



FEASIBILITY STUDY

Proposed Waterfront Hotel

BROADWAY STREET & THE EMBARCADERO
SAN FRANCISCO, CALIFORNIA

SUBMITTED TO:

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PREPARED BY:

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May 6, 2016

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Re: Proposed Waterfront Hotel
San Francisco, California
HVS Reference: 2015040272, 2015250020

Dear Mr. Tijani:

Pursuant to your request, we herewith submit our financial feasibility study pertaining to the above-captioned property. This report corresponds to Phase Four and Phase Five, Subsection 1 of our engagement with the Port of San Francisco; many of the data points and conclusions surrounding the market area and the proposed subject property were detailed in our market study that was submitted to you on January 15, 2016 as the first deliverable for Phases One and Two of our engagement. For more detailed information and support for the conclusions that are included in this report, please refer to our market study.

Our report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), as provided by the Appraisal Foundation. We hereby certify that we have no undisclosed interest in the property, and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

Sincerely,
M&R Valuation Services, Inc.



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1. Executive Summary

Objective of the Feasibility Study

HVS has been engaged by the Port of San Francisco to provide consulting services pertaining to the development of a mixed-use hotel/dinner theater complex on a commercial site located in San Francisco, California. A Phase One market study for the project has already been completed by HVS. Phase Four of this six-phase engagement is to perform a financial feasibility study in order to determine if the proposed project is financially viable, while Phase Five Subsection 1 of our engagement is to perform an analysis of the project developer's financing plan and strategy. Our work for Phase Four and Phase Five Subsection 1 is included in this report.

Identification of the Client, Intended User, and Intended Use of the Feasibility Study

The client for this assignment is the Port of San Francisco; this report is intended for the addressee firm and may not be distributed to or relied upon by other persons or entities. This feasibility study is being prepared for the Port of San Francisco's use in structuring a ground lease with the developer of the proposed subject property. We note that as a part of determining the feasibility of the project, we developed a prospective opinion of value as of the date of the property's assumed opening in order to compare the market value to the proposed development cost. Furthermore, internal rates of return to the developer were analyzed based on several different financing scenarios. The value conclusions set forth in this report are to be used in the context of determining feasibility and/or the expected rates of return to the investors; this report is not intended for use as an appraisal for project financing.

Key Analyses and Conclusions

The key Phase Four and Phase Five Subsection 1 analyses and conclusions regarding the proposed subject property and its development are summarized here. These topics are covered in more detail throughout the body of the report.

Market-wide Hotel Supply and Demand

- The San Francisco lodging market is currently very strong. In general, hotels are operating at peak levels of occupancy and average rate, resulting from the plethora of demand generators in and around the city, the balanced mix of market segments, and minimal supply growth in recent years. Overall occupancies have reached the mid- to high-80% range, and operators are expected to continue operating with price-driven revenue strategies. Double-digit average rate increases over the past five years have significantly improved the profitability of San Francisco hotels and have now reached a level that supports new hotel development.

- Although the San Francisco market offers a number of independent and boutique hotel properties, many of these hotels feature outdated improvements or aging structures that were converted to hotels from older existing buildings. There are few upper upscale, four star boutique/lifestyle hotels in San Francisco and even fewer hotels featuring ground-up construction within the past 20 years; furthermore, boutique hotel products are becoming increasingly more popular among travelers in the city and the industry at large. The proposed subject property is expected to provide a unique, upper upscale boutique lodging product in the highly desirable San Francisco market. “Upper upscale” is a product classification defined by Smith Travel Research (STR) that is positioned below a five-star luxury hotel and above three-star full- and select- service hotels.

Subject Site and Proposed Subject Property Positioning

- The subject site features an excellent location on The Embarcadero, across from the San Francisco waterfront. Its location is proximate to many of San Francisco’s major attractions and demand generators. Views of the San Francisco Bay, the Bay Bridge, and other scenery are available from the site. While a handful of hotels are located proximate to San Francisco’s waterfront, most of them are located in the tourist oriented Fisherman’s Wharf neighborhood. The closest comparable to the proposed subject property, both in terms of location and product offering, is the Hotel Vitale, which is positioned as San Francisco’s most successful boutique hotel. It is our opinion that an upper upscale boutique hotel product complete with a dinner theater operated by Teatro ZinZanni, as proposed by the developer, would be the highest and best use of the subject site.
- The developer of the project is known as TZK Broadway, LLC; current development plans for the subject site include an upscale boutique hotel and a dinner theater that will be operated by Teatro ZinZanni. It is important to note that a Teatro ZinZanni location existed on The Embarcadero at Pier 29 from 2000 to 2011, and was reported to be a very popular and sought-after venue. Given the subject site attributes and the expected quality of the proposed hotel, it would be reasonable to assume that the proposed subject property will be able to attain an occupancy level in the mid-80% range on a stabilized basis. Furthermore, we believe that the hotel could achieve an average rate at the high end of the range determined by comparable boutique properties in San Francisco, and at a slight discount to the rate of the Hotel Vitale. Our positioning of the proposed subject property’s average rate and its potential operating

performance are detailed in the Forecast of Income and Expense chapter of this report.

- The subject property is forecast to stabilize at an occupancy of 85% and an average rate of \$517.00 in 2023, ramping up from a projected 80% occupancy and an average rate of \$450.00 in 2019, the year that the hotel is anticipated to open. The proposed subject property is expected to be one of the city's highest rated boutique hotels.

Forecast of Income and Expense

- The consultants evaluated the pro forma prepared by TZK Broadway and benchmarked the projected performance against income and expense statements of comparable hotels. Based on this analysis, the developer's pro forma was considered well supported and attainable. As discussed in more detail in the Forecast of Income and Expense chapter of this report, HVS prepared a forecast of income and expense that was based in large part on the forecast that was prepared by TZK Broadway. However, some modifications were made to the developer's forecast, including the consolidation of certain line items and the use of our fixed and variable model in forecasting each line item. The following charts display our ten-year forecast of income and expense.

FIGURE 1-1 HVS FORECAST – TEN-YEAR FORECAST OF INCOME AND EXPENSE – PROPOSED WATERFRONT HOTEL, SAN FRANCISCO, CA

Construction Period			Operation Period																			
2016	2017	2018	2019		2020		2021		2022		2023		2024		2025		2026		2027		2028	
Number of Rooms:			170		170		170		170		170		170		170		170		170		170	
Occupied Rooms:			49,640		52,743		52,743		52,743		52,743		52,743		52,743		52,743		52,743		52,743	
Occupancy:			80%		85%		85%		85%		85%		85%		85%		85%		85%		85%	
Average Rate:			\$450.00	% of	\$473.00	% of	\$487.00	% of	\$502.00	% of	\$517.00	% of	\$533.00	% of	\$549.00	% of	\$565.00	% of	\$582.00	% of	\$599.00	% of
RevPAR:			\$360.00	Gross	\$402.05	Gross	\$413.95	Gross	\$426.70	Gross	\$439.45	Gross	\$453.05	Gross	\$466.65	Gross	\$480.25	Gross	\$494.70	Gross	\$509.15	Gross
OPERATING REVENUE																						
Rooms			\$22,623	64.9 %	\$25,241	65.9 %	\$25,988	65.6 %	\$26,788	65.4 %	\$27,589	65.0 %	\$28,416	65.0 %	\$29,269	65.0 %	\$30,147	65.0 %	\$31,051	65.0 %	\$31,983	65.0 %
Food & Beverage			6,803	19.5	7,330	19.1	7,565	19.1	7,807	19.0	8,056	19.0	8,314	19.0	8,580	19.0	8,838	19.0	9,103	19.0	9,376	19.0
Catering			4,093	11.8	4,365	11.4	4,637	11.7	4,909	12.0	5,248	12.4	5,405	12.4	5,567	12.4	5,734	12.4	5,906	12.4	6,083	12.4
Miscellaneous Income			1,315	3.8	1,375	3.6	1,426	3.6	1,479	3.6	1,534	3.6	1,580	3.6	1,627	3.6	1,676	3.6	1,726	3.6	1,778	3.6
Total Operating Revenue			34,834	100.0	38,311	100.0	39,616	100.0	40,983	100.0	42,426	100.0	43,715	100.0	45,043	100.0	46,395	100.0	47,787	100.0	49,220	100.0
DEPARTMENTAL EXPENSES*																						
Rooms			6,059	26.8	6,392	25.3	6,583	25.3	6,781	25.3	6,984	25.3	7,194	25.3	7,410	25.3	7,632	25.3	7,861	25.3	8,097	25.3
Food & Beverage			6,557	96.4	6,890	94.0	7,097	93.8	7,310	93.6	7,529	93.5	7,755	93.3	7,988	93.1	8,227	93.1	8,474	93.1	8,728	93.1
Catering			3,393	82.9	3,557	81.5	3,721	80.2	3,885	79.1	4,088	77.9	4,168	77.1	4,293	77.1	4,422	77.1	4,554	77.1	4,691	77.1
Total			16,010	46.0	16,839	44.0	17,401	43.9	17,975	43.9	18,601	43.8	19,117	43.7	19,690	43.7	20,281	43.7	20,889	43.7	21,516	43.7
DEPARTMENTAL INCOME			18,824	54.0	21,472	56.0	22,215	56.1	23,008	56.1	23,825	56.2	24,599	56.3	25,353	56.3	26,114	56.3	26,897	56.3	27,704	56.3
UNDISTRIBUTED OPERATING EXPENSES																						
Administrative & General			2,462	7.1	2,585	6.7	2,666	6.7	2,749	6.7	2,835	6.7	2,921	6.7	3,008	6.7	3,098	6.7	3,191	6.7	3,287	6.7
Marketing			1,116	3.2	1,172	3.1	1,208	3.1	1,246	3.0	1,285	3.0	1,324	3.0	1,364	3.0	1,405	3.0	1,447	3.0	1,490	3.0
Prop. Operations & Maint.			1,034	3.0	1,086	2.8	1,120	2.8	1,155	2.8	1,191	2.8	1,227	2.8	1,264	2.8	1,302	2.8	1,341	2.8	1,381	2.8
Utilities			690	2.0	724	1.9	747	1.9	770	1.9	794	1.9	818	1.9	843	1.9	868	1.9	894	1.9	921	1.9
Park Maintenance/Security			217	0.6	228	0.6	235	0.6	243	0.6	250	0.6	258	0.6	266	0.6	274	0.6	282	0.6	290	0.6
Total			5,520	15.9	5,796	15.1	5,976	15.1	6,163	15.0	6,357	15.0	6,547	15.0	6,744	15.0	6,946	15.0	7,155	15.0	7,369	15.0
GROSS HOUSE PROFIT			13,304	38.1	15,676	40.9	16,239	41.0	16,845	41.1	17,468	41.2	18,051	41.3	18,609	41.3	19,168	41.3	19,743	41.3	20,335	41.3
Management Fee			1,045	3.0	1,149	3.0	1,188	3.0	1,229	3.0	1,273	3.0	1,311	3.0	1,351	3.0	1,392	3.0	1,434	3.0	1,477	3.0
INCOME BEFORE NON-OPER. INC. & EXP.			12,259	35.1	14,527	37.9	15,050	38.0	15,616	38.1	16,195	38.2	16,740	38.3	17,258	38.3	17,776	38.3	18,309	38.3	18,858	38.3
NON-OPERATING INCOME AND EXPENSE																						
Property Taxes			1,640	4.7	1,673	4.4	1,706	4.3	1,740	4.2	1,775	4.2	1,811	4.1	1,847	4.1	1,884	4.1	1,922	4.0	1,960	4.0
Insurance			126	0.4	129	0.3	133	0.3	137	0.3	141	0.3	145	0.3	150	0.3	154	0.3	159	0.3	164	0.3
Ground Rent			1,582	4.5	1,710	4.5	1,763	4.4	1,818	4.4	1,876	4.4	1,936	4.4	2,000	4.4	2,066	4.4	2,132	4.4	2,200	4.4
Reserve for Replacement			697	2.0	1,149	3.0	1,585	4.0	1,639	4.0	1,697	4.0	1,749	4.0	1,802	4.0	1,856	4.0	1,911	4.0	1,969	4.0
Total			4,044	11.6	4,662	12.2	5,187	13.0	5,335	12.9	5,489	12.9	6,071	13.8	6,236	13.8	6,405	13.8	6,578	13.7	6,756	13.7
EBITDA LESS RESERVE			\$8,215	23.5 %	\$9,865	25.7 %	\$9,864	25.0 %	\$10,281	25.2 %	\$10,706	25.3 %	\$10,669	24.5 %	\$11,022	24.5 %	\$11,371	24.5 %	\$11,731	24.6 %	\$12,103	24.6 %

*Departmental expenses are expressed as a percentage of departmental revenues.

Ground Lease and Rental Payments to Port of San Francisco

- The subject site is currently owned by the Port of San Francisco and will be leased to the developers on a long-term ground lease. Specific terms of the lease are currently being negotiated by the Port and the developers; the most recent iteration of the ground lease features an initial term of 50 years plus a 16-year extension term. Ground rent payments are comprised of base rent and percentage rent, with percentage rent paid in excess of the base. The calculation of percentage rent is based on gross receipts from both the hotel’s operation and the operation of the Teatro ZinZanni dinner theater, escalating over time from the hotel’s opening to its anticipated stabilization period. The proposed ground lease assumptions, as provided by the client, are detailed in the following chart.

FIGURE 1-2 CURRENT GROUND LEASE TERMS/ASSUMPTIONS (CURRENTLY UNDER NEGOTIATION)

Assumptions and Definitions for Ground Rent Calculation
<p><u>Minimum Base Rent:</u></p> <ul style="list-style-type: none"> -If Hotel Occupancy reaches 80% or greater in first Two Operation Years, Base Rent for those years will equal 90% of Total Participation Rent -Minimum Base Rent set to \$875,000 in the two-year Construction Period -Minimum Base Rent set to \$1,366,000 in the Third Operation Year, CPI adjusted at 3% -Minimum Base Rent will be reset after each 10-year period (first reset in the Eleventh Operating Year) at 65% of the average Total Participation Rent for the 5 years prior to the reset year. Note that the reset Minimum Base Rent amount should not be less than the prior year’s Minimum Base Rent CPI adjusted at 3%.
<p><u>Percentage Rent:</u></p> <ul style="list-style-type: none"> -Percentage Rent for the hotel component will be calculated at 3.5% of Gross Hotel Revenue LESS F&B Rental (first 5 years), 4.5% (next 5 years), 5.5% (next 10 years), 6.5% (remaining term) -Percentage Rent for the theater component will be calculated at 3.5% of Gross TZ Revenue for the entire lease term -Percentage Rent will be paid in excess of the Minimum Base Rent
<p><u>Gross Revenue (Hotel):</u></p> <p>Gross Hotel Revenue LESS \$390,000 (CPI adjusted at 3%) for the purposes of calculating the ground rent to the Port of San Francisco</p>
<p><u>Gross Revenue (Teatro ZinZanni (TZ)):</u></p> <p>Provided by Client (Forecast was reportedly completed by TZ)</p>

- The proposed lease terms for the subject property were compared to those of the Hotel Vitale’s ground lease with the San Francisco Municipal Transportation Agency (SFMTA), given that it is a similar hotel product with a similar location that is encumbered by a ground lease with a San Francisco city agency. The terms of the Hotel Vitale lease are detailed in Figure 2-15 in the body of this report. Although the Hotel Vitale ground lease calls for higher rental payments to the lessor, the other terms of the lease must be considered in making such a comparison.

- Based on our forecast of income and expense for the subject property, the Teatro ZinZanni component (provided by client), and the current terms of the ground lease, the Port of San Francisco is projected to receive ground rent payments over the term of the lease as follows:

FIGURE 1-3 HVS FORECAST – GROUND RENT PAYMENTS TO THE PORT OF SAN FRANCISCO – INITIAL TERM (BASED ON CURRENT LEASE TERMS)

Year	Gross Revenue (Hotel)	Gross Revenue (Teatro ZinZanni)	Minimum Base Rent	Percentage Rent (Hotel)	Percentage Rent (TZ)	Total Percentage Rent	Final Ground Rent Payment to Port of SF
2017	Construction Period		\$875,000				\$875,000
2018	Construction Period		875,000				875,000
2019	\$34,443,581	\$10,744,604	1,423,428	\$1,205,525	\$376,061	\$1,581,586	1,581,586
2020	37,897,880	10,959,496	1,539,007	1,326,426	383,582	1,710,008	1,710,008
2021	39,190,181	11,178,685	1,366,000	1,371,656	391,254	1,762,910	1,762,910
2022	40,544,577	11,402,259	1,406,980	1,419,060	399,079	1,818,139	1,818,139
2023	41,974,744	11,630,305	1,449,189	1,469,116	407,061	1,876,177	1,876,177
2024	43,250,100	11,979,214	1,492,665	1,946,254	419,272	2,365,527	2,365,527
2025	44,564,231	12,338,591	1,537,445	2,005,390	431,851	2,437,241	2,437,241
2026	45,901,158	12,708,748	1,583,568	2,065,552	444,806	2,510,358	2,510,358
2027	47,278,193	13,090,011	1,631,075	2,127,519	458,150	2,585,669	2,585,669
2028	48,696,539	13,482,711	1,680,008	2,191,344	471,895	2,663,239	2,663,239
2029	50,157,435	13,887,192	1,730,408	2,258,659	486,052	3,244,711	3,244,711
2030	51,662,158	14,303,808	1,782,320	2,841,419	500,633	3,342,052	3,342,052
2031	53,212,022	14,732,922	1,835,790	2,926,661	515,652	3,442,314	3,442,314
2032	54,808,383	15,174,910	1,890,863	3,014,461	531,122	3,545,583	3,545,583
2033	56,452,635	15,630,157	1,947,589	3,104,895	547,056	3,651,950	3,651,950
2034	58,146,214	16,099,062	2,006,017	3,198,042	563,467	3,761,509	3,761,509
2035	59,890,600	16,582,034	2,066,198	3,293,983	580,371	3,874,354	3,874,354
2036	61,687,318	17,079,495	2,128,183	3,392,802	597,782	3,990,585	3,990,585
2037	63,537,938	17,591,880	2,192,029	3,494,587	615,716	4,110,302	4,110,302
2038	65,444,076	18,119,636	2,257,790	3,599,424	634,187	4,233,611	4,233,611
2039	67,407,398	18,663,225	2,596,147	4,381,481	653,213	5,034,694	5,034,694
2040	69,429,620	19,223,122	2,674,031	4,512,925	672,809	5,185,735	5,185,735
2041	71,512,509	19,799,816	2,754,252	4,648,313	692,994	5,341,307	5,341,307
2042	73,657,884	20,393,810	2,836,880	4,787,762	713,783	5,501,546	5,501,546
2043	75,867,620	21,005,625	2,921,986	4,931,395	735,197	5,666,592	5,666,592
2044	78,143,649	21,635,793	3,009,646	5,079,337	757,253	5,836,590	5,836,590
2045	80,487,958	22,284,867	3,099,935	5,231,717	779,970	6,011,688	6,011,688
2046	82,902,597	22,953,413	3,192,933	5,388,669	803,369	6,192,038	6,192,038
2047	85,389,675	23,642,015	3,288,721	5,550,329	827,471	6,377,799	6,377,799
2048	87,951,365	24,351,276	3,387,383	5,716,839	852,295	6,569,133	6,569,133
2049	90,589,906	25,081,814	4,028,342	5,888,344	877,863	6,766,207	6,766,207
2050	93,307,604	25,834,269	4,149,193	6,064,994	904,199	6,969,194	6,969,194
2051	96,106,832	26,609,297	4,273,668	6,246,944	931,325	7,178,269	7,178,269
2052	98,990,037	27,407,576	4,401,878	6,434,352	959,265	7,393,618	7,393,618
2053	101,959,738	28,229,803	4,533,935	6,627,383	988,043	7,615,426	7,615,426
2054	105,018,530	29,076,697	4,669,953	6,826,204	1,017,684	7,843,889	7,843,889
2055	108,169,086	29,948,998	4,810,051	7,030,991	1,048,215	8,079,205	8,079,205
2056	111,414,158	30,847,468	4,954,353	7,241,920	1,079,661	8,321,582	8,321,582
2057	114,756,583	31,772,892	5,102,984	7,459,178	1,112,051	8,571,229	8,571,229
2058	118,199,281	32,726,079	5,256,073	7,682,953	1,145,413	8,828,366	8,828,366
2059	121,745,259	33,707,861	5,413,755	7,913,442	1,179,775	9,093,217	9,093,217
2060	125,397,617	34,719,097	5,576,168	8,150,845	1,215,168	9,366,013	9,366,013
2061	129,159,545	35,760,670	5,743,453	8,395,370	1,251,623	9,646,994	9,646,994
2062	133,034,332	36,833,490	5,915,757	8,647,232	1,289,172	9,936,404	9,936,404
2063	137,025,361	37,938,494	6,093,229	8,906,648	1,327,847	10,234,496	10,234,496
2064	141,136,122	39,076,649	6,276,026	9,173,848	1,367,683	10,541,531	10,541,531
2065	145,370,206	40,248,949	6,464,307	9,449,063	1,408,713	10,857,777	10,857,777
2066	149,731,312	41,456,417	6,658,236	9,732,535	1,450,975	11,183,510	11,183,510
2067	154,223,252	42,700,110	6,857,983	10,024,511	1,494,504	11,519,015	11,519,015
2068	158,849,949	43,981,113	7,063,723	10,325,247	1,539,339	11,864,586	11,864,586
Total - 50-Year Initial Term							299,785,475

FIGURE 1-4 GROUND RENT PAYMENTS TO THE PORT OF SAN FRANCISCO – EXTENSION TERM (BASED ON CURRENT LEASE TERMS)

Year	Gross Revenue (Hotel)	Gross Revenue (Teatro ZinZanni)	Minimum Base Rent	Percentage Rent (Hotel)	Percentage Rent (TZ)	Total Percentage Rent	Final Ground Rent Payment to Port of SF
2069	163,615,448	45,300,546	7,275,634	10,635,004	1,585,519	12,220,523	12,220,523
2070	168,523,911	46,659,563	7,493,903	10,954,054	1,633,085	12,587,139	12,587,139
2071	173,579,628	48,059,350	7,718,720	11,282,676	1,682,077	12,964,753	12,964,753
2072	178,787,017	49,501,130	7,950,282	11,621,156	1,732,540	13,353,696	13,353,696
2073	184,150,628	50,986,164	8,188,791	11,969,791	1,784,516	13,754,307	13,754,307
2074	189,675,147	52,515,749	8,434,454	12,328,885	1,838,051	14,166,936	14,166,936
2075	195,365,401	54,091,221	8,687,488	12,698,751	1,893,193	14,591,944	14,591,944
2076	201,226,363	55,713,958	8,948,113	13,079,714	1,949,989	15,029,702	15,029,702
2077	207,263,154	57,385,377	9,216,556	13,472,105	2,008,488	15,480,593	15,480,593
2078	213,481,048	59,106,938	9,493,053	13,876,268	2,068,743	15,945,011	15,945,011
2079	219,885,480	60,880,146	9,777,844	14,292,556	2,130,805	16,423,361	16,423,361
2080	226,482,044	62,706,551	10,071,179	14,721,333	2,194,729	16,916,062	16,916,062
2081	233,276,506	64,587,747	10,373,315	15,162,973	2,260,571	17,423,544	17,423,544
2082	240,274,801	66,525,380	10,684,514	15,617,862	2,328,388	17,946,250	17,946,250
2083	247,483,045	68,521,141	11,005,050	16,086,398	2,398,240	18,484,638	18,484,638
2084	254,907,536	70,576,775	11,335,201	16,568,990	2,470,187	19,039,177	19,039,177
Total - 16-Year Extension Term							\$246,327,636
Grand Total - 66-Year Full Lease Term							\$546,113,111

Valuation & Feasibility Conclusion of the Proposed Subject Property

- Based on our forecast of income and expense for the proposed hotel, the net income generated by the operation of the hotel and theater was capitalized into an opinion of value, which is detailed in the Feasibility Analysis chapter of this report. The prospective opinion of value for the proposed subject property upon completion (assumed to be January 1, 2019) was derived using selected investment parameters that are supported by market rates of return. The discounted cash flow procedure detailing our opinion of the market value of the proposed subject property upon completion is displayed below.

FIGURE 1-5 PROSPECTIVE VALUE UPON COMPLETION VIA INCOME CAPITALIZATION APPROACH

<u>Year</u>	<u>Net Income</u>	<u>Discount Factor @ 9.57%</u>	<u>Discounted Cash Flow</u>
2019	\$8,214,723	0.91269	\$7,497,479
2020	9,865,000	0.83300	8,217,538
2021	9,864,000	0.76027	7,499,288
2022	10,281,000	0.69389	7,133,861
2023	10,706,000	0.63330	6,780,143
2024	10,669,000	0.57801	6,166,769
2025	11,022,000	0.52754	5,814,558
2026	11,371,000	0.48148	5,474,913
2027	11,731,000	0.43944	5,155,086
2028	196,875,000 *	0.40107	78,961,247
		Estimated Value	\$138,700,883
		(SAY)	\$139,000,000
		Per Room	\$818,000
Reversion Analysis			
	11th Year's Net Income		\$14,485,000
	Capitalization Rate		7.7%
	Total Sales Proceeds		\$188,542,941
	Less: Transaction Costs @ 2.0%		<u>3,770,859</u>
	Net Sales Proceeds		\$184,772,082

*10th year net income of \$12,103,000 plus sales proceeds of \$184,772,000

- Next, the estimated development cost of the proposed project was reviewed and compared to the development costs of comparable hotels in the San Francisco Bay Area. The total development cost for the proposed hotel and dinner theater were estimated by the developer as follows:

FIGURE 1-6 ESTIMATED COST TO DEVELOP PROPOSED SUBJECT PROPERTY (PROVIDED BY DEVELOPER)

Category	Amount	Per Room	Per Square Foot
Pre-Development	\$754,015	\$4,189	\$4.31
Construction & Contingency	102,937,979	571,878	588.58
Fees & Permits	6,896,000	38,311	39.43
Off-Site/Utility	1,800,000	10,000	10.29
Pre-Opening & FF&E	8,300,000	46,111	47.46
Working Capital	1,500,000	8,333	8.58
Overhead	457,000	2,539	2.61
Construction Interest	1,724,599	9,581	9.86
Total Cost*	\$124,369,593	\$690,942	\$711.12
Total Cost (Hotel Only)**	\$104,244,122	\$613,201	\$711.12

*Per Room Cost Based on 180 Guestrooms (10 Extended-Stay Rooms Included)
 **146,591 Square Feet x \$711.12 Per Square Foot. Per Room Cost Based on 170 Guestrooms

- The development cost comparables used for benchmarking the proposed project’s development cost displayed above can be found in the body of this report, in Figure 3-2.
- Our opinion of the prospective value of the proposed subject property upon completion exceeds the total development cost by 11.5%, providing an adequate profit to the developer; therefore, this project is deemed to be feasible, as detailed below.

FIGURE 1-7 TOTAL PROJECT FEASIBILITY CONCLUSION

Feasibility	Amount	Per Room*	Per Square Foot
Total Hotel Value	\$138,700,000	\$816,000	\$793
Less: Total Cost to Develop	124,400,000	691,000	711
Total Profit to Developer	\$14,300,000	\$84,000	\$82
Profit % Total Value	10.3%		
Profit % Total Cost	11.5%		

*Per Room Amounts - Hotel Based on 170 Rooms; Cost Based on 180 Rooms

Internal Rates of Return (IRR) Analysis

- At the request of the client, the internal rate of return to the developer’s equity position, based on the debt level and terms stipulated by TZK Broadway, LLC (Scenarios 1 – 3) and based on a higher debt level assuming more leverage (Scenarios 4 – 6) was calculated under six separate scenarios. Details pertaining to the calculation of these IRRs will be provided in the Feasibility Analysis chapter of this report. A description of each scenario and the corresponding equity IRRs are displayed below.

FIGURE 1-8 INTERNAL RATES OF RETURN ON EQUITY – SIX SCENARIOS

Scenario	Description	Equity IRR
1	Assuming 10-Year Hold & Sale in Year 10 (Developer Loan Terms)	13%
2	Assuming Refinance in Year 6 & Sale in Year 10 (Developer Loan Terms)	15%
3	Assuming Refinance in Year 3 & Sale in Year 10 (Developer Loan Terms)	16%
4	Assuming 10-Year Hold & Sale in Year 10 (Higher Loan-to-Cost at 65%)	16%
5	Assuming Refinance in Year 6 & Sale in Year 10 (Higher Loan-to-Cost at 65%)	17%
6	Assuming Refinance in Year 3 & Sale in Year 10 (Higher Loan-to-Cost at 65%)	19%

- There are a number of motivations for a developer to refinance this type of project after it is developed, such as providing the return of the initial investment and obtaining more favorable financing terms, among other reasons. The refinance proceeds can be used in a variety of ways, including reinvestment into the project or other projects, and establishing operating, debt service, and capital reserve accounts.

