UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2013

OR

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

For the transition period from_____ to_____

Commission file number: 001-33292

CORENERGY INFRASTRUCTURE TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland	**20-3431375**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

4200 W. 115th Street, Suite 210
Leawood, Kansas 66211
(Address of Principal Executive Offices) (ZIP Code)

(913) 387-2790
(Registrant's telephone number, including area code)

Former fiscal year end: November 30
(Former name, former address and former fiscal year, if changed since last report)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐.

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

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

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

As of April 30, 2013, the registrant had 24,147,958 common shares outstanding.

CorEnergy Infrastructure Trust, Inc.

FORM 10-Q

FOR THE QUARTER ENDED MARCH 31, 2013

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CorEnergy Infrastructure Trust, Inc.
CONSOLIDATED BALANCE SHEETS

	March 31, 2013 *(Unaudited)*	November 30, 2012	December 31, 2012*(Unaudited)*
Assets			
Leased property, net of accumulated depreciation of $4,394,248, $1,131,680, and $1,614,569 at March 31, 2013, November 30, 2012, and December 31, 2012, respectively	$ 240,299,030	$ 12,995,169	$ 243,078,709
Other equity securities, at fair value	21,895,854	19,866,621	19,707,126
Cash and cash equivalents	18,196,151	14,333,456	17,680,783
Trading securities, at fair value	—	55,219,411	4,318,398
Property and equipment, net of accumulated depreciation of $1,825,253, $1,751,202 and $1,774,616 at March 31, 2013, November 30, 2012, and December 31, 2012, respectively	3,529,836	3,589,022	3,566,030
Escrow receivable	698,729	698,729	698,729
Accounts receivable	1,664,265	1,570,257	922,894
Intangible lease asset, net of accumulated amortization of $510,893, $413,580 and $437,908 at March 31, 2013, November 30, 2012, and December 31, 2012, respectively	583,878	681,191	656,863
Deferred debt issuance costs, net of accumulated amortization of $145,005, $0 and $16,530, at March 31, 2013, November 30, 2012, and December 31, 2012, respectively	1,403,348	—	1,520,823
Deferred lease costs, net of accumulated amortization of $17,246, $0 and $1,967 at March 31, 2013, November 30, 2012, and December 31, 2012, respectively	903,216	—	912,875
Prepaid expenses and other assets	462,713	2,477,977	598,755
Total Assets	$ 289,637,020	$ 111,431,833	$ 293,661,985
Liabilities and Equity			
Long-term debt	$ 70,000,000	$ —	$ 70,000,000
Accounts payable and other accrued liabilities	4,064,102	2,885,631	4,413,420
Lease obligation	—	27,522	20,698
Current tax liability	208,931	—	3,855,947
Deferred tax liability	3,131,096	7,172,133	2,396,043
Line of credit	139,397	120,000	—
Unearned income	1,422,457	2,370,762	2,133,685
Total Liabilities	$ 78,965,983	$ 12,576,048	$ 82,819,793
Equity			
Warrants, no par value; 945,594 issued and outstanding at March 31, 2013, November 30, 2012, and December 31, 2012 (5,000,000 authorized)	$ 1,370,700	$ 1,370,700	$ 1,370,700
Capital stock, non-convertible, $0.001 par value; 24,147,958 shares issued and outstanding at March 31, 2013, 9,190,667 shares issued and outstanding at November 30, 2012, and 24,147,958 shares issued and outstanding at December 31, 2012 (100,000,000 shares authorized)	24,148	9,191	24,141
Additional paid-in capital	172,288,226	91,763,475	175,256,675
Accumulated retained earnings	6,621,776	5,712,419	4,209,023
Total CorEnergy Equity	180,304,850	98,855,785	180,860,539
Non-controlling Interest	30,366,187	—	29,981,653
Total Equity	210,671,037	98,855,785	210,842,192
Total Liabilities and Equity	$ 289,637,020	$ 111,431,833	$ 293,661,985

See accompanying Notes to Consolidated Financial Statements.

CorEnergy Infrastructure Trust, Inc.
CONSOLIDATED STATEMENTS OF INCOME *(UNAUDITED)*

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Revenue			
Lease revenue	$ 5,638,244	$ 638,244	$ 857,909
Sales revenue	2,515,573	2,437,310	868,992
Total Revenue	8,153,817	3,075,554	1,726,901
Expenses			
Cost of sales (excluding depreciation expense)	2,003,639	2,004,672	686,976
Management fees, net of expense reimbursements	643,814	247,381	155,242
Asset acquisition expenses	31,817	—	64,733
Professional fees	454,183	108,578	333,686
Depreciation expense	2,857,036	246,805	499,357
Amortization expense	15,279	—	1,967
Operating expenses	206,904	172,641	48,461
Directors' fees	18,000	14,581	8,500
Other expenses	122,706	57,260	27,500
Total Expenses	6,353,378	2,851,918	1,826,422
Operating Income (Loss)	$ 1,800,439	$ 223,636	$ (99,521)
Other Income (Expense)			
Net distributions and dividend income	$ 13,124	$ 85,262	$ 2,325
Net realized and unrealized gain (loss) on trading securities	316,063	2,862,272	(1,769,058)
Net realized and unrealized gain (loss) on other equity securities	2,425,986	6,069,194	(159,495)
Interest expense	(737,381)	(27,409)	(416,137)
Total Other Income (Expense)	2,017,792	8,989,319	(2,342,365)
Income (Loss) before income taxes	3,818,231	9,212,955	(2,441,886)
Taxes			
Current tax expense	285,891	10,000	3,855,947
Deferred tax expense (benefit)	735,053	3,455,914	(4,776,090)
Income tax expense (benefit), net	1,020,944	3,465,914	(920,143)
Net Income (Loss)	2,797,287	5,747,041	(1,521,743)
Less: Net Income (Loss) attributable to non-controlling interest	384,534	—	(18,347)
Net Income (Loss) attributable to CORR Stockholders	$ 2,412,753	$ 5,747,041	$ (1,503,396)
Earnings (Loss) Per Common Share:			
Basic and Diluted	$ 0.10	$ 0.63	$ (0.10)
Weighted Average Shares of Common Stock Outstanding:			
Basic and Diluted	24,141,720	9,176,889	15,564,861
Dividends declared per share	$ 0.125	$ 0.110	$ 0.000

See accompanying Notes to Consolidated Financial Statements.

CorEnergy Infrastructure Trust, Inc.
CONSOLIDATED STATEMENTS OF EQUITY

	Capital Stock						
	Shares	Amount	Warrants	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Non-Controlling Interest	Total
Balance at November 30, 2010	9,146,506	$ 9,147	$ 1,370,700	$ 98,444,952	$ (4,345,626)	$ —	$ 95,479,173
Net Income	—	—	—	—	2,922,143	—	2,922,143
Distributions to stockholders sourced as return of capital	—	—	—	(3,755,607)	—	—	(3,755,607)
Reinvestment of distributions to stockholders	30,383	30	—	252,212	—	—	252,242
Consolidation of wholly-owned subsidiary	—	—	—	741,181	(5,212,819)	—	(4,471,638)
Balance at November 30, 2011	9,176,889	9,177	1,370,700	95,682,738	(6,636,302)	—	90,426,313
Net Income	—	—	—	—	12,348,721	—	12,348,721
Distributions to stockholders sourced as return of capital	—	—	—	(4,040,273)	—	—	(4,040,273)
Reinvestment of distributions to stockholders	13,778	14	—	121,010	—	—	121,024
Balance at November 30, 2012	9,190,667	9,191	1,370,700	91,763,475	5,712,419	—	98,855,785
Net Loss	—	—	—	—	(1,503,396)	(18,347)	(1,521,743)
Net offering proceeds	14,950,000	14,950	—	83,493,200	—	—	83,508,150
Non-controlling interest contribution	—	—	—	—	—	30,000,000	30,000,000
Balance at December 31, 2012 ***(Unaudited)***	24,140,667	24,141	1,370,700	175,256,675	4,209,023	29,981,653	210,842,192
Net Income	—	—	—	—	2,412,753	384,534	2,797,287
Dividends Paid	—	—	—	(3,017,583)	—	—	(3,017,583)
Reinvestment of dividends paid to stockholders	7,291	7	—	49,134	—	—	49,141
Balance at March 31, 2013 ***(Unaudited)***	24,147,958	$ 24,148	$ 1,370,700	$ 172,288,226	$ 6,621,776	$ 30,366,187	$ 210,671,037

See accompanying Notes to Consolidated Financial Statements.

CorEnergy Infrastructure Trust, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS *(UNAUDITED)*

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Operating Activities			
Net Income (Loss)	$ 2,797,287	$ 5,747,041	$ (1,521,743)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Distributions received from investment securities	—	1,053,007	—
Deferred income tax, net	735,053	3,455,914	(4,776,090)
Depreciation expense	2,857,036	246,805	499,357
Amortization expense	216,738	30,458	42,826
Realized and unrealized (gain) loss on trading securities	(316,063)	(2,862,272)	1,769,058
Realized and unrealized (gain) loss on other equity securities	(2,425,986)	(6,069,194)	159,495
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(741,371)	(813,036)	647,363
Decrease in lease receivable	—	(711,229)	—
(Increase) decrease in prepaid expenses and other assets	136,042	(292,105)	1,879,222
Increase (decrease) in accounts payable and other accrued liabilities	(349,318)	(107,111)	1,527,789
Increase (decrease) in current income tax liability	(3,647,016)	—	3,855,947
Decrease in unearned income	(711,228)	—	(237,077)
Net cash provided by (used in) operating activities	$ (1,448,826)	$ (321,722)	$ 3,846,147
Investing Activities			
Proceeds from sale of long-term investment of trading and other equity securities	4,557,379	—	49,131,955
Deferred lease costs	(5,620)	3,076	(914,843)
Purchases of leased asset property	—	(29,722)	(230,559,484)
Purchases of property and equipment	(41,163)	—	(421)
Return of capital on distributions received	314,340	—	—
Net cash provided by (used in) investing activities	$ 4,824,936	$ (26,646)	$ (182,342,793)
Financing Activities			
Payments on lease obligation	(20,698)	(19,690)	(6,824)
Debt financing costs	(10,999)	—	(1,537,353)
Net offering proceeds	—	—	83,508,150
Debt issuance	—	—	70,000,000
Proceeds from non-controlling interest	—	—	30,000,000
Dividends	(3,017,583)	—	—
Advances on revolving line of credit	139,397	1,045,000	530,000
Repayments on revolving line of credit	—	—	(650,000)
Dividend reinvestment	49,141	—	—
Net cash provided by (used in) financing activities	$ (2,860,742)	$ 1,025,310	$ 181,843,973
Net Change in Cash and Cash Equivalents	$ 515,368	$ 676,942	$ 3,347,327
Cash and Cash Equivalents at beginning of period	17,680,783	2,793,326	14,333,456
Cash and Cash Equivalents at end of period	$ 18,196,151	$ 3,470,268	$ 17,680,783
Supplemental Disclosure of Cash Flow Information			
Interest paid	$ 531,318	$ 11,665	$ 2,765
Income taxes paid	$ 3,895,800	$ 96,000	$ —
Non-Cash Investing Activities			
Security proceeds from sale in long-term investment of other equity securities	$ —	$ —	$ 23,046,215

See accompanying Notes to Consolidated Financial Statements.

1. INTRODUCTION AND BASIS OF PRESENTATION

Introduction

CorEnergy Infrastructure Trust, Inc. ("CorEnergy"), was organized as a Maryland corporation and commenced operations on December 8, 2005. Prior to December 3, 2012, our name was Tortoise Capital Resources Corporation. The Company's shares are listed on the New York Stock Exchange under the symbol “CORR.” As used in this report, the terms "we", "us", "our" and the "Company" refer to CorEnergy and its subsidiaries.

Our assets are generally leased to energy companies via long-term triple net participating leases. The lease structure requires that the tenant pay all operating expenses of the business conducted by the tenant, including real estate taxes, insurance, utilities, and expenses of maintaining the asset in good working order.

Our long-term participating lease structures provide us base rents that are fixed and determinable, with escalators dependent upon increases in the Consumer Price Index. Leases may also include features that allow us to participate in the financial performance and/or value of the energy infrastructure asset.

The assets we own and seek to acquire include pipelines, storage tanks, transmission lines and gathering systems, among others. We intend to acquire assets that are accretive to our shareholders and allow us to become a diversified energy infrastructure real estate investment trust (REIT).

The Company's consolidated financial statements include the Company's direct or indirect wholly-owned subsidiaries. In our December 2012 restructuring, we created taxable REIT subsidiaries to hold our remaining securities portfolio (Corridor Public Holdings, Inc. and its wholly-owned subsidiary Corridor Private Holdings, Inc.) and to hold our operating business (Mowood Corridor, Inc. and its wholly-owned subsidiary, Mowood, LLC ("Mowood"), which is the holding company for Omega Pipeline Company, LLC (“Omega”)). Omega owns and operates a natural gas distribution system in Fort Leonard Wood, Missouri. Omega is responsible for purchasing and coordinating delivery of natural gas to Fort Leonard Wood, as well as performing maintenance and expansion of the pipeline. In addition, Omega provides gas marketing services to local commercial end users. Also consolidated as a wholly-owned subsidiary is Pinedale GP, Inc., owner of the general partner interest in the entity that owns the Pinedale LGS. All significant inter-company balances and transactions have been eliminated in consolidation. The Company's financial statements also present minority interests in the case of entities that are not wholly-owned subsidiaries of the Company.

Change in Fiscal Year End

On February 5, 2013, the Board of Directors of the Company approved a change in the Company's fiscal year end from November 30 to December 31. This change to the calendar year reporting cycle began January 1, 2013. As a result of the change, the Company is reporting a December 2012 fiscal month transition period, which is reported in this Quarterly Report on Form 10-Q for the calendar quarter ending March 31, 2013 and will be in the Company's Annual Report on Form 10-K for the calendar year ending December 31, 2013.

Financial information for the three months ended March 31, 2012 has not been included in this Form 10-Q for the following reasons: (i) the three-month period ended February 29, 2012 provides a meaningful comparison for the three months ended March 31, 2013; (ii) there are no significant factors, seasonal or other, that would impact the comparability of information if the results for the three months ended March 31, 2012 were presented in lieu of results for the three-month period ended February 29, 2012; and (iii) it was not practicable or cost justified to prepare this information.

Basis of Presentation and Use of Estimates

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information set forth in the Accounting Standards Codification (“ASC”), as published by the Financial Accounting Standards Board (“FASB”), and with the Securities and Exchange Commission (“SEC”) instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The accompanying consolidated financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the interim period presented.

Operating results for the three-month periods ended March 31, 2013 and February 29, 2012 and for the one-month transition period ended December 31, 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013. These consolidated financial statements and Management's Discussion and Analysis of the Financial Condition and Results of Operations should be read in conjunction with our Annual Report on Form 10-K for the year ended November 30, 2012 filed with the SEC on February 13, 2013.

The financial statements included in this report are based on the selection and application of critical accounting policies, which require management to make significant estimates and assumptions. Critical accounting policies are those that are both important to the presentation of our financial condition and results of operations and require management's most difficult, complex or subjective judgments. Note 2 to the Consolidated Financial Statements, included in this report, further details information related to our significant accounting policies.

2. SIGNIFICANT ACCOUNTING POLICIES

A. *Use of Estimates* – The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, recognition of distribution income and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Actual results could differ from those estimates.

B. *Leased Property* – The Company includes assets subject to lease arrangements within Leased property, net of accumulated depreciation, in the Consolidated Balance Sheets. Lease payments received are reflected in lease income on the Consolidated Statements of Income, net of amortization of any off market adjustments. Costs in connection with the creation and execution of a lease are capitalized and amortized over the lease term. See Note 4 for further discussion.

C. *Cash and Cash Equivalents* – The Company maintains cash balances at financial institutions in amounts that regularly exceed FDIC insured limits. The Company’s cash equivalents are comprised of short-term, liquid money market instruments.

D. *Long-Lived Assets and Intangibles* – Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Expenditures for repairs and maintenance are charged to operations as incurred, and improvements, which extend the useful lives of assets, are capitalized and depreciated over the remaining estimated useful life of the asset.

The Company initially records long-lived assets at their acquisition cost, unless the transaction is accounted for as a business combination. If the transaction is accounted for as a business combination, the Company allocates the purchase price to the acquired tangible and intangible assets and liabilities based on their estimated fair values. The Company determines the fair values of assets and liabilities based on discounted cash flow models using current market assumptions, appraisals, recent transactions involving similar assets or liabilities and/or other objective evidence, and depreciates tow he asset values over the estimated remaining useful lives.

The Company may acquire long-lived assets that are subject to an existing lease contract with the seller or other lessee party and the Company may assume outstanding debt of the seller as part of the consideration paid. If, at the time of acquisition, the existing lease or debt contract is not at current market terms, the Company will record an asset or liability at the time of acquisition representing the amount by which the fair value of the lease or debt contract differs from its contractual value. Such amount is then amortized over the remaining contract term as an adjustment to the related lease revenue or interest expense.The Company periodically reviews its long-lived assets, primarily real estate, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The Company’s review involves comparing current and future operating performance of the assets, the most significant of which is undiscounted operating cash flows, to the carrying value of the assets. Based on this analysis, a provision for possible loss is recognized, if any. No impairment write-downs were recognized during the three-month period ended March 31, 2013 and February 29, 2012 or for the one-month transition period ended December 31, 2012

Costs in connection with the direct acquisition of a new asset are capitalized as a component of the purchase price and depreciated over the life of the asset. SeeNote 4 for further discussion.

E. *Investment Securities* – The Company's investments in securities are classified as either trading or other equity securities:

- *Trading securities* – the Company's publicly traded equity securities are classified as trading securities and are reported at fair value because the Company intends to sell these securities in order to acquire real asset investments.
- *Other equity securities* – the Company's other equity securities represent interests in private companies for which the Company has elected to report these at fair value under the fair value option.
- *Realized and unrealized gains and losses on trading securities and other equity securities* – Changes in the fair values of the Company's securities during the period reported and the gains or losses realized upon sale of securities during the period are reflected as other income or expense within the accompanying Consolidated Statements of Income.

F. *Security Transactions and Fair Value* – Security transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses are reported on an identified cost basis.

For equity securities that are freely tradable and listed on a securities exchange or over-the-counter market, the Company values those securities at their last sale price on that exchange or over-the-counter market on the valuation date. If the security is listed on more than one exchange, the Company will use the price from the exchange that it considers to be the principal, which may not necessarily represent the last sale price. If there has been no sale on such exchange or over-the-counter market on such day, the security will be valued at the mean between the last bid price and last ask price on such day.

The major components of net realized and unrealized gain or loss on trading securities for the three-month periods ended March 31, 2013 and February 29, 2012 and for the one-month transition period ended December 31, 2012 are as follows:

Major Components of Net Realized and Unrealized Gain (Loss) on Trading Securities

	For the Three Months Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Net unrealized gain on trading securities	$ 751,004	$ —	$ 4,663,211
Net realized gain (loss) on trading securities	(434,941)	2,862,272	(6,432,269)
Total net realized and unrealized gain (loss) on trading securities	$ 316,063	$ 2,862,272	$ (1,769,058)

The Company holds investments in illiquid securities including debt and equity securities of privately-held companies. These investments generally are subject to restrictions on resale, have no established trading market and are valued on a quarterly basis. Because of the inherent uncertainty of valuation, the fair values of such investments, which are determined in accordance with procedures approved by the Company's Board of Directors, may differ materially from the values that would have been used had a ready market existed for the investments.

The Company determines fair value to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company has determined the principal market, or the market in which the Company exits its private portfolio investments with the greatest volume and level of activity, to be the private secondary market. Typically, private companies are bought and sold based on multiples of EBITDA, cash flows, net income, revenues, or in limited cases, book value.

For private company investments, value is often realized through a liquidity event of the entire company. Therefore, the value of the company as a whole (enterprise value) at the reporting date often provides the best evidence of the value of the investment and is the initial step for valuing the Company's privately issued securities. For any one company, enterprise value may best be expressed as a range of fair values, from which a single estimate of fair value will be derived. In determining the enterprise value of a portfolio company, an analysis is prepared consisting of traditional valuation methodologies including market and income approaches. The Company considers some or all of the traditional valuation methods based on the individual circumstances of the portfolio company in order to derive its estimate of enterprise value.

The fair value of investments in private portfolio companies is determined based on various factors, including enterprise value, observable market transactions, such as recent offers to purchase a company, recent transactions involving the purchase or sale of the equity securities of the company, or other liquidation events. The determined equity values may be discounted when the Company has a minority position, or is subject to restrictions on resale, has specific concerns about the receptivity of the capital markets to a specific company at a certain time, or other comparable factors exist.

The Company undertakes a multi-step valuation process each quarter in connection with determining the fair value of private investments. An independent valuation firm has been engaged by the Company to provide independent, third-party valuation consulting services based on procedures that the Company has identified and may ask them to perform from time to time on all or a selection of private investments as determined by the Company. The multi-step valuation process is specific to the level of assurance that the Company requests from the independent valuation firm. For positive assurance, the process is as follows:

- The independent valuation firm prepares the valuations and the supporting analysis.
- The Investment Committee of the Adviser reviews the valuations and supporting analysis, prior to approving the valuations.

G. *Accounts Receivable* – Accounts receivable are presented at face value net of an allowance for doubtful accounts. Accounts are considered past due based on the terms of sale with the customers. The Company reviews accounts for collectibility based on an analysis of specific outstanding receivables, current economic conditions and past collection experience. At March 31, 2013, Management determined that an allowance for doubtful accounts related to our leases was not required. Lease payments by our tenants, as discussed within Note 4, have remained timely and without lapse.

H. *Derivative Instruments and Hedging Activities* - FASB ASC 815, Derivatives and Hedging ("ASC 815"), provides the disclosure requirements for derivatives and hedging activities with the intent to provide users of financial statements with an enhanced understanding of: (a) how and why an entity uses derivative instruments, (b) how the entity accounts for derivative instruments and related hedged items, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. Further, qualitative disclosures are required that explain the Company's objectives and strategies for using derivatives, as well as quantitative disclosures about the fair value of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative instruments. Accordingly, the Company's derivative liabilities are presented on a gross basis.

As required by ASC 815, the Company records all derivatives on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Derivatives may also be designated as hedges of the foreign currency exposure of a net investment in a foreign operation. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. The Company may enter into derivative contracts that are intended to economically hedge certain of its risks, even though hedge accounting does not apply or the Company elects not to apply hedge accounting.

FASB ASC 820, Fair Value Measurements and Disclosure ("ASC 820"), defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.. In accordance with ASC 820, the Company made an accounting policy election to measure the credit risk of its derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio.

I. *Fair Value Measurements* - Various inputs are used in determining the fair value of the Company's assets and liabilities. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments, market corroborated inputs, etc.)
- Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

ASC 820 applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements; accordingly, the standard does not require any new fair value measurements of reported balances. ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, which is typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The following section describes the valuation methodologies used by the Company for estimating fair value for financial instruments not recorded at fair value, but fair value is included for disclosure purposes only, as required under disclosure guidance related to the fair value of financial instruments.

- *Cash and Cash Equivalents* — The carrying value of cash, amounts due from banks, federal funds sold and securities purchased under resale agreements approximates fair value.

- *Escrow Receivable* — The escrow receivable due the Company, which relates to the sale of International Resource Partners, LP, is anticipated to be released upon satisfaction of certain post-closing obligations and/or the expiration of certain time periods (the shortest of which was to be 14 months from the April 2011 closing date of the sale). The fair value of the escrow receivable reflects a discount for the potential that the full amount due to the Company will not be realized. No clear agreement has been reached as to the remaining escrow balance and Management anticipates that it may take more than a year to satisfy other post-closing obligations, prior to receiving the approximately $699 thousand escrow balance remaining.

- *Long-term Debt* — The fair value of the Company’s long-term debt is calculated, for disclosure purposes, by discounting future debt service requirements by a rate equal to the Company’s current expected rate for an equivalent transaction.

- *Line of Credit* — The carrying value of the line of credit approximates the fair value due to its short term nature.

J. *Revenue Recognition* – Specific recognition policies for the Company’s revenue items are as follows:

- *Sales Revenue* – Revenues related to natural gas distribution and performance of management services are recognized in accordance with GAAP upon delivery of natural gas and upon the substantial performance of management and supervision services related to the expansion of the natural gas distribution system. Omega, acting as a principal, provides for transportation services and natural gas supply for its customers on a firm basis. In addition, Omega is paid fees for the operation and maintenance of its natural gas distribution system, including any necessary expansion of the distribution system. Omega is responsible for the coordination, supervision and quality of the expansions while actual construction is generally performed by third party contractors. Revenues from expansion efforts are recognized in accordance with GAAP using either a completed contract or percentage of completion method based on the level and volume of estimates utilized, as well as the certainty or uncertainty of our ability to collect those revenues.
- *Lease Revenue* – Income related to the Company’s leased property is recognized on a straight-line basis over the term of the lease when collectibility is reasonably assured. Rental payments on the Pinedale LGS leased property are typically received on a monthly basis. Prior to November 1, 2012 rental payments on the EIP leased property were typically received on a semi-annual basis and were included as lease revenue within the accompanying Consolidated Statements of Income. Upon the November 1, 2012 execution of the Purchase Agreement related to the EIP leased property (the "Purchase Agreement"), rental payments on the leased property are to be received in advance and are classified as unearned income and included in liabilities within the Consolidated Balance Sheets. Unearned income is amortized ratably over the lease period as revenue recognition criteria are met.

K. *Cost of Sales* – Included in the Company’s cost of sales are the amounts paid for gas and propane, along with related transportation, which are delivered to customers, as well as the cost of material and labor related to the expansion of the natural gas distribution system.

L. *Asset Acquisition Expenses* – Costs in connection with the research of real property acquisitions are expensed as incurred until determination that the acquisition of the real property is probable. Upon the determination, costs in connection with the acquisition of the property are capitalized as described in paragraph (D) above.

M. *Offering Costs* – Offering costs related to the issuance of common stock are charged to additional paid-in capital when the stock is issued.

N. *Debt Issuance Costs* – Costs in connection with the issuance of new debt are capitalized and amortized over the debt term. See Note 11 for further discussion.

O. *Distributions to Stockholders* – The amount of any quarterly distributions to stockholders will be determined by the Board of Directors. Distributions to stockholders are recorded on the ex-dividend date.

P. *Other Income Recognition* – Specific policies for the Company's other income items are as follows:

- *Securities Transactions and Investment Income Recognition* – Securities transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses are reported on an identified cost basis. Distributions received from our equity investments generally are comprised of ordinary income, capital gains and distributions received from investment securities from the portfolio company. The Company records investment income and return of capital based on estimates made at the time such distributions are received. Such estimates are based on information available from each portfolio company and/or other industry sources. These estimates may subsequently be revised based on information received from the portfolio companies after their tax reporting periods are concluded, as the actual character of these distributions are not known until after our fiscal year end.
- *Dividends and distributions from investments* – Dividends and distributions from investments are recorded on their ex-dates and are reflected as other income within the accompanying Consolidated Statements of Income. Distributions received from the Company's investments generally are characterized as ordinary income, capital gains and distributions received from investment securities. The portion characterized as return of capital is paid by our investees from their cash flow from operations. The Company records investment income, capital gains and/or distributions received from investment securities based on estimates made at the time such distributions are received. Such estimates are based on information available from each company and/or other industry sources. These estimates may subsequently be revised based on information received from the entities after their tax reporting periods are concluded, as the actual character of these distributions is not known until after the fiscal year end of the Company.

Q. *Federal and State Income Taxation* – We intend to elect to be treated as a REIT for federal income tax purposes (which we refer to as the "REIT Conversion") for the calendar and tax year ended December 31, 2013. We anticipate that the Company will satisfy the annual income test and the quarterly assets tests necessary for us to qualify and elect to be taxed as a REIT for 2013. Because certain of our assets may not produce REIT-qualifying income or be treated as interests in real property, during the fourth quarter of 2012 we contributed those assets into wholly-owned Taxable REIT Subsidiaries ("TRSs"). This was done in 2012 in order to limit the potential that such assets and income would prevent us from qualifying as a REIT for 2013. Due to the REIT Conversion, we changed our fiscal year end from November 30 to December 31. As a result, the financial statements presented in this Form 10-Q include two periods, a one-month transition period ended December 31, 2012 and a three-month period ended March 31, 2013.

As to the one-month transition period ended December 31, 2012, the Company is treated as a C corporation and is obligated to pay federal and state income tax on its taxable income. Currently, the highest regular marginal federal income tax rate for a corporation is 35 percent. The Company may be subject to a20 percent federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax. For years ended in 2012 and before, the distributions we made to our stockholders from our earnings and profits were treated as qualified dividend income ("QDI") and return of capital. QDI is taxed to our individual shareholders at the maximum rate for long-term capital gains, which through tax year 2012 was 15 percent and beginning in tax year 2013 will be20 percent.

The Company's trading securities and other equity securities are limited partnerships or limited liability companies which are treated as partnerships for federal and state income tax purposes. As a limited partner, the Company reports its allocable share of taxable income in computing its own taxable income. The Company's tax expense or benefit is included in the Consolidated Statements of Income based on the component of income or gains and losses to which such expense or benefit relates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized. Due to the restructuring in December 2012, it is expected that for the three-month period ended March 31, 2013 and future periods, any deferred tax liability or asset will be related entirely to the assets and activities of the Company's TRSs.

In 2013, the Company intends to be taxed as a REIT rather than a C corporation and generally will not pay federal income tax on taxable income that is distributed to our stockholders. As a REIT, our distributions from earnings and profits will be treated as

ordinary income and a return of capital, and generally will not qualify as QDI. To the extent that the REIT has accumulated C corporation earnings and profits from the periods prior to 2013, we will distribute such earnings and profits in 2013, which will be treated as QDI.

The restructuring done in December 2012 causes us to hold and operate certain of our assets through one or more wholly-owned taxable REIT subsidiaries. A TRS is a subsidiary of a REIT that is subject to applicable corporate income tax. Our use of TRSs enables us to continue to engage in certain businesses while complying with REIT qualification requirements and also allows us to retain income generated by these businesses for reinvestment without the requirement of distributing those earnings. In the future, we may elect to reorganize and transfer certain assets or operations from our TRSs to the Company or other subsidiaries, including qualified REIT subsidiaries.

If we fail to qualify to be a REIT for 2013, the Company, as a C corporation, would be obligated to pay federal and state income tax on its taxable income. Currently, the highest regular marginal federal income tax rate for a corporation is 35 percent. The Company may be subject to a20 percent federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax.

R. *Recent Accounting Pronouncements* – In June 2011, the FASB issued ASU No. 2011-05 "Presentation of Comprehensive Income". ASU No. 2011-05 amends FASB ASC Topic 220, *Presentation of Comprehensive Income*, to improve the comparability, consistency and transparency of financial reporting and to increase the prominence of items reported in other comprehensive income. ASU No. 2011-05 is effective for fiscal years beginning after December 15, 2011 and for interim periods within those fiscal years. Management has adopted this amendment and this did not have a material impact on the Company's consolidated financial statements.

In December 2011, the FASB issued ASU No. 2011-11 "Disclosure about Offsetting Assets and Liabilities". ASU No. 2011-11 amends FASB ASC Topic 210, *Balance Sheet*, to improve the comparability, consistency and transparency of financial reporting and to increase the prominence of items reported in other comprehensive income. ASU No. 2011-11 is effective for fiscal years beginning after January 1, 2013 and for interim periods within those fiscal years. Management has adopted this amendment and this did not have a material impact on the Company's consolidated financial statements.

In December 2011, the FASB issued ASU No. 2011-12 "Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05". ASU No. 2011-12 amends FASB ASC Topic 220, *Presentation of Comprehensive Income*, to defer only those changes in Update 2011-05 that relate to the presentation of reclassification adjustments. ASU No. 2011-12 is effective for fiscal years beginning after December 15, 2011 and for interim periods within those fiscal years. Management has adopted this amendment and this did not have a material impact on the Company's consolidated financial statements.

In February 2013, the FASB issued ASU No. 2013-02 "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income". ASU No. 2013-02 amends FASB ASC Topic 220, *Presentation of Comprehensive Income*, to improve the reporting reclassifications out of accumulated other comprehensive income. ASU No. 2013-02 is effective prospectively for reporting periods beginning after December 15, 2012. Management has adopted this amendment and this did not have a material impact on the Company's consolidated financial statements.

3. LEASED PROPERTIES

Pinedale LGS

On December 20, 2012, our subsidiary, Pinedale Corridor, LP ("Pinedale LP"), closed on a Purchase and Sale Agreement with an indirect wholly-owned subsidiary of Ultra Petroleum Corp. ("Ultra Petroleum"). Pinedale LP acquired a system of gathering, storage, and pipeline facilities (the "Liquids Gathering System" or "Pinedale LGS"), with associated real property rights in the Pinedale Anticline in Wyoming (the "Acquisition") for $205 million in cash and certain investment securities having an approximate market value of $23 million. The asset purchase price was funded in part by the issuance of 13 million shares of common stock with net proceeds of$73.6 million after the underwriters discount.

Physical Assets

Construction of the Pinedale LGS was completed by Ultra Petroleum in 2010. It consists of more than 150 miles of pipelines with 107 receipt points and four above-ground central gathering facilities. The system is used by Ultra Petroleum as a method of separating water, condensate and associated flash gas from a unified stream and subsequently selling or treating and disposing of the separated products. Prior to entering the Pinedale LGS, a commingled hydrocarbon stream is separated into wellhead natural gas and a liquids stream. The wellhead natural gas is transported to market by a third party. The remaining liquids, primarily water,

are transported by the LGS to one of its four central gathering facilities where they pass through a three-phase separator which separates condensate, water and associated natural gas. Condensate is a valuable hydrocarbon commodity that is sold by Ultra Petroleum; water is transported to disposal wells or a treatment facility for re-use; and the natural gas is sold or otherwise used by Ultra Petroleum for fueling on-site operational equipment. To date, no major operational issues have been reported with respect to the Pinedale LGS.

The asset is depreciated for book purposes over an estimated useful life of26 years. The amount of depreciation recognized for the leased property for the three month period ended March 31, 2013, and for the one-month transition period ended December 31, 2012 was $2.2 million and $286 thousand, respectively.

See Note 4 for further information regarding the Pinedale Lease Agreement.

Non-Controlling Interest Partner

Prudential Financial, Inc. ("Prudential") funded a portion of the Acquisition by investing $30 million in cash in Pinedale LP. Pinedale GP, a wholly-owned subsidiary of CorEnergy, funded a portion of the Acquisition by contributing approximately $108.3 million in cash and certain equity securities to Pinedale LP. Those investments were made on December 20, 2012. Prudential holds a limited partner interest in Pinedale LP, and Pinedale GP holds a general partner interest. Prudential holds 18.95 percent of the economic interest in Pinedale LP, while Pinedale GP holds the remaining 81.05 percent of the economic interest.

Debt

On December 20, 2012, Pinedale LP borrowed $70 million pursuant to a secured term credit facility with KeyBank National Association ("KeyBank") serving as a lender and the administrative agent on behalf of other lenders participating in the credit facility. The credit facility will remain in effect through December 2015, with an option to extend through December 2016. The credit facility is secured by the LGS. See Note 11 for further information regarding the credit facility.

Eastern Interconnect Project (EIP)

Physical Assets

The EIP transmission assets move electricity across New Mexico between Albuquerque and Clovis. The physical assets include 216 miles of 345 kilovolts transmission lines, towers, easement rights, converters and other grid support components. Originally, the assets were depreciated for book purposes over an estimated useful life of 20 years.

The amount of depreciation of leased property reflected during thethree-month periods ended March 31, 2013 and February 29, 2012 and for the one-month transition period ended December 31, 2012 was $570 thousand, $177 thousand and $190 thousand, respectively. The March 31, 2013 and the December 31, 2012 amounts include three months and one month of incremental depreciation of approximately $393 thousand and $131 thousand, respectively.

See Note 4 for further information regarding the PNM Lease Agreement.

Debt

The Company assumed a note with an outstanding principal balance of$3.4 million. The debt was collateralized by the EIP transmission assets. The note, which accrued interest at an annual rate of 10.25 percent, and had principal and interest payments due on a semi-annual basis, was paid in full onOctober 1, 2012.

4. LEASES

As of March 31, 2013 and December 31, 2012 the Company had two significant leases. The table below displays the impact of each lease on total leased properties and total lease revenues for the periods presented.

	As a Percentage of			
	Leased Properties		Lease Revenues	
	As of March 31, 2013	As of December 31, 2012	For the Three Months Ended March 31, 2013	For the One-Month Transition Period Ended December 31, 2012
Pinedale LGS	94.2%	94.2%	88.7%	75.2%
Public Service of New Mexico	5.8%	5.8%	11.3%	24.8%

Pinedale LGS

Pinedale LP entered into a long-term triple net Lease Agreement on December 20, 2012, relating to the use of the Pinedale LGS (the "Pinedale Lease Agreement") with Ultra Wyoming LGS, LLC, another indirect wholly-owned subsidiary of Ultra Petroleum ("Ultra Newco"). Ultra Newco will utilize the Pinedale LGS to gather and transport a commingled stream of oil, natural gas and water, then further utilize the Pinedale LGS to separate this stream into its separate components. Ultra Newco's obligations under the Pinedale Lease Agreement will be guaranteed by Ultra Petroleum and Ultra Petroleum's operating subsidiary, Ultra Resources, Inc. ("Ultra Resources"), pursuant to the terms of a Parent Guaranty (the "Guaranty"). Annual rent for the initial term under the Pinedale Lease Agreement will be a minimum of $20 million (as adjusted annually for changes based on the Consumer Price Index ("CPI"), subject to annual maximum adjustments of 2 percent) and a maximum of $27.5 million, with the exact rental amount determined by the actual volume of the components handled by the Pinedale LGS, subject to Pinedale LP not being in default under the Pinedale Lease Agreement.

As of March 31, 2013, approximately $903 thousand of net deferred lease costs were included in the accompanying Consolidated Balance Sheets. The deferred costs are amortized over the 15 year life of the new Pinedale LGS lease and were included in Amortization expense within the Consolidated Income Statement. Approximately $2.5 million in asset acquisition costs related to the Pinedale LGS acquisition is included in Leased Property within the Consolidated Balance Sheet. The asset acquisition costs will be depreciated over the anticipated 26 year life of the newly acquired asset and will be included in Depreciation expense within the Consolidated Income Statement.

The assets which comprise the LGS include real property and land rights to which the purchase consideration was allocated based on relative fair values and equaled $122.3 million and $105.7 million, respectively. The land rights are being amortized over the life of the related land lease and amortization expense is expected to be approximately $8.8 million for each of the next five years.

In view of the fact that Ultra Petroleum leases a substantial portion of the Company's net leased property, which is a significant source of revenues and operating income, its financial condition and ability and willingness to satisfy its obligations under its lease with the Company, are expected to have a considerable impact on the results of operation going forward.

Ultra Petroleum is currently subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "1934 Act") and is required to file with the SEC annual reports containing audited financial statements and quarterly reports containing unaudited financial statements. The audited financial statements and unaudited financial statements of Ultra Petroleum can be found on the SEC's website at www.sec.gov. The Company makes no representation as to the accuracy or completeness of the audited and unaudited financial statements of Ultra Petroleum, but has no reason not to believe the accuracy or completeness of such information. In addition, Ultra Petroleum has no duty, contractual or otherwise, to advise the Company of any events that might have occurred subsequent to the date of such financial statements which could affect the significance or accuracy of such information. Summary Consolidated Balance Sheets and Consolidated Statements of Income for Ultra Petroleum are provided below.

Ultra Petroleum
Summary Consolidated Balance Sheets *(Unaudited)*
(in thousands)

	March 31, 2013	December 31, 2012
Current assets	$ 129,063	$ 125,848
Non-current assets	1,906,320	1,881,497
Total Assets	$ 2,035,383	$ 2,007,345
Current liabilities	422,094	514,092
Non-current liabilities	2,175,481	2,071,120
Total Liabilities	$ 2,597,575	$ 2,585,212
Shareholder's equity (deficit)	(562,192)	(577,867)
Total Liabilities and Shareholder's Equity	$ 2,035,383	$ 2,007,345

Ultra Petroleum
Summary Consolidated Statements of Income *(Unaudited)*
(in thousands)

	For the Three Months Ended	
	March 31, 2013	March 31, 2012
Revenues	$ 225,626	$ 226,143
Expenses	139,994	193,539
Operating Income	85,632	32,604
Other Income (Expense), net	(67,831)	97,147
Income before income tax provision	17,801	129,751
Income tax provision	1,368	45,489
Net Income	$ 16,433	$ 84,262

Public Service Company of New Mexico ("PNM")

EIP is leased on a triple net basis through April 1, 2015 (the "PNM Lease Agreement") to PNM, an independent electric utility company serving approximately 500 thousand customers in New Mexico. PNM is a subsidiary of PNM Resources Inc. (NYSE: PNM) ("PNM Resources"). Per the PNM Lease Agreement, at the time of expiration of the PNM Lease Agreement, the Company could choose to renew the PNM Lease Agreement with the lessee, the lessee could offer to repurchase the EIP, or the PNM Lease Agreement could be allowed to expire and the Company could find another lessee. Under the terms of the PNM Lease Agreement, the Company was to receive semi-annual lease payments.

