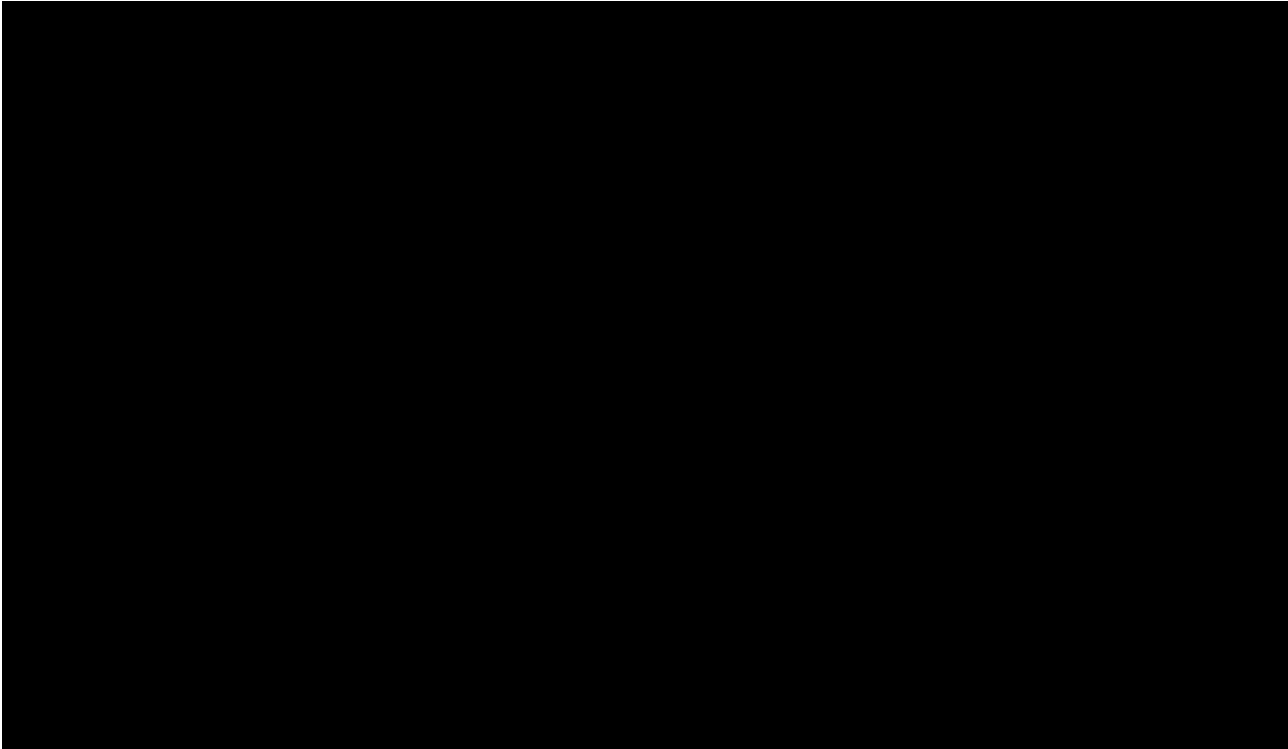
(f) Notwithstanding anything to the contrary herein, the General Partner may also cause certain Limited Partners to fund a portion of their Commitments with respect to a proposed Fund Asset in one or more Alternative Investment Vehicles or in different classes of securities of an Alternative Investment Vehicle, where the legal nature of an investment in that proposed Fund Asset will (i) permit only certain investors (e.g., tax-exempt investors or qualifying pension plans) to hold direct interests (or certain classes of interests) therein or (ii) provide, in the General Partner's good faith determination, overall tax efficiencies not otherwise obtainable if the proposed Fund Asset were acquired directly by the Fund; provided, however, that the General Partner shall use all reasonable efforts to provide that, following the formation of any such Alternative Investment Vehicle or different classes of securities, the Limited Partners shall be entitled to receive substantially similar economic results as otherwise provided in this Agreement.

13.3 Late Payments and Defaults on Capital Calls.









#### 13.4 Standby Funding Arrangement.

(a) In order to ensure that funds are available on short notice to make investments in Fund Assets and to fund Management Fees, Acquisition Fees and other expenses of the Fund, the General Partner may seek and maintain a standby funding arrangement with a third party lender (a “Facility”), including one backed by a guarantee of the Fund or by Fund Assets or the Commitments of the Fund Partners, in an amount that, on and after the Final Closing Date, shall not exceed [REDACTED] of the Fund Partners’ aggregate Commitments. In the event such a Facility is so backed by Commitments, and to the extent funds are advanced against the Commitment of a particular Partner because a Partner is late in funding or defaults on a Capital Call as contemplated by Section 13.3, such Partner shall be responsible for any interest expense in connection with such advance. Any such expenses shall be withheld from distributions otherwise to be made to such Partner, and, to the extent such expenses exceed such distributions, such Partner shall pay the amount of such excess to the Fund in the manner and at the time or times required by the General Partner. Any such excess shall not be credited to such Partner’s Capital Account. For purposes of this Agreement, any amount withheld from a Partner and paid to a third party lender shall be paid to the third party lender on behalf of such Partner and shall be treated as if distributed to such Partner.

(b) Each Limited Partner understands and acknowledges that the General Partner may, in connection with any such Facility and for the benefit of any third party lender thereunder, (i) from time to time request to the extent otherwise publicly available, the delivery within ninety (90) days after the end of such Limited Partner’s fiscal year, a copy of such Limited Partner’s annual report, if available, or balance sheet as of the end of such fiscal year and the related statements of operations for such fiscal year prepared or reviewed by independent public accountants in connection with such Limited Partner’s annual reporting requirements; (ii) from time to time request a certificate confirming (x) the remaining amount of such Limited

Partner's Unfunded Commitment and/or (y) that the Limited Partner has not and will not pledge, collaterally assign, encumber or otherwise grant a security interest in, its limited partnership interest in the Fund; and (iii) may request such other matters as the General Partner and the third party lender may reasonably request. Each Limited Partner agrees to comply with such requests. Each Limited Partner with a Commitment in excess of [REDACTED] further agrees to deliver, upon the request of the General Partner or third party lender, an opinion of counsel to the effect that such Limited Partner's Subscription Agreement and the Commitment set forth therein to fund the Fund, is valid and binding. To the extent that the Fund or any of its Operating Companies or other Fund Assets has outstanding obligations under a Facility secured by the Commitments of the Partners hereunder, each Partner shall, to the fullest extent permitted by law, be obligated to fund any remaining portion of its Commitment without defense, counterclaim or offset of any kind, including any defense arising under Section 365(c) of the U.S. Bankruptcy Code, if applicable, provided that such agreement to fund shall not act as a waiver by such Partner of its right to assert independently any claim that the Partner may have against any other Partner or the Fund. In the event that, in connection with any such Facility a Partner makes a payment directly to a Fund account as requested by a lender pursuant thereto, such payment shall be deemed to be a Capital Contribution of such Partner to the Fund.