FIGURE 1-9 EQUITY IRR CALCULATION – SCENARIO 1 – FIGURES IN 000’S

Number of Years	Year	Cash Flow		Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity	Equity IRR
		Before Debt Service	Beginning Principal						
Construction Period	2016								
	2017								
	2018								
1	2019	\$8,215	\$60,260	\$4,227	\$2,985	\$1,242	\$59,017	\$3,988	
2	2020	9,865	59,017	4,227	2,921	1,306	57,711	5,638	
3	2021	9,864	57,711	4,227	2,854	1,373	56,338	5,637	
4	2022	10,281	56,338	4,227	2,784	1,443	54,895	6,054	
5	2023	10,706	54,895	4,227	2,710	1,517	53,378	6,479	
6	2024	10,669	53,378	4,227	2,633	1,595	51,784	6,442	
7	2025	11,022	51,784	4,227	2,551	1,676	50,107	6,795	
8	2026	11,371	50,107	4,227	2,465	1,762	48,345	7,144	
9	2027	11,731	48,345	4,227	2,375	1,852	46,493	7,504	
10	2028	12,103	46,493	48,774	2,280	1,947	44,547	148,099	13%

-10th Year Annual Debt Service equal to \$4,227,000 plus outstanding mortgage balance of \$44,547,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$48,774,000

FIGURE 1-10 EQUITY IRR CALCULATION – SCENARIO 2 – FIGURES IN 000'S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment (\$64,110)	
	2018							\$0	
1	2019	\$8,215	\$60,260	\$4,227	\$2,985	\$1,242	\$59,017	\$3,988	
2	2020	9,865	59,017	4,227	2,921	1,306	57,711	5,638	
3	2021	9,864	57,711	4,227	2,854	1,373	56,338	5,637	
4	2022	10,281	56,338	4,227	2,784	1,443	54,895	6,054	
5	2023	10,706	54,895	4,227	2,710	1,517	53,378	6,479	
6	2024	10,669	53,378	4,227	2,633	1,595	51,784	70,611	
7	2025	11,022	117,124	8,216	5,801	2,415	114,709	2,806	
8	2026	11,371	114,709	8,216	5,678	2,539	112,170	3,155	
9	2027	11,731	112,170	8,216	5,548	2,668	109,502	3,515	
10	2028	12,103	109,502	114,913	5,411	2,805	106,697	81,960	15%

-Assumes Refinance in 6th Projection Year at 70% LTV (End of Year Discounting)

-6th Year Net Income to Equity of \$6,442,000 plus Net Refinance Proceeds to Equity of \$64,169,000

-10th Year Annual Debt Service equal to \$8,216,000 plus outstanding mortgage balance on new loan of \$106,697,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$114,913,000

7th Year's Net Income Before Taxes	\$12,855
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Value for Refinance (Reversion)	\$167,320
Assumed LTV for Refinance Loan	70.0%
Refinance Mortgage Component	\$117,124
Less:	
Cost to Refinance @ 1% of Refinance Value	1,171
Mortgage Balance (Original Loan)	51,784
Net Refinance Proceeds to Equity	64,169
Refinance Mortgage Component	\$117,124
Mortgage Constant	0.070151
Annual Debt Service	\$8,216

FIGURE 1-11 EQUITY IRR CALCULATION – SCENARIO 3 – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment	(\$64,110)
	2018								\$0
1	2019	\$8,215	\$60,260	\$4,227	\$2,985	\$1,242	\$59,017	\$3,988	
2	2020	9,865	59,017	4,227	2,921	1,306	57,711	5,638	
3	2021	9,864	57,711	4,227	2,854	1,373	56,338	56,796	
4	2022	10,281	108,583	7,617	5,378	2,239	106,344	2,664	
5	2023	10,706	106,344	7,617	5,264	2,353	103,991	3,089	
6	2024	10,669	103,991	7,617	5,143	2,474	101,517	3,052	
7	2025	11,022	101,517	7,617	5,017	2,600	98,917	3,405	
8	2026	11,371	98,917	7,617	4,884	2,733	96,183	3,754	
9	2027	11,731	96,183	7,617	4,744	2,873	93,310	4,114	
10	2028	12,103	93,310	97,907	4,597	3,020	90,290	98,966	16%

-Assumes Refinance in 3rd Projection Year at 70% LTV (End of Year Discounting)

-Net Income to Equity of \$5,637,000 plus Net Refinance Proceeds to Equity of \$51,159,000

-10th Year Annual Debt Service equal to \$7,617,000 plus outstanding mortgage balance on new loan of \$90,290,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$97,907,000

4th Year's Net Income Before Taxes	\$11,917
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Value for Refinance (Reversion)	\$155,119
Assumed LTV for Refinance Loan	70.0%
Refinance Mortgage Component	<u>\$108,583</u>
Less:	
Cost to Refinance @ 1% of Refinance Value	1,086
Mortgage Balance (Original Loan)	<u>56,338</u>
Net Refinance Proceeds to Equity	51,159
<hr/>	
Refinance Mortgage Component	\$108,583
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	<u>\$7,617</u>

FIGURE 1-12 EQUITY IRR CALCULATION – SCENARIO 4 – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity	Equity IRR
Construction Period	2016								
	2017								
	2018								
					Initial Equity Investment			(\$43,529)	
								\$0	
1	2019	\$8,215	\$80,840	\$5,671	\$4,004	\$1,667	\$79,173	\$2,544	
2	2020	9,865	79,173	5,671	3,919	1,752	77,421	4,194	
3	2021	9,864	77,421	5,671	3,829	1,842	75,579	4,193	
4	2022	10,281	75,579	5,671	3,735	1,936	73,643	4,610	
5	2023	10,706	73,643	5,671	3,636	2,035	71,608	5,035	
6	2024	10,669	71,608	5,671	3,532	2,139	69,469	4,998	
7	2025	11,022	69,469	5,671	3,422	2,249	67,221	5,351	
8	2026	11,371	67,221	5,671	3,307	2,364	64,857	5,700	
9	2027	11,731	64,857	5,671	3,186	2,485	62,372	6,060	
10	2028	12,103	62,372	65,432	3,059	2,612	59,761	131,441	16%

-10th Year Annual Debt Service equal to \$5,671,000 plus outstanding mortgage balance of \$59,761,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$65,432,000

FIGURE 1-13 EQUITY IRR CALCULATION – SCENARIO 5 – FIGURES IN 000'S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment (\$43,529)	
	2018							\$0	
1	2019	\$8,215	\$60,260	\$5,671	\$4,004	\$1,667	\$59,017	\$2,544	
2	2020	9,865	59,017	5,671	3,919	1,752	57,711	4,194	
3	2021	9,864	57,711	5,671	3,829	1,842	56,338	4,193	
4	2022	10,281	56,338	5,671	3,735	1,936	54,895	4,610	
5	2023	10,706	54,895	5,671	3,636	2,035	53,378	5,035	
6	2024	10,669	53,378	5,671	3,532	2,139	51,784	51,482	
7	2025	11,022	117,124	8,216	5,801	2,415	114,709	2,806	
8	2026	11,371	114,709	8,216	5,678	2,539	112,170	3,155	
9	2027	11,731	112,170	8,216	5,548	2,668	109,502	3,515	
10	2028	12,103	109,502	114,913	5,411	2,805	106,697	81,960	17%

-Assumes Refinance in 6th Projection Year at 70% LTV (End of Year Discounting)

-Net Income to Equity of \$4,998,000 plus Net Refinance Proceeds to Equity of \$46,483,000

-10th Year Annual Debt Service equal to \$8,216,000 plus outstanding mortgage balance on new loan of \$106,697,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$114,913,000

7th Year's Net Income Before Taxes	\$12,855
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Value for Refinance (Reversion)	\$167,320
Assumed LTV for Refinance Loan	70.0%
Refinance Mortgage Component	<u>\$117,124</u>
Less:	
Cost to Refinance @ 1% of Refinance Value	1,171
Mortgage Balance (Original Loan)	<u>69,469</u>
Net Refinance Proceeds to Equity	<u>46,483</u>
Refinance Mortgage Component	\$117,124
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	<u>\$8,216</u>

FIGURE 1-14 EQUITY IRR CALCULATION – SCENARIO 6 – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment	(\$43,529)
	2018								\$0
1	2019	\$8,215	\$60,260	\$5,671	\$4,004	\$1,667	\$59,017	\$2,544	
2	2020	9,865	59,017	5,671	3,919	1,752	57,711	4,194	
3	2021	9,864	57,711	5,671	3,829	1,842	56,338	36,111	
4	2022	10,281	108,583	7,617	5,378	2,239	106,344	2,664	
5	2023	10,706	106,344	7,617	5,264	2,353	103,991	3,089	
6	2024	10,669	103,991	7,617	5,143	2,474	101,517	3,052	
7	2025	11,022	101,517	7,617	5,017	2,600	98,917	3,405	
8	2026	11,371	98,917	7,617	4,884	2,733	96,183	3,754	
9	2027	11,731	96,183	7,617	4,744	2,873	93,310	4,114	
10	2028	12,103	93,310	97,907	4,597	3,020	90,290	98,966	19%

-Assumes Refinance in 3rd Projection Year at 70% LTV (End of Year Discounting)

-Net Income to Equity of \$4,193,000 plus Net Refinance Proceeds to Equity of \$31,918,000

-10th Year Annual Debt Service equal to \$7,617,000 plus outstanding mortgage balance on new loan of \$90,290,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$97,907,000

4th Year's Net Income Before Taxes	\$11,917
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Value for Refinance (Reversion)	\$155,119
Assumed LTV for Refinance Loan	70.0%
Refinance Mortgage Component	<u>\$108,583</u>
Less:	
Cost to Refinance @ 1% of Refinance Value	1,086
Mortgage Balance (Original Loan)	<u>75,579</u>
Net Refinance Proceeds to Equity	31,918
<hr/>	
Refinance Mortgage Component	\$108,583
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	<u>\$7,617</u>

2. Forecast of Income and Expense

Description of Project and Important Information

According to information provided by the developers of the project, TZK Broadway, LLC, development plans for the proposed mixed-use subject include a 170-room boutique hotel (subject to a ground lease with the Port of San Francisco) and dinner theater (which will be subleased to and operated by Teatro ZinZanni.) Furthermore, the hotel component will include an additional 10 extended-stay guestrooms that will reportedly be leased on a monthly basis to the theater performers. The total size of the structure is expected to be 174,892 square feet, of which 146,591 square feet will be for the hotel component and the theater will occupy the remaining 28,301 square feet.

At the time of this feasibility analysis, some specifics of the development, including the potential brand of the property, its management, and the provision for parking, were unknown to the developers. Our conversations with TZK Broadway revealed that the hotel will most likely be operated independent of a major brand affiliation, but will be managed by a professional third-party management company; these assumptions are reflected in the financial projections. Furthermore, details pertaining to the parking situation have not yet been established; however, it is apparent that parking will not be provided on-site and therefore arrangements must be made for access to off-site parking. According to our discussions with the developers, the financial projections presented in this report do not include any income or expenses attributable to a parking operation. While these details are unknown at this time, the consultants were still able to conduct a feasibility analysis based on the proposed hotel's projected operating performance and the total project development cost.

Description of Analysis

Financial projections for the proposed subject property were prepared by TZK Broadway, LLC and were provided to us by the client. The projections were reviewed and considered in our forecast; more specifically, some of the line items were reallocated, and the stabilized income and expense margins as forecasted by the developer were input into our fixed and variable valuation model. Our forecast was then benchmarked against recent operating statements of comparable hotels. The forecast and comparable operating statement analysis will be presented in a subsequent chapter of this report.

Support for Developer's Forecast

The financial projections prepared by TZK Broadway appeared to be reasonable and are supported by data extracted from comparable operating statements. However, some of the expense ratios appeared to remain relatively fixed throughout the projection period, and as a result, we used our proprietary fixed

and variable model to reconstruct some areas of the developer forecast. The most significant drivers for the expected financial performance of the proposed subject property are the stabilized occupancy and average rate assumptions; as such, the following subsection details how the rooms revenue forecast conducted by TZK Broadway was supported.

Rooms Revenue:

In our previously submitted Phase One market study, occupancy and average rate statistics for the competitive market were researched and compiled. Two separate, customized STR trend reports were presented; one set represented all hotels in the city of San Francisco, regardless of the size of hotel or chain scale classification (Economy, Midscale, Upper Midscale, Upscale, Upper Upscale, and Luxury), while the second trend report comprised 20 upscale and luxury boutique hotels located throughout the city. These two trend reports are displayed in the following charts. Furthermore, a table summarizing the important operating characteristics of the selected boutique competitors is set forth. As mentioned in the market study, this information was compiled from personal interviews, inspections, lodging directories, and our in-house library of operating data.

FIGURE 2-1 HISTORICAL SUPPLY AND DEMAND TRENDS – COMP SET 1 – SAN FRANCISCO CITYWIDE

Year	Average Daily Available Room		Occupied Room		Average		RevPAR	Change		
	Room Count	Nights	Nights	Change	Rate	Change				
2003	34,808	12,705,023	—	8,334,091	—	65.6 %	\$127.81	—	\$83.84	—
2004	34,845	12,718,311	0.1 %	8,895,701	6.7 %	69.9	130.94	2.4 %	91.58	9.2 %
2005	34,115	12,452,095	(2.1)	9,123,193	2.6	73.3	139.32	6.4	102.08	11.5
2006	34,551	12,610,955	1.3	9,319,338	2.1	73.9	152.72	9.6	112.86	10.6
2007	34,338	12,533,218	(0.6)	9,590,116	2.9	76.5	163.44	7.0	125.06	10.8
2008	34,344	12,535,379	0.0	9,632,002	0.4	76.8	172.54	5.6	132.58	6.0
2009	34,372	12,545,799	0.1	9,236,070	(4.1)	73.6	145.96	(15.4)	107.46	(18.9)
2010	34,059	12,431,466	(0.9)	9,598,453	3.9	77.2	149.76	2.6	115.63	7.6
2011	33,936	12,386,562	(0.4)	9,914,130	3.3	80.0	173.14	15.6	138.58	19.8
2012	33,929	12,384,238	(0.0)	10,059,053	1.5	81.2	190.49	10.0	154.73	11.6
2013	33,659	12,285,399	(0.8)	10,301,508	2.4	83.9	208.89	9.7	175.16	13.2
2014	33,612	12,268,483	(0.1)	10,422,755	1.2	85.0	231.63	10.9	196.78	12.3
Average Annual Compounded Change:										
2003 - 2014			(0.3) %			2.1 %			5.6 %	8.1 %
2003 - 2007			(0.3)			3.6			6.3	10.5
2007 - 2010			(0.3)			0.0			(2.9)	(2.6)
2010 - 2014			(0.3)			2.1			11.5	14.2
Year-to-Date Through July										
2014	33,544	7,111,252	—	5,959,370	—	83.8 %	\$220.17	—	\$184.50	—
2015	33,561	7,115,032	0.1 %	5,991,095	0.5 %	84.2	239.61	8.8 %	201.76	9.4 %

Source: STR

Note: This STR set includes all San Francisco hotels across all chain scale classifications

FIGURE 2-2 HISTORICAL SUPPLY AND DEMAND TRENDS – COMP SET 2 – SELECTED BOUTIQUES

Year	Average Daily Available Room		Change	Occupied Room		Occupancy	Average		RevPAR	Change
	Room Count	Nights		Nights	Change		Rate	Change		
2003	3,428	1,251,180	—	833,382	—	66.6 %	\$157.48	—	\$104.89	—
2004	3,645	1,330,425	6.3 %	945,272	13.4 %	71.1	163.06	3.5 %	115.85	10.5 %
2005	3,801	1,387,283	4.3	1,039,313	9.9	74.9	175.66	7.7	131.60	13.6
2006	3,832	1,398,680	0.8	1,051,992	1.2	75.2	190.88	8.7	143.57	9.1
2007	3,832	1,398,680	0.0	1,055,498	0.3	75.5	205.77	7.8	155.29	8.2
2008	3,832	1,398,680	0.0	1,065,302	0.9	76.2	209.75	1.9	159.76	2.9
2009	3,788	1,382,620	(1.1)	1,040,209	(2.4)	75.2	169.21	(19.3)	127.30	(20.3)
2010	3,788	1,382,620	0.0	1,113,920	7.1	80.6	172.20	1.8	138.74	9.0
2011	3,788	1,382,559	(0.0)	1,135,561	1.9	82.1	200.85	16.6	164.97	18.9
2012	3,742	1,365,853	(1.2)	1,127,057	(0.7)	82.5	222.45	10.8	183.56	11.3
2013	3,677	1,342,159	(1.7)	1,161,027	3.0	86.5	242.64	9.1	209.89	14.3
2014	3,748	1,367,899	1.9	1,194,886	2.9	87.4	263.56	8.6	230.22	9.7
Average Annual Compounded Change:										
2003-2014			0.8 %		3.3 %			4.8 %		7.4 %
Year-to-Date Through August										
2014	3,698	898,623	—	789,496	—	87.9 %	\$257.31	—	\$226.07	—
2015	3,853	936,319	4.2 %	805,106	2.0 %	86.0	273.66	6.4 %	235.31	4.1 %
Hotels Included in Sample				Number	Year	Year				
				of Rooms	Affiliated	Opened				
Joie De Vivre Hotel Vitale				200	Mar 2005	Mar 2005				
Argonaut Hotel				252	Jul 2015	Aug 2003				
W Hotel San Francisco				404	May 1999	May 1999				
Le Meridien San Francisco				360	May 2006	Jan 1989				
Hotel Zephyr				361	Jun 2015	Dec 1969				
Joie De Vivre Hotel Kabuki				218	Oct 2007	Jun 1968				
The Scarlet Huntington				134	May 2014	Jun 1947				
Autograph Collection Hotel Adagio				171	Mar 2013	Jun 1929				
The Prescott Hotel				164	Jul 2015	Jun 1917				
Clift Hotel				372	Feb 1995	Jun 1915				
The Hotel California				83	Apr 2014	Jun 1913				
Hotel Zetta				116	Feb 2013	Jun 1913				
Joie De Vivre Galleria Park Hotel				177	Mar 2007	Jun 1911				
The Marker San Francisco				208	Jul 2015	Jun 1910				
Hotel G				150	May 2014	Jun 1908				
Hotel Zelos				202	Jul 2015	Jun 1908				
Harbor Court Hotel				131	Jul 2015	Jun 1907				
Hotel ABRI				91	Jun 1906	Jun 1906				
Hotel Griffon				62	Jun 1906	Jun 1906				
Total				3,856						

Source: STR Global

FIGURE 2-3 BOUTIQUE COMPETITORS – OPERATING PERFORMANCE

Property	Address	Number of Rooms	Est. Segmentation			Weighted Annual Room Count	Estimated 2014				
			Commercial	Meeting and Group	Leisure		Occ.	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Hotel Vitale	8 Mission St	200	45	40	15	200	85	380.00	323.00	97.2	140.2
W Hotel San Francisco	181 Third Street	404	35	35	30	404	89	327.00	291.03	101.8	126.3
Argonaut Hotel San Francisco	495 Jefferson Street	252	30	15	55	252	94	299.00	281.06	107.5	122.0
Hotel Zetta	55 Fifth Street	116	50	30	20	116	88	295.00	259.60	100.7	112.7
Le Meridien San Francisco	333 Battery Street	360	70	15	15	360	93	277.00	257.61	106.4	111.8
Hotel Zelos	12 Fourth Street	202	40	25	35	202	88	276.00	242.88	100.7	105.4
Clift Hotel San Francisco	495 Geary Street	372	40	40	20	372	87	275.00	239.25	99.5	103.8
Marker San Francisco	501 Geary Street	208	40	40	20	208	88	267.00	234.96	100.7	102.0
Harbor Court Hotel	165 Steuart Street	131	35	25	40	131	86	260.00	223.60	98.4	97.0
Hotel Adagio	550 Geary Street	171	45	40	15	171	88	250.00	220.00	100.7	95.5
Galleria Park Hotel	191 Sutter Street	177	45	15	40	177	83	230.00	190.90	94.9	82.9
Prescott Hotel	545 Post Street	164	35	15	50	164	88	215.00	189.20	100.7	82.1
Zephyr Hotel	250 Beach Street	361	20	10	70	361	87	212.00	184.44	99.5	80.1
Huntington Hotel	1075 California Street	134	45	15	40	83	70	200.00	140.00	80.1	60.8
Hotel California	580 Geary Street	83	35	10	55	83	86	200.00	172.00	98.4	74.7
Hotel G San Francisco	386 Geary Street	150	35	10	55	93	65	200.00	130.00	74.4	56.4
Hotel Kabuki San Francisco	1625 Post Street	218	10	20	70	218	90	198.00	178.20	103.0	77.3
Hotel Abri	127 Ellis Street	91	15	15	70	91	88	195.00	171.60	100.7	74.5
Hotel Griffon	155 Steuart Street	62	25	10	65	62	87	185.00	160.95	99.5	69.9
Totals/Averages	Totals/Averages	3,856	38 %	24 %	38 %	3,748	87.4 %	\$263.57	\$230.40	100.0 %	100.0

As presented in the preceding tables, San Francisco hotels are operating at peak levels of occupancy and average rate. The citywide STR trend displays that overall occupancies are reaching the mid-80% range in this market, while the upscale boutique properties are operating in the high-80% range. Given the very limited amount of new supply anticipated to enter the market over the foreseeable future, it would be reasonable to assume that the proposed subject property would be able to attain an occupancy level in the mid- to high- 80% range on a stabilized basis.

Furthermore, the average rates displayed in the preceding tables illustrate a wide range of pricing between the hotels. With many of the market’s hotels achieving near-peak occupancies due to strong demand levels and capacity constraints of the existing supply of hotel rooms, operators are expected to continue with price-driven revenue strategies. It is clear that the Hotel Vitale achieves the highest estimated average rate of all the selected comparables. Given its location in the waterfront district, its high-quality improvements featuring views of the San Francisco Bay, its affiliation with Joie de Vivre, and other features such as its size and facility offerings, a high average rate is to be expected from this property. The

Hotel Vitale is also recognized as the most like-kind property to the proposed subject hotel because of the aforementioned locational and building attributes and its upper upscale orientation. As such, it is reasonable to assume that the proposed subject property could command rates at the high end of the range indicated by the boutique hotel comparables and similar to the operating performance of the Hotel Vitale.

The Hotel Vitale’s 2015 average rate, which is estimated to have been in excess of \$400, was used to position the subject property’s base-year average rate. The proposed subject’s average rate was positioned as if the hotel was open and operating at a stabilized level in 2015; this average rate was then grown at rates consistent with those projected for the market. In order to reflect a ramp-up in occupancies and pricing, an opening discount was applied to the first two projection years following the opening of the proposed subject property. The proposed subject’s base-year (2015) average rate was positioned at \$385, reflecting an estimated 5% discount to the Hotel Vitale and at the high end of the range of the selected boutique hotels. Note that the operating statistics presented in Figure 2-3 represent estimated 2014 figures, reflecting what was set forth in our Phase One market study. The following table details our average rate forecast for the market and for the proposed subject property.

FIGURE 2-4 BOUTIQUE COMPETITORS – OPERATING PERFORMANCE

2015 ADR Positioning - Subject Property									
\$385.00	<u>OPENING YEAR</u>								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Market-Based ADR Growth Rate		6.5%	5.5%	5.0%	4.0%	3.0%	3.0%	3.0%	3.0%
Proposed Subject ADR (before discount)	\$385.00	\$410.03	\$432.58	\$454.21	\$472.37	\$486.54	\$501.14	\$516.18	\$531.66
Opening Discount					5.0%	3.0%	0.0%	0.0%	0.0%
Proposed Subject ADR (after discount)					\$448.75	\$471.95	\$501.14	\$516.18	\$531.66
% Change						5.2%	6.2%	3.0%	3.0%

Based on the above forecast, the proposed subject property’s 2015 average rate positioning of \$385 amounts to an approximately \$450 average rate in its opening year, taking into consideration the discounts. This average rate is in line with the developer’s forecast of \$450 in the opening year.

Comparable Operating Statements:

In order to project future income and expense for the proposed subject hotel, we have included a sample of individual comparable operating statements from our database of hotel statistics. All financial data are presented according to the three most common measures of industry performance: ratio to sales (RTS), amounts

per available room (PAR), and amounts per occupied room night (POR). These historical income and expense statements represent mid-sized boutique and full-service hotels located in the San Francisco Bay Area, and were used as benchmarks in our forthcoming forecast of income and expense. The stabilized operating performance of the subject property, expressed in deflated 2015 dollars, is presented to the right of the comparable statements for comparison purposes. The proposed hotel's house profit is projected to be in line with four of the five comparables.

FIGURE 2-5 COMPARABLE OPERATING STATEMENTS: RATIO TO SALES

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject Stabilized \$
Number of Rooms:	180 to 220	70 to 100	300 to 380	170 to 220	220 to 280	170
Occupied Rooms:	61,320	16,654	106,624	58,782	79,791	52,743
Days Open:	365	243	365	366	365	365
Occupancy:	84%	80%	87%	82%	87%	85%
Average Rate:	\$407	\$402	\$307	\$235	\$216	\$408
RevPAR:	\$342	\$320	\$266	\$193	\$187	\$347
REVENUE						
Rooms	66.6 %	71.8 %	80.3 %	78.3 %	76.4 %	65.0 %
Food & Beverage	28.7	27.9	16.6	20.8	20.7	19.0
Other Operated Departments (Catering)	0.0	0.0	0.0	0.0	0.0	12.4
Rentals & Other Income	4.6	0.3	3.0	0.9	2.9	3.6
Total	100.0	100.0	100.0	100.0	100.0	100.0
DEPARTMENTAL EXPENSES*						
Rooms	25.5	19.7	27.9	25.5	25.0	25.3
Food & Beverage	90.2	82.2	90.0	86.9	81.6	93.5
Other Operated Departments (Catering)	0.0	0.0	0.0	0.0	0.0	77.9
Total	42.9	37.1	38.8	38.1	36.0	43.8
DEPARTMENTAL INCOME						
	57.1	62.9	61.2	61.9	64.0	56.2
OPERATING EXPENSES						
Administrative & General	7.7	9.2	8.3	11.0	9.5	6.7
Marketing	3.0	5.0	6.4	5.9	4.3	3.0
Property Operations & Maintenance	2.8	2.2	4.1	2.7	2.5	2.8
Utilities	1.3	1.0	2.6	2.2	2.0	1.9
Total	14.8	17.4	21.4	21.8	18.4	15.0
HOUSE PROFIT						
	42.3	45.5	39.8	40.1	45.6	41.2

* Departmental expense ratios are expressed as a percentage of departmental revenues

FIGURE 2-6 COMPARABLE OPERATING STATEMENTS: AMOUNTS PER AVAILABLE ROOM

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject Stabilized \$
Number of Rooms:	180 to 220	70 to 100	300 to 380	170 to 220	220 to 280	170
Occupied Rooms:	61,320	16,654	106,624	58,782	79,791	52,743
Days Open:	365	243	365	366	365	365
Occupancy:	84%	80%	87%	82%	87%	85%
Average Rate:	\$407	\$402	\$307	\$235	\$216	\$408
RevPAR:	\$342	\$320	\$266	\$193	\$187	\$347
REVENUE						
Rooms	\$124,907	\$77,861	\$97,036	\$70,785	\$68,417	\$128,110
Food & Beverage	53,838	30,274	20,100	18,831	18,540	37,411
Other Operated Departments (Catering)	0	0	0	0	0	24,367
Rentals & Other Income	8,700	360	3,659	795	2,563	7,123
Total	187,445	108,495	120,795	90,410	89,520	197,011
DEPARTMENTAL EXPENSES						
Rooms	31,903	15,364	27,118	18,062	17,131	32,432
Food & Beverage	48,561	24,884	18,082	16,369	15,127	34,962
Other Operated Departments	0	0	1,625	0	0	18,983
Total	80,465	40,248	46,825	34,431	32,258	86,377
DEPARTMENTAL INCOME						
	106,980	68,248	73,970	55,979	57,262	110,634
OPERATING EXPENSES						
Administrative & General	14,450	10,029	9,970	9,933	8,520	13,167
Marketing	5,691	5,405	7,718	5,359	3,893	5,969
Property Operations & Maintenance	5,227	2,402	4,931	2,456	2,258	5,531
Utilities	2,380	1,082	3,189	1,979	1,774	3,689
Total	27,748	18,918	25,809	19,728	16,444	29,518
HOUSE PROFIT						
	79,232	49,330	48,161	36,251	40,818	81,115

FIGURE 2-7 COMPARABLE OPERATING STATEMENTS: AMOUNTS PER OCCUPIED ROOM

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
						Stabilized \$
Number of Rooms:	180 to 220	70 to 100	300 to 380	170 to 220	220 to 280	170
Occupied Rooms:	61,320	16,654	106,624	58,782	79,791	52,743
Days Open:	365	243	365	366	365	365
Occupancy:	84%	80%	87%	82%	87%	85%
Average Rate:	\$407	\$402	\$307	\$235	\$216	\$408
RevPAR:	\$342	\$320	\$266	\$193	\$187	\$347
REVENUE						
Rooms	\$407.39	\$402.07	\$306.70	\$234.82	\$216.08	\$412.93
Food & Beverage	175.60	156.33	63.53	62.47	58.55	120.58
Other Operated Departments (Catering)	0.00	0.00	0.00	0.00	0.00	78.54
Rentals & Other Income	28.38	1.86	11.56	2.64	8.10	22.96
Total	611.37	560.26	381.79	299.92	282.73	635.01
DEPARTMENTAL EXPENSES						
Rooms	104.05	79.34	85.71	59.92	54.10	104.53
Food & Beverage	158.39	128.50	57.15	54.30	47.77	112.69
Other Operated Departments	0.00	0.00	5.14	0.00	0.00	61.19
Total	262.44	207.84	148.00	114.22	101.88	278.41
DEPARTMENTAL INCOME						
	348.92	352.43	233.79	185.70	180.85	356.59
OPERATING EXPENSES						
Administrative & General	47.13	51.79	31.51	32.95	26.91	42.44
Marketing	18.56	27.91	24.40	17.78	12.29	19.24
Property Operations & Maintenance	17.05	12.40	15.59	8.15	7.13	17.83
Utilities	7.76	5.59	10.08	6.57	5.60	11.89
Total	90.50	97.69	81.57	65.45	51.94	95.14
HOUSE PROFIT						
	258.42	254.74	152.22	120.26	128.91	261.45

Fixed and Variable Component Analysis

HVS uses a fixed and variable component model to project a lodging facility's revenue and expense levels. This model is based on the premise that hotel revenues and expenses have one component that is fixed and another that varies directly with occupancy and facility usage. A projection can be made by taking a known level of revenue or expense and calculating its fixed and variable components. The fixed component is then increased in tandem with the underlying rate of inflation, while the variable component is adjusted for a specific measure of volume such as total revenue.

The actual forecast is derived by adjusting each year's revenue and expense by the amount fixed (the fixed expense multiplied by the inflated base-year amount) plus the variable amount (the variable expense multiplied by the inflated base-year amount) multiplied by the ratio of the projection year's occupancy to the base-year occupancy (in the case of departmental revenue and expense) or the ratio of the projection year's revenue to the base year's revenue (in the case of undistributed operating expenses). Fixed expenses remain fixed, increasing only with inflation. Our discussion of the revenue and expense forecast in this report is based upon the output derived from the fixed and variable model. This forecast of revenue and expense is accomplished through a systematic approach, following the format of the *Uniform System of Accounts for the Lodging Industry (USALI)*. Each category of revenue and expense is estimated separately and combined at the end in the final statement of income and expense.

Inflation Assumption

A general rate of inflation must be established that will be applied to most revenue and expense categories. The following table shows inflation estimates made by economists at some noted institutions and corporations.