At the time of acquisition, the rate of the PNM Lease Agreement was determined to be above market rates for similar leased assets and the Company recorded an intangible asset of $1.1 million for this premium which is being amortized as a reduction to lease revenue over the remaining lease term. See Note 10 below for further information as to the intangible asset.

Upon the execution of the Purchase Agreement on November 1, 2012, the schedule of the rental payments under the Lease Agreement was changed so that the last scheduled semi-annual lease payment was received by the Company on October 1, 2012. In accordance with the Purchase Agreement, PNM's remaining basic rent payments due to the Company were accelerated. The semi-annual payments of approximately $1.4 million that were originally scheduled to be due on April 1, and October 1, 2013, respectively, were received by the Company on November 1, 2012. Therefore, as of March 31, 2013, November 30, 2012 and December 31, 2012, PNM had paid $1.4 million, $2.4 million and $2.1 million in future minimum rental payments in advance. The amount is reported as an unearned income liability within the Consolidated Balance Sheets.

In view of the fact that the PNM leases a substantial portion of the Company's net leased property, which is a significant source of revenues and operating income, its financial condition and ability and willingness to satisfy its obligations under its lease with the Company, have a considerable impact on the results of operation.

On November 1, 2012 the Company entered into the definitive Purchase Agreement with PNM to sell the Company's 40 percent undivided interest in the EIP upon termination of the Lease Agreement on April 1, 2015 for $7.68 million. Per the Purchase

Agreement, PNM also accelerated its remaining lease payments to the Company. Both lease payments due in 2013 were paid to the Company upon execution of the Purchase Agreement on November 1, 2012. In addition, per the Purchase Agreement, PNM paid $100 thousand during the fourth quarter to compensate the Company for legal costs resulting from its filings with the Federal Energy Regulatory Commission ("FERC"). The three remaining lease payments due April 1, 2014, October 1, 2014 and April 1, 2015 will be paid in full on January 1, 2014.

The Company reevaluated the residual value used to calculate its depreciation of the EIP, and determined that a change in estimate was necessary. The change in estimate resulted in higher depreciation expenses beginning in November of 2012 through the expiration of the lease in April 2015. The incremental depreciation amounts to approximately $393 thousand per quarter.

PNM Resources is currently subject to the reporting requirements of the 1934 Act and is required to file with the SEC annual reports containing audited financial statements and quarterly reports containing unaudited financial statements. The audited financial statements and unaudited financial statements of PNM Resources can be found on the SEC's website at www.sec.gov. The Company makes no representation as to the accuracy or completeness of the audited and unaudited financial statements of PNM Resources but has no reason not to believe the accuracy or completeness of such information. In addition, PNM Resources has no duty, contractual or otherwise, to advise the Company of any events that might have occurred subsequent to the date of such financial statements which could affect the significance or accuracy of such information. None of the information in the public reports of PNM Resources that are filed with the SEC is incorporated by reference into, or in any way, form a part of this filing.

The future contracted minimum rental receipts for all net leases as of March 31, 2013 are as follows:

Future Minimum Lease Rentals

Years Ending December 31,	Amount
2013	$ 15,000,000
2014	24,267,371
2015	20,000,000
2016	20,000,000
2017	20,000,000
Thereafter	199,354,839
Total	$ 298,622,210

5. INCOME TAXES

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting and tax purposes. Components of the Company's deferred tax assets and liabilities as of March 31, 2013,
November 30, 2012 and December 31, 2012 are as follows:

Deferred Tax Assets and Liabilities

	March 31, 2013	November 30, 2012	December 31, 2012
Deferred Tax Assets:			
Organization costs	$ —	$ (17,668)	$ (27,188)
Net operating loss carryforwards	—	(6,411,230)	—
Net unrealized loss on investment securities	—	—	(143,822)
Cost recovery of leased assets	—	(36,443)	—
Asset acquisition costs	—	(134,415)	(158,535)
AMT and State of Kansas credit	—	(196,197)	—
Sub-total	$ —	$ (6,795,953)	$ (329,545)
Deferred Tax Liabilities:			
Basis reduction of investment in partnerships	$ 2,090,696	$ 11,655,817	$ 2,675,142
Net unrealized gain on investment securities	1,040,400	2,312,269	—
Cost recovery of leased assets	—	—	50,446
Sub-total	3,131,096	13,968,086	2,725,588
Total net deferred tax liability	$ 3,131,096	$ 7,172,133	$ 2,396,043

For the period ended March 31, 2013, all deferred tax liability presented above relates to assets held in the Company's Taxable REIT Subsidiaries. The Company recognizes the tax benefits of uncertain tax positions only when the position is “more likely than not” to be sustained upon examination by the tax authorities based on the technical merits of the tax position. The Company’s policy is to record interest and penalties on uncertain tax positions as part of tax expense. As of March 31, 2013, the Company had no uncertain tax positions and no penalties and interest were accrued. Tax years subsequent to the year ending November 30, 2006 remain open to examination by federal and state tax authorities.

Total income tax expense differs from the amount computed by applying the federal statutory income tax rates of 35 percent for the three-month periods ended March 31, 2013, February 29, 2012 and for the one-month transition period ended December 31, 2012 to income (loss) from operations and other income (expense) for the years presented, as follows:

Income Tax Expense (Benefit)

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Application of statutory income tax rate	$ 1,201,795	$ 3,224,535	$ (848,239)
State income taxes, net of federal tax benefit	62,270	241,379	(64,771)
Dividends received deduction	—	—	(7,133)
Income of Real Estate Investment Trust	(243,121)	—	—
Total income tax expense (benefit)	$ 1,020,944	$ 3,465,914	$ (920,143)

Total income taxes are computed by applying the federal statutory rate of 35 percent plus a blended state income tax rate, which was approximately 2.26 percent for the periods presented above. The restructuring done in December 2012 causes us to hold and operate certain of our assets through one or more Taxable REIT Subsidiaries (“TRSs”). A TRS is a subsidiary of a REIT that is subject to applicable corporate income tax. For the period ended March 31, 2013, all of the income tax expense presented above relates to the assets and activities held in the Company's TRSs. The components of income tax expense include the following for the periods presented:

Components of Income Tax Expense (Benefit)

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Current tax expense			
Federal	$ 268,205	$ —	$ 3,610,165
State (net of federal tax benefit)	17,686	—	245,782
AMT expense	—	10,000	—
Total current tax expense	285,891	10,000	3,855,947
Deferred tax expense (benefit)			
Federal	690,468	3,215,230	(4,465,104)
State (net of federal tax benefit)	44,585	240,684	(310,986)
Total deferred tax expense (benefit)	735,053	3,455,914	(4,776,090)
Total income tax expense (benefit)	$ 1,020,944	$ 3,465,914	$ (920,143)

As of November 30, 2012, the Company had a net operating loss for federal income tax purposes of approximately $17.2 million. The net operating loss may be carried forward for 20 years. If not utilized, this net operating loss will expire as follows: $8 thousand, $4.0 million , $3.4 million , $24 thousand and $9.8 million in the years ending November 30, 2028, 2029, 2030, 2031 and 2032 respectively. In the period ending December 31, 2012, all Net Operating Losses of the Company were utilized to reduce the Company's current tax liability. No Net Operating Losses remain at March 31, 2013. As of November 30, 2012, an alternative minimum tax credit of $194 thousand was available, which was fully utilized as of December 31, 2012.

The aggregate cost of securities for federal income tax purposes and securities with unrealized appreciation and depreciation, were as follows:

Aggregate Cost of Securities for Income Tax Purposes

	March 31, 2013	November 30, 2012	December 31, 2012
Aggregate cost for federal income tax purposes	$ 19,734,837	$ 41,995,195	$ 22,007,069
Gross unrealized appreciation	2,161,017	33,892,176	2,018,455
Gross unrealized depreciation	—	(801,340)	—
Net unrealized appreciation	$ 2,161,017	$ 33,090,836	$ 2,018,455

6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Property and Equipment

	March 31, 2013	November 30, 2012	December 31, 2012
Natural gas pipeline	$ 5,215,424	$ 5,215,424	$ 5,215,424
Vehicles and trailers	125,117	110,782	110,783
Computers	14,548	14,018	14,439
Gross property and equipment	5,355,089	5,340,224	5,340,646
Less: accumulated depreciation	(1,825,253)	(1,751,202)	(1,774,616)
Net property and equipment	$ 3,529,836	$ 3,589,022	$ 3,566,030

The amounts of depreciation of property and equipment recognized for the three-month periods ended March 31, 2013 and February 29, 2012 and for the one-month transition period ended December 31, 2012 were $71 thousand, $70 thousand, and $23 thousand, respectively.

7. CONCENTRATIONS

The Company has historically invested in securities of privately-held and publicly-traded companies in the midstream and downstream segments of the U.S. energy infrastructure sector. As of March 31, 2013, investments in securities of energy infrastructure companies represented approximately 7.56 percent of the Company's total assets. The Company is now focused on identifying and acquiring real property assets in the U.S. energy infrastructure sector that are REIT qualified.

Mowood, the Company's wholly-owned subsidiary, has a ten-year contract, expiring in 2015, with the Department of Defense ("DOD") to provide natural gas and gas distribution services to Fort Leonard Wood. Revenue related to the DOD contract accounted for 89 percent, 82 percent, and 84 percent of sales revenue for the three-month periods ended March 31, 2013 and February 29, 2012, and for the one-month transition period ended December 31, 2012, respectively. Mowood, through its wholly-owned subsidiary Omega, performs management and supervision services related to the expansion of the natural gas distribution system used by the DOD. The amount due from the DOD accounts for 89 percent, 87 percent, and 79 percent of the consolidated accounts receivable balances at March 31, 2013, February 29, 2012 and December 31, 2012, respectively.

Mowood's contracts for its supply of natural gas are concentrated among select providers. Payments to its largest supplier of natural gas accounted for 73 percent, 87 percent, and 91 percent of cost of sales for the three-month periods ended March 31, 2013 and February 29, 2012 and for the one-month transition period ended December 31, 2012, respectively.

8. MANAGEMENT AGREEMENT

On December 1, 2011, the Company executed a Management Agreement with Corridor InfraTrust Management, LLC ("Corridor"). The Management Agreement has a current expiration date of June 30, 2013. The terms of the Management Agreement include a quarterly management fee equal to 0.25 percent (1.00 percent annualized) of the value of the Company's average monthly Managed Assets for such quarter. For purposes of the Management Agreement, "Managed Assets" means all of the securities of the Company and all of the real property assets of the Company (including any securities or real property assets purchased with or attributable to any borrowed funds) minus all of the accrued liabilities other than (1) deferred taxes and (2) debt entered into for the purpose of leverage. For purposes of the definition of Managed Assets, "securities" includes the Company's security portfolio, valued at then current market value. For purposes of the definition of Managed Assets, "real property assets" includes the assets of the Company invested, directly or indirectly, in equity interests in or loans secured by real estate and personal property owned in

connection with such real estate (including acquisition related costs and acquisition costs that may be allocated to intangibles or are unallocated, valued at the aggregate historical cost, before reserves for depreciation, amortization, impairment charges or bad debts or other similar noncash reserves.) The Management Agreement also includes a quarterly incentive fee of 10 percent of the increase in distributions paid over a threshold distribution equal to$0.125 per share per quarter. The Management Agreement also requires at least half of any incentive fees to be reinvested in the Company's common stock.

During the fourth quarter of 2012, Corridor assumed the Company's Administrative Agreement, retroactive to August 7, 2012. Tortoise Capital Advisors, L.L.C. ("TCA") served as the Company's administrator until that date. The Company pays the administrator a fee equal to an annual rate of 0.04 percent of aggregate average daily managed assets, with a minimum annual fee of $30 thousand.

On December 1, 2011, we entered into an Advisory Agreement by and among the Company, TCA and Corridor, under which TCA provided certain securities focused investment services necessary to evaluate, monitor and liquidate the Company's remaining securities portfolio ("Designated Advisory Services"), and also provide the Company with certain operational (i.e. non-investment) services ("Designated Operational Services"). Effective December 21, 2012, that agreement was replaced by an Amended Advisory Agreement pursuant to which TCA provides investment services related to the monitoring and disposition of our current securities portfolio.

U.S. Bancorp Fund Services, LLC serves as the Company's fund accounting services provider. The Company pays the provider a monthly fee computed at an annual rate of $24 thousand on the first $50 million of the Company's Net Assets, 0.0125 percent on the next $200 million of Net Assets, 0.0075 percent on the next $250 million of Net Assets and 0.0025 percent on the balance of the Company's Net Assets.

9. FAIR VALUE OF OTHER SECURITIES

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following tables provide the fair value measurements of applicable Company assets and liabilities by level within the fair value hierarchy as of March 31, 2013, November 30, 2012 and December 31, 2012. These assets and liabilities are measured on a recurring basis.

March 31, 2013

		Fair Value		
	March 31, 2013	**Level 1**	**Level 2**	**Level 3**
Investments:				
Trading securities	$ —	$ —	$ —	$ —
Other equity securities	21,895,854	—	—	21,895,854
Total Assets	$ 21,895,854	$ —	$ —	$ 21,895,854

November 30, 2012

		Fair Value		
	November 30, 2012	**Level 1**	**Level 2**	**Level 3**
Assets:				
Trading securities	$ 55,219,411	$ 27,480,191	$ 27,739,220	$ —
Other equity securities	19,866,621	—	—	19,866,621
Total Assets	$ 75,086,032	$ 27,480,191	$ 27,739,220	$ 19,866,621

December 31, 2012

		Fair Value		
	December 31, 2012	**Level 1**	**Level 2**	**Level 3**
Assets:				
Trading securities	$ 4,318,398	$ 4,318,398	$ —	$ —
Other equity securities	19,707,126	—	—	19,707,126
Total Assets	$ 24,025,524	$ 4,318,398	$ —	$ 19,707,126

The changes for all Level 3 securities measured at fair value on a recurring basis using significant unobservable inputs for the three-month periods ended March 31, 2013 and February 29, 2012 and for the one-month transition period ended December 31, 2012 are as follows:

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Fair value beginning balance	$ 19,707,126	$ 41,856,730	$ 19,866,621
Total realized and unrealized gains (losses) included in net income	2,425,986	6,069,194	(159,495)
Return of capital adjustments impacting cost basis of securities	(237,258)	(656,195)	—
Fair value ending balance	$ 21,895,854	$ 47,269,729	$ 19,707,126
Changes in unrealized gains (losses), included in net income, relating to securities still held (1)	$ 2,425,986	$ 6,069,194	$ (159,495)

(1) Located in Net realized and unrealized gain (loss) on other equity securities in the Statements of Income

As of February 29, 2012, the Company's other equity securities, which represented equity interests in private companies, and were classified as Level 3 assets, included High Sierra Energy, LP. On June 19, 2012, NGL Energy Partners, LP and certain of its affiliates (collectively "NGL") acquired High Sierra Energy, LP and High Sierra Energy GP, LLC (collectively "High Sierra") pursuant to which NGL, a New York Stock Exchange listed company, paid to the limited partners of High Sierra approximately $9.4 million in cash and approximately 1.2 million newly issued units of NGL. A realized gain of $15.8 million was recognized during the third quarter of 2012 upon the sale. These NGL units are classified as a Level 2 Trading security above as of November 30, 2012.

The Company utilizes the beginning of reporting period method for determining transfers between levels. There were no transfers between levels 1, 2 or 3 for the three-month periods ended March 31, 2013 and February 29, 2012, respectively. For the one-month transition period ended December 31, 2012 there were transfers out of Level 2 assets in the amount of $4.32 million, which represents the value of the Company's equity interest in NGL. There were no transfers between Level 1 and Level 3 for the one-month transition period ended December 31, 2012.

Valuation Techniques and Unobservable Inputs

An equity security of a publicly traded company acquired in a private placement transaction without registration under the Securities Act of 1933, as amended (the "1933 Act"), is subject to restrictions on resale that can affect the security's liquidity (and hence its fair value). If the security has a common share counterpart trading in a public market, the Company generally determines an appropriate percentage discount for the security in light of the restrictions that apply to its resale (taking into account, for example, whether the resale restrictions of Rule 144 under the 1933 Act apply). This pricing methodology applies to the Company's Level 2 trading securities.

The Company's other equity securities, which represent securities issued by private companies, are classified as Level 3 assets. Valuation of these investments is determined by weighting various valuation metrics for each security. Significant judgment is required in selecting the assumptions used to determine the fair values of these investments. See Note 2, *Significant Accounting Policies.*

The Company's investments in private companies are typically valued using one of or a combination of the following valuation techniques: (i) analysis of valuations for publicly traded companies in a similar line of business ("public company analysis"), (ii) analysis of valuations for comparable M&A transactions ("M&A analysis") and (iii) discounted cash flow analysis. The table entitled "Quantitative Table for Valuation Techniques" outlines the valuation technique(s) used for each asset category.

The public company analysis utilizes valuation multiples for publicly traded companies in a similar line of business as the portfolio company to estimate the fair value of such investment. Typically, the Company's analysis focuses on the ratio of enterprise value to earnings before interest expense, income tax expense, depreciation and amortization ("EBITDA") which is commonly referred to as an EV/EBITDA multiple. The Company selects a range of multiples given the trading multiples of similar publicly traded companies and applies such multiples to the portfolio company's EBITDA to estimate the portfolio company's trailing, proforma, projected or average (as appropriate) EBITDA to estimate the portfolio company's enterprise value and equity value. The Company also selects a range of trading market yields of similar public companies and applies such yields to the portfolio company's estimated distributable cash flow. When calculating these values, the Company applies a discount, when applicable, to the portfolio company's estimated equity value for the size of the company and the lack of liquidity in the portfolio company's securities.

The M&A analysis utilizes valuation multiples for historical M&A transactions for companies or assets in a similar line of business as the portfolio company to estimate the fair value of such investment. Typically, the Company's analysis focuses on EV/EBITDA multiples. The Company selects a range of multiples based on EV/EBITDA multiples for similar M&A transactions or similar companies and applies such ranges to the portfolio company's analytical EBITDA to estimate the portfolio company's enterprise value.

The discounted cash flow ("DCF") analysis is used to estimate the equity value for the portfolio company based on estimated DCF of such portfolio company. Such cash flows include an estimate of terminal value for the portfolio company. A present value of these cash flows is determined by using estimated discount rates (based on the Company's estimate for weighted average cost of capital for such portfolio company).

Under all of these valuation techniques, the Company estimates operating results of its portfolio companies (including EBITDA). These estimates utilize unobservable inputs such as historical operating results, which may be unaudited, and projected operating results, which will be based on expected operating assumptions for such portfolio company. The Company also consults with management of the portfolio companies to develop these financial projections. These estimates will be sensitive to changes in assumptions specific to such portfolio company as well as general assumptions for the industry. Other unobservable inputs utilized in the valuation techniques outlined above include: possible discounts for lack of marketability, selection of publicly-traded companies, selection of similar M&A transactions, selected ranges for valuation multiples, selected range of yields and expected required rates of return and weighted average cost of capital. The various inputs will be weighted as appropriate, and other factors may be weighted into the valuation, including recent capital transactions of the Company.

Changes in EBITDA multiples, or discount rates may change the fair value of the Company's portfolio investments. Generally, a decrease in EBITDA multiples or DCF multiples, or an increase in discount rates, when applicable, may result in a decrease in the fair value of the Company's portfolio investments.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Additionally, the fair value of the Company's investments may differ from the values that would have been used had a ready market existed for such investments and may differ materially from the values that the Company may ultimately realize.

The following table summarizes the significant unobservable inputs that the Company uses to value its portfolio investments categorized as Level 3 as of March 31, 2013.

Quantitative Table for Valuation Techniques

Significant Unobservable Inputs Used To Value Portfolio Investments

Assets at Fair Value	Fair Value	Valuation Technique	Unobservable Inputs	Range		Weighted Average
				Low	High	
Other equity securities, at fair value	$ 21,895,854	Public company historical EBITDA analysis	Historical EBITDA Valuation Multiples	9.0x	12.3x	10.7x
		Public company projected EBITDA analysis	Projected EBITDA Valuation Multiples	8.8x	11.4x	10.1x
		M&A company analysis	EV/LTM 2012 EBITDA	9.0x	10.3x	9.7x
		Discounted cash flow	Weighted Average Cost of Capital	9.5%	14.0%	11.8%

As of March 31, 2013, December 31, 2012 and November 30, 2012, the Company held a 6.7% equity interest in Lightfoot Capital Partners LP and an 11.1% equity interest in VantaCore Partners LP.

The following section describes the valuation methodologies used by the Company for estimating fair value for financial instruments not recorded at fair value, but fair value is included for disclosure purposes only, as required under disclosure guidance related to the fair value of financial instruments.

Cash and Cash Equivalents — The carrying value of cash, amounts due from banks, federal funds sold and securities purchased under resale agreements approximates fair value.

Escrow Receivable — The escrow receivable due the Company, which relates to the sale of International Resource Partners, LP, is anticipated to be released upon satisfaction of certain post-closing obligations and/or the expiration of certain time periods (the shortest of which was to be 14 months from the April 2011 closing date of the sale). The fair value of the escrow receivable reflects a discount for the potential that the full amount due to the Company will not be realized. No clear agreement has been reached as to the remaining escrow balance and Management anticipates that it may take more than a year to satisfy other post-closing obligations, prior to receiving the approximately $699 thousand escrow balance remaining.

Long-term Debt — The fair value of the Company's long-term debt is calculated, for disclosure purposes, by discounting future cash flows by a rate equal to the Company's current expected rate for an equivalent transaction.

Line of Credit — The carrying value of the line of credit approximates the fair value due to its short term nature.

Carrying and Fair Value Amounts

		March 31, 2013		November 30, 2012		December 31, 2012	
	Level within fair value hierarchy	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets:							
Cash and cash equivalents	Level 1	$ 18,196,151	$ 18,196,151	$ 14,333,456	$ 14,333,456	$ 17,680,783	$ 17,680,783
Escrow receivable	Level 2	$ 698,729	$ 698,729	$ 698,729	$ 698,729	$ 698,729	$ 698,729
Financial Liabilities:							
Long-term debt	Level 2	$ 70,000,000	$ 70,000,000	$ —	$ —	$ 70,000,000	$ 70,000,000
Line of credit	Level 1	$ 139,397	$ 139,397	$ 120,000	$ 120,000	$ —	$ —

10. INTANGIBLES

The Company has recorded an intangible lease asset, related to the PNM lease, for the fair value of the amount by which the remaining contractual lease payments exceed market lease rates at the time of acquisition. The intangible lease asset is being amortized on a straight-line basis over the life of the lease term, which expires on April 1, 2015. Amortization of the intangible lease asset is reflected in the accompanying Consolidated Statements of Income as a reduction to lease income.

Intangible Lease Asset

	March 31, 2013	November 30, 2012	December 31, 2012
Intangible lease asset	$ 1,094,771	$ 1,094,771	$ 1,094,771
Accumulated amortization	(510,893)	(413,580)	(437,908)
Net intangible lease asset	$ 583,878	$ 681,191	$ 656,863

Remaining Estimated Amortization On Intangibles

Year ending December 31,	Amount
2013	$ 218,954
2014	291,939
2015	72,985
Total	$ 583,878

11. CREDIT FACILITIES

On December 20, 2012, Pinedale LP closed on a$70 million secured term credit facility with KeyBank serving as a lender and as administrative agent on behalf of other lenders participating in the credit facility. Funding of the credit facility was conditioned on our contribution of the proceeds of the stock issuance to Pinedale LP and the receipt by Pinedale LP of the $30 million co-investment funds from Prudential. Outstanding balances under the credit facility will generally accrue interest at a variable annual rate equal to LIBOR plus 3.25 percent. The credit facility will remain in effect through December 2015, with an option to extend through December 2016. The credit facility is secured by the Pinedale LGS. Pinedale LP is obligated to pay all accrued interest quarterly and is further obligated to pay monthly, beginning March 7, 2014, 0.42 percent of the amount outstanding on the loan on March 1, 2014. The credit agreement contains, among other restrictions, specific financial covenants including the maintenance of certain financial coverage ratios and a minimum net worth requirement. As of March 31, 2013, Pinedale LP was in compliance with all of the financial covenants of the secured term credit facility.

As of March 31, 2013 and December 31, 2012 approximately $1.5 million in debt issuance costs are included in the accompanying Consolidated Balance Sheets. The deferred costs will be amortized over the anticipated three-year term of the newly acquired debt and are included in interest expense within the accompanying Consolidated Statements of Income.

We have executed interest rate swap derivatives to add stability to our interest expense and to manage our exposure to interest rate movements on our LIBOR based borrowings. Interest rate swaps involve the receipt of variable-rate amounts from a counterparty in exchange for us making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. See Note 12 for further information regarding interest rate swap derivatives.

On October 29, 2010, Mowood entered into a Revolving Note Payable Agreement ("Note Payable Agreement") with a financial institution with a maximum borrowing base of $1.3 million. The Note Payable Agreement was amended and restated on October 29, 2011 and was again amended and restated on October 29, 2012. Borrowings on the Note Payable are secured by all of Mowood's assets. Interest accrues at LIBOR, plus 4 percent (4.20 percent at March 31, 2013), is payable monthly, with all outstanding principal and accrued interest payable on the termination date of October 29, 2013. As of March 31, 2013 the outstanding borrowings under this Note Payable Agreement totaled approximately $139 thousand. The Note Payable Agreement contains various restrictive covenants, with the most significant relating to minimum consolidated fixed charge ratio, the incidence of additional indebtedness, member distributions, extension of guaranties, future investments in other subsidiaries and change in ownership. Mowood was in compliance with the various covenants of the Note Payable Agreement as of March 31, 2013.

On November 30, 2011, the Company entered into a 180-day rolling evergreen Margin Loan Facility Agreement ("Margin Loan Agreement") with Bank of America, N.A. The terms of the Margin Loan Agreement provide for a $10 million facility that is secured by certain of the Company's assets. Outstanding balances generally will accrue interest at a variable rate equal to one-month LIBOR plus 0.75 percent and unused portions of the facility will accrue a fee equal to an annual rate of 0.25 percent. In December of 2012, the assets which secured this facility were sold, and as a result, this Margin Loan Agreement was terminated effective December 20, 2012.

12. INTEREST RATE HEDGE SWAPS

Derivative financial instruments

Currently, the Company uses interest rate swaps to manage its interest raterisk. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including forward interest rate curves. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash payments and the discounted expected variable cash receipts. The variable cash receipts are based on an expectation of future interest rates (forward curves) derived from observable market interest rate forward curves.

To comply with the provisions of ASC 820, the Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees. In conjunction with the FASB's fair value measurement guidance in ASC 820, the Company made an accounting policy election to measure the credit risk of its derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of March 31, 2013, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Company has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

The table below presents the Company's assets and liabilities measured at fair value on a recurring basis as well as their classification on the Consolidated Balance Sheets as of March 31, 2013 and December 31, 2012, aggregated by the level in the fair value hierarchy within which those measurements fall. Hedges that are valued as receivable by the Company are considered Asset Derivatives and those that are valued as payable by the Company are considered Liability Derivatives. There were no outstanding derivative financial instruments as of November 30, 2012.

Derivative Financial Instruments Measured At Fair Value on a Recurring Basis

Balance Sheet Line Item	Balance Sheet Classification	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
		March 31, 2013		
Prepaid expenses and other assets	Assets	$ —	$ —	$ —
Accounts payable and other accrued liabilities	Liabilities	$ —	$ 266,880	$ —
		December 31, 2012		
Prepaid expenses and other assets	Assets	$ —	$ —	$ —
Accounts payable and other accrued liabilities	Liabilities	$ —	$ 316,756	$ —

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, market corroborated inputs, etc.)

Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

Risk Management Objective of Using Derivatives

The Company is exposed to certain risk arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its debt funding and the use of derivative financial instruments. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. The Company's derivative financial instruments are used to manage differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's investments and borrowings.

Non-Designated Hedges

Derivatives not designated as hedges are not speculative and are used to manage the Company's exposure to interest rate movements and other identified risks. As of March 31, 2013, the Company has elected not to designate its derivatives in hedging relationships. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in earnings and were equal to a net loss of $3 thousand and $317 thousand for the quarter ended March 31, 2013 and the one-month transition period ended December 31, 2012, respectively.

There were no outstanding derivatives as of November 30, 2012. As of March 31, 2013, and December 31, 2012 the Company had the following outstanding derivatives, none of which were designated as hedges in qualifying hedging relationships:

Outstanding Derivatives Not Designated as Hedges in a Qualifying Hedging Relationship

Interest Rate Derivative	Number of Instruments	Notional Amount Outstanding	Effective Date	Termination Date	Floating Rate Received	Fixed Rate Paid
Interest Rate Swap	2	$52,500,000	February 5, 2013	December 5, 2017	1-month US Dollar LIBOR	0.865%

Tabular Disclosure of the Effect of Derivative Instruments on the Income Statement

The table below presents the effect of the Company's derivative financial instruments on the Income Statement for the quarters ended March 31, 2013 and February 29, 2012, and for the one-month transition period ended December 31, 2012.

Effect of Derivative Financial Instruments on Income Statement

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative *		
		For the Three Months Ended		For the One-Month Transition Period Ended December 31, 2012
		March 31, 2013	February 29, 2012	
Interest rate contracts	Interest Expense	$ (3,350)	$ —	$ (316,756)

** The gain or (loss) recognized in income on derivatives includes changes in fair value of the derivatives as well as the periodic cash settlements and interest accruals for derivatives not designated as hedging instruments*

Credit-Risk Related Contingent Features

The Company has agreements with some of its derivative counterparties that contain a provision where if the Company defaults on any of its indebtedness, including default where repayment of the indebtedness has not been accelerated by the lender, then the company could also be declared in default on its derivative obligations.

As of March 31, 2013, the fair value of derivatives in a net liability position, which includes an adjustment for nonperformance risk but excludes any accrued interest, related to these agreements was $267 thousand. As of March 31, 2013, the Company has not posted any collateral related to these agreements. If the Company had breached any of these provisions as of March 31, 2013, it could have been required to settle its obligations under the agreements at their termination value of $267 thousand.

13. CORENERGY HISTORICAL FINANCIALS

Summary Balance Sheets and Statements of Income for the one-month transition periods endingDecember 31, 2012 and December 31, 2011 are presented below for comparative purposes. For further information please refer to the section with Management's Discussion and Analysis.

CorEnergy Historical Summary Consolidated Balance Sheets

	December 31, 2012 *(Unaudited)*	December 31, 2011 *(Unaudited)*
Current assets	$ 19,202,432	$ 5,307,970
Non-current assets	274,459,553	90,623,108
Total Assets	$ 293,661,985	$ 95,931,078
Current liabilities	$ 8,290,065	$ 1,552,281
Non-current liabilities	74,529,728	2,894,200
Total Liabilities	82,819,793	4,446,481
Shareholder's equity	210,842,192	91,484,597
Total Liabilities and Shareholder's Equity	$ 293,661,985	$ 95,931,078

CorEnergy Historical Summary Consolidated Statements of Income

	For the One-Month Transition Period Ended December 31, 2012 *(Unaudited)*	For the One-Month Transition Period Ended December 31, 2011 *(Unaudited)*
Revenues	$ 1,726,901	$ 1,079,612
Expenses	1,826,422	993,919
Operating Income (Loss)	(99,521)	85,693
Other Income (Expense), net	(2,342,365)	1,601,084
Income (Loss) before income tax benefit (provision)	(2,441,886)	1,686,777
Income tax benefit (provision)	920,143	(628,493)
Net Income (Loss)	(1,521,743)	1,058,284
Less: Net Income (Loss) attributable to non-controlling interest	(18,347)	—
Net Income (Loss) attributable to CORR Stockholders	$ (1,503,396)	$ 1,058,284

14. WARRANTS

At March 31, 2013 and February 29, 2012, the Company had 945,594 warrants issued and outstanding. The warrants were issued to stockholders that invested in the Company's initial private placements and became exercisable on February 7, 2007 (the closing date of the Company's initial public offering of common shares), subject to a lock-up period with respect to the underlying common shares. As of November 30, 2012, each warrant entitles the holder to purchase one common share at the exercise price of $11.41 per common share. Warrants were issued as separate instruments from the common shares and are permitted to be transferred independently from the common shares. The warrants have no voting rights and the common shares underlying the unexercised warrants have no voting rights until such common shares are received upon exercise of the warrants. All warrants expire on February 6, 2014.

15. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share:

Earnings Per Share

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Net income attributable to CORR Stockholders	$ 2,412,753	$ 5,747,041	$ (1,503,396)
Basic and diluted weighted average shares (1)	24,141,720	9,176,889	15,564,861
Basic and diluted earnings per share attributable to CORR Stockholders	$ 0.10	$ 0.63	$ (0.10)

(1) Warrants to purchase shares of common stock were outstanding during the periods reflected in the table above, but were not included in the computation of diluted earnings per share because the warrants' exercise price was greater than the average market value of the common shares and, therefore, the effect would be anti-dilutive.

The decrease in earnings per share for the three-month period endedMarch 31, 2013 as compared to the three-month period endedFebruary 29, 2012 reflects the overall change in the business structure as the Company transitions out of securities-based transactions and into ownership and leasing of real property assets. Additionally, 14,950,000 shares were issued in the one-month transition period ended December 31, 2012.

16. SUBSEQUENT EVENTS

The Company performed an evaluation of subsequent events through the date of the issuance of these financial statements and determined that no additional items require recognition or disclosure, except for the following:

On May 8, 2013, the Company entered into a $20 million revolving line of credit with KeyBank. The primary term of the facility is three years with the option for a one-year extension. Outstanding balances under the revolving credit facility will accrue interest at a variable annual rate equal to LIBOR plus 4.0 percent or the Prime Rate plus 2.75 percent. We intend to use the facility to fund general working capital needs and if necessary, to provide short-term financing for the acquisition of additional real property assets.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain statements included or incorporated by reference in this Quarterly Report on Form 10-Q may be deemed "forward looking statements" within the meaning of the federal securities laws. In many cases, these forward looking statements may be identified by the use of words such as "will," "may," "should," "could," "believes," "expects," "anticipates," "estimates," "intends," "projects," "goals," "objectives," "targets," "predicts," "plans," "seeks," or similar expressions. Any forward-looking statement speaks only as of the date on which it is made and is qualified in its entirety by reference to the factors discussed throughout this report.

Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, forward-looking statements are not guarantees of future performance or results and we can give no assurance that these expectations will be attained. Our actual results may differ materially from those indicated by these forward-looking statements due to a variety of known and unknown risks and uncertainties. In addition to the risk factors discussed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended November 30, 2012, such known risks and uncertainties include, without limitation:

- *the ability of our tenants to make payments under their respective leases, our reliance on certain major tenants and our ability to re-lease properties that become vacant;*
- *our ability to obtain suitable tenants for our properties;*
- *changes in general economic conditions;*
- *the inherent risks associated with owning real estate, including local real estate market conditions, governing laws and regulations and illiquidity of real estate investments;*
- *our ability to sell properties at an attractive price;*
- *our ability to repay debt financing obligations;*
- *our ability to refinance amounts outstanding under our credit facilities at maturity on terms favorable to us;*
- *the loss of any member of our management team;*
- *our ability to comply with certain debt covenants;*
- *our ability to integrate acquired properties and operations into existing operations;*
- *our continued ability to access the debt or equity markets;*
- *the availability of other debt and equity financing alternatives;*
- *market conditions affecting our debt and equity securities;*
- *changes in interest rates under our current credit facility and under any additional variable rate debt arrangements that we may enter into in the future;*
- *our ability to successfully implement our selective acquisition strategy;*
- *our ability to maintain internal controls and processes to ensure all transactions are accounted for properly, all relevant disclosures and filings are timely made in accordance with all rules and regulations, and any potential fraud or embezzlement is thwarted or detected;*
- *changes in federal or state tax rules or regulations that could have adverse tax consequences;*
- *declines in the market value of our investment securities; and*
- *our ability to qualify as a real estate investment trust for federal income tax purposes.*

This list of risks and uncertainties is only a summary and is not intended to be exhaustive. We disclaim any obligation to update or revise any forward-looking statements to reflect actual results or changes in the factors affecting the forward-looking information.

BUSINESS OBJECTIVE

Our business objective is to provide shareholders with an attractive risk-adjusted return, with an emphasis on distributions and long-term distribution growth of 1-3%. We expect our portfolio of midstream and downstream U.S. energy infrastructure real property assets to provide 8-10% total return over the long-term.

Our assets are generally leased to energy companies via long-term triple net participating leases. The lease structure requires that the tenant pay all operating expenses of the business conducted by the tenant, including real estate taxes, insurance, utilities, and expenses of maintaining the asset in good working order.

Our long-term participating lease structures provide us base rents that are fixed and determinable, with escalators dependent upon increases in the Consumer Price Index. Leases may also include features that allow us to participate in the financial performance and/or value of the energy infrastructure asset.

The assets we own and seek to acquire include pipelines, storage tanks, transmission lines and gathering systems, among others. We intend to acquire assets that are accretive to our shareholders and allow us to become a diversified energy infrastructure real estate investment trust ("REIT").

RESULTS OF OPERATIONS

Following is a comparison of revenues, expenses, operating income (loss) before income taxes, other income and expense, and income (loss) before income taxes for the three months ended March 31, 2013 and February 29, 2012:

Results of Operations

	For the Three-Month Periods Ended		
	March 31, 2013	**February 29, 2012**	**Increase (Decrease)**
Revenue:			
Lease revenue	$ 5,638,244	$ 638,244	$ 5,000,000
Sales revenue	2,515,573	2,437,310	78,263
Total revenue	8,153,817	3,075,554	5,078,263
Expenses	6,353,378	2,851,918	3,501,460
Operating Income	1,800,439	223,636	1,576,803
Other Income (Expense):			
Net distributions and dividend income on securities	13,124	85,262	(72,138)
Net realized and unrealized gain on securities	2,742,049	8,931,466	(6,189,417)
Interest Expense	(737,381)	(27,409)	(709,972)
Total Other Income, net	2,017,792	8,989,319	(6,971,527)
Income before Income Taxes	3,818,231	9,212,955	(5,394,724)
Income Tax Expense	1,020,944	3,465,914	(2,444,970)
Net Income	2,797,287	5,747,041	(2,949,754)
Less: Income attributable to non-controlling interest	384,534	—	384,534
Income attributable to CORR stockholders	$ 2,412,753	$ 5,747,041	$ (3,334,288)
Net earnings per share (basic and diluted)	0.10	0.63	(0.53)
Weighted Average Shares	24,141,720	9,176,889	14,964,831

Revenues from Operations:

Total revenue from operations for the three-month periods ended March 31, 2013 and February 29, 2012 was approximately $3.2 million and $3.1 million, respectively. This represents lease revenue from the Pinedale Liquids Gathering System ("Pinedale LGS") as well as our investment in Public Service Company of New Mexico ("PNM"). Sales revenue is generated by our wholly-owned subsidiary, Mowood, LLC ("Mowood").

The $5 million increase in lease revenue from $638 thousand for the quarter ended February 29, 2012 stems primarily from the newly acquired Pinedale LGS. PNM lease revenues remained level at $638 thousand for both periods.

Sales revenue related to Mowood operations for the first quarter 2013 and first quarter 2012 was $2.5 million and $2.4 million, respectively. The $78 thousand increase in sales for the three-month period ended March 31, 2013 as compared to the three-month period ended February 29, 2012 is largely attributable to higher gas usage during the winter of 2013.

Expenses from Operations:

Total expenses from operations for the three-month periods ended March 31, 2013 and February 29, 2012 were $6.4 million and $2.9 million, respectively. The acquisition of the Pinedale LGS and subsequent taxable REIT subsidiary restructuring drove increases in costs including $2.6 million in depreciation, $400 thousand in management and advisory fees, and $430 thousand in professional fees. The most significant components of the variation are outlined in the following table:

Expenses from Operations

	For the Three-Month Periods Ended		
	March 31, 2013	February 29, 2012	Increase (Decrease)
Cost of Sales	$ 2,003,639	$ 2,004,672	$ (1,033)
Management fees, net of expense reimbursements	643,814	247,381	396,433
Asset acquisition expenses	31,817	—	31,817
Depreciation	2,857,036	246,805	2,610,231
Operating expenses	206,904	172,641	34,263
Professional fees/directors' fees/other	610,168	180,419	429,749
Total	$ 6,353,378	$ 2,851,918	$ 3,501,460

Cost of sales for our wholly-owned subsidiary, Mowood, for the three month period ended March 31, 2013 and February 29, 2012 remained level at $2.0 million.

The increase in depreciation expense is mainly due to depreciation of the Pinedale LGS asset. PNM depreciation increased by $393 thousand quarter over quarter, which is further discussed in Footnote 4 of the Notes to the Consolidated Financial Statements. Mowood's depreciation remained relatively flat between periods at approximately $70 thousand as there were no major acquisitions or disposals of property, plant or equipment.