(c) To induce any such third party lender to enter into a Facility with the Fund, each Limited Partner hereby: (i) acknowledges that the Fund has informed such Limited Partner that the Fund may (x) pledge to a third party lender (or an agent for the benefit of a group of lenders) the right to call and receive all Unfunded Commitments under the Subscription Agreement to secure all obligations made under the Facility (collectively, the "Obligations") and, in connection therewith, grant to such third party lender the right to issue Capital Calls when an event of default under such Facility exists, which each Limited Partner agrees to fund, consistent with such Capital Call, the terms hereof and the Fund's obligations hereunder; and (y) pledge to such third party lender its interest in the Subscription Agreements to secure the Obligations; (ii) confirms that to such Limited Partner's knowledge, as of the date hereof, there is no default, or circumstance that currently does, or with the passage of time and/or notice would, constitute a default under this Agreement, or constitute a defense to, or right of offset against, such Limited Partner's obligation to fund its Commitment; (iii) acknowledges that the Fund has informed such Limited Partner that for so long as the Facility is in place, the General Partner and the Fund may agree with the third party lender not to amend, modify, supplement, cancel, terminate, reduce, suspend or waive any of such Limited Partner's obligations under the Subscription Agreement or this Agreement without the third party lender's prior written consent; (iv) acknowledges that the General Partner may, pursuant to its authority under the Subscription Agreement, instruct such Limited Partner to make all future payments to the Fund under this Agreement and the Subscription Agreement by wire transfer to the account of the Fund administered by such third party lender as the General Partner may specify; (v) acknowledges that its obligation to fund its Unfunded Commitment is without defense, counterclaim or offset of any kind; and (vi) acknowledges that notwithstanding anything to the contrary contained herein, such third-party lender may rely on the agreements of the Partners contained in this Agreement in connection with the extension of credit under the Facility as if it were a party hereto.



ARTICLE XIV  
MISCELLANEOUS

14.1 Amendments.

[Redacted text block]

[Redacted text block]

[REDACTED]

[REDACTED]

[REDACTED]

14.2 Power of Attorney. Each Limited Partner hereby acknowledges and confirms that it has duly appointed the General Partner and the general partner of the General Partner and the officers of such general partner, and any successor of it or them, as its true and lawful attorney-in-fact for the limited purposes and upon the terms and conditions specified in the power of attorney contained in the Subscription Agreement. Such appointment shall expire immediately if the General Partner is removed from the Fund, subject to bankruptcy proceedings or is adjudicated incompetent by a court of competent jurisdiction.

14.3 Successors. Except as otherwise provided herein, this Agreement shall inure to the benefit of, and be binding upon, the Partners and their legal representative, heirs, successors and assigns.

14.4 Governing Law; Severability. This Agreement shall be construed in accordance with the internal laws (and not the law of conflicts) of the State of Delaware, and, to the maximum extent possible, in such manner as to comply with all the provisions of the Delaware Act. If it is determined by a court of competent jurisdiction that any provision of this Agreement is invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

14.5 Notices. All notices, demands and other communications to be given and delivered under or by reason of this Agreement shall be in writing and shall be deemed to have been given (i) if personally delivered, upon personal delivery, (ii) if sent by e-mail or similar electronic means, when confirmation of transmission is received or, if such confirmation is received on a day other than a Business Day, on the next Business Day, (iii) if delivered by overnight courier, one (1) Business Day after being delivered to a reputable overnight courier or (iv) if mailed by first class registered or certified mail with return receipt requested, five (5) Business Days after delivery to the United States Postal Service, and shall be delivered (x) if to a Limited Partner or its representative, at the address or email address specified in its Subscription Agreement or to such other address or email address as has been indicated to the General Partner in writing and (y) if to the General Partner or the Fund, at its address or email address set forth in the Offering Memorandum or to such other address or email address as has been indicated to the Limited Partners in writing.

14.6 Title to Fund Assets. All Fund Assets shall be deemed to be owned by the Fund as an entity, and no Partner, individually or collectively, shall have any ownership interest



therein. Each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Fund Assets. Legal title to any or all Fund Assets may be held in the name of any Operating Company, the Fund, the General Partner or one or more nominees, as the General Partner shall determine. The General Partner hereby declares and warrants that any Fund Assets for which legal title is held in the name of the General Partner will be held in trust by the General Partner for the use and benefit of the Fund in accordance with the provisions of this Agreement and the Operating Company Agreements. All Fund Assets shall be recorded as owned by the Fund on the Fund's books and records, irrespective of the name in which legal title to such assets is held.

14.7 No Third Party Beneficiaries. This Agreement (together with all other documents and instruments referred to herein) is not intended to confer upon any other Person any rights or remedies, other than members of the Advisory Board and Affiliates of the General Partner, as provided in Sections 6.4 and 6.5, and Walton Street Capital, L.L.C., as provided in Section 14.12. Without limiting the generality of the foregoing, none of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Fund, and no creditor who makes a loan to the Fund may have or acquire at any time as a result of making the loan any direct or indirect interest (other than as a secured creditor) in Profits, Losses, distributions, Funded Commitments, Unfunded Commitments or Fund Assets.

14.8 Waiver. No failure by any party hereto to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition hereof. The funding of a Capital Call by each Limited Partner shall not act as a waiver by such Limited Partner of its right to assert independently any claim such Limited Partner may have against any other Partner or the Fund.

14.9 Further Action. The parties hereto shall execute and deliver all documents, provide all information and take or refrain from taking all other action as the General Partner reasonably determines may be necessary, proper or desirable in furtherance of the purposes of the Fund.