FIGURE 2-8 INFLATION ESTIMATES

Name (Sample from Survey)	Firm	Projected Increase in Consumer Price Index (Annualized Rate Versus 12 Months Earlier)				
		Dec	June	Dec	June	Dec
		2015	2016	2016	2017	2017
Lewis Alexander	Nomura Securities International	0.8	0.9	1.9	2.2	2.2
Paul Ashworth	Capital Economics	0.6	2.1	2.4	2.5	2.7
Bernard Baumohl	Economic Outlook Group	0.6	1.2	1.6	2.2	2.7
Nariman Behravesh	IHS Global Insight	0.4	0.7	2.7	3.2	3.6
David Berson	Nationwide Insurance	0.9	1.5	2.2	2.4	2.5
Brian Bethune	Tufts University	0.2	1.0	1.8	2.0	2.2
Ram Bhagavatula	Combinatorics Capital	1.2	2.4	2.4	2.4	2.4
Steven Blitz	ITG Investment Research	0.2	1.5	2.0	0.8	0.4
Beth Ann Bovino	Standard and Poor's	0.4	1.3	2.1	2.5	2.3
Michael Carey	Credit Agricole CIB	0.8	0.9	2.4	2.3	2.1
Joseph Carson	AllianceBernstein	0.7	1.5	2.3	2.5	2.5
Mike Cosgrove	Econoclast	0.6	2.1	2.4	2.3	2.2
Lou Crandall	Wrightson ICAP	0.8	1.3	2.3	2.3	2.4
David Crowe	National Association of Home Builders	0.9	1.6	1.9	2.0	2.1
J. Dewey Daane	Vanderbilt University	0.3	1.5	2.0	2.0	2.0
Greg Daco	Oxford Economics	0.5	1.9	2.4	2.0	1.9
Rajeev Dhawan	Georgia State University	0.1	1.2	2.3	2.4	2.4
Douglas Duncan	Fannie Mae	0.5	1.5	2.0	2.0	2.1
Robert Dye	Comerica Bank	0.7	1.9	2.3	2.2	2.1
Maria Fiorini Ramirez/Joshua Shapiro	MFR, Inc.	0.6	1.7	2.2	—	—
Mike Fratantoni	Mortgage Bankers Association	0.3	1.3	1.9	2.1	2.2
Michael Gapen	Barclays Capital	0.8	0.9	1.8	2.1	2.5
Michael Gregory	BMO Capital	0.9	1.4	2.4	2.3	2.3
Ethan Harris	Bank of America Securities	0.9	1.2	2.2	—	—
Maurly Harris	UBS	0.6	1.1	2.2	2.9	2.3
Derek Holt	Scotiabank	0.6	1.4	2.2	2.3	2.2
Constance Hunter	KPMG	0.3	1.8	2.0	2.1	2.2
Nathaniel Karp	BBVA Compass	1.1	1.5	1.8	2.0	2.2
Jack Kleinhenz	National Retail Federation	0.7	1.6	2.1	2.3	2.4
Joseph LaVorgna	Deutsche Bank Securities, Inc.	0.9	1.8	2.0	2.3	2.4
Edward Leamer/David Shulman	UCLA Anderson Forecast	0.7	1.3	3.2	3.5	3.2
Don Leavens/Tim Gill	NEMA Business Information Services	0.2	1.0	1.9	2.2	2.3
Kevin Logan	HSBC Securities	0.7	1.1	2.0	2.1	2.2
John Lonski	Moody's Investors Service	0.7	0.8	1.5	1.6	1.7
Aneta Markowska	Societe Generale	0.3	1.3	2.9	3.4	2.7
Jim Meil	ACT Research	0.7	1.3	2.4	2.2	2.2
Robert Mellman	JP Morgan Chase & Co.	0.9	1.2	2.0	2.3	2.4
Michael Moran	Daiwa Capital	0.9	1.4	2.0	2.2	2.3
Chad Moutray	National Association of Manufacturers	0.6	1.8	2.4	2.7	2.8
Mark Nielson	MacroEcon Global Advisors	0.3	1.2	1.4	1.6	2.2
Jim O'Sullivan	High Frequency Economics	1.1	2.2	2.4	2.6	2.7
Lindsey Piegza	Stifel, Nicolaus and Company, Inc.	0.0	0.5	0.7	—	—
Tom Porcelli	RBC Capital	0.4	1.6	2.1	2.1	2.1
Russell Price	Ameriprise Financial	0.9	1.3	2.0	2.3	2.3
Arun Raha	Eaton Corp.	0.5	1.0	1.1	1.5	1.8
Lynn Reaser	Point Loma Nazarene University	0.8	1.1	1.7	2.0	2.1
Martin Regalia	Chamber of Commerce	0.8	1.8	1.9	1.9	1.8
Ian Shepherdson	Pantheon Macroeconomics	0.6	0.3	1.5	2.5	2.5
John Silvia	Wells Fargo & Co.	1.0	1.4	2.3	2.3	2.1
Allen Sinai	Decision Economics, Inc.	0.8	1.1	2.0	2.1	2.3
James F. Smith	Parsec Financial Management	0.2	1.0	1.4	1.6	1.7
Sean M. Snaith	University of Central Florida	0.1	0.8	2.1	2.2	2.4
Sung Won Sohn	California State University	1.8	1.6	1.6	1.5	1.7
Stephen Stanley	Pierpont Securities	0.9	1.5	2.8	3.2	3.3
Susan M. Sterne	Economic Analysis Associates Inc.	0.8	1.8	2.1	2.1	2.9
James Sweeney	CSFB	1.0	0.9	1.5	—	—
Kevin Swift	American Chemistry Council	0.5	1.5	2.3	2.5	2.3
Diane Swonk	Mesirow Financial	0.7	1.3	2.0	2.2	2.2
Carl Tannenbaum	The Northern Trust	1.1	1.3	1.8	1.9	1.9
US Economics Team	BNP Paribas	0.9	1.3	2.6	2.3	2.1
Bart van Ark	The Conference Board	1.1	1.6	2.0	—	—
Brian S. Wesbury/ Robert Stein	First Trust Advisors, L.P.	1.1	2.0	2.5	2.7	2.8
William T. Wilson	The Heritage Foundation	0.2	0.4	0.6	0.7	1.0
Lawrence Yun	National Association of Realtors	0.0	2.2	2.6	3.0	3.0

Averages: 0.7 % 1.4 % 2.1 % 2.2 % 2.3 %

Source: Wall Street Journal Economic Forecasting Survey, December 2015

As the preceding table indicates, the financial analysts who were surveyed in December 2015 anticipated inflation rates ranging from 0.3% to 2.4% (on an annualized basis) for June 2016; the average of these data points was 1.4%. The same group expects annualized inflation rates of 2.1% and 2.2% for December 2016 and June 2017, respectively, slightly lower than the inflation rate forecasts for December 2017, which average 2.3%.

As a further check on these inflation projections, we have reviewed historical increases in the Consumer Price Index (CPI-U). Because the value of real estate is predicated on cash flows over a relatively long period, inflation should be considered from a long-term perspective.

FIGURE 2-9 NATIONAL CONSUMER PRICE INDEX (ALL URBAN CONSUMERS)

Year	National Consumer Price Index	Percent Change from Previous Year
2005	195.3	—
2006	201.6	3.2 %
2007	207.3	2.8
2008	215.3	3.8
2009	214.5	-0.4
2010	218.1	1.6
2011	224.9	3.1
2012	229.6	2.1
2013	233.0	1.5
2014	234.8	0.8
2015	236.5	0.7
Average Annual Compounded Change		
	2005 - 2015:	1.9 %
	2010 - 2015:	1.6
Source: Bureau of Labor Statistics		

Between 2005 and 2015, the national CPI increased at an average annual compounded rate of 1.9%; from 2010 to 2015, the CPI rose by a slightly lower average annual compounded rate of 1.6%. In 2015, the CPI rose by 0.7%, a decrease from the level of 0.8% recorded in 2014.

In consideration of the most recent trends, the projections set forth previously, and our assessment of probable property appreciation levels, we have applied underlying inflation rates of 2.0%, 2.5%, and 3.0% thereafter for each respective year following the base year of 2015. This stabilized inflation rate takes into account normal, recurring inflation cycles. Inflation is likely to fluctuate above and

Forecast of Income and Expense

below this level during the projection period. Any exceptions to the application of the assumed underlying inflation rate are discussed in our write-up of individual income and expense items.

As stated previously, following our review of the developer's forecast, the projections appeared to be reasonable and were supported by metrics evidenced by the comparable operating statements. However, some minor changes were made to the developer's forecast, including the consolidation of certain line items in order to reflect *USALI*. The stabilized year's income, as forecast by the developers, was deflated to base-year (2015) dollars, forming the basis for the inputs into our fixed and variable model. Although both our forecast and the developer's forecast are displayed below, only the financial forecast produced by HVS was considered in this feasibility study. The developer forecast is being shown for comparative purposes only.

The following three charts set forth:

- 1) The Developer's five year forecast of income and expense with operating metrics including operating ratios, and dollar amounts per available room and per occupied room, as calculated by HVS;
- 2) The HVS forecast of income and expense through stabilization with similar operating metrics;
- 3) A ten-year forecast of income and expense prepared by HVS with operating ratio metrics only. The ten-year forecast is derived by inflating each revenue and expense line item from year five onward by the assumed annual inflation rate of 3.0%.

FIGURE 2-10 DEVELOPER'S FORECAST OF INCOME AND EXPENSE – PROPOSED WATERFRONT HOTEL, SAN FRANCISCO, CA

	2019 (Calendar Year)			2020			2021			2022			Stabilized							
Number of Hotel Rooms:	170			170			170			170			170							
Occupancy:	80%			85%			85%			85%			85%							
Occupied Rooms:	49,640			52,743			52,743			52,743			52,743							
Average Rate:	\$450.00			\$473.00			\$487.00			\$502.00			\$517.00							
RevPAR:	\$360.00			\$402.05			\$413.95			\$426.70			\$439.45							
Number of Extended Stay Rooms:	10			10			10			10			10							
Occupancy:	95%			95%			95%			95%			95%							
Occupied Rooms:	114			114			114			114			114							
Monthly Rate:	\$2,500.00			\$2,575.00			\$2,652.00			\$2,732.00			\$2,814.00							
RevPAR:	\$2,375.00			\$2,446.25			\$2,519.40			\$2,595.40			\$2,673.30							
Days Open - Hotel Rooms:	365			365			365			365			365							
Months Open - Extended Stay Rooms:	12			12			12			12			12							
Total Occupied Rooms:	49,754	%Gross	PAR	POR	52,857	%Gross	PAR	POR	52,857	%Gross	PAR	POR	52,857	%Gross	PAR	POR	52,857	%Gross	PAR	POR
OPERATING REVENUE																				
Hotel Rooms	\$22,338	64.4 %	\$131,400	\$450.00	\$24,921	65.0 %	\$146,593	\$472.50	\$25,668	64.7 %	\$150,991	\$486.67	\$26,464	64.5 %	\$155,672	\$501.76	\$27,258	64.2 %	\$160,342	\$516.81
Extended-Stay Rooms	285	0.8	28,500	2,500.00	294	0.8	29,355	2,575.00	302	0.8	30,236	2,652.25	311	0.8	31,143	2,731.82	321	0.8	32,077	2,813.77
Hotel Food & Beverage	6,662	19.2	39,188	134.21	7,395	19.3	43,499	140.21	7,631	19.2	44,891	144.69	7,876	19.2	46,327	149.32	8,128	19.1	47,810	154.10
Other Operated Departments (Net)	925	2.7	5,441	18.63	962	2.5	5,659	18.24	1,000	2.5	5,885	18.97	1,040	2.5	6,121	19.73	1,082	2.5	6,365	20.52
Catering	4,093	11.8	24,077	82.45	4,365	11.4	25,677	82.76	4,637	11.7	27,278	87.92	4,909	12.0	28,878	93.08	5,248	12.4	30,868	99.49
Teatro Zinzanni Rent	390	1.1	2,294	7.86	413	1.1	2,432	7.84	426	1.1	2,505	8.07	439	1.1	2,580	8.32	452	1.1	2,657	8.56
Total Operating Revenues	34,693	100.0	204,077	698.89	38,350	100.0	225,587	727.11	39,666	100.0	233,328	752.06	41,040	100.0	241,409	778.11	42,488	100.0	249,929	805.57
DEPARTMENTAL EXPENSES *																				
Rooms	6,031	27.0	35,478	121.22	6,729	27.0	39,580	127.30	6,930	27.0	40,768	131.12	6,881	26.0	40,475	130.18	7,087	26.0	41,689	134.08
Food & Beverage	6,396	96.0	37,621	128.54	7,025	95.0	41,324	132.91	7,174	94.0	42,197	135.72	7,403	94.0	43,548	140.06	7,640	94.0	44,941	144.54
Catering	3,393	82.9	19,961	68.20	3,557	81.5	20,924	67.30	3,721	80.2	21,887	70.40	3,885	79.1	22,851	73.49	4,088	77.9	24,048	77.34
Total	15,820	45.6	93,060	317.97	17,311	45.1	101,828	327.51	17,825	44.9	104,852	337.23	18,168	44.3	106,873	343.73	18,815	44.3	110,678	355.97
DEPARTMENTAL INCOME	18,873	54.4	111,017	379.32	21,039	54.9	123,758	398.04	21,841	55.1	128,476	413.21	22,871	55.7	134,536	432.70	23,673	55.7	139,251	447.87
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	2,425	7.0	14,265	48.74	2,588	6.7	15,225	48.97	2,677	6.7	15,746	50.64	2,769	6.7	16,290	52.39	2,867	6.7	16,863	54.24
Marketing	1,155	3.3	6,792	23.21	1,189	3.1	6,996	22.50	1,225	3.1	7,205	23.17	1,262	3.1	7,422	23.87	1,300	3.1	7,644	24.59
Prop. Operations & Maint.	1,070	3.1	6,294	21.51	1,102	2.9	6,483	20.85	1,135	2.9	6,677	21.48	1,169	2.8	6,878	22.12	1,204	2.8	7,084	22.78
Utilities	714	2.1	4,198	14.34	735	1.9	4,324	13.91	757	1.9	4,453	14.32	780	1.9	4,587	14.75	803	1.9	4,724	15.20
Park Maintenance/Security	225	0.6	1,324	4.52	232	0.6	1,363	4.38	239	0.6	1,404	4.52	246	0.6	1,446	4.65	253	0.6	1,490	4.79
Total	5,588	16.1	32,872	112.32	5,846	15.2	34,390	110.61	6,033	15.2	35,486	114.13	6,226	15.1	36,622	117.79	6,427	15.1	37,806	121.59
GROSS HOUSE PROFIT	13,285	38.3	78,145	267.01	15,193	39.7	89,368	287.43	15,808	39.9	92,990	299.08	16,645	40.6	97,914	314.92	17,246	40.6	101,445	326.27
Management Fee	1,041	3.0	6,122	20.92	1,150	3.0	6,768	21.77	1,190	3.0	7,000	22.51	1,231	3.0	7,242	23.29	1,275	3.0	7,498	24.12
INCOME BEFORE NON-OPER. INC. & EXP.	12,244	35.3	72,022	246.09	14,042	36.7	82,601	265.66	14,618	36.9	85,990	276.57	15,414	37.6	90,672	291.62	15,971	37.6	93,947	302.16
NON-OPERATING INCOME AND EXPENSE																				
Possessory Interest Tax	1,341	3.9	7,887	26.95	1,347	3.5	7,922	25.48	1,353	3.4	7,958	25.59	1,359	3.3	7,994	25.71	1,365	3.2	8,030	25.83
Insurance	117	0.3	687	2.35	129	0.3	761	2.45	134	0.3	787	2.53	138	0.3	814	2.62	143	0.3	843	2.71
Ground Rent	850	2.5	5,000	17.08	850	2.2	5,000	16.08	1,250	3.2	7,353	23.65	1,250	3.0	7,353	23.65	1,250	2.9	7,353	23.65
Reserve for Replacement	763	2.2	4,490	15.34	1,150	3.0	6,768	21.77	1,190	3.0	7,000	22.51	1,582	3.9	9,308	29.94	1,638	3.9	9,636	30.99
Total	3,071	8.9	18,064	61.72	3,477	9.0	20,451	65.78	3,927	9.9	23,098	74.29	4,330	10.5	25,470	81.92	4,397	10.3	25,862	83.18
EBITDA LESS RESERVE	\$9,173	26.4 %	\$53,959	\$184.37	\$10,565	27.7 %	\$62,149	\$199.89	\$10,692	27.0 %	\$62,892	\$202.28	\$11,084	27.1 %	\$65,202	\$209.71	\$11,575	27.3 %	\$68,085	\$218.98

*Departmental expenses are expressed as a percentage of departmental revenues.

FIGURE 2-11 HVS FORECAST – DETAILED FORECAST OF INCOME AND EXPENSE – PROPOSED WATERFRONT HOTEL, SAN FRANCISCO, CA

	2019 (Calendar Year)				2020				2021				2022				Stabilized			
Number of Rooms:	170				170				170				170				170			
Occupancy:	80%				85%				85%				85%				85%			
Average Rate:	\$450.00				\$473.00				\$487.00				\$502.00				\$517.00			
RevPAR:	\$360.00				\$402.05				\$413.95				\$426.70				\$439.45			
Days Open:	365				365				365				365				365			
Occupied Rooms:	49,640	%Gross	PAR	POR	52,743	%Gross	PAR	POR	52,743	%Gross	PAR	POR	52,743	%Gross	PAR	POR	52,743	%Gross	PAR	POR
OPERATING REVENUE																				
Rooms	\$22,623	64.9 %	\$133,076	\$455.74	\$25,241	65.9 %	\$148,475	\$478.57	\$25,988	65.6 %	\$152,870	\$492.73	\$26,788	65.4 %	\$157,578	\$507.91	\$27,589	65.0 %	\$162,286	\$523.08
Food & Beverage	6,803	19.5	40,015	137.04	7,330	19.1	43,118	138.98	7,565	19.1	44,497	143.42	7,807	19.0	45,921	148.01	8,056	19.0	47,391	152.75
Catering	4,093	11.8	24,077	82.45	4,365	11.4	25,677	82.76	4,637	11.7	27,278	87.92	4,909	12.0	28,878	93.08	5,248	12.4	30,868	99.49
Miscellaneous Income	1,315	3.8	7,735	26.49	1,375	3.6	8,091	26.08	1,426	3.6	8,390	27.04	1,479	3.6	8,700	28.04	1,534	3.6	9,023	29.08
Total Operating Revenues	34,834	100.0	204,903	701.72	38,311	100.0	225,360	726.38	39,616	100.0	233,035	751.12	40,983	100.0	241,077	777.04	42,426	100.0	249,568	804.41
DEPARTMENTAL EXPENSES *																				
Rooms	6,059	26.8	35,643	122.07	6,392	25.3	37,597	121.18	6,583	25.3	38,725	124.82	6,781	25.3	39,887	128.56	6,984	25.3	41,084	132.42
Food & Beverage	6,557	96.4	38,569	132.09	6,890	94.0	40,531	130.64	7,097	93.8	41,747	134.56	7,310	93.6	42,999	138.59	7,529	93.5	44,289	142.75
Catering	3,393	82.9	19,961	68.36	3,557	81.5	20,924	67.44	3,721	80.2	21,887	70.55	3,885	79.1	22,851	73.65	4,088	77.9	24,048	77.51
Total	16,010	46.0	94,174	322.51	16,839	44.0	99,052	319.27	17,401	43.9	102,359	329.93	17,975	43.9	105,737	340.81	18,601	43.8	109,420	352.68
DEPARTMENTAL INCOME	18,824	54.0	110,730	379.21	21,472	56.0	126,308	407.12	22,215	56.1	130,676	421.20	23,008	56.1	135,341	436.23	23,825	56.2	140,147	451.72
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	2,462	7.1	14,483	49.60	2,585	6.7	15,208	49.02	2,666	6.7	15,681	50.54	2,749	6.7	16,170	52.12	2,835	6.7	16,679	53.76
Marketing	1,116	3.2	6,565	22.48	1,172	3.1	6,894	22.22	1,208	3.1	7,108	22.91	1,246	3.0	7,330	23.63	1,285	3.0	7,561	24.37
Prop. Operations & Maint.	1,034	3.0	6,084	20.84	1,086	2.8	6,388	20.59	1,120	2.8	6,587	21.23	1,155	2.8	6,793	21.90	1,191	2.8	7,007	22.58
Utilities	690	2.0	4,058	13.90	724	1.9	4,261	13.73	747	1.9	4,393	14.16	770	1.9	4,530	14.60	794	1.9	4,673	15.06
Park Maintenance/Security	217	0.6	1,279	4.38	228	0.6	1,343	4.33	235	0.6	1,385	4.46	243	0.6	1,428	4.60	250	0.6	1,473	4.75
Total	5,520	15.9	32,470	111.20	5,796	15.1	34,094	109.89	5,976	15.1	35,154	113.31	6,163	15.0	36,252	116.85	6,357	15.0	37,393	120.52
GROSS HOUSE PROFIT	13,304	38.1	78,260	268.01	15,676	40.9	92,214	297.23	16,239	41.0	95,522	307.89	16,845	41.1	99,088	319.38	17,468	41.2	102,755	331.20
Management Fee	1,045	3.0	6,147	21.05	1,149	3.0	6,761	21.79	1,188	3.0	6,991	22.53	1,229	3.0	7,232	23.31	1,273	3.0	7,487	24.13
INCOME BEFORE NON-OPER. INC. & EXP.	12,259	35.1	72,113	246.96	14,527	37.9	85,454	275.43	15,050	38.0	88,531	285.35	15,616	38.1	91,856	296.07	16,195	38.2	95,267	307.07
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	1,640	4.7	9,649	33.04	1,673	4.4	9,841	31.72	1,706	4.3	10,035	32.35	1,740	4.2	10,235	32.99	1,775	4.2	10,441	33.65
Insurance	126	0.4	738	2.53	129	0.3	760	2.45	133	0.3	783	2.52	137	0.3	807	2.60	141	0.3	831	2.68
Ground Rent	1,582	4.5	9,303	31.86	1,710	4.5	10,059	32.42	1,763	4.4	10,370	33.42	1,818	4.4	10,695	34.47	1,876	4.4	11,036	35.57
Reserve for Replacement	697	2.0	4,098	14.03	1,149	3.0	6,761	21.79	1,585	4.0	9,321	30.04	1,639	4.0	9,643	31.08	1,697	4.0	9,983	32.18
Total	4,044	11.6	23,788	81.47	4,662	12.2	27,421	88.38	5,187	13.0	30,510	98.34	5,335	12.9	31,380	101.14	5,489	12.9	32,291	104.08
EBITDA LESS RESERVE	\$8,215	23.5 %	\$48,324	\$165.49	\$9,865	25.7 %	\$58,032	\$187.05	\$9,864	25.0 %	\$58,021	\$187.01	\$10,281	25.2 %	\$60,476	\$194.93	\$10,706	25.3 %	\$62,976	\$202.99

*Departmental expenses are expressed as a percentage of departmental revenues.

FIGURE 2-12 HVS FORECAST – TEN-YEAR FORECAST OF INCOME AND EXPENSE – PROPOSED WATERFRONT HOTEL, SAN FRANCISCO, CA

	2019		2020		2021		2022		2023		2024		2025		2026		2027		2028	
Number of Rooms:	170		170		170		170		170		170		170		170		170		170	
Occupied Rooms:	49,640		52,743		52,743		52,743		52,743		52,743		52,743		52,743		52,743		52,743	
Occupancy:	80%		85%		85%		85%		85%		85%		85%		85%		85%		85%	
Average Rate:	\$450.00	% of	\$473.00	% of	\$487.00	% of	\$502.00	% of	\$517.00	% of	\$533.00	% of	\$549.00	% of	\$565.00	% of	\$582.00	% of	\$599.00	% of
RevPAR:	\$360.00	Gross	\$402.05	Gross	\$413.95	Gross	\$426.70	Gross	\$439.45	Gross	\$453.05	Gross	\$466.65	Gross	\$480.25	Gross	\$494.70	Gross	\$509.15	Gross
OPERATING REVENUE																				
Rooms	\$22,623	64.9 %	\$25,241	65.9 %	\$25,988	65.6 %	\$26,788	65.4 %	\$27,589	65.0 %	\$28,416	65.0 %	\$29,269	65.0 %	\$30,147	65.0 %	\$31,051	65.0 %	\$31,983	65.0 %
Food & Beverage	6,803	19.5	7,330	19.1	7,565	19.1	7,807	19.0	8,056	19.0	8,314	19.0	8,580	19.0	8,838	19.0	9,103	19.0	9,376	19.0
Catering	4,093	11.8	4,365	11.4	4,637	11.7	4,909	12.0	5,248	12.4	5,405	12.4	5,567	12.4	5,734	12.4	5,906	12.4	6,083	12.4
Miscellaneous Income	1,315	3.8	1,375	3.6	1,426	3.6	1,479	3.6	1,534	3.6	1,580	3.6	1,627	3.6	1,676	3.6	1,726	3.6	1,778	3.6
Total Operating Revenue	34,834	100.0	38,311	100.0	39,616	100.0	40,983	100.0	42,426	100.0	43,715	100.0	45,043	100.0	46,395	100.0	47,787	100.0	49,220	100.0
DEPARTMENTAL EXPENSES*																				
Rooms	6,059	26.8	6,392	25.3	6,583	25.3	6,781	25.3	6,984	25.3	7,194	25.3	7,410	25.3	7,632	25.3	7,861	25.3	8,097	25.3
Food & Beverage	6,557	96.4	6,890	94.0	7,097	93.8	7,310	93.6	7,529	93.5	7,755	93.3	7,988	93.1	8,227	93.1	8,474	93.1	8,728	93.1
Catering	3,393	82.9	3,557	81.5	3,721	80.2	3,885	79.1	4,088	77.9	4,168	77.1	4,293	77.1	4,422	77.1	4,554	77.1	4,691	77.1
Total	16,010	46.0	16,839	44.0	17,401	43.9	17,975	43.9	18,601	43.8	19,117	43.7	19,690	43.7	20,281	43.7	20,889	43.7	21,516	43.7
DEPARTMENTAL INCOME																				
	18,824	54.0	21,472	56.0	22,215	56.1	23,008	56.1	23,825	56.2	24,599	56.3	25,353	56.3	26,114	56.3	26,897	56.3	27,704	56.3
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	2,462	7.1	2,585	6.7	2,666	6.7	2,749	6.7	2,835	6.7	2,921	6.7	3,008	6.7	3,098	6.7	3,191	6.7	3,287	6.7
Marketing	1,116	3.2	1,172	3.1	1,208	3.1	1,246	3.0	1,285	3.0	1,324	3.0	1,364	3.0	1,405	3.0	1,447	3.0	1,490	3.0
Prop. Operations & Maint.	1,034	3.0	1,086	2.8	1,120	2.8	1,155	2.8	1,191	2.8	1,227	2.8	1,264	2.8	1,302	2.8	1,341	2.8	1,381	2.8
Utilities	690	2.0	724	1.9	747	1.9	770	1.9	794	1.9	818	1.9	843	1.9	868	1.9	894	1.9	921	1.9
Park Maintenance/Security	217	0.6	228	0.6	235	0.6	243	0.6	250	0.6	258	0.6	266	0.6	274	0.6	282	0.6	290	0.6
Total	5,520	15.9	5,796	15.1	5,976	15.1	6,163	15.0	6,357	15.0	6,547	15.0	6,744	15.0	6,946	15.0	7,155	15.0	7,369	15.0
GROSS HOUSE PROFIT																				
	13,304	38.1	15,676	40.9	16,239	41.0	16,845	41.1	17,468	41.2	18,051	41.3	18,609	41.3	19,168	41.3	19,743	41.3	20,335	41.3
Management Fee	1,045	3.0	1,149	3.0	1,188	3.0	1,229	3.0	1,273	3.0	1,311	3.0	1,351	3.0	1,392	3.0	1,434	3.0	1,477	3.0
INCOME BEFORE NON-OPER. INC. & EXP.																				
	12,259	35.1	14,527	37.9	15,050	38.0	15,616	38.1	16,195	38.2	16,740	38.3	17,258	38.3	17,776	38.3	18,309	38.3	18,858	38.3
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	1,640	4.7	1,673	4.4	1,706	4.3	1,740	4.2	1,775	4.2	1,811	4.1	1,847	4.1	1,884	4.1	1,922	4.0	1,960	4.0
Insurance	126	0.4	129	0.3	133	0.3	137	0.3	141	0.3	145	0.3	150	0.3	154	0.3	159	0.3	164	0.3
Ground Rent	1,582	4.5	1,710	4.5	1,763	4.4	1,818	4.4	1,876	4.4	2,366	5.4	2,437	5.4	2,510	5.4	2,586	5.4	2,663	5.4
Reserve for Replacement	697	2.0	1,149	3.0	1,585	4.0	1,639	4.0	1,697	4.0	1,749	4.0	1,802	4.0	1,856	4.0	1,911	4.0	1,969	4.0
Total	4,044	11.6	4,662	12.2	5,187	13.0	5,335	12.9	5,489	12.9	6,071	13.8	6,236	13.8	6,405	13.8	6,578	13.7	6,756	13.7
EBITDA LESS RESERVE																				
	\$8,215	23.5 %	\$9,865	25.7 %	\$9,864	25.0 %	\$10,281	25.2 %	\$10,706	25.3 %	\$10,669	24.5 %	\$11,022	24.5 %	\$11,371	24.5 %	\$11,731	24.6 %	\$12,103	24.6 %

*Departmental expenses are expressed as a percentage of departmental revenues.

**Summary of Changes
Made to Developer
Projections**

As stated previously, some minor modifications were made to the proforma submitted by TZK Broadway; a review of these changes and/or details surrounding our line-item forecast is summarized as follows:

Revenues:

- Room Revenue – “Total Room Revenue” and “Extended Stay Revenue” as presented in the TZK proforma were consolidated into the Rooms Revenue line item of the HVS forecast. The TZK forecast does not contain any departmental operating expenses attributable to the cost of operating the 10 additional rooms. Our fixed and variable model takes into account the Extended Stay Revenue in order to account for some of the additional expenses that will be generated by the operation of these rooms, including the leasing costs, maintenance and housekeeping, and other overhead expenses. The following tables illustrate how this line item was calculated.



FIGURE 2-13 ROOMS REVENUE FORECAST

	2019 (Calendar Year)				2020				2021				2022				Stabilized			
Number of Hotel Rooms:	170				170				170				170				170			
Occupancy:	80%				85%				85%				85%				85%			
Occupied Rooms:	49,640				52,743				52,743				52,743				52,743			
Average Rate:	\$450.00				\$473.00				\$487.00				\$502.00				\$517.00			
RevPAR:	\$360.00				\$402.05				\$413.95				\$426.70				\$439.45			
Number of Extended Stay Rooms:	10				10				10				10				10			
Occupancy:	95%				95%				95%				95%				95%			
Occupied Rooms:	114				114				114				114				114			
Monthly Rate:	\$2,500.00				\$2,575.00				\$2,652.00				\$2,732.00				\$2,814.00			
RevPAR:	\$2,375.00				\$2,446.25				\$2,519.40				\$2,595.40				\$2,673.30			
Days Open - Hotel Rooms:	365				365				365				365				365			
Months Open - Extended Stay Rooms:	12				12				12				12				12			
Total Occupied Rooms:	49,754	%Gross	PAR	POR	52,857	%Gross	PAR	POR	52,857	%Gross	PAR	POR	52,857	%Gross	PAR	POR	52,857	%Gross	PAR	POR
Hotel Rooms	22,338	64.4	\$131,400	\$450.00	24,947	65.0	\$146,748	\$473.00	25,686	64.7	\$151,092	\$487.00	26,477	64.5	\$155,746	\$502.00	27,268	64.2	\$160,399	\$517.00
Extended-Stay Rooms	285	0.8	28,500	2,500.00	294	0.8	29,355	2,575.00	302	0.8	30,233	2,652.00	311	0.8	31,145	2,732.00	321	0.8	32,080	2,814.00
Total Rooms Revenue	22,623	65.2	159,900	2,950	25,241	65.8	176,103	3,048	25,988	65.5	181,325	3,139	26,788	65.3	186,890	3,234	27,589	65.0	192,479	3,331

Note: Rooms Revenue dollar amounts vary slightly to developer proforma because of small rounding errors in occupancy and average rate calculations

- Food and Beverage Revenue – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Catering Revenue – this line item was forecast in line with the developer proforma, as the catering revenue forecast was based in part on information from a separate forecast for the Teatro ZinZanni component. We also reviewed the Teatro ZinZanni financial projections as part of our analysis; this forecast appeared to be reasonable and appropriate for the proposed theater operation. We note that our conversations with TZK Broadway indicated that the Teatro ZinZanni forecast was based on its 11-year operating history prior to its closure, but we were not provided any of the historical data with which to confirm this statement.
- Miscellaneous Income – “Other Hotel Income (Net)” and “ZinZanni Rent” as presented in the TZK proforma were consolidated into Miscellaneous Income line item, per *USALI* and to remain consistent with the comparable operating statements.

Departmental Expenses:

- Rooms Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Food & Beverage Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Catering Expense – this line item was forecast in line with the developer proforma. Please refer to our explanation of the catering line item in the revenue category.

Undistributed Operating Expenses:

- Administrative & General Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Marketing Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Property Operations & Maintenance Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).

- Utilities Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Park Maintenance/Security Expense – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).

Other Expenses:

- Management Fees – this line item was forecast consistent with a market supported rate of 3.0% of total revenues.
- Property Taxes – real estate in the state of California is assessed at 100% of market value upon the sale, expansion, or new construction of a property. Once established, the assessed value of a property can increase by no more than 2.0% per year, according to state law. A reassessment is triggered by the sale, expansion, or improvement of a property. In this analysis, the first year’s property taxes were forecast based on the leasehold value of the subject property (the tax rate multiplied by the leasehold value); thereafter, property taxes are forecast to increase at 2.0% per year. The following chart details our property tax assumption.

Estimated Market Value of Leasehold Interest	Tax Rate	First Year's Tax Burden
\$138,700,000	x 1.1826%	\$1,640,266

Note: This Market Value opinion will be detailed in a subsequent section of this chapter

- Insurance – this line item was adjusted per our fixed and variable model and was based on the stabilized year amounts from the developer proforma (deflated to base-year dollars).
- Ground Rent – the forecast prepared by the developers does not include a percentage rent component; the rental payments are fixed at \$1,250,000 after a two-year ramp-up period. It was reported to us and displayed in the developer’s forecast that a percentage ground rent amount was calculated on the basis of 3.0% of total revenue (less food & beverage and ancillary departments). However, this percentage rent amount did not exceed the minimum base rent and thus does not appear in the net income calculation in the developer’s proforma.

Furthermore, we note that the developers are currently in negotiations with the Port of San Francisco to determine an appropriate ground rent

amount for the subject property. At the request of the client, we researched and compiled long-term ground lease agreements encumbering existing hotels. When possible, ground leases under high-profile assets with strong locations were selected in order to facilitate a comparison with the subject site, which features an excellent location in San Francisco's waterfront district. Additionally, the ground lease encumbering Hotel Vitale (lease agreement was provided by the client) was reviewed in order to extract its payment terms for comparative purposes. After reviewing the ground lease, we had a phone conversation with SFMTA, who administers the lease, to confirm that Hotel Vitale is currently paying rent as defined by the terms in the lease and that there have not been any amendments that have altered the lease term or ground rent payments. Our findings of comparable ground lease terms are presented in Figure 2-14 below and Hotel Vitale's lease terms are summarized in more detail on Figure 2-15.