Operating expenses for our wholly-owned subsidiary, Mowood, amounted to $207 thousand and $173 thousand, for the three-month periods ended March 31, 2013 and February 29, 2012, respectively. The increase of $34 thousand, is primarily driven by an increase in personnel costs related to operations.

Management fees for the three-month periods ended March 31, 2013 and February 29, 2012 were $644 thousand and $247 thousand, respectively. The increase is primarily due to the net addition of approximately $152 million of Managed Assets in December 2012 related to the Pinedale LGS asset.

The remaining expenses, which include acquisition costs, professional and directors' fees and other expenses, totaled $610 thousand and $180 thousand, for the three-month periods ended March 31, 2013 and February 29, 2012, respectively. The increase of $430 thousand, is primarily due to additional costs related to the Pinedale LGS acquisition and the creation of taxable REIT subsidiaries.

Other Income and Expense:

Other income and expense, net, for the three-month periods ended March 31, 2013 and February 29, 2012 was approximately $2.0 million, and $9.0 million, respectively. Included in these amounts are net realized and unrealized gains for the quarters ended March 31, 2013 and February 29, 2012 of $2.7 million and $8.9 million, respectively. The decrease of approximately $6.2 million, was primarily driven by the sale of securities throughout 2012. During 2012 the company sold High Sierra and received NGL shares, which were subsequently sold during the first quarter of 2013. In addition, the entire portfolio of trading securities was sold during December of 2012.

Interest Expense

Interest expense was $737 thousand and $27 thousand for the quarters ended March 31, 2013 and February 29, 2012, respectively. The increase of $710 thousand resulted mainly from the $70 million increase in long-term debt used to fund the Pinedale LGS acquisition.

The following table shows the gross distributions and dividend income received from our investment securities on a cash basis, less the amounts that were comprised of distributions and dividends not reported in income received from investment securities (return of capital):

Gross Distributions and Dividend Income Received From Investment Securities

	For the Three-Month Periods Ended		For the One-Month Transition Period Ended
	March 31, 2013	February 29, 2012	December 31, 2012
Gross distributions and dividend income received from investment securities	$ 327,464	$ 1,138,269	$ 2,325
Less distributions and dividends not reported in income received from investment securities	314,340	1,053,007	—
Income received from investment securities, net	$ 13,124	$ 85,262	$ 2,325

Income before income taxes

Income before income taxes for the three month period ended March 31, 2013 and February 29, 2012 were $3.8 million and $9.2 million, respectively. The variance in income is primarily related to the changes in revenue and expenses as described above.

Change in Fiscal Year End

On February 5, 2013, the Board of Directors of the Company approved a change in the Company's fiscal year end from November 30 to December 31. This change to the calendar year reporting cycle began January 1, 2013. As a result of the change, the Company is reporting a December 2012 fiscal month transition period, which is separately reported in this Quarterly Report on Form 10-Q for the calendar quarter ending March 31, 2013 and will be separately reported in the Company's Annual Report on Form 10-K for the calendar year ending December 31, 2013.

Following is a comparison of net revenues, operating income (loss) before income taxes, other income and expense, and income (loss) before income taxes for the one-month transition periods ended December 31, 2012 and 2011:

Results of Operations

	For the One-Month Transition Periods Ended December 31,	
	2012	2011
Revenue:		
Lease revenue	$ 857,909	$ 212,748
Sales revenue	868,992	866,864
Total Revenue	1,726,901	1,079,612
Expenses	1,826,422	993,919
Income (Loss) from Operations, before Income Taxes	(99,521)	85,693
Other Income and Expense		
Net distributions and dividend income on securities	2,325	30,122
Net realized and unrealized gain (loss) on securities	(1,928,553)	1,578,046
Interest Expense	(416,137)	(7,084)
Total Other Income (Expense), net	(2,342,365)	1,601,084
Income before Income Taxes	(2,441,886)	1,686,777
Income tax benefit (provision)	920,143	(628,493)
Net Income (Loss)	(1,521,743)	1,058,284
Less: Income attributable to non-controlling interest	(18,347)	—
Income attributable to CORR stockholders	$ (2,423,539)	$ 1,686,777
Net earnings per share (basic and diluted)	$0.10	$0.18
Weighted Average Shares	15,864,861	9,176,889

Revenue from Operations:

Total revenue from operations for the one month transition period ended December 31, 2012 and 2011, were approximately $1.7 million and $1.1 million, respectively. The 2012 revenue includes lease revenue from the Pinedale LGS investment beginning December 20, 2012, which primarily accounts for the $647 thousand difference between periods. Sales revenue related to Mowood operations for the one-month transition period ended December 31, 2012 and 2011 was fairly level at $869 thousand.

Expenses from Operations:

Total reported expenses from operations for the one month transition period ended December 31, 2012 and 2011 were approximately $1.8 million and $994 thousand, respectively. The variance is due to expenses incurred during the acquisition of the Pinedale LGS asset. The most significant components of the variation are outlined in the following table:

Expenses From Operations

	For the One-Month Transition Period Ended December 31,	
	2012	**2011**
Cost of Sales	$ 686,976	$ 719,686
Management fees, net of expense reimbursements	155,242	81,081
Asset acquisition expense	64,733	—
Depreciation expense	499,357	82,206
Amortization expense	1,967	—
Operating expenses	48,461	51,283
Professional fees/directors' fees/other	369,686	59,663
Total	$ 1,826,422	$ 993,919

Cost of sales for our wholly-owned subsidiary, Mowood, for the one month transition period ended December 31, 2012 and 2011 were $687 thousand and $720 thousand, respectively. The $33 thousand difference between periods results from the lower gas usage rates in the winter of 2012.

Depreciation expense increased by $417 thousand between periods. This increase is mainly due to the depreciation incurred for the Pinedale LGS asset, which was $286 thousand for the one month transition period ended December 31, 2012. PNM depreciation increased by $131 thousand from the one month transition period ended December 31, 2012 to 2011, see Footnote 4 for further discussion. Mowood's depreciation remained level between periods at $24 thousand as there were no major acquisitions or disposals of property, plant or equipment.

Operating expenses for our wholly-owned subsidiary, Mowood, remained level for the one month transition period ended December 31, 2012 and 2011 at approximately $48 thousand.

The remaining expenses, which include acquisition costs, professional and directors' fees and other expenses, for the one month transition period ended December 31, 2012 and 2011, totaled $370 thousand and $60 thousand, respectively. The variance of $334 thousand is primarily due to audit, legal, and organizational costs incurred during the one month transition period ended December 31, 2012.

Other Income and Expense:

Total other income (expense), net, for the one-month transition periods ended December 31, 2012 and 2011 was approximately $(2.4) million and $1.7 million, respectively. Included in these amounts are net realized and unrealized gains (losses) on the Company's private equity and trading securities of approximately $(1.9) million and $1.6 million, respectively, which represents a decrease in income of approximately $(3.5) million. In December 2011 other income reflects the net gains on the Company's portfolio of trading securities. In December 2012, as the Company transitioned to the business of owning and leasing real property assets, it liquidated nearly all of it's trading securities, resulting in the $1.9 million loss.

The following table shows the gross distributions and dividend income received from our investment securities on a cash basis, less the amounts that were comprised of distributions and dividends not reported in income received from investment securities (return of capital):

Gross Distributions and Dividend Income Received From Investment Securities

	For the One-Month Transition Periods Ended	
	December 31, 2012	**December 31, 2011**
Gross distributions and dividend income received from investment securities	$ 2,325	$ 119,275
Less distributions and dividends not reported in income received from investment securities	—	(89,153)
Income received from investment securities, net	$ 2,325	$ 30,122

Income before income taxes:

Income (loss) before income taxes for the one-month transition periods ended December 31, 2012 and 2011 was approximately $(2.4) million and $1.7 million, respectively. December 2012 was a month of transition as the company liquidated its trading securities portfolio resulting in losses that were only somewhat offset by a partial month of lease revenues from the newly acquired the Pinedale LGS leased asset.

FEDERAL AND STATE INCOME TAXATION

We intend to elect to be treated as a REIT for federal income tax purposes (which we refer to as the "REIT Conversion") for the calendar and tax year ended December 31, 2013. We anticipate that the Company will satisfy the annual income test and the quarterly assets tests necessary for us to qualify and elect to be taxed as a REIT for 2013. Because certain of our assets may not produce REIT-qualifying income or be treated as interests in real property, during December 2012 we contributed those assets into wholly-owned Taxable REIT Subsidiaries ("TRSs"). This was done in 2012 in order to limit the potential that such assets and income would prevent us from qualifying as a REIT for 2013. Due to the REIT Conversion, we changed our fiscal year end from November 30 to December 31. As a result, the financial statements presented in this Form 10-Q include two periods, the one-month transition period ended December 31, 2012 and a three-month period ended March 31, 2013.

As to the one-month transition period ended December 31, 2012, the Company is treated as a C corporation and is obligated to pay federal and state income tax on its taxable income. Currently, the highest regular marginal federal income tax rate for a corporation is 35 percent. The Company may be subject to a 20 percent federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax. For years ended in 2012 and before, the distributions we made to our stockholders from our earnings and profits were treated as qualified dividend income ("QDI") and return of capital. QDI is taxed to our individual shareholders at the maximum rate for long-term capital gains, which prior to 2013 was 15 percent and after 2012 will be 20 percent.

The Company's trading securities and other equity securities are limited partnerships or limited liability companies which are treated as partnerships for federal and state income tax purposes. As a limited partner, the Company reports its allocable share of taxable income in computing its own taxable income. The Company's tax expense or benefit is included in the Consolidated Statements of Income based on the component of income or gains and losses to which such expense or benefit relates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized. Due to the restructuring in December 2012, it is expected that for the three-month period ended March 31, 2013 and future periods, any deferred tax liability or asset will be related entirely to the assets and activities of the Company's TRSs.

In 2013, the Company intends to be taxed as a REIT rather than a C corporation and generally will not pay federal income tax on taxable income that is distributed to our stockholders. As a REIT, our distributions from earnings and profits will be treated as ordinary income and a return of capital, and generally will not qualify as QDI. To the extent that the REIT has accumulated C corporation earnings and profits from the periods prior to 2013, we will distribute such earnings and profits in 2013, which will be treated as QDI.

The restructuring done in December 2012 causes us to hold and operate certain of our assets through one or more wholly-owned taxable REIT subsidiaries. A TRS is a subsidiary of a REIT that is subject to applicable corporate income tax. Our use of TRSs enables us to continue to engage in certain businesses while complying with REIT qualification requirements and also allows us to retain income generated by these businesses for reinvestment without the requirement of distributing those earnings. In the future, we may elect to reorganize and transfer certain assets or operations from our TRSs to the Company or other subsidiaries, including qualified REIT subsidiaries.

If we fail to qualify to be a REIT for 2013, the Company, as a C corporation, would be obligated to pay federal and state income tax on its taxable income. Currently, the highest regular marginal federal income tax rate for a corporation is 35 percent. The Company may be subject to a 20 percent federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax.

SEASONALITY

The Company's wholly-owned subsidiary, Mowood, experiences a substantial amount of seasonality in gas sales. As a result, overall sales and operating income are generally higher in the first and fourth quarters and lower during the second and third quarters of each year. Due to the seasonal nature of Mowood, operating results for the interim periods are not necessarily indicative of the results that may be expected for the full year.

PORTFOLIO UPDATES

Asset descriptions and related operations performed within our portfolio of assets are described in Footnote 4 to the financial statements included in this report. This section provides updates on those operations.

Pinedale LGS

Construction of the Pinedale LGS was completed by Ultra Petroleum Corp. ("Ultra Petroleum") in 2010 and consists of more than 150 miles of pipelines with 107 receipt points, and four central storage facilities that are utilized by Ultra Petroleum as a method for the gathering of commingled hydrocarbon stream. Prior to entering the Pinedale LGS, Ultra Petroleum will separate the produced stream into wellhead natural gas and the liquids stream. The wellhead natural gas is then transported to market by a third-party. The remaining liquids, primarily water, are transported by the Pinedale LGS to one of its four central storage facilities where it is separated into components and stored. Condensate is a valuable hydrocarbon commodity that is sold by Ultra Petroleum; water is transported to disposal wells or a treatment facility for re-use; and natural gas is sold by Ultra Petroleum or otherwise used by Ultra Petroleum for fueling on-site operational equipment. To date, no major operational issues have been reported with respect to the Pinedale LGS.

Eastern Interconnect Project

On November 1, 2012, we entered into the Purchase Agreement with PNM to sell our 40 percent undivided interest in the Eastern Interconnect Project ("EIP") upon lease termination on April 1, 2015 for $7.7 million. PNM will also accelerate its remaining lease payments to us. Both lease payments due in 2013 were paid upon execution of the definitive Purchase Agreement on November 1, 2012. Per the Purchase Agreement, PNM also paid us $100 thousand to compensate us for legal costs resulting from our filings with the Federal Energy Regulatory Commission ("FERC"). The three remaining lease payments due April 1, 2014, October 1, 2014 and April 1, 2015, will be paid on January 1, 2014 in full.

The Company reevaluated the residual value used to calculate its depreciation of EIP and determined that a change in estimate is necessary. The change in estimate results in higher depreciation expenses through the expiration of the lease in April 2015 of approximately $393,000 per quarter.

Due to the changes in timing of lease payments, we adjusted the impact of future EIP lease payments in our pro forma AFFO calculation. We have not made any adjustments to the U.S. generally accepted accounting principles ("GAAP") treatment of the lease.

We purchased our EIP interest on June 30, 2011 for $12.8 million net of debt. As of our August 31, 2012 Form 10-Q filing, we anticipated a total of approximately $8.5 million in remaining lease payments. Net of the final debt payment of $905 thousand and interest expense of $46 thousand received on October 1, 2012, we expect to receive gross total lease payments of approximately $7.1 million through April 2015. Combined with the sale price of $7.7 million we expect approximately 7 percent annualized gross return on our investment. In a press release issued on April 5, 2013, Standard & Poor's Ratings Services upgraded its corporate credit rating on PNM Resources Inc. from 'BBB-' to 'BBB', noting the utilities company has benefited from improved cash flow, more favorable regulatory relationships in New Mexico and Texas and that the outlook is stable.

The negotiation of the end-of-lease purchase option was prompted in part by a directive from the FERC. FERC directed PNM, in consultation with the Company, to identify the party that would provide transmission service over the leased portion of the EIP beyond the lease expiration in 2015. The Purchase Agreement completes the response to FERC’s order.

Mowood, LLC, A Wholly-Owned Subsidiary

Mowood Corridor, Inc is a wholly-owned taxable REIT subsidiary of the Company. Mowood is wholly-owned by Mowood Corridor, Inc, and Mowood is the holding company of Omega Pipeline Company, LLC ("Omega").

Omega is a natural gas service provider located primarily on the Fort Leonard Wood military post in south-central Missouri. Omega serves the natural gas needs of Fort Leonard Wood and other customers in the surrounding area. We indirectly hold 100 percent of the equity interests in Mowood. The Company provides a revolving line of credit to Mowood which allows for a maximum principal balance of $5.3 million. At November 30, 2012, the principal balance outstanding was $3.8 million. Omega's results for the fiscal year 2012 were approximately 15 percent higher than originally expected, as the base business realized higher margins. In addition, revenues from several construction projects were recognized in the third and fourth quarters, which made a significant contribution to overall year-to-date results. Little to no impacts are expected to Omega’s business plan as a result of any governmental spending cuts, in accordance to the Budget Control Act of 2011 (aka budget sequestration).

Private Security Assets

Following is a summary of the fair values of the other equity securities that we held at March 31, 2013 as they compare to the fair values at December 31, 2012.

Fair Value of Other Equity Securities

Portfolio Company	Fair Value at March 31, 2013	Fair Value at December 31, 2012	$ Change	% Change
Lightfoot	$ 9,509,002	$ 8,748,544	$ 760,458	8.69%
VantaCore	$ 12,386,852	$ 10,958,582	$ 1,428,270	13.03%

Lightfoot Capital Partners LP and Lightfoot Capital Partners GP LLC

The Company holds a direct investment in Lightfoot Capital Partners LP (6.7 percent) and Lightfoot Capital Partners GP (1.5 percent) (collectively "Lightfoot"). Lightfoot's assets consist of an 83.5 percent interest in Arc Terminals ("Arc") and a minority position in a Liquefied Natural Gas facility located in Mississippi. Arc is an independent terminal company with a shell capacity of 3.6 million barrels from eleven terminal assets. Arc provides storage and delivery services for gasoline, diesel and bio-diesel fuel, aviation gas, ethanol, as well as other petroleum products. We hold observation rights on Lightfoot's Board of Directors.

The fair value of Lightfoot as of March 31, 2013 increased$760 thousand, or 8.69 percent, as compared to the valuation at December 31, 2012, primarily due to market value changes in the MLP comparable companies. For its fourth quarter of 2012, Arc had sufficient distributable cash flow to pay a distribution, but instead retained cash for capital expenditures and potential future acquisitions. In February 2013, Arc announced the acquisition of Gulf Coast Asphalt Company's marine terminalling facility in Mobile, Alabama and rail transloading facility in Saraland, Alabama. The transaction expands Arc's capacity to over 2.5 million barrels of storage and three rail (un)loading operations. Arc continues to concentrate a majority of its capital expenditures on projects that increase revenue and reduce operating expenses. Arc is also analyzing various strategic alternatives and acquisitions that would be expected to provide incremental earnings.

VantaCore Partners LP ("VantaCore")

VantaCore is a private company focused on acquiring competitively advantaged aggregate and related businesses in the domestic U.S. market. Vantacore's operations consist of an integrated limestone quarry (with permitted surface reserves of about 80 million tons), a dock facility, two asphalt plants and a commercial asphalt lay down business located in Clarksville, Tennessee, a limestone quarry located in Todd County, Kentucky, a sand and gravel business (with approximately 38 million tons of gravel reserves) located near Baton Rouge, Louisiana serving the south central Louisiana market and a surface and underground limestone quarry (with approximately 197 million tons of reserves) located in Pennsylvania serving energy and construction businesses in Pennsylvania, West Virginia and Ohio. We hold observation rights on VantaCore's Board of Directors.

The fair value of VantaCore as of March 31, 2013 increased$1.4 million, or approximately 13.03 percent, as compared to the fair value at December 31, 2012. The increase is attributable to VantaCore's continued improved performance, mostly driven by the incremental results of Laurel Aggregates, as well as the success of its cost cutting initiatives and the price increases that have gone into effect. VantaCore was again unable to meet its minimum quarterly distribution in cash for its quarter ended December 31, 2012. Therefore, the common and preferred unit holders elected to receive their distributions as a combination of $0.1855 per unit in cash and the remainder in preferred units. The Company received approximately $237 thousand in cash and an additional 19,969 preferred units during the three month period ended March 31, 2013.

Formerly Owned High Sierra Energy, LP and High Sierra Energy, GP ("High Sierra")

On June 19, 2012, NGL Energy Partners, LP and certain of its affiliates (collectively "NGL") acquired High Sierra. We originally invested approximately $26.8 million in High Sierra and received, in exchange, approximately $9.4 million in cash and approximately 1.2 million newly issued units of NGL. The Company recognized a third quarter of 2012 realized gain of approximately $15.83 million upon the sale. The NGL units are not subject to a lock-up agreement, however they could only be sold pursuant to an exemption from the SEC's registration requirements, such as Rule 144. The restriction legend was removed on December 19, 2012. The Company received one-third of the total quarterly distribution for its NGL common units in its third quarter and received full distributions in the fourth quarter of 2012 and the first quarter of 2013. By March 31, 2013, the Company had liquidated all its NGL holdings.

Formerly Owned International Resource Partners, LP

The escrow receivable due the Company, which relates to the sale of International Resource Partners, LP, is anticipated to be released upon satisfaction of certain post-closing obligations and/or the expiration of certain time periods (the shortest of which

was to be 14 months from the April 2011 closing date of the sale). The fair value of the escrow receivable reflects a discount for the potential that the full amount due to the Company will not be realized.

No clear agreement has been reached as to the remaining escrow balance and Management anticipates that it may take more than a year to satisfy other post-closing obligations prior to receiving the approximately $699 thousand escrow receivable balance remaining.

LIQUIDITY AND CAPITAL RESOURCES

We are focused on meeting the requirement that a substantial percentage of our assets be REIT-qualifying investments that produce REIT-qualifying income. There are opportunities that are in preliminary stages of review, and consummation of any of these opportunities depends on a number of factors beyond our control. There can be no assurance that any of these acquisition opportunities will result in consummated transactions. As part of our disciplined investment philosophy, we plan to use a moderate level of leverage, approximately 25 percent to 50 percent of assets.

In connection with the Acquisition, Pinedale LP entered into a $70 million secured term credit facility with KeyBank that provides for monthly payments of principal and interest. Outstanding balances under the credit facility generally accrue interest at a variable annual rate equal to LIBOR plus 3.25%. The credit facility is secured by the Pinedale LGS. Pinedale LP is obligated to pay all accrued interest quarterly and is further obligated to pay monthly, beginning March 7, 2014, 0.42% of the amount outstanding on the loan on March 1, 2014.

In December of 2012 we executed interest rate swap derivatives to add stability to our interest expense and to manage our exposure to interest rate movements on our LIBOR based borrowings. Interest rate swaps involve the receipt of variable-rate amounts from a counterparty in exchange for us making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

On October 29, 2010, Mowood entered into the Note Payable Agreement with a financial institution with a maximum borrowing base of $1.3 million. The Note Payable Agreement was amended and restated on October 29, 2011 and again amended and restated on October 29, 2012. Borrowings on the Note Payable are secured by all of Mowood's assets. Interest accrues at LIBOR, plus 4 percent (4.2037 percent at March 31, 2013), is payable monthly, with all outstanding principal and accrued interest payable on the termination date of October 29, 2013. As of March 31, 2013, the outstanding borrowings under this agreement totaled $139 thousand. The Note Payable Agreement contains various restrictive covenants, with the most significant relating to minimum consolidated fixed charge ratio, the incidence of additional indebtedness, member distributions, extension of guaranties, future investments in other subsidiaries and change in ownership. Mowood was in compliance with the various covenants of the Note Payable Agreement as of March 31, 2013.

On November 30, 2011, the Company entered into a 180-day rolling evergreen Margin Loan Agreement with Bank of America, N.A. In December of 2012, the assets which secured this facility were sold, and as a result, this Margin Loan Agreement was terminated effective December 20, 2012.

Our registration statement covering a proposed maximum aggregate offering price of $300 million of securities was declared effective on June 8, 2012. The common equity offering conducted on December 13, 2012 reduced the total available shelf by the gross proceeds of the offering and subsequent exercise of the underwriter's over-allotment option on December 24, 2012. The remaining availability is $210.3 million of maximum aggregate offering price of securities.

On December 18, 2012 we closed a follow on public offering of 13,000,000 shares of common stock, raising approximately $78 million in gross proceeds at $6.00 per share (net proceeds of approximately $73.6 million after underwriters' discount). On December 24, 2012 we closed the sale of an additional 1,950,000 shares of common stock at $6.00 per share, less the same underwriting discount, for total net proceeds of $11.04 million. The additional shares were sold pursuant to an over-allotment option granted to the underwriters of CorEnergy's public offering of 13,000,000 shares. Approximately $73.6 million of net proceeds from this offering were used to finance the Acquisition. Approximately $6.2 million in offering costs related to the issuance of these shares in December 2012 were charged to additional paid-in capital.

On May 8, 2013, the Company entered into a $20 million revolving line of credit with KeyBank. The primary term of the facility is three years with the option for a one-year extension. Outstanding balances under the revolving credit facility will accrue interest at a variable annual rate equal to LIBOR plus 4.0 percent or the Prime Rate plus 2.75 percent. We intend to use the facility to fund general working capital needs and if necessary, to provide short-term financing for the acquisition of additional real property assets.

As of March 31, 2013 the securities in our portfolio included primarily illiquid securities issued by privately-held companies. During the three month period ended March 31, 2013, we liquidated approximately $4.3 million of our remaining publicly traded

securities, and generated cash of approximately $4.6 million. We reported the gains on the securities transactions as Other Income and separate from Income from Operations.

We do not plan to make additional investments in securities (other than short-term, highly liquid investments to be held pending acquisition of real property assets) and intend to liquidate our remaining securities portfolio in an orderly manner.

CONTRACTUAL OBLIGATIONS

The following table summarizes our significant contractual payment obligations as of March 31, 2013.

Contractual Obligations

	Notional Value	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-Term Debt	$ 70,000,000	$ 291,667	$ 7,000,000	$ 62,708,333	$ —
Interest payments on long-term debt		2,449,772	4,651,054	3,669,225	—
Totals		$ 2,741,439	$ 11,651,054	$ 66,377,558	$ —

The Mowood Note Payable is not included in the above table because the timing of repayment is uncertain.

In December of 2012, Pinedale LP entered into a$70 million secured term credit facility with KeyBank to finance a portion of the Acquisition. The primary term of the credit facility is three years, with an option for a one-year extension. Under the KeyBank credit facility, Pinedale LP is obligated to make monthly principal payments, which are to begin in the second year of the term, equal to 0.42 percent of the $70 million loan outstanding. Interest accrues at a variable annual rate equal to LIBOR plus 3.25 percent. For purposes of the above presentation, interest payments were calculated using the LIBOR rate in effect at March 31, 2013.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have, and are not expected to have, any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

MAJOR TENANTS

As of March 31, 2013, the Company had two significant leases. The table below displays the impact of each lease on total leased properties as of March 31, 2013 and total lease revenues for the three-month period ended March 31, 2013.

Significant Leases

	Percentage of	
	Leased Properties	Lease Revenues
Pinedale LGS	94.2%	88.7%
Public Service of New Mexico	5.8%	11.3%

Pinedale LGS. In December of 2012, the Company entered into a lease guaranteed by Ultra Petroleum, which is material to the Company. In view of the fact that Ultra Petroleum leases a substantial portion of the Company's net leased property which is a significant source of revenues and operating income, its financial condition and ability and willingness to satisfy its obligations under its lease with the Company, are expected to have a considerable impact on the results of operation going forward. As of March 31, 2013, approximately 94.20 percent of the Company's leased property, based on the gross book value of real estate investments, was leased to Ultra Petroleum. Approximately 88.68 percent of the Company's total revenue for the three months ended March 31, 2013 was derived from Ultra Petroleum.

Ultra Petroleum is currently subject to the reporting requirements of the 1934 Act and is required to file with the SEC annual reports containing audited financial statements and quarterly reports containing unaudited financial statements. The audited financial statements and unaudited financial statements of Ultra Petroleum can be found on the SEC's website at www.sec.gov. The Company makes no representation as to the accuracy or completeness of the audited and unaudited financial statements of Ultra Petroleum, but has no reason not to believe the accuracy or completeness of such information. In addition, Ultra Petroleum has no duty, contractual or otherwise, to advise the Company of any events that might have occurred subsequent to the date of such financial statements which could affect the significance or accuracy of such information.

EIP. The Company's investment in EIP is leased under net operating leases with various terms. As of March 31, 2013, approximately 5.80 percent of the Company's leased property, based on the gross book value of real estate investments, was leased to PNM. Approximately 11.32 percent of the Company's total revenue for the three months ended March 31, 2013 was derived from PNM.

In view of the fact that PNM leases a substantial portion of the Company's net leased property which is a significant source of revenues and operating income, its financial condition and ability and willingness to satisfy its obligations under its lease with the Company, have a considerable impact on the results of operation.

PNM is a subsidiary of PNM Resources Inc. ("PNM Resources"), which is currently subject to the reporting requirements of the 1934 Act and is required to file with the SEC annual reports containing audited financial statements and quarterly reports containing unaudited financial statements. The audited financial statements and unaudited financial statements of PNM Resources can be found on the SEC's website at www.sec.gov. The Company makes no representation as to the accuracy or completeness of the audited and unaudited financial statements of PNM Resources but has no reason not to believe the accuracy or completeness of such information. In addition, PNM Resources has no duty, contractual or otherwise, to advise the Company of any events that might have occurred subsequent to the date of such financial statements which could affect the significance or accuracy of such information. None of the information in the public reports of PNM Resources that are filed with the SEC is incorporated by reference into, or in any way, form part of this filing.

DIVIDENDS

Our portfolio of real property assets and investment securities generate cash flow to us from which we pay distributions to stockholders. For the historical period ended March 31, 2013, the sources of our stockholder distributions were lease income from our real property assets and distributions from our investment securities. The amount of any distribution to the Company is recorded by the Company on the ex-dividend date.

The character of distributions made during the year may differ from their ultimate characterization for federal income tax purposes. The Board of Directors declared a quarterly distribution of $0.125 per share for the quarter ended March 31, 2013. Although, there is no assurance that we will continue to make regular distributions, we continue to believe that our investments should support sustainable 2013 distributions of $0.125 on a quarterly basis.

During 2013, we intend to make publicly available standard performance measures utilized by REITs, including Funds from Operations (“FFO”) and Adjusted Funds from Operations (“AFFO”). A REIT is generally required to distribute during the taxable year an amount equal to at least 90 percent of the REIT taxable income (determined under IRC section 857(b)(2), without regard to the deduction for dividends paid). We intend to adhere to this requirement in order to qualify as a REIT. The Board of Directors will continue to determine the amount of any distribution that we expect to pay our stockholders.

IMPACT OF INFLATION AND DEFLATION

Deflation can result in a decline in general price levels, often caused by a decrease in the supply of money or credit. The predominant effects of deflation are high unemployment, credit contraction and weakened consumer demand. Restricted lending practices could impact our ability to obtain financings or to refinance our properties and our tenants' ability to obtain credit. During inflationary periods, we intend for substantially all of our tenant leases to be designed to mitigate the impact of inflation. Generally our leases include rent escalators that are based on the Consumer Price Index, or other agreed upon metrics that increase with inflation.

PERFORMANCE MEASUREMENT

In the past, we have provided investors with a measure of cash flow from operations, labeled distributable cash flow. Prospectively, and with this pro forma information, we intend to provide standard performance measures utilized by REITs, including FFO and AFFO.

FFO

As defined by the National Association of Real Estate Investment Trusts, FFO represents net income (loss) before allocation to minority interests (computed in accordance with GAAP, excluding gains (or losses) from sales of depreciable operating property, real estate-related depreciation and amortization (excluding amortization of deferred financing costs or loan origination costs)) and after adjustments for unconsolidated partnerships and joint ventures. FFO is a supplemental, non-GAAP financial measure.

We present FFO because we consider it an important supplemental measure of our operating performance and believe that it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present

FFO when reporting their results. FFO is a key measure used by Corridor in assessing performance and in making resource allocation decisions.

FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions, and that may also be the case with the energy infrastructure assets which we expect to acquire. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in base and participating rent, company operating costs, development activities and interest costs, thereby providing perspective not immediately apparent from net income.

We calculate FFO in accordance with standards established by the Board of Governors of the National Association of Real Estate Investment Trusts, in its March 1995 White Paper (as amended in November 1999 and April 2002), which may differ from the methodology for calculating FFO utilized by other equity REITs and, accordingly may not be comparable to such other REITs. FFO does not represent amounts available for management's discretionary use because of needed capital for replacement or expansion, debt service obligations or other commitments and uncertainties. FFO should not be considered as an alternative to net income (loss) (computed in accordance with GAAP), as an indicator of our financial performance or to cash flow from operating activities (computed in accordance with GAAP), as an indicator of our liquidity, or as an indicator of funds available for our cash needs, including our ability to make distributions or to service our indebtedness.

AFFO

We define AFFO as FFO plus transaction costs, amortization of debt issuance costs, deferred leasing costs, and above market rent, less maintenance, capital expenditures (if any), amortization of debt premium and adjustments to lease revenue resulting from the EIP sale. Management uses AFFO as a measure of long-term sustainable operations measurement.

We target a total return of 8% to 10% per annum on the infrastructure assets that we own, measured over the long-term. We intend to generate this return from the base rent of our leases plus growth through acquisitions and participating portions of our rent. If we are successful growing our AFFO per share of common stock, we anticipate being able to increase distributions to our stockholders. In addition, the increase in our AFFO per share of common stock should result in capital appreciation. For our business as a whole, a key performance measure is AFFO yield, defined as AFFO divided by invested capital, which measures the sustainable return on capital that we have deployed.

AFFO does not represent amounts available for management's discretionary use because such amounts are needed for capital replacement or expansion, debt service obligations or other commitments and uncertainties. AFFO should not be considered as an alternative to net income (loss) (computed in accordance with GAAP), as an indicator of our financial performance or to cash flow from operating activities (computed in accordance with GAAP), as an indicator of our liquidity, or as an indicator of funds available for our cash needs, including our ability to make distributions or service our indebtedness.

In light of the per share AFFO growth that we foresee in our operations, we are targeting 1% to 3% annual dividend growth. We can provide no assurances regarding our total return or annual dividend growth. See our Risk Factors as disclosed in the Annual Report on Form 10-K for the calendar year ending November 30, 2012 for a discussion of the many factors that may affect our ability to make distributions at targeted rates, or at all.

The following table presents a comparison of FFO and AFFO for the historical three months ended March 31, 2013:

FFO and AFFO Reconciliation

	Historical for the Three-Month Period ended March 31, 2013
Net Income (attributable to CorEnergy Stockholders):	$ 2,412,753
Add:	
Depreciation and amortization attributable to CorEnergy Stockholders	2,445,658
Gains or losses from sales of property	—
Distributions received from investment securities	327,464
Income tax expense, net	1,020,944
Less:	
Net realized and unrealized gain on trading securities	316,063
Net realized and unrealized gain (loss) on other equity securities	2,425,986
Funds from operations (FFO)	3,464,770
Add:	
Transaction costs attributable to CorEnergy Stockholders	31,817
Amortization of debt issuance costs attributable to CorEnergy Stockholders	104,787
Amortization of deferred lease costs attributable to CorEnergy Stockholders	12,636
Amortization of above market leases	72,985
Less:	
EIP Lease Adjustment	542,809
Non-incremental capital expenditures	—
Amortization of debt premium	—
Adjusted funds from operations (AFFO)	$ 3,144,186

FFO

Historical FFO for March 31, 2013 totals approximately $3.5 million. FFO was calculated in accordance with the National Association of Real Estate Investment Trust's definition above. In addition, we have made adjustments for non-cash items impacting net income by eliminating a net realized and unrealized gain on trading securities of approximately $316 thousand, net realized and unrealized gain (loss) on other equity securities of approximately$2.4 million, adding back distributions received from investment securities of approximately $327 thousand and tax expense of approximately $3.7 million.

AFFO

Historical AFFO for March 31, 2013 totals approximately $3.1 million. In addition to the adjustments outlined in the AFFO definition above, we have included an adjustment to lease income associated with the EIP investment. Based on the economic return to CorEnergy resulting from the sale of our 40 percent undivided interest in EIP, we determined that it was appropriate to eliminate the portion of EIP lease income attributable to return of capital, as a means to more accurately reflect EIP lease income contribution to CorEnergy sustainable FFO. CorEnergy believes that the portion of the EIP lease income attributable to return of capital, unless adjusted, overstates the CorEnergy's distribution paying capabilities and is not representative of sustainable EIP income over the life of the lease.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our business activities contain elements of market risk. We consider fluctuations in the value of our securities portfolio to be our principal market risk. There were no material changes to our market risk exposure at March 31, 2013 and December 31, 2012 as compared to the end of our preceding fiscal period of November 30, 2012**.**

Our equity and debt securities are reported at fair value in the current period, as determined by our Board of Directors. The fair value of securities is determined using readily available market quotations from the principal market if available. The fair value of securities that are not publicly traded or whose market price is not readily available is determined in good faith by our Board of Directors. Because there are no readily available market quotations for many of the securities in our portfolio, we value a large portion of our securities at fair value as determined in good faith by our Board of Directors under a valuation policy and a consistently applied valuation process. Due to the inherent uncertainty of determining the fair value of securities that do not have readily

available market quotations, the fair value of our securities may differ significantly from the fair values that would have been used had a ready market quotation existed for such securities, and these differences could be material.

As of March 31, 2013, the fair value of our securities portfolio (excluding short-term investments) totaled approximately 21.9 million. We estimate that the impact of a 10 percent increase or decrease in the fair value of these securities, net of related deferred taxes, would increase or decrease net assets applicable to common shareholders by approximately $1.4 million.

Long term debt used to finance our acquisitions may be based on floating or fixed rates. As of March 31, 2013, we had $70 million in long term debt. The Company uses interest rate swaps to manage its interest rate risk. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including forward interest rate curves. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash payments and the discounted expected variable cash receipts. The variable cash receipts are based on an expectation of future interest rates (forward curves) derived from observable market interest rate forward curves.

We consider the management of risk essential to conducting our businesses. Accordingly, our risk management systems and procedures are designed to identify and analyze our risks, to set appropriate policies and limits and to continually monitor these risks and limits by means of reliable administrative and information systems and other policies and programs.

ITEM 4. CONTROLS AND PROCEDURES

The Company carried out an evaluation of its disclosure controls and procedures as defined in rule 13a-15(e) or 15d- 15(e) under the Exchange Act. This evaluation was conducted under the supervision and with the participation of the Company's Management including the Chief Executive Officer and the Chief Accounting Officer (the Company's principal financial officer) and the Company's disclosure committee. Based upon this evaluation, the Chief Executive Officer and Chief Accounting Officer of the Company have concluded as of the end of the period covered by this report that the disclosure controls and procedures of the Company were effective at a reasonable assurance level.

Changes in internal control over financial reporting

There has been no change in the Company's internal control over financial reporting, as defined in rule 13a-15(f) and 15d- 15(f) of the Exchange Act that occurred during the quarterly period ending March 31, 2013 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting

Oversight and Monitoring

As part of our internal control processes; we monitor, on an ongoing basis, compliance by tenants with their lease obligations and other factors that could affect the financial performance of any of our properties. Monitoring involves receiving assurances that each tenant has paid real estate taxes, assessments and other expenses relating to the properties it occupies and confirming that appropriate insurance coverage is being maintained by the tenant. We review financial statements of tenants and undertake regular physical inspections of the condition and maintenance of properties. Additionally, we periodically analyze each tenant's financial condition, the industry in which each tenant operates and each tenant's relative strength in its industry. In addition, monitoring may be accomplished by attendance at Board of Directors meetings, the review of periodic operating and financial reports, an analysis of capital expenditure plans as they relate to the owned assets, and periodic consultations with engineers, geologists and other experts. The performance of each asset will be periodically compared to performance of similarly sized companies with comparable assets and businesses to assess performance relative to peers. Other monitoring activities are expected to provide the necessary access to monitor compliance with existing covenants, enhance ability to make qualified valuation decisions, and assist in the evaluation of the nature of the risks involved in the various components of the portfolio.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended November 30, 2012, which could materially affect our business, financial condition or future results. The risks described in this report and in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

We did not sell any securities during the three months ended March 31, 2013 or the one month transition period ended December 31, 2012 that were not registered under the 1933 Act.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit	Description
10.1	Amended Advisory Agreement dated December 21, 2012 (1)
10.2	Purchase and Sale Agreement, dated December 7, 2012, by and between Ultra Wyoming, Inc. and Pinedale Corridor, LP (2)
10.3	Subscription Agreement, dated December 7, 2012, by and among Pinedale GP, Inc., Ross Avenue Investments, LLC and Pinedale Corridor, LP (2)
10.4	Term Credit Agreement, dated December 7, 2012, by and among Pinedale Corridor, LP, KeyBank National Association, as lender and KeyBank National Association, as administrative agent (2)
10.5	Amendment to Purchase and Sale Agreement, dated December 13, 2012, by and between Ultra Wyoming, Inc. and Pinedale Corridor, LP (3)
10.6	First Amendment to Subscription Agreement by and among Pinedale Corridor, LP, Pinedale GP, Inc. and Ross Avenue Investments, LLC (3)
10.7	Amended and Restated Term Credit Agreement, dated December 14, 2012, by and among Pinedale Corridor, LP, KeyBank National Association, as lender and KeyBank National Association, as administrative agent (3)
10.8	Lease Agreement dated December 20, 2012 by and between Pinedale Corridor, LP and Ultra Wyoming LGS, LLC (4)
10.9	First Amended and Restated Limited Partnership Agreement of Pinedale Corridor, LP by and between Pinedale GP, Inc. and Ross Avenue Investments, LLC (4)
10.10	Revolving Credit Agreement dated as of May 8, 2013 among CorEnergy Infrastructure Trust, Inc., The Guarantors Which Are or May Become Signatory Hereto, KeyBank National Association, The Other Lenders Which Are Or May Become Parties To This Agreement and KeyBanc Capital Markets, is filed herewith.
31.1	Certification by Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, is filed herewith.
31.2	Certification by Chief Accounting Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, is filed herewith.
32.1	Certification by Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, is furnished herewith.
101	The following materials from CorEnergy Infrastructure Trust, Inc.'s Quarterly Report on Form 10-Q for the three months ended March 31, 2013, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Cash Flows and (iv) the Notes to Condensed Consolidated Financial Statements.