14.10 Entire Agreement; Counterparts. As provided in the Subscription Agreements, each Limited Partner has received and read the Walton Street Real Estate Fund VII, L.P. Confidential Private Placement Memorandum, as thereafter amended, supplemented or restated (the "Offering Memorandum"). This Agreement (including all exhibits and schedules hereto) and the Subscription Agreements (including all exhibits and schedules thereto) contain the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, arrangements, understandings, proposals, representations and warranties with respect thereto, except for such agreements between the General Partner and any Partner. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, may be executed in any number of counterparts, any one of which need not contain the signatures of more than one party, but all of such counterparts together shall constitute one agreement, and to the extent signed and delivered by means of e-mail or other electronic transmission, such agreement or instrument will be treated in all manner and respects as an original manually signed agreement or instrument and will be considered to

have the same binding legal effect as if it were the original manually signed version thereof delivered in person. No party hereto or to any such agreement or instrument will raise the use of an e-mail or other electronic transmission to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of e-mail or other electronic transmission as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

14.11 Side Letters.

[REDACTED]

14.12 Ownership and Use of Names. The Fund acknowledges that Walton Street Capital, L.L.C. owns the service mark “Walton Street” for various services and that the Fund is using the “Walton Street” mark and name on a non-exclusive, royalty free basis in connection with its authorized activities with the permission of Walton Street Capital, L.L.C. All services rendered by the Fund under the Walton Street mark and name shall be rendered in a manner consistent with the high reputation heretofore developed for the “Walton Street” mark by Walton Street Capital, L.L.C. and its Affiliates and licensees. The Fund understands that Walton Street Capital, L.L.C. may terminate the Fund’s right to use “Walton Street” at any time following the removal of the General Partner pursuant to Section 6.11 in Walton Street Capital, L.L.C.’s sole discretion by giving the Fund written notice of termination. Promptly following any such termination, the Fund shall take all steps necessary to change its name and the name of

any of its subsidiaries to one that does not include “Walton Street” or any confusingly similar term and cease all use of “Walton Street” or any term confusingly similar thereto as a service mark or otherwise. The parties hereto agree that Walton Street Capital, L.L.C. shall be a third party beneficiary of the provisions of this Section 14.12.

\* \* \*

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be signed as of the date first above written.

GENERAL PARTNER:

WALTON STREET MANAGERS VII, L.P.

By: WSC Managers VII, Inc.

Its: General Partner

By:

Its:



**Exhibit A**

TO AMENDED AND RESTATED  
LIMITED PARTNERSHIP AGREEMENT

OF

WALTON STREET REAL ESTATE FUND VII - Q, L.P.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] t.

WALTON STREET MANAGERS VI, L.P.  
900 North Michigan Avenue  
Chicago, Illinois 60611

December 31, 2008

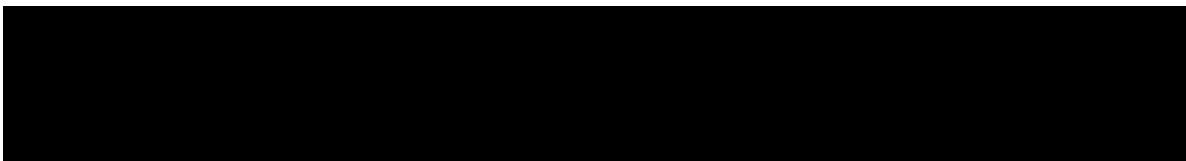
Kentucky Retirement Systems (Insurance Fund)  
Kentucky Retirement Systems (Pension Plan) (collectively, the “Investor”)  
1260 Louisville Road  
Frankfort, Kentucky 40601

Re: Side Letter In Connection With Walton Street Real Estate Fund VI-Q, L.P. (the “Partnership”)

Ladies and Gentlemen:

This letter agreement (this “Letter Agreement”) is being entered into in connection with the purchase by the Investor of an aggregate of [REDACTED] of limited partnership interests in the Partnership, pursuant to and in accordance with the Subscription Agreement entered into by Investor on or about the date hereof (the “Subscription Agreement”). Capitalized terms used and not defined herein shall have the meanings set forth in the Fourth Amended and Restated Limited Partnership Agreement of the Partnership dated as of October 10, 2008 (as amended, supplemented or otherwise modified, the “Partnership Agreement”). In recognition of the value of the Investor’s role as a significant investor in the Partnership, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Walton Street Managers VI, L.P., a Delaware limited partnership, as the sole general partner of the Partnership (the “General Partner”), does hereby agree with the Investor, on behalf of itself and the Partnership, as follows:

1. Side Letters. The General Partner confirms it will provide a copy of each side letter or similar agreement in connection with the admission of any Limited Partner to the Partnership or any limited partner to a Parallel Fund with a Commitment of [REDACTED] within a reasonable period of time after such side letter or similar agreement is executed, and, subject to Section 14.11 of the Partnership Agreement, the rights and benefits in such side letter or similar agreement shall be afforded to Investor to the extent that Investor has notified the General Partner in writing of its desire to receive the benefit of such rights within thirty (30) days after Investor’s receipt of such side letter or similar agreement.



3. Placement Agent Fee Disclosure. No fee will be paid to a third party by the Partnership or the General Partner on account of Investor’s investment in the Partnership. The General Partner agrees to make prompt disclosure to Investor of any such fee paid to a

third party on account of Investor's investment in the Partnership. Notwithstanding anything to the contrary contained in the Partnership Agreement, Investor shall not be obligated by the Partnership directly or indirectly to pay or bear the expense of any placement fees.

4. Material Litigation. The General Partner shall notify the Investor promptly of any lawsuits or legal proceedings, including governmental proceedings, in which the General Partner, the Partnership or the Principals are named parties, in each case which would reasonably be expected to materially and adversely affect the Partnership or the General Partner's ability to perform its obligations under the Partnership Agreement ("Material Litigation"), and the General Partner represents and warrants that there is no pending or, to its knowledge, threatened Material Litigation as of the date hereof.
5. Public Records Disclosure.