FIGURE 2-14 SUMMARY OF SELECTED HOTEL GROUND LEASES

Hotel	City	ST	Number of Rooms	Ground Lease Formula	Rental Based on Stabilized Revenue 200-Unit Subject Property		
					Dollar Amount (+000)	Percentage of Rooms Revenue	Percentage of Total Revenue
Hotel Vitale	San Francisco	CA	200	Period 1: The greater of (a) \$300,000 or (b) the sum of 3% of gross revenue (less F&B), 7.5% of F&B rental revenue, and 0.75% of F&B revenue; Period 2: The greater of (a) \$350,000 or (b) the sum of 3% of gross revenue (less F&B), 7.5% of F&B rental revenue, and 0.75% of F&B revenue; Period 3: The greater of (a) \$400,000 or (b) the sum of 3% of gross revenue (less F&B), 7.5% of F&B rental revenue, and 0.75% of F&B revenue; Period 4: The greater of (a) \$800,000 or (b) the sum of 6% of gross revenue (less F&B), 15% of F&B rental revenue, and 1.5% of F&B revenue; Period 5: The greater of (a) \$1,000,000 or (b) the sum of 6.75% of gross revenue (less F&B), 30% of F&B rental revenue, and 2.5% of F&B revenue; Period 6: The greater of (a) \$1,250,000 or (b) the sum of 7.125% of gross revenue (less F&B), 30% of F&B rental revenue, and 2.75% of F&B revenue; Period 7: The greater of (a) Fair Market Value or (b) the sum of 8% of gross revenue (less F&B), 30% of F&B rental revenue, and 2.75% of F&B revenue	\$2,108	9.7%	6.3%
San Diego Marriott & Marina	San Diego	CA	1364	Year 1: \$200,000; years 2-5: \$400,000, years 6-25: 6% of rooms revenue. 3% of food revenue, 3% of beverage revenue, 5% of shop revenue. 3% of food revenue, 3% of beverage revenue, 5% of shop boat rentals	\$1,721	7.9%	5.1%
Hyatt Regency	San Diego	CA	875	7% of rooms revenue, 4% of food and beverage revenue, and 3% to 25% of other revenue, against a minimum	\$1,706	7.8%	5.1%
Hilton Hotel	San Diego	CA	357	7% of rooms revenue, 1% of food revenue, 5% of beverage revenue, and 7% of other revenue	\$1,609	7.4%	4.8%
JW Marriott Hotel	San Francisco	CA	348	The greater of a CPI-adjusted minimum rent or, after year 5, the sum of 6% of rooms revenue, 1% of food revenue, 5% of beverage revenue, 3% of	\$1,488	6.8%	4.4%
Airport Hilton	San Francisco	CA	544	5.5% of rooms revenue	\$1,197	5.5%	3.6%
San Francisco Airport Marriott	Burlingame, CA	CA	695	Year 1: 5% of rooms revenue; year 2: 5.25% of rooms revenue; years 3+: 5.5% of rooms revenue, against a minimum	\$1,197	5.5%	3.6%
Holiday Inn Fisherman's Wharf	San Francisco	CA	339	5% of rooms revenue and 2.5% of food and beverage revenue	\$1,089	5.0%	3.2%

FIGURE 2-15 SUMMARY OF HOTEL VITALE GROUND LEASE TERMS

Lease Terms	Lease is dated September 30, 2003 According to SFMTA, lease payments commenced in 2005
Term	51 years from commencement with one 14-year extension option (with 18-36 months notice)
Payment	<p><u>Rent Period 1: (2005 to 2006)</u></p> <p>Minimum \$300,000</p> <p>Participation Sum of 3% Gross Revenue (Less F&B) + 7.5% F&B Rental Revenue + 0.75% Gross F&B Revenue</p> <p><u>Rent Period 2: (2006 to 2007)</u></p> <p>Minimum \$350,000</p> <p>Participation Sum of 3% Gross Revenue (Less F&B) + 7.5% F&B Rental Revenue + 0.75% Gross F&B Revenue</p> <p><u>Rent Period 3: (2007 to 2008)</u></p> <p>Minimum \$400,000</p> <p>Participation Sum of 3% Gross Revenue (Less F&B) + 7.5% F&B Rental Revenue + 0.75% Gross F&B Revenue</p> <p><u>Rent Period 4: (2008 to 2014)</u></p> <p>Minimum \$800,000 CPI adjusted</p> <p>Participation Sum of 6% Gross Revenue (Less F&B) + 15% F&B Rental Revenue + 1.5% Gross F&B Revenue</p> <p><u>Rent Period 5: (2014 to 2020, CURRENT RENT PERIOD)</u></p> <p>Minimum \$1,000,000 CPI adjusted</p> <p>Participation Sum of 6.75% Gross Revenue (Less F&B) + 30% F&B Rental Revenue + 2.5% Gross F&B Revenue</p> <p><u>Rent Period 6: (2020 to 2035)</u></p> <p>Minimum \$1,250,000 CPI adjusted</p> <p>Participation Sum of 7.125% Gross Revenue (Less F&B) + 30% F&B Rental Revenue + 2.75% Gross F&B Revenue</p> <p><u>Rent Period 7: (2035 to 2055, END OF INITIAL TERM)</u></p> <p>Minimum Appraisal required</p> <p>Participation Sum of 8% Gross Revenue (Less F&B) + 30% F&B Rental Revenue + 2.75% Gross F&B Revenue</p>
Note: Participation Rent Paid in Excess of Minimum Base Rent	

Based on the information displayed in the preceding tables, the hotel ground lease payments range from approximately 5% to 8% of rooms revenue, and 3% to 5% of total revenue. The lease terms for Hotel Vitale reflect payments that are on the high end of the range because of its very strong location in San Francisco and other attributes that were detailed previously.

As discussed in the Executive Summary, terms of the lease are still under negotiation between the Port of San Francisco and the developers; the most recent iteration of the ground lease features an initial term of 50 years plus a 16-year extension term. Ground rent payments are comprised of base rent and percentage rent; percentage rent exceeding the base rent is paid once the break-point is reached. The calculation of percentage rent is based on gross receipts from both the hotel's operation and the operation of the Teatro ZinZanni dinner theater, escalating over time from the hotel's opening to its anticipated stabilization period. The proposed ground lease terms are detailed in the following chart, as provided by the client.

FIGURE 2-16 CURRENT GROUND LEASE TERMS/ASSUMPTIONS (CURRENTLY UNDER NEGOTIATION)

Assumptions and Definitions for Ground Rent Calculation
<p><u>Minimum Base Rent:</u></p> <ul style="list-style-type: none"> -If Hotel Occupancy reaches 80% or greater in first Two Operation Years, Base Rent for those years will equal 90% of Total Participation Rent -Minimum Base Rent set to \$875,000 in the two-year Construction Period -Minimum Base Rent set to \$1,366,000 in the Third Operation Year, CPI adjusted at 3% -Minimum Base Rent will be reset after each 10-year period (first reset in the Eleventh Operating Year) at 65% of the average Total Participation Rent for the 5 years prior to the reset year. Note that the reset Minimum Base Rent amount should not be less than the prior year's Minimum Base Rent CPI adjusted at 3%.
<p><u>Percentage Rent:</u></p> <ul style="list-style-type: none"> -Percentage Rent for the hotel component will be calculated at 3.5% of Gross Hotel Revenue LESS F&B Rental (first 5 years), 4.5% (next 5 years), 5.5% (next 10 years), 6.5% (remaining term) -Percentage Rent for the theater component will be calculated at 3.5% of Gross TZ Revenue for the entire lease term -Percentage Rent will be paid in excess of the Minimum Base Rent
<p><u>Gross Revenue (Hotel):</u></p> <p>Gross Hotel Revenue LESS \$390,000 (CPI adjusted at 3%) for the purposes of calculating the ground rent to the Port of San Francisco</p>
<p><u>Gross Revenue (Teatro ZinZanni (TZ)):</u></p> <p>Provided by Client (Forecast was reportedly completed by TZ)</p>

Based on the terms detailed above, our ground rent forecast for the subject property is displayed in the following charts.

FIGURE 2-17 GROUND RENT FORECAST – PROPOSED WATERFRONT HOTEL, SAN FRANCISCO, CA (FIGURES DISPLAYED IN 000'S)

Ground Lease Calculation	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Minimum Base Rent*	\$1,423	\$1,539	\$1,366	\$1,407	\$1,449	\$1,493	\$1,537	\$1,584	\$1,631	\$1,680
Percentage Rent (See Schedule A)	1,582	1,710	1,763	1,818	1,876	2,366	2,437	2,510	2,586	2,663
Total Rent Calculated	3,005	3,249	3,129	3,225	3,325	3,858	3,975	4,094	4,217	4,343
(Less: Minimum Base Rent)**	(1,423)	(1,539)	(1,366)	(1,407)	(1,449)	(1,493)	(1,537)	(1,584)	(1,631)	(1,680)
Total Ground Lease Payment	1,582	1,710	1,763	1,818	1,876	2,366	2,437	2,510	2,586	2,663
% of Rooms Revenue	7.0%	6.8%	6.8%	6.8%	6.8%	8.3%	8.3%	8.3%	8.3%	8.3%
% of Total Revenue	4.5%	4.5%	4.4%	4.4%	4.4%	5.4%	5.4%	5.4%	5.4%	5.4%

*Minimum Base Rent based on terms provided by client: \$875,000/year for 1st & 2nd Year, or 90% of percentage rent if occupancy exceeds 82.5%. 3rd Year Base Rent set to \$1,366,000.

FIGURE 2-18 SCHEDULE A – PERCENTAGE RENT CALCULATION (FIGURES DISPLAYED IN 000'S)

Schedule A - Percentage Rent Calculation	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Percentage Rent: Variable % of Gross Hotel Revenue (LESS F&B Rental)*	1,206	1,326	1,372	1,419	1,469	1,946	2,005	2,066	2,128	2,191
Percentage Rent: 3.5% of Teatro ZinZanni (TZ) Gross Revenue**	376	384	391	399	407	419	432	445	458	472
Total Percentage Rent	1,582	1,710	1,763	1,818	1,876	2,366	2,437	2,510	2,586	2,663
% Change	—	8.1%	3.1%	3.1%	3.2%	26.1%	3.0%	3.0%	3.0%	3.0%

*3.5% (first 5 years), 4.5% (next 5 years), 5.5% (next 10 years), 6.5% (remaining term) of Gross Hotel Revenue LESS F&B Rental Revenue
(F&B Rental Revenue is equal to \$390,000 Rental Expense from Teatro ZinZanni (TZ) to Hotel, CPI adjusted)

**Per Teatro ZinZanni (TZ) Proforma, Provided by Client (Displayed in Schedule B)

FIGURE 2-19 SCHEDULE B – TEATRO ZINZANNI REVENUES FOR GROUND RENT CALCULATION (PROVIDED BY CLIENT)

Schedule B - Teatro ZinZanni (TZ) Revenue: Provided by Client	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Ticket Sales & Food Revenue	8,594,621	8,766,513	8,941,843	9,120,680	9,303,094	9,582,187	9,869,652	10,165,742	10,470,714	10,784,836
Beverage Revenue	2,149,983	2,192,983	2,236,842	2,281,579	2,327,211	2,397,027	2,468,938	2,543,006	2,619,296	2,697,875
Total	10,744,604	10,959,496	11,178,685	11,402,259	11,630,305	11,979,214	12,338,591	12,708,748	13,090,011	13,482,711
% Change		2.00%	2.00%	2.00%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%

- The ground rent calculation for the proposed subject property was expanded for the entire term of the lease, including the extension term, in order to determine the total rent amount that the Port of San Francisco would receive if the lease runs full term. The net income for the hotel and the gross revenues for the theater component were inflated by 3.0% per year for the purposes of the ground rent calculation. The amounts are presented as follows:

FIGURE 2-20 GROUND RENT PAYMENTS TO THE PORT OF SAN FRANCISCO – INITIAL TERM (BASED ON CURRENT LEASE TERMS)

Year	Gross Revenue (Hotel)	Gross Revenue (Teatro ZinZanni)	Minimum Base Rent	Percentage Rent (Hotel)	Percentage Rent (TZ)	Total Percentage Rent	Total Ground Rent Payment to Port of SF
2017	Construction Period		\$875,000				\$875,000
2018	Construction Period		875,000				875,000
2019	\$34,443,581	\$10,744,604	1,423,428	\$1,205,525	\$376,061	\$1,581,586	1,581,586
2020	37,897,880	10,959,496	1,539,007	1,326,426	383,582	1,710,008	1,710,008
2021	39,190,181	11,178,685	1,366,000	1,371,656	391,254	1,762,910	1,762,910
2022	40,544,577	11,402,259	1,406,980	1,419,060	399,079	1,818,139	1,818,139
2023	41,974,744	11,630,305	1,449,189	1,469,116	407,061	1,876,177	1,876,177
2024	43,250,100	11,979,214	1,492,665	1,946,254	419,272	2,365,527	2,365,527
2025	44,564,231	12,338,591	1,537,445	2,005,390	431,851	2,437,241	2,437,241
2026	45,901,158	12,708,748	1,583,568	2,065,552	444,806	2,510,358	2,510,358
2027	47,278,193	13,090,011	1,631,075	2,127,519	458,150	2,585,669	2,585,669
2028	48,696,539	13,482,711	1,680,008	2,191,344	471,895	2,663,239	2,663,239
2029	50,157,435	13,887,192	1,730,408	2,258,659	486,052	3,244,711	3,244,711
2030	51,662,158	14,303,808	1,782,320	2,841,419	500,633	3,342,052	3,342,052
2031	53,212,022	14,732,922	1,835,790	2,926,661	515,652	3,442,314	3,442,314
2032	54,808,383	15,174,910	1,890,863	3,014,461	531,122	3,545,583	3,545,583
2033	56,452,635	15,630,157	1,947,589	3,104,895	547,056	3,651,950	3,651,950
2034	58,146,214	16,099,062	2,006,017	3,198,042	563,467	3,761,509	3,761,509
2035	59,890,600	16,582,034	2,066,198	3,293,983	580,371	3,874,354	3,874,354
2036	61,687,318	17,079,495	2,128,183	3,392,802	597,782	3,990,585	3,990,585
2037	63,537,938	17,591,880	2,192,029	3,494,587	615,716	4,110,302	4,110,302
2038	65,444,076	18,119,636	2,257,790	3,599,424	634,187	4,233,611	4,233,611
2039	67,407,398	18,663,225	2,596,147	4,381,481	653,213	5,034,694	5,034,694
2040	69,429,620	19,223,122	2,674,031	4,512,925	672,809	5,185,735	5,185,735
2041	71,512,509	19,799,816	2,754,252	4,648,313	692,994	5,341,307	5,341,307
2042	73,657,884	20,393,810	2,836,880	4,787,762	713,783	5,501,546	5,501,546
2043	75,867,620	21,005,625	2,921,986	4,931,395	735,197	5,666,592	5,666,592
2044	78,143,649	21,635,793	3,009,646	5,079,337	757,253	5,836,590	5,836,590
2045	80,487,958	22,284,867	3,099,935	5,231,717	779,970	6,011,688	6,011,688
2046	82,902,597	22,953,413	3,192,933	5,388,669	803,369	6,192,038	6,192,038
2047	85,389,675	23,642,015	3,288,721	5,550,329	827,471	6,377,799	6,377,799
2048	87,951,365	24,351,276	3,387,383	5,716,839	852,295	6,569,133	6,569,133
2049	90,589,906	25,081,814	4,028,342	5,888,344	877,863	6,766,207	6,766,207
2050	93,307,604	25,834,269	4,149,193	6,064,994	904,199	6,969,194	6,969,194
2051	96,106,832	26,609,297	4,273,668	6,246,944	931,325	7,178,269	7,178,269
2052	98,990,037	27,407,576	4,401,878	6,434,352	959,265	7,393,618	7,393,618
2053	101,959,738	28,229,803	4,533,935	6,627,383	988,043	7,615,426	7,615,426
2054	105,018,530	29,076,697	4,669,953	6,826,204	1,017,684	7,843,889	7,843,889
2055	108,169,086	29,948,998	4,810,051	7,030,991	1,048,215	8,079,205	8,079,205
2056	111,414,158	30,847,468	4,954,353	7,241,920	1,079,661	8,321,582	8,321,582
2057	114,756,583	31,772,892	5,102,984	7,459,178	1,112,051	8,571,229	8,571,229
2058	118,199,281	32,726,079	5,256,073	7,682,953	1,145,413	8,828,366	8,828,366
2059	121,745,259	33,707,861	5,413,755	7,913,442	1,179,775	9,093,217	9,093,217
2060	125,397,617	34,719,097	5,576,168	8,150,845	1,215,168	9,366,013	9,366,013
2061	129,159,545	35,760,670	5,743,453	8,395,370	1,251,623	9,646,994	9,646,994
2062	133,034,332	36,833,490	5,915,757	8,647,232	1,289,172	9,936,404	9,936,404
2063	137,025,361	37,938,494	6,093,229	8,906,648	1,327,847	10,234,496	10,234,496
2064	141,136,122	39,076,649	6,276,026	9,173,848	1,367,683	10,541,531	10,541,531
2065	145,370,206	40,248,949	6,464,307	9,449,063	1,408,713	10,857,777	10,857,777
2066	149,731,312	41,456,417	6,658,236	9,732,535	1,450,975	11,183,510	11,183,510
2067	154,223,252	42,700,110	6,857,983	10,024,511	1,494,504	11,519,015	11,519,015
2068	158,849,949	43,981,113	7,063,723	10,325,247	1,539,339	11,864,586	11,864,586
Total - 50-Year Initial Term							299,785,475

FIGURE 2-21 GROUND RENT PAYMENTS TO THE PORT OF SAN FRANCISCO – EXTENSION TERM (BASED ON CURRENT LEASE TERMS)

Year	Gross Revenue (Hotel)	Gross Revenue (Teatro ZinZanni)	Minimum Base Rent	Percentage Rent (Hotel)	Percentage Rent (TZ)	Total Percentage Rent	Total Ground Rent Payment to Port of SF
2069	163,615,448	45,300,546	7,275,634	10,635,004	1,585,519	12,220,523	12,220,523
2070	168,523,911	46,659,563	7,493,903	10,954,054	1,633,085	12,587,139	12,587,139
2071	173,579,628	48,059,350	7,718,720	11,282,676	1,682,077	12,964,753	12,964,753
2072	178,787,017	49,501,130	7,950,282	11,621,156	1,732,540	13,353,696	13,353,696
2073	184,150,628	50,986,164	8,188,791	11,969,791	1,784,516	13,754,307	13,754,307
2074	189,675,147	52,515,749	8,434,454	12,328,885	1,838,051	14,166,936	14,166,936
2075	195,365,401	54,091,221	8,687,488	12,698,751	1,893,193	14,591,944	14,591,944
2076	201,226,363	55,713,958	8,948,113	13,079,714	1,949,989	15,029,702	15,029,702
2077	207,263,154	57,385,377	9,216,556	13,472,105	2,008,488	15,480,593	15,480,593
2078	213,481,048	59,106,938	9,493,053	13,876,268	2,068,743	15,945,011	15,945,011
2079	219,885,480	60,880,146	9,777,844	14,292,556	2,130,805	16,423,361	16,423,361
2080	226,482,044	62,706,551	10,071,179	14,721,333	2,194,729	16,916,062	16,916,062
2081	233,276,506	64,587,747	10,373,315	15,162,973	2,260,571	17,423,544	17,423,544
2082	240,274,801	66,525,380	10,684,514	15,617,862	2,328,388	17,946,250	17,946,250
2083	247,483,045	68,521,141	11,005,050	16,086,398	2,398,240	18,484,638	18,484,638
2084	254,907,536	70,576,775	11,335,201	16,568,990	2,470,187	19,039,177	19,039,177
Total - 16-Year Extension Term							\$246,327,636
Grand Total - 66-Year Full Lease Term							\$546,113,111

- Reserve for Replacement – this line item was forecast consistent with a market supported rate of 4.0% of total revenues. Note that we have assumed a two-year ramp up in this expense, with 2.0% of total revenue in Year 1 and 3.0% of total revenue in Year 2, before increasing to 4.0% of total revenue. A ramp-up in reserve payments is common for new hotels.

Forecast Conclusion

In conclusion, our analysis reflects a profitable operation, with net income expected to total 25.3% of total revenue by the stabilized year. The stabilized total revenue comprises primarily rooms and food and beverage revenue, with a secondary portion derived from other income sources. Additionally, the proposed subject property’s catering service for the Teatro ZinZanni is forecast to generate a strong portion of revenue and net income for the hotel. On the cost side, departmental expenses total 43.8% of revenue by the stabilized year, while undistributed operating expenses total 15.0% of total revenues; this assumes that the property will be operated as an independent hotel with no franchise fee expense. We further assume that the hotel will be competently managed by an established professional hotel operator. Gross House Profit is forecast to stabilize at 41.2% of revenue, which is in line with the house profit ratios of the comparable hotels. After a 3.0% of total revenues management fee, and 12.9% of total revenues in fixed expenses (including the ground rent), a net income ratio of 25.3% is forecast by the stabilized year.

3. Feasibility Analysis

The feasibility of a project may be determined by comparing total project cost with the economic value of the property upon completion; if the economic value based on market rates of return exceeds total development cost the project is determined to be feasible. Project feasibility may also be evaluated based on a return on investment analysis. Return on investment can be defined as the future benefits of an income-producing property relative to its acquisition or construction cost. The first step in performing a return on investment analysis is to determine the amount to be initially invested. For a proposed property, this amount is most likely to be the development cost of the hotel. The financing of the project is then considered by calculating the contributions of debt and equity capital. Internal rates of return can be calculated based on 1) the net income before debt service and return on equity generated by the property as it relates to total invested capital, and 2) the net income after debt service (net income to equity) as it relates to the equity investment. The internal rates of return are evaluated to determine if they are in line with market rates of return and adequate to attract the required debt and equity capital.

Construction Cost Estimate

Because the subject property is a proposed hotel, we have relied upon the actual development budget for the proposed subject hotel in performing a cost analysis. As this budget takes into consideration all of the physical, structural, and design elements specific to the property, it is believed to be the most accurate assessment of the actual cost of developing a hotel facility of this type. The details of this budget, prepared by the developers of the proposed subject property, are presented in the following table.

FIGURE 3-1 PROPOSED SUBJECT PROPERTY CONSTRUCTION BUDGET

# Rooms*	180 Rooms
Size (GSF)	174,892 SF
Size (Hotel Only)	146,591 SF
Size (Theater)	28,301 SF
SF Per Room (GSF)	971.6 SF
SF Per Room (Hotel Only)	862.3 SF

Category	Amount	Per Room	Per Square Foot
Pre-Development	\$754,015	\$4,189	\$4.31
Construction & Contingency	102,937,979	571,878	588.58
Fees & Permits	6,896,000	38,311	39.43
Off-Site/Utility	1,800,000	10,000	10.29
Pre-Opening & FF&E	8,300,000	46,111	47.46
Working Capital	1,500,000	8,333	8.58
Overhead	457,000	2,539	2.61
Construction Interest	1,724,599	9,581	9.86
Total Cost*	\$124,369,593	\$690,942	\$711.12
Total Cost (Hotel Only)**	\$104,244,122	\$613,201	\$711.12

*Per Room Cost Based on 180 Guestrooms (10 Extended-Stay Rooms Included)

**146,591 Square Feet x \$711.12 Per Square Foot. Per Room Cost Based on 170 Guestrooms

As indicated above, the total development cost for the subject property is estimated at \$691,000 per room; this cost includes the construction of the theater, which is a unique addition for a boutique hotel. As such, the estimated cost of the theater was removed from the total development cost in order to facilitate a more accurate comparison with other hotels. After the allocation, the total development cost of the hotel component is estimated to be \$613,000 per room. Note that these cost figures are exclusive of land, which will be leased.

As a benchmark for the subject property’s development cost presented above, we have reviewed development budgets for boutique hotels (excluding land) located in high-barrier-to-entry markets in California. Given that San Francisco and many other parts of the Bay Area have extremely high barriers to entry, few new full-service hotels have been proposed or developed during the current development cycle. The following table displays actual hotel development cost comparables for relevant projects.

FIGURE 3-2 DEVELOPMENT COST COMPARABLES

	Hotel #1	Hotel #2	Hotel #3	Hotel #4	Hotel #5
	Boutique*	Boutique	Upper Upscale	Upper Upscale*	Upper Upscale
Location	Palo Alto, CA	San Francisco, CA	Menlo Park, CA	San Francisco, CA	Napa, CA
Budget Year	2014	2014	2015	2015	2015
F&B Outlets	A Restaurant and Lounge	A Restaurant and Lounge, a Burger Joint, a Coffee Shop, a Rooftop Bar, and a Speakeasy	A Restaurant and Lounge, and a Coffee Shop/Bakery	A Restaurant and Lounge, a Rooftop Bar, a Dinner Only Restaurant, and a Coffee Shop/Bakery	A Restaurant and Lounge, and a Wine Salon
Total Indoor Meeting Space (SF)	650	4,585	9,777	1,100	3,905
# of Rooms	86	200	250	135	68
Meeting Space SF/Room	8	23	39	8	57
Facilities/Amenities	Business Center	Fitness Room, Wellness Center, and Business Center	Outdoor Pool/Whirlpool, Business Center, Concierge Club Lounge, and Fitness Room	Business Center, Concierge Club Lounge, and Fitness Room	Fitness Room, Spa, Outdoor Pool, Living Room, and Business Center
Item (Cost per Room)					
Building	\$219,929	\$229,000	\$343,632	\$550,053	\$361,081
Soft Costs	40,287	84,100	92,028	78,244	113,974
Pre-Opening and Working Capital	27,903	—	23,652	11,481	16,283
FF&E	24,091	22,500	40,092	28,911	87,132
Total Development Cost (without land)	\$312,210	\$335,600	\$499,404	\$668,689	\$578,470

*Gut renovation of existing building

As indicated above, the comparable development costs vary within a wide range depending on the size of the property, location, quality, facilities offered, and many other factors. Given the unique nature of the proposed subject property, its location, anticipated market position as one of the premier upper upscale boutique products in the city, its affiliation with Teatro ZinZanni, and other characteristics, we would expect that the cost to develop this project would be at the higher end of the range indicated by the comparables. We note that no luxury hotel product has been developed in San Francisco or the surrounding sub-markets since before the last recession, and the cost of a top-tier luxury hotel would be expected to be significantly higher than what is indicated by the comparables. The proposed development cost of the subject property (after the removal of the theater component) is in the range indicated by two of the four-star boutique comparables displayed in the preceding chart.

Estimate of Market Value Upon Completion

The proposed subject property (upon completion) has been valued via the income approach through the application of a ten-year mortgage-equity technique and a discounted-cash-flow analysis. The conversion of the subject property's forecasted EBITDA Less Replacement Reserve into an estimate of value was based on the premise that investors typically leverage their real estate investments to enhance their equity yield. Typically, the majority of a transaction is capitalized with mortgage financing (50% to 80%), with equity comprising the balance (20% to 50%). The amounts and terms of available mortgage financing and the rates of return that are required to attract sufficient equity capital formed the basis for allocating the net income between the mortgage and equity components and deriving a value estimate.

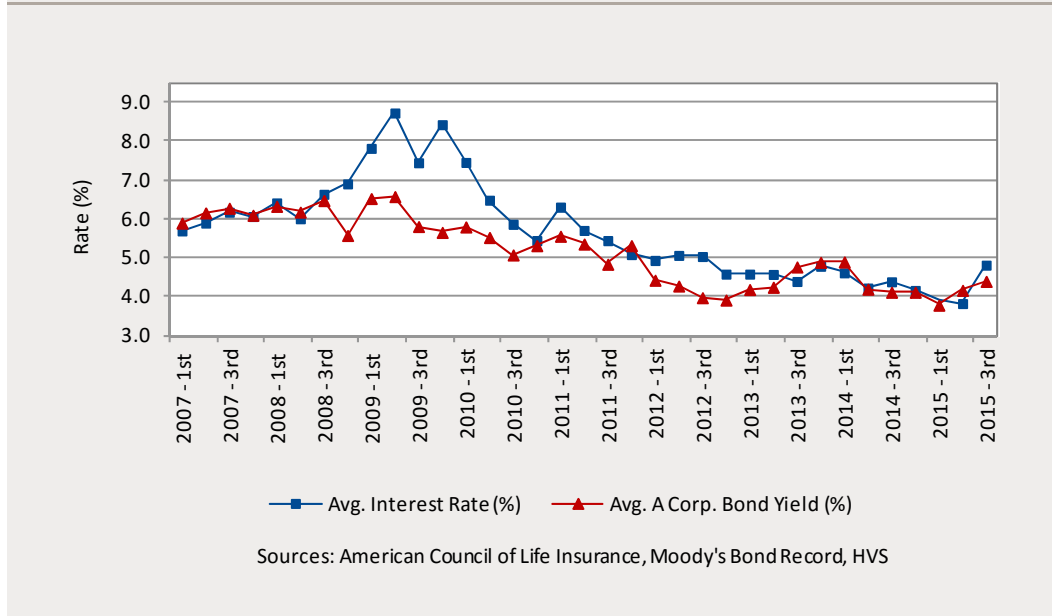
Mortgage Component

Hotel financing is currently active at all tiers of the lodging industry. Lenders are attracted to the lodging industry because of the higher yields generated by hotel financing relative to other commercial real estate, and the industry continues to perform strongly, with supply growth increasing but still constrained in San Francisco. Commercial banks, mortgage REITs, insurance companies, and CMBS and mezzanine lenders are pursuing deals, however we note that underwriting standards have become more stringent since the beginning of 2016 due to current market volatility, and debt has become somewhat more difficult to obtain for new hotel construction. Data for the mortgage component may be developed from statistics of actual hotel mortgages made by long-term lenders. The American Council of Life Insurance, which represents 20 large life insurance companies, publishes quarterly information pertaining to the hotel mortgages issued by its member companies.

Because of the six- to nine-month lag time in reporting and publishing hotel mortgage statistics, it was necessary to update this information to reflect current lending practices. Our research indicates that the greatest degree of correlation exists between the average interest rate of a hotel mortgage and the concurrent yield on an average-A corporate bond.

The following chart summarizes the average mortgage interest rates of the hotel loans made by these lenders. For the purpose of comparison, the average-A corporate bond yield (as reported by *Moody's Bond Record*) is also shown.

FIGURE 3-3 AVERAGE MORTGAGE INTEREST RATES AND AVERAGE-A CORPORATE BOND YIELDS



The relationship between hotel interest rates and the yields from the average-A corporate bond can be detailed through a regression analysis, which is expressed as follows.

$$Y = 0.94917166 X + 0.84208352$$

Where: Y = Estimated Hotel Mortgage Interest Rate
X = Current Average-A Corporate Bond Yield
(Coefficient of correlation is 94%)

The February 10, 2016, average yield on average-A corporate bonds, as reported by Moody's Investors Service, was 4.14%. When used in the previously presented equation, a factor of 4.14 produces an estimated hotel/motel interest rate of 4.77% (rounded).

Yields on U.S. treasuries and average-A corporate bonds remain at low levels due to Federal Reserve policy and the strengthening of the dollar, providing a very favorable financing environment. Interest rates for single hotel assets are currently ranging from 4.4% to 6.0%, depending on the type of debt, loan-to-value ratio, and the quality of the asset and its market.