(1) Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended November 30, 2012 and filed on February 13, 2013.

(2) Incorporated by reference to the Company's current report on Form 8-K, filed December 10, 2012.

(3) Incorporated by reference to the Company's current report on Form 8-K, filed December 17, 2012.

(4) Incorporated by reference to the Company's current report on Form 8-K, filed December 21, 2012.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CORENERGY INFRASTRUCTURE TRUST, INC.

(Registrant)

By: **/s/ Rebecca M. Sandring**

Rebecca M. Sandring

Chief Accounting Officer

(Principal Accounting and Principal Financial Officer)

May 10, 2013

By: **/s/ David J. Schulte**

David J. Schulte

Chief Executive Officer and Director

(Principal Executive Officer)

May 10, 2013

Exhibit 10.10

REVOLVING CREDIT AGREEMENT
DATED AS OF MAY 8, 2013

AMONG

CORENERGY INFRASTRUCTURE TRUST, INC.
as Borrower,

THE GUARANTORS WHICH ARE OR MAY BECOME SIGNATORY HERETO,
as Guarantors,

AND

KEYBANK NATIONAL ASSOCIATION,
as a Lender and Agent

AND

THE OTHER LENDERS WHICH ARE OR MAY BECOME
PARTIES TO THIS AGREEMENT

AND

KEYBANC CAPITAL MARKETS
as Arranger, Syndication Agent and Documentation Agent

AND

KEYBANC CAPITAL MARKETS
as Sole Book Runner

TABLE OF CONTENTS

EXHIBITS AND SCHEDULES

REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT (this "Agreement") is made the 8th day of May, 2013, by and among **CORENERGY INFRASTRUCTURE TRUST, INC.**, a Maryland corporation, as borrower ("Borrower"), having its principal place of business at 4200 W. 115th Street, Suite 210, Leawood, Kansas 66211, each of the parties now or hereafter signatory hereto as guarantors (collectively "Guarantors"), **KEYBANK NATIONAL ASSOCIATION** , a national banking association ("KeyBank"), with the other lending institutions that are or may become parties hereto pursuant to §18 as lenders ("Lenders"), **KEYBANK NATIONAL ASSOCIATION** , as administrative agent ("Agent") for itself and the other Lenders.

RECITALS

WHEREAS, Borrower has requested that Lenders make available to it a revolving line of credit facility;

WHEREAS, the Lenders are willing to make such loan facility available to Borrower, all upon the terms and conditions contained herein;

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

§1. DEFINITIONS AND RULES OF INTERPRETATION

§1.1 Definitions

The following terms shall have the meanings set forth in this §1 or elsewhere in the provisions of this Agreement referred to below:

Advance Account. The account established pursuant to §5.3.

Affected Lender. See §18.8.

Affiliates. As applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means (a) the possession, directly or indirectly, of the power to vote fifty percent (50%) or more of the stock, shares, voting trust certificates, beneficial interests, partnership interests, member interests or other interests having voting power for the election of directors of such Person or otherwise to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise, or (b) the ownership of (i) a general partnership interest, (ii) a managing member's interest in a limited liability company or (iii) a limited partnership interest or preferred stock (or other

ownership interest) with voting rights representing fifty percent (50%) or more of the outstanding voting rights of such Person.

Agent. KeyBank, acting as Agent for itself and the other Lenders, its successors and assigns.

Agent's Office. Agent's office located at 127 Public Square, Cleveland, Ohio 44114, or at such other location as Agent may designate from time to time by notice to Borrower and the other Lenders.

Agent's Special Counsel. Bryan Cave LLP or such other counsel as may be selected by Agent.

Agreement. This Revolving Credit Agreement, including the Schedules and Exhibits hereto.

Agreement Regarding Fees. The Agreement Regarding Fees dated as of May 8, 2013, among Agent, Arranger and Borrower regarding certain fees payable by Borrower in connection with this Agreement.

Applicable FFO Percentage. See §8.6.

Arranger. KeyBanc Capital Markets.

Assignment and Assumption Agreement. See §18.1.

Assignment of Lease. Each Assignment of Lease from a Loan Party in favor of Agent, as the same may be amended, restated, supplemented, consolidated or otherwise modified from time to time, pursuant to which there shall be granted to Agent for the benefit of Lenders a security interest in the interest of such Loan Party as lessor with respect to an Eligible Lease, such assignment to be in form and substance satisfactory to Agent.

Base Rate. The term Base Rate shall mean, for any day, a fluctuating interest rate per annum as shall be in effect from time to time which rate per annum shall at all times be equal to the greatest of: (i) the rate of interest established by KeyBank from time to time as its "prime rate" whether or not publicly announced, which interest rate may or may not be the lowest rate charged by it for commercial loans or other extensions of credit; (ii) the Federal Funds Effective Rate in effect from time to time, determined one Business Day in arrears, plus ½ of one percent (0.5%) per annum; or (iii) the then-applicable LIBOR Rate for a one (1) month Interest Period plus one percent (1.0%) per annum.

Base Rate Loans. Those Loans bearing interest by reference to the Base Rate.

Base Rate Spread. The per annum rate of two and three-quarters percent (2.75%).

Borrower. As defined in the preamble hereto.

Borrower's Knowledge or Knowledge. The actual knowledge of the chief executive officer, Principal Financial Officer, chief financial officer (if different from the Principal Financial Officer), or general counsel of Borrower, after having conducted a reasonable investigation and inquiry thereof.

Borrowing Base. As of any date of determination, the percentages of the Borrowing Base Assets set forth in the most recent Borrowing Base Certificate delivered pursuant to §7.4(e). The percentage applicable to each Borrowing Base Asset shall be determined by the Required Lenders. In any event, the parties acknowledge and agree that (i) with respect to any Eligible Asset, at any time that an event of default exists under the Eligible Lease with respect to such Eligible Asset, the percentage advance with respect to such Eligible Asset shall be zero, and (ii) with respect to any Eligible Mortgage, at any time that an event of default exists under such Eligible Mortgage, the percentage advance with respect to such Eligible Mortgage shall be zero.

Borrowing Base Assets. As of any date of determination, Eligible Assets and Eligible Mortgages that are held by a Loan Party as of such date; provided that Borrowing Base Assets as of any date of determination shall include assets that will become Eligible Assets or Eligible Mortgages substantially concurrently with the funding of any Loan on such date.

Borrowing Base Certificate. See §7.4(e).

Business Day. Any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York, the state of Kansas, the state where Agent's Office is located and, if such day relates to any LIBOR Rate Loan, means any such day on which dealings in Dollar deposits are conducted by and between banks in the London interbank market.

Capitalized Lease. A lease under which a Person is the lessee or obligor, the discounted future rental payment obligations under which are required to be capitalized on the balance sheet of the lessee or obligor in accordance with GAAP.

CERCLA. See §6.18(a).

Change in Law. The occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

Change of Control. A Change of Control shall exist upon the occurrence of any of the following:

(a) A transaction in which any "person" or "group" (within the meaning of Section 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of a sufficient number of shares of all classes of stock then outstanding of Borrower ordinarily entitled to vote in the election of directors, empowering such "person" or "group" to elect a majority of the Board of Directors of Borrower, who did not have such power before such transaction; or

(b) Any Guarantor ceases for any reason to be a Subsidiary of Borrower.

Closing Date. The first date on which all of the conditions set forth in §10 have been satisfied or waived in writing by Agent.

Code. The Internal Revenue Code of 1986, as amended.

Collateral. All of the property, rights and interests of the Loan Parties which are or are intended to be subject to the security interests, security title, liens and mortgages created by the Security Documents.

Collateral Assignment of Contracts. Each Collateral Assignment of Contracts, Licenses, Warranties and Guaranties executed by a Loan Party in favor of Agent for the benefit of Lenders in respect of certain permits and contracts of such Loan Party with respect to each Eligible Asset, which shall be in form and substance satisfactory to Agent.

Collateral Assignment of Purchase Agreement. Each Collateral Assignment of Purchase Agreement executed by a Loan Party in favor of Agent for the benefit of Lenders in respect of a Purchase Agreement, which shall be in form and substance satisfactory to Agent.

Commitment. With respect to each Lender, the amount set forth on Schedule 1.1 hereto as the amount of such Lender's Commitment to make or maintain Loans to Borrower, as the same may be changed from time to time in accordance with the terms of §2.8 and 2.9(a) of this Agreement.

Commitment Percentage. With respect to each Lender, the percentage set forth on Schedule 1.1 hereto as such Lender's percentage of the aggregate Commitments of all of Lenders.

Commodity Exchange Act. The Commodity Exchange Act (7 U.S.C. §1 et seq.), as amended from time to time, and any successor statute.

Compliance Certificate. See §7.4(c).

Consolidated. With reference to any term defined herein, that term as applied to the financial condition or operating results of a Person and its Subsidiaries, determined on a consolidated or combined basis in accordance with GAAP.

Conversion Request. A notice given by Borrower to Agent of its election to convert or continue a Loan in accordance with §4.1.

Corridor. Corridor InfraTrust Management, LLC, a Delaware limited liability company, and its successors and assigns.

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

Default. See §12.1.

Default Rate. See §4.12.

Defaulting Lender. Subject to §14.5(c), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies Agent and Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Agent or any other Lender any other amount required to be paid by it within two Business Days of the date when due, (b) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Agent that a Lender is a Defaulting Lender under clauses (a) or (b) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to §14.5(c)) upon delivery of written notice of such determination to the Borrower and each Lender.

Deposit Account Bank. A bank or other financial institution at which any Loan Party maintains a deposit account.

Deposit Account Control Agreement. Each deposit account control agreement, in form and substance satisfactory to Agent, from time to time executed by a Deposit Account Bank in favor of Agent for the benefit of Agent and Lenders.

Distribution. With respect to any Person, the declaration or payment of any cash, cash flow, dividend or distribution (whether in the form of cash or property) on or in respect of any shares of

any class of capital stock, partnership interest, membership interest or other beneficial interest of such Person; the purchase, redemption, exchange or other retirement for value of any shares of any class of capital stock, partnership interest, membership interest or other beneficial interest of such Person, directly or indirectly through a Subsidiary of such Person or otherwise; the return of capital (whether in the form of cash or property) by a Person to its shareholders, partners, members or other beneficial owners as such; or any other distribution on or in respect of any shares of any class of capital stock, partnership interest, membership interest or other beneficial interest of such Person.

Dollars or $. Dollars in lawful currency of the United States of America.

Domestic Lending Office. Initially, the office of each Lender designated as such in Schedule 1.1 hereto; thereafter, such other office of such Lender, if any, located within the United States that will be making or maintaining Base Rate Loans.

Drawdown Date. The date on which any Loan is made or is to be made, and the date on which any Loan is converted to a Loan of the other Type.

EBITDA. With respect to any Person for any fiscal period, the sum of (a) Net Income of such Person, plus (b) without duplication and to the extent the following have been deducted in the calculation of Net Income for such period, (i) interest expense, (ii) federal, state and local income tax expense, (iii) depletion, depreciation and amortization expense and (iv) all non-recurring non-cash expenses or charges (excluding any such non-cash item to the extent that it represents an accrual or reserve for potential cash items in any future period or amortization of a prepaid cash item that was paid in a prior period), minus (c) all non-recurring non-cash items increasing Net Income of such Person for such period (excluding any such non-cash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period), all determined without duplication and in accordance with GAAP.

Eligible Asset Investment. The purchase by a Loan Party of an Eligible Asset.

Eligible Assets. The fee, leasehold, easement, right-of-way and/or other real property interests, together with all improvements thereon constituting oil pipelines, natural gas pipelines, liquids gathering systems, electric transmission lines or other infrastructure systems, in all cases (i) qualifying as REIT Eligible Investments, (ii) being subject to an Eligible Lease, and (iii) being approved by the Required Lenders.

Eligible Assignee: (a) Any Lender or any Affiliate of a Lender; (b) any commercial bank, savings bank, savings and loan association, investment or mutual fund, or similar financial institution which (i) has total assets of $5,000,000,000 or more, (ii) is "well capitalized" within the meaning of such term under the regulations promulgated under the auspices of the Federal Deposit Insurance Corporation Improvement Act of 1991, as amended, (iii) in the sole judgment of Agent, is engaged in the business of lending money and extending credit, and buying loans or participations in loans under credit facilities substantially similar to those extended under this Agreement, and (iv) in the sole judgment of Agent, is operationally and procedurally able to meet the obligations of a Lender hereunder; (c) any insurance company in the business of writing insurance which (i) has total assets of $5,000,000,000 or more (ii) is "best capitalized" within the meaning of such term under the

applicable regulations of the National Association of Insurance Commissioners, and (iii) meets the requirements set forth in subclauses (iii) and (iv) of clause (b) above; and (d) any other financial institution having total assets of $5,000,000,000 (including a mutual fund or other fund under management of any investment manager having under its management total assets of $5,000,000,000 or more, and any of its Related Funds) which meets the requirement set forth in subclauses (iii) and (iv) of clause (b) above; provided that each Eligible Assignee must (A) be organized under the Laws of the United States of America, any state thereof or the District of Columbia, or, if a commercial bank, be organized under the Laws of the United States of America, any State thereof or the District of Columbia, the Cayman Islands or any country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of such a country, (B) act under the Loan Documents through a branch, agency or funding office located in the United States of America, (C) be exempt from withholding of tax on payments hereunder and deliver the documents related thereto pursuant to the Internal Revenue Code as in effect from time to time, and (D) not be a Loan Party or an Affiliate of any Loan Party.

Eligible Investment. An Eligible Asset Investment or an Eligible Mortgage Investment.

Eligible Lease. A lease of an Eligible Asset between a Loan Party, as lessor, and a lessee satisfactory to Agent which lease (i) has a minimum term of seven (7) years; (ii) is a triple net lease, (iii) provides for all maintenance and repair of the Eligible Assets to be the responsibility of the lessee, (iv) provides for insurance of the Eligible Assets and liability coverage (all at the expense of the lessee) in accordance with industry standards and satisfactory to the Agent, (v) provides for indemnification by the lessee in favor of the lessor and the Lenders with respect to environmental matters on terms satisfactory to Agent, (vi) is subject to a subordination, non-disturbance and attornment agreement in form and substance satisfactory to Agent, and (vii) is otherwise in form and substance satisfactory to the Required Lenders.

Eligible Mortgage. A first priority mortgage, deed of trust, deed to secure debt or similar instrument necessary to create and perfect a lien or security title, as applicable, under the applicable local law that encumbers real property as security, such security instrument and promissory note secured thereby (i) qualifying as a REIT Eligible Investment, (ii) containing provisions requiring the borrower thereunder to maintain insurance on the real property subject thereto in accordance with industry standards and satisfactory to Agent, (iii) containing indemnification provisions with respect to environmental matters by the borrower thereunder in favor of the applicable Loan Party on terms satisfactory to Agent, and (iv) being otherwise in form and substance satisfactory to the Required Lenders.

Eligible Mortgage Investment. The purchase by a Loan Party of an Eligible Mortgage.

Employee Benefit Plan. Any employee benefit plan within the meaning of §3(3) of ERISA maintained or contributed to by Borrower or any ERISA Affiliate, other than a Multiemployer Plan.

Environmental Engineer. Any firm of independent professional engineers or other scientists generally recognized as expert in the detection, analysis and remediation of Hazardous Substances and related environmental matters and reasonably acceptable to Agent.

Environmental Laws. See §6.18(a).

Environmental Reports. See §6.18

EPA. See §6.18(b).

Equity Interests. With respect to any Person, all shares of capital stock, partnership interests, membership interests in a limited liability company or other ownership in participation or equivalent interests (however designated, whether voting or non-voting) of such Person's equity capital (including any warrants, options or conversion or other purchase rights with respect to the foregoing) whether now outstanding or issued after the Closing Date.

ERISA. The Employee Retirement Income Security Act of 1974, as amended and in effect from time to time and any rules and regulations promulgated pursuant thereto.

ERISA Affiliate. Any Person which is treated as a single employer with Borrower under §414 (b) or (c) of the Code.

ERISA Reportable Event. A reportable event with respect to a Guaranteed Pension Plan within the meaning of §4043 (c) of ERISA and the regulations promulgated thereunder as to which the requirement of notice has not been waived.

Event of Default. See §12.1.

Excluded Swap Obligation. With respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty Agreement of such Guarantor of, or the grant by such Guarantor of a Lien to secure, such Swap Obligation (or any Guaranty Agreement with respect thereto) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guaranty Agreement of such Guarantor or the grant of such Lien becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty Agreement or Lien is or becomes illegal.

Excluded Taxes. Any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by Borrower under §4.10) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to §4.4, amounts with respect to such Taxes

were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with §4.4(f) and (d) any U.S. federal withholding imposed under FATCA.

Extension Period. See §3.1(b).

FATCA. Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof.

Federal Funds Effective Rate. For any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by Agent from three (3) Federal funds brokers of recognized standing selected by Agent. Any change in the Federal Funds Effective Rate shall become effective as of the opening of business on the day on which such change in the Federal Funds Effective Rate becomes effective, without notice or demand of any kind.

Fixed Charge Coverage Ratio. For any Test Period, the ratio of (i) EBITDA of Borrower and its Subsidiaries on a Consolidated basis for such period, to (ii) Fixed Charges for such period.

Fixed Charges. For Borrower and its Subsidiaries on a Consolidated basis, for any fiscal period, the sum of (i) interest expense, plus (ii) required amortization on any Indebtedness, plus (iii) cash Distributions with respect to any preferred stock issued by Borrower.

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

Funded Debt. With respect to any Person, without duplication, all outstanding Indebtedness of such Person, other than Indebtedness described in clause (f) of the definition of Indebtedness herein.

Funds from Operations. With respect to Borrower for any fiscal period, an amount equal to Net Income plus depreciation and amortization, gains or losses on the sale of assets, distributions received from investment securities, and net income tax expense, minus net realized and unrealized gain on trading securities or other equity securities and net dividend income, all determined without duplication in accordance with GAAP and in accordance with real estate investment trust industry standards.

GAAP. Generally accepted accounting principles in the United States, applied on a basis consistent with the principles used in preparing Borrower's audited consolidated financial statements for the fiscal year then ended, as such principles may be revised as a result of changes in such accounting principles implemented by Borrower and its consolidated Subsidiaries subsequent to

such date. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth herein and Borrower or the Required Lenders shall so request, Agent, Lenders, and Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, such ratio or requirement shall continue to be computed in accordance with GAAP as in effect prior to such change therein.

Governmental Authority. Any international, foreign, federal, state, county or municipal government, or political subdivision thereof; any governmental, quasi-governmental or regulatory agency, authority, board, bureau, commission, department, instrumentality or public body; or any court or administrative tribunal.

Guaranteed Pension Plan. Any employee pension benefit plan within the meaning of §3(2) of ERISA maintained or contributed to by Borrower or any ERISA Affiliate the benefits of which are guaranteed on termination in full or in part by the PBGC pursuant to Title IV of ERISA, other than a Multiemployer Plan.

Guarantors. The parties signatory hereto as guarantors, if any, and all other parties that execute and deliver a joinder to the Guaranty Agreement pursuant to §5.1(a).

Guaranty Agreement. The agreements set forth in §34 of this Agreement and any guaranties of the Obligations (or portions thereof) executed by a Guarantor in favor of Agent, for the benefit of Lenders, after the date hereof, all such guaranties to be in form and substance satisfactory to Agent as of the date such guarantees are delivered, and as the same may be modified or amended hereafter.

Hazardous Substances. See §6.18(b).

Hedge Agreement. Any interest rate cap, collar, floor, forward rate or swap agreement or similar protective agreement regarding the hedging of interest rate risk exposure (including, without limitation, any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act) now or hereafter entered into between Borrower and any Lender with respect to the Loans.

Increasing Lender. See §2.8.

Incurred Interest. For Borrower for any fiscal period, without duplication, the aggregate amount of all interest paid, accrued or capitalized during such period, excluding loan fees. With respect to any interest covered by a Hedge Agreement, interest shall be the net amount due thereunder.

Indebtedness. With respect to any Person means: (a) all indebtedness for money borrowed and any obligations evidenced by bonds, debentures, notes or similar debt instruments; (b) all liabilities secured by any mortgage, deed of trust, deed to secure debt, pledge, security interest, lien, charge or other encumbrance existing on property owned or acquired subject thereto, whether or not the liability secured thereby shall have been assumed; (c) all guarantees, endorsements and other contingent obligations whether direct or indirect in respect of indebtedness of others, including any obligation to supply funds to or in any manner to invest directly or indirectly in a Person, to purchase indebtedness, or to assure the owner of indebtedness against loss through an agreement to purchase

goods, supplies or services for the purpose of enabling the debtor to make payment of the indebtedness held by such owner, through indemnity or otherwise, and the obligation to reimburse the issuer in respect of any letter of credit; (d) any obligation as a lessee or obligor under a Capitalized Lease; (e) all reimbursement obligations with respect to letters of credit or similar instruments issued by a Person; and (f) all indebtedness, obligations or other liabilities under or with respect to (i) interest rate swap, collar, cap or similar agreements providing interest rate protection, including, without limitation, any Hedge Agreement and (ii) foreign currency exchange agreements.

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

Indemnitee. See §16.

Indemnity Agreement. Each Indemnity Agreement Regarding Hazardous Materials, made by Borrower and each Guarantor in favor of Agent and Lenders, pursuant to which such Loan Parties agree to indemnify Agent and Lenders with respect to Hazardous Substances and Environmental Laws, such Indemnity Agreement to be in form and substance satisfactory to Agent, as the same may be amended, restated, consolidated, supplemented or otherwise modified from time to time.

Interest Payment Date. The first day of each calendar month during the term of the Loan.

Interest Period. With respect to each LIBOR Rate Loan, (a) initially, the period commencing on the Drawdown Date of such Loan and ending one (1), two (2), three (3) or six (6) months thereafter, and (b) thereafter, each period commencing on the day following the last day of the immediately preceding Interest Period applicable to such LIBOR Rate Loan and ending on the last day of one of the periods set forth above, as selected by Borrower in a Loan Request or Conversion Request; provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) the first day of each Interest Period must be a Business Day.

(ii) if any Interest Period with respect to a LIBOR Rate Loan would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless such Business Day falls in the next calendar month, in which case the Interest Period shall end on the next preceding Business Day; and

(iii) no Interest Period relating to any LIBOR Rate Loan shall extend beyond the Maturity Date.

Investments. With respect to any Person, all shares of capital stock, partnership interests, limited liability company interests or other ownership interests, evidences of Indebtedness and other securities issued by any other Person, all loans, advances, or extensions of credit to, or contributions to the capital of, any other Person, all purchases of the securities or business or integral part of the business of any other Person and commitments to make such purchases and all interests in real property; provided, however, that the term "Investment" shall not include (i) equipment, inventory and other tangible personal property acquired in the ordinary course of business, or (ii) current trade and customer accounts receivable for services rendered in the ordinary course of business and payable

in accordance with customary trade terms. In determining the aggregate amount of Investments outstanding at any particular time: (a) the amount of any investment represented as a guaranty shall be taken at not less than the principal amount of the obligations guaranteed and still outstanding; (b) there shall be included as an Investment all interest accrued with respect to Indebtedness constituting an Investment unless and until such interest is paid; (c) there shall be deducted in respect of each such Investment any amount received as a return of capital (but only by repurchase, redemption, retirement, repayment, liquidating dividend or liquidating distribution); (d) there shall not be deducted or increased in respect of any Investment any amounts received as earnings on such Investment, whether as dividends, interest or otherwise, except that accrued interest included as provided in the foregoing clause (b) may be deducted when paid; and (e) there shall not be deducted from, or added to, the aggregate amount of Investments any decrease or increase, respectively, in the value thereof.

Joinder Agreement (Guarantor). An agreement in the form attached hereto and made a part hereof as Exhibit G, whereby a Person shall become an additional joint and several Guarantor in accordance with §5.1.

KeyBank. KeyBank National Association, a national banking association.

Lenders. KeyBank and the other lending institutions which are or may become parties to this Agreement, pursuant to § 18 hereof, as is defined in the first paragraph of this Agreement.

LIBOR Lending Office. Initially, the office of each Lender designated as such in Schedule 1.1 hereto; thereafter, such other office of such Lender, if any, that shall be making or maintaining LIBOR Rate Loans.

LIBOR Rate. As applicable to any LIBOR Rate Loan, the rate per annum as determined on the basis of the offered rates for deposits in Dollars, for a period of time comparable to the Interest Period for such LIBOR Rate Loan which appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m. London time on the day that is two (2) LIBOR Business Days preceding the first day of the Interest Period for such LIBOR Rate Loan; provided, however, if the rate described above does not appear on such service on any applicable interest determination date, the LIBOR Rate shall be the rate (rounded upward, if necessary, to the nearest one hundred-thousandth of a percentage point), determined on the basis of the offered rates for deposits in Dollars for a period of time comparable to the Interest Period for such LIBOR Rate Loan which are offered by four (4) major banks in the London interbank market at approximately 11:00 a.m. London time, on the day that is two (2) LIBOR Business Days preceding the first day of the Interest Period for the LIBOR Rate Loan as selected by Agent. The principal London office of each of the four (4) major London banks will be requested to provide a quotation of its Dollar deposit offered rate. If at least two such quotations are provided, the rate for that date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that date will be determined on the basis of the rates quoted for loans in Dollars to leading European banks for a period of time comparable to the Interest Period for such LIBOR Rate Loan offered by major banks in New York City at approximately 11:00 a.m. (eastern time), on the day that is two (2) LIBOR Business Days preceding the first day of the Interest Period for the LIBOR Rate Loan. In the event that Agent is unable to obtain any such quotation as provided above, it will be deemed that the LIBOR Rate for a LIBOR Rate Loan cannot be determined

and §4.6 shall apply. In such event, the Loan shall bear interest at the Base Rate. In the event that the Board of Governors of the Federal Reserve System shall impose a Reserve Percentage with respect to LIBOR deposits of Agent, then for any period during which such Reserve Percentage shall apply, the LIBOR Rate shall be equal to the amount determined above divided by an amount equal to one (1) minus the Reserve Percentage.

LIBOR Rate Loans. Those Loans bearing interest calculated by reference to the LIBOR Rate.

LIBOR Rate Spread. The per annum rate of four percent (4.0%).

Liens. See §8.2.

Loan Documents. Collectively, this Agreement, the Notes, the Security Documents, the Hedge Agreements, and all other documents, instruments or agreements now or hereafter assumed, executed or delivered by or on behalf of Borrower or any other Loan Party in favor of the Agent or the Lenders in connection with the Loans, as the same may be amended, modified, renewed, extended, consolidated, supplemented or restated from time to time.

Loan Parties. Collectively, Borrower and Guarantors, any of which may be sometimes referred to individually as a Loan Party.

Loan Request. See §2.5.

Loans. Collectively, the aggregate Loans to be made by Lenders under §2.1 under the Commitment not to exceed $20,000,000 at any time Outstanding; subject, however, to increase in accordance with §2.8.

Material Adverse Effect. A materially adverse effect on (a) the business, assets, liabilities, condition (financial or otherwise), or results of operations of the Loan Parties, (b) the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party, (c) the validity or enforceability of any of the Loan Documents, or (d) the rights, benefits or interests of Lenders and Agent in and to this Agreement, any other Loan Document or the Collateral.

Maturity Date. May 8, 2016, or if the Maturity Date is extended pursuant to §3.1(c), May 8, 2017, or such earlier date on which the Loans shall become due and payable pursuant to the terms hereof.

Moody's. Moody's Investors Service, Inc.

Mortgage. Each mortgage, deed of trust, deed to secure debt or similar instrument from a Loan Party in favor of Agent for the benefit of Lenders, whether now existing or hereafter entered into, as modified, amended, supplemented or restated from time to time, pursuant to which such Loan Party shall have conveyed or granted a mortgage lien upon or security title to an Eligible Asset as security for the Obligations, such document to be in form and substance satisfactory to Agent.

Mortgage Assignment. Each Collateral Assignment of Note and Mortgage executed by a Loan Party in favor of Agent for the benefit of Lenders granting a first priority security interest in an Eligible Mortgage, such assignment to be in form and substance satisfactory to Agent.

Multiemployer Plan. Any multiemployer plan within the meaning of §3(37) of ERISA to which Borrower or any ERISA Affiliate is making, or is required to make, contributions.

Net Income. With respect to Borrower for any Test Period, the net income (or deficit) of Borrower, after deduction of all expenses, taxes and other property charges, determined in accordance with GAAP.

Net Worth. The amount by which Total Assets exceeds Total Liabilities.

Non-Consenting Lender. See §18.8.

Notes. See §2.2.

Notice. See §19.

Obligations. All indebtedness, obligations and liabilities of Borrower and Guarantors to any of Lenders and Agent, individually or collectively, under this Agreement or any of the other Loan Documents or in respect of any of the Loans or the Notes, or other instruments at any time evidencing any of the foregoing, whether existing on the date of this Agreement or arising or incurred hereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise (including, without limitation, advances made by Agent to protect or preserve the Collateral or the security interests therein), and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under the United States Bankruptcy Code or other similar federal or State law, naming such Person as the debtor in such proceeding, regardless of whether or not such interest and fees are allowed claims in such proceeding, provided, however, Obligations (whether used herein or incorporated in another Loan Document by reference) shall not include any Excluded Swap Obligations for purposes of determining the indebtedness, obligations or liabilities guaranteed by, or secured by a Lien granted by, any Guarantor. To the extent this definition of "Obligations" is referenced in any Security Document, the definition shall also include any Indebtedness, obligations and liabilities of Borrower under any and all Hedge Agreements but shall not include any Excluded Swap Obligations.

OFAC Review Process. That certain review process established by Agent to determine if any potential transferee of any interests or any assignee of any portion of the Loans or any of their members, officers or partners are a party with whom Agent and any Lender are restricted from doing business under (i) the regulations of OFAC, including those Persons named on OFAC's Specially Designated and Blocked Persons list, or (ii) any other statute, executive order or other governmental action or list (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism.

Operating Account. See §5.2.

Organizational Document. With respect to any Person other than a natural person, its articles or certificate of incorporation, formation or organization, partnership agreement, operating agreement, by-laws and all shareholder agreements, voting trusts and similar arrangements applicable to any of its authorized Equity Interests.

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

Other Taxes. all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to §4.10).

Outstanding. With respect to the Loans, the aggregate unpaid principal thereof as of any date of determination.

Patriot Act Customer Identification Process. That certain customer identification and review process established by Agent pursuant to the requirements of 31 U.S.C. §5318(1) and 31 C.F.R. §103.121 to verify the identity of all permitted transferees of interests in Borrower and any assignees of a portion of the Loan hereunder.

PBGC. The Pension Benefit Guaranty Corporation created by §4002 of ERISA and any successor entity or entities having similar responsibilities.

Permitted Liens. Liens, security interests and other encumbrances permitted by §8.2.

Person. Any individual, corporation, partnership, limited liability company, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

Plan Assets. Assets of any Employee Benefit Plan subject to Part 4, Subtitle A, Title I of ERISA.

Pledge and Security Agreement. Each Pledge and Security Agreement executed by Borrower for the purpose of pledging and granting a first priority security interest in and to all Equity Interests now or hereafter owned by Borrower in each Guarantor.

Pledged Deposit Accounts. The Advance Account and the Operating Account.

Principal Financial Officer. The primary officer or the authorized agent of Borrower responsible for the preparation and certification of financial statements.

Purchase Agreement. Each asset purchase agreement pursuant to which a Loan Party acquires an Eligible Investment.

Qualified ECP Guarantor. With respect to any Swap Obligation, each Guarantor that has total assets exceeding $10,000,000 at the time the relevant Guaranty Agreement or grant of the relevant Lien becomes effective with respect to such Swap Obligation or such other Person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another Person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

RCRA. See §6.18(a).

Recipient. Agent and any Lender, as applicable.

Record. The grid attached to any Note, or the continuation of such grid, or any other similar record, including computer records, maintained by Agent with respect to any Loan referred to in such Note.

Register. See §18.2.

REIT Eligible Investments. Investments in "real estate assets" as defined in §856(c)(5)(B) of the Code.

REIT Status. See §8.6.

Related Fund. With respect to any fund that invests in loans, any other fund that invests in loans that is managed by the same investment advisor as such Lender or by an Affiliate of such Lender or such investment advisor.

Related Parties. With respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

Release. See §6.18(c) (iii).

Required Lenders. As of any date, the Lender or Lenders (not including any Defaulting Lender which shall not be entitled to vote) whose aggregate Commitment Percentage exceeds fifty percent (50%).

Requirements. Any applicable federal or state law or governmental regulation, or any local ordinance, order or regulation, including but not limited to laws, regulations, or ordinances relating to zoning, building use and occupancy, subdivision control, fire protection, health, sanitation, safety, handicapped access, historic preservation and protection, tidelands, wetlands, flood control and Environmental Laws, including without limitation, the Americans With Disabilities Act or any state laws regarding disability requirements, or any lease, agreement, covenant or instrument to which any Eligible Asset may be subject.

Reserve Percentage. As of any date, the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed on member banks of the Federal Reserve System against "Euro-currency Liabilities" as defined in Regulation D. The LIBOR Rate for each outstanding LIBOR Rate Loan shall be adjusted automatically as of the effective date of any change in the Reserve Percentage.

S&P. Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies.

SARA. See §6.18(a).

SEC. United States Securities and Exchange Commission.

Security Agreement. Each Security Agreement executed by a Loan Party in favor of Agent for the benefit of Lenders granting a first priority security interest in all personal property assets of such Loan Party, which Security Agreement shall be in form and substance satisfactory to Agent.

Security Documents. Collectively, the Mortgages, the Security Agreements, the Assignments of Lease, the Collateral Assignments of Purchase Agreement, the Collateral Assignments of Contracts, the Mortgage Assignments, the Indemnity Agreements, the Deposit Account Control Agreements, the Pledge and Security Agreements and any further collateral assignments now or hereafter delivered by Borrower or a Guarantor to Agent for the benefit of Lenders, including, without limitation, UCC-1 financing statements filed or recorded in connection therewith, as each may be further amended, modified, renewed, consolidated, supplemented or extended, from time to time.

State. A state of the United States of America, or the District of Columbia.

Subsequent Lender. See §2.8.

Subsidiary. Any corporation, association, partnership, limited liability company, trust or other business or legal entity of which the designated parent shall at any time own, directly or indirectly through a Person or Persons, a greater than fifty percent (50%) ownership interest.

Swap Obligation. With respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

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

Test Period. See §9.1(a).

Title Insurance Company. A title insurance company of nationally recognized standing selected by Borrower and reasonably satisfactory to Agent.

Title Policy. With respect to each Eligible Asset, an ALTA Standard Loan Policy Form 2006, with ALTA Endorsement Form 1 Coverage (or if such form is not available, an equivalent form of

or legally promulgated form of mortgagee title insurance policy reasonably acceptable to Agent), issued by the Title Insurance Company (with such reinsurance or co-insurance as the Agent may require, any such reinsurance to be with direct access endorsements to the extent available under applicable law) in such amount as the Agent may reasonably require insuring the priority of the Mortgage and that the applicable Loan Party holds good and marketable fee simple title to such parcel, subject only to the encumbrances permitted by the Mortgage and which shall not contain standard exceptions for mechanics' liens, persons in occupancy or matters which would be shown by a survey, shall not insure over any matter except to the extent that any such affirmative insurance is acceptable to the Agent in its sole discretion; and shall contain such endorsements and affirmative insurance with respect to the specific circumstances of the Eligible Asset as the Agent reasonably may require.

Total Assets. All assets of a Person determined in accordance with GAAP.

Total Funded Debt. As of any date of determination, an amount equal to one hundred percent (100%) of all Funded Debt of Borrower and its Subsidiaries.

Total Leverage Ratio. For any Test Period, the ratio of (i) Total Funded Debt as of the end of such period to (ii) EBITDA of Borrower and its Subsidiaries on a Consolidated basis for such period.

Total Liabilities. All liabilities of a Person determined in accordance with GAAP, and all Indebtedness of such Person, whether or not so classified.

Type. As to any Loan, its nature as a Base Rate Loan or a LIBOR Rate Loan.

Voting Interests. Stock, partnership, membership or similar ownership interests of any class or classes (however designated), the holders of which are at the time entitled, as such holders, (a) to vote for the election of a majority of the directors (or persons performing similar functions) of the corporation, association, partnership, limited liability company, trust or other business entity involved, or (b) to control, manage, or conduct the business of the corporation, partnership, limited liability company, association, trust or other business entity involved.

Withholding Agent. Borrower and Agent.

§1.2 Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement as amended, modified or supplemented from time to time in accordance with its terms and the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) Accounting terms not otherwise defined herein have the meanings assigned to them by GAAP applied on a consistent basis by the accounting entity to which they refer.

(f) The words "include", "includes" and "including" are not limiting.

(g) The words "approval" and "approved" as the context so determines, means an approval in writing given to the party seeking approval after full and fair disclosure to the party giving approval of all material facts necessary in order to determine whether approval should be granted.

(h) All terms not specifically defined herein or by GAAP, which terms are defined in the Uniform Commercial Code as in effect in the State of New York, have the meanings assigned to them therein.

(i) Reference to a particular "§", refers to that section of this Agreement unless otherwise indicated.

(j) The words "herein", "hereof", "hereunder" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

(k) All references in this Agreement to "Cleveland time" shall refer to prevailing time in Cleveland, Ohio.

§2. LOANS

§2.1 Commitment to Lend.

Subject to the terms and conditions set forth in this Agreement, each of the Lenders severally agrees to lend to Borrower, and Borrower may borrow (and repay and reborrow) from time to time between the Closing Date and the Maturity Date upon notice by Borrower to Agent given in accordance with §2.5, such sums as are requested by Borrower for the purposes set forth in §2.7 up to a maximum aggregate principal amount outstanding (after giving effect to all amounts requested) at any one time equal to the lesser of (a) such Lender's Commitment, and (b) such Lender's Commitment Percentage of the Borrowing Base; provided, that, in all events no Default or Event of Default shall have occurred and be continuing, or shall result therefrom. The Loans shall be made *pro rata* in accordance with each Lender's Commitment Percentage. Each request for a Loan hereunder shall constitute a representation and warranty by Borrower that all of the conditions set forth in §10 and §11, as applicable, have been satisfied on the date of such request. No Lender shall have any obligation to make Loans to Borrower in an aggregate principal amount outstanding which exceeds such Lender's Commitment.

§2.2 Notes.

If requested by a Lender, the Loans of such Lender shall be evidenced by a separate revolving credit promissory note of Borrower in favor of such Lender in substantially the form of Exhibit A hereto (such notes and any substitute or replacement notes therefore, the "Notes"). A Note shall be payable to each Lender in the principal face amount equal to such Lender's Commitment. Each

such Note shall be issued by Borrower to the applicable Lender and shall be duly executed and delivered by an authorized officer of Borrower. Borrower irrevocably authorizes Agent to make or cause to be made, at or about the time of the Drawdown Date of any Loan or the time of receipt of any payment of principal thereof, an appropriate notation on Agent's Record reflecting the making of such Loan or the receipt of such payment. The Outstanding amount of the Loans set forth on Agent's Record shall be *prima facie* evidence of the principal amount thereof owing and unpaid to each Lender, but the failure to record, or any error in so recording, any such amount on Agent's Record shall not limit or otherwise affect the obligations of Borrower, hereunder or under any Note to make payments of principal of or interest on any Note when due.

§2.3 Interest on Loans.

(a) Each LIBOR Rate Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the sum of (A) the LIBOR Rate, plus (B) the LIBOR Rate Spread; and

(b) Each Base Rate Loan shall bear interest commencing with the Drawdown Date thereof until repayment or conversion to a LIBOR Rate Loan at a rate per annum equal to the sum of (A) the Base Rate, plus (B) the Base Rate Spread.

(c) Borrower promises to pay interest on the Loans in arrears on each Interest Payment Date with respect thereto.

(d) Base Rate Loans and LIBOR Rate Loans may be converted to Loans of the other Type as provided in §4.1.

§2.4 Unused Facility Fee.

Borrower agrees to pay to Agent for the account of the Lenders in accordance with their respective Commitment Percentages an unused facility fee (the "Facility Fee") calculated at the rate of twenty-five one-hundredths of one percent (0.25%) per annum on the average daily amount by which the aggregate Commitments from time to time exceed the Outstanding Loans during each fiscal quarter or portion thereof commencing on August 1, 2013 and ending on the Maturity Date. The Facility Fee shall be payable quarterly in arrears on the first day of each fiscal quarter of Borrower for the immediately preceding fiscal quarter, with a final payment due and payable on the Maturity Date. Any payment due under this Section shall be prorated for any partial fiscal quarter. The Facility Fee shall be fully earned when due and non-refundable when paid.

§2.5 Requests for Loans.