(a) The General Partner acknowledges, on its own behalf and on behalf of the Partnership, that the Investor is a public entity subject to the laws, regulations and policies of the Commonwealth of Kentucky, including the provisions of the Kentucky Open Records Act, KRS 61.820-61.884. The General Partner acknowledges that the Investor intends to disclose periodically the name of the Partnership, the date the investment was made by the Investor, the capital committed by the Investor to the Partnership, the amount of the Investor's cash drawn by the Partnership, the amount of cash returned to the Investor by the Partnership, the market value of the Investor's investment in the Partnership, the amount of Management Fees paid by the Partnership and its Parallel Funds (including the Investor's share of such Management Fees paid), and the net internal rate of return and the resulting investment multiple of the Investor's investment in the Partnership (as prepared by the Investor; provided that any such disclosure explicitly states that such performance information was calculated by the Investor); provided, that all such information is aggregated fund level information regarding Investor's investment in the Partnership and shall not include any information regarding any Partnership investment or the performance thereof. The General Partner consents in advance to such ordinary course disclosure with respect to the Partnership without prior notice to the General Partner, and any such disclosure shall not constitute a breach of the Partnership Agreement.

(b) Neither the Partnership nor the General Partner will make any claim against the Investor if the Investor makes available to the public any report, notice or other information the Investor receives from the Partnership or the General Partner as required by the Kentucky Open Records Act, KRS 61.820-61.884. The Investor acknowledges and agrees that, notwithstanding anything contained in this paragraph 5 to the contrary, Section 7.8 of the Partnership Agreement applies to the Investor with respect to any disclosure pursuant to the Kentucky Open Records Act (except that prior notice shall not be required for ordinary course disclosures as provided in paragraph 5(a) above).



6. Indemnification. Each of the General Partner and the Partnership hereby confirms that the Partnership Agreement and the Subscription Agreement do not impose any personal indemnification obligations on the Investor, to the extent prohibited under applicable Kentucky law, and shall not be applied or construed to require the Investor to provide indemnification directly to any person or entity thereunder. Notwithstanding the foregoing, (a) the Investor agrees that it is obligated to reimburse the General Partner or the Fund, as applicable, for payments made to governmental authorities under Sections 4.5(b) of the Partnership Agreement and expenses arising from a transfer under 7.2(c) of the Partnership Agreement, and (b) the Investor acknowledges that Section 6.5 of the Partnership Agreement imposes indemnification obligations on the Fund. The Investor also acknowledges that it is obligated to make Capital Calls pursuant to the terms of the Partnership Agreement and that the foregoing shall not constitute a waiver of any rights or remedies, other than as set forth explicitly in the preceding sentence, that the Fund may have under applicable law with respect to any breach by the Investor of its Subscription Agreement, the Partnership Agreement or this Agreement

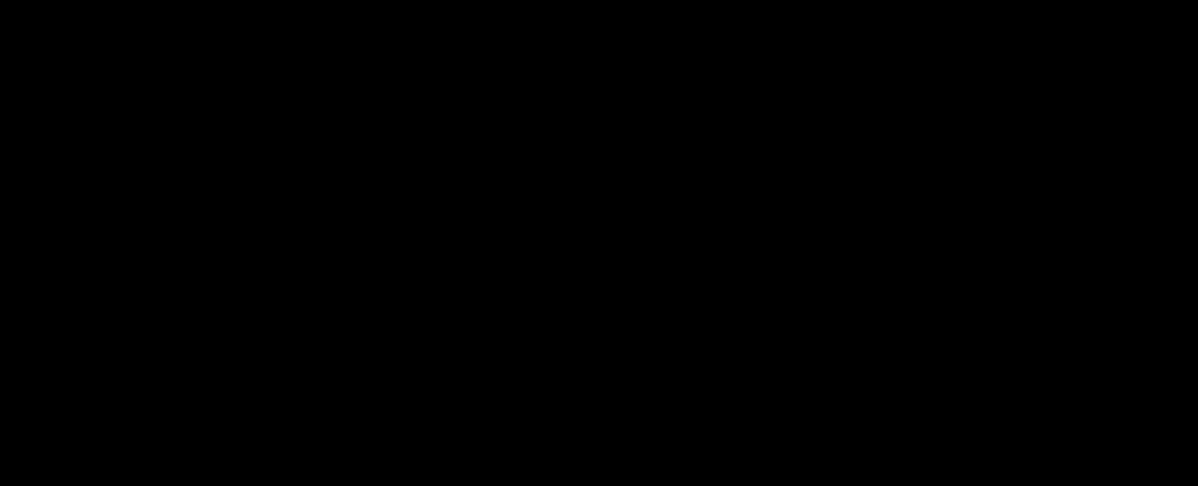
7. U.S. Tax Withholding. Investor has advised the General Partner that it is a tax exempt entity under United States and Kentucky laws, and it has never been subject to, and is unlikely to be subject to, any tax withholding requirements of the foregoing laws. Based on the foregoing, the General Partner agrees that, before withholding and paying over to any United States federal taxing authority any amount purportedly representing a tax liability of Investor pursuant to the provision of the Partnership Agreement, the General Partner will provide Investor with written notice of the claim of any United States federal taxing authority that such withholding and payment is required by law and will provide Investor with the opportunity to contest such claim during any period. If such withholding is made by the General Partner, the General Partner agrees to reasonably cooperate with Investor, at Investor's reasonable request, with the efforts of Investor to obtain a refund of the amounts withheld.

8. Certain Foreign Tax Matters. The Partnership shall not invest in assets located outside of the United States without advice of counsel or other tax advisor that such investment will not cause any Limited Partner who is a United States person under Section 7701(a)(30) of the Code, solely as a result of such Limited Partner's investment in the Partnership, to be obligated (i) to pay any tax in such jurisdiction based on its net income or any portion thereof, other than its income from the Partnership or (ii) to file an income tax return in such jurisdiction. [REDACTED]

[REDACTED] The General Partner shall use commercially reasonable efforts to cause the Partnership to apply for all reasonably available exemptions from or refunds of any tax imposed by any taxing authority with respect to the Partnership, and in connection therewith shall cause