In addition to the mortgage interest rate estimate derived from this regression analysis, HVS constantly monitors the terms of hotel mortgage loans made by our institutional lending clients. Fixed-rate debt is being priced at roughly 250 to 400 basis points over the corresponding yield on treasury notes. As of February 10, 2016, the yield on the ten-year T-bill was 2.00%, indicating an interest rate range from 4.0% to 6.0%. The hotel investment market has been very active given the low interest rates over the last few years. The Federal Reserve, which raised interest rates slightly at the close of 2015, is anticipated to raise interest rates only modestly throughout 2016. Real investment experts do not anticipate any significant impact on hotel values in the near term, as the operating performance of these assets should be maintained or should continue to improve in tandem with the growth of the strong U.S. economy. At present, we find that lenders that are active in the market are using loan-to-value ratios of 60% to 75% and amortization periods of 20 to 30 years.

Based on our analysis of the current lodging industry mortgage market and adjustments for specific factors, such as the proposed property's location and conditions in the San Francisco hotel market, it is our opinion that a 5.00% interest, 25-year amortization mortgage with a 0.070151 constant is appropriate for the proposed subject hotel. In the mortgage-equity analysis, we have applied a loan-to-value ratio of 65%, which is reasonable to expect based on this interest rate and current parameters.

Equity Component

The remaining capital required for a hotel investment generally comes from the equity investor. The rate of return that an equity investor expects over a ten-year holding period is known as the equity yield. Unlike the equity dividend, which is a short-term rate of return, the equity yield specifically considers a long-term holding period (generally ten years), annual inflation-adjusted cash flows, property appreciation, mortgage amortization, and proceeds from a sale at the end of the holding period. To establish an appropriate equity yield rate, we have used two sources of data: past appraisals and investor interviews.

Hotel Sales – Each appraisal performed by HVS uses a mortgage-equity approach in which income is projected and then discounted to a current value at rates reflecting the cost of debt and equity capital. In the case of hotels that were sold near the date of our valuation, we were able to derive the equity yield rate and unlevered discount rate by inserting the ten-year projection, total investment (purchase price and estimated capital expenditure and/or PIP) and debt assumptions into a valuation model and solving for the equity yield. The overall capitalization rates for the historical income and projected first-year income are based on the sales price “as is.” The following table shows a representative sample of hotels that were sold on or about the time that we appraised them, along with

the derived equity return and discount rates based on the purchase price and our forecast.

FIGURE 3-4 SAMPLE OF HOTELS SOLD – FULL-SERVICE & LUXURY

Hotel	Location	Number of Rooms	Date of Sale	Total Property Yield	Equity Yield	Overall Rate Based on Sales Price	
						Historical Year	Projected Year One
Embassy Suites	Denver, CO	403	Nov-15	8.7 %	17.6 %	6.8 %	7.0 %
London NYC	New York, NY	562	Nov-15	7.2	10.7	3.2	4.0
Le Meridien	Dallas, TX	170	Nov-15	9.7	18.3	6.9	8.2
Hotel Indigo	Scottsdale, AZ	126	Oct-15	10.0	18.4	7.1	9.6
DoubleTree	Orlando, FL	742	Sep-15	10.1	18.4	8.4	8.9
3 Palms	College Park, GA	243	Sep-15	11.7	19.5	—	5.2
Hotel Durant	Berkeley, CA	144	Sep-15	9.9	17.6	5.1	6.1
Embassy Suites	Valencia, CA	156	Sep-15	10.1	18.4	7.3	7.9
Holiday Inn Hotel & Suites	Phoenix, AZ	228	Jul-15	11.0	19.5	6.2	7.4
Cobblestone Inn	Carmel, CA	24	Jul-15	10.9	18.3	6.0	7.3
Sheraton	Raleigh, NC	353	Jul-15	11.0	18.5	7.6	8.1
Holiday Inn Hotel & Suites	Phoenix, AZ	228	Jul-15	11.0	19.5	6.2	7.4
Sheraton Suites	Key West, FL	184	Jun-15	9.0	16.0	5.8	6.8
Sheraton	Ann Arbor, MI	197	Jun-15	9.9	18.2	6.7	7.6
Holiday Inn	Princeton, NJ	182	Jun-15	12.8	22.9	8.6	9.5
DoubleTree	Charlotte, NC	173	Jun-15	18.8	11.1	9.9	8.7
Sunset Tower Hotel	West Hollywood, CA	74	Jun-15	9.2	16.5	5.6	6.0
Marriott	Irvine, CA	485	Jun-15	9.6	16.2	7.1	7.7
Wyndham Riverwalk	Jacksonville, FL	323	Jun-15	12.0	18.3	—	—
Marriott	New York, NY	655	May-15	9.0	15.3	3.8	5.3
Fairmont	Kohala Coast, HI	540	May-15	8.2	14.3	5.3	5.9
Belamar Hotel	Manhattan Beach, CA	127	May-15	10.3	17.8	8.0	7.7
Hyatt Regency	Bethesda, MD	390	May-15	9.6	16.9	6.8	5.4
Embassy Suites	Orange, CA	230	May-15	9.6	17.3	6.2	7.2
Grand Del Mar & Golf Course	San Diego, CA	249	Apr-15	8.5	14.6	2.4	4.3
Mandarin Oriental	San Francisco, CA	155	Apr-15	8.1	12.4	2.7	2.7
Renaissance	Fort Lauderdale, FL	236	Apr-15	10.3	18.6	7.5	7.8
Harbourtowne Resort	Saint Michaels, MD	111	Mar-15	11.0	18.3	2.5	4.8
Westin	Itasca, IL	408	Mar-15	10.8	17.7	6.5	8.0
Hilton Albany	Albany, NY	385	Mar-15	10.8	20.0	9.4	7.9
Holiday Inn Historic District	Savannah, GA	127	Feb-15	10.4	18.3	4.1	7.4
Hilton Houston Westchase	Houston, TX	297	Feb-15	11.1	19.7	7.8	8.1
Shorebreak Hotel	Huntington Beach, CA	157	Feb-15	10.2	18.2	6.1	6.9
Marriott Memphis East	Memphis, TN	232	Feb-15	11.0	18.5	7.1	8.0
Doubletree	New Orleans, LA	367	Feb-15	10.7	18.9	8.9	7.6
Embassy Suites	Raleigh, NC	225	Feb-15	10.2	18.2	8.7	8.2
Lakeway Resort	Austin, TX	175	Feb-15	10.9	18.1	7.1	7.6

Source: HVS

Investor Interviews - During the course of our work, we continuously monitor investor equity-yield requirements through discussions with hotel investors and brokers. While equity still looks to yield high returns for the risk of hotel investment, the low-yield environment, coupled with increased competition for quality assets, has placed downward pressure on equity-yield returns. We find that equity-yield rates currently range from a low in the low-to-mid teens for high-barrier-to-entry "trophy assets"; the upper teens for high quality, institutional-grade assets in strong markets; and the upper teens to low 20s for quality assets in more typical markets. Equity yields have increased moderately because of higher leverage levels, though competition for quality assets continues to place downward pressure on return requirements. Equity return requirements also vary with an investment's level of leverage, with greater leverage requiring higher returns.

The following table summarizes the range of equity yields indicated by hotel sales and investor interviews. We note that there tends to be a lag between the sales data and current market conditions, and thus, the full effect of the change in the economy and capital markets may not yet be reflected.

FIGURE 3-5 SUMMARY OF EQUITY YIELD OR INTERNAL RATE OF RETURN REQUIREMENTS

Source	Data Point Range	Average
HVS Hotel Sales - Full-Service & Luxury	10.7% - 22.9%	17.5%
HVS Hotel Sales - Select-Service & Extended-Stay	14.3% - 21.9%	18.9%
HVS Hotel Sales - Budget/Economy	18.6% - 25.5%	21.4%
HVS Investor Interviews	12% - 22%	

Based on the assumed 65% loan-to-value ratio, the asset's leasehold interest, the new high-quality construction of the hotel, its boutique orientation, its location in the Embarcadero neighborhood of San Francisco, and the anticipated position of the subject property relative to its competitive set, it is our opinion that an equity investor is likely to require an equity yield rate of 15.0%.

Terminal Capitalization Rate

Inherent in this valuation process is the assumption of a sale at the end of the ten-year holding period. The estimated reversionary sale price as of that date is calculated by capitalizing the projected eleventh-year net income by an overall terminal capitalization rate. An allocation for the selling expenses is deducted from this sale price, and the net proceeds to the equity interest (also known as the

equity residual) are calculated by deducting the outstanding mortgage balance from the reversion.

We have reviewed several recent investor surveys. The following chart summarizes the averages presented for terminal capitalization rates in various investor surveys during the past decade. Note that survey data lag the market and do not necessarily reflect the most current market conditions.

FIGURE 3-6 HISTORICAL TRENDS OF TERMINAL CAPITALIZATION RATES

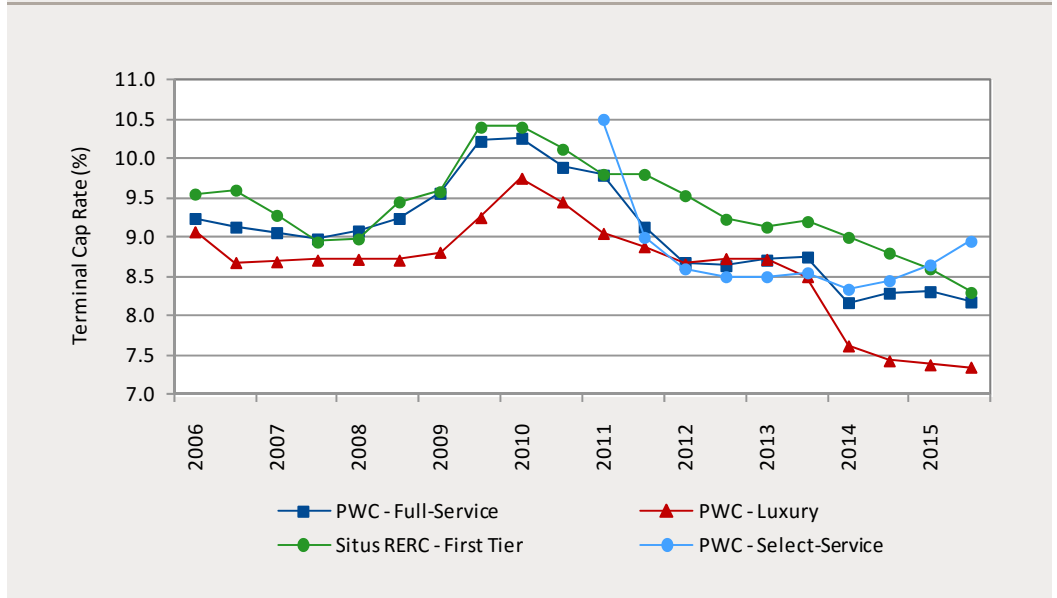


FIGURE 3-7 TERMINAL CAPITALIZATION RATES DERIVED FROM INVESTOR SURVEYS

Source	Data Point Range	Average
PWC Real Estate Investor Survey - 3rd Quarter 2015		
Select-Service Hotels	7.0% - 11.0%	9.0%
Full-Service Hotels	6.5% - 10.0%	8.2%
Luxury Hotels	6.0% - 10.0%	7.4%
USRC Hotel Investment Survey - Mid-Year 2015		
Full-Service Hotels	6.5% - 10.0%	8.1%
Situs RERC Real Estate Report - Fall 2015		
First Tier Hotels	6.5% - 10.5%	8.3%

For purposes of this analysis, we have applied a terminal capitalization rate of 6.5%. Our final position for the terminal capitalization rate reflects the unique nature of the proposed subject property. The chosen rate reflects the proposed hotel’s location within a desirable neighborhood of San Francisco, the planned high-quality structure featuring views of the San Francisco Bay, and the current market for hotel investments. In tandem with overall lower return expectations, terminal capitalization rates for quality hotel assets in markets with high barriers to entry have declined to new lows.

Mortgage-Equity Valuation

The valuation of the mortgage and equity components is accomplished using an algebraic equation that calculates the exact amount of debt and equity that the hotel will be able to support based on the anticipated cash flow (as estimated by the forecast of income and expense) and the specific return requirements demanded by the mortgage lender (interest) and the equity investor (equity yield). Thus, the anticipated net income (before debt service and depreciation) is allocated to the mortgage and equity components based on market rates of return and loan-to-value ratios. The total of the mortgage component and the equity component equals the value of the property. Using this method of the income capitalization approach with the variables set forth, we estimate the prospective market value of the leasehold interest in the proposed subject property, as of January 1, 2019, to be \$138,700,000, or \$815,900 per room.

Mathematical Proof of Value

The value is mathematically proven by confirming that the market-derived yields are met for the lender and equity participant during the projection period. Using the assumed financial structure set forth in the previous calculations, market value can be allocated between the debt and equity as follows.

Mortgage Component (65%)	\$90,156,000
Equity Component (35%)	<u>48,545,000</u>
Total	\$138,701,000

The annual debt service is calculated by multiplying the mortgage component by the mortgage constant.

Mortgage Component	\$90,156,000
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	\$6,324,516

The eleven-year forecast of net income and ten-year forecast of net income to equity are presented in the following table.

FIGURE 3-8 ELEVEN-YEAR FORECAST OF NET INCOME AND TEN-YEAR FORECAST OF NET INCOME TO EQUITY

Year	Net Income Before			Debt Coverage Ratio	Cash-on-Cash Return
	Debt Service	Less: Debt Service	Net Income to Equity		
2019	\$8,214,723	6,324,000	\$1,890,723	1.30	3.9 %
2020	9,865,000	6,324,000	3,541,000	1.56	7.3
2021	9,864,000	6,324,000	3,540,000	1.56	7.3
2022	10,281,000	6,324,000	3,957,000	1.63	8.2
2023	10,706,000	6,324,000	4,382,000	1.69	9.0
2024	10,669,000	6,324,000	4,345,000	1.69	9.0
2025	11,022,000	6,324,000	4,698,000	1.74	9.7
2026	11,371,000	6,324,000	5,047,000	1.80	10.4
2027	11,731,000	6,324,000	5,407,000	1.85	11.1
2028	12,103,000	6,324,000	5,779,000	1.91	11.9
2029	14,485,000				

* The eleventh year's net income is projected prior to the deduction of real estate taxes. The overall going-out rate used to capitalize the eleventh year's net income is loaded with the applicable real estate tax rate to derive a reversionary value estimate, as of the end of year ten, which takes into account the reassessment of the property upon sale.

The net proceeds to equity upon sale of the property were determined by deducting sales expenses (brokerage and legal fees) and the outstanding mortgage balance.

The equity residual at the end of the tenth year is calculated by deducting brokerage and legal fees and the mortgage balance from the reversionary value. The reversionary value is calculated as the eleventh year's net income (before property tax expense, if a California property) capitalized by the terminal capitalization rate (loaded with the tax rate, if a California property). Note that this calculation is based on the sale of the leasehold interest only, since a possessory interest is taxed on the leasehold only, excluding the value of the land. This calculation is shown as follows.

11th Year's Net Income Before Taxes	\$14,485,000
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Reversionary Value	<u>\$188,543,000</u>
Less:	
Brokerage and Legal Fees	3,771,000
Mortgage Balance	<u>66,647,000</u>
Net Sale Proceeds to Equity	\$118,125,000

The discount rate (before assumed debt service), the yield to the lender, and the yield to the equity position have been calculated by computer with the following results, as based on the developer’s assumed loan terms.

FIGURE 3-9 TOTAL DEVELOPMENT COST AND INTERNAL RATES OF RETURN

Position	Value	Projected Yield (Internal Rate of Return) Over Holding Period
Total Property	\$138,701,000	9.6 %
Mortgage	\$90,156,000	4.9
Equity	\$48,545,000	15.0

Note: Whereas the mortgage constant and value are calculated on the basis of monthly mortgage payments, the mortgage yield in this proof assumes single annual payments. As a result, the proof’s derived yield may be slightly less than that actually input.

The position of the total property yield or unlevered discount rate reflects the current cost of both debt and equity capital, as well as the subject property’s anticipated market position, its location in the waterfront district of San Francisco, and the extent of the improvements including a distinct dinner theater operated by Teatro ZinZanni. Since the third quarter of 2013, lenders have been very active, with capital available from numerous sources. Equity and mezzanine financing is also available due to the attractive yields being generated by hotels when compared with other forms of commercial real estate. However, as previously mentioned, financing for hotel investments, including new construction, has become somewhat more difficult since the beginning of 2016 due to current market volatility.

The following tables demonstrate that the property receives its anticipated yields, proving that the value is correct based on the assumptions used in this approach.

FIGURE 3-10 RETURN TO THE LENDER

Year	Total Annual Debt Service		Present Worth of \$1 Factor at 4.9%	=	Discounted Cash Flow
2019	\$6,324,000	x	0.952969	=	\$6,027,000
2020	6,324,000	x	0.908150	=	5,743,000
2021	6,324,000	x	0.865438	=	5,473,000
2022	6,324,000	x	0.824736	=	5,216,000
2023	6,324,000	x	0.785947	=	4,970,000
2024	6,324,000	x	0.748983	=	4,737,000
2025	6,324,000	x	0.713758	=	4,514,000
2026	6,324,000	x	0.680189	=	4,302,000
2027	6,324,000	x	0.648199	=	4,099,000
2028	72,972,000 *	x	0.617713	=	45,076,000
Value of Mortgage Component					\$90,157,000

*10th year debt service of \$6,324,000 plus outstanding mortgage balance of \$66,647,000

FIGURE 3-11 EQUITY COMPONENT YIELD

Year	Net Income to Equity		Present Worth of \$1 Factor at 15.0%	=	Discounted Cash Flow
2019	\$1,890,723	x	0.869558	=	\$1,644,000
2020	3,541,000	x	0.756130	=	2,677,000
2021	3,540,000	x	0.657499	=	2,328,000
2022	3,957,000	x	0.571733	=	2,262,000
2023	4,382,000	x	0.497155	=	2,179,000
2024	4,345,000	x	0.432305	=	1,878,000
2025	4,698,000	x	0.375914	=	1,766,000
2026	5,047,000	x	0.326879	=	1,650,000
2027	5,407,000	x	0.284240	=	1,537,000
2028	123,904,000 *	x	0.247163	=	30,625,000
Value of Equity Component					\$48,546,000

*10th year net income to equity of \$5,779,000 plus sales proceeds of \$118,125,000

Feasibility Conclusion

In determining the potential feasibility of the proposed subject property, we analyzed the lodging market, researched the area’s economics, reviewed the estimated development cost, and prepared a ten-year forecast of income and expense, which was primarily based on the developer’s proforma, which in our opinion is well supported by the operating statements of comparable hotels. Based on our analysis, the proposed project would provide for a profit to the developer, as displayed in the following chart.

FIGURE 3-12 TOTAL PROJECT FEASIBILITY CONCLUSION

Feasibility	Amount	Per Room*	Per Square Foot
Total Hotel Value	\$138,700,000	\$816,000	\$793
Less: Total Cost to Develop	(124,400,000)	(691,000)	(711)
Total Profit to Developer	\$14,300,000	\$84,000	\$82
Profit % Total Value	10.3%		
Profit % Total Cost	11.5%		

**Per Room Amounts - Hotel Based on 170 Rooms; Cost Based on 180 Rooms*

Our opinion of the prospective value of the proposed subject property upon completion exceeds the total cost to develop it; therefore, this project is deemed to be feasible with a profit to the developer equal to 11.5% of the development cost.

Developer Rates of Return

At the request of the client, an analysis of the rates of return on the total project cost was completed. Six distinct scenarios were considered in our IRR analysis, as described below:

- **Scenario 1:** Assuming a 10-year holding period with TZK Broadway LLC's debt and equity terms in place and the sale of the property at the end of the tenth year. In this scenario, the IRRs for the total project and the debt were also calculated, in addition to the IRR on the equity investment.
- **Scenario 2:** Assuming a 10-year holding period with TZK Broadway LLC's debt and equity terms in place, a refinance of the loan at the end of the sixth year (2024) at 70% leverage, and a sale of the property at the end of the tenth year.
- **Scenario 3:** Assuming a 10-year holding period with TZK Broadway LLC's debt and equity terms in place, a refinance of the loan at the end of the third year (2021) at 70% leverage, and a sale of the property at the end of the tenth year.
- **Scenario 4:** Assuming a 10-year holding period with higher leverage at 65% of total development cost and a sale of the property at the end of the tenth year.
- **Scenario 5:** Assuming a 10-year holding period with higher leverage at 65% of total development cost, a refinance of the loan at the end of the sixth year (2024) at 70% leverage, and a sale of the property at the end of the tenth year.

- **Scenario 6:** Assuming a 10-year holding period with higher leverage at 65% of total development cost, a refinance of the loan at the end of the third year (2021) at 70% leverage, and a sale of the property at the end of the tenth year.
- In Scenarios two through six, only the IRR to the equity investor was computed.

Scenario 1:

Based on data provided by the client, the financing plan for the subject property details a loan-to-value ratio (LTV) equal to 48% of the cost, or approximately \$124,370,000, as displayed below.

Estimated Total Development Cost	\$124,370	
Funding Sources		
Mortgage Component	60,260	48%
Equity Component	64,110	52%
Total Funding Sources (=Cost)	\$124,370	100%

Figures displayed in 1,000s

The annual debt service is calculated by multiplying the assumed mortgage component, as provided by the developers, by the mortgage constant.

Mortgage Component	\$60,259,623
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	\$4,227,261

The eleven-year forecast of net income, as presented earlier, and ten-year forecast of net income to equity after the developer’s assumed debt terms are presented in the following table.

FIGURE 3-13 ELEVEN-YEAR FORECAST OF NET INCOME AND TEN-YEAR FORECAST OF NET INCOME TO EQUITY – ASSUMING LOAN TERMS PROVIDED BY DEVELOPER

Year	Net Income Before			Debt Coverage	Cash-on-Cash
	Debt Service	Less: Debt Service	Net Income to Equity	Ratio	Return
2019	\$8,214,723	4,227,000	\$3,987,723	1.94	6.2 %
2020	9,865,000	4,227,000	5,638,000	2.33	8.8
2021	9,864,000	4,227,000	5,637,000	2.33	8.8
2022	10,281,000	4,227,000	6,054,000	2.43	9.4
2023	10,706,000	4,227,000	6,479,000	2.53	10.1
2024	10,669,000	4,227,000	6,442,000	2.52	10.0
2025	11,022,000	4,227,000	6,795,000	2.61	10.6
2026	11,371,000	4,227,000	7,144,000	2.69	11.1
2027	11,731,000	4,227,000	7,504,000	2.78	11.7
2028	12,103,000	4,227,000	7,876,000	2.86	12.3
2029	14,485,000 *				

* The eleventh year's net income is projected prior to the deduction of real estate taxes. The overall going-out rate used to capitalize the eleventh year's net income is loaded with the applicable real estate tax rate to derive a reversionary value estimate, as of the end of year ten, which takes into account the reassessment of the property upon sale.

The net proceeds to equity upon sale of the property were determined by deducting sales expenses (brokerage and legal fees) and the outstanding mortgage balance.

The equity residual at the end of the tenth year is calculated by deducting brokerage and legal fees and the mortgage balance from the reversionary value, as explained previously. The calculation is shown as follows.

11th Year's Net Income Before Taxes	\$14,485,000
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Reversionary Value	<u>\$188,543,000</u>
Less:	
Brokerage and Legal Fees	3,771,000
Mortgage Balance	<u>44,547,000</u>
Net Sale Proceeds to Equity	\$140,225,000

The discount rate (before debt service), the yield to the lender, and the yield to the equity position have been calculated by computer with the following results.

FIGURE 3-14 INTERNAL RATES OF RETURN BASED ON TOTAL DEVELOPMENT COST AND LOAN TERMS PROVIDED BY DEVELOPER

Position	Total Cost	Projected Yield (Internal Rate of Return) Over Holding Period
Project Cost	\$124,370,000	11.1 %
Mortgage	\$60,260,000	4.9
Equity	\$48,545,000	15.1

Note: Whereas the mortgage constant and value are calculated on the basis of monthly mortgage payments, the mortgage yield in this proof assumes single annual payments. As a result, the proof's derived yield may be slightly less than that actually input.

The projected cash flow and reversionary sales proceeds generate internal rates of return of 11.1% on project cost, and 15.1% on equity. Both these metrics are favorable and sufficient to attract debt and equity capital for new development. The internal rate of return on equity of 15.1% is comparable to the internal rate of return considered to be appropriate in the market valuation (15%), but given the significantly lower leverage based on the developer's financing, which reduces risk to the investor, it is considered favorable.

The following tables demonstrate that the property receives its anticipated yields, proving that the total cost is correct based on the assumptions used in this approach.

FIGURE 3-15 RETURN TO THE LENDER – DEVELOPER’S ASSUMED DEBT TERMS AND TOTAL DEVELOPMENT COST

Year	Total Annual Debt Service		Present Worth of \$1 Factor at 4.9%	=	Discounted Cash Flow
2019	4,227,000	x	0.952968	=	4,028,000
2020	4,227,000	x	0.908148	=	3,839,000
2021	4,227,000	x	0.865436	=	3,658,000
2022	4,227,000	x	0.824733	=	3,486,000
2023	4,227,000	x	0.785944	=	3,322,000
2024	4,227,000	x	0.748980	=	3,166,000
2025	4,227,000	x	0.713754	=	3,017,000
2026	4,227,000	x	0.680185	=	2,875,000
2027	4,227,000	x	0.648194	=	2,740,000
2028	48,774,000 *	x	0.617709	=	30,128,000
Value of Mortgage Component					60,259,000

*10th year debt service of \$4,227,000 plus outstanding mortgage balance of \$44,547,000

FIGURE 3-16 EQUITY COMPONENT YIELD – DEVELOPER’S ASSUMED DEBT TERMS AND TOTAL DEVELOPMENT COST

Year	Net Income to Equity		Present Worth of \$1 Factor at 14.8%	=	Discounted Cash Flow
2019	4,738,619	x	0.870832	=	4,127,000
2020	6,518,000	x	0.758349	=	4,943,000
2021	5,405,000	x	0.660394	=	3,569,000
2022	5,808,000	x	0.575093	=	3,340,000
2023	6,218,000	x	0.500809	=	3,114,000
2024	6,606,000	x	0.436121	=	2,881,000
2025	6,964,000	x	0.379788	=	2,645,000
2026	7,318,000	x	0.330732	=	2,420,000
2027	7,683,000	x	0.288012	=	2,213,000
2028	138,982,000 *	x	0.250810	=	34,858,000
Value of Equity Component					64,110,000

*10th year net income to equity of \$8,059,000 plus sales proceeds of \$130,923,000

Scenario 2:

As detailed previously, this scenario includes a refinance of the loan (assuming TZK Broadway LLC’s loan is in place) at the end of the sixth forecast year, after the first ground rent escalation. The value of the hotel for refinance and the corresponding mortgage component was calculated as follows:

7th Year's Net Income Before Taxes	\$12,855
Capitalization Rate (Loaded w/Tax Rate)	7.7%
Value for Refinance (Reversion)	\$167,320
Assumed LTV for Refinance Loan	70.0%
Refinance Mortgage Component	\$117,124
Less:	
Cost to Refinance @ 1% of Refinance Value	1,171
Mortgage Balance (Original Loan)	51,784
Net Refinance Proceeds to Equity	64,169
(Figures in 000's)	

The annual debt service was then calculated by multiplying the refinance mortgage component at the end of the sixth year by the mortgage constant.

Refinance Mortgage Component	\$117,124
Mortgage Constant	0.070151
Annual Debt Service	\$8,216
(Figures in 000's)	

The forecast of net income to equity and corresponding IRR calculation are presented in the following table. Note that the balance of the original loan is assumed to be paid off and the net refinancing proceeds to equity are realized in the refinance year, 2024, and the new debt service begins in the seventh year.

FIGURE 3-17 SCENARIO 2 – NET INCOME TO EQUITY AND EQUITY IRR – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment	(\$64,110)
	2018								\$0
1	2019	\$8,215	\$60,260	\$4,227	\$2,985	\$1,242	\$59,017	\$3,988	
2	2020	9,865	59,017	4,227	2,921	1,306	57,711	5,638	
3	2021	9,864	57,711	4,227	2,854	1,373	56,338	5,637	
4	2022	10,281	56,338	4,227	2,784	1,443	54,895	6,054	
5	2023	10,706	54,895	4,227	2,710	1,517	53,378	6,479	
6	2024	10,669	53,378	4,227	2,633	1,595	51,784	70,611	
7	2025	11,022	117,124	8,216	5,801	2,415	114,709	2,806	
8	2026	11,371	114,709	8,216	5,678	2,539	112,170	3,155	
9	2027	11,731	112,170	8,216	5,548	2,668	109,502	3,515	
10	2028	12,103	109,502	114,913	5,411	2,805	106,697	81,960	15%

-Assumes Refinance in 6th Projection Year at 70% LTV (End of Year Discounting)

-6th Year Net Income to Equity of \$6,442,000 plus Net Refinance Proceeds to Equity of \$64,169,000

-10th Year Annual Debt Service equal to \$8,216,000 plus outstanding mortgage balance on new loan of \$106,697,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$114,913,000

In this scenario, the IRR to the equity investor is calculated to be 15%.

Scenario 3:

As detailed previously, this scenario includes a refinance of the loan at the end of the third forecast year, Developer’s typically refinance as soon as a property has proven cash flow to enhance their equity yield through higher leverage. The value of the hotel for refinance and the corresponding mortgage component was calculated as follows:

4th Year's Net Income Before Taxes	\$11,917
Capitalization Rate (Loaded w/Tax Rate)	<u>7.7%</u>
Value for Refinance (Reversion)	\$155,119
Assumed LTV for Refinance Loan	<u>70.0%</u>
Refinance Mortgage Component	\$108,583
Less:	
Cost to Refinance @ 1% of Refinance Value	1,086
Mortgage Balance (Original Loan)	<u>56,338</u>
Net Refinance Proceeds to Equity	51,159
(Figures in 000's)	

The annual debt service was then calculated by multiplying the refinance mortgage component at the end of the third year by the mortgage constant.

Refinance Mortgage Component	\$108,583
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	\$7,617
(Figures in 000's)	

The forecast of net income to equity and corresponding IRR calculation are presented in the following table. Note that the balance of the original loan is assumed to be paid off and the net refinancing proceeds to equity are realized in the refinance year, 2021, and the new debt service begins in the fourth year.

FIGURE 3-18 SCENARIO 3 – NET INCOME TO EQUITY AND EQUITY IRR – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment	(\$64,110)
	2018								\$0
1	2019	\$8,215	\$60,260	\$4,227	\$2,985	\$1,242	\$59,017	\$3,988	
2	2020	9,865	59,017	4,227	2,921	1,306	57,711	5,638	
3	2021	9,864	57,711	4,227	2,854	1,373	56,338	56,796	
4	2022	10,281	108,583	7,617	5,378	2,239	106,344	2,664	
5	2023	10,706	106,344	7,617	5,264	2,353	103,991	3,089	
6	2024	10,669	103,991	7,617	5,143	2,474	101,517	3,052	
7	2025	11,022	101,517	7,617	5,017	2,600	98,917	3,405	
8	2026	11,371	98,917	7,617	4,884	2,733	96,183	3,754	
9	2027	11,731	96,183	7,617	4,744	2,873	93,310	4,114	
10	2028	12,103	93,310	97,907	4,597	3,020	90,290	98,966	16%

-Assumes Refinance in 3rd Projection Year at 70% LTV (End of Year Discounting)

-Net Income to Equity of \$5,637,000 plus Net Refinance Proceeds to Equity of \$51,159,000

-10th Year Annual Debt Service equal to \$7,617,000 plus outstanding mortgage balance on new loan of \$90,290,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$97,907,000

In this scenario, the IRR to the equity investor is calculated to be 16%.

Scenario 4:

As detailed previously, this scenario includes financing based on a higher leverage on the total development cost, as the current financing structure includes an LTV of less than 50%. An LTV of 65% of the development cost, or approximately \$124,370,000, was utilized, as displayed below.

Estimated Total Development Cost	\$124,370	
Funding Sources		
Mortgage Component	80,840	65%
Equity Component	43,529	35%
Total Funding Sources (=Cost)	\$124,370	100%

Figures displayed in 000's

The annual debt service is calculated by multiplying the assumed mortgage component, as provided by the developers, by the mortgage constant.