Borrower shall give to Agent written notice in the form of Exhibit D hereto (or telephonic notice confirmed in writing in the form of Exhibit D hereto) of the Loan (the "Loan Request") by 12:00 noon (Cleveland time) on the Business Day prior to the proposed Drawdown Date with respect to Base Rate Loans and three (3) Business Days prior to such Drawdown Date with respect to LIBOR Rate Loans. Such notice shall specify the Type of Loan, the initial Interest Period (if applicable) and the Drawdown Date. Such notice shall also contain a statement that the conditions to borrowing set forth in §§10 and 11 hereof, as applicable, have been satisfied. Promptly upon receipt of any

such notice, Agent shall notify each of Lenders thereof. Such Loan Request shall be irrevocable and binding on Borrower and shall obligate Borrower to accept the Loan requested from Lenders on the proposed Drawdown Date. Each Loan Request shall be (a) for a Base Rate Loan in a minimum aggregate amount of $1,000,000 or an integral multiple of $100,000 in excess thereof; or (b) for a LIBOR Rate Loan in a minimum aggregate amount of $2,000,000 or an integral multiple of $100,000 in excess thereof; provided, however, that there shall be no more than four (4) LIBOR Rate Loans outstanding at any one time.

§2.6 Funds for Loans.

(a) Not later than 2:00 p.m. (Cleveland time) on the proposed Drawdown Date of any Loans, each Lender will make available to Agent, at Agent's Office, in immediately available funds, the amount of such Lender's Commitment Percentage of the amount of the requested Loans which may be disbursed pursuant hereto. Upon receipt from each Lender of such amount, and upon receipt of the documents required by §10 (in the case of Loans to be made on the Closing Date only) and §11 and the satisfaction of the other conditions set forth therein, to the extent applicable, Agent will make available to Borrower the aggregate amount of such Loans made available to Agent by Lenders by crediting such amount to the Advance Account. The failure or refusal of any Lender to make available to Agent at the aforesaid time and place on any Drawdown Date the amount of its Commitment Percentage of the requested Loans shall not relieve any other Lender from its several obligation hereunder to make available to Agent the amount of such other Lender's Commitment Percentage of any requested Loans, including any additional Loans that may be requested subject to the terms and conditions hereof to provide funds to replace those not advanced by the Lender so failing or refusing. In the event of any such failure or refusal, the Lenders not so failing or refusing shall be entitled to a priority secured position as against the Lender or Lenders so failing or refusing to make available to Borrower the amount of its or their Commitment Percentage for such Loans as provided in §12.5.

(b) Unless Agent shall have been notified by any Lender prior to the applicable Drawdown Date that such Lender will not make available to Agent such Lender's Commitment Percentage of a proposed Loan, Agent may in its discretion assume that such Lender has made such Loan available to Agent in accordance with the provisions of this Agreement and Agent may, if it chooses, in reliance upon such assumption make such Loan available to Borrower, and such Lender shall be liable to Agent for the amount of such advance. If such Lender does not pay such corresponding amount upon Agent's demand therefor, Agent will promptly notify Borrower, and Borrower shall promptly pay such corresponding amount to Agent. Agent shall also be entitled to recover from the Lender or Borrower, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by Agent to Borrower to the date such corresponding amount is recovered by Agent at a per annum rate equal to (i) from Borrower at the applicable rate for such Loan or (ii) from a Lender at the Federal Funds Effective Rate.

§2.7 Use of Proceeds.

Borrower will use the proceeds of the Loans solely (i) to fund Borrower's working capital and general corporate needs; (ii) to fund Eligible Investments; and (iii) for such other purposes as may be approved in writing by the Required Lenders.

§2.8 Increase in Commitment.

At any time prior to May 1, 2015, Borrower may, at its option and subject to the conditions set forth below in this §2.8, request up to three (3) times that Agent increase the aggregate Commitments by (i) admitting additional Lenders hereunder (each a "Subsequent Lender") and/or (ii) increasing the Commitment of any Lender (each an "Increasing Lender") subject to the following conditions:

(a) each Subsequent Lender shall meet the conditions for an Eligible Assignee;

(b) if requested by the applicable Lender, Borrower executes new Notes payable to the order of each Subsequent Lender, or a new or replacement Note payable to the order of each Increasing Lender;

(c) each Subsequent Lender executes and delivers to Agent a signature page to this Agreement evidencing its agreement to be bound as a Lender hereunder and each Increasing Lender executes and delivers to Agent an acknowledgement of its increased Commitment;

(d) Borrower and Agent shall have executed new Security Documents and/or modifications of the Security Documents and other Loan Documents to reflect the increase in the Commitments and Borrower shall have paid to Agent any and all documentary stamp tax, non-recurring intangible tax or other taxes imposed in connection with the recording of such modifications of the Security Documents or increase in the Commitment amount and Agent shall be provided with evidence satisfactory to it that all Liens in favor of Agent are and remain first priority Liens;

(e) after giving effect to the admission of any Subsequent Lender or the increase in the Commitment of any Increasing Lender, the sum of all Commitments does not exceed $200,000,000;

(f) each increase in the total Commitments shall be in the amount of at least $10,000,000;

(g) all of the representations and warranties of Borrower and Guarantors in the Loan Documents shall be true and correct in all material respects as of the effective date of the increase in the total Commitment (or if such representations and warranties by their terms relate solely to an earlier date, then as of such earlier date);

(h) no Default or Event of Default exists or would result therefrom;

(i) no Lender, including, but not limited to KeyBank, shall be an Increasing Lender without the written consent of such Lender;

(j) Borrower shall have delivered to Agent a Compliance Certificate setting forth in reasonable detail computations evidencing compliance, on a proforma basis giving effect to the Commitment increase, with the covenants contained in §9; and

(k) Borrower shall have executed such other modifications and documents and made such other deliveries as Agent may reasonably require to evidence and effectuate such new or increased Commitments and shall pay or reimburse Agent and Agent's Special Counsel for all reasonable fees (including any fees specified in the Agreement Regarding Fees), expenses and costs in connection with the foregoing and Borrower shall also pay such Loan fees and placement fees, if any, as may be agreed for such increase in the Commitments.

After adding the Commitment of any Increasing Lender or Subsequent Lender, Agent shall promptly provide each Lender and Borrower with a new Schedule 1.1 to this Agreement (and each Lender acknowledges that its Commitment Percentage under Schedule 1.1 and allocated portion of the Outstanding Loans will change in accordance with its *pro rata* share of the increased Term Commitments.) Unless and until the total Commitments have been increased in accordance with this §2.8, Borrower shall not be permitted any disbursement beyond the amount of the Commitments in effect immediately prior to such proposed increase.

§2.9 Reduction and Termination of Commitments.

(a) Borrower shall have the right at any time and from time to time upon five (5) Business Days' prior written notice to Agent to reduce by $1,000,000 or an integral multiple of $1,000,000 in excess thereof (provided that in no event shall the aggregate Commitments be reduced in such manner to an amount less than $10,000,000) whereupon the Commitments of Lenders shall be reduced *pro rata* in accordance with their respective Commitment Percentages of the amount specified in such notice, any such reduction to be without penalty except as otherwise set forth in §4.8. Promptly after receiving any notice from Borrower delivered pursuant to this §2.9(a), Agent will notify Lenders of the substance thereof. Upon the effective date of any such reduction, Borrower shall pay to Agent for the respective accounts of Lenders the amount, if any, by which the then Outstanding Loans exceed the Commitments of all Lenders as so reduced and the full amount of the Facility Fee under §2.4 then accrued on the amount of the reduction. No reduction of the Commitments may be reinstated.

(b) Borrower shall have the right at any time upon five (5) Business Days prior written notice to Agent to terminate the Commitments of Lenders to make any Loans under this Agreement. Upon the effective date of such termination, Borrower shall pay in full the principal and interest on the Outstanding Loans, if any, without penalty except as otherwise set forth in §4.8, and pay the full amount of the Facility Fee under §2.4 then accrued, whereupon this Agreement shall terminate and the obligations of the parties hereto shall terminate except for such obligations that survive termination of this Agreement as specifically provided herein.

§3. REPAYMENT AND PREPAYMENT OF THE LOANS

§3.1 Repayment; Stated Maturity; Extension Option.

(a) Maturity Date. Borrower promises to pay on the Maturity Date, and there shall become absolutely due and payable on the Maturity Date, the entire Outstanding principal amount of all Loans outstanding on such date, together with any and all accrued and unpaid interest thereon.

(b) Extension Option. Borrower shall have the option to extend the Maturity Date for a one (1) year period (the "Extension Period") by giving Agent written Notice of such election to extend not less than 90 days prior to the Maturity Date, provided that (i) no Default or Event of Default exists either on the date such notice is given or on the original Maturity Date, (ii) each of the representations and warranties made by Borrower or Guarantors in this Agreement or the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the date they were made, as of the date notice of extension is given and as of the original Maturity Date (except to the extent of changes resulting from transactions permitted by the Loan Documents, it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date), (iii) Borrower executes and delivers such amendments or modifications to the Mortgages as Agent may require in order to evidence such extension and to maintain the effectiveness and priority of the Mortgages, together with payment of all mortgage, recording, intangible, documentary stamp or other similar taxes and charges which Agent determines to be payable as a result of such extension and the recording of such amendments or modifications, and affidavits or other information which Agent determines to be necessary in connection therewith, (iv) Borrower shall have paid to Agent on the original Maturity Date, for the account of the Lenders in accordance with their respective percentage of the aggregate Commitments of all Lenders, an extension fee equal to twenty-five one hundredths percent (0.25%) of the aggregate Outstanding Loans as of the original Maturity Date, and (v) Borrower has met or exceeded certain financial performance criteria established by the Required Lenders and furnished in writing to Borrower not less than 120 days prior to the Maturity Date.

§3.2 Mandatory Prepayments.

Loans Exceed Commitments or Borrowing Base. If at any time (i) the aggregate Outstanding principal amount of the Loans exceeds the aggregate Commitments, (ii) the aggregate Outstanding principal amount of the Loans exceeds the Borrowing Base, then Borrower shall pay within five (5) Business Days of written demand from Agent the amount of such excess to Agent for the respective accounts of Lenders, as applicable, for application for the Loans, as provided in §3.4, together with any additional amounts payable pursuant to §4.8; provided however that until such time as Borrower has paid such amount to Agent for the respective accounts of the appropriate Lenders pursuant to the preceding clause, Lenders shall have no obligation to make additional funds available to Borrower pursuant to this Agreement.

§3.3 Optional Prepayments.

Borrower shall have the right, at its election, to prepay the outstanding amount of the Loans, as a whole or in part, at any time without penalty or premium, provided that if any full or partial

prepayment of the outstanding amount of any LIBOR Rate Loans is made on a date that is not the last day of the Interest Period relating thereto, such payment shall be accompanied by the amount payable pursuant to §4.8. Borrower shall give Agent, no later than 10:00 a.m., Cleveland time, at least three (3) Business Days prior written notice of any prepayment pursuant to this §3.3, in each case specifying the proposed date of payment of Loans and the principal amount of the Loans to be prepaid. Notice of prepayment, once given, shall be irrevocable, and such amount shall become due and payable on the specified prepayment date.

§3.4 Partial Prepayments.

Each partial prepayment of the Loans under §3.3 shall be in the minimum amount of $500,000 or an integral multiple of $100,000 in excess thereof (unless the Loan is being prepaid in full), and each partial prepayment of the Loans under §3.2 and §3.3 shall be accompanied by the payment of accrued interest on the principal prepaid to the date of payment and, after payment of such interest, shall be applied, in the absence of instruction by Borrower, first to the principal of Loans that are Base Rate Loans, and then to the Loans that are LIBOR Rate Loans.

§4. CERTAIN GENERAL PROVISIONS

§4.1 Conversion Options; Number of LIBOR Contracts.

(a) Borrower may elect from time to time to convert any of the outstanding Loans to a Loan of another Type and such Loan shall thereafter bear interest as a Base Rate Loan or a LIBOR Rate Loan, as applicable; provided that (i) with respect to any such conversion of a LIBOR Rate Loan to a Base Rate Loan, Borrower shall give Agent at least three (3) Business Days' prior written notice of such election, and such conversion shall only be made on the last day of the Interest Period with respect to such LIBOR Rate Loan; (ii) with respect to any such conversion of a Base Rate Loan to a LIBOR Rate Loan, Borrower shall give Agent at least three (3) LIBOR Business Days' prior written notice of such election and the Interest Period requested for such Loan; the principal amount of the Loan so converted shall be in a minimum aggregate amount (for all Lenders) of $2,000,000 or an integral multiple of $100,000 in excess thereof; and (iii) no Loan may be converted into a LIBOR Rate Loan when any Event of Default has occurred and is continuing. All or any part of the outstanding Loans of any Type may be converted as provided herein, provided that no partial conversion shall result in a Base Rate Loan in an aggregate principal amount (for all Lenders) of less than $1,000,000 or a LIBOR Rate Loan in an aggregate principal amount (for all Lenders) of less than $2,000,000 and that the aggregate principal amount (for all Lenders) of each Loan shall be an integral multiple of $100,000. On the date on which such conversion is being made, each Lender shall take, to the extent it deems it necessary to do so, such action as is necessary to transfer its Commitment Percentage of such Loans to its Domestic Lending Office or its LIBOR Lending Office, as the case may be. Each Conversion Request relating to the conversion of a Base Rate Loan to a LIBOR Rate Loan shall be irrevocable by Borrower.

(b) Any LIBOR Rate Loan may be continued as such Type upon the expiration of an Interest Period with respect thereto by compliance by Borrower with the terms of §4.1; provided that no LIBOR Rate Loan may be continued as such when any Event of Default has occurred and

is continuing, but shall be automatically converted to a Base Rate Loan on the last day of the Interest Period relating thereto ending during the continuance of any Default or Event of Default.

(c) In the event that Borrower does not notify Agent of its election hereunder with respect to any Loan, such Loan shall be automatically converted to a Base Rate Loan at the end of the applicable Interest Period.

(d) There shall be no more than four (4) LIBOR Rate Loans outstanding at any one time.

§4.2 Certain Fees.

Borrower agrees to pay to KeyBank certain fees for services rendered or to be rendered in connection with the Loans as provided in the Agreement Regarding Fees. Unless otherwise provided therein, all such fees shall be fully earned when due and non-refundable when paid.

§4.3 Funds for Payment.

All payments of principal, interest, Agent's fees, closing fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to Agent, for the respective accounts of Lenders and Agent, as the case may be, at Agent's Office, no later than 1:00 p.m. (Cleveland time) on the day when due, in each case in lawful money of the United States in immediately available funds.

§4.4 Taxes.

(a) Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower, as applicable, shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) The Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Each Lender shall severally indemnify Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that Borrower has not already indemnified Agent for such Indemnified Taxes and without limiting the obligation of Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of §18 relating to the maintenance of the Register (as defined in §18.2) and (iii) any Excluded Taxes

attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable Agent to the Lender from any other source against any amount due to Agent under this paragraph (c).

(d) If requested by Agent after any payment of Taxes by Borrower, to a Governmental Authority pursuant to this Section 4.4, Borrower shall deliver to Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Agent.

(e) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and Agent, at the time or times reasonably requested by the Borrower or Agent, such properly completed and executed documentation reasonably requested by Borrower or Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower or Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower or Agent as will enable Borrower or Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in § 4.4(f)A, B and D below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(f) Without limiting the generality of the foregoing,

A. any Lender that is a U.S. Person shall deliver to Borrower and Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

B. any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Agent), whichever of the following is applicable:

i. in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and

(y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

ii. executed originals of IRS Form W-8ECI;

iii. in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit [J]-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN,; or

iv. to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit [J]-2 or Exhibit [J]-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit [J]-4 on behalf of each such direct and indirect partner;

C. any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrower or Agent to determine the withholding or deduction required to be made; and

D. if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Borrower and Agent at the time or times prescribed by law and at such time or times reasonably requested by Borrower or Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or Agent as may be necessary for Borrower and Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower and Agent in writing of its legal inability to do so.

(g) If any party has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 4.4 (including by the payment of additional amounts pursuant to this Section 4.4), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Each party's obligations under this §4.4 shall survive the resignation or replacement of Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

§4.5 Computations.

All computations of interest on the Loans and of other fees to the extent applicable shall be based on a 360-day year (or, in the case of interest on Base Rate Loans, a 365/366-day year) and paid for the actual number of days elapsed (excluding the day of repayment). Except as otherwise provided in the definition of the term "Interest Period" with respect to LIBOR Rate Loans, whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest shall accrue during such extension. The outstanding amount of the Loans as reflected on the records of Agent from time to time shall be considered *prima facie* evidence of such amount.

§4.6 Inability to Determine LIBOR Rate.

In the event that at any time Agent shall determine in the exercise of its good faith business judgment that adequate and reasonable methods do not exist for ascertaining the LIBOR Rate, Agent shall forthwith give notice of such determination (which shall be conclusive and binding on Borrower and Lenders) to Borrower and Lenders. In such event (a) any Loan Request with respect to LIBOR Rate Loans shall be automatically withdrawn and shall be deemed a request for Base Rate Loans and (b) each LIBOR Rate Loan will automatically become a Base Rate Loan at the end of the current

Interest Period, and the obligations of Lenders to make LIBOR Rate Loans shall be suspended until Agent determines that the circumstances giving rise to such suspension no longer exist, whereupon Agent shall so notify Borrower and Lenders.

§4.7 Illegality.

Notwithstanding any other provisions herein, if any present or future law, regulation, treaty or directive or the interpretation or application thereof shall make it unlawful, or any central bank or other Governmental Authority having jurisdiction over a Lender or its LIBOR Lending Office shall assert that it is unlawful, for any Lender to make or maintain LIBOR Rate Loans, such Lender shall forthwith give notice of such circumstances to Agent and Borrower and thereupon (a) until such conditions terminate, the obligation of such Lender to make LIBOR Rate Loans or convert Loans of another type to LIBOR Rate Loans shall forthwith be suspended, (b) until such conditions terminate, each request by Borrower to make a LIBOR Rate Loan shall be deemed, with respect to such Lender, to be a request for a Base Rate Loan and (c) the LIBOR Rate Loans then outstanding from such Lender shall be converted automatically to Base Rate Loans.

§4.8 Additional Interest.

If any LIBOR Rate Loan or any portion thereof is repaid or is converted to a Base Rate Loan for any reason on a date which is prior to the last day of the Interest Period applicable to such LIBOR Rate Loan, or if repayment of the Loans has been accelerated as provided in §12.1, Borrower will pay to Agent upon demand for the account of Lenders in accordance with their respective Commitment Percentages, in addition to any amounts of interest otherwise payable hereunder, any amounts required to compensate Lenders for any losses, costs or expenses (but not loss of profit) which may reasonably be incurred as a result of such payment or conversion, including, without limitation, an amount equal to daily interest for the unexpired portion of such Interest Period on the LIBOR Rate Loan or portion thereof so repaid or converted at a per annum rate equal to the excess, if any, of (a) the interest rate calculated on the basis of the LIBOR Rate applicable to such LIBOR Rate Loan (excluding any spread over such LIBOR Rate) minus (b) the yield obtainable by Agent upon the purchase of debt securities customarily issued by the Treasury of the United States of America which have a maturity date most closely approximating the last day of such Interest Period (it being understood that the purchase of such securities shall not be required in order for such amounts to be payable and that a Lender shall not be obligated or required to have actually obtained funds at the LIBOR Rate or to have actually reinvested such amount as described above).

§4.9 Additional Costs, Capital Adequacy, Etc.

(a) Subject to §4.4, if any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the LIBOR Rate);

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Other

Connection Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender, Agent or such other Recipient of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender, Agent or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or Agent, or other Recipient, the Borrower will pay to such Lender, Agent, or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Agent, or other Recipient, as the case may be, for such additional costs incurred or reduction suffered. Notwithstanding the foregoing, Borrower shall have the right, in lieu of making the payment referred to in this §4.9(a), to prepay the Loans of the applicable Lender within fifteen (15) days of such demand and avoid the payment of the amounts otherwise due under this §4.9(a) or to cause the applicable Lender to assign its Loans and Commitments in accordance with §18.8, provided, however, that Borrower shall be required to pay together with such prepayment of the Loan all other costs, damages and expenses otherwise due under this Agreement as a result of such prepayment.

(b) If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender, such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered. Notwithstanding the foregoing, Borrower shall have the right, in lieu of making the payment referred to in this §4.9(b), to prepay the Loans of the applicable Lender within fifteen (15) days of such demand and avoid the payment of the amounts otherwise due under this §4.9(b) or to cause the applicable Lender to assign its Loans and Commitments in accordance with §18.8, provided, however, that Borrower shall be required to pay together with such prepayment of the Loan all other fees, costs, damages and expenses otherwise due under this Agreement as a result of such prepayment.

(c) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change

in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

§4.10 Mitigation Obligations.

If any Lender requests compensation under §4.9, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to §4.4, then such Lender shall (at the request of the Borrower) use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to §4.4 or §4.9, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

§4.11 Indemnity by Borrower.

Borrower agrees to indemnify each Lender and to hold each Lender harmless from and against any loss, cost or expense that such Lender may sustain or incur as a consequence of (a) default by Borrower in payment of the principal amount of or any interest on any LIBOR Rate Loans as and when due and payable, including any such loss or expense arising from interest or fees payable by such Lender to lenders of funds obtained by it in order to maintain its LIBOR Rate Loans, or (b) default by Borrower in making a borrowing or conversion after Borrower has given (or is deemed to have given) a Conversion Request.

§4.12 Interest on Overdue Amounts.

Following the occurrence and during the continuance of any Event of Default, and regardless of whether or not Lenders shall have accelerated the maturity of the Loans, at the election of the Required Lenders, all Loans shall bear interest payable on demand at a rate per annum equal to two percent (2%) above the rate that would otherwise be applicable at such time (the "Default Rate"), until such amount shall be paid in full (after as well as before judgment), or if such rate shall exceed the maximum rate permitted by law, then at the maximum rate permitted by law.

§4.13 Certificate.

A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in §4.8, §4.9, §4.11 or §4.12 and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 30 days after receipt thereof.

§4.14 Limitation on Interest.

Notwithstanding anything in this Agreement to the contrary, all agreements between Borrower and Lenders and Agent, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency, whether by reason of acceleration of the maturity

of any of the Obligations or otherwise, shall the interest contracted for, charged or received by Lenders exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Lenders in excess of the maximum lawful amount, the interest payable to Lenders shall be reduced to the maximum amount permitted under applicable law; and if from any circumstance Lenders shall ever receive anything of value deemed interest by applicable law in excess of the maximum lawful amount, an amount equal to any excessive interest shall be applied to the reduction of the principal balance of the Obligations and to the payment of interest or, if such excessive interest exceeds the unpaid balance of principal of the Obligations, such excess shall be refunded to Borrower. All interest paid or agreed to be paid to Lenders shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full period until payment in full of the principal of the Obligations (including the period of any renewal or extension thereof) so that the interest thereon for such full period shall not exceed the maximum amount permitted by applicable law. This section shall control all agreements between Borrower and Lenders and Agent.

§5. GUARANTORS; COLLATERAL SECURITY

§5.1 Collateral.

(a) The parties acknowledge that Borrower will form special purpose Subsidiaries to own the Eligible Investments. In order for any Eligible Investment to be included as a Borrowing Base Asset, Borrower shall (i) cause each such Subsidiary to execute and deliver to Agent a Joinder Agreement (Guarantor), and (ii) cause such Subsidiary and each required Loan Party to deliver the Security Documents described in §5.1(b) below with respect to such Eligible Investment owned by such Subsidiary and the Equity Interests in such Subsidiary, together with Organizational Documents, certified resolutions and other authorizing documents of such Subsidiary and such other Loan Parties and favorable opinions of counsel to such Subsidiary and such other Loan Parties, all in form and substance satisfactory to Agent.

(b) The Obligations shall be secured by (i) a perfected lien or security title and security interest to be held by Agent for the benefit of Lenders in the Eligible Assets and certain personal property of the Loan Parties related to the Eligible Assets, pursuant to the terms of the Mortgages, (ii) a perfected security interest in favor of Agent for the benefit of Lenders in the personal property assets of the Guarantors pursuant to the Security Agreements, (iii) a perfected security interest to be held by Agent for the benefit of Lenders in the Eligible Leases pursuant to the Assignments of Leases, in certain contracts of Guarantors related to the Eligible Assets pursuant to the Collateral Assignments of Contracts, and in the Purchase Agreements pursuant to the Collateral Assignments of Purchase Agreement, (iv) a perfected security interest to be held by Agent for the benefit of Lenders in the Eligible Mortgages pursuant to the Mortgage Assignments; (v) a perfected security interest to be held by Agent for the benefit of Lenders in the Pledged Deposit Accounts and all monies, instruments and investments from time to time held therein, (vi) a perfected pledge of and security interest in all issued and outstanding Equity Interests in the Guarantors held by Borrower pursuant to the Pledge and Security Agreements, and (vii) such additional collateral, if any, as the Borrower may agree to grant to Agent for the benefit of Lenders from time to time as security for the Obligations. All such liens or security titles shall be prior and superior in right to any other Person except Permitted Liens having priority by operation of law.

§5.2 Operating Account.

Prior to the date in which the initial Loan advance is made, Borrower shall cause its main operating account (the "Operating Account") to be subject to a Deposit Account Control Agreement reasonably acceptable to Agent among Agent, Borrower and the applicable Deposit Account Bank. So long as no Event of Default exists, Borrower shall be entitled to withdraw amounts from the Operating Account. Upon the occurrence and during the continuation of any Event of Default, Agent may direct the Deposit Account Bank where such Operating Account is held to sweep all funds on deposit in the Operating Account to an account designated by Agent on a daily basis pursuant to the terms of the applicable Deposit Account Control Agreement. Borrower hereby grants to Agent a security interest (prior and superior in right to any other Person except Permitted Liens having priority by operation of law) in and to all funds now or at any time hereafter held on deposit in such Operating Account to secure the payment and performance of the Obligations, and Agent shall have all rights and remedies available to a secured party under the Uniform Commercial Code with respect to such funds.

§5.3 Advance Account.

On or before the date on which the initial Loan advance is made, Agent shall open an account at Agent's Head Office in the name of Borrower to facilitate the funding of the Loans (the "Advance Account"). The sole signatory on the Advance Account shall be Borrower. The Advance Account shall be a non-interest bearing account.

(a) Deposits of Loans to the Advance Account. The proceeds of all Loans shall be deposited by Agent to the Advance Account, and all Loans shall accrue interest from the date of deposit in the Advance Account. Provided no Event of Default has occurred and is continuing, Borrower shall have access to all funds contained in the Advance Account. Upon withdrawal of Loan proceeds from the Advance Account, Borrower shall apply such Loan proceeds as permitted under §2.7.

(b) Funds Following an Event of Default. Upon the occurrence of an Event of Default, Agent may terminate Borrower's rights to access or direct the application of funds on deposit in the Advance Account. Thereafter, Agent shall either hold all or any portion of the funds on deposit as security for the Obligations or apply all or any portion of such funds in satisfaction of any part of the Obligations.

(c) Security Interest. Borrower hereby grants to Agent a perfected, first-in-priority security interest in and to all funds now or at any time hereafter held on deposit in the Advance Account to secure the payment and performance of the Obligations, subject to Permitted Liens, and Agent shall have all rights and remedies available to a secured party under the Uniform Commercial Code with respect to such funds.

§6. REPRESENTATIONS AND WARRANTIES AND COVENANTS

Borrower and each of the other Loan Parties (as applicable) represent and warrant and, to the extent set forth in certain Sections, covenants to Agent and Lenders as follows:

§6.1 Corporate Authority, Etc.

(a) Organization; Good Standing. Borrower is a Maryland corporation duly organized pursuant to its certificate of incorporation filed with the Secretary of State of Maryland and is validly existing under the laws of the State of Maryland. Each other Loan Party is a corporation, partnership or limited liability company, duly organized, valid existing and in good standing under the laws of the state of its incorporation or formation. Each Loan Party (i) has all requisite power to own its respective properties and conduct its respective business as now conducted and as presently contemplated, and (ii) is duly authorized to do business in each jurisdiction where a failure to be so authorized in such other jurisdiction could reasonably be expected to have a materially adverse effect on the business, assets or financial condition of such Person.

(b) Subsidiaries. As of the Closing Date, Borrower does not have any Subsidiaries except Pinedale GP, Inc., Pinedale Corridor, LP, Mowood, LLC and Omega Pipeline Company, LLC.

(c) Authorization. The execution, delivery and performance of this Agreement and the other Loan Documents to the Loan Parties, or any of them, are or are to become a party and the transactions contemplated hereby and thereby (i) are within the authority of such Person, (ii) have been duly authorized by all necessary proceedings on the part of such Person, (including any required stockholder, partner or member approval), (iii) do not and will not conflict with or result in any breach or contravention of any provision of law, statute, rule or regulation to which such Person is subject or any judgment, order, writ, injunction, license or permit applicable to such Person, except for such conflicts or breaches that, individually and the aggregate, could not reasonably be expected to have a Material Adverse Effect, (iv) do not and will not conflict with or constitute a default (whether with the passage of time or the giving of notice, or both) under any provision of the Organizational Documents of, or any mortgage, indenture, agreement, contract or other instrument binding upon, such Person or any of its properties or to which such Person is subject, except for such conflicts or defaults that, individually and in the aggregate, could not reasonably be expected to have a Material Adverse Effect and (v) do not and will not result in or require the imposition of any Lien or other encumbrance on any of the properties, assets or rights of such Person except for the Liens and security title granted by the Loan Documents.

(d) Enforceability. The execution and delivery of this Agreement and the other Loan Documents to which the Loan Parties, or any of them, are or are to become a party are valid and legally binding obligations of such Person enforceable in accordance with the respective terms and provisions hereof and thereof, except as enforceability is limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except to the extent that availability of the remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

§6.2 Approvals.

The execution, delivery and performance by the Loan Parties, or any of them, of this Agreement and the other Loan Documents to which they are or are to become a party and the transactions contemplated hereby and thereby do not require the approval or consent of, or filing

with, any Person or the authorization, consent or approval of, or any license or permit issued by, or any filing or registration with, or the giving of any notice to, any court, department, board, commission or other governmental agency or authority other than those already obtained and the filing of the Security Documents in the appropriate records office with respect thereto.

§6.3 Title to Properties; Leases.

The Loan Parties own or will own all of their respective assets (including, upon initial funding of the Loans, the initial Borrowing Base Assets), subject to no rights of others, including any mortgages, leases, conditional sales agreements, title retention agreements, liens or other encumbrances except Permitted Liens. Without limiting the foregoing, the Loan Parties have or will have good and marketable fee simple or leasehold title to all real and personal property reasonably necessary for the operation of its business in whole, free from all liens or encumbrances of any nature whatsoever, except for Permitted Liens.

§6.4 Financial Statements.

Borrower has furnished or caused to be furnished to each of Lenders: (a) the audited financial statements filed by Borrower with the Securities and Exchange Commission for the fiscal year ended December 31, 2012 and (b) projected profit and loss statements and cash flow statements of Borrower, prepared on a quarterly basis for the next two (2) calendar years. Such audited financial statements described in clause (a) have been prepared in accordance with GAAP and fairly present in all material respects the financial condition of Borrower and its Subsidiaries as of such date and the results of the operations of Borrower and its Subsidiaries, for such period. All projections and estimates have been prepared in good faith on the basis of reasonable assumptions and represent the best estimate of future performance by the party supplying the same, it being agreed that projections are subject to uncertainties and contingencies and that no assurance can be given that any projection will be realized.

§6.5 No Material Changes.

As of the Closing Date there has occurred no materially adverse change in the financial condition or business of Borrower and any of its Subsidiaries, taken as a whole, as shown on or reflected in the balance sheet of Borrower or its Subsidiaries as of December 31, 2012, or its statement of income or cash flows for the fiscal quarter then ended, other than changes in the ordinary course of business that have not had any materially adverse effect either individually or in the aggregate on the business or financial condition of Borrower and its Subsidiaries.

§6.6 Franchises, Patents, Copyrights, Etc.

Each Loan Party possesses all franchises, patents, copyrights, trademarks, trade names, service marks, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted without known conflict with any rights of others except where the failure to so possess could not, individually and in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as disclosed to Agent in writing, the Borrowing Base Assets are not owned or operated under or by reference to any registered or protected trademark, tradename, servicemark or logo.

§6.7 Litigation.

As of the Closing Date, except as described on Schedule 6.7 hereto, there are no actions, suits, proceedings or investigations of any kind pending or to the Borrower's Knowledge, threatened, against Borrower or any of the Collateral before any court, tribunal, administrative agency or board, mediator or arbitrator that, if adversely determined, individually or in the aggregate could reasonably be expected to have a Material Adverse Effect. As of the Closing Date, there are no judgments outstanding against or affecting Borrower or any of the Collateral.

§6.8 No Materially Adverse Contracts, Etc.

No Loan Party is a party to any mortgage, indenture, or other material contract or agreement or other instrument that has had or is reasonably expected, in the judgment of the members, partners or officers of such Person, to have a Material Adverse Effect.

§6.9 Compliance with Organizational Documents, Other Instruments, Laws, Etc.

No Loan Party is in violation of any provision of its Organizational Documents, or any decree, order, judgment, statute, license, rule or regulation, in any of the foregoing cases in a manner that could reasonably be expected to result in the imposition of substantial penalties or materially and adversely affect the financial condition, properties or business of such Person.

§6.10 Tax Status.

Each Loan Party (a) has made or filed all federal and all other material tax returns, reports and declarations, if any, required by any jurisdiction to which it is subject, except to the extent Borrower has obtained a valid extension of the deadline to file such return, (b) has paid all material taxes and other material governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, and (c) has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply, if applicable or required. There are no unpaid taxes or assessments in any material amount claimed to be due by the taxing authority of any jurisdiction or pursuant to any private agreement except for those that are being contested as permitted by this Agreement. As of the Closing Date, except as set forth on Schedule 6.10 hereto, Borrower has not been audited, or has knowledge of any pending audit, by the Internal Revenue Service or any other taxing authority.

§6.11 No Event of Default.

No Default or Event of Default has occurred and is continuing.

§6.12 Investment Company Act; Public Utility.

No Loan Party is an "investment company", or an "affiliated company" or a "principal underwriter" of an "investment company", as such terms are defined in the Investment Company Act of 1940. No Loan Party is a "holding company", or a "subsidiary company" of a "holding

company", or an "affiliate" of a "holding company", as such terms are defined in the Public Utility Holding Company Act of 1935.

§6.13 [RESERVED]

§6.14 Setoff, Etc.

The Loan Parties are the owners of the Collateral free from any lien, security interest, encumbrance or other claim or demand, except those encumbrances permitted in the Security Documents or Permitted Liens.

§6.15 Certain Transactions.

Except as set forth in Schedule 6.15 hereto or as otherwise permitted pursuant to §8.11, none of the partners, members, officers, trustees, directors, or employees of any Loan Party is a party to any transaction with any of their Affiliates or their members, employees, officers, trustees and directors (other than employment and severance agreements relating to services as partners, members, employees, officers, trustees and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any Affiliate, partner, member, officer, trustee, director or such employee or, to Borrower's Knowledge, any limited liability company, corporation, partnership, trust or other entity in which any Affiliate, partner, member, officer, trustee, director, or any such employee has a substantial interest or is an officer, director, trustee, partner or member.

§6.16 Employee Benefit Plans.

Borrower and each ERISA Affiliate has fulfilled its obligations under the minimum funding standards of ERISA and the Code with respect to each Guaranteed Pension Plan and is in compliance in all material respects with the presently applicable provisions of ERISA and the Code with respect to each Employee Benefit Plan. Neither Borrower nor any ERISA Affiliate has (a) sought a waiver of the minimum funding standard under Section 412 of the Code in respect of any Employee Benefit Plan, (b) failed to make any contribution or payment to any Guaranteed Pension Plan, or made any amendment to any Guaranteed Pension Plan, which has resulted in the imposition of a Lien or the posting of a bond or other security under ERISA or the Code, or (c) incurred any liability under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA. None of the assets of Borrower constitute a Plan Asset.

§6.17 Regulations T, U and X.

No portion of any Loan is to be used for the purpose of purchasing or carrying any "margin security" or "margin stock" as such terms are used in Regulations T, U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R. Parts 220, 221 and 224. The Loan Parties are not engaged, and will not engage, principally or as one of its important activities in the business of extending credit for the purpose of purchasing or carrying any "margin security" or "margin stock" as such terms are used in Regulations T, U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R. Parts 220, 221 and 224.

§6.18 Environmental Compliance.

Prior to any Eligible Asset becoming a Borrowing Base Asset, the Loan Parties shall have delivered to Agent true and complete copies of all written environmental site assessment reports and environmental impact statements in the possession of or made available to any Loan Party with respect to such Eligible Asset (collectively, the "Environmental Reports"), and the Loan Parties make the following representations and warranties with respect to the Eligible Assets:

(a) Except as disclosed in the Environmental Reports, to Borrower's Knowledge, no Loan Party is in material violation, or alleged material violation at the Eligible Assets of any applicable judgment, decree, code, order, law, rule of common law, license, rule or regulation pertaining to environmental matters, including without limitation, those arising under the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), the Federal Clean Water Act, the Federal Clean Air Act, the Toxic Substances Control Act, or any applicable state or local statute, regulation, ordinance, order or decree relating to the environment (hereinafter "Environmental Laws"). To Borrower's Knowledge, any violation reflected in the Environmental Reports involving any of the Eligible Assets would not reasonably be expected to have a Material Adverse Effect.

(b) Except as disclosed in the Environmental Reports, to Borrower's Knowledge, no Loan Party has received written notice from any third party including, without limitation, any Governmental Authority, (i) that it has been identified by the United States Environmental Protection Agency ("EPA") as a potentially responsible party under CERCLA with respect to a site listed on the National Priorities List, 40 C.F.R. Part 300 Appendix B (1986); (ii) that any hazardous waste, as defined by 42 U.S.C. §9601(5), any hazardous substances as defined by 42 U.S.C. §9601(14), any pollutant or contaminant as defined by 42 U.S.C. §9601(33) or any toxic substances or hazardous materials or other chemicals or substances regulated by any Environmental Laws ("Hazardous Substances") which it has generated, transported or disposed of have been found at any site at, on or under the Eligible Assets for which a federal, state or local agency or other third party has conducted or has ordered that any Loan Party conduct a remedial investigation, removal or other response action pursuant to any Environmental Law; or (iii) that it is or shall be a named party to any claim, action, cause of action, complaint, or legal or administrative proceeding (in each case, contingent or otherwise) arising out of any third party's incurrence of costs, expenses, losses or damages of any kind whatsoever in connection with the release of Hazardous Substances.

(c) (i) To Borrower's Knowledge, except as disclosed in any Environmental Reports provided to Agent and except as disclosed to Agent in writing, (1) no portion of the Eligible Asset has been used by any Loan Party as a landfill or for dumping or for the handling, processing, storage or disposal of Hazardous Substances except in material compliance with applicable Environmental Laws, and (2) no underground tank for Hazardous Substances has been operated by any Loan Party on the Eligible Asset except in material compliance with applicable Environmental Laws; (ii) in the course of any activities conducted by the Loan Parties, no Hazardous Substances have been generated or are being used on any Eligible Asset except in the ordinary course of business and in material compliance with applicable Environmental Laws; (iii) to Borrower's Knowledge, there has been no past or present releasing, spilling, leaking, pumping, pouring, emitting, emptying,

discharging, injecting, escaping, disposing or dumping (a "Release") of Hazardous Substances on, upon, into or from any Eligible Asset, which Release could reasonably be expected to have a Material Adverse Effect; (iv) to Borrower's Knowledge, there have been no Releases on, upon, from or into any real property in the vicinity of any Eligible Asset which, through soil or groundwater contamination, may have come to be located on, and which could reasonably be expected to have a Material Adverse Effect; and (v) to Borrower's Knowledge, any Hazardous Substances that have been generated on any Eligible Asset by any Loan Party have been transported off-site, treated and disposed of in material compliance with applicable Environmental Laws.

(d) To Borrower's Knowledge and except as has been or will be concurrently herewith completed, neither any Loan Party nor any Eligible Asset is subject to any applicable Environmental Law requiring the giving of notice to any governmental agency or the recording or delivery to other Persons of an environmental disclosure document or statement by virtue of the transactions set forth herein and contemplated hereby, or as a condition to the recording of the Security Deeds or to the effectiveness of any other transactions contemplated hereby.

(e) This §6.18 shall set forth the sole and exclusive representations and warranties made by the Loan Parties with regard to Environmental Laws, Hazardous Substances, or any other environmental, health or safety matter.

§6.19 Loan Documents.

All of the representations and warranties of the Loan Parties made in this Agreement and the other Loan Documents, as applicable, or any document or instrument delivered by any Loan Party to Agent or Lenders pursuant to or in connection with any of such Loan Documents are true and correct in all material respects as of the date specified therein or thereon or the date delivered, as applicable, and no Loan Party has failed to disclose such information as is necessary to make such representations and warranties not misleading. The information, reports, financial statements, exhibits and schedules (excluding projections which have been proposed in good faith) furnished by the Loan Parties to Agent and Lenders in connection with the negotiation, preparation or delivery of this Agreement and the other Loan Documents or included herein or therein or delivered pursuant hereto or thereto, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein not misleading. All written information furnished after the date hereof by the Loan Parties to Agent or Lenders in connection with this Agreement and the other Loan Documents and the transactions contemplated hereby and thereby will be true, correct and accurate in every material respect and shall not omit to state any material fact necessary to make the statements herein or therein not misleading, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified; it being recognized by Agent and Lenders that any projections and forecasts provided by the Loan Parties are subject to significant uncertainties and contingencies, many of which are beyond the control of the Loan Parties.