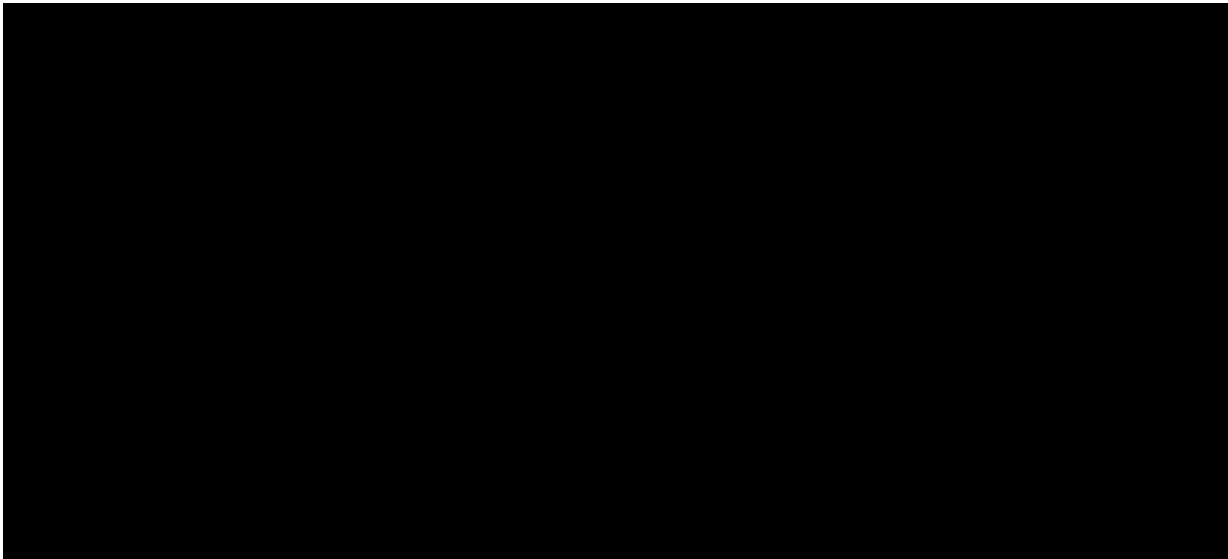
the Partnership to file any form, certificate, document, application, report or return relating thereto. In connection with any investment made in any jurisdiction other than the United States, the General Partner will, as it deems appropriate, consult with counsel qualified in such jurisdiction regarding the taxation of the Limited Partners and the Partnership resulting from such investment, and the possible use of applicable income tax treaties and Alternative Investment Vehicles to ameliorate adverse legal, regulatory, tax and tax compliance impacts on the Limited Partners and the Partnership. If the General Partner determines that it will utilize an Alternative Investment Vehicle in such circumstances, it will offer the Investor the opportunity to participate in such investment through such an Alternative Investment Vehicle.

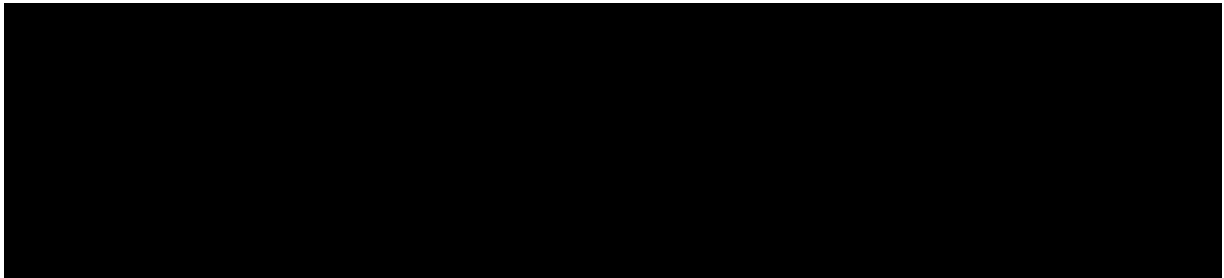
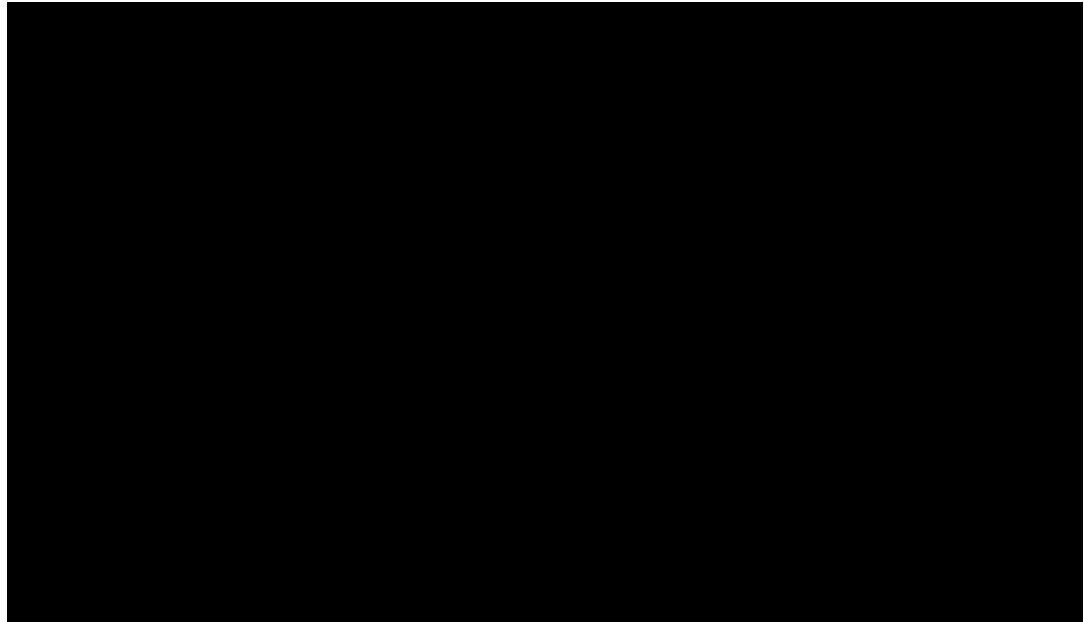
- 9. Immunities and Defenses.** The General Partner acknowledges that Investor reserves all immunities, defenses, rights or actions arising out of its status as a sovereign state or entity, including those under the Eleventh Amendment to the United States Constitution to which it may be entitled. No provisions of the Partnership Agreement, the Subscription Agreement or this Letter Agreement shall be construed as a waiver or limitation of such immunities, defenses, rights or actions. Notwithstanding the foregoing, Investor hereby acknowledges that the foregoing in no way limits the obligations of Investor hereunder or under the Partnership Agreement or the Subscription Agreement.
- 10. Opinions.** The General Partner confirms that for purposes of any provision of the Partnership Agreement or the Subscription Agreement requiring the delivery of an opinion of counsel by the Investor's counsel, the opinion of Investor's in-house counsel will constitute an opinion of counsel acceptable to the General Partner.
- 11. Transactions with Affiliates.** The General Partner has not engaged any of its Affiliates as service providers except as disclosed to Investor and as set forth in Schedule I hereto or as authorized by the Partnership Agreement.

