



Prepared by, recording requested by  
and when recorded return to:

Gibson, Dunn & Crutcher LLP  
555 Mission Street, Suite 3000  
San Francisco, California 94105-2933  
Attention: Deborah Cussen, Esq.  
PH NA

**Indexing: Lots 9 & 10, The Crossings at Olive Branch, Phase II,  
S29, T1S, R6W, DeSoto County, MS, Plat Book 87, Page 10**

(for recorder only)

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NEGATIVE PLEDGE AGREEMENT

by and between

LSREF2 BARON, LLC

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

Dated: February 2, 2012

**ALL PERSONS ARE HEREBY DEEMED ON NOTICE THAT PLEDGOR HAS AGREED AND  
COVENANTED TO NOT SELL, CONVEY, ENCUMBER, PLEDGE, HYPOTHECATE OR  
OTHERWISE DISPOSE OF THE PROPERTY OR ANY PORTION THEREOF OR INTEREST  
THEREIN UNTIL SUCH TIME AS A TERMINATION OF THIS AGREEMENT EXECUTED  
BY PLEDGEE HAS BEEN RECORDED IN THE OFFICIAL RECORDS WHERE THE  
PROPERTY IS LOCATED**

## NEGATIVE PLEDGE AGREEMENT

THIS NEGATIVE PLEDGE AGREEMENT (this "*Agreement*") made this 2nd day of February, 2012 by and between LSREF2 BARON, LLC, a Delaware limited liability company ("*Pledgor*"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("*Pledgee*").

## WITNESSETH:

WHEREAS, pursuant to the terms of that certain Purchase and Repurchase Agreement and Securities Contract by and among LSREF2 Baron Trust 2011, a Delaware statutory trust ("*Seller 2*"; together with Pledgor, "*Seller*"), Pledgor and Pledgee dated as of September 20, 2011, (as amended, supplemented, replaced or modified from time to time, "*Repurchase Agreement*"), Pledgee has agreed to purchase the Purchased Loans (as defined in the Repurchase Agreement) from Seller, and Seller has agreed to repurchase the Purchased Loans from Pledgee at a later date (together with all other Obligations of Seller under the Repurchase Agreement or any agreement related thereto, the "*Repurchase Obligations*"), all as more particularly set forth in the Repurchase Agreement.

WHEREAS, as a condition precedent to Pledgee's agreement to enter into the Repurchase Agreement, Pledgee requires that Pledgor enter into this Agreement affecting those premises located at 7796 Craft-Goodman Frontage Road, Olive Branch, Mississippi and more particularly described on Exhibit A attached hereto (the "*Property*").

NOW, THEREFORE, IN CONSIDERATION OF OBLIGATIONS OF THE PARTIES SET FORTH HEREIN AND IN THE OTHER TRANSACTION DOCUMENTS AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND LEGAL SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, AND IN ORDER TO INDUCE THE PLEDGEE TO ENTER INTO THE REPURCHASE AGREEMENT, IT IS AGREED AS FOLLOWS:

1. All initially capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Repurchase Agreement.
2. Pledgor warrants and represents to Pledgee that Pledgor is the sole owner of the Property free and clear of any and all liens or claims or encumbrances of any nature whatsoever except for Permitted Encumbrances.
3. Pledgor agrees that it will defend, at Pledgor's expense, the Property against all claims and demands of all persons at any time claiming the same or any interest therein.
4. Pledgor agrees that it will not, except as to personal property in the ordinary course of business, or in accordance with the terms of the Repurchase Agreement, by operation of law or otherwise, transfer, sell, convey, encumber, pledge, hypothecate or otherwise dispose of the Property or any portion thereof or interest therein, or any of the personal property used in the operation of the Property, whether now or hereafter existing or now owned or hereafter acquired.
5. This is an absolute, unconditional and continuing Agreement and will remain in full force and effect until the Repurchase Obligations have been fully satisfied. This Agreement will extend to and cover renewals, extensions and modifications of the Repurchase Obligations and any number of extensions of time for payment or performance thereof and will not be affected by any surrender, exchange, acceptance, or release by Pledgee of any pledge or any security held by it for any of the Repurchase Obligations.

6. **ALL PERSONS ARE HEREBY DEEMED ON NOTICE THAT PLEDGOR HAS AGREED AND COVENANTED TO NOT SELL, CONVEY, ENCUMBER, PLEDGE, HYPOTHECATE OR OTHERWISE DISPOSE OF THE PROPERTY OR ANY PORTION THEREOF OR INTEREST THEREIN UNTIL SUCH TIME AS A TERMINATION OF THIS AGREEMENT EXECUTED BY PLEDGEE HAS BEEN RECORDED IN THE OFFICIAL RECORDS WHERE THE PROPERTY IS LOCATED.**

7. This Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi and no defense given or allowed by the laws of any state or country shall be interposed in any action or proceeding hereon unless such defense is also given or allowed by the laws of the State of Mississippi.