§6.20 Eligible Assets.

The Loan Parties make the following representations and warranties concerning each Eligible Asset:

(a) No Required Eligible Asset Consents, Permits, Etc. Neither Borrower nor any other Loan Party has received any written notice of, has no Knowledge of, any approvals, consents, licenses, permits, utility installations and connections (including, without limitation, drainage facilities) required by applicable laws, rules, ordinances or regulations or any agreement affecting the Eligible Asset for the maintenance, operation, servicing and use of the Eligible Asset for its current use (hereinafter referred to as the "Project Approvals") which have not been granted, effected, or performed and completed (as the case may be), or any fees or charges therefor which have not been fully paid, or which are no longer in full force and effect. No Project Approvals will terminate, or become void or voidable or terminable on any foreclosure sale of the Eligible Asset pursuant to the Mortgage to which such Eligible Asset is subject. There are no outstanding suits, orders, decrees or judgments relating to building use and occupancy, fire, health, sanitation or other violations affecting, against, or with respect to, the Eligible Asset or any part thereof, which, if adversely determined, either singly or in the aggregate could reasonably be expected to have a Material Adverse Effect.

(b) No Violations. Neither Borrower nor any other Loan Party has received notice of, and has no Knowledge of, any violation of any applicable Requirements, Project Approvals or any other restrictions or agreements by which any Loan Party or the Eligible Asset is bound which violation, either singly or in the aggregate with other such violations, could reasonably be expected to have a Material Adverse Effect.

(c) Insurance. Neither Borrower nor any other Loan Party has received any written notice from any insurer or its agent requiring performance of any work with respect to the Eligible Asset that has not been completed or canceling or threatening to cancel any policy of insurance, and the Eligible Asset complies in all material respects with the insurability requirements of all of Borrower's insurance carriers.

(d) Real Property and other Taxes; Special Assessments. There are no unpaid or outstanding real estate or other taxes or assessments on or against the Eligible Asset or any part thereof, including, without limitation, any payments in lieu of taxes, which are payable by any Loan Party (except only real estate or other taxes or assessments that are not yet delinquent or subject to any penalties, interest or other late charges, or are being contested as permitted under this Agreement, or which have been adequately reserved against in accordance with GAAP). There are no unpaid or outstanding annual or other periodic fees or rents or gross receipts, rent or sales taxes payable with respect to the use and operation of the Eligible Asset which are due and payable. No abatement proceedings are pending with reference to any real estate taxes or private assessments assessed against the Eligible Asset. There are no betterment assessments or other special assessments presently pending with respect to any portion of the Eligible Asset, and neither Borrower nor any other Loan Party has received any written notice of any such special assessment being contemplated.

(e) Eminent Domain; Casualty. At the time the Eligible Asset becomes a Borrowing Base Asset, there are no pending eminent domain proceedings against the Eligible Asset or any part thereof, and, to Borrower's Knowledge, no such proceedings are presently threatened or contemplated by any taking authority. Neither the Eligible Asset nor any part thereof is, as of the date such Eligible Asset becomes a Borrowing Base Asset, materially damaged or injured as a result of any fire, explosion, accident, flood or other casualty.

(f) Unresolved Real Estate Disputes. Except as may be disclosed to Agent or on Schedule 6.20(f), there are no unresolved claims or disputes relating to access to any material portion of the Eligible Asset that could reasonably be expected to have a material adverse effect on the intended use of such Eligible Asset by the Loan Parties, or otherwise have, either singly or in the aggregate, a Material Adverse Effect. Each reaffirmation of the representation and warranty contained in this sub-paragraph (f) shall take into account the most recent update of Schedule 6.20(f) delivered to Agent pursuant to §7.4(h) and shall be deemed reaffirmed as of the most recent date any update to said Schedule 6.20(f) was required to have been delivered to Agent pursuant to §7.4(h), whether or not any such update is so delivered.

(g) Material Real Property Agreements; No Options. Except as set forth in Schedule 6.20(g), there are no material agreements pertaining to the management or operation of the Eligible Asset other than as described in this Agreement and the Eligible Leases; and except for the lessees under the Eligible Leases, no person or entity has any right of first refusal, right of first offer or other option to acquire the Eligible Asset or any portion thereof or interest therein. Each reaffirmation of the representation and warranty contained in this sub-paragraph (g) shall take into account the most recent update of Schedule 6.20(g) delivered to Agent pursuant to §7.4(h) and shall be deemed reaffirmed as of the most recent date any update to said Schedule 6.20(g) was required to have been delivered to Agent pursuant to §7.4(h), whether or not any such update is so delivered.

§6.21 Reserved.

§6.22 Brokers.

Except as disclosed to Agent in writing, Borrower has not engaged or otherwise dealt with any broker, finder or similar entity in connection with this Agreement or the Loans contemplated hereunder.

§6.23 [RESERVED]

§6.24 OFAC.

No Loan Party is (nor will be) a person with whom Agent is restricted from doing business under OFAC (including, those Persons named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including, the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transactions or otherwise be associated with such persons. In addition, the Loan Parties hereby agree to provide Agent with any additional information that Agent deems necessary from time to time in order to ensure compliance with all applicable laws concerning money laundering and similar activities.

§6.25 No Fraudulent Intent.

Neither the execution and delivery of this Agreement or any of the other Loan Documents nor the performance of any actions required hereunder or thereunder is being undertaken by Borrower

or any other Loan Party with or as a result of any actual intent by such Person to hinder, delay or defraud any entity to which is now or will hereafter become indebted.

§6.26 Reserved.

§6.27 Solvency.

As of the Closing Date and after giving effect to the transactions contemplated by this Agreement and the other Loan Documents, including all of the Loans made or to be made with respect to the Borrower, (a) the fair value of its assets on a going concern basis is greater than the amount of its liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated, (b) the present fair saleable value of its assets is not less than the amount that will be required to pay the probable liability on its debts as they become absolute and matured, (c) it will be able to pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business (taking into account all available financing options), (d) it does not intend to, and do not believe that it will, incur debts or liabilities beyond its ability to pay as such debts and liabilities mature and (e) it is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which its property would constitute unreasonably small capital.

§6.28 No Bankruptcy Filing.

No Loan Party is contemplating either the filing of a petition by it under any state or federal bankruptcy or insolvency laws or the liquidation of its assets or property, and to Borrower's Knowledge, no Person is contemplating the filing of any such petition against any Loan Party.

§6.29 Other Debt.

No Loan Party is in default (after giving effect to applicable grace periods) in the payment of any Indebtedness or the terms of any agreement, mortgage, deed of trust, security agreement, financing agreement, indenture or other lease to which it is a party which default, either singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect. No Loan Party is a party to or bound by any agreement, instrument or indenture that may require the subordination in right or time of payment of any of the Obligations to any other Indebtedness or obligation of the Loan Parties. Nothing in this §6.29 shall alter or affect the provisions of §8.1.

§7. AFFIRMATIVE COVENANTS OF LOAN PARTIES

Borrower and the other Loan Parties (as applicable) covenant and agree that, so long as any Loan or other Obligation (other than contingent indemnification obligations for which no claim has been asserted) is outstanding or any Lender has any obligation to make any Loans hereunder:

§7.1 Punctual Payment.

Borrower will duly and punctually pay or cause to be paid the principal and interest on the Loans and all interest and fees provided for in this Agreement, all in accordance with the terms of this Agreement and the Notes as well as all other sums owing pursuant to the Loan Documents.

§7.2 Maintenance of Office.

Each Loan Party will maintain its chief executive office at 4200 W. 115th Street, Suite 210, Leawood, Kansas 66211, or at such other place in the United States of America as Borrower shall designate upon at least thirty (30) days (or such lesser number of days as is acceptable to Agent) prior written notice to Agent, where notices, presentations and demands to or upon the Loan Parties in respect of the Loan Documents may be given or made. Each Loan Party agrees that, in the event of any such change, it will execute and deliver such amendments and other documents as Agent may reasonably request to maintain Agent's perfected Lien on the Collateral.

§7.3 Records and Accounts.

Each Loan Party will keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with GAAP, as revised from time to time. No Loan Party shall, without the prior written consent of Agent, make any material change to the accounting procedures used by it in preparing the financial statements and other information described in §6.4 except as required by law or as required by GAAP. No Loan Party will change its fiscal year except as otherwise approved by Agent in writing.

§7.4 Financial Statements, Certificates and Information.

Borrower will deliver to Agent:

(a) not later than one hundred (100) days after the end of each fiscal year of Borrower, the consolidated balance sheet of Borrower and its Subsidiaries as of the end of such year, and the related statements of income, changes in capital and cash flows for such year, each setting forth in comparative form the figures for the previous fiscal year and all such statements to be in reasonable detail, prepared in accordance with GAAP, and accompanied by an auditor's report prepared without qualification by a nationally recognized accounting firm reasonably acceptable to Agent, and any other information Agent may reasonably require to complete a financial analysis of Borrower and its Subsidiaries; provided that so long as Borrower is required to file its audited financial statements with the Securities and Exchange Commission, the delivery of such filed financial statements shall satisfy the forgoing requirement;

(b) not later than sixty (60) days after the end of each fiscal quarter of Borrower and its Subsidiaries (excluding the fourth fiscal quarter in each year), copies of the balance sheet of Borrower and its Subsidiaries as of the end of such quarter, and the related statements of income, changes in capital and cash flows for the portion of Borrower's fiscal year then elapsed, all in reasonable detail and prepared in accordance with GAAP (other than the inclusion of footnotes); provided that so long as Borrower is required to file its quarterly financial statements with the Securities and Exchange Commission, the delivery of such filed financial statements shall satisfy the forgoing requirements; together with a certification by the Principal Financial Officer of Borrower that the information contained in such financial statements fairly presents, in all material respects, the financial position of Borrower on the date thereof (subject to year-end adjustments);

(c) simultaneously with the delivery of the financial statements referred to in subsections (a) and (b) of this §7.4, a statement (a "Compliance Certificate") certified by the Principal

Financial Officer of Borrower in the form of Exhibit B hereto (or in such other form as Agent may approve from time to time) setting forth in reasonable detail computations evidencing compliance with the covenants contained in §9 and the other covenants described therein;

(d) concurrently with the delivery of the financial statements described in subsections (a) and (b) of this §7.4, a certificate signed by the Principal Financial Officer of Borrower to the effect that, having read this Agreement, and based upon an examination which such officer deems sufficient to enable such officer to make an informed statement, such officer is not aware of any Default or Event of Default, or if such Default or Event of Default has occurred, specifying the facts with respect thereto;

(e) within twenty (20) days after the end of each calendar month, a certificate in the form of Exhibit E attached hereto (a "Borrowing Base Certificate"), certified by a Principal Financial Officer of Borrower, pursuant to which Borrower shall calculate the amount of the Borrowing Base as of the end of the immediately preceding calendar month; provided that (i) Borrower may, at its option, deliver one additional Borrowing Base Certificate each month in connection with a redesignation or addition of Borrowing Base Assets as contemplated hereunder, and (ii) Borrower shall deliver a Borrowing Base Certificate at the time of each request for a Loan demonstrating compliance with the requirements of §2.1. All income, expense and value associated with Borrowing Base Assets disposed of during such calendar month will be eliminated from calculations, where applicable.

(f) if requested by Agent, copies of all annual federal income tax returns and amendments thereto of Borrower and its Subsidiaries;

(g) not later than March 1 of each year during the term of the Loan, the budget for Borrower and its Subsidiaries for such calendar year. Such budget shall be in form reasonably satisfactory to Agent and shall be submitted to Agent together with a narrative description of the assumptions upon which the budget is based and such other information as Agent may request;

(h) simultaneously with the delivery of the Compliance Certificate referred to in subsection (c) of this §7.4, (i) an updated Schedule 6.20(f) reflecting the addition or deletion of any unresolved claims or disputes described in §6.20(f) or a certification from Borrower that there have been no changes in that Schedule, and (ii) an updated Schedule 6.20(g) reflecting the addition or the expiration or termination of any material agreements described in §6.20(g) or a certification from Borrower that there have been no changes in that Schedule; and

(i) from time to time such other financial data and information pertaining to Borrower, the Eligible Asset Investments, the Eligible Mortgage Investments and the Eligible Assets, as Agent or any Lender may reasonably request from time to time.

§7.5 Notices.

(a) Defaults. Borrower will promptly notify Agent in writing of the occurrence of any (i) Default, (ii) Event of Default, (iii) an event of default under any Eligible Lease, or (iv) an event of default under any Eligible Mortgage. If any Person shall give any notice or take any other action in respect of a claimed default (whether or not constituting an Event of Default) under this

Agreement or under any note, obligation or other evidence of Indebtedness in an outstanding principal amount of at least $1,000,000, to which or with respect to which any Loan Party is a party or obligor, whether as principal or surety, and such event of default would permit the holder of such note or obligation or other evidence of Indebtedness to accelerate the maturity thereof or the existence of which claimed default might become an Event of Default under §12.1(f), Borrower shall forthwith give written notice thereof to Agent, describing the notice or action and the nature of the claimed default. Borrower shall also promptly notify Agent in writing of any exercise of remedies by the holder of such note, obligation or other evidence of Indebtedness (or any agent or representative thereof) with respect to such event of default.

(b) Environmental Events. Borrower will promptly give notice to Agent (i) upon Borrower obtaining knowledge of any potential or known Release, or threat of Release, of any Hazardous Substances at or from any Eligible Asset that, either singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect; (ii) of any violation of any Environmental Law that Borrower reports in writing or is reportable by Borrower in writing (or for which any written report supplemental to any oral report is made) to any federal, state or local environmental agency that, either singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect and (iii) upon becoming aware thereof, of any inquiry, proceeding, investigation, or other action, including a notice from any agency of potential environmental liability, of any federal, state or local environmental agency or board, that in either case could reasonably be expected to have a Material Adverse Effect.

(c) Notification of Claims Against Collateral. Borrower will, promptly upon obtaining Knowledge thereof, notify Agent in writing of any claims pertaining to the Collateral which, either singly or in the aggregate, could reasonably be expected to exceed $1,000,000, as well as any setoff, withholdings or other defenses to which any of the Collateral, or the rights of Agent or Lenders with respect to the Collateral, are subject, in each case, other than related to Permitted Liens.

(d) Notice of Litigation and Judgments. Borrower will give notice to Agent in writing within fifteen (15) days of becoming aware of any litigation or proceedings threatened in writing or any pending litigation and proceedings affecting Borrower or any other Loan Party or to which Borrower or any other Loan Party is or is to become a party involving an uninsured claim against Borrower that could reasonably be expected to have a Material Adverse Effect and stating the nature and status of such litigation or proceedings. Borrower will give notice to Agent, in writing, in form and detail satisfactory to Agent and each of Lenders, within ten (10) days of any judgment not covered by insurance, whether final or otherwise, against Borrower or any other Loan Party in an amount, whether singly or in the aggregate, in excess of $1,000,000.

(e) ERISA. Borrower will give notice to Agent within five (5) Business Days after Borrower or any ERISA Affiliate (i) gives or is required to give notice to the PBGC of any ERISA Reportable Event with respect to any Guaranteed Pension Plan, or knows that the plan administrator of any such plan has given or is required to give notice of any such ERISA Reportable Event; (ii) receives a copy of any notice of withdrawal liability under Title IV of ERISA with respect to a Multiemployer Plan; or (iii) receives any notice from the PBGC under Title IV of ERISA of an intent to terminate or appoint a trustee to administer any Guaranteed Pension Plan.

(f) Notice of Material Adverse Effect. Borrower will give notice to Agent in writing within fifteen (15) days of becoming aware of the occurrence of any event or circumstance which could reasonably be expected to have a Material Adverse Effect.

§7.6 Existence; Maintenance of Properties.

Except as permitted under §8.4, the Loan Parties will do or cause to be done all things necessary to preserve and keep in full force and effect their respective legal existences and good standing in their respective jurisdictions of incorporation, formation or (as the case may be) organization. Except as permitted under §8.4, the Loan Parties will do or cause to be done all things necessary to preserve or establish their respective good standing as a foreign entity and due authorization to do business in the jurisdictions where failure to do so would have a material adverse effect on their respective businesses and activities. Except as permitted under §8.4, Borrower will do or cause to be done all things necessary to preserve and keep in full force all of its rights and franchises, except where the failure to preserve such rights and franchises would not reasonably be expected to have a Material Adverse Effect.

§7.7 Insurance.

(a) Maintenance of Insurance. Each Loan Party will maintain with financially sound and reputable insurers that are licensed to do business in the State where the policy is issued and, with respect to any property and casualty insurance, also in the States where the Eligible Asset is located, insurance with respect to its properties and business against such casualties and contingencies, as shall be in accordance with the general practices of businesses engaged in similar activities in similar geographic areas, and in amounts, containing such terms, in such forms and for such periods as may be reasonable and prudent in accordance with sound business practices and the determination of management of the Loan Parties; provided, however, that such requirement may be satisfied with respect to the Eligible Assets by the lessees pursuant to the Eligible Leases. On or before the Closing Date, Borrower shall furnish to Agent a certificate setting forth in reasonable detail the nature and extent of all insurance maintained by Borrower (or such lessees) and shall cause each issuer of an insurance policy to provide Agent with an endorsement (i) showing Agent as a loss payee with respect to each policy of property or casualty insurance and naming Agent as an additional insured with respect to each policy of liability insurance, (ii) providing that 30 days' notice will be given to Agent prior to any cancellation of, or material reduction or change in coverage provided by or other material modification to such policy, and also a cross liability/severability endorsement. Borrower and the other Loan Parties shall be responsible for all premiums on insurance policies, subject to the requirements of the Eligible Leases. Upon Agent’s request, Borrower shall deliver duplicate originals or certified copies of all such policies to Agent, and shall promptly furnish to Agent all renewal notices and evidence that all premiums or portions thereof then due and payable have been paid. At least fifteen (15) days prior to the expiration date of the policies, Borrower shall deliver to Agent evidence of continued coverage, including a certificate of insurance, as may be satisfactory to Agent.

(b) Endorsements. In addition to the endorsements referred to in §7.7(a), all policies of insurance required by this Agreement shall contain clauses or endorsements to the effect that (i) no act or omission of the applicable Loan Party (or lessee), anyone acting for the applicable

Loan Party (or lessee) (including, without limitation, any representations made in the procurement of such insurance), which might otherwise result in a forfeiture of such insurance or any part thereof, no occupancy or use of the Eligible Assets for purposes more hazardous than permitted by the terms of the policy, and no foreclosure or any other change in title to the Eligible Asset or any part thereof, shall affect the validity or enforceability of such insurance insofar as Agent is concerned, (ii) the insurer waives any right of setoff, counterclaim, subrogation, or any deduction in respect of any liability of any of the Loan Parties, and Agent, (iii) such insurance is primary and without right of contribution from any other insurance which may be available, (iv) such policies shall not be modified, canceled or terminated prior to the scheduled expiration date thereof without the insurer thereunder giving at least thirty (30) days prior written notice to Agent by certified or registered mail, and (v) that Agent or Lenders shall not be liable for any premiums thereon or subject to any assessments thereunder, and shall in all events be in amounts sufficient to avoid any coinsurance liability. Upon request by Borrower, Agent and Borrower may approve variations in the foregoing requirements from time to time.

(c) No Separate Insurance. The Loan Parties shall not carry separate insurance, concurrent in kind or form or contributing in the event of loss, with any insurance required under this Agreement unless such insurance complies with the terms and provisions of this §7.7.

§7.8 Taxes.

Each Loan Party will duly pay and discharge, or cause to be paid and discharged, before the same shall become delinquent, all taxes, assessments and other governmental charges imposed upon it and the Eligible Assets, including, without limitation, any payments in lieu of taxes, sales and activities, or any part thereof, or upon the income or profits therefrom, as well as all claims for labor, materials or supplies that if unpaid might by law become a lien or charge upon any of its property or the property of such Loan Party; provided that any such tax, assessment, charge, levy or claim need not be paid if (a) the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and such Loan Party shall have set aside on its books adequate reserves in accordance with GAAP with respect thereto, and (b) no Eligible Asset nor any portion thereof or interest therein would be in any danger of sale, forfeiture or loss by reason of such proceeding and provided further that such Loan Party will pay, or cause to be paid, all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any lien that may have attached as security therefor.

§7.9 Inspection of Eligible Assets and Books.

The Loan Parties shall permit or cause the Lessees to permit, Lenders, through Agent or any representative designated by Agent, at Borrower's expense and upon reasonable prior notice to visit and inspect any of the Eligible Assets, to examine the books of account of the Loan Parties (and to make copies thereof and extracts therefrom) and to discuss the affairs, finances and accounts of the Loan Parties with, and to be advised as to the same by, its officers, all at such reasonable times and intervals as Agent or any Lender may reasonably request.

§7.10 Compliance with Laws, Contracts, Licenses, and Permits.

Each Loan Party will comply, and use good faith efforts to cause the Lessees to comply in the case of the Eligible Assets, in all respects with (i) all applicable laws, ordinances, regulations and requirements now or hereafter in effect wherever its business is conducted, including all Environmental Laws, (ii) the provisions of its Organizational Documents, (iii) the Eligible Leases and all mortgages, indentures, contracts, agreements and instruments to which it is a party or by which it or any of its properties may be bound, (iv) all applicable decrees, orders, and judgments, and (v) all licenses and permits required by applicable laws and regulations for the conduct of its business or the ownership, use or operation of its properties, except in each case where the failure to so comply would not reasonably be expected to have a Material Adverse Effect. If at any time while any Loan or Note is outstanding, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any government shall become necessary or required in order that the Loan Parties may fulfill any of their respective obligations hereunder or under the other Loan Documents, the will promptly take or cause to be taken all steps necessary to obtain such authorization, consent, approval, permit or license and furnish Agent and Lenders with evidence thereof.

§7.11 Further Assurances.

The Loan Parties will cooperate with Agent and Lenders and execute such further instruments and documents as Agent (or any Lender requesting through Agent) shall reasonably request to carry out to its satisfaction the transactions described in this Agreement and the other Loan Documents.

§7.12 Plan Assets.

Borrower will do, or cause to be done, all things necessary to ensure that none of the Collateral will be deemed to be Plan Assets at any time.

§7.13 Registered Servicemark.

Without the prior written consent of Agent, no Eligible Investment shall be owned or operated by any Loan Party or any lessee under any registered or protected trademark, tradename, servicemark or logo unless the applicable Loan Party grants to Agent for the benefit of Lenders of a perfected first priority security interest therein.

§8. CERTAIN NEGATIVE COVENANTS OF LOAN PARTIES

Borrower and the other Loan Parties (as applicable) covenant and agree that, so long as any Loan, Note, or other Obligation (other than contingent indemnification obligations for which no claim has been asserted) is outstanding or any Lender has any obligation to make any Loans hereunder:

§8.1 Restrictions on Indebtedness.

The Loan Parties will not create, incur, assume, guarantee or be or remain liable, contingently or otherwise, with respect to any Indebtedness other than:

(i) the Obligations;

(ii) to the extent constituting Indebtedness, liabilities in respect of taxes, assessments, governmental charges or levies and claims for labor, materials and supplies to the extent that payment therefor shall not at the time be required to be made in accordance with the provisions of §7.8;

(iii) Indebtedness in respect of judgments or awards that would not constitute an Event of Default;

(iv) obligations under any Hedge Agreement incurred in the ordinary course of business for bona fide hedging purposes;

(v) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds in the ordinary course of business, or pursuant to netting services or otherwise in connection with deposit accounts; or

(vi) Indebtedness in connection with surety (or similar) bonds, letters of credit and performance bonds obtained in the ordinary course of business in connection with workers' compensation obligations of the Loan Parties and in connection with other surety and performance bonds in the ordinary course of business.

§8.2 Restrictions on Liens, Etc.

No Loan Party will (a) create or incur or suffer to be created or incurred or to exist any lien, encumbrance, mortgage, pledge, negative pledge, charge, restriction or other security interest of any kind upon any of its property or assets of any character whether now owned or hereafter acquired, or upon the income or profits therefrom; (b) transfer any of its property or assets or the income or profits therefrom for the purpose of subjecting the same to the payment of Indebtedness or performance of any other obligation in priority to payment of its general creditors; (c) acquire, or agree or have an option to acquire, any property or assets upon conditional sale or other title retention or purchase money security agreement, device or arrangement; or (d) sell, assign, pledge or otherwise encumber any accounts, contract rights, general intangibles, chattel paper or instruments, with or without recourse (collectively the "Liens"); provided that the Loan Parties may create or incur or suffer to be created or incurred or to exist any of the following (the "Permitted Liens"):

(i) Liens for taxes, assessments and other governmental charges or claims for labor, material or supplies in respect of obligations not overdue or being contested in good faith;

(ii) Liens in favor of Agent and Lenders under the Loan Documents;

(iii) Liens arising in the ordinary course of business (including (A) Liens of carriers, warehousemen, mechanics, landlords and materialmen and other similar Liens imposed by law and (B) Liens incurred in connection with worker's compensation, unemployment compensation and other types of social security (excluding Liens arising under ERISA) or in connection with surety bonds, bids, performance bonds and similar obligations) for sums not overdue

or being diligently contested in good faith by appropriate proceedings and not involving any deposits or advances or borrowed money or the deferred purchase price of property or services and, in each case, for which it maintains adequate reserves in accordance with GAAP and the execution or other enforcement of which is effectively stayed;

(iv) attachments, appeal bonds, judgments and other similar Liens, with respect to judgments that do not otherwise result in or cause an Event of Default;

(v) easements, rights of way, zoning ordinances, entitlements, minor defects or irregularities in title or survey, building codes and other land use laws and environmental restrictions, regulations and ordinances, and other similar Liens regulating the use or occupancy of real property or the activities conducted thereon which are imposed by a Governmental Authority having jurisdiction over such real property which are not violated in any material respect by the current use or occupancy of such real property and do not interfere in any material respect with the ordinary operation of the business of any Loan Party;

(vi) Liens arising under Article 2 or Article 4 of the Uniform Commercial Code and customary banker's liens and rights of set-off, revocation, refund or chargeback in favor of banks or other financial institutions where any Loan Party maintains deposits in the ordinary course of business; and

(vii) Liens deemed to exist in connection with repurchase agreements and other similar investments to the extent such Investments are permitted under this Agreement.

§8.3 Restrictions on Investments.

The Loan Parties will not make or permit to exist or to remain outstanding any Investment except Investments in:

(a) marketable direct or guaranteed obligations of the United States of America that mature within one (1) year from the date of purchase by any Loan Party;

(b) marketable direct obligations of any of the following: Federal Home Loan Mortgage Corporation, Student Loan Marketing Association, Federal Home Loan Banks, Federal National Mortgage Association, Government National Mortgage Association, Bank for Cooperatives, Federal Intermediate Credit Banks, Federal Financing Banks, Export-Import Bank of the United States, Federal Land Banks, or any other agency or instrumentality of the United States of America;

(c) demand deposits, certificates of deposit, bankers acceptances and time deposits of United States banks having total assets in excess of $100,000,000; provided, however, that the aggregate amount at the time of such Investment so invested with any single bank having total assets of less than $1,000,000,000 will not exceed $200,000;

(d) securities commonly known as "commercial paper" issued by a corporation organized and existing under the laws of the United States of America or any State which at the time

of purchase are rated by Moody's or by S&P at not less than "P-1" if then rated by Moody's, and not less than "A-1", if then rated by S&P;

(e) mortgage-backed securities guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation and other mortgage-backed bonds which at the time of purchase are rated by Moody's or by S&P at not less than "Aa" if then rated by Moody's and not less than "AA" if then rated by S&P;

(f) shares of so-called "money market funds" registered with the SEC under the Investment Company Act of 1940 which maintain a level per-share value, invest principally in investments described in the foregoing subsections (a) through (e) and have total assets in excess of $50,000,000;

(g) the Eligible Investments;

(h) Investments in other Loan Parties or in wholly owned Subsidiaries of any Loan Party that is or becomes a Guarantor substantially contemporaneously therewith pursuant to 5.1(a);

(i) Investments in the existing Subsidiaries of Borrower as of the Closing Date; and

(j) other REIT Eligible Investments that are energy related and are consistent with Borrower's general business strategy.

§8.4 Merger, Consolidation.

The Loan Parties will not become a party to any dissolution, liquidation, merger, reorganization, consolidation or other business combination, or agree to or effect any asset acquisition or stock acquisition or other acquisition which may have a similar effect as any of the foregoing without the prior written consent of the Required Lenders.

§8.5 Compliance with Environmental Laws.

The Loan Parties will not do any of the following: (a) use any Eligible Asset as a facility for the handling, processing, storage or disposal of Hazardous Substances, except for quantities of Hazardous Substances used in the ordinary course of business and in material compliance with all applicable Environmental Laws, (b) cause or permit to be located on any Eligible Asset any underground tank or other underground storage receptacle for Hazardous Substances except in material compliance with Environmental Laws, (c) generate any Hazardous Substances on any Eligible Asset except as generated in the ordinary course of business and in material compliance with Environmental Laws, (d) cause a Release of Hazardous Substances on, upon or into the Eligible Asset which give rise to liability under CERCLA or any other Environmental Law, or (e) transport or arrange for the transport of any Hazardous Substances (except as required in the ordinary course of business and in material compliance with all Environmental Laws).

If any Loan Party causes or permits any Release of Hazardous Substances in violation of Environmental Laws to occur, such Loan Party shall cause the prompt containment and removal of such Hazardous Substances and remediation of the Eligible Asset in material compliance with all applicable Environmental Laws.

At any time after and during the continuation of an Event of Default, at any time that Agent or the Required Lenders shall have reasonable grounds to believe that a Release of Hazardous Substances may have occurred relating to any Eligible Asset, Agent may at its election (and will at the request of the Required Lenders) obtain such assessments, including, without limitation, environmental assessments of such Eligible Asset prepared by an Environmental Engineer as may be reasonably necessary for the purpose of evaluating or confirming whether any Hazardous Substances have been Released by any Loan Party on such Eligible Asset, which Release will result in a Material Adverse Effect. Such assessments may include detailed visual inspections of such Eligible Asset including, without limitation, any and all storage areas, storage tanks, drains, dry wells and leaching areas, and the taking of soil or other samples, as well as such other investigations or analyses as are reasonably necessary for a determination of whether such Release results in a Material Adverse Effect. All reasonable costs related to such environmental assessments shall be at the sole cost and expense of Borrower.

At any time after and during the continuation of an Event of Default, Agent may, but shall never be obligated to, remove or cause the removal of any Hazardous Substances which are in violation of any Environmental Law from a Eligible Asset (or if removal is prohibited by any Environmental Law or any other applicable law, physical restriction or other reason, take or cause the taking of such other action as is required to cause any Eligible Asset to be in material compliance with any Environmental Law) if any Loan Party fails to materially comply with its obligations hereunder with respect thereto; and Agent and its designees are hereby granted access to the Eligible Asset at any reasonable time or times, upon reasonable notice, to remove or cause such removal or to take or cause the taking of any such other action. All costs, including, without limitation, the reasonable costs incurred by Agent in taking the foregoing action, damages, liabilities, losses, claims, expenses (including attorneys' fees and disbursements) which are incurred by Agent, as the result of any Loan Party's failure to comply with the provisions of this §8.5, shall be paid by Borrower or the other applicable Loan Party to Agent upon demand by Agent and shall be additional obligations secured by the Security Documents, except for costs resulting from or related to Agent's gross negligence or willful misconduct.

§8.6 Distributions.

No Distributions shall be made by the Loan Parties, except as permitted in this §8.6. Distributions are permitted as follows: (a) Guarantors may make distributions; (b) prior to Borrower being qualified as a real estate investment trust under the Code ("REIT Status"), if no Event of Default has occurred and is continuing, Borrower may make Distributions in any fiscal period of up to the Applicable FFO Percentage for the immediately preceding fiscal period; and (c) once Borrower has qualified for REIT Status, if the Loans have not been declared due and payable in full following an Event of Default as provided in §12.1, Borrower may make Distributions in any fiscal period equal to the greater of (i) the amount required in order to maintain REIT Status and (ii) the Applicable

FFO Percentage for the immediately preceding fiscal period. The "Applicable FFO Percentage" shall mean the following percentages of Funds From Operations for the fiscal periods shown below:

Fiscal Period	Applicable FFO Percentage
Fiscal quarters ending 6/30/13, 9/30/13, 12/31/13 and 3/31/14	110%
Fiscal quarters ending 6/30/14, 9/30/14, 12/31/14 and 3/31/15	100%
Fiscal quarters ending 6/30/15 and thereafter	95%

§8.7 Organizational Documents.

No Loan Party shall modify, amend, cancel, release, surrender, terminate or permit the modification, amendment, cancellation, release, surrender or termination of, any of its Organizational Documents if such action could reasonably be expected to adversely affect the Agent and Lenders.

§8.8 Certain Management Fees.

No Loan Party shall enter into any agreement with Corridor for the management of any Borrowing Base Asset unless the management fees payable to Corridor under such agreement are subordinated to the Obligations on terms reasonably satisfactory to the Required Lenders. Such terms shall include, without limitation, (i) suspension of Corridor's right to receive management fees upon either the occurrence of an Event of Default under §12.1(a) or (b) hereof or the acceleration of the Loans under §12.4 hereof, and (ii) the right of Agent to terminate any such management agreement from and after the foreclosure of such Borrowing Asset, but with the right of Corridor to continue to provide services and receive management fees if Agent elects not to terminate such management agreement.

§9. FINANCIAL COVENANTS OF BORROWER

Borrower covenants and agrees that, so long as any Loan, Note or other Obligation is outstanding or any Lender has any obligation to make any Loans hereunder:

§9.1 Corporate Financial Covenants.

(a) Fixed Charge Coverage Ratio. Borrower will not, as of the end of any fiscal quarter of Borrower, permit the Fixed Charge Coverage Ratio for the fiscal quarter then ended and the immediately preceding three (3) fiscal quarters (treated as a single accounting period) (the "Test Period"), to be less than 3.5:1.0.

(b) Total Leverage Ratio. Borrower will not, as of the end of any fiscal quarter of Borrower, permit the Total Leverage Ratio to exceed 5.0:1.0:

(c) Net Worth. Borrower will not, as of the last day of any fiscal quarter, permit its Net Worth to be less than seventy-five percent (75%) of the amount thereof as of the Closing Date.

For purposes of determining compliance with the covenants set forth above in §9.1(a) and (b), for the Test Periods ending March 31, 2013 and June 30, 2013 and September 30, 2013, Fixed Charges and EBITDA of Borrower shall be determined by annualizing the amounts thereof for one, two or three fiscal quarters, as applicable; provided, however, that if Borrower's fiscal year end changes to December 31 in connection with Borrower's qualification for REIT Status, each of the measurement dates specified above in this sentence and in §9.1(b) shall be moved forward to the end of the next succeeding month. The determination of Borrower's compliance with the foregoing covenants and the components thereof by Agent shall be conclusive and binding absent manifest error.

§10. CLOSING CONDITIONS

The obligations of Agent and Lenders to make the Loans shall be subject to the satisfaction of the following conditions precedent on or prior to the Closing Date:

§10.1 Loan Documents.

Each of the Loan Documents (other than the Security Documents that are required pursuant to §11.4) shall have been duly executed and delivered by the respective parties thereto, shall be in full force and effect and shall be in form and substance satisfactory to the Required Lenders. Agent shall have received a fully executed copy of each such document, except that each Lender shall have received a fully executed counterpart of its Note or Notes.

§10.2 Certified Copies of Organizational Documents.

Agent shall have received from Borrower a copy, certified as of a recent date by the appropriate officer of each State in which each Loan Party is organized or in which the Eligible Assets are located and a duly authorized member, manager, partner or officer of such Loan Party, as applicable, to be true and complete, of the Organizational Documents of such Loan Party, as applicable, or its qualification to do business, as applicable, as in effect on such date of certification.

§10.3 Resolutions.

All action on the part of each Loan Party necessary for the valid execution, delivery and performance by such Loan Party of this Agreement and the other Loan Documents (as applicable) to which such Person is or is to become a party shall have been duly and effectively taken, and evidence thereof satisfactory to Agent shall have been provided to Agent. Agent shall have received from each Loan Party true copies of their respective resolutions adopted by their respective board of directors or other governing body authorizing the transactions described herein, each certified by its secretary, assistant secretary or other appropriate representative as of a recent date to be true and complete.

§10.4 Incumbency Certificate; Authorized Signers.

Agent shall have received from each Loan Party, an incumbency certificate, dated as of the Closing Date, signed by a duly authorized officer of such Loan Party and giving the name and bearing a specimen signature of each individual who shall be authorized to sign, in the name and on behalf of such Loan Party, each of the Loan Documents to which such Person is or is to become a party. Agent shall have also received from Borrower a certificate, dated as of the Closing Date, signed by a duly authorized member of Borrower and giving the name and specimen signature of each individual who shall be authorized to make Loan Requests and Conversion Requests, and to give notices and to take other action on behalf of Borrower under the Loan Documents.

§10.5 Opinion of Counsel.

Agent shall have received a favorable opinion addressed to Lenders and Agent and dated as of the Closing Date, in form and substance reasonably satisfactory to Agent, from counsel of Borrower and the other Loan Parties, and counsel in such other states as may be requested by Agent, as to such matters as Agent shall reasonably request.

§10.6 Payment of Fees.

Borrower shall have paid to Agent the fees payable pursuant to §4.2.

§10.7 Insurance.

Agent shall have received evidence satisfactory to it that the insurance coverages required by this Agreement or the other Loan Documents are in effect.

§10.8 Performance; No Default.

Borrower and the other Loan Parties shall have performed and complied with all terms and conditions herein required to be performed or complied with by them on or prior to the Closing Date, and on the Closing Date there shall exist no Default or Event of Default.

§10.9 Representations and Warranties.

The representations and warranties made by Borrower and each of the other Loan Parties in the Loan Documents or otherwise made by or on behalf of Borrower each of the other Loan Parties in connection therewith on the date thereof shall have been true and correct in all material respects when made and shall also be true and correct in all material respects on the Closing Date, and Agent shall have received written confirmation thereof from the Loan Parties.

§10.10 Proceedings and Documents.

No proceeding challenging or seeking to enjoin any of the transactions contemplated by the Loan Documents, or which could reasonably be expected to have a Material Adverse Effect shall be pending or shall have been threatened.

§10.11 Compliance Certificate.

A Compliance Certificate dated as of the date of the Closing Date demonstrating compliance with each of the covenants calculated therein as of the most recent fiscal quarter end for which Borrower has provided financial statements under §6.4 adjusted in the best good faith estimate of Borrower dated as of the date of the Closing Date shall have been delivered to Agent.

§10.12 Other Documents.

Agent shall have received executed copies of all other material agreements as Agent may have reasonably requested.

§10.13 Reserved.

§10.14 No Litigation.

Agent shall have received satisfactory evidence that there are no actions, suits, investigations or proceedings pending or threatened, in any court or before any arbitrator or other Governmental Authority that purports to adversely affect Borrower or any other Loan Party, or any transaction contemplated hereby, that could reasonably be expected to have a Material Adverse Effect.

§10.15 Other.

Agent shall have reviewed such other documents, instruments, certificates, opinions, assurances, consents and approvals as Agent or Agent's Special Counsel may reasonably have requested.

§11. CONDITIONS TO ALL BORROWINGS

The obligations of Lenders to make any Loan, whether on or after the Closing Date, shall also be subject to the satisfaction of the following conditions precedent:

§11.1 Representations True; No Default.

Each of the representations and warranties made by Borrower and each other Loan Party contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects both as of the date as of which they were made and shall also be true in all material respects as of the time of the making of such Loan, with the same effect as if made at and as of that time, except to the extent of changes resulting from transactions permitted by the Loan Documents (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date), and no Default or Event of Default shall have occurred and be continuing, or shall result from the making of such Loan.

§11.2 No Legal Impediment.

No change shall have occurred in any law or regulations thereunder or interpretations thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make such Loan.

§11.3 Borrowing Documents.

Agent shall have received a fully completed Loan Request for such Loan and the other documents and information as required by §2.5.

§11.4 Security Documents.

In the case of any Loan being made to fund the purchase of an Eligible Investment, the Security Documents related to the Eligible Asset or Eligible Mortgage, as applicable, shall have been delivered to Agent at Borrower's expense, granting Agent a first-priority Lien on the Eligible Asset or Eligible Mortgage, as applicable, subject only to Permitted Liens, together with the other documents required pursuant to §5.1(a) with respect thereto. Borrower shall have paid any mortgage, recording, intangible, documentary stamp or other similar taxes or charges which Agent reasonable determines to be payable as a result of such Loan or the recording of such Security Documents to any state or any county or municipality thereof in which the Eligible Asset is located, if applicable. Agent shall have received and reviewed certificates issued by the appropriate Governmental Authority or third party indicating that such Eligible Asset or the real property subject to such Eligible Mortgage, as applicable, is not designated as a "flood hazard area".