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- 13. Publicity.** The General Partner agrees that any press release or other publicity relating to the Partnership prepared by or on behalf of the General Partner which refers to the Limited Partner by name shall be made available to the Limited Partner for review prior

to issuance, and the Limited Partner shall have the right to approve all references to the Limited Partner made therein.

- 14. Power of Attorney.** The General Partner acknowledges that the power of attorney granted by Investor to the General Partner pursuant to Section 14(a)(vi) of the Subscription Agreement shall be limited to ministerial acts performed by the General Partner on behalf of such Investor, and that it will not use the power of attorney granted to it by Investor pursuant to Investor's Subscription Agreement to reduce Investor's rights under the Subscription Agreement, this Letter Agreement, the Partnership Agreement and any other agreements relating to Investor's investment in the Partnership. Upon Investor's request, the General Partner will deliver to Investor a copy of each instrument, certificate or agreement executed by the General Partner pursuant to such power of attorney.
- 15. Subscription Agreement.** The General Partner hereby represents and warrants that the Subscription Agreements pursuant to which other Limited Partners have agreed or may agree to become Limited Partners of the Partnership are, or shall be, as applicable, substantially similar in all material respects to the Investor's Subscription Agreement (except as to (i) the amount of Commitments made thereby, (ii) any changes reflected in any side letters executed with Limited Partners and/or (iii) any changes necessary or desirable for legal, tax or regulatory reasons).
- 16. Governmental Plan Partner.** The Investor hereby notifies the General Partner that it is a "Governmental Plan" within the meaning of Section 3(32) of ERISA.
- 17. Closing Documents.** The General Partner agrees that not later than 30 days following the closing of the investment in the Partnership by the Investor, the General Partner will provide to the Investor an electronic copy of a fully-signed counterpart of this Letter Agreement, an execution copy of the Partnership Agreement, a copy of a fully-signed counterpart of the Investor's Subscription Agreement and copies of signed opinions of counsel (if any) requested by the Investor.

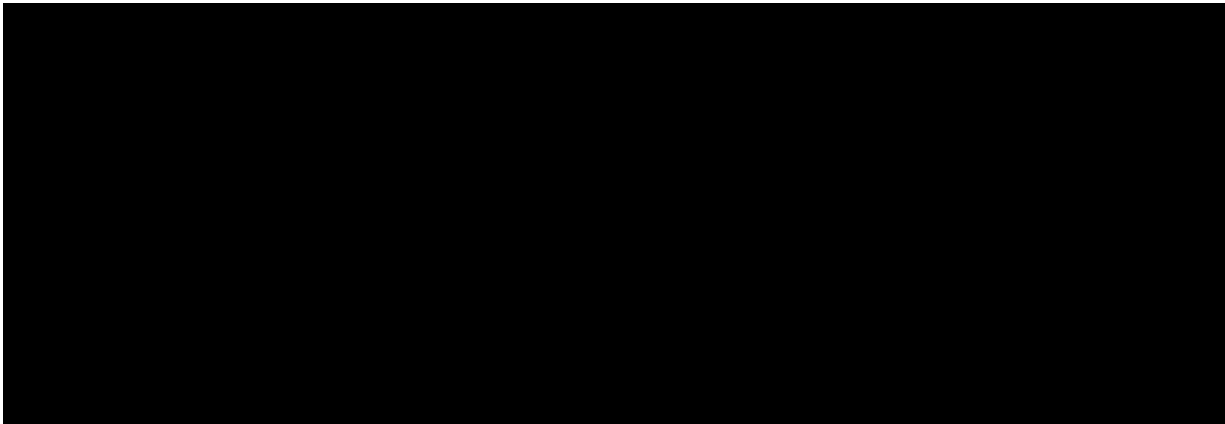




**20. Governing Law.** This Letter Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to principles of conflicts of laws thereof. Notwithstanding anything to the contrary in the Partnership Agreement or the Subscription Agreement, the General Partner agrees with the Investor that, to the extent required under the applicable laws of the Commonwealth of Kentucky, any legal proceeding involving any claim asserted by or against the Investor arising out of the Partnership Agreement or the Subscription Agreement may be brought only in and subject to the exclusive jurisdiction of the state or federal courts located in Kentucky; provided that Investor acknowledges and hereby agrees that this Paragraph 20 does not apply to any claims asserted by or against any third parties, including any other Fund Partners or claims asserted against or by multiple parties in which the Investor is one such party. For the avoidance of doubt, Kentucky Retirement Systems (Insurance Fund) and Kentucky Retirement Systems (Pension Plan) will not be treated as multiple parties for purposes of this paragraph 20.

**21. Subscription Agreement Representations.** With respect to Section 11(n) of the Subscription Agreement and Exhibit A of the Investor Questionnaire, all of the Investor's representations and warranties regarding (i) any beneficial owner of the Investor and (ii) the monies used to fund the investment in the Partnership, are made to the actual knowledge of the Investor, without inquiry or investigation. The Investor is not obligated to conduct thorough due diligence with respect to its beneficial owners or the source of

the beneficial owner's funds. The Investor makes no representations as to its individual plan participants.

- 
23. Preservation of Records. In accordance with the Investor's longstanding investment policy in effect prior to and as of the date hereof, the General Partner will use commercially reasonable efforts to maintain, for a minimum of three years after the end of the Fund, adequate books, records and supporting documents, in accordance with the Partnership Agreement to verify the amounts, recipients and uses of all disbursements made in connection with the Partnership and the activities of the Partnership.
  24. Amendments to the Partnership Agreement. The General Partner agrees that the changes marked on the pages attached hereto as Exhibit A shall be made to the Partnership Agreement on or before the next closing of the Partnership, or in the event there is no subsequent closing of the Partnership, within thirty (30) days from the closing of the offering of interests in the Partnership, and the General Partner further agrees to operate the Partnership as though such changes had been made as of the date hereof.
  25. Term. This Letter Agreement shall remain in effect, with respect to the Investor, for as long as the Investor or an Affiliate of the Investor is a Limited Partner of the Partnership.
  26. Assignees and Transferees. This Letter Agreement shall inure to the benefit of the Investor and shall be binding upon the parties hereto, their respective successors, permitted assigns and permitted transferees.
  27. No Conflicts. By executing this Letter Agreement, each party represents and warrants to each other party that the execution, delivery and performance of this Letter Agreement by such representing party does not and will not violate any agreement or arrangement to which it is a party or by which it may be bound, or any order or decree to which such party is subject.
  28. Amendments. This Letter Agreement and the provisions set forth in this Letter Agreement may be modified or waived only by a separate writing signed by the Partnership and the Investor expressly modifying or waiving this Letter Agreement or such provision.