Mortgage Component	\$80,840,235
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	\$5,671,008

The forecast of net income to equity and corresponding IRR calculation are presented in the following table. Note that the balance of the original loan is assumed to be paid off and the net refinance proceeds to equity are realized in the refinance year, 2021, and the new debt service begins in the fourth year.

FIGURE 3-19 SCENARIO 4 – NET INCOME TO EQUITY AND EQUITY IRR – FIGURES IN 000’S

Number of Years	Year	Cash Flow		Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity	Equity IRR
		Before Debt Service	Beginning Principal						
Construction Period	2016								
	2017							Initial Equity Investment	(\$43,529)
	2018								\$0
1	2019	\$8,215	\$80,840	\$5,671	\$4,004	\$1,667	\$79,173	\$2,544	
2	2020	9,865	79,173	5,671	3,919	1,752	77,421	4,194	
3	2021	9,864	77,421	5,671	3,829	1,842	75,579	4,193	
4	2022	10,281	75,579	5,671	3,735	1,936	73,643	4,610	
5	2023	10,706	73,643	5,671	3,636	2,035	71,608	5,035	
6	2024	10,669	71,608	5,671	3,532	2,139	69,469	4,998	
7	2025	11,022	69,469	5,671	3,422	2,249	67,221	5,351	
8	2026	11,371	67,221	5,671	3,307	2,364	64,857	5,700	
9	2027	11,731	64,857	5,671	3,186	2,485	62,372	6,060	
10	2028	12,103	62,372	65,432	3,059	2,612	59,761	131,441	16%

-10th Year Annual Debt Service equal to \$5,671,000 plus outstanding mortgage balance of \$59,761,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$65,432,000

In this scenario, the IRR to the equity investor is calculated to be 16%.

Scenario 5:

As detailed previously, this scenario includes a refinance of the loan (assuming higher leverage to total development cost at 65%) at the end of the sixth forecast year, after the first ground rent escalation. The value of the hotel for refinance and the corresponding mortgage component was calculated as follows:

7th Year's Net Income Before Taxes	\$12,855
Capitalization Rate (Loaded w/Tax Rate)	<u>7.7%</u>
Value for Refinance (Reversion)	\$167,320
Assumed LTV for Refinance Loan	<u>70.0%</u>
Refinance Mortgage Component	\$117,124
Less:	
Cost to Refinance @ 1% of Refinance Value	1,171
Mortgage Balance (Original Loan)	<u>69,469</u>
Net Refinance Proceeds to Equity	46,483
(Figures in 000's)	

The annual debt service was then calculated by multiplying the refinance mortgage component at the end of the sixth year by the mortgage constant.

Refinance Mortgage Component	\$117,124
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	\$8,216
(Figures in 000's)	

The forecast of net income to equity and corresponding IRR calculation are presented in the following table. Note that the balance of the original loan is assumed to be paid off and the net refinancing proceeds to equity are realized in the refinance year, 2024, and the new debt service begins in the seventh year.

FIGURE 3-20 SCENARIO 5 – NET INCOME TO EQUITY AND EQUITY IRR – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment	(\$43,529)
	2018								\$0
1	2019	\$8,215	\$60,260	\$5,671	\$4,004	\$1,667	\$59,017	\$2,544	
2	2020	9,865	59,017	5,671	3,919	1,752	57,711	4,194	
3	2021	9,864	57,711	5,671	3,829	1,842	56,338	4,193	
4	2022	10,281	56,338	5,671	3,735	1,936	54,895	4,610	
5	2023	10,706	54,895	5,671	3,636	2,035	53,378	5,035	
6	2024	10,669	53,378	5,671	3,532	2,139	51,784	51,482	
7	2025	11,022	117,124	8,216	5,801	2,415	114,709	2,806	
8	2026	11,371	114,709	8,216	5,678	2,539	112,170	3,155	
9	2027	11,731	112,170	8,216	5,548	2,668	109,502	3,515	
10	2028	12,103	109,502	114,913	5,411	2,805	106,697	81,960	17%

-Assumes Refinance in 6th Projection Year at 70% LTV (End of Year Discounting)

-Net Income to Equity of \$4,998,000 plus Net Refinance Proceeds to Equity of \$46,483,000

-10th Year Annual Debt Service equal to \$8,216,000 plus outstanding mortgage balance on new loan of \$106,697,000

-10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$114,913,000

In this scenario, the IRR to the equity investor is calculated to be 17%.

Scenario 6:

As detailed previously, this scenario includes a refinance of the loan (assuming higher leverage to total development cost at 65%) at the end of the third forecast year. Developer’s typically refinance as soon as a property has proven cash flow to enhance their equity yield through higher leverage. The value of the hotel for refinance and the corresponding mortgage component was calculated as follows:

4th Year's Net Income Before Taxes	\$11,917
Capitalization Rate (Loaded w/Tax Rate)	<u>7.7%</u>
Value for Refinance (Reversion)	\$155,119
Assumed LTV for Refinance Loan	<u>70.0%</u>
Refinance Mortgage Component	\$108,583
Less:	
Cost to Refinance @ 1% of Refinance Value	1,086
Mortgage Balance (Original Loan)	<u>75,579</u>
Net Refinance Proceeds to Equity	31,918
(Figures in 000's)	

The annual debt service was then calculated by multiplying the refinance mortgage component at the end of the sixth year by the mortgage constant.

Refinance Mortgage Component	\$108,583
Mortgage Constant	<u>0.070151</u>
Annual Debt Service	\$7,617
(Figures in 000's)	

The forecast of net income to equity and corresponding IRR calculation are presented in the following table. Note that the balance of the original loan is assumed to be paid off and the net refinancing proceeds to equity are realized in the refinance year, 2021, and the new debt service begins in the fourth year.

FIGURE 3-21 SCENARIO 6 – NET INCOME TO EQUITY AND EQUITY IRR – FIGURES IN 000’S

Number of Years	Year	Cash Flow Before Debt Service	Beginning Principal/ Refi Principal	Annual Debt Service	Interest Payment	Principal Payment	Ending Principal Balance	Net Income to Equity/ Refi Proceeds	Equity IRR
Construction Period	2016								
	2017							Initial Equity Investment (\$43,529)	
	2018							\$0	
1	2019	\$8,215	\$60,260	\$5,671	\$4,004	\$1,667	\$59,017	\$2,544	
2	2020	9,865	59,017	5,671	3,919	1,752	57,711	4,194	
3	2021	9,864	57,711	5,671	3,829	1,842	56,338	36,111	
4	2022	10,281	108,583	7,617	5,378	2,239	106,344	2,664	
5	2023	10,706	106,344	7,617	5,264	2,353	103,991	3,089	
6	2024	10,669	103,991	7,617	5,143	2,474	101,517	3,052	
7	2025	11,022	101,517	7,617	5,017	2,600	98,917	3,405	
8	2026	11,371	98,917	7,617	4,884	2,733	96,183	3,754	
9	2027	11,731	96,183	7,617	4,744	2,873	93,310	4,114	
10	2028	12,103	93,310	97,907	4,597	3,020	90,290	98,966	19%

-Assumes Refinance in 3rd Projection Year at 70% LTV (End of Year Discounting)
 -Net Income to Equity of \$4,193,000 plus Net Refinance Proceeds to Equity of \$31,918,000
 -10th Year Annual Debt Service equal to \$7,617,000 plus outstanding mortgage balance on new loan of \$90,290,000
 -10th Year Net Income to Equity equal to reversion proceeds of \$196,873,000 less \$97,907,000

In this scenario, the IRR to the equity investor is calculated to be 19%.

Internal Rates of Return Matrix

As displayed in the Executive Summary chapter of this report, the IRRs calculated for each of the four scenarios discussed previously are detailed in the following chart.

FIGURE 3-22 INTERNAL RATES OF RETURN ON EQUITY – SIX SCENARIOS

Scenario	Description	Equity IRR
1	Assuming 10-Year Hold & Sale in Year 10 (Developer Loan Terms)	13%
2	Assuming Refinance in Year 6 & Sale in Year 10 (Developer Loan Terms)	15%
3	Assuming Refinance in Year 3 & Sale in Year 10 (Developer Loan Terms)	16%
4	Assuming 10-Year Hold & Sale in Year 10 (Higher Loan-to-Cost at 65%)	16%
5	Assuming Refinance in Year 6 & Sale in Year 10 (Higher Loan-to-Cost at 65%)	17%
6	Assuming Refinance in Year 3 & Sale in Year 10 (Higher Loan-to-Cost at 65%)	19%

4. Statement of Assumptions and Limiting Conditions

1. This report is set forth as a feasibility study of the proposed subject hotel; this is not an appraisal report.
1. This report is to be used in whole and not in part; furthermore, this report is based on assumptions and conclusions that were drawn from our analysis, research, and findings as presented in our market study that was delivered to the client on January, 15, 2016.
2. No responsibility is assumed for matters of a legal nature, nor do we render any opinion as to title, which is assumed marketable and free of any deed restrictions and easements. The property is evaluated as though free and clear unless otherwise stated.
3. We assume that there are no hidden or unapparent conditions of the sub-soil or structures, such as underground storage tanks, that would affect the property's development potential. No responsibility is assumed for these conditions or for any engineering that may be required to discover them.
4. We have not considered the presence of potentially hazardous materials or any form of toxic waste on the project site. We are not qualified to detect hazardous substances and urge the client to retain an expert in this field if desired.
5. The Americans with Disabilities Act (ADA) became effective on January 26, 1992. We have assumed the proposed hotel would be designed and constructed to be in full compliance with the ADA.
6. We have made no survey of the site, and we assume no responsibility in connection with such matters. Sketches, photographs, maps, and other exhibits are included to assist the reader in visualizing the property. It is assumed that the use of the described real estate will be within the boundaries of the property described, and that no encroachment will exist. We have not been provided with details of the subject property's improvements and proposed market positioning.
7. All information, financial operating statements, estimates, and opinions obtained from parties not employed by M&R Valuation Services, Inc. are assumed true and correct. We can assume no liability resulting from misinformation.
8. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property.

9. The property is assumed to be in full compliance with all applicable federal, state, local, and private codes, laws, consents, licenses, and regulations, and that all licenses, permits, certificates, franchises, and so forth can be freely renewed or transferred to a purchaser.
10. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise.
11. None of this material may be reproduced in any form without our written permission, and the report cannot be disseminated to the public through advertising, public relations, news, sales, or other media.
12. We are not required to give testimony or attendance in court because of this analysis without previous arrangements, and shall do so only when our standard per-diem fees and travel costs have been paid prior to the appearance.
13. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material presented in this report, it is recommended that the reader contact us.
14. We take no responsibility for any events or circumstances that take place subsequent to the date of our field inspection.
15. This analysis assumes continuation of all Internal Revenue Service tax code provisions as stated or interpreted on either the date of value or the date of our field inspection, whichever occurs first.
16. Many of the figures presented in this report were generated using sophisticated models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded to the nearest tenth of a percent. Thus, these figures may be subject to small rounding errors.
17. It is agreed that our liability to the client is limited to the amount of the fee paid as liquidated damages. Our responsibility is limited to the client, and use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.
18. Evaluating and comprising financial forecasts for hotels is both a science and an art. Although this analysis employs various mathematical calculations to provide value indications, the final forecasts are subjective and may be influenced by our experience and other factors not specifically set forth in this report.
19. This study was prepared by M&R Valuation Services, Inc. All opinions, recommendations, and conclusions expressed during the course of this

assignment are rendered by the staff of M&R Valuation Services, Inc. as employees, rather than as individuals.

5. Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

1. the statements of fact presented in this report are true and correct;
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. our engagement in this assignment was not contingent upon developing or reporting predetermined results;
6. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined result or direction in performance that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this study;
7. our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;
8. Aaron Solaimani and Suzanne R. Mellen, MAI, CRE, FRICS, ISHC personally inspected the site described in this study;
9. Aaron Solaimani provided significant assistance to Suzanne R. Mellen, MAI, CRE, FRICS, ISHC, and that no one other than those listed above and the undersigned prepared the analyses, conclusions, and opinions concerning the real estate that are set forth in this report; Suzanne R. Mellen, MAI, CRE, FRICS, ISHC has not performed appraisal/consulting work on this property within the past three years;
10. the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute;

11. the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives; and
12. as of the date of this report, Suzanne R. Mellen, MAI, CRE, FRICS, ISHC has completed the continuing education program for Designated Members of the Appraisal Institute.



Aaron Solaimani
Senior Project Manager



Suzanne R. Mellen, MAI, CRE, FRICS, ISHC
Senior Managing Director
M&R Valuation Services, Inc.

Aaron J. Solaimani

EMPLOYMENT

2012 – present	HVS San Francisco, California Senior Associate
2008 – 2012	Starwood Hotels & Resorts Bay Area, CA Finance (Analysis, Budgeting, Forecasting, Strategic Planning, Marketing Analysis)
2005 - 2008	Westin Bellevue Hotel Bellevue, WA Operations (Operations Manager)
2004	HMS Host Seattle, WA Operations (Operations Manager)

PROFESSIONAL AFFILIATIONS

National Society of Minorities in Hospitality, WSU Chapter
President: 2006-2008

EDUCATION

Bachelor of Arts, Hospitality Business Management
Washington State University, Pullman, WA

**EXAMPLES OF
CORPORATE AND
INSTITUTIONAL CLIENTS
SERVED**

Archetype Mortgage Capital
Bank of Jackson Hole
Bank of the West
Butler Burgher Group
Cantor Fitzgerald
Comerica Bank
CWCapital
Deutsche Bank
East West Bank
HSBC
JP Morgan Chase & Company
Ladder Capital Finance
LNR Partners LLC
Prime Group
Restoration Saint Louis
Silvergate Bank
Thorofare Capital
UBS
United Overseas Bank
US Bancorp

**EXAMPLES OF
PROPERTIES APPRAISED
OR EVALUATED**

ALABAMA

Fairfield Inn & Suites by Marriott Birmingham
Bessemer

ARIZONA

FireSky Resort & Spa
Hampton Inn Lake Havasu City
Montelucia Resort & Spa Scottsdale

CALIFORNIA

Bernardus Lodge
Proposed Crown Plaza and Staybridge Suites
Executive Inn & Suites
Grand Del Mar San Diego
Proposed Hotel Burlingame
Holiday Inn Sacramento Northeast
Hyatt Regency San Francisco
Larkspur Landing Pleasanton
Larkspur Landing Milpitas
Marriott Walnut Creek
Residence Inn by Marriott San Diego Downtown
Residence Inn by Marriott Milpitas
Renoir Hotel
Sheraton Carlsbad Resort & Spa

FLORIDA

Hyatt Regency Jacksonville Riverfront
LaPlaya Beach & Golf Resort
Little Palm Island
Ocean Key Resort & Spa
Pelican Grand Beach Resort
Watercolor Inn & Resort Santa Rosa Beach

GEORGIA

Courtyard by Marriott Atlanta Norcross
Peachtree Corners
Courtyard by Marriott Atlanta Marietta Windy
Hill

Courtyard by Marriott Atlanta Marietta I-75
North

HAWAII

Kahala Hotel & Resort Honolulu

LOUISIANA

DoubleTree Hotel New Orleans
Proposed Boutique Hotel

MICHIGAN

Courtyard by Marriott Detroit Southfield

OHIO

Courtyard by Marriott Cleveland Beachwood
Fairfield Inn & Suites by Marriott Cleveland
Beachwood

OREGON

Shilo Inn Suites Oceanfront Seaside
Surfsand Resort

TEXAS

Courtyard by Marriott Addison Midway
Courtyard by Marriott Dallas LBJ at Josey
Element Dallas Fort Worth Airport North
La Quinta Inn & Suites South Grand Prairie

UTAH

Hampton Inn & Suites Park City
Holiday Inn Express Park City

WISCONSIN

Wyndham Milwaukee Airport Hotel and
Convention Center

Suzanne R. Mellen, CRE, MAI, FRICS, ISHC

EMPLOYMENT

<i>1985 to present</i>	HVS San Francisco and Los Angeles, California; Las Vegas, Nevada Senior Managing Director – Consulting and Valuation Division President – Gaming Services Division (Hotel-Gaming Valuations, Market Studies, Feasibility Reports, and Investment Counseling)
<i>1981 to 1985</i>	HOSPITALITY VALUATION SERVICES Mineola, New York Director of Consulting and Valuation Services (Hotel-Motel Valuations, Market Studies, Feasibility Reports, and Investment Counseling)
<i>1980 to 1981</i>	MORGAN GUARANTY TRUST COMPANY New York, New York Real Estate Appraiser and Consultant (Real Estate Investment Valuation and Analysis)
<i>1980</i>	LAVENTHOL & HORWATH New York, New York Senior Consultant (Management Advising Services Market and Feasibility Studies)
<i>1976 to 1978</i>	WESTERN INTERNATIONAL HOTELS The Plaza, New York City Management Trainee (Rooms Operations, Accounting)
<i>1976</i>	HARLEY, LITTLE ASSOCIATES Toronto, Canada Junior Consultant (Food Facilities Design, Market Studies)

PROFESSIONAL AFFILIATIONS

Appraisal Institute Member (MAI)

- Board of Directors – San Francisco Bay Area Chapter (1994, 1995)
- Education Committee Chairperson – Northern California Chapter 11
- Workshop Committee Chairperson – Northern California Chapter 11
- Division of Courses National Committee
- Continuing Education Committee – New York Committee
- Director, Real Estate Computer Show – New York Chapter

American Society of Real Estate Counselors – Member (CRE)

- Vice Chair – Northern California Chapter (1994, 1995)
- Chair – Northern California Chapter (1996)

National Association of Review Appraisers & Mortgage Underwriters (CRA)

International Society of Hospitality Consultants – Member (ISHC)

Fellow of the Royal Institution of Chartered Surveyors (FRICS)

Cornell Center for Real Estate and Finance – Fellow

Cornell Hotel Society

Cornell University School of Hotel Administration - Dean's Advisory Board

American Hotel & Motel Association

California Hotel & Motel Association

Urban Land Institute

EDUCATION

B.S., School of Hotel Administration, Cornell University

Liberal Arts Undergraduate Study, Carnegie Mellon University

Completion of MAI course work, Appraisal Institute

New York University, School of Continuing Education Real Estate Division

STATE CERTIFICATION

Arizona, California, Colorado, Georgia, Hawaii, Illinois, Iowa, Louisiana, New Jersey, Oregon, Pennsylvania, Texas, Utah, Washington, Washington DC

ARTICLES AND PUBLICATIONS

“Steady Cap Rates Support Strong Hotel Value Gains,” *The HVS Journal – ALIS Edition*, January 2015

“Hotel Capitalization Rates and the Impact of Cap Ex,” *The HVS Journal – ALIS Edition*, January 2014

“Hotel Capitalization Rates Stabilize as Market Forces Create State of Equilibrium,” *The HVS Journal – ALIS Edition*, January 2013

“Hotel Valuation,” in *Hotel Investments: Issues and Perspectives*, 5th ed. (AmericanHotel & Lodging Educational Institute), 2012

“Hotel Transaction Activity Slows, Cap Rates Rise,” *The HVS Journal – ALIS Edition*, January 2012

“Dramatic Decline in Hotel Capitalization Rates Reflects Shift in Market Sentiment,” *The HVS Journal – ALIS Edition*, January 2011

“The Impact of Seller Financing upon Hotel Values,” *The HVS Journal – ALIS Edition*, January 2010

“Hotel Values in Transition—An Appraisal Technique for These Uncertain Times,” *The HVS Journal – ALIS Edition*, January 2009

“Hotel Values in Transition—An Appraisal Technique for these Uncertain Times,” *Real Estate Finance Journal*, January 2009

“Hotel Capitalization Rates on the Rise,” *The HVS Journal – ALIS Edition* and the *Real Estate Finance Journal*, January 2009

“Hotel Cap Rates and Values in a Changing Market Environment,” *The HVS Journal – ALIS Edition*, January 2008

“Does Your Underwriting Adequately Compensate for the Timing of Future Cash Flow?,” *The HVS Journal – ALIS Edition*, January 2007

“Hotel Capitalization Rates Bottom Out,” *The HVS Journal – ALIS Edition*, January 2007

“Low Cap Rates Drive Gain in Hotel Values: Will Today’s Underwriting Sustain Future Appreciation?” *Real Estate Finance Journal*, June 2006

“Forecasting Market-Wide Gaming Revenue (Win) for the Macau Special Administrative Region,” with Shannon Okada. *The HVS Journal–ALIS Edition*, January 2006

ARTICLES AND PUBLICATIONS, CONTINUED

- "Low Cap Rates Drive Gain in Hotel Values: Will Today's Underwriting Sustain Future Appreciation?," *The HVS Journal – ALIS Edition*, January 2006
- "Allure of Hotel Investments Expected to Moderate Rise in Capitalization Rates as Rebound Takes Hold," *The HVS Journal – ALIS Edition*, January 2005
- "Low Interest Rates and High Demand for Hotel Assets Fuels Value Gains," *The HVS Journal*, January 2004
- "Fed Policies Stabilize Hotel Cap Rates in Uncertain Times," *The HVS Journal – ALIS Edition*, January 2003
- "Valuing Hotels Is A Challenge During Uncertain Times," *The Hotel Journal*, June 2003
- "Hotel Land Values and the Ground Lease Approach," *The HVS Journal – ALIS Edition*, January 2001
- "Hotel Land Values and the Ground Lease Approach," *Real Estate Finance Journal*, Spring 2001
- "CapEx 2000 – A Study on Capital Expenditures in the Hotel Industry," *International Society of Hospitality Consultants (ISHC)*, October 2000
- "Consulting on Finance" (Interview), *Lodging*, June 1999
- "Hotel Cap Rates and Values – The 1998 Rollercoaster Ride and What Lies Ahead," *The HVS Journal – ALIS Edition*, January 1999
- "Strong Rates of Return Driving Hotel Development," *The HVS Journal – ALIS Edition*, January 1998
- Hotel Investments Handbook*, Contributing Editor, 1997
- "Only Innovated Operators Will Profit in an Oversupplied Middle East," *Hotels*, June 1996
- "How Much Should I Pay For the Land?," *The Hotel Valuation Journal*, January 1996
- "The Future of Full-Service Hotel Development," *The Hotel Valuation Journal*, Winter 1995
- "European Hotel Values Poised for Recovery," *Hotels*, October 1994
- "Hotel Valuations – A Modern Approach," (Co-author) *The HVS International Journal*, Winter 1993/4
- "Hotel Value Trends and UK Gateway Cities," (Co-author) *The HVS International Journal*, Summer 1993
- "Value and Proper Use of Feasibility Studies," *California Inntouch Magazine*, December 1990
- "How to Review a Hotel Appraisal," *Appraisal Review & Mortgage Underwriting Journal*, November 1989
- "Simultaneous Valuation: A New Technique," *The Appraisal Journal*, April 1983

COMPUTER SOFTWARE

- "Simultaneous Valuation Formula," a mortgage-equity income capitalization formula for variable income properties
- Refinancing model for hotel investments

APPEARANCE AS AN EXPERT WITNESS

- American Arbitration Association, Los Angeles, CA
- American Arbitration Association, San Francisco, CA
- City Hall Property Tax Hearing, San Francisco, CA
- County Board of Equalization of Utah County, State of Utah
- Cuyahoga County Court of Common Pleas, Cleveland, Ohio
- District Court of Bexar County, Texas, 285th Judicial District
- District Court of Harris County, Texas, 127th Judicial District
- Family Court of the First Circuit, State of Hawaii
- Federal Bureau of Investigation, New York, New York
- Federal Tax Court, New York, New York
- Hillsboro City Municipal Court, Oregon
- JAMS Arbitration, Orange County, California
- JAMS Arbitration, San Francisco, California
- San Francisco Assessment Appeals Board
- Sonoma County Courthouse, Santa Rosa, CA
- Superior Court of Guam
- Superior Court of the State of Arizona, County of Maricopa
- Superior Court of the State of California, City and County of San Francisco
- Superior Court of the State of California, County of Alameda
- Superior Court of the State of California, County of Los Angeles
- Superior Court of the State of California, County of Orange, Central Justice Center
- Superior Court of the State of California, County of San Diego, Central Division

**APPEARANCE AS AN
EXPERT WITNESS,
CONTINUED**

Superior Court of the State of California, County of San Diego, North County Branch
 Superior Court of the State of California, County of San Luis Obispo
 Superior Court of the State of California, County of San Mateo
 Superior Court of the State of California, County of Santa Clara
 Superior Court of the State of California, County of Santa Cruz
 Supreme Court of New York County
 Tax Court of New Jersey
 Tax Appeals Boards:
 California: Los Angeles County, Contra Costa County, Orange County, San Francisco County,
 San Mateo County, Santa Barbara
 Hawaii
 Utah: Utah County
 Washington, D.C.
 U.S. 2nd Circuit Court of Appeals
 U.S. Bankruptcy Court, Central District of California, Los Angeles Division
 U.S. Bankruptcy Court, District of Alaska
 U.S. Bankruptcy Court, District of Colorado
 U.S. Bankruptcy Court, District of Delaware
 U.S. Bankruptcy Court, District of Nevada
 U.S. Bankruptcy Court, District of Utah
 U.S. Bankruptcy Court, Eastern District of California
 U.S. Bankruptcy Court, Eastern District of Pennsylvania
 U.S. Bankruptcy Court, Eastern District of Texas, Sherman Division
 U.S. Bankruptcy Court, Northern District of Illinois, Eastern Division
 U.S. Bankruptcy Court, Northern District of California Santa Rosa Division
 U.S. Bankruptcy Court, Northern District of Texas, Dallas Division
 U.S. Bankruptcy Court, Southern District of California
 U.S. Bankruptcy Court, Southern District of Texas, Houston Division
 U.S. Court of Appeals for the Eighth Circuit
 U.S. District Court, Central District of California
 U.S. District Court, Eastern District of Arkansas, Little Rock
 U.S. District Court, Eastern District of California
 U.S. District Court, Northern District of California, San Francisco
 U.S. District Court, Southern District of California
 U.S. District Court, Southern District of New York
 U.S. District Court, Southern District of Texas, Houston Division
 U.S. District Court, Western District of New York
 U.S. District Court, Western District of Washington at Seattle

**PARTIAL LIST OF
SPEAKING AND LECTURE
APPEARANCES**

American Bar Association
 Property Tax Seminar 1992 – *Income Approach*
 Property Tax Seminar 2015 – *Casino Valuation*
 American Institute of Real Estate Appraisers – Approved Instructor *Hotel/Motel Valuations*
 Americas Lodging Industry Summit (ALIS) – 2002-2015
 Appraisal Foundation Appraisal Practices Board – Panel Discussion *Separating Tangible and
 Intangible Assets*, October 2, 2014
 Appraisal Institute:
 Summer Seminar Spectacular '98 *National and International Hospitality Markets*
 National Summer Conference 2002 *The Aftermath: Our World Post September 11 – A Hospitality
 Perspective*
 Northern California Chapter 2001 Annual Fall Conference – *Valuing Intangible Assets for
 Property Tax Assessment Purposes*
 San Francisco Bay Area Chapter 1996 – *Motel Valuation Case Study*
 Instructor – *Hotel Valuation* Online Seminar
 Hotel Valuation Workshop, 2012
 Appraisal Foundation, Appraisal Practice Board Panel Discussion – *Separating Tangible and
 Intangible Assets*, 2014

**PARTIAL LIST OF
SPEAKING AND LECTURE
APPEARANCES,
CONTINUED**

California Assessors Association Annual Conference – *Hotel Valuation and Trends*, October 26, 2009
 California Hotel & Lodging Association Hotel Owners Conference – *Hotel Values & Cap Rates*, June 12, 2014
 California Hotel and Motel Association – 1985 Annual Convention *Development Overview*
 1995 Annual Meeting – *Capital Expenditure Requirements*
 1997 – *Roses or Weeds? What Does the Future Hold for California's Lodging Industry?*
 California Receivers Forum – *The Receiver as Innkeeper: A Primer on Valuation, Operation and Strategic Disposition of Hotels*, 2002
 Citibank, N.A. *Hotel/Motel Valuations*
 Commercial Real Estate Women (CREW-SF) & Real Estate Investment Advisory Council (REIAC) – *The San Francisco Hotel Boom* (with Chip Conley, president of Joie de Vivre Hospitality), 1998
 Cornell Center for Professional Development – *Hotel Workouts; Computerized Approach to Hotel Valuations and Market Studies*, 1990
 Cornell University *Real Estate Finance; Lessons Learned: Slide Rules to Spreadsheets*, 2004
 Cornell University, School of Hotel Administration: Dean's Distinguished Lecture Series – *The Road Taken: Career of an Entrepreneurial Consultant*, September 2010
 Counselors of Real Estate – *Hotel Valuations: New Techniques for Today's Uncertain Times*, 2010
 Country Hospitality Conference – *Hotel Development Challenges in the Nineties*
 Econo-Travel Motor Hotel Corp., Annual Financial Seminar – *Hotel Valuation*
 Fishing for Solutions – *Servicing Hotel Defaults in Troubled Waters*, 2002, 2003, 2004
 Hotel Asset Managers Association – *San Francisco Bay Area Market Overview*, 2003
 Hotel Design – HD Town Hall Meeting – *The State of Our Industry*, 2002, 2004
 Hotel Industry Investment Conference, 14th Annual – *Numbers, Numbers & More Numbers....Where Are We, and Where Are We Headed??*
 International Association of Assessing Officers, Los Angeles Chapter – Fall Appraisal Seminar, *Going Concern and Intangibles: The Battle Goes On!*, October 8, 2014
 IIUSA EB-5 International Investment & Economic Development Forum 2013 – *Visitor Spending Economic Impact Model*
 Institute of Property Taxation – 1984 Real Estate Symposium – *Simultaneous Valuation*
 Jeffer, Mangels, Butler & Marmaro – Meet the Money, 1998-2014
 Jeffer, Mangels, Butler & Marmaro Executive Briefing 2013 – *Hotels and Mixed-Use Development*
 Jeffer, Mangels, Butler & Marmaro Forum – *Answers to Three of the Most Provocative Questions in Hotel Valuation Today*
 KW Commercial – Webinar, 2012
 Law Seminars International – *Buying & Selling Hotels*, 2008
 Lodging Conference – 1999, 2000
 Midwest Lodging Investors Summit – 2009
 Napa Valley Women's Real Estate Roundtable – *HotHotHot—Hospitality*, 2004
 National Association of Review Appraisers and Mortgage Underwriters – *Reviewing a Hotel Appraisal Report*, 1990
 National Conference of State Tax Judges – *Valuation and the Hospitality Industry*
 National Association of Property Tax Attorneys (NAPTA) – *Hotel Valuation*, 2012
 Northwest Center for Professional Development – *Hotel Development Seminars*, 1986-87
 NYU Hospitality Industry Investment Conference – 1991-1995, 2003
 Orange County Appraisal Society Real Estate Conference – *Hotel Valuation and Trends*, 2009
 Southampton College – *Feasibility Studies and Appraisals*
 Special American Business Internship Training (SABIT) – *Hotel Management Program*, 2006
 Strategic Hotel Default Lender Summit – *Servicing Loan Defaults in Today's Uncertain Times*, 2003
 UCLA Hotel Industry Investment Conference, 1995 –2001
 ULI San Francisco – Brownbag Seminar: *Trends in Casino Hotel Properties*, 2008
 University of Denver *Hotel/Motel Valuation*
 US Hotel Market Connections Conference – *Panel Discussion Moderator*, 2013
 USF 20th Annual Hospitality Industry Symposium – *Prognosis for the Hospitality Industry*, 2010
 VALCON 2010 *Real Estate: the Economics and Future of Malls, Hotels and Gaming* (with Anne Lloyd-Jones), February 24-26, 2010