§12. EVENTS OF DEFAULT; ACCELERATION; ETC.

§12.1 Events of Default and Acceleration.

If any of the following events ("Events of Default" or, if the giving of notice or the lapse of time or both is required, then, prior to such notice or lapse of time, "Defaults") shall occur:

(a) Borrower shall fail to pay any principal of the Loans when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment;

(b) Borrower shall fail to pay any interest on the Loans or any other sums due hereunder or under any of the other Loan Documents when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment, and such failure shall continue for ten (10) days (provided that such grace period will not apply to interest due upon the maturity of the Obligations);

(c) Borrower or any other Loan Party shall fail to comply with any covenant contained in §7.4, §7.9, §8 or §9;

(d) Borrower or any other Loan Party shall fail to perform any other term, covenant or agreement contained herein or in any of the other Loan Documents (other than those

specified in the other subclauses of this §12); and such failure shall continue for thirty (30) days after written notice thereof shall have been given to Borrower by Agent;

(e) Any representation or warranty made by any Loan Party in this Agreement or in any other Loan Document to which it is a party, or in any report, certificate, financial statement, request for a Loan, or in any other document or instrument delivered pursuant to or in connection with this Agreement, any advance of a Loan, or any of the other Loan Documents shall prove to have been false or misleading in any material respect upon the date when made or deemed to have been made or repeated;

(f) Any Loan Party shall fail to pay at maturity or otherwise when due, or within any applicable period of grace, any obligation for borrowed money or credit received or other Indebtedness having an aggregate principal amount outstanding of at least $100,000, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound, evidencing or securing any such borrowed money or credit received or other Indebtedness for such period of time as would permit (assuming the giving of appropriate notice if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof;

(g) Any Loan Party (1) shall make an assignment for the benefit of creditors, or admit in writing its general inability to pay or generally fail to pay its debts as they mature or become due, or shall petition or apply for the appointment of a trustee or other custodian, liquidator or receiver of any Loan Party or of any substantial part of the assets of any thereof, including, without limitation, any Eligible Investment, (2) shall commence any case or other proceeding relating to any Loan Party under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation or similar law of any jurisdiction, now or hereafter in effect, or (3) shall take any action to authorize or in furtherance of any of the foregoing;

(h) A petition or application shall be filed for the appointment of a trustee or other custodian, liquidator or receiver of any Loan Party, or any substantial part of the assets of any thereof, including, without limitation, any Eligible Investment, or a case or other proceeding shall be commenced against Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation or similar law of any jurisdiction, now or hereafter in effect, and such Loan Party shall indicate its approval thereof, consent thereto or acquiescence therein or such petition, application, case or proceeding shall not have been dismissed within ninety (90) days following the filing or commencement thereof;

(i) A decree or order is entered appointing any such trustee, custodian, liquidator or receiver or adjudicating any Loan Party bankrupt or insolvent, or approving a petition in any such case or other proceeding, or a decree or order for relief is entered in respect of any Loan Party in an involuntary case under federal bankruptcy laws as now or hereafter constituted;

(j) There shall remain in force, undischarged, unsatisfied and unstayed, for more than sixty (60) days, whether or not consecutive, any final judgment against any Loan Party, that, with other outstanding final judgments, undischarged, against the Loan Parties exceeds in the aggregate $5,000,000 (to the extent not paid or covered by insurance);

(k) If any of the Loan Documents shall be canceled, terminated, revoked or rescinded otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of Lenders, or any action at law, suit in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall be commenced by or on behalf of any Loan Party or any of their respective stockholders, partners, members or beneficiaries, or any court or any other governmental or regulatory authority or agency of competent jurisdiction shall make a determination that, or issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof;

(l) Any dissolution, termination, partial or complete liquidation, merger or consolidation of any Loan Party, or any sale, transfer or other disposition of the assets of any Loan Party, other than as permitted under the terms of this Agreement or the other Loan Documents;

(m) Any Loan Party shall be indicted for a federal crime, a punishment for which could include the forfeiture of any assets of Borrower included in the Collateral;

(n) With respect to any Guaranteed Pension Plan, an ERISA Reportable Event shall have occurred that reasonably could be expected to result in liability of any Loan Party to the PBGC or such Guaranteed Pension Plan in an aggregate amount exceeding $1,000,000 and such event in the circumstances occurring reasonably could constitute grounds for the termination of such Guaranteed Pension Plan by the PBGC or for the appointment by the appropriate United States District Court of a trustee to administer such Guaranteed Pension Plan; or a trustee shall have been appointed by the United States District Court to administer such Guaranteed Pension Plan; or the PBGC shall have instituted proceedings to terminate such Guaranteed Pension Plan;

(o) A Change of Control shall occur without the prior written approval of all of Lenders (which consent may be withheld by Lenders in their sole and absolute discretion);

(p) Any Event of Default, as defined in any of the other Loan Documents, shall occur;

(q) Any amendment to or termination of a financing statement naming any Loan Party as debtor and Agent as secured party relating to the Collateral, or any correction statement with respect thereto, is filed in any jurisdiction by, or caused by, or at the instance of any Loan Party without the prior written consent of Agent (except to the extent of a release of Collateral permitted by this Agreement); or any amendment to or termination of a financing statement naming any Loan Party as debtor and Agent as secured party, or any correction statement with respect thereto, is filed in any jurisdiction by any party other than Agent or Agent's counsel (or by Borrower at Agent's direction) without the prior written consent of Agent and Borrower fails to use its best efforts to cause the effect of such filing to be completely nullified to the reasonable satisfaction of Agent within ten (10) days after notice to Borrower thereof; or

(r) An event of default shall occur under any Eligible Lease or Eligible Mortgage;

then, and in any such event, Agent may, and upon the request of the Required Lenders shall, by notice in writing to Borrower declare all amounts owing with respect to this Agreement, the Notes

and the other Loan Documents to be, and they shall thereupon forthwith become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by Borrower; provided that in the event of any Event of Default specified in §12.1(g), §12.1(h) or §12.1(i), all such amounts shall become immediately due and payable automatically and without any requirement of notice from any of Lenders or Agent.

§12.2 Limitation of Cure Periods.

Notwithstanding anything in this Agreement or any other Loan Document to the contrary, any reference in this Agreement or any other Loan Document to "the continuance of a default" or "the continuance of an Event of Default" or any similar phrase shall not create or be deemed to create any right on the part of Borrower, any other Loan Party, or any other Person to cure any default following the expiration of any applicable grace or notice and cure period.

§12.3 [RESERVED].

§12.4 Remedies.

(a) In case any one or more of the Events of Default shall have occurred and be continuing, and whether or not Lenders shall have accelerated the maturity of the Loans and other Obligations pursuant to §12.1, Agent on behalf of Lenders may, and upon direction of the Required Lenders shall, proceed to protect and enforce their rights and remedies under this Agreement, the Notes or any of the other Loan Documents by suit in equity, action at law or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Agreement and the other Loan Documents or any instrument pursuant to which the Obligations are evidenced, including to the full extent permitted by applicable law the obtaining of the *ex parte* appointment of a receiver, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any other legal or equitable right. No remedy herein conferred upon Agent or the holder of any Note is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of law. In the event that all or any portion of the Obligations is collected by or through an attorney-at-law, Borrower shall pay all costs of collection including, but not limited to, reasonable attorney's fees. Notwithstanding the provisions of this Agreement providing that the Loans may be evidenced by multiple Notes in favor of Lenders, Lenders acknowledge and agree that only Agent may exercise any remedies arising by reason of a Default or Event of Default, including without limitation, bringing any suit for collection of any Note.

§12.5 Distribution of Collateral Proceeds.

In the event that, following the occurrence or during the continuance of any Event of Default, any monies are received in connection with the enforcement of any of the Loan Documents, or otherwise with respect to the realization upon any of the assets of any Loan Party or any other Person liable with respect to the Obligations (including the Collateral), such monies shall be distributed for application as follows:

(a) First, to the payment of, or (as the case may be) the reimbursement of, Agent for or in respect of all reasonable costs, expenses, disbursements and losses which shall have been incurred or sustained by Agent to protect or preserve the Collateral or in connection with the collection of such monies by Agent, for the exercise, protection or enforcement by Agent of all or any of the rights, remedies, powers and privileges of Agent under this Agreement or any of the other Loan Documents or in respect of the Collateral or in support of any provision of adequate indemnity to Agent against any taxes or liens which by law shall have, or may have, priority over the rights of Agent to such monies;

(b) Second, to all other Obligations in the following order: (i) first to the payment of any fees or charges outstanding hereunder or under the other Loan Documents (excluding any Hedge Agreements), (ii) next to any accrued and outstanding Default Rate interest, (iii) next to any accrued and outstanding interest on the Loans, (iv) next to any Outstanding principal on the Loans, and (vii) last to any remaining Obligations (including with respect to any Hedge Agreement) in such order as the Required Lenders may determine; provided, however, that (A) in the event that any Lender shall have wrongfully failed or refused to make an advance under §2.5 or §2.6 and such failure or refusal shall be continuing, advances made by other Lenders during the pendency of such failure or refusal shall be entitled to be repaid as to principal and accrued interest in priority to the other Obligations described in this §12.5(b), (B) Obligations owing to Lenders such as interest, principal, fees and expenses, shall be made among such Lenders *pro rata* in accordance with their Commitment Percentages, and (C) amounts received from any Guarantor that is not a Qualified ECP Guarantor, or from proceeds of any Collateral provided by any Guarantor that is not a Qualified ECP Guarantor, shall not be applied to Excluded Swap Obligations; and provided, further, that the Required Lenders may in their discretion make proper allowance to take into account any Obligations not then due and payable; and

(c) Third, the excess, if any, shall be returned to Borrower or to such other Persons as are entitled thereto.

§13. SETOFF

Regardless of the adequacy of any Collateral, during the continuance of any Event of Default, any deposits (general or specific, time or demand, provisional or final, regardless of currency, maturity, or the branch of where such deposits are held) or other sums credited by or due from Agent or any of Lenders to any of the Loan Parties and any securities or other property of the Loan Parties in the possession of Agent or any Lender may be applied to or set off against the payment of Obligations and any and all other liabilities, direct, or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, of the Loan Parties, to such Lender. Upon the occurrence and during the continuance of an Event Default, any Lender, including Agent, may, but shall not be obligated to freeze withdrawals from any account of the Loan Parties held by such Lender. Each Lender agrees with each other Lender that if such Lender shall receive from the Loan Party or Loan Parties, whether by voluntary payment, exercise of the right of setoff, or otherwise, and shall retain and apply to the payment of the Note or Notes held by such Lender any amount in excess of its ratable portion of the payments received by all of Lenders with respect to the Notes held by all of Lenders, such Lender will make such disposition and arrangements with the other Lenders with respect to such excess, either by way of distribution, *pro tanto* assignment of claims,

subrogation or otherwise as shall result in each Lender receiving in respect of the Notes held by it its proportionate payment as contemplated by this Agreement; provided that if all or any part of such excess payment is thereafter recovered from such Lender, such disposition and arrangements shall be rescinded and the amount restored to the extent of such recovery, but without interest.

§14. THE AGENT

§14.1 Authorization.

Each of the Lenders hereby irrevocably appoints KeyBank to act on its behalf as Agent hereunder and under the other Loan Documents and authorizes Agent to take such actions on its behalf and to exercise such powers as are delegated to Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incident thereto, provided that no duties or responsibilities not expressly assumed herein or therein shall be implied to have been assumed by Agent. The obligations of Agent hereunder are primarily administrative in nature, and nothing contained in this Agreement or any of the other Loan Documents shall be construed to constitute Agent as a trustee or fiduciary for any Lender or to create any agency or fiduciary relationship. Agent shall act as the contractual representative of Lenders hereunder, and notwithstanding the use of the term "Agent", it is understood and agreed that Agent shall not have any fiduciary duties or responsibilities to any Lender by reason of this Agreement or any other Loan Document and is acting as an independent contractor, the duties and responsibilities of which are limited to those expressly set forth in this Agreement and the other Loan Documents. Borrower and any other Person shall be entitled to conclusively rely on a statement from Agent that it has the authority to act for and bind Lenders pursuant to this Agreement and the other Loan Documents.

§14.2 Employees and Agents.

Agent may exercise its rights and powers and execute any and all of its duties hereunder or under any other Loan Document by or through employees or agents and shall be entitled to take, and to rely on, advice of counsel concerning all matters pertaining to its rights and duties under this Agreement and the other Loan Documents. Agent and any such agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section shall apply to any such agent and to the Related Parties of Agent and any such agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent. Agent may utilize the services of such Persons as Agent may reasonably determine, and all reasonable fees and expenses of any such Persons shall be paid by Borrower.

§14.3 No Liability.

Neither Agent nor any of its shareholders, directors, officers or employees nor any other Person assisting them in their duties nor any agent, or employee thereof, shall be liable to Lenders for any waiver, consent or approval given or any action taken, or omitted to be taken, in good faith by it or them hereunder or under any of the other Loan Documents, or in connection herewith or therewith, or be responsible for the consequences of any oversight or error of judgment whatsoever, except that Agent or such other Person, as the case may be, shall be liable for losses due to its willful misconduct or gross negligence. Agent shall be entitled to rely upon, and shall not incur any liability

for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) reasonably believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Agent also may rely upon any statement made to it orally or by telephone and reasonably believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, Agent may presume that such condition is satisfactory to such Lender unless Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. Agent may consult with legal counsel (who may be counsel for Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

§14.4 No Representations.

Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose Agent to liability or that is contrary to any Loan Document or applicable law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as Agent or any of its Affiliates in any capacity.

Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of Lenders as shall be necessary, or as Agent shall believe in good faith shall be necessary, under the circumstances as provided in §27 and §12.4) or (ii) in the absence of its own gross negligence or willful misconduct. Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to Agent by any Loan Party or any Lender.

Agent shall not be responsible for the execution or validity or enforceability of this Agreement, the Notes, any of the other Loan Documents or any instrument at any time constituting, or intended to constitute, collateral security for the Notes, or for the value of any such collateral security or for the validity, enforceability or collectability of any such amounts owing with respect to the Notes, or for any recitals or statements, warranties or representations made herein, or any

agreement, instrument or certificate delivered in connection therewith or in any of the other Loan Documents or in any certificate or instrument hereafter furnished to it by or on behalf of Borrower or any other Loan Party, or be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or in any other of the Loan Documents.

Agent shall not be bound to ascertain whether any notice, consent, waiver or request delivered to it by Borrower, any other Loan Party or any holder of any of the Notes shall have been duly authorized or is true, accurate and complete. Agent has not made nor does it now make any representations or warranties, express or implied, nor does it assume any liability to Lenders, with respect to the creditworthiness or financial condition of Borrower or any other Loan Party or the value of the Collateral or any other assets of such Persons.

Each Lender acknowledges that it has, independently and without reliance upon Agent or any other Lender or any of their Related Parties, and based upon such information and documents as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Agent or any other Lender or any of their Related Parties, based upon such information and documents as it deems appropriate at the time, continue to make its own credit analysis and decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

§14.5 Payments.

(a) A payment by any Loan Party to Agent hereunder or under any of the other Loan Documents for the account of any Lender shall constitute a payment to such Lender. Agent agrees to distribute to each Lender not later than one (1) Business Day after Agent's receipt of good funds, determined in accordance with Agent's customary practices, such Lender's *pro rata* share of payments received by Agent for the account of Lenders except as otherwise expressly provided herein or in any of the other Loan Documents.

(b) If in the opinion of Agent the distribution of any amount received by it in such capacity hereunder, under the Notes or under any of the other Loan Documents might involve it in liability, it may refrain from making distribution until its right to make distribution shall have been adjudicated by a court of competent jurisdiction. If a court of competent jurisdiction shall adjudge that any amount received and distributed by Agent is to be repaid, each Person to whom any such distribution shall have been made shall either repay to Agent its proportionate share of the amount so adjudged to be repaid or shall pay over the same in such manner and to such Persons as shall be determined by such court.

(c) No Defaulting Lender shall be entitled to receive any fees otherwise due such Lender for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender). If Borrower and Agent agree in writing that a Lender is no longer a Defaulting Lender, Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as

Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Commitments, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

§14.6 Holders of Notes.

Subject to the terms of §18, Agent may deem and treat the payee of any Note as the absolute owner or purchaser thereof for all purposes hereof until it shall have been furnished in writing with a different name by such payee or by a subsequent holder, assignee or transferee.

§14.7 Indemnity.

Lenders ratably agree hereby to indemnify and hold harmless Agent from and against any and all claims, actions and suits (whether groundless or otherwise), losses, damages, costs, expenses (to the extent of any losses, damages, costs and expenses for which Agent has not been reimbursed by Borrower as required by §15 or §16), and liabilities of every nature and character arising out of or related to this Agreement, the Notes or any of the other Loan Documents or the transactions contemplated or evidenced hereby or thereby, or Agent's actions taken hereunder or thereunder, except to the extent that any of the same shall be directly caused by Agent's willful misconduct or gross negligence.

§14.8 Agent as Lender.

In its individual capacity, KeyBank shall have the same obligations and the same rights, powers and privileges in respect to its Commitment and the Loans made by it, and as the holder of any of the Notes as it would have were it not also Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Borrower, any other Loan Party or other Affiliate thereof as if such Person were not Agent hereunder and without any duty to account therefor to Lenders.

§14.9 Resignation.

Agent may resign at any time by giving thirty (30) calendar days' prior written notice thereof to Lenders and Borrower. Upon any such resignation, the Required Lenders, subject to the terms of §18.1, shall have the right to appoint as a successor Agent any Lender or any other bank whose senior debt obligations are rated not less than "A" or its equivalent by Moody's or not less than "A" or its equivalent by S&P and which has a net worth of not less than $500,000,000. Any such resignation shall be effective upon appointment and acceptance of a successor agent selected by the Required Lenders. If no successor Agent shall have been so appointed and shall have accepted such appointment within thirty (30) days after the retiring Agent's giving of notice of resignation, then

the retiring Agent may, on behalf of Lenders, appoint a successor Agent, which shall be a bank whose debt obligations are rated not less than "A" or its equivalent by Moody's or not less than "A" or its equivalent by S&P Corporation and which has a net worth of not less than $500,000,000, provided that if Agent shall notify Borrower and Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by Agent on behalf of Lenders under any of the Loan Documents, the retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Unless a Default or Event of Default shall have occurred and be continuing, such successor Agent shall be reasonably acceptable to Borrower. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder as Agent. The fees payable by Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrower and such successor. After any retiring Agent's resignation, the provisions of this Agreement and the other Loan Documents shall continue in effect for the benefit of such retiring Agent, its agents and their respective Related Parties in respect of any actions taken or omitted to be taken by it while it was acting as Agent.

§14.10 Duties in the Case of Enforcement.

In case one or more Events of Default have occurred and shall be continuing, and whether or not acceleration of the Obligations shall have occurred, Agent may and shall, if (a) so requested by the Required Lenders and (b) Lenders have provided to Agent such additional indemnities and assurances against expenses and liabilities as Agent may reasonably request, proceed to enforce the provisions of the Security Documents authorizing the sale or other disposition of all or any part of the Collateral and exercise all or any other legal and equitable and other rights or remedies as it may have. The Required Lenders may direct Agent in writing as to the method and the extent of any such exercise, Lenders hereby agreeing to indemnify and hold Agent harmless from all liabilities incurred in respect of all actions taken or omitted in accordance with such directions, provided that Agent need not comply with any such direction to the extent that Agent reasonably believes Agent's compliance with such direction to be unlawful or commercially unreasonable in any applicable jurisdiction.

§14.11 Request for Agent Action.

Agent and Lenders acknowledge that in the ordinary course of business of the Loan Parties, (a) the Loan Parties may enter into leases covering the Eligible Asset that may require the execution of a subordination, attornment and non-disturbance agreement, (b) the Eligible Asset may be subject to a condemnation or other taking, (c) the Loan Parties may desire to enter into easements or other agreements affecting the Eligible Asset, dedicate roads or utilities, or take other actions or enter into other agreements in the ordinary course of business which similarly require the consent, approval or agreement of Agent. In connection with the foregoing, Lenders hereby expressly authorize Agent

to (a) execute and deliver with the Loan Parties and any tenant, subordination, attornment and non-disturbance agreements with respect to any lease upon such terms as Agent in its good faith reasonable judgment determines are appropriate (Agent in the exercise of its good faith reasonable judgment may agree to allow some or all of the casualty, condemnation, restoration or other provisions of the applicable lease to control over the applicable provisions of the Loan Documents), (b) execute releases of Liens of Eligible Asset in connection with dispositions permitted in this Agreement or in connection with any condemnation or other taking, (c) execute consents or subordinations in form and substance reasonably satisfactory to Agent in connection with any easements, agreements, plats, dedications or similar matters affecting the Eligible Asset, or (d) execute consents, approvals, or other agreements in form and substance reasonably satisfactory to Agent in connection with such other actions or agreements as may be desirable by Agent or any tenant necessary in the ordinary course of the Loan Parties' respective businesses.

§14.12 Removal of Agent.

The Required Lenders may remove Agent from its capacity as agent in the event of Agent's willful misconduct or gross negligence. Such removal shall be effective upon appointment and acceptance of a successor agent selected by the Required Lenders. Any successor Agent must satisfy the conditions set forth in §14.9. Upon the acceptance of any appointment as agent hereunder by a successor agent, such successor agent shall thereupon succeed to and become vested with all rights, powers, privileges and duties of the removed Agent, and the removed Agent shall be discharged from all further duties and obligations as Agent under this Agreement and the Loan Documents (subject to Agent's right to be indemnified as provided in the Loan Documents); provided that Agent shall remain liable to the extent provided herein or in the Loan Documents for its acts or omissions occurring prior to such removal or resignation.

§14.13 Bankruptcy.

In the event a bankruptcy or other insolvency proceeding is commenced by or against Borrower or any other Loan Party, Agent shall have the sole and exclusive right and duty to file and pursue a joint proof of claim on behalf of all Lenders. Each Lender irrevocably waives its right to file or pursue a separate proof of claim in any such proceedings.

§15. EXPENSES

Borrower agrees to pay (a) the reasonable and documented costs of producing and reproducing this Agreement, the other Loan Documents and the other agreements and instruments mentioned herein, (b) any taxes (including any interest and penalties in respect thereto) payable by Agent or any of Lenders, including any recording, mortgage, documentary or intangibles taxes in connection with the Mortgages and other Loan Documents, or other taxes payable on or with respect to the transactions contemplated by this Agreement (other than Excluded Taxes, except that Agent and Lenders shall be entitled to indemnification for any and all amounts paid by them in respect of taxes based on income or other taxes assessed by any State in which Eligible Asset or other Collateral is located, such indemnification to be limited to taxes due solely on account of the granting of Collateral under the Security Documents, including any such taxes payable by Agent or any of Lenders after the Closing Date (Borrower hereby agreeing to indemnify Agent and each Lender with

respect thereto), (c) all appraisal fees, engineer's fees, charges of Agent for commercial finance exams and engineering and environmental reviews and the reasonable and documented fees, expenses and disbursements of Agent, Agent's Special Counsel and any other counsel to Agent, counsel for KeyBank and any local counsel to Agent incurred in connection with the performance of due diligence and the preparation, negotiation, administration, or interpretation of the Loan Documents and other instruments mentioned herein, the addition and release of Collateral, each closing hereunder, and amendments, modifications, approvals, consents, waivers or Collateral releases hereto or hereunder, (d) the reasonable fees, expenses and disbursements of Agent incurred by Agent in connection with the performance of due diligence, underwriting analysis, credit reviews and the preparation, negotiation, administration, syndication or interpretation of the Loan Documents and other instruments mentioned herein, credit and collateral evaluations, the release, addition or substitution of additional Collateral, (e) all reasonable and documented out-of-pocket expenses (including reasonable attorneys' fees and costs, which attorneys may be employees of any Lender or Agent and the fees and costs of appraisers, engineers, investment bankers or other experts retained by any Lender or Agent) incurred by any Lender or Agent in connection with (i) the enforcement of or preservation of rights under any of the Loan Documents against Borrower or other Loan Parties or the administration thereof after the occurrence of a Default or Event of Default (including, without limitation, the cost of all title examinations and title reports, Lien searches and related costs and expenses in order specifically to identify the Eligible Assets and the state of Borrower's title thereto), (ii) the sale of, collection from or other realization upon any of the Collateral, and (iii) the failure of Borrower or the other Loan Parties to perform or observe any provision of the Loan Documents, and (f) all reasonable fees, expenses and disbursements of Agent incurred in connection with Uniform Commercial Code searches, Uniform Commercial Code filings or Mortgage recordings and, after the occurrence and during the continuance of an Event of Default, title rundowns and title searches. The covenants of this §15 shall survive payment or satisfaction of payment of amounts owing with respect to the Notes.

§16. INDEMNIFICATION

Borrower agrees to indemnify and hold harmless Agent and Lenders and each director, officer, employee, agent and Person who controls Agent or any Lender (each such Person being called an "Indemnitee") from and against any and all claims, actions and suits, whether groundless or otherwise, and from and against any and all liabilities, losses, damages and expenses of every nature and character arising out of or relating to this Agreement or any of the other Loan Documents or the transactions contemplated hereby and thereby including, without limitation, (a) any leasing fees and any brokerage, finders or similar fees asserted against any Indemnitee based upon any agreement, arrangement or action made or taken, or alleged to have been made or taken, by the Loan Parties, (b) any condition, use, operation or occupancy of a Eligible Asset or other Collateral other than with respect to matters relating to such Eligible Asset and/or the Collateral first occurring after Agent or its nominee acquires title to such Eligible Asset by the exercise of its foreclosure remedies or transfer in lieu of foreclosure, (c) any actual or proposed use by Borrower of the proceeds of any of the Loans, (d) any actual or alleged infringement of any patent, copyright, trademark, service mark or similar right of any of the Loan Parties comprised in the Collateral, (e) entering into or performing this Agreement or any of the other Loan Documents, (f) any actual or alleged violation of any law, ordinance, code, order, rule, regulation, approval, consent, permit or license relating to a Eligible Asset or the other Collateral, or (g) with respect to each Loan Party and its assets, including, without

limitation, the Eligible Assets, the violation of any Environmental Law, the Release or threatened Release of any Hazardous Substances or any action, suit, proceeding or investigation brought or threatened with respect to any Hazardous Substances (including, but not limited to claims with respect to wrongful death, personal injury or damage to property), other than with respect to matters relating to such Eligible Asset and/or the Collateral first occurring after Agent or its nominee acquires title to such Eligible Asset by the exercise of its foreclosure remedies or transfer in lieu of foreclosure, in each case including, without limitation, the reasonable fees and disbursements of counsel and allocated costs of internal counsel incurred in connection with any such investigation, litigation or other proceeding; provided, however, such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, (y) result from a claim brought by Borrower against any Indemnitee for bad faith breach of such Indemnitee's obligations under this Agreement or the other Loan Documents, if the Borrower has obtained a final and nonappealable judgment in its favor on such claims as determined by a court of competent jurisdiction or (z) result from violation by any Indemnitee of any such Indemnitee's internal policies or from a violation of laws, rules or regulations applicable to such Indemnitee's operations. In litigation, or the preparation therefor, the Indemnitees shall be entitled to select a single law firm as their own counsel and, in addition to the foregoing indemnity, Borrower agrees to pay promptly all court costs and other expenses of litigation incurred by the Indemnitees, including the reasonable fees and expenses of such counsel. If, and to the extent that the obligations of Borrower under this §16 are unenforceable for any reason, Borrower hereby agrees to make the maximum contribution to the payment in satisfaction of such obligations which is permissible under applicable law. There shall be specifically excluded from the foregoing indemnification any claims, actions, suits, liabilities, losses, damages and expenses arising from disputes among Lenders with respect to the Loans or the Loan Documents. In the event that any such claims, actions, suits, liabilities, losses, damages and expenses involve both a dispute among Lenders and other matters covered by this indemnification provision, Agent shall make a reasonable good faith allocation of all losses, damages and expenses incurred between Lenders' dispute and the other matters covered by this indemnification provision, which allocation by Agent shall, absent manifest error, be final and binding upon the parties hereto. All amounts payable by Borrower pursuant to this Section shall constitute Obligations until paid in full by Borrower. The provisions of this §16 shall survive the repayment of the Loans and the termination of the obligations of Lenders hereunder.

§17. SURVIVAL OF COVENANTS, ETC

All covenants, agreements, representations and warranties made herein, in the Notes, in any of the other Loan Documents or in any documents or other papers delivered by or on behalf of Borrower or the other Loan Parties, as applicable, pursuant hereto or thereto shall be deemed to have been relied upon by Lenders and Agent, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making by Lenders of any of the Loans, as herein contemplated, and shall continue in full force and effect so long as any amount due under this Agreement or the Notes or any of the other Loan Documents remains outstanding or any Lender has any obligation to make any Loans. The indemnification obligations of Borrower provided herein and the other Loan Documents shall survive the full repayment of amounts due and the termination of the obligations of Lenders hereunder and thereunder to the extent provided herein and therein.

All statements contained in any certificate or other paper delivered to any Lender or Agent at any time by or on behalf of any of the Loan Parties pursuant hereto or in connection with the transactions contemplated hereby shall constitute representations and warranties as to the matters contained in such certificate or other paper by any of the Loan Parties hereunder.

§18. ASSIGNMENT AND PARTICIPATION

§18.1 Conditions to Assignment by Lenders.

(a) Each Lender shall have the right to assign, transfer, sell, negotiate, pledge or otherwise hypothecate this Agreement and any of its rights and security hereunder and under the other Loan Documents to any other Eligible Assignee with the prior written consent of Agent and with the prior written consent of Borrower, which consents by Agent and Borrower shall not be unreasonably withheld, conditioned or delayed (provided that no consent of Borrower shall be required if the Eligible Assignee is also a Lender or an Affiliate thereof or if an Event of Default then exists) and no consent of Agent shall be required if the Eligible Assignee is also a Lender or an Affiliate thereof; provided, however, that (i) the parties to each such assignment shall execute and deliver to Agent, for its approval and acceptance, an Assignment and Assumption Agreement in the form of Exhibit C attached hereto and made a part hereof (an "Assignment and Assumption Agreement"), (ii) each such assignment shall be of a constant, and not a varying, percentage of the assigning Lender's rights and obligations under this Agreement, (iii) if the potential assignee is not already a Lender hereunder, at least ten (10) days prior to the settlement date of the assignment, the potential assignee shall deliver to Agent the fully completed Patriot Act and OFAC forms attached as Exhibit F attached hereto and made a part hereof and such other information as Agent shall require to successfully complete Agent's Patriot Act Customer Identification Process and OFAC Review Process, (iv) unless Agent and, so long as no Event of Default exists, Borrower otherwise consent, the aggregate amount of the total Commitment of the assigning Lender being assigned pursuant to each such assignment shall in no event be less than $2,000,000, (iv) Agent shall receive from the assigning Lender a processing fee of $3,500, (vi) if the assignment is less than the assigning Lender's entire interest in the Loans, the assigning Lender must retain at least a $2,000,000 Commitment. Upon such execution, delivery, approval and acceptance, and upon the effective date specified in the applicable Assignment and Assumption Agreement, (a) the Eligible Assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Assumption Agreement, have the rights and obligations of a Lender hereunder and under the other Loan Documents, and Borrower hereby agrees that all of the rights and remedies of Lenders in connection with the interest so assigned shall be enforceable against Borrower by an Eligible Assignee with the same force and effect and to the same extent as the same would have been enforceable but for such assignment provided that no assignment shall increase the Borrower's obligations under §4.4 or §4.9, (b) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder and under the other Loan Documents have been assigned by it pursuant to such Assignment and Assumption Agreement, relinquish its rights and be released from its obligations hereunder and thereunder, and (c) Agent may unilaterally amend Schedule 1.1 to reflect such assignment. For purposes of this paragraph, in connection with any assignment or simultaneous, multiple assignments by any Lender which is a fund to one or more of its Related Funds: (1) compliance with the minimum amounts for assigned Commitments and Loans, and for retained Commitments and Loans as hereinabove provided shall be determined in the aggregate for

such assigning fund and any of its Related Funds that are or are to become Lenders as part of any assignment transaction or simultaneous, multiple assignment transactions; (2) after giving effect to such assignment or assignments, no such assignor or assignee fund in connection with a partial assignment of the assigning fund's Commitment shall hold a Commitment of less than $2,000,000, and (3) only one processing fee shall be payable to Agent in connection with simultaneous, multiple assignment transactions.

(b) By executing and delivering an Assignment and Assumption Agreement, the assigning Lender thereunder and the Eligible Assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) except as provided in such Assignment and Assumption Agreement, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or any other Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document or any other instrument or document furnished in connection therewith; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under any Loan Document or any other instrument or document furnished in connection therewith; (iii) such Eligible Assignee confirms that it has received a copy of this Agreement together with such financial statements, Loan Documents and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into the Assignment and Assumption Agreement and to become a Lender hereunder; (iv) such Eligible Assignee will, independently and without reliance upon Agent, the assigning Lender or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such Eligible Assignee appoints and authorizes Agent to take such action as Agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto; (vi) such Eligible Assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

§18.2 Register.

Agent shall maintain a copy of each assignment delivered to it and a register or similar list (the "Register") for the recordation of the names and addresses of Lenders and the Commitment Percentages, of, and principal amount of (and interest on) the Loans owing to Lenders from time to time. The entries in the Register shall be conclusive, in the absence of manifest error, and Borrower, Agent and Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by Borrower and Lenders at any reasonable time and from time to time upon reasonable prior notice.

§18.3 New Notes.

Upon its receipt of an assignment executed by the parties to such assignment, together with each Note (if any) subject to such assignment, Agent shall (a) record the information contained therein in the Register, and (b) give prompt notice thereof to Borrower and Lenders (other than the

assigning Lender). Within five (5) Business Days after receipt of such notice, Borrower, upon Lender's request and at Lender's expense, shall execute and deliver to Agent, in exchange for each surrendered Note, a new Note, to the order of such assignee in an amount equal to the amount assumed by such assignee pursuant to such assignment and, if the assigning Lender has retained some portion of its obligations hereunder, a new Note, to the order of the assigning Lender in an amount equal to the amount retained by it hereunder. Such new Notes shall provide that they are replacements for the surrendered Notes of the same category, shall be in an aggregate principal amount equal to the aggregate principal amount of the surrendered Notes, shall be dated the effective date of such assignment and shall otherwise be in substantially the form of the assigned Notes. The surrendered Notes shall be canceled and returned to Borrower.

§18.4 Participations.

Each Lender may sell participations to one or more banks or other entities in all or a portion of such Lender's rights and obligations under this Agreement and the other Loan Documents; provided that (a) any such sale or participation shall not affect the rights and duties of the selling Lender hereunder to Borrower, (b) such participation shall not entitle such participant to any rights or privileges under this Agreement or the Loan Documents, including, without limitation, the right to approve waivers, amendments or modifications, (c) such participant shall have no direct rights against Borrower except the rights granted to Lenders pursuant to §13, (d) such sale is effected in accordance with all applicable laws, and (e) such participant shall satisfy the criteria (other than minimum total assets) for being an Eligible Assignee. Any Lender which sells a participation shall promptly notify Agent and Borrower of such sale and the identity of the purchaser of the interest.

§18.5 Pledge by Lender.

Any Lender may at any time pledge all or any portion of its interest and rights under this Agreement (including all or any portion of its Note) to secure obligations of such Lender, including without limitation, (a) any pledge or assignment to secure obligations to any of the twelve Federal Reserve Banks organized under §4 of the Federal Reserve Act, 12 U.S.C. §341, to any Federal Home Loan Bank or to any institution within the Farm Credit System, and (b) for any Lender that is a fund, any pledge or assignment to any holders of obligations owed, or securities issued, by such Lender including any trustee for, or any other representative of, such holders. In addition, any Lender may, with the consent of Agent (which may be granted or withheld in Agent's sole discretion) pledge all or any portion of its interests and rights under the Agreement (including all or any portion of its Note or Notes) to a Person approved by Agent. Notwithstanding anything to the contrary contained herein, no pledge permitted pursuant to this Section or the enforcement thereof shall release the pledgor Lender from its obligations hereunder or under any of the other Loan Documents.

§18.6 No Assignment by Borrower.

Borrower shall not assign or transfer any of its rights or obligations under any of the Loan Documents without the prior written consent of each of Lenders.

§18.7 Cooperation; Disclosure.

Borrower and the other Loan Parties agree to promptly cooperate with any Lender in connection with any proposed assignment or participation of all or any portion of its Commitment. Borrower and the other Loan Parties agree that in addition to disclosures made in accordance with standard lending practices any Lender may disclose information obtained by such Lender pursuant to this Agreement to assignees or participants and potential assignees or participants hereunder, subject to the provisions of §18.10. Notwithstanding anything herein to the contrary, Agent and each Lender may disclose to any and all Persons, without limitation of any kind, any information with respect to the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to Agent or any Lender relating to such tax treatment and tax structure; provided that with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the transaction as well as other information, this sentence shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the Loans and transactions contemplated hereby. In order to facilitate assignments to Eligible Assignees and sales to Eligible Assignees, Borrower shall execute such further documents, instruments or agreements as Lenders may reasonably require. In addition, the Loan Parties agree to cooperate fully with Lenders in the exercise of Lenders' rights pursuant to this Section, including providing such information and documentation regarding the Loan Parties, their Subsidiaries as any Lender or any potential Eligible Assignee or participant may reasonably request and, upon the reasonable request of any such Lender, to meet with potential Eligible Assignees.

§18.8 Mandatory Assignment.

In the event (i) Borrower requests that certain amendments, modifications, consents or waivers be made to or under this Agreement or any of the other Loan Documents which request is approved by Agent or Required Lenders but is not approved by one or more of Lenders (any such non-consenting Lender shall hereafter be referred to as the "Non-Consenting Lender"), (ii) Borrower becomes obligated to pay additional amounts to any Lender pursuant to §4.4 or §4.9, or any Lender gives notice of the occurrence of any circumstances described in §4.7 or §4.9, and in each case, such Lender has declined or is unable to designate a different lending office in accordance with §4.10, (iii) any Lender hereunder is a Defaulting Lender (any such Lender described in the foregoing clauses (i), (ii) or (iii) shall hereafter be referred to as an "Affected Lender") then, within thirty (30) days after Borrower's receipt of notice of such disapproval by such Non-Consenting Lender, or, in the case of clause (ii) or (iii) above at any time after the occurrence of such event, Borrower shall have the right as to such Affected Lender, to be exercised by delivery of written notice delivered to Agent and the Affected Lender, to elect to cause the Affected Lender to transfer its Loans and Commitments. Agent shall promptly notify the remaining Lenders that each of such Lenders shall have the right, but not the obligation, to acquire a portion of the Commitment, pro rata based upon their relevant Commitment Percentages (not including the Commitment of the Affected Lender), of the Affected Lender (or if any of such Lenders does not elect to purchase its pro rata share, then to such remaining Lenders in such proportion as approved by Agent). In the event that Lenders do not elect to acquire all of the Affected Lender's Loans and Commitment, then Agent shall use commercially reasonable efforts to find a new Lender or Lenders to acquire such remaining Loans and Commitment. Upon

any such purchase of the Loans and Commitments of the Affected Lender, the Affected Lender's interests in the Obligations and its rights hereunder and under the Loan Documents shall terminate at the date of purchase, and the Affected Lender shall promptly execute and deliver any and all documents reasonably requested by Agent to surrender and transfer such interest, including, without limitation, an assignment and assumption agreement in the form attached hereto as Exhibit C and such Affected Lender's original Note. The purchase price for the Affected Lender's Commitment shall equal any and all amounts outstanding and owed by Borrower to the Affected Lender, including principal and all accrued and unpaid interest or fees, plus any applicable prepayment fees which would be owed to such Affected Lender if the Loans were to be repaid in full on the date of such purchase of the Affected Lender's Commitment. A Lender shall not be required to make any such transfer and assignment if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling Borrower to require such transfer and assignment cease to apply.

§18.9 Co-Agents.

Agent may designate any Lender to be a "Co-Agent", an "Arranger" or similar title, but such designation shall not confer on such Lender the rights or duties of Agent. Any such "Co-Agent" or "Arranger" shall not have any additional rights or obligations under the Loan Documents, except for those rights and obligations, if any, as a Lender.

§18.10 Treatment of Certain Information; Confidentiality.

Each of Agent and Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or participant in, or, with Borrower's consent, any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to Borrower and its obligations, (g) with the consent of Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to Agent, any Lender, or any of their respective Affiliates on a nonconfidential basis from a source other than Borrower.