- 29. Severability.** If any provision of this Letter Agreement is invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.
- 30. Counterparts.** This Letter Agreement may be executed in any number of counterparts, any one of which need not contain the signatures of more than one party, but all of such counterparts together shall constitute one agreement.
- 31. Letter Agreement.** In the event of any inconsistency between the terms of this Letter Agreement and the Partnership Agreement or Investor's Subscription Agreement, the terms of this Letter Agreement will prevail.

If the above correctly reflects our understanding and agreement with respect to the foregoing matters, please confirm by signing below where indicated.

WALTON STREET REAL ESTATE FUND  
VI-Q, L.P.

By: Walton Street Managers VI, L.P., its  
general partner

By: WSC Managers VI, Inc., its general  
partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Vice President

WALTON STREET MANAGERS VI, L.P.

By: WSC Managers VI, Inc., its general  
partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Vice President

KENTUCKY RETIREMENT SYSTEMS (PENSION PLAN)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

KENTUCKY RETIREMENT SYSTEMS (INSURANCE FUND)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

If the above correctly reflects our understanding and agreement with respect to the foregoing matters, please confirm by signing below where indicated.

WALTON STREET REAL ESTATE FUND  
VI-Q, L.P.

By: Walton Street Managers VI, L.P., its  
general partner

By: WSC Managers VI, Inc., its general  
partner

By: \_\_\_\_\_  
Name: Eric Mogentale  
Title: Vice President

WALTON STREET MANAGERS VI, L.P.

By: WSC Managers VI, Inc., its general  
partner

By: \_\_\_\_\_  
Name: Eric Mogentale  
Title: Vice President

KENTUCKY RETIREMENT SYSTEMS (PENSION PLAN)

By: Brent Aldridge  
Name: Brent Aldridge  
Title: Director of Alternative Assets

KENTUCKY RETIREMENT SYSTEMS (INSURANCE FUND)

By: Brent Aldridge  
Name: Brent Aldridge  
Title: Director of Alternative Assets

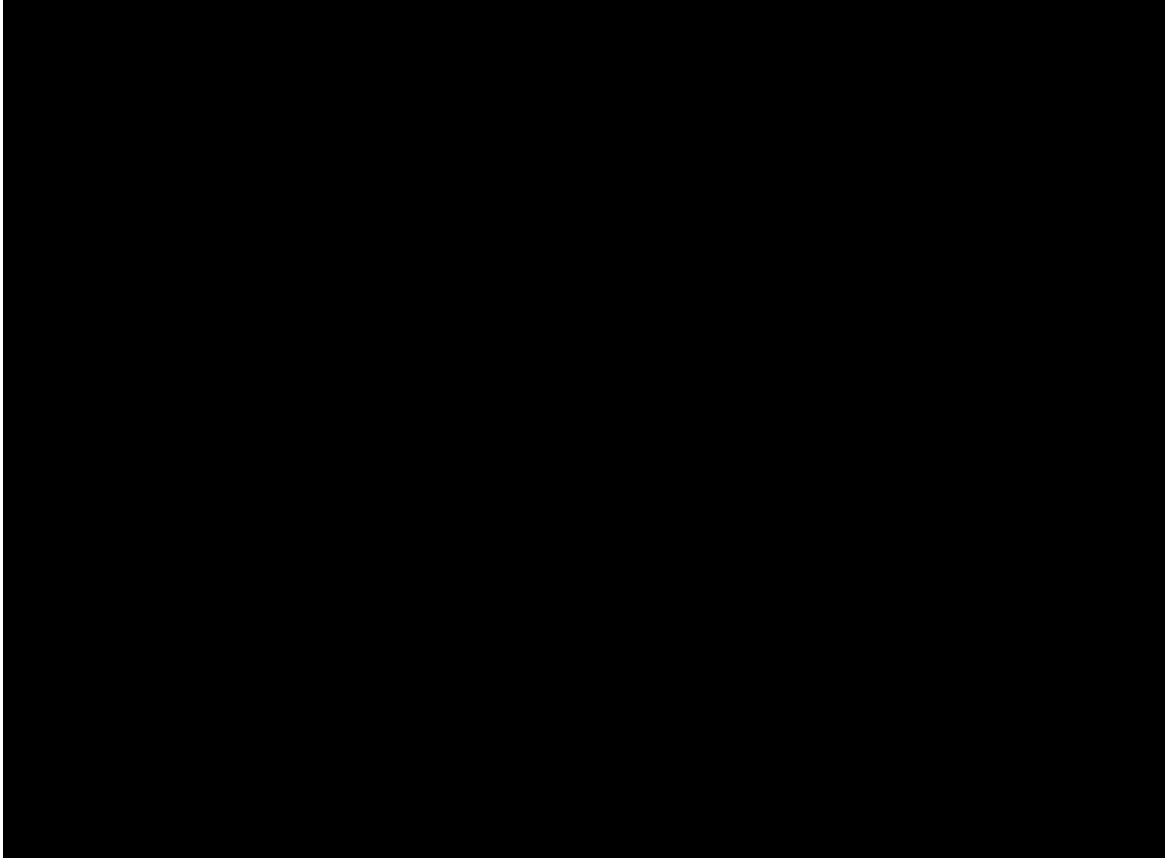


## *Exhibit A*

Person in circumstances where such indemnification payments are otherwise permitted and the Action relates to the proper allocation or amount of such indemnification payments.