8. This Agreement may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of such change or termination is sought.

9. This Agreement may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Agreement.

10. Pledgor hereby (a) represents and warrants that the Property is an REO Property (as defined in the Repurchase Agreement) and that Sellers are subject to the covenants and obligations with regard to the Property as an REO Property as set forth in the Repurchase Agreement, and (b) as of the date hereof, makes the representations and warranties to Beneficiary set forth in the Repurchase Agreement which are applicable to the Property as an REO Property.

11. **PLEDGOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). PLEDGOR (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (b) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SECTION.**

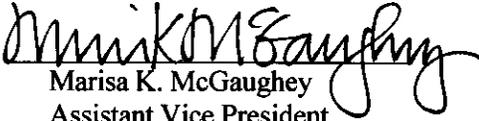
12. **PLEDGOR ACKNOWLEDGES THAT ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST PLEDGEE OR PLEDGOR ARISING OUT OF OR RELATING TO THIS AGREEMENT MAY, AT PLEDGEE'S OPTION, BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE CITY OF NEW YORK, COUNTY OF NEW YORK, AND PLEDGOR WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND PLEDGOR HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING.**

The parties hereto agree this Agreement is in a form acceptable for recording and shall be recorded in the land records of the county where the Property is located.

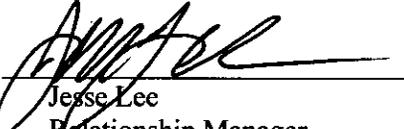
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IN WITNESS WHEREOF, Pledgor and Pledgee have executed this Negative Pledge Agreement as of the day and year first above written.

**LSREF2 BARON, LLC,**  
a Delaware limited liability company

By:   
Marisa K. McGaughey  
Its: Assistant Vice President

**WELLS FARGO BANK, N.A.**

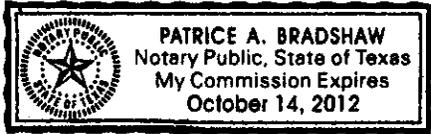
By:   
Jesse Lee  
Its: Relationship Manager

STATE OF TEXAS §  
§  
COUNTY OF DALLAS §

Before me the undersigned, a Notary Public in and for said County and State, personally appeared <sup>Assistant</sup> ~~Marcel~~ *Marisa K. McBanquet* ~~Lipshy~~, the Vice President of LSREF2 BARON, LLC, a Delaware limited liability company, known to me, and thereupon he acknowledged that he was authorized to execute the within instrument on behalf of said limited liability company, and that he executed said instrument as the voluntary act of the said limited liability company, and for the purposes and consideration expressed therein and in the capacity stated therein.

Given under my hand and seal of office this 2nd day of ~~January~~ <sup>February</sup>, A.D., 2012.

(Seal)



*Patrice A. Bradshaw*, Notary Public

(signature of Notary Public)

My Commission Expires: 10-14-12

STATE OF CALIFORNIA )

COUNTY OF Los Angeles )

On January 19, 2012 before me, Aruena Delacruz, a Notary Public, personally appeared Jesse Lee, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *[Handwritten Signature]*  
(Seal)

## EXHIBIT A

## LEGAL DESCRIPTION OF PROPERTY

Lots 9 & 10 of the Crossings at Olive Branch, Phase II, situated in Section 29, Township 1 South, Range 6 West, DeSoto County Mississippi, as per plat thereof recorded 05/17/2004 in Plat Book 87, Page 10, in the office of the Chancery Clerk of DeSoto County, Mississippi.

**Additional insured property interests:**

**Reciprocal Access Servitude Agreement by and between Wal-Mart Real Estate Business Trust & Bolton Properties, LLC recorded on 5/3/02 in Book 418, Page 485 and re-recorded on 1/31/03 in Book 437, Page 70.**

**Easements with Covenants and Restrictions by Bolton Properties, LLC in Book 433, Page 466 and Book 440, Page 516.**

**Amendments to Easements with Covenants and Restrictions between Bolton Properties, LLC, Home Depot U.S.A. Inc. & Orange Grove Utilities, Inc. in Book 460, Page 593.**

**Joint Driveway, Pylon and Restrictive Covenants Agreement between Bolton Properties and Home Depot U.S.A. in Book 460, Page 606.**

**Restrictive Covenants and Easement Agreement dated simultaneously herewith by and between DS Investments Olive Branch, LLC and Home Depot U.S.A., Inc., recorded simultaneously herewith in the Chancery Clerk's office, Desoto County, Mississippi**