For purposes of this Section, "Information" means all information received from the Loan Parties or any of their Subsidiaries relating to the Loan Parties or any of their Subsidiaries or any of their respective businesses, other than any such information that is available to Agent or any Lender on a nonconfidential basis prior to disclosure by the Loan Parties or any of their Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this Section shall be

considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

§19. NOTICES

Each notice, demand, election or request provided for or permitted to be given pursuant to this Agreement (hereinafter in this §19 referred to as "Notice"), but specifically excluding to the maximum extent permitted by law any notices of the institution or commencement of foreclosure proceedings, must be in writing and shall be deemed to have been properly given or served by personal delivery or by sending same by overnight courier or by depositing same in the United States Mail, postpaid and registered or certified, return receipt requested, or as expressly permitted herein, by telegraph, telecopy, telefax or telex, and, to the extent permitted by §23, email addressed as follows:

If to Agent or any Lender, at the address set forth on the signature page for Agent or such Lender, and in the case of each notice to Agent pursuant to §7.5, with a copy to:

Agent's Special Counsel:

Bryan Cave LLP
1201 West Peachtree Street, NW
14th Floor
Atlanta, Georgia 30309-3488
Facsimile: (404) 572-6999
Attention: F. Donald Nelms, Jr.

and

if to Borrower and the other Loan Parties:

CorEnergy Infrastructure Trust Inc.
4200 W. 115th Street
Suite 210
Leawood, KS 66211
Facsimile: (913) 387-2791
Attention: Rebecca Sandring

with a copy to:

Husch Blackwell LLP
4801 Main Street, Suite 1000
Kansas City, MO 64112
Facsimile: (816) 983-8080
Attention: Scott H. Thompson

and to each other Lender which may hereafter become a party to this Agreement at such address as may be designated by such Lender. Each Notice shall be effective upon being personally delivered or upon being sent by overnight courier or upon being deposited in the United States Mail as aforesaid. The time period in which a response to such Notice must be given or any action taken with respect thereto (if any), however, shall commence to run from the date of receipt if personally delivered or sent by overnight courier, or if so deposited in the United States Mail, the earlier of three (3) Business Days following such deposit or the date of receipt as disclosed on the return receipt. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given shall be deemed to be receipt of the Notice sent. By giving at least fifteen (15) days prior Notice thereof, the Loan Parties, a Lender or Agent shall have the right from time to time and at any time during the term of this Agreement to change their respective addresses and each shall have the right to specify as its address any other address within the United States of America.

§20. RELATIONSHIP

Neither Agent nor any Lender has any fiduciary relationship with or fiduciary duty to the Loan Parties arising out of or in connection with the Agreement or the other Loan Documents or the transactions contemplated hereunder and thereunder, and the relationship between each Lender and Borrower is solely that of a lender and borrower, and between each Lender and any Guarantor is solely that of a lender and guarantor, and nothing contained herein or in any of the other Loan Documents shall in any manner be construed as making the parties hereto partners, or any other relationship other than lender and borrower, or lender and guarantor (as the case may be). In addition, the Loan Parties agree that notwithstanding any other relationship that KeyBank or any affiliate thereof may have with Borrower or the other Loan Parties or their respective Subsidiaries and Affiliates, in any proceeding relating to Borrower or the other Loan Parties, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation or similar proceeding, the Loan Parties will not challenge Lenders' right to receive payment of the Obligations as a creditor of Borrower or the other Loan Parties on the grounds of the equitable subordination principles contained in §510 of the United States Bankruptcy Code (11 U.S.C. §101 et G.), as from time to time amended, or any similar provision under any applicable law. The covenants contained in this §20 are a material consideration and inducement to Lenders to enter into the Agreement.

§21. GOVERNING LAW; CONSENT TO JURISDICTION AND SERVICE

THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED THEREIN, ARE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF SUCH STATE (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW), AND ANY AND ALL MATTERS IN DISPUTE BETWEEN THE PARTIES TO THIS AGREEMENT ARISING FROM OR RELATING TO THE SUBJECT MATTER HEREOF SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH LOAN PARTY AGREES THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR ANY FEDERAL COURT SITTING THEREIN AND CONSENTS TO THE

NONEXCLUSIVE JURISDICTION OF SUCH COURT AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON SUCH LOAN PARTY (IF ANY) BY MAIL AT THE ADDRESS SPECIFIED IN §19. EACH LOAN PARTY HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT COURT.

§22. HEADINGS

The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

§23. COUNTERPARTS; INTEGRATION; EFFECTIVENESS; ELECTRONIC EXECUTION

(a) Counterparts; Integration; Effectiveness. This Agreement and any amendment hereof may be executed in several counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought. This Agreement and the other Loan Documents, any separate letter agreements with respect to fees payable to Agent (including the Agreement Regarding Fees) and any provisions of any commitment letter or similar letter relating to the transactions contemplated by this Agreement that expressly survive the Closing Date, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in §10, this Agreement shall become effective when it shall have been executed by Agent and when Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(c) Electronic Communication. Notices and other communications to Agent and Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article 4 if such Lender has notified Agent that it is incapable of receiving notices under such Article by electronic communication. Agent or Borrower may, in its discretion, agree to accept notices and other communications to it hereunder

by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

§24. ENTIRE AGREEMENT, ETC.

The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in §27.

§25. WAIVER OF JURY TRIAL AND CERTAIN DAMAGE CLAIMS

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BORROWER, THE OTHER LOAN PARTIES, AGENT AND THE LENDERS HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, ANY NOTE OR ANY OF THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. EXCEPT TO THE EXTENT EXPRESSLY PROHIBITED BY LAW, BORROWER AND THE OTHER LOAN PARTIES EACH HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. BORROWER AND EACH OTHER LOAN PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY LENDER OR AGENT HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH LENDER OR AGENT WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS AND (B) ACKNOWLEDGES THAT AGENT AND THE LENDERS HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS TO WHICH THEY ARE PARTIES BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS CONTAINED IN THIS §25. BORROWER AND EACH OTHER LOAN PARTY ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS §25 WITH ITS LEGAL COUNSEL AND THAT EACH AGREES TO THE FOREGOING AS ITS FREE, KNOWING AND VOLUNTARY ACT.

§26. DEALINGS WITH THE BORROWER

The Lenders and their affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with Borrower and each of the other Loan Parties, or any of its Affiliates regardless of the capacity of the Lender hereunder.

§27. CONSENTS, AMENDMENTS, WAIVERS, ETC.

Except as otherwise expressly provided in this Agreement, any consent or approval required or permitted by this Agreement may be given, and any term of this Agreement or of any other Loan Document may be amended, and the performance or observance by Borrower of any terms of this Agreement or such other instrument or the continuance of any Default or Event of Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Required Lenders. Notwithstanding the foregoing provisions of this Section:

(a) none of the following may occur without the written consent of each affected Lender:

(i) a decrease in the rate of interest on the Notes;

(ii) an increase in the amount of the Commitments of Lenders;

(iii) a forgiveness, reduction or waiver of the principal of any unpaid Loan or any interest thereon or fee payable under the Loan Documents (other than in connection with the imposition or rescission of the Default Rate);

(iv) a decrease in the amount of any fee payable to a Lender hereunder;

(v) the release of Borrower, any guarantor or any of the Collateral except as otherwise provided herein;

(vi) a change to this §27;

(vii) any postponement of any date fixed for any payment of principal of or interest on, or fees in respect of, the Loans;

(viii) any change in the manner of distribution of any payments to Lenders or Agent;

(ix) an amendment of the definition of Required Lenders or of any requirement for consent by all of Lenders; or

(x) an amendment of any provision of this Agreement or the Loan Documents which requires the approval of all of Lenders or the Required Lenders to require a lesser number of Lenders to approve such action.

(b) Other Consents. No amendment, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by Borrower or the other Loan Parties therefrom, shall:

(i) increase the Commitment of any Lender over the amount thereof then in effect without the consent of such Lender; provided, no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default shall constitute an increase in any Commitment of any Lender;

(ii) increase the aggregate Commitments over the amount thereof then in effect without the consent of the Required Lenders;

(iii) waive any condition precedent to the initial Loans on the Closing Date, for which it is expressly provided in such Section that satisfaction of such condition is to be acceptable to or approved by Agent, without the consent of Agent, and in any such event it shall not be necessary to obtain the consent of any other Lender to such waiver; or

(iv) amend, modify, terminate or waive the amount or timing of payment of any fee payable to Agent for its own account, any provision of §14 as the same applies to Agent, or any other provision hereof as the same applies to the rights or obligations of Agent, in each case without the consent of Agent.

No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or delay or omission on the part of Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Loan Parties shall entitle the Loan Parties to other or further notice or demand in similar or other circumstances. In the event any Lender fails to expressly grant or deny any consent, amendment or waiver sought under this Agreement within ten (10) days of a written request therefor submitted by Agent or Agent's Special Counsel, such Lender shall be deemed to have granted to Agent an irrevocable proxy with respect to such specific matter. The right of any Lender to consent under subsections (a) and (b) of this §27 shall not apply to a Defaulting Lender, except for purposes of subsection (b)(i) of this §27.

§28. SEVERABILITY

The provisions of this Agreement are severable, and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

§29. NO UNWRITTEN AGREEMENTS

THE WRITTEN LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

§30. ACKNOWLEDGMENT OF INDEMNITY OBLIGATIONS

BORROWER HEREBY ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS INDEMNITY OBLIGATIONS OF THE BORROWER.

§31. REPLACEMENT OF NOTES

Upon receipt of evidence reasonably satisfactory to Borrower of the loss, theft, destruction or mutilation of any Note, and in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory to such Borrower or, in the case of any such mutilation, upon surrender and cancellation of the applicable Note, such Borrower will execute and deliver, in lieu thereof, a replacement Note, identical in form and substance to the applicable Note and dated as of the date of the applicable Note and upon such execution and delivery all references in the Loan Documents to such Note shall be deemed to refer to such replacement Note.

§32. TIME IS OF THE ESSENCE

Time is of the essence with respect to each and every covenant, agreement and obligation of Borrower under this Agreement and the other Loan Documents.

§33. RIGHTS OF THIRD PARTIES

This Agreement and the other Loan Documents are made and entered into for the sole protection and legal benefit of Borrower, the other Loan Parties, Lenders and Agent, and their permitted successors and assigns, and no other Person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Agreement or any of the other Loan Documents. All conditions to the performance of the obligations of Agent and Lenders under this Agreement, including the obligation to make Loans, are imposed solely and exclusively for the benefit of Agent and Lenders and no other Person shall have standing to require satisfaction of such conditions in accordance with their terms or be entitled to assume that Agent and Lenders will refuse to make Loans in the absence of strict compliance with any or all thereof and no other Person shall, under any circumstances, be deemed to be a beneficiary of such conditions, any and all of which may be freely waived in whole or in part by Agent and Lenders at any time if in their sole discretion they deem it desirable to do so.

§34. GUARANTY

§34.1 The Guaranty. __

(a) Each of Guarantors hereby jointly and severally guarantees to Agent for the benefit of the Lenders and each of the holders of the Obligations, as hereinafter provided, as primary obligor and not as surety, the prompt payment of the Obligations (the "Guaranteed Obligations") in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise) strictly in accordance with the terms thereof; provided, however, that the Guaranteed Obligations shall not include any Excluded Swap Obligations. Guarantors hereby further agree that if any of the Guaranteed Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise), Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of

the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise) in accordance with the terms of such extension or renewal.

(b) Notwithstanding any provision to the contrary contained herein, in any other of the Loan Documents or other documents relating to the Obligations, the obligations of each Guarantor under this Agreement and the other Loan Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the United States Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws of the United States from time to time in effect and affecting the rights of creditors generally (collectively, "Debtor Relief Laws") or any comparable provisions of any applicable state law.

§34.2 Obligations Unconditional.

The obligations of Guarantors under §34.1 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Loan Documents or other documents relating to the Obligations, or any substitution, compromise, release, impairment or exchange of any other guarantee of or security for any of the Guaranteed Obligations, and, to the fullest extent permitted by applicable law, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this §34.2 that the obligations of Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against Borrower or any other Guarantor for amounts paid under this §34 until such time as the Obligations have been irrevocably paid in full and the commitments relating thereto have expired or been terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Loan Documents, or other documents relating to the Guaranteed Obligations or any other agreement or instrument referred to therein shall be done or omitted;

(c) the maturity of any of the Guaranteed Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents or other documents relating to the Guaranteed Obligations, or any other agreement or instrument referred to therein shall be waived or any other guarantee of any of the Guaranteed Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with;

(d) any Lien granted to, or in favor of, Agent or any of the holders of the Guaranteed Obligations as security for any of the Guaranteed Obligations shall fail to attach or be perfected; or

(e) any of the Guaranteed Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest notice of acceptance of the guaranty given hereby and of Loans that may constitute obligations guaranteed hereby, notices of amendments, waivers and supplements to the Loan Documents and other documents relating to the Guaranteed Obligations, or the compromise, release or exchange of collateral or security, and all notices whatsoever, and any requirement that Agent or any holder of the Guaranteed Obligations exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents or any other documents relating to the Guaranteed Obligations or any other agreement or instrument referred to therein, or against any other Person under any other guarantee of, or security for, any of the Obligations.

§34.3 Reinstatement.

Neither Guarantors' obligations hereunder nor any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by an impairment, modification, change, release or limitation of the liability of Borrower or any other Guarantor, by reason of Borrower's or any other Guarantor's bankruptcy or insolvency or by reason of the invalidity or unenforceability of all or any portion of the Guaranteed Obligations. The obligations of Guarantors under this §34 shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings pursuant to any Debtor Relief Law or otherwise, and each Guarantor agrees that it will indemnify Agent and each holder of Guaranteed Obligations on demand for all reasonable out-of-pocket costs and expenses (including all reasonable fees, expenses and disbursements of any law firm or other outside counsel incurred by the Agent) incurred by Agent or such holder of Guaranteed Obligations in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any Debtor Relief Law.

§34.4 Certain Waivers.

Each Guarantor acknowledges and agrees that (a) the guaranty given hereby may be enforced without the necessity of resorting to or otherwise exhausting remedies in respect of any other security or collateral interests, and without the necessity at any time of having to take recourse against Borrower or any other Guarantor hereunder or against any collateral securing the Guaranteed Obligations or otherwise, (b) it will not assert any right to require the action first be taken against Borrower or any other Person (including any co-guarantor) or pursuit of any other remedy or enforcement any other right, and (c) nothing contained herein shall prevent or limit action being

taken against Borrower or any other Guarantor hereunder, under the other Loan Documents or the other documents and agreements relating to the Guaranteed Obligations or from foreclosing on any security or collateral interests relating hereto or thereto, or from exercising any other rights or remedies available in respect thereof, if none of Borrower nor Guarantors shall timely perform their obligations, and the exercise of any such rights and completion of any such foreclosure proceedings shall not constitute a discharge of Guarantors' obligations hereunder unless as a result thereof, the Guaranteed Obligations shall have been paid in full and the commitments relating thereto shall have expired or been terminated, it being the purpose and intent that Guarantors' obligations hereunder be absolute, irrevocable, independent and unconditional under all circumstances.

§34.5 Remedies.

Guarantors agree that, to the fullest extent permitted by Law, as between Guarantors, on the one hand, and Agent and the holders of the Guaranteed Obligations, on the other hand, the Guaranteed Obligations may be declared to be forthwith due and payable as provided in §12.1 (and shall be deemed to have become automatically due and payable in the circumstances provided in §12.1) for purposes of §34.1, notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Guaranteed Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Guaranteed Obligations being deemed to have become automatically due and payable), the Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by Guarantors for purposes of §34.1. Guarantors acknowledge and agree that if the Guaranteed Obligations are secured pursuant to the terms of the Security Documents, the holders of the Guaranteed Obligations may exercise their remedies thereunder in accordance with the terms thereof.

§34.6 Rights of Contribution.

Guarantors hereby agree as among themselves that, in connection with payments made hereunder, each Guarantor shall have a right of contribution from each other Guarantor in accordance with applicable law. Such contribution rights shall be subordinate and subject in right of payment to the Guaranteed Obligations until such time as the Guaranteed Obligations have been irrevocably paid in full and the commitments relating thereto shall have expired or been terminated, and none of Guarantors shall exercise any such contribution rights until the Guaranteed Obligations have been irrevocably paid in full and the commitments relating thereto shall have expired or been terminated.

§34.7 Guaranty of Payment; Continuing Guaranty.

The guarantee in this §34 is a guaranty of payment and not of collection, and is a continuing guarantee, and shall apply to all Guaranteed Obligations whenever arising.

§34.8 Special Provisions Applicable to Guarantors.

(a) Guarantors hereby agree, among themselves, that if any Guarantor shall become an Excess Funding Guarantor (as defined below) by reason of the payment by such Guarantor of any Obligations, each other Guarantor shall, on demand of such Excess Funding Guarantor (but subject to the next sentence), pay to such Excess Funding Guarantor an amount equal to such Guarantor's

Pro Rata Share (as defined below and determined, for this purpose, without reference to the properties, debts and liabilities of such Excess Funding Guarantor) of the Excess Payment (as defined below) in respect of such Obligations. The payment obligation of a Guarantor to any Excess Funding Guarantor under this §34.8(a) shall be subordinate and subject in right of payment to the prior payment in full of the obligations of such Guarantor under the other provisions of this Guaranty, and such Excess Funding Guarantor shall not exercise any right or remedy with respect to such excess until payment and satisfaction in full of all such obligations. For purposes of this §34.8(a), (i) "Excess Funding Guarantor" shall mean, in respect of any Obligations, a Guarantor that has paid an amount in excess of the amount of proceeds of Loans advanced to it by Borrower that have not been repaid as of the date of determination, plus its Pro Rata Share of the remaining portion of such Obligations, (ii) "Excess Payment" shall mean, in respect of any Obligations, the amount paid by an Excess Funding Guarantor in excess of the amount of proceeds of Loans advanced to it by Borrower that have not been repaid as of the date of determination, plus its Pro Rata Share of the remaining portion of such Obligations and (iii) "Pro Rata Share" shall mean, for any Guarantor, the ratio (expressed as a percentage) of (x) the amount by which the aggregate present fair saleable value of all properties of such Guarantor (excluding any shares of stock of any other Guarantor) exceeds the amount of all the debts and liabilities of such Guarantor (including contingent, subordinated, unmatured and unliquidated liabilities, but excluding the obligations of such Guarantor hereunder and any obligations of any other Guarantor that have been guaranteed by such Guarantor) to (y) the amount by which the aggregate fair saleable value of all properties of Borrower and all of Guarantors exceeds the amount of all the debts and liabilities (including contingent, subordinated, unmatured and unliquidated liabilities, but excluding the obligations of Borrower and Guarantors hereunder) of Borrower and all of Guarantors, all as of the Closing Date.

(b) Upon the execution and delivery of a Joinder Agreement (Guarantor) by any Subsidiary to the extent required by §5.1 of this Agreement, such Subsidiary shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor herein. The execution and delivery of any Joinder Agreement (Guarantor) adding an additional Guarantor as a party to this Agreement shall not require the consent of any other party hereto. The rights and obligations of each party hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor hereunder.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date first set forth above.

BORROWER:

CORENERGY INFRASTRUCTURE TRUST, INC., a Maryland corporation

By: /s/ David J. Schulte
Name: David J. Schulte
Title: Chief Executive Officer

[SIGNATURES CONTINUED ON FOLLOWING PAGES]

KEYBANK NATIONAL ASSOCIATION, as a Lender and as Agent

By: /s/ Virgil L. Hogan
Name: Virgil L. Hogan
Title: Vice President

KeyBank National Association
1200 Abernathy Road, NE
Suite 1550
Atlanta, Georgia 30328
Attn: Daniel Silbert
Facsimile: (770) 510-2195

Exhibit A

REVOLVING PROMISSORY NOTE

U.S. $_____ as of _____ ___, 2013

FOR VALUE RECEIVED, CORENERGY INFRASTRUCTURE TRUST, INC., a Maryland corporation, having an address of 4200 W. 115th Street, Suite 210, Leawood, Kansas 66211 (hereinafter referred to as "Maker"), promises to pay to _____ (hereinafter referred to as "Payee," Payee and any and all other holders of this Note being hereinafter collectively referred to as "Holder"), at the Agent's Office (as defined in the Credit Agreement) or such other place as Payee may designate in writing, the lesser of the principal sum of _____ AND NO/100 DOLLARS (U.S. $_____.00), or so much thereof as may be advanced pursuant to the Credit Agreement (defined herein), together with interest as provided in this note (this "Note"). All capitalized terms in this Note not otherwise defined herein shall be defined as set forth in the Credit Agreement (defined hereinafter). The terms of interest and repayment are as follows:

1. Interest. From and after the date hereof (until maturity, adjustment or default as hereinafter provided), interest shall accrue on the principal amount of this Note which is outstanding from time to time at the rate or rates provided in that certain Revolving Credit Agreement dated of even date, among Maker, Payee, the guarantors party thereto, KeyBank National Association as Agent thereunder, the other lenders party thereto and KeyBanc Capital Markets (as hereafter amended, modified, restated, renewed or extended and in effect from time to time, hereinafter referred to as the "Credit Agreement"). Interest shall be computed as set forth in the Credit Agreement. Accrued but unpaid interest only shall be due and payable as set forth in the Credit Agreement, with a final payment on the Maturity Date.

2. Principal. Principal shall be payable from time to time in the amounts and at the times provided in the Credit Agreement, with the entire outstanding principal balance hereunder becoming due and payable in full on the Maturity Date.

Notwithstanding any provisions in this Note, or in any instrument securing this Note, the total liability for payments legally regarded as interest shall not exceed the maximum limits imposed by applicable law, and any payment in excess of the amount allowed thereby shall, as of the date of such payment, automatically be deemed to have been applied to the payment of the principal evidenced hereby, or, if the principal has been fully repaid, shall be repaid to Maker upon demand. Any notation or record of Holder with respect to such required application which is inconsistent with the provisions of this paragraph shall be disregarded for all purposes and shall not be binding upon either Maker or Holder.

All sums payable under this Note shall be paid not later than 2:00 p.m. (Cleveland time) on the day when due in immediately available funds in lawful money of the United States of America. Whenever any payment to be made under this Note shall be stated to be due on a day other than a

Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall in such case be included in the computation of payment of interest.

All payments under this Note shall be made to Holder without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, restrictions or conditions of any nature now or hereafter imposed or levied by any jurisdiction or any political subdivision thereof or any taxing or other authority therein as and to the extent provided for in the Credit Agreement.

At the option of Holder, upon the occurrence and during the continuance of an Event of Default and subject to the provisions of the Credit Agreement, the entire principal amount outstanding under this Note, together with all accrued interest thereon and all other sums due under this Note, may be declared to be immediately due and payable in full, whereupon they shall become immediately due and payable in full, without further notice or demand. Failure to exercise such option shall not constitute a waiver of the right to exercise such option if an Event of Default has occurred and is continuing. Upon the occurrence of an Event of Default, Maker shall pay Holder all reasonable expenses and costs of collection, including, but not limited to, court costs and reasonable attorney's fees and disbursements as and to the extent provided for in the Credit Agreement. Time is of the essence of this Note.

To the extent permitted by applicable law and to the extent provided in the Credit Agreement, any amount of principal of this Note which is not paid when due after the passage of any cure period (whether at stated maturity, acceleration or otherwise) and any amount of interest under this Note which is not paid when due after the passage of any cure period, shall bear interest, from the date on which such overdue amount shall have become due and payable by Maker until payment in full (whether before or after judgment), payable on demand, at the Default Rate.

Maker may prepay the outstanding principal amount of this Note, or a portion thereof, only in accordance with the terms of the Credit Agreement. To the extent provided in the Credit Agreement, amounts so prepaid may be subject to reborrowing.

The obligations of the Maker under this Note and the Credit Agreement are secured by the Collateral. From time to time, without affecting the obligation of Maker or any sureties, guarantors, endorsers, accommodation parties or other persons liable or to become liable on this Note to pay the outstanding principal balance of this Note and observe the covenants of Maker contained herein, without giving notice to or obtaining the consent of Maker or any such sureties, guarantors, endorsers, accommodation parties or other persons, and without liability on the part of Holder, Holder may, at the option of Holder, grant extensions or postponements of the time for payment of the outstanding principal balance, interest or any part thereof, release anyone liable on any of said outstanding principal balance, accept a renewal of this Note, release or accept a substitution of all or any Collateral, join in any extension or subordination agreement, agree in writing with Maker to modify the rate of interest or terms and time of payment of outstanding principal balance or period of amortization, if any, of this Note or change the amount of the monthly installments, if any, payable hereunder, or grant any other indulgence or forbearance whatsoever. No one or more of such actions shall constitute a novation.

Maker and all sureties, guarantors, endorsers and accommodation parties hereof and all other persons liable or to become liable on this Note hereby waive presentment, notice of dishonor, protest and notice of protest and any and all lack of diligence or delays in collection or enforcement of this Note. This Note shall be the joint and several obligation of Maker and all sureties, guarantors, endorsers, accommodation parties and all other persons liable or to become liable on this Note, and shall be binding upon them and their heirs, legal representatives, successors and assigns.

Each notice, demand, election or request provided for or permitted to be given pursuant to this Note shall be given in the manner provided in the Credit Agreement.

This Note is issued pursuant to, is entitled to the benefits of, is a "Note" as defined in, and is subject to the provisions of the Credit Agreement. In the event of any conflict between the terms of this Note and the Credit Agreement, the terms of the Credit Agreement shall control. The indebtedness evidenced by this Note is secured by, among other things, certain real property.

This Note may be transferred pursuant to and in accordance with the registration and other provisions of the Credit Agreement.

This Note and the obligations of Maker hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of New York (excluding the laws applicable to conflicts or choice of law).

MAKER HEREBY IRREVOCABLY AND UNCONDITIONALLY (A) SUBMITS TO PERSONAL JURISDICTION IN THE STATE OF NEW YORK OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE, AND (B) WAIVES ANY AND ALL PERSONAL RIGHTS UNDER THE LAWS OF ANY STATE (I) TO THE RIGHT, IF ANY, TO TRIAL BY JURY, (II) TO OBJECT TO JURISDICTION WITHIN THE STATE OF NEW YORK OR VENUE IN ANY PARTICULAR FORUM WITHIN THE STATE OF NEW YORK, AND (III) TO THE RIGHT, IF ANY, TO CLAIM OR RECOVER ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN ACTUAL DAMAGES. MAKER AGREES THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO MAKER AT THE ADDRESS SET FORTH ABOVE, AND SERVICE SO MADE SHALL BE COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL BE SO MAILED. NOTHING CONTAINED HEREIN, HOWEVER, SHALL PREVENT HOLDER FROM BRINGING ANY SUIT, ACTION OR PROCEEDING OR EXERCISING ANY RIGHTS AGAINST ANY SECURITY AND AGAINST MAKER, AND AGAINST ANY PROPERTY OF MAKER, IN ANY OTHER STATE. INITIATING SUCH SUIT, ACTION OR PROCEEDING OR TAKING SUCH ACTION IN ANY STATE SHALL IN NO EVENT CONSTITUTE A WAIVER OF THE AGREEMENT CONTAINED HEREIN THAT THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN THE RIGHTS AND OBLIGATIONS OF MAKER AND HOLDER HEREUNDER OR THE SUBMISSION HEREIN MADE BY MAKER TO PERSONAL JURISDICTION WITHIN THE STATE OF NEW YORK.

This Note may not be amended, modified, or changed, nor shall any waiver of any provision hereof be effective, except only by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

Whenever used herein, the words "Maker," "Payee" and "Holder" shall be deemed to include their respective heirs, legal representatives, successors and assigns.

[EXECUTION ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Maker has caused this Note to be executed and delivered as of the date first above written.

MAKER:

CORENERGY INFRASTRUCTURE TRUST, INC., a Maryland corporation

By: __

Name:__

Title:__

Exhibit B

Compliance Certificate
[on Borrower's letterhead]

To: KeyBank National Association, as Administrative Agent
1200 Abernathy Road, N.E. - Suite 1550
Atlanta, Georgia 30328
Attn: Daniel Silbert

Re: Compliance Certificate dated _____

Ladies and Gentlemen:

Reference is made to that certain Revolving Credit Agreement, dated as of May ____, 2013, as amended from time to time (the "Loan Agreement"), among CorEnergy Infrastructure Trust, Inc. ("Borrower"), the guarantors party thereto, certain lenders party thereto and KeyBank National Association, as Agent. Capitalized terms used in this Compliance Certificate have the meanings set forth in the Loan Agreement unless specifically defined herein.

Pursuant to Section 7.4(c) of the Loan Agreement, the undersigned Principal Financial Officer of Borrower hereby certifies that:

1. The financial information of Borrower furnished in Schedule 1 attached hereto, has been prepared in accordance with GAAP [(other than the inclusion of footnotes)] and fairly presents in all material respects the financial condition of Borrower and its Subsidiaries [(subject to year end adjustments)].

2. Such officer has reviewed the terms of the Loan Agreement and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and condition of Borrower during the accounting period covered by the financial statements delivered pursuant to Section 7.4 of the Loan Agreement.

3. Such review has not disclosed the existence on and as of the date hereof, and the undersigned does not have knowledge of the existence as of the date hereof, of any event or condition that constitutes a Default or Event of Default, except for such conditions or events listed on Schedule 2 attached hereto, specifying the nature and period of existence thereof and what action the Loan Parties have taken, are taking, or propose to take with respect thereto. Without limiting the generality of the foregoing, the Loan Parties are in compliance with the covenants contained in Section 8.6, if applicable, and Section 9 of the Loan Agreement as demonstrated on Schedule 3 hereof.

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned this _____ day of _____, _____.

__

Name:__

Title:__

Exhibit C

FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

ASSIGNMENT AND ACCEPTANCE

This Assignment and Acceptance (the "Assignment and Acceptance") is dated as of the Effective Date set forth below and is entered into by and between [the][each] Assignor identified in item 1 below ([the][each, an] "Assignor") and [the][each] Assignee identified in item 2 below ([the][each, an] "Assignee"). It is understood and agreed that the rights and obligations of the Assignors and the Assignees hereunder are several and not joint. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified in items below (as amended, restated, supplemented or otherwise modified, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by [the][each] Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below (including without limitation any letters of credit, guarantees, and Swing Line loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] "Assigned Interest"). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Acceptance, without representation or warranty by [the][any] Assignor.

1. Assignor[s]: _____

_____

2.Assignee[s]: _____

_____

[for each Assignee, indicate [Affiliate] of [*identify Lender*]

3.Borrower: CorEnergy Infrastructure Trust, Inc.

4.Agent: KeyBank National Association, as the agent under the Credit Agreement

5.Credit Agreement: That certain Revolving Credit Agreement dated as of May ____, 2013 among, the Guarantors (as defined therein) party thereto from time to time, the Lenders parties thereto, and KeyBank National Association, as the Agent.

6.Assigned Interest[s]:

Assignor[s]	Assignee[s]	Facility Assigned	Aggregate Amount of Commitment/ Loans for all Lenders	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/ Loans	CUSIP Number
			$	$	%	
			$	$	%	
			$	$	%	

[7. Trade Date: _____]

[Signature page follows]

Effective Date: _____ ___, 20___ [TO BE INSERTED BY THE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Acceptance are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By:_____
Title:

ASSIGNEE]
[NAME OF ASSIGNEE]

By:_____
Title:

[Consented to and] Accepted:

KeyBank National Association, a national banking association, as Agent

By:_____
Name:_____
Title:_____

CorEnergy Infrastructure Trust, Inc.

By:_____
Name:_____
Title:_____

ANNEX 1

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under §18 of the Credit Agreement (subject to such consents, if any, as may be required under § 27 of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to §7.4 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon the Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase [the][such] Assigned Interest, and (vii) if it is a foreign lender (as contemplated by §18.11 of the Credit Agreement), attached to the Assignment and Acceptance is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action

under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2 . Payments. From and after the Effective Date, the Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Acceptance shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Acceptance by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance. This Assignment and Acceptance shall be governed by, and construed in accordance with, the law of the State of New York, without regard to the conflict of laws principles thereof.

Exhibit D

Form of Loan Request

KeyBank National Association
1200 Abernathy Road, N.E. - Suite 1550
Atlanta, Georgia 30328
Attn: Daniel Silbert

Ladies and Gentlemen:

Pursuant to the provisions of §2.5 of the Revolving Credit Agreement dated as of May ____, 2013 (together with all amendments, modifications, restatements, and supplements thereto, the "Credit Agreement") among CorEnergy Infrastructure Trust, Inc.; the Guarantors from time to time party thereto; KeyBank National Association (the "Agent"); and the other Lenders party thereto, the undersigned hereby certifies as follows (all capitalized terms not otherwise defined herein shall have the meanings ascribed thereto under the Credit Agreement):

a. Loan. The Borrower hereby requests the following Loan:

Principal Amount: $_____

Type (LIBOR Rate Loan or Base Rate Loan): _____

Drawdown Date: _____

Interest Period (if LIBOR Rate Loan is selected): _____

by wire transfer to the Advance Account.

b. Use of Proceeds. Such Loan shall be used for a purpose permitted by §2.7 of the Credit Agreement.

c. No Default. The undersigned officer of Borrower certifies that no Default or Event of Default has occurred and is continuing, except as may be disclosed in an attachment to this Loan Request.

d. Representations True. Each of the representations and warranties made by the Loan Parties contained in the Loan Documents is true in all material respects at and as of the Drawdown Date for the Loan requested hereby (except to the extent of changes resulting from transactions not prohibited by the Loan Documents, or except to the extent that such representations and warranties relate expressly to an earlier date, in which latter case such representations and warranties are true in all material respects as of such earlier date).

e. Other Conditions. All other conditions to the making of the Loan requested hereby set forth in §11 of the Credit Agreement have been satisfied.

IN WITNESS WHEREOF, Borrower has executed this Loan Request as of this _____ day of _____, 20_____.

CORENERGY INFRASTRUCTURE TRUST, INC.

By:__
Name:__
Title:__

Exhibit E

Form of Borrowing Base Certificate

CERTIFICATE DATE:

To: KeyBank National Association, as Agent
1200 Abernathy Road, N.E. - Suite 1550
Atlanta, Georgia 30328

Ladies and Gentlemen:

Reference is made to that certain Revolving Credit Agreement, dated as of May ____, 2013 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement") among CorEnergy Infrastructure Trust, Inc., the Guarantors party thereto from time to time, KeyBank National Association (the "Agent") on behalf of itself and the other Lenders party thereto (all capitalized terms not otherwise defined herein shall have the meanings ascribed thereto under the Credit Agreement).

The undersigned Principal Financial Officer of Borrower, in his capacity as such, hereby certifies and warrants to the Agent and the Lenders as follows:

I. The undersigned is a duly qualified and acting Principal Financial Officer of Borrower and is familiar with the financial statements and financial affairs of Borrower and the other Loan Parties. The undersigned is authorized to execute this Borrowing Base Certificate on behalf of Borrower.

II. Attached hereto as Schedule 1 are true and correct computations of the Borrowing Base under the Credit Agreement as of the date set forth below.

Borrower, on behalf of each Loan Party, further represents and warrants to the Agent and the Lenders that the representations and warranties contained in §6 of the Credit Agreement are true and correct in all material respects on and as of the date of this Borrowing Base Certificate as if made on and as of the date hereof (except to the extent of changes resulting from transactions not prohibited by the Loan Documents, or except to the extent that such representations and warranties relate expressly to an earlier date, in which latter case such representations and warranties are true and correct in all material respects as of such earlier date), and that no Default or Event of Default has occurred and is continuing, except as disclosed in an attachment to this Borrowing Base Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Borrower has caused this Borrowing Base Certificate to be executed and delivered on this ___ day of _____, 20____.

CORENERGY INFRASTRUCTURE TRUST, INC.

By: _____

Name: _____

Its: _____

Schedule 1 to Borrowing Base Certificate

EXHIBIT F

PATRIOT ACT AND OFAC TRANSFEREE AND
ASSIGNEE IDENTIFYING INFORMATION FORM

1. Patriot Act Checklist

ADDITIONAL LENDER REQUIRED INFORMATION	
Name:	
Identification (a) (US Company) TIN (b) (Non-US) Gov't issued document certifying existence	(a) _____ (b) _____
Phone Number	
BUSINESS REPRESENTATIVE REQUIRED INFORMATION PERSON WHO WILL EXECUTE DOCUMENTS	
Name	
Residential Address	
Date of Birth	
Form of Identification (a) (US Citizen) Social Security Number (b) (No-US) TIN, Passport Number (country of issuance, number & date), or Alien Identification Number	(a) _____ (b) _____

2. OFAC Checklist:

Name:	
Co-Lenders	
General Partner/Managing Member/Trustee	
Limited Partners/Members/Beneficiaries	

Exhibit G

Form of Joinder Agreement (Guarantor)

THIS JOINDER AGREEMENT ("Joinder Agreement") is executed as of _____ _____, 20_____, by _____, a _____("Joining Party"), and delivered to KeyBank National Association ("KeyBank"), as Agent, pursuant to §5.1(a) of the Revolving Credit Agreement dated as of May ____, 2013 (as amended, restated, supplemented or modified from time to time, the "Credit Agreement"), among CorEnergy Infrastructure Trust, Inc., the Guarantors from time to time a party thereto, KeyBank, for itself and as the Agent, and the other Lenders from time to time party thereto. Terms used but not defined in this Joinder Agreement shall have the meanings defined for those terms in the Credit Agreement.

RECITALS

(A) Joining Party is required, pursuant to §5.1(a) of the Credit Agreement, to become an additional Guarantor under the Credit Agreement and a party to all the other Loan Documents to which any such existing Guarantor is a party, including, without limitation, the Credit Agreement and the guaranty provisions thereof.

(B) Joining Party expects to realize direct and indirect benefits as a result of the availability to Borrower of the credit facilities under the Credit Agreement.

NOW, THEREFORE, for and in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Joining Party agrees as follows:

AGREEMENT

1. Joinder. By this Joinder Agreement, the Joining Party hereby becomes a "Guarantor" under the Credit Agreement and agrees to be jointly and severally liable for all the Obligations of a Guarantor now or hereafter incurred under the Credit Agreement and the other Loan Documents. Joining Party agrees that Joining Party is and shall be bound by, and hereby assumes, all representations, warranties, covenants, terms, conditions, duties and waivers applicable to a Guarantor under the Credit Agreement and the other Loan Documents, including, without limitation, the terms and provisions of §34 of the Credit Agreement.

2. Representations and Warranties of Joining Party. Joining Party represents and warrants to Agent and Lenders that, as of the Effective Date (as defined below), except as disclosed in writing by Joining Party to Agent on or prior to the date hereof and approved by the Agent in writing (which disclosures shall be deemed to amend the Schedules and other disclosures delivered as contemplated in the Credit Agreement), the representations and warranties made by Joining Party as a Guarantor under the Credit Agreement are true and correct in all material respects as applied to Joining Party as a Guarantor on and as of date hereof (except to the extent such representations and warranties expressly relate to an earlier date). As of the Effective Date, Joining Party hereby

represents and warrants that no Default or Event of Default shall be caused by the joinder of it provided for hereunder.

3. Further Assurances. Joining Party agrees to execute and deliver such other instruments and documents and take such other action, as the Agent may reasonably request to evidence its joinder as a Guarantor under the Loan Documents.

4. GOVERNING LAW. THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACTUAL OBLIGATION UNDER, AND SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW).

5. The effective date (the "Effective Date") of this Joinder Agreement is _____ ___, 20___.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the Effective Date.

JOINING PARTY

_____,

a _____

By:_____
Name: _____
Title: _____

ACKNOWLEDGED:

KEYBANK NATIONAL ASSOCIATION, as Agent

By: _____
Name: _____
Title: _____

SCHEDULE 1.1

Lenders and Commitments

Lender	**Commitment**
KeyBank National Association	$20,000,000.00

SCHEDULE 6.7

Litigation

None.

SCHEDULE 6.10

Tax Audits

None.

SCHEDULE 6.15

Transactions with Affiliates

Management or advisory agreements to which the Borrower is a party from time to time, as such agreements may be amended, restated or otherwise modified from time to time.

SCHEDULE 6.20(f)

Unresolved Real Estate Claims or Disputes

None.

SCHEDULE 6.20(g)

Material Real Estate Agreements

None.

Exhibit 31.1

CERTIFICATIONS

I, David J. Schulte, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CorEnergy Infrastructure Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2013

/s/ David J. Schulte

David J. Schulte

Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Rebecca M. Sandring, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CorEnergy Infrastructure Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2013

/s/ Rebecca M. Sandring

Rebecca M. Sandring

Chief Accounting Officer/Treasurer

Exhibit 32.1 **SECTION 906 CERTIFICATION**

Pursuant to U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2001, the undersigned officers of CorEnergy Infrastructure Trust, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013, filed with the Securities and Exchange Commission on the date hereof (the "Report"), fully complies with the requirements of Section13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David J. Schulte

David J. Schulte

Chief Executive Officer

Date: May 10, 2013

/s/ Rebecca M. Sandring

Rebecca M. Sandring

Chief Accounting Officer, Treasurer

Date: May 10, 2013

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this report. **A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.**