**(f) The General Partner shall notify the Advisory Board within a reasonable period of time of any claims by the General Partner or any of its Affiliates for indemnification arising against the Partnership pursuant to this Agreement.**

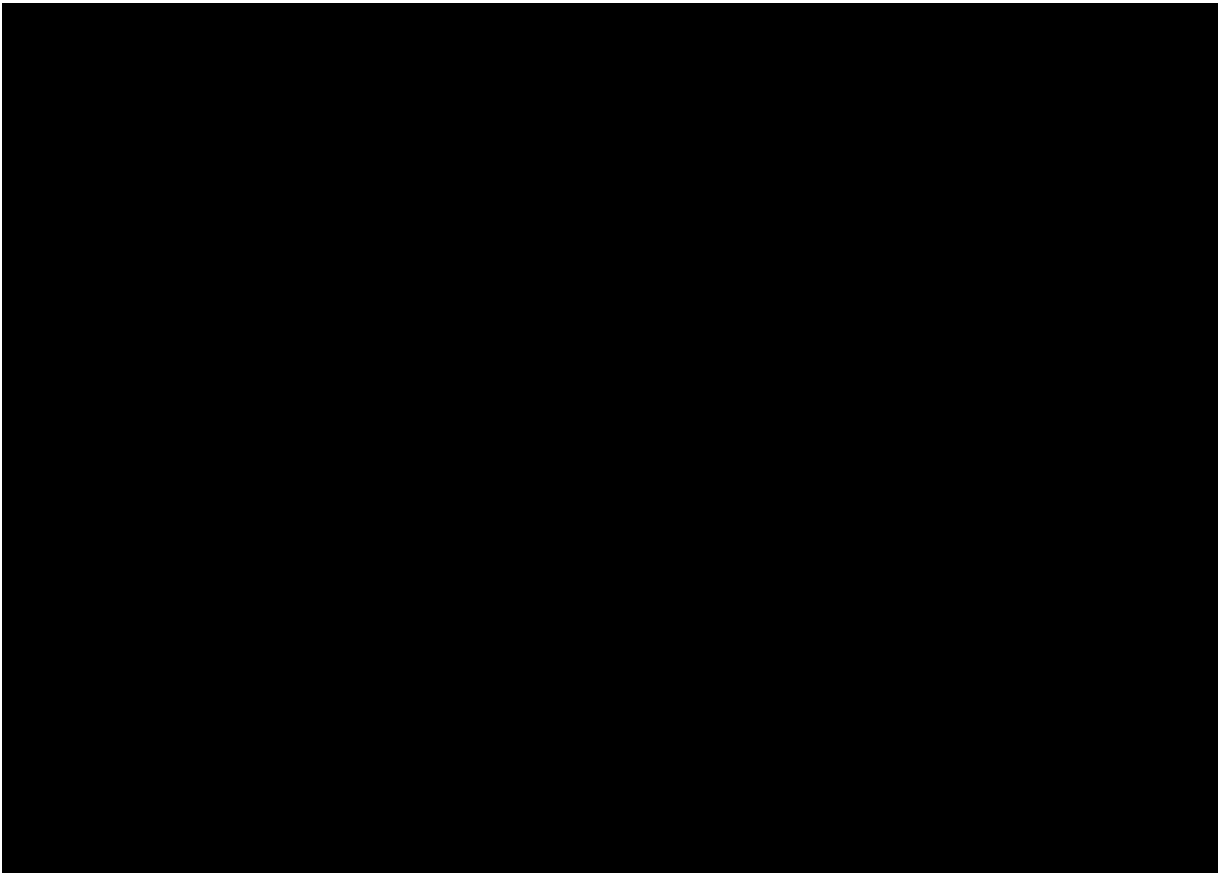
### 6.6 Investment Limitations.



(c) In connection with any investment in an Operating Company which is organized or has its principal place of business outside of the United States, the Fund shall make such investment in accordance with all applicable laws in the foreign jurisdictions where the Operating Company is organized or has its principal place of business. As a condition to making any such investment, the Fund shall receive an opinion of counsel qualified to practice in the foreign jurisdiction where the Operating Company is organized or has its principal place of business substantially to the effect that under the laws of such jurisdiction the limited liability of the Limited Partners will be recognized to the same extent in all material respects as is provided to the Limited Partners under the Delaware Act and this Agreement. In the event that a Real Estate Asset is a “passive foreign investment company” as defined in Code Section 1297 (a “PFIC”), then the General Partner shall use its reasonable best efforts to provide the Limited Partners with all relevant information required to prepare Internal Revenue Service Form 8621, including an

provided, further, that such transferee has a net worth at least equal to the net worth of the General Partner at the time of such Transfer; and provided, further, that no such Transfer may be made if, in the opinion of the General Partner's counsel, such Transfer would alter the status of the Fund as a partnership for federal income tax purposes or cause the acceleration of any Fund indebtedness or material default under any agreement to which the Fund is a party. The General Partner shall give prompt written notice of any such Transfer to all Partners. Each Limited Partner hereby consents to any and all such Transfers and admissions made in accordance with the terms of this Section 6.10. The General Partner shall not make a Transfer of all or any part of its interest (or any economic interest therein) in the Fund to a Person that is not an Affiliate without the consent of a Majority in Interest of the Fund Partners that are not the General Partner or Affiliates of the General Partner.

(b) Notwithstanding anything to the contrary in Section 6.10(a), the General Partner may Transfer its rights to payments (including future payments) under Sections 4.2(a)(iii)(B), 4.2(a)(iv)(B) and 4.2(b) hereof to (a) family members (e.g., a spouse, a child (natural or adopted), a spouse of any such child, a grandchild, or a lineal descendant of any of the foregoing) of the Principals or any employee of the General Partner or its Affiliates, (b) a trust for the benefit of such family members, (c) a private foundation or supporting organization established by such Principal or any other employee of the General Partner or its Affiliates or any of their family members, or (d) any Principal or any employee of the General Partner or its Affiliates.



at each meeting of the Advisory Board at least five (5) Business Days prior to such meeting. The General Partner shall furnish to the Advisory Board:

(a) within ninety (90) days after the end of each fiscal year, a report summarizing all material transactions during such year between the Fund, on one hand, and the General Partner or any of its Affiliates, on the other hand, and all fees paid in connection therewith; and

(b) any other information reasonably requested by the Advisory Board to enable it to be fully informed about the investments, business and affairs of the Fund.

## ARTICLE IX

### DURATION, TERMINATION AND DISSOLUTION