**EXAMPLES OF CORPORATE
AND INSTITUTIONAL
CLIENTS SERVED**

12 West Capital Management
1875 N Palm Canyon Gateway Partners II LLC
510 Corporation
909 North Michigan Avenue Corporation
1023576 Alberta Ltd.
AA Capital Partners
Aareal Bank AG
ABF, Inc.
Abu Dhabi Investment Authority
Acclarit Group, Inc.
Accor Economy Lodging
Accord/BEV L.P. EPAM Corporation
Accord/PAS Associates, LP
Ackman Ziff
Adams & Jones, Certified
ADS, Inc.
Aegon USA Realty Advisors, Inc.
Aetna Life Insurance Co.
Aetna Real Estate Investment
Africa Israel Investments
Aileron Capital Management
AIG
Airport Industrial Park Associates II
Ajalat, Polley, Ayoob & Matarese
Akin Gump Strauss Hauer & Feld, LLP
Alaska Resort Hotels Company, Inc.
Allen Matkins Leck Gamble Mallory & Natsis
Alley Associates I, Inc.
Allegiant Bank
Alliance Ventures
Allied Capital Advisors, Inc.
Alzheimer & Gray
AMC of America
American Hotels, Inc.
American Pacific International Capital
American Racing & Entertainment
American Realcorp
American Realty Capital Advisors
America West Bank
Amfac Parks & Resorts
AMRESO
Amrit Wellness Spa Resort
Amstar Group, Inc.
Annaly Capital Management
Andrew Daveridge Corp.
Apollo Global Management
Archer Norris
Archetype Mortgage Capital
Archon Group
ARCON, Inc.
Aries Capital
Arnold & Porter
Arsenal Real Estate Funds
Ascher Law
Ashford Financial Corporation
Ashford Hospitality Trust
Aspen Companies
Auberge Resorts
Avalon Holdings
Avista
AZ Sourcing
Azul Hospitality Group
Baha Mar Development Company
Bank of America
Bank Boston
Bankers Mortgage
Bankers Trust Company
Bank of Bermuda Limited
Bank of Jackson Hole
The Bank of New York
Bank of Nova Scotia
Bank of the Orient
Bank of San Francisco
Bank of Southern California
Bank of the West
Bank One
Banque Nationale de Paris
Barclays
Bavarian Inn Lodge
B.B. Patel
The Beacon Companies
Bear Stearns & Co., Inc.
Beau Rivage Casino & Resort
Bendet, Fidell, Sakai & Lee
Bennett Carter Holdings
Bentall Kennedy
Benton Investment
Berger Company
Bergeson Eliopoulos, LLP
Bethel Family Worship Center
BF Hospitality
BlackHawk Capital Management
Block, Plant, Eisner, Fiorito & Belak-Berger
Blue Falcon 52 East
BlueMountain Capital Management
Blu Hotel Investors, LP
BMC Capital
BNP Paribas
BNY Asset Solutions, LLC
BNY Mellon
Boies, Schiller & Flexner, LP
Bongo II, Inc.
Borden Ladner Gervais
Borel Private Bank & Trust Company
Boulder Bay
Boyd Gaming
Boykin Management Co.
Breeze Capital Management
Briarcliff Development Company
Bridge Bank N.A.
Bridge Capital, Inc.
Broadreach Capital Partners
Broad, Schultz, Larson & Wineberg
Brookfield Asset Management
Broughton Hospitality Group
Brown Nester Hospitality Services
Bryan Cave
Buchanan Ingersoll & Rooney PC
Buckingham Companies
Bucks County Board of Assessment (PA)
Builders Bank
Burlingame Bank and Trust Comp.
Business Loan Capital
Buss-Shelger Associates
Butler Burgher Group
Cabazon Band of Mission Indians
Cable, Huston, Benedict, Haagensen & Lloyd, LLP
Caesars Entertainment Corporation
Caesars World Gaming
CA First Boston
Cahill Davis & O'Neill
Cahill Gordon & Reindel
Cairn Mountain Associates
Cala Properties
California Bank & Trust
California Federal Bank
California Department of Transportation
California State University at Bakersfield
Callahan Property Company
California Real Estate Regional Center
Calyon
Campbell Creekside
Canadian Imperial Bank of Commerce
Cannery Casino Resorts
Cantor Fitzgerald
Canyon Equity
Capital Source Bank
Capitol Valley Bank
Capmark Finance
C.A. Rickert & Associates
Carlsbad Estate Holdings, Inc.
The Caryle Group
Carpenters Pension Trust for Southern California
Carr McClellan Ingersoll Thompson & Horn
Carroll, Burdick, McDonough
Cas Bon
Casa de Fruta
Cascade Bancorp/Bank of the Cascades
CASC Corporation
Case, Knowlson, Mobley, Burnett and Luber
Case Lombardi & Pettit
Cassidy Turley
Cathay Bancorp
CB Richard Ellis
CDC Mortgage Capital, Inc.
Centerline Capital Group/C-III
Central Core Corp.
Centro Empresarial Tauro de Tacate S de RL de CV
Century Bank
Champion Development Group
Charter One Bank, N.A.
Chartres Lodging Group
Chartwell Leisure
Chase Manhattan Bank
Chase Real Estate Finance Group
Chatham Lodging Trust
Chemical Bank
Chrysos Development & Management Co.
Churchill Mortgage Corporation
CIBC World Markets
CIGNA Capital Advisors, Inc.
Citibank
Citicorp Real Estate, Inc.
Citigroup
Citizens Community Bank
Citizens Bank/RBS Citizens

CLIENTS - CONTINUED

- City and County of San Francisco, CA
- City of Albuquerque, NM
- City of Berkeley, CA
- City of Boulder, CO
- City of El Cajon, CA
- City of Florence, OR
- City of Guadalupe, CA
- City of Huntington Beach, CA
- City of Los Altos, CA
- City of Marysville, CA
- City of Monterey, CA
- City of Napa Redevelopment Agency, CA
- City of Niagara Falls, ON, CA
- City of Oakland, CA
- City of Placerville, CA
- City of Phoenix, AZ
- City of Torrance, CA
- City of Rancho Palos Verdes, CA
- City of San Antonio, TX
- City of San Diego, CA
- City of San Jose, CA
- City of Santa Ana, CA
- City of Tacoma, WA
- City of Visalia, CA
- City of West Allis, WI
- City of Watsonville, CA
- Claremont Companies
- Clarion Partners
- Cleary, Gottlieb, Steen & Hamilton
- Cliff Castle Casino
- CNL Hospitality Corporation
- Coast Commercial Bank
- Bedrock Capital Associates
- Colliers International
- Colony Capital
- Column Financial, Inc.
- Compass Bank
- Contra Costa County
- Cooley Godward Kronish
- Coopers & Lybrand
- Comerica Bank
- Commercial Bank of San Francisco
- Commercial Bank of Korea, Ltd.
- Commerzbank AG
- Compass Bank
- Concept Hotels
- Congdon Real Estate
- Contrarian Capital Management
- CorAmerica Capital
- CoreCapital Hospitality
- Core Development
- Cornerstone Real Estate Advisors, Inc.
- Corus Bank
- Coudert Brothers
- County Bank
- Country Inn & Suites
- Countrywide Commercial Real Estate
- Coury Properties
- Credit Agricole Corporate & Investment Bank
- Credit Lyonnais
- Credit Suisse
- Crescent Hotels & Resorts
- Criimi Mae Services
- Crosson Dannis, Inc.
- Croudace & Dietrich
- Crowell & Moring
- Crown International Corporation
- CSUF Foundation
- Cupertino National Bank and Trust
- CWCapital, LLC
- Dai-Ichi Kangyo Bank, Ltd.
- Daimler Chrysler Capital Services
- Daiwa Bank
- Daniel Coker Horton & Bell, P.A.
- Danson Equities Corporation
- Dauphin County
- Days Inns
- DBS Bank
- DekaBank
- Deloitte & Touche
- Denver Hotel Associates, LP
- DePfa Bank AG
- Desai Hospitality Group
- Desert Troon Companies
- Destination Properties
- Deutsche Bank
- Dev-Con International
- De Witte Mortgage Investors Fund
- Dimensions Development Company
- DiNapoli Capital Partners
- Disney Development Company
- DivcoWest Properties
- Diversified Financial Management Corp.
- DLA Piper
- Dollar Savings and Loan
- Dolphin Associates, Inc.
- Donaldson, Lufkin and Jenrette
- Doris N. Stern Trust
- Doubletree Inns
- Dresdner Bank AG
- Drury Inns
- DRW Trading Group
- Duane Morris
- Duckor & Spradling
- Dwight Nelson
- Eagle Bank & Trust
- EastWest Bank
- EB5 Capital
- EB5Global
- EDA, U.S. Government
- EDAW, Inc.
- Edgewood Companies
- Equitable Life & Casualty Insurance Company
- Estein & Associates USA
- Elad Group
- Elkor Commercial Properties
- Enterprise Financial
- Equitable Life Assurance Society
- Equitable Real Estate Investment Management
- Ervin, Cohen and Jessup
- E. S. Merriman & Sons
- Estate of Allen E. Paulson
- Estate of James Campbell
- Estein & Associates USA
- Eureka Bank
- Eurohypo AG
- Europe Arab Bank
- Eustis Commercial Mortgage Corporation
- Everingham Associates
- Excel Realty Holdings
- Exchange Bank
- Executive Hotels & Resorts
- Extended Stay Hotels
- Fair Enterprises
- Fairmont Hotels & Resorts
- Farallon Capital Management, LLC
- Far East National Bank
- Farella, Braun & Martel, LLP
- Farmers & Merchants Bank
- Farmers National Bank
- FelCor Lodging Trust
- Fennemore Craig
- FJM Investments
- Fidelity Bancorp Funding
- Fidelity Federal Savings & Loan
- Fillmore Redevelopment Agency
- Financial Funding
- Finova
- First Bank & Trust
- First Boston
- First Credit Commercial Capital Corp.
- First Federal Savings and Loan
- First International Bank
- First Interstate Bank
- First National Bank
- First Pioneer Farm Credit
- First Security
- First Team Real Estate
- First Union Securities
- Flagship Community Bank
- Forest City Development
- Formation Capital
- Fornine Investment Company
- Fox Hotel Investors
- Fox, Rothschild LLP
- Fred Reed & Associates
- Fremont Investment & Loan
- Friedman McCubbin Spalding Bilter Roosevelt Montgomery & Hastings
- Fuji Bank, Ltd.
- Fuji Corporate Advisory Co., Ltd.
- Fullerton Redevelopment Agency
- G6 Hospitality
- Gaims, Weil, West & Epstein, LLP
- Gaming Capital Group
- GE Capital Franchise Finance Corp.
- GE Capital Real Estate
- GECC Commercial Real Estate
- Geller & Company
- GEM Realty Capital
- Gemstone Hotels & Resorts
- General Electric Capital Company
- General Electric Franchise Finance Corp.
- Genting Group
- George Smith Partners
- Geweke Real Estate
- GMAC Commercial Mortgage Corp.
- Gibraltar Savings and Loan
- Gibson, Dunn & Crutcher, LLP
- GIC Real Estate
- Gilroy Gardens Family Theme Park
- Glacier Bancorp
- Golden Eagle Ventures
- Goldfarb & Lipman
- Goldman Sachs
- Goodwin Procter
- Graham Taylor Hospitality Group

CLIENTS - CONTINUED

Grand Pacific Resorts	Ian Schrager Hotels	Keystone Construction/Keystone Realty Group
Grant Williams and Dangerfield	ICBC International	Kimberley Clark
Gray, Cary, Ware & Freidenrich	Impac Hotel Group	Kimpton Hotel & Restaurant Group, Inc.
Great Eagle Holding Limited	IMS	Kitchell Corporation
Greater Bay Bancorp	Indymac Bank	Kor Hotel Group
Greenberg Traurig	ING Group	Korman Communities
Greenwich Capital Markets, Inc.	Innkeepers USA Trust	KPMG
Greystone	Inn Ventures, Inc.	KSL Capital Partners
Griffin Capital	Integrated Capital	Kwahn Corporation
Grubarges Inversion Hotelera	InterBank Brener Hospitality	Kwong Hing Investment Center
Grupo Consorcio	InterContinental	LACERA
Gurewitz, David M.	Inter-Mountain Management, Inc.	Ladco Company Ltd.
Gustin Property Group	International Bank of California	Ladder Capital Finance
Gwire Law Offices	International Bank of Singapore	La Jolla Pacific Development Group
Haberhill	International Game Technology	Lake County Business Outreach and Response Team
Haligman Lottner Rubin & Fishman	International Commercial Bank of China	Lalique Properties
Hall Equities Group	IHDA	Landesbank Baden-Wuerttemberg (LBBW)
Hampshire Real Estate Companies	Intracorp Developments, Ltd.	Lankford & Associates
Hanover Street Capital	Intrawest Corporation	Larkspur Hospitality Company, LLC
Harbor Urban	Intrawest Travel & Leisure Group	LaSalle Bank NA
Hardage Group, The	Invesco	Las Vegas Sands
Hard Rock Hotels	Iowa State University	Latham & Watkins
Haynes & Boone, LLP	ISIS Hotels	Laurence Peters & Co.
Hardage Suite Hotels	iStar Financial	Lauricella Land Company
Hardin Capital, LLC	ITM Commercial	Laurus Corporation
Hard Rock Hotels	ITT Sheraton Corporation	Lauth Development
Hare, Brewer & Kelley, Inc.	Ivanhoé Cambridge (SITQ)	Law & Associates
Haruyoshi Kanko K.K.	Jackson State Bank & Trust	Law Offices of John Dioguardi, Esq.
HC Investment Associates LP	Jadi Singh	Laxmi Hotels
HCV Pacific Partners, LLC	James T. Kelly & Associates	Legacy Real Estate Investment Trust
HEI Hospitality, LLC	Japan Airlines	Lehman Brothers, Inc.
Heller, Ehrman, White & McAuliffe	Jason Daniel	Leisure Hotel Group
Heller Real Estate Financial Services	J. Atkins Advisors	Leisure Sports, Inc.
Hennigan Bennett & Dorman	Jay Paul Company	Lender's Depot
Hensel Phelps Construction Company	JC Partners	Lend Lease Mortgage Capital, Inc.
The Heritage Organization LLC	JC Resorts	Lend Lease Real Estate Investments
Hersha Hospitality	Jeffer, Mangels, Butler, & Marmaro	Lennar Partners, Inc.
The Heymann Group, Inc.	Jefferies LoanCore	Leonard, Street & Deinard
Hibernia Bank	Jelinek & Associates	Lion Builders
Higgs, Fletcher & Mack LLP	J.E. Robert Company, Inc.	Lislewood Corporation
Hilton Hotel Corporation	JMIR - Del Mar Hotel, LLC	Lizard Capital LLC
Hilton Worldwide	John B. Coleman & Co.	LJ Melody & Co.
HMG Lodging Management	John Dioguardi, Esq.	LNR Property Corporation
Hodges Ward Elliott	John Q. Hammons	LoanCore Capital Partners
Holiday Inns	John Hancock Life Insurance	Local Federal Bank, F.S.B.
Holliday Fenoglio Fowler, LP	Johnson Redevelopment Corporation	Local Oklahoma Bank, NA
Holualoa Companies	Joie De Vivre Hotels	Lodgeworks Corporation
HongKong & Shanghai Hotels, Ltd.	Jones, Day, Reavis & Pogue	Lodging Advisory Services
Hospital Group	Jones Lang LaSalle	Loeb & Loeb
Hospitality Development Solutions, Inc.	Jorgenson, Siegel, McClure & Flegel	LoanCore Capital Partners
Host Hotels & Resorts	JPMorgan Chase and Co.	Long Term Credit Bank of Japan, Ltd.
The Hotel Group, Inc.	JPMorgan Mortgage Capital Inc.	Lorber Greenfield & Polito
Hotel Hilo, LLC	JPMorgan Real Estate Structured Finance	Lovitt & Hannan, Inc.
Hotel Investors Trust	J. W. Colachis Company	Lowe Enterprises Investment Mgt., Inc.
Hotel Whitcomb	KHM Management	LRP Landesbank Rheinland-Pfalz
Houlihan Lokey Howard & Zukin	KSC Management	Luce, Forward, Hamilton & Scripps
Howard Johnson's	Kar Properties	Lynch Gilardi & Grummer
HSBC Bank USA	Katten Muchin Rosenman	M&T Bank
HSH Nordbank	Katzoff & Riggs	Mable Commercial Funding, Limited
Hudson Hotels Corporation	Kaye Scholar LLP	MacFarlane Partners
Hume Smith Geddes Green & Simmons	Keen Partners	The Maher Company
Huntington Bank	Kennedy Wilson	Maingate Hotel Company
Huntington Hotel Group	KeyBank National Association	Management Services, Inc.
Hutton Development	Key Corporation	Manchester Financial Group
Hyatt Development Corporation	Keys Associates	Mansur Real Estate Services, Inc.
HYPO Securities	Keyser Martin Associates, Inc.	

CLIENTS - CONTINUED

Macquarie Group	New York Life Investment Management, LLC	Pen Resort, B.V
Maricopa County Assessor's Office	Nexus Companies	Perkins Coie
Maritz, Wolf & Company	NFLP	Personality Hotels
Marriott Hotels International	Mr. Nishu Jain	Peterson Companies
The Marshall Group	Niven & Smith	Phillips, Haskett & Ingwaldson
Marshall, Miller & Schroeder Investments Corp.	Noble House Hotels & Resorts	Phillips Realty Capital
Maximum Holdings, Inc.	Nolan & Heller	Picadilly Inns
Mayer, Brown & Platt	Nomura Asset Capital Corp.	Pickwick Partners
McCandless Management Corporation	Nomura Credit & Capital, Inc.	Pillsbury, Madison & Sutro, LLP
McCament & Rogers	Nomura Securities International, Inc.	Piper Jaffray
McCarthy Tetrault	Norcott Hospitality	Pitzer Law
McLarens Young International	Northern Nevada Bank (NNB)	Placer County Assessor's Office
McDermott Will & Emery	Northampton County Pennsylvania	PNC Bank
McKenna Long and Aldridge	Northmarq Capital	Portigon
Mega International Commercial Bank Co. Ltd.	North Valley Bank	Portland Development Commission
Melhana Development Company	Northwinds N.V.	Portman Holdings
Mercury Savings and Loan	NS Development Co.	Port of Oakland (CA)
Merrill Lynch Capital	Nyemaster, Goode, Voigts, West Ancell & O'Brien	Port of San Francisco (CA)
Merrill Lynch Global Media Group	Ny West Development	PPM Finance, Inc.
Merrill Lynch Global Principal Investments	OCBC Bank	Preferred Bank
Metacorp	Ocean Links Corp.	Premier West Bank
MetLife	OConnell Mahon Architects	Presidio Hotel Group
Metropolitan Life Insurance Company	Octavian, Inc.	Prime Capital Advisors
MGM Resorts International	The Olnick Organization, Inc.	Prime Finance
MidFirst Bank	Olympic Investors	Prime Group
Midland Loan Services	Olympus Real Estate Partners	Principal Real Estate Investors
Midwest, Inc.	O'Neill Hotels & Resorts	Procaccianti Group (TPG)
MiG Construction Group	OneWest Bank, FSB	Property Capital Trust
Milbank Tweed Hadley & McCloy	Onex Corporation	Property Management Group
Milepost Industries	Operating Engineers' Trust Fund	Provenance Hotels
Millennium & Copthorne Hotels	OptAsia Capital Company	Prudential Financial
Millennium Sportsclub	Orient Express Hotels	Prudential Mortgage Capital Company
Minneapolis City Attorney's Office	Orix Corp.	Prudential Realty Group
Miramar Asset Management, Inc.	Orrick, Herrington & Sutcliffe	Pullman Bank
Miramar Pacific Capital	Outlook Income Fund	Punjab National Bank
Mitsubishi Ltd.	Outrigger Enterprises, Inc.	Pyramid Companies
Mitsui Trust & Banking Co., Ltd.	Outrigger Hotels & Resorts	Quadrangle Development Corporation
M&M Development Co.	Overseas Chinese Banking Corporation	Queen Emma Foundation
MM&M Investments Corporation	Overseas Union Enterprise	Queste Capital
MM&S Investments Corporation	OZ Resorts and Entertainment	Rabobank
Morrison & Foerster LLP	The Pacific & Caribbean Hotel Group	Radisson Hospitality Worldwide
The Money Store Commercial Mortgage, Inc.	The Pacific Bank	Raffles International Hotels & Resorts
Monterey Bay Bank	Pacific Coast Capital Partners	Raleigh Enterprises
Monterey Plaza Hotel Limited Partnership	Pacific Hotel Group	Rancho La Puerta
Morgan Guaranty Trust	Pacific Life Insurance Company	R.A. Rauch & Associates, Inc.
Morgan Stanley & Co.	Pacific National Bank	RBS Greenwich Capital Markets
Morgan Stanley Japan, Ltd.	Pacific Premier Bank	R.C. Hedreen Co.
Morrison & Foerster	Pacific Southwest Realty Services	RCI First Pathway Partners
Mortenson Development	Pacific Union Company	RDR Group
MT3 Partners	PacTrust Bank	Real Estate Finance Group
Mullen & Henzell	Palm Springs New Millennium Development	Ramada Inns
Mr. Narendra (Nick) Dahya	Page-One, LLC	Ramsfield Hospitality Finance
Napa Partners	Page Street Properties, LLC	Rancho La Puerta
Narven Enterprises	Pannell Kerr Forster	RCI First Pathway Partners
Nathan L. Topol Group	Parabas Bank	Real Estate Capital Markets
National Bank of Kuwait (NBK)	Paragon Canada	Realty Executives
National Cooperative Bank	Park Cattle Company	Red Lion Hotels & Inns
National Real Estate Advisors	Parker Poe Adams & Bernstein	Redwood Capital Advisors LLC
Nations Credit Commercial Corp.	Park Place Entertainment	Resort Group
Nations Financial Capital Corp.	Park Plaza International	Remington Hotel Company
Natixis Real Estate Capital	Patrick M. Nesbitt Associates, Inc.	Restoration Saint Louis (Innkeeper Hospitality Services)
Network Mortgage Services	Patriot American Hospitality	Richard E Jacobs Group
New City Development	Paul, Hastings, Janofsky & Walker, LLP	Richfield Hospitality
New England Financial Trust	Pedregal de Cabo San Lucas	Riggs & Company, Trust Division
NewTower Trust Company	Peninsula Bank of Commerce	The RIM Corp.

CLIENTS - CONTINUED

Riva D'Lago	South Johnson	Tokai Bank
Riverboat Delta King, Inc.	South Valley Bank & Trust	Tom Grant, Jr.
RiverPlace Associates	South Valley Developers	Torchlight Investors
R.L. Pearson & Associates, Inc.	Southwest Guaranty	TotalBank
Robertson Properties Group	Southwest Horeca Development N.V.	Towne Properties
RockBridge Capital	Sperry Van Ness	Town of Speedway, Indiana
Rosenbach & Rosenbach	Spieker Properties	Transamerica Realty Services, Inc.
Rosling King	Ssang Yong Engineering & Construction Co., Ltd.	Transworld Management/Concord Int'l.
Royal Bank of Scotland Group (RBS)	Stanford Management Company	The Travelers Companies
Royale Resorts	Stanford University	Treadway Hotels
RSBA & Associates	Starwood Capital/Starwood Asset Management	Tri City National Bank
RSM Investments, Inc.	Starwood Hotel Investors, Inc.	Trimont Real Estate Advisors
RT Capital Corporation	Starwood Property Trust	Trinity Hotel Advisors, LLC
Ryan	Stein & Lubin, LLP	Trinity Investment Trust
Ryder, Stilwell Properties, Inc.	Stephen W. Noey & Associates	TrizecHahn Development
Sage Hospitality Resources, Inc.	Sterling Savings Bank	Tule River Tribal Council
Salomon Brothers Realty Corp./Salomon Smith Barney	Stern & Goldberg	Tully & Wezelman, P.C.
San Bernardino Redevelopment Agency	Stevenson Real Estate Services	Turtle Bay Exploration Park
Sand Hill Property Company	Stinson Morrison Hecker	TYBA Group, Inc.
San Diego National Bank	Stockbridge Capital Group	UBS Warburg Real Estate Investments
San Francisco International Airport	Stonebridge Companies	Umpqua Bank
San Leandro Development Services Dept.	Stonebridge Realty Advisors	Unico Properties, Inc.
San Jose National Bank	Stone-Levy, LLC	Unified Port of San Diego
Santa Ana F/C Development Venture	Strategic Asset Services	Union BanCal Corporation
Santa Barbara Bank & Trust	Strategic Hotels & Resorts	Union Bank of California
Santa Cruz County Bank	Strategic Hotel Capital, Inc.	United Overseas Bank
Saratoga Gaming & Raceway	Strategic Property Advisers	United Pacific Bank
Save Westwood Village	Strategic Property Partners	United Security Bank
Seafirst Bank	Strategic Realty Advisors, Inc.	University of California at Davis
Secured Capital Corporation	Streich Lang	University of Minnesota
Security Pacific National Bank	Suburban Capital Markets, Inc.	University Place City Hall
Sand Hill Property Company	Suislaw Valley Bank	Urban Housing Group
Saratoga Gaming & Raceway	Sullivan & Worcester	Urban Partners
Scotiabank	Sumitomo Mitsui Banking Corporation	US Bancorp
Scotia Capital	Summit Development Group	U.S. Bank
SCS Advisors, Inc.	Sun & Sun Capital Holdings	U.S. Department of Labor
S.D. Malkin Properties, Inc.	Sunburst Hospitality	USL Property Management, Inc.
Selvig Development	Sun International	U.S. Trust Company
Seven Seas Associates, LLC	Sunriver Resort	Valencia Group
The Schnitzer Group	SunRiver Saint George Development	Vance Hotel Associates, LP
Schnitzer Northwest, LLC	Sunstone Hotel Investors, Inc./Hotel Management LLC	Venable
Secured Capital Corporation	Sunterra Corporation	V Group USA
Shaner Hotels	Sussman Shank, LLP	Villa del Lago Associates
Shanghai Commercial Bank	Swig Investment Company	Village of Sandia Pueblo (NM)
Shearman & Sterling	SyWest Development	Village of Sugar Grove, IL
Shell Vacations LLC	Taihook Associates	Vintage Bank
Sheppard Mullin Richter & Hampton	Tanner Consulting Group	Wachovia Corporation
Shilla Hotels & Resorts	Tarsadia Hotels	Wailua Associates
Sidley Austin	TCF Bank	Waldron H Rand & Company
Sills Cummis & Gross	TCMB, a subsidiary of Thorofare Capital, Inc.	Waller, Kaufman & Sutter
Silvergate Bank	TD Bank Financial Group	Washington Real Estate Holdings
Simeon Commercial Properties	TD Banknorth	Wasserman Real Estate Capital
Simpson, Thatcher & Bartlett	Teatro Tower Investors LLC	Wave Hospitality Advisors
Situs Companies	Templeton Group	Weil Gotshal & Manges
Skyline Investments	Terra Capital Partners	Weintraub Financial Services
SmithAmundsen	Texas Capital Bank	Wells Fargo Bank
S.M. Smith Advisory Services, LLC	TFG Properties, Inc.	Westbank Associates
Snyder & Associates	Thayer Lodging Group	West Coast Bancorp
Société Generale	Thompson Law Office	Westdeutsche Immobilien Bank
Solana Advisors	Thorofare Capital	Westdeutsche Landesbank
Solit Interest Group	Three Sisters Resorts	Western International
Sonnenblick-Goldman Co.	TIAA-CREF	Western Security Bank
Sonoma County Tourism Bureau	Tipton Management	Western States Management
Sonoma Valley Bank		Westfield Group
Southern California Savings		West LB AG
		Westin Hotels & Resorts

CLIENTS - CONTINUED

Westmont Hospitality Group
Wharf Enterprises, Inc.
W.H. Holdings, LLC
Wilderness Gate
Williams & Dame Development
Williams Coulson LLP
Willow Capital Group
Wilmorite, Inc.
Windsor Capital Group
Wingate Realty Finance Corporation
Wing Lung Bank
Winston & Strawn LLP
Win Time Hotels
WJ Commercial Enterprises
Woffinden Law Group
Wolf, Rifkin & Shapiro
Wong & Mak, LLP
Woodfin Suite Hotel Co.
Woodside Hotels & Resorts
Wrather Corp.
W.R.C. Properties, Inc.
WR Henderson Construction
Wyandotte County Appraisers Office
Xanterra Parks and Resorts
Yavapai-Apache Nation
Yasuda Trust and Banking Co., Ltd.
Zurich Structured Finance, Inc.

**EXAMPLES OF
PROPERTIES APPRAISED
OR EVALUATED**

** Denotes Gaming Property*

Alabama

Fairfield Inn & Suites by Marriott, Bessemer
Homestead Studio Suites Perimeter Park
South, Birmingham
Fairfield Inn, Birmingham
Hilton Perimeter Park, Birmingham
Country Crossing, Cottonwood
Ramada Inn, Gadsden
Homewood Suites by Hilton, Huntsville
Hotel, Proposed, Mobile
Marriott Mobile, Mobile
Fairfield Inn, Montgomery
Holiday Inn, Montgomery
Home-Town Suites of Montgomery,
Montgomery
Howard Johnson's, Montgomery
Residence Inn, Montgomery
Courtyard by Marriott, Prattville
Country Crossing, Shorter
*VictoryLand, Quincy's 777 Bingo Casino, and
Oasis Hotel, Shorter

Alaska

Best Western Barratt Inn, Anchorage
Clarion Suites Hotel, Anchorage
Hawthorne Suites, Anchorage
Holiday Inn, Anchorage
Homewood Suites, Prop. and Existing,
Anchorage
Hotel Captain Cook, Anchorage
Northern Lights Hotel, Anchorage
Rose Garden Hotel, Anchorage
Sheraton Hotel Anchorage, Anchorage
Alyeska Prince Hotel, Girdwood
Coast International Hotel, Girdwood
Resort Hotel, Proposed, Wasilla

Arizona

Lodging Facility, Proposed, Camp Verde
Hotel, Proposed Casa Grande
Renaissance ClubSport, Chandler
Sheraton San Marcos Hotel, Chandler
Best Western, Flagstaff
Embassy Suites Hotel, Flagstaff
Hotel & Conference Center, Prop., Flagstaff
Motel 6, Flagstaff
Rodeway Inn, Flagstaff
Woodlands Plaza Hotel, Flagstaff
Townplace Suites by Marriott, Goodyear
Bright Angel Lodge, Grand Canyon
El Tovar Hotel, Grand Canyon
Kachina Lodge, Grand Canyon
Maswik Lodge, Grand Canyon
Moqui Lodge, Grand Canyon
Phantom Ranch, Grand Canyon
Thunderbird Lodge, Grand Canyon
Yavapai Lodge, Grand Canyon
Best Western Green Valley, Green Valley
Hampton Inn, Proposed, Holbrook
Best Western Wayfarers Inn, Kingman
Rodeway Inn, Kingman
Hampton Inn, Lake Havasu
Nautical Inn, Lake Havasu
Wigwam Resort & Golf Club, Litchfield Park

Ritz-Carlton Dove Mountain, Marana
Hyatt Place Phoenix Mesa, Mesa
Quality Inn Americana Hotel, Nogales
Marriott Fairfield Inn & Suites, Page
Arizona Biltmore Resort, Phoenix
Best Western Executive Park Hotel, Phoenix
Bobby McGee's Conglomeration, Phoenix
Caravan Inn, Phoenix
Courtyard by Marriott, Phoenix/Mesa
Courtyard by Marriott Metro Center, Phoenix
Crescent Hotel, Phoenix
Crowne Plaza, Phoenix
DoubleTree Inn, Phoenix
Embassy Suites-Camelback, Phoenix
Embassy Suites-Camelhead, Phoenix
Fountain Suites Hotel, Phoenix
Four Points Sheraton, Phoenix
Full-Service Hotel, Proposed, Phoenix
Granada Royale Camelhead, Phoenix
Holiday Inn, Phoenix
Crowne Plaza, Phoenix
Homestead Studio Suites, Phoenix
Homewood Suites, Phoenix
Hyatt Regency, Phoenix
JW Marriott Desert Ridge Resort, Phoenix
Knights Inn, Phoenix
Marriott Phoenix Airport, Phoenix
Omni Adams Hotel, Phoenix
Phoenix Inn, Phoenix
Pointe Hilton Squaw Peak Resort, Phoenix
Pointe Hilton at Tepatio Cliffs, Phoenix
Quality Inn, Phoenix
Ramada Inn MetroCenter, Phoenix
Residence Inn by Marriott, Phoenix
Ritz-Carlton Phoenix, Phoenix
Sheraton Crescent Hotel, Phoenix
Sleep Inn, Phoenix
Caleo Hotel, Scottsdale
Chaparral Suites Resort, Scottsdale
Courtyard by Marriott, Scottsdale
Doubletree Inn, Scottsdale
Fairmont Scottsdale Princess and Excess Land,
Scottsdale
FireSky Resort and Spa, Scottsdale
Gainey Suites Hotel, Scottsdale
Hilton Scottsdale Resort & Villa, Scottsdale
Holiday Inn Old Town, Scottsdale
Hotel, Proposed, Scottsdale
Marriott Camelback Inn, Scottsdale
Mondrian Hotel, Scottsdale
Phoenician Resort, Scottsdale
Red Lion-La Posada, Scottsdale
Rodeway Inn, Scottsdale
Scottsdale Conference Resort, Scottsdale
Scottsdale Hilton Resort, Scottsdale
Scottsdale Waterfront Condominium Hotel,
Proposed, Scottsdale
Summerfield Suites, Proposed, Scottsdale
Sunburst Resort Hotel & Conference Center,
Scottsdale
Westin Kierland, Scottsdale
W Hotel, Scottsdale
Xona Resort Suites, Scottsdale
Hilton Garden Inn, Proposed, Sedona
L'Auberge de Sedona, Sedona

Los Abridados, Sedona
Orchard's Inn & Grill, Sedona
Motel 6, Sierra Vista
Sonoita Village Resort & Spa, Prop., Sonoita
Country Inn & Suites Hotel, Tempe
Marriott Buttes Resort, Tempe
Renaissance Hotel, Proposed, Tempe
Wyndham Buttes Resort, Tempe
Mixed-Use Development, Tuba City
Canyon Ranch Resort, Tucson
Clarion Tucson, Tucson
Country Inn & Suites & Courtyard by Marriott,
Tucson
DoubleTree Inn, Tucson
Hilton El Conquistador Golf & Tennis Resort,
Tucson
Hilton Garden Inn, Proposed, Tucson
Holiday Inn Express, Prop., Tucson
Holiday Inn Hotel, Tucson
Hotel Arizona, Tucson
Hotel, Proposed, Tucson
Holiday Inn Express, Tucson
Loews Ventana Canyon Resort, Tucson
Lodge at Ventana Canyon, Tucson
Marriott Hotel & Starr Pass Golf Course, Prop.
and Existing, Tucson
Microtel Inn, Proposed, Tucson
Miraval Resort & Spa, Tucson
Radisson Suite Hotel, Tucson
Ritz-Carlton, Proposed, Tucson
Rodeway Inn, Tucson
Tucson Convention Center, Tucson
Westin La Paloma Resort, Tucson
Westward Look Resort, Tucson
Wig Wam Resort & Golf Club, Woodfield Park
Candlewood Suites, Proposed, Yuma
Shilo Inn, Yuma

Arkansas

Fairfield Inn & Suites, Conway
Hilton, Hot Springs
Holiday Inn, Little Rock
Red Carpet Inn, Little Rock
Holiday Inn Northwest Arkansas, Springdale

California

Radisson Hotel, Agoura Hills
Ramada Inn, Agoura Hills
Hampton Inn & Suites OAK Alameda, Alameda
Renaissance ClubSport, Prop. and Existing,
Aliso Viejo
Holiday Inn Express, Prop., American Canyon
Anaheim Marriott, Anaheim
Baymont Inn & Suites, Anaheim
Best Western Anaheim Inn, Anaheim
Best Western Stovall's Inn, Anaheim
Best Western Pavilions Inn, Anaheim
Boulevard Inn, Anaheim
Candlewood Suites, Proposed, Anaheim
Carousel Inn and Suites, Anaheim
Comfort Inn, Anaheim
Courtyard by Marriott, Anaheim
Desert Palm Inn & Suites, Anaheim
Disneyland Hotel, Anaheim

PROPERTIES - CONTINUED

** Denotes Gaming Property*

<p>DoubleTree Guest Suites Hotel, Prop. and Existing, Anaheim Extended StayAmerica, Anaheim Golden Forest Motel, Anaheim Hilton Hotel & Towers, Anaheim Hilton Suites Anaheim, Anaheim Holiday Inn, Anaheim Howard Johnson Hotel, Anaheim Hyatt Anaheim, Anaheim Jolly Roger, Anaheim Pan Pacific Hotel, Anaheim Pitcairn Inn, Anaheim La Quinta Inn & Suites, Proposed, Anaheim Quality Hotel, Anaheim Raffles Inn & Suites, Anaheim Ramada Maingate Hotel, Anaheim Red Lion Anaheim Maingate Hotel, Anaheim Residence Inn, Anaheim Sheraton Hotel, Anaheim Site of 2 Prop. Hotels, GardenWalk, Anaheim Station Inn, Anaheim Travelodge Inn at the Park, Anaheim WestCoast Anaheim Hotel, Anaheim Residence Inn, Anaheim Hills Fairfield Suites, Proposed, Arcadia Hilton Garden Inn, Proposed, Arcadia Santa Anita Park, Arcadia Comfort Inn, Arcata Hampton Inn & Suites, Prop., Arroyo Grande Carlton Hotel, Atascadero Auburn Inn, Auburn Sleep Inn, Auburn Ramada, Augora Hills Villa Portofino Hotel, Avalon Allstar Inn, Bakersfield CSU Bakersfield Hotel, Proposed, Bakersfield Clarion Suites, Bakersfield Courtyard by Marriott, Bakersfield DoubleTree Hotel, Bakersfield Economy Inn, Bakersfield La Quinta, Bakersfield Marriott Bakersfield at the Convention Center, Bakersfield Red Lion Hotel, Bakersfield Residence Inn, Bakersfield Sheraton Hotel, Bakersfield SpringHill Suites, Bakersfield Travelodge Hotel, Bakersfield Hilton Hotel, Baldwin Park Fairfield Inn, Baltimore Allstar Inn, Barstow Economy Inn, Barstow Proposed Hotel, Bay Point Bear Valley Ski Resort, Bear Valley Holiday Inn Express, Belmont Motel 6, Belmont Summerfield Suites, Prop. & Existing, Belmont Berkeley Marina Marriott, Berkeley DoubleTree Hotel & Executive Meeting Center, Berkeley Hotel Durant, Berkeley La Quinta Inn, Berkeley Shattuck Hotel, Berkeley University Inn, Berkeley Westin Hotel, Proposed, Berkeley AKA Hotel, Proposed, Beverly Hills</p>	<p>Beverly Hills Country Club, Beverly Hills Beverly Hilton, Beverly Hills Beverly Pavilion Hotel, Beverly Hills Beverly Wilshire, Beverly Hills Crescent at Beverly Hills Apartments, Beverly Hills Crowne Plaza Hotel, Beverly Hills Four Seasons Hotel, Beverly Hills Holiday Inn Select, Beverly Hills Maison 140 Hotel, Beverly Hills Montage, Beverly Hills Peninsula Beverly Hills, Beverly Hills Raffles L'Ermitage, Beverly Hills Regent Beverly Wilshire Hotel, Beverly Hills Renaissance Hotel, Beverly Hills Thompson Beverly Hills, Beverly Hills Best Western, Big Bear Lake Hotel, Proposed, Big Bear Lake Motel 6, Big Bear Lake Post Ranch Inn, Big Sur Ventana Inn, Big Sur Rodeway Inn, Blythe Bodega Bay Lodge, Bodega Bay Chase Suites Brea, Brea Embassy Suites Hotel, Brea Woodfin Suites Hotel, Brea Holiday Inn, Brentwood Hilton Residential Suites, Brisbane Radisson SFO Sierra Point, Brisbane Extended-Stay Hotel, Prop., Buellton Courtyard by Marriott, Buena Park Fairfield Inn, Buena Park Hampton Inn, Buena Park Red Roof Inn, Buena Park Burbank Airport Hilton, Burbank Hilton Hotel, Burbank Ramada Inn, Burbank 350 Airport Boulevard, Burlingame Holiday Inn Express SFO, Burlingame Hotel, Proposed, Burlingame Hyatt Regency SFO, Burlingame Airport Marriott, Burlingame Radisson Plaza-Proposed, Burlingame Ramada Inn, Burlingame Hotel, Proposed, Burney Good Nite Inn, Buttonwillow Country Inn & Suites, Calabassas Good Nite Inn, Calabassas Calistoga Spa Hot Springs, Calistoga Calistoga Ranch Resort, Prop., Calistoga Hotel & Ancillary Facilities, Prop., Calistoga Indian Springs Lodge, Calistoga Indian Springs Resort & Spa - Parcel of Land, Calistoga Palisades Resort & Spa, Prop., Calistoga Silver Rose Inn, Spa, & Winery, Calistoga Solage Resort & Spa, Prop. and Existing, Calistoga Del Norte Inn, Camarillo Good Nite Inn, Camarillo Cambria Pines Lodge, Cambria Fireside Inn, Cambria Fog Catcher Inn, Cambria Pelican Inn & Suites, Cambria Campbell Inn, Campbell</p>	<p>Courtyard by Marriott, Prop. and Existing, Campbell Hilton Garden Inn, Campbell Hilton Hotel, Proposed, Campbell Larkspur Landing Hotel, Campbell Pruneyard Inn, Campbell Inn & Spa at Rispin Mansion, Prop., Capitola Carlsbad Inn, Carlsbad Courtyard by Marriott, Carlsbad Extended StayAmerica, Carlsbad Park Hyatt Aviara, Carlsbad Hilton Garden Inn, Carlsbad Inn of America, Carlsbad La Costa Resort and Spa, Carlsbad LEGOLAND Resort, Prop. and Existing, Carlsbad Olympic Resort, Carlsbad Sheraton Carlsbad Resort & Spa, Carlsbad Carmel Mission Inn, Carmel Carmel Valley Ranch, Carmel Cobblestone Inn, Carmel Highlands Inn, Carmel Luxury Hotel, Proposed, Carmel Quail Lodge Resort & Golf Club, Carmel Wyndham Carmel Valley, Carmel Bernardus Lodge, Carmel Valley Hilton Garden Inn, Carmel Valley Robles del Rio Lodge, Carmel Valley Valley Lodge, Carmel Valley Holiday Inn Express, Carpinteria DoubleTree by Hilton Hotel, Carson Econo Lodge, Castro Valley Doral Desert Princess Resort, Cathedral City DoubleTree Hotel, Cathedral City Holiday Inn Express, Cathedral City Hotel, Proposed, Cathedral City Sheraton Cerritos Towne Center, Cerritos Sheraton Hotel, Cerritos Neighborhood Inn, Proposed, Chatsworth Days Inn, Chico Holiday Inn, Chico Microtel Inn and Suites, Proposed, Chico Red Lion Hotel, Chico La Quinta Inn, Chula Vista Otay Valley Travel Lodge, Chula Vista Harris Ranch, Coalinga Howard Johnson's, Colton DoubleTree Hotel, Commerce Ramada Commerce, Commerce Wyndham Hotel, Commerce Clarion Hotel, Concord Concord Hilton, Concord Sheraton Hotel, Concord Trees Inn, Concord Holiday Inn Express, Proposed, Corona Motel 6, Corona Hotel Del Coronado, Coronado Loews Coronado Bay Resort, Coronado Hilton Garden Inn, Prop., Corte Madera Ha'Penny Inn, Costa Mesa Hilton Hotel, Costa Mesa La Quinta Inn, Costa Mesa Mandarin Oriental, Prop., Costa Mesa Marriott Suites, Costa Mesa Red Lion Hotel, Costa Mesa Residence Inn, Costa Mesa</p>
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PROPERTIES - CONTINUED

* Denotes Gaming Property

<p>Courtyard Los Angeles Westside, Culver City Extended-Stay Hotel, Proposed, Culver City Four Points Barcelo Hotel, Culver City Hotel & Condo Hotel, Prop., Culver City Pacifica Hotel & Conference Center, Culver City Ramada Inn, Culver City Washington/National Hotel, Proposed, Culver City Aloft Hotel, Cupertino Boutique Hotel, Proposed, Cupertino Courtyard by Marriott, Cupertino Cypress Hotel, Cupertino Hilton Garden Inn, Cupertino Proposed Limited-Service Hotel, Cupertino Two Proposed Hotel Sites, Cupertino Courtyard by Marriott, Cypress Woodfin Suites Hotel, Cypress Hampton Inn San Francisco Daly City, Daly City Hotel, Proposed, Daly City Marriott Laguna Cliffs Resort, Dana Point Quality Inn, Dana Point Ritz-Carlton Laguna Niguel, Dana Point St. Regis Monarch Beach Resort & Spa, Dana Point Vacation Ownership Property, Dana Point Column Financial Appraisal Review Howard Johnson Hotel, Davis Hotel, Proposed, Davis Hyatt Place Hotel, Proposed, Davis Furnace Creek Inn & Ranch, Death Valley Stove Pipe Wells Village, Death Valley Shilo Inn, Delano Grand Del Mar, Prop. and Existing, Del Mar Hampton Inn, Del Mar Hilton Hotel, Del Mar Marriott Hotel, Del Mar Marriott Resort & Spa, Desert Springs Days Inn Diamond Bar, Diamond Bar Holiday Inn Select, Diamond Bar Embassy Suites Los Angeles Downey, Downey Scott's Restaurant and Banquet/Conference Center, Prop., Dublin Hilton Garden Inn, Proposed, El Cajon Lodging Development, Prop., El Dorado Hills Holiday Inn Express & Suites, Elk Grove Cambria Hotel & Suites, Prop., El Segundo Hilton Garden Inn LAX El Segundo, El Segundo Best Western, El Toro Days Inn, Emeryville Hardage Suites Hotel Site, Emeryville Sheraton Four Points, Emeryville Woodfin Suite Hotel, Prop. and Existing, Emeryville Comfort Inn, Escondido Hilton Garden Inn, Prop., Escondido Red Lion Hotel, Eureka Courtyard Fairfield/Napa Valley, Fairfield Pala Mesa Golf Resort, Fallbrook Hotel, Proposed, Fillmore Marriott Tenaya Lodge, Fish Camp Hotel, Proposed, Folsom Hampton Inn & Suites, Folsom Larkspur Landing Hotel, Folsom Hilton Garden Inn, Fontana Golden Gate National Recreation Area, Fort Baker</p>	<p>All-Suites Hotel, Proposed, Foster City Clubtel, Proposed, Foster City Courtyard by Marriott, Foster City Holiday Inn, Foster City La Quinta Inn & Suites, Proposed, Fowler Comfort Inn Silicon Valley East Fremont, Fremont Courtyard by Marriott, Fremont EconoLodge, Fremont Hilton Hotel, Fremont La Quinta, Fremont Marriott Hotel, Fremont Motel 6, Fremont Quality Inn, Fremont Westin ClubSport, Proposed, Fremont Allstar Inn, Fresno Chateau Inn, Fresno Economy Inn, Fresno Hacienda Resort & Conference Center, Fresno Hampton Inn & Suites, Fresno Holiday Inn, Fresno Proposed Hotel, Fresno Courtyard by Marriott, Fresno Picadilly Inn, Fresno Travelers Inn, Fresno Sierra Sport and Racquet Club, Fresno Chase Suites Hotel, Fullerton Griswold's Hotel, Fullerton Marriott Hotel, Fullerton Embassy Suites Anaheim South, Garden Grove Marriott Suites Anaheim, Garden Grove Residence Inn Anaheim Resort Area, Garden Grove *River Rock Casino, Geyserville Gilroy Gardens Site, Gilroy Boutique Hotel, Proposed, Glendale Hilton Executive Meeting Center, Glendale Hilton Hotel, Glendale Hotel, Proposed, Glendale Red Lion Hotel, Glendale 60-Unit Hotel, Prop., Morton's Warm Springs, Glen Ellen Gauge House, Glen Ellen Bacara Resort, Goleta Courtyard by Marriott, Goleta El Capitan Canyon Campgrounds, Goleta Hyatt Regency, Proposed, Goleta Hotel & RV Park, Proposed, Guadalupe Half Moon Bay Lodge, Half Moon Bay Ocean Colony Resort, Half Moon Bay Ritz-Carlton Hotel, Prop. and Existing, Half Moon Bay Mainstay Suites, Hayward Super 8, Hayward Best Western Dry Creek Inn, Healdsburg Hotel Healdsburg, Healdsburg Healdsburg Plaza Hotel, Prop., Healdsburg Casa de Fruta, Hollister Canyon Ranch Living, Proposed, Hollister Hard Rock Hotel, Proposed, Hollywood Holiday Inn, Hollywood Hollywood Clarion Roosevelt, Hollywood Hollywood Palm Hotel, Hollywood Hyatt Hotel, Hollywood Renaissance Hollywood Hotel, Hollywood Wyndham Hotel, Hollywood</p>	<p>Extended StayAmerica, Huntington Beach Hyatt Grand Champions Resort, Indian Wells Indian Wells Town Center Resort, Prop., Indian Wells Miramonte Resort, Indian Wells Remington Condo Hotel, Prop., Indian Wells Arena/Convention Center Amenity, Prop., Indio Resort Hotel, Proposed, Indio RV Park, Proposed, Indio Courtyard by Marriott, Irvine Element Hotel, Proposed, Irvine Hilton Orange County Airport, Irvine La Quinta Inn, Irvine Marriott Irvine, Irvine Registry Hotel, Irvine Amador Inn, Jackson Konocti Harbor Resort & Spa, Kelseyville Kenwood Inn & Spa, Kenwood Mortons Sonoma Springs Resort, Kenwood Sonoma Country Inn, Prop., Kenwood Hotel, Proposed, Kern County Cal Neva Resort, Kings Beach Lafayette Park Hotel, Lafayette Best Western Laguna Brisas Spa Hotel, Laguna Beach Montage Resort & Spa, Laguna Beach Surf & Sand Hotel, Laguna Beach Vacation Village Repositioning, Laguna Beach Select-Service Hotel, Proposed, Laguna Niguel Embassy Suites La Jolla, La Jolla Empress Hotel, La Jolla Hilton Torrey Pines, La Jolla Hotel La Jolla, La Jolla Hyatt Regency Hotel at Aventine, La Jolla La Jolla Village Inn, La Jolla Lodge at Torrey Pines, La Jolla Mandarin Oriental Hotel, Proposed, La Jolla Radisson Inn, La Jolla Residence Inn, La Jolla Scripps Inn, La Jolla Sheraton Hotel, La Jolla Lake Arrowhead Resort, Lake Arrowhead Saddleback Inn, Lake Arrowhead Holiday Inn San Diego La Mesa, La Mesa Holiday Inn Select, La Mirada Hilton Lodge, Lake Arrowhead Hotel, Proposed, Lake Country Embassy Suites Hotel, Lake Tahoe Lake Shore Inn, Proposed, Lake Tahoe Resort at Squaw Creek, Lake Tahoe Holiday Inn, La Mesa La Quinta Hotel & Resort, La Quinta Courtyard by Marriott, Larkspur La Quinta Inn & Suites, Las Palma Embassy Suites, La Quinta *Thunder Valley Casino, Lincoln 50-Unit Motel, Proposed, Little Lake Heritage House Resort, Little River Courtyard by Marriott, Livermore Diva Hospitality, Livermore Hilton Garden Inn, Livermore Hotel, Proposed, Livermore Residence Inn by Marriott, Livermore Motel 6, Proposed, Livingston Hampton Inn and Suites, Lodi</p>
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PROPERTIES - CONTINUED

** Denotes Gaming Property*

<p>Lodi Motor Inn, Lodi Embassy Suites, Lompoc Breakers Hotel, Long Beach Holiday Inn, Long Beach Holiday Inn Airport, Long Beach Hyatt Regency, Long Beach Marriott Hotel, Long Beach Queen Mary & Related Real Estate, Long Beach Residence Inn, Long Beach West Coast Hotel & Marina, Long Beach Courtyard by Marriott, Prop., Los Altos Hotel, Proposed, Los Altos Residence Inn, Prop. and Existing, Los Altos Argyle Hotel, Los Angeles Beverly Hills Residence Inn, Los Angeles Biltmore Hotel, Los Angeles Boutique Hotel, Proposed, Los Angeles Carlyle Inn, Los Angeles Checkers Hotel, Los Angeles Concourse Hotel (formerly Radisson Hotel LAX), Los Angeles Courtyard by Marriott, Los Angeles Crowne Plaza LAX, Los Angeles DoubleTree Hotel at LAX, Los Angeles DoubleTree LA Downtown, Los Angeles Downtown Boutique Hotel, Prop., Los Angeles EconoLodge, Proposed, Los Angeles Embassy Suites, Los Angeles Four Points by Sheraton LAX, Los Angeles Four Seasons, Los Angeles Hilton LAX, Los Angeles Holiday Inn Brentwood/Bel Air, Los Angeles Holiday Inn-LAX, Los Angeles Hotel & Condo Project Koreatown, Prop., Los Angeles Hotel Angeleno, Los Angeles Hotel InterContinental, Los Angeles Hotel Palomar, Los Angeles Hotel, Prop., Westfield Century City, Los Angeles Hotel Sofitel Ma Maison, Los Angeles Hyatt House at USC Medical Center, Proposed, Los Angeles Hyatt Regency Hotel, Los Angeles The James Hotel, Proposed, Los Angeles JJ Grand Hotel, Los Angeles JW Marriott, Proposed, Los Angeles Le Meridien Hotel Beverly Hills, Los Angeles Le Montrose, Los Angeles Loews Santa Monica Beach, Los Angeles Mandarin Oriental Hotel, Prop., Los Angeles Marriott Downtown, Los Angeles Marriott Hotel - LAX, Los Angeles Mondrian Hotel, Los Angeles New Seoul Hotel, Los Angeles Playa Vista Development, Los Angeles Quality Hotel Airport, Los Angeles Radisson Hotel Westside, Los Angeles Renaissance Beverly Hills, Los Angeles Renaissance Hotel, Proposed, Los Angeles Residence Inn & Courtyard Hotels, Prop., Los Angeles Residence Inn Beverly Hills, Prop. and Existing, Los Angeles Ritz-Carlton Hotel, Prop., Los Angeles Sheraton Gateway Los Angeles, Los Angeles</p>	<p>SLS Hotel, Prop. and Existing, Los Angeles Sofitel Hotel, Los Angeles Summerfield Suites, Los Angeles Sunset Strip Development, Los Angeles UCLA Hotel, Proposed, Los Angeles W Hotel, Los Angeles Westin Bonaventure, Los Angeles Westmoreland Place, Los Angeles Hotel & Restaurant, Proposed, Los Gatos Hotel Los Gatos, Prop. and Existing, Los Gatos Los Gatos Lodge, Los Gatos Toll House Hotel, Los Gatos Fess Parker's Wine Country Inn & Spa, Los Olivos Economy Inns of America Motel, Madera Hotel ApCal Winery, Proposed, Madera Aman Resort Malibu Canyon, Prop., Malibu Malibu Beach Inn, Malibu Rancho Malibu, Prop., and Land Valuation, Malibu 80/50 Private Residence Club, Mammoth Lakes Condominium Hotel, Prop., Mammoth Lakes Luxury Resort Hotel, Prop., Mammoth Lakes Barnabey's Hotel, Manhattan Beach Belamar Hotel, Manhattan Beach SpringHill Suites, Manhattan Beach TownePlace Suites, Manhattan Beach Hotel, Proposed, Manteca Marina Dunes Resort, Marina Sanctuary Beach Resort, Marina Courtyard, Proposed, Marina del Rey Courtyard and Residence Inn, Proposed, Marina del Rey DoubleTree Hotel, Marina del Rey Holiday Inn, Marina del Rey Holiday Inn Express, Marina del Rey Inn at Marina del Rey, Marina del Rey Marina del Rey Hotel & Bungalows/Marinas, Marina del Rey Marina Suites Hotel, Marina del Rey Marina Beach Hotel, Marina del Rey Marriott Hotel, Marina del Rey Suite Hotel, Proposed, Marina del Rey Marysville Hotel, Proposed, Marysville Hill House, Mendocino Renaissance ClubSport, Prop., Menlo Park Rosewood Sand Hill Hotel, Menlo Park Stanford Park Hotel, Menlo Park Comfort Inn, Millbrae Millbrae Station Hotel Project, Millbrae Beverly Heritage Hotel, Milpitas Candlewood Hotel, Milpitas Courtyard by Marriott, Milpitas Days Inn, Milpitas Extended-Stay Hotel Site, Milpitas Hilton Garden Inn, Milpitas Holiday Inn, Milpitas Larkspur Landing Hotel, Milpitas Renaissance Hotel, Proposed, Milpitas Residence Inn by Marriott, Milpitas Sheraton Beverly Heritage Hotel, Milpitas TownePlace Suites, Milpitas Holiday Inn, Miramar Courtyard by Marriott, Mira Mesa Courtyard by Marriott, Modesto</p>	<p>DoubleTree Hotel, Modesto Hotel, Proposed, Modesto Motel Orleans, Modesto Red Lion Hotel, Modesto Four Points Barcelo Hotel, Monrovia Renaissance ClubSport, Prop., Monrovia Miramar Resort Hotel, Montecito DeAnza Ballroom, Monterey Doubletree Fisherman's Wharf, Monterey Doubletree Inn, Monterey Hotel Pacific, Monterey Hotel, Proposed, Monterey InterContinental The Clement Monterey, Monterey Monterey Bay Inn, Monterey Monterey Marriott Hotel, Monterey Monterey Peninsula Hotel, Prop., Monterey Monterey Plaza Hotel, Monterey Sheraton Hotel, Monterey Victorian Inn, Monterey Spindrift Inn, Monterey Lincoln Plaza Hotel, Monterey Park Inn at Morro Bay, Morro Bay Inn at Morgan Hill, Morgan Hill Inn At Morro Bay, Morro Bay Hilton Garden Inn, Prop., Mountain View Holiday Inn Express, Mountain View Hotel Vue, Mountain View Westin ClubSport, Prop., Mountain View Aetna Springs Resort, Proposed, Napa California Boulevard Hotel, Prop., Napa City of Napa Market Study, Napa Condo Hotel, Proposed, Napa Hilton Garden Inn, Prop. and Existing, Napa Intrawest Resort, Proposed, Napa Hotel, Proposed, Napa Hotel, Prop./Timeshare, Napa Gateway, Napa Kimpton Hotel, Proposed, Napa Lodge on Napa River, Napa Marriott Hotel, Napa Milliken Creek Inn and Spa, Napa Montalcino Resort, Proposed, Napa Motel 6, Napa La Residence, Napa Napa Valley Marriott, Napa Randeau Way Hotel, Proposed, Napa Residence Inn, Proposed, Napa Sheraton Inn Napa Valley, Napa Stanly Ranch Project, Proposed, Napa Timeshare Development, Prop., Napa Westin Verasa Napa, Napa Auberge du Soleil, Napa Valley Best Western Inn, Napa Valley Clarion Inn, Napa Valley Inn at Napa Valley, Napa Valley Silverado, Napa Valley Windmill Inn, Proposed, Napa Valley Best Western Marina Gateway, National City Comfort Inn, National City Courtyard by Marriott, Newark Hilton Newark/Fremont, Newark Park Inn, Newark Residence Inn by Marriott, Newark Woodfin Suites Hotel, Newark W Suites Hotel, Proposed, Newark Fairmont, Newport Beach</p>
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PROPERTIES - CONTINUED

** Denotes Gaming Property*

Hyatt Newporter, Newport Beach	Shilo Inn, Palm Springs	Quality Suites, Rancho Cordova
Marriott Suites, Newport Beach	Wyndham Hotel, Palm Springs	Homewood Suites by Hilton, Rancho Cucamonga
Newport Coast Development, Prop., Newport Beach	Creekside Inn, Palo Alto	*Agua Caliente Casino & Resort, Prop., Rancho Mirage
Newporter Resort Hotel, Newport Beach	Cardinal Hotel, Palo Alto	Ritz-Carlton, Rancho Mirage
Sheraton Hotel, Newport Beach	The Epiphany, Palo Alto	Murieta Inn, Proposed, Rancho Murieta
Sutton Place Hotel, Newport Beach	Holiday Inn, Palo Alto	Five-Star Resort & Golf Course, Prop., Rancho Palos Verdes
Holiday Inn Universal Studios Hollywood Hotel, North Hollywood	Hotel, Proposed, Palo Alto	Terranea Resort, Rancho Palos Verdes
Best Western Novato Oaks Inn, Novato	Sheraton Hotel, Palo Alto	Inn at Rancho Santa Fe, Rancho Santa Fe
Courtyard by Marriott, Novato	Stanford Park Hotel, Palo Alto	110-Room Full-Service Hotel, Prop., Redding
Hilton Garden Inn, Proposed, Novato	Stanford Terrace Inn, Palo Alto	Bridge Bay Marina, Proposed, Redding
Shilo Inn, Oakhurst	Staybridge Suites, Proposed, Palo Alto	Element Hotel, Proposed, Redding
Courtyard Oakland Airport, Oakland	Upscale Boutique Hotel, Prop., Palo Alto	Fairfield Inn & Suites, Proposed, Redding
Courtyard Oakland Downtown, Oakland	Ambassador College Hotel, Prop., Pasadena	Grand Manor Inn, Redding
Economy Inn, Oakland	Courtyard by Marriott, Pasadena	La Quinta Inn, Redding
Executive Inn & Suites, Oakland	Holiday Inn Express, Pasadena	Microtel Inn & Suites, Redding
Hilton Oakland Airport, Oakland	Langham Huntington Hotel & Spa, Pasadena	Motel Orleans East, Redding
Holiday Inn Express & Suites Oakland Airport, Oakland	Hotel, Proposed, Paso Robles	Motel 6, Redding
Holiday Inn Hotel & Suites, Oakland Airport, Oakland	Best Western Villa Del Lago, Patterson	Park Terrace, Redding
Homewood Suites, Oakland	Hacienda Hotel, Patterson	Red Lion Hotel, Redding
Hotel, Proposed, Oakland Airport, Oakland	*Hotel and Casino, Proposed, Patterson	Red Lion Inn, Redding
Marriott Oakland City Center – Land Valuation, Oakland	Hotel and Restaurant, Proposed, Patterson	Shasta Inn, Redding
Parc Oakland Hotel, Oakland	Cascade Ranch Lodge, Pescadero	Sheraton Hotel at Sundial Bridge, Prop., Redding
Prop. Hotel Oakland Coliseum City, Oakland	Elks Lodge, Petaluma	TownePlace Suites, Proposed, Redding
Unused Land Lease Parcel, Oakland	Quality Inn, Petaluma	Turntable Bay Marina, Prop. and Existing, Redding
Waterfront Plaza Hotel, Oakland	Beverly Hills Residence Inn, Pico Hotel, Proposed, Pinole	Good Nite Inn, Redlands
Resort At Squaw Creek, Olympic Valley	Beachwalk Hotel, Pismo Beach	Portofino Hotel & Yacht Club, Redondo Beach
Clarion Hotel, Ontario	Best Western Grande Arroyo, Pismo Beach	Sheraton Redondo Beach, Redondo Beach
Doubletree Hotel Ontario Airport, Ontario	Cottage Inn by the Sea, Pismo Beach	Best Western, Redwood City
Hampton Inn & Suites, Ontario	Hilton, Proposed, Pismo Beach	Hotel, Prop. (Blair Towers), Redwood City
Holiday Inn, Ontario	Hotel, Proposed, Pismo Beach	Sofitel San Francisco Bay, Redwood City
La Quinta Inn, Ontario	Quality Inn, Pismo Beach	Super 8, Redwood City
Marriott Ontario Airport, Ontario	Sandcastle Inn, Pismo Beach	Carriage Inn, Ridgecrest
Red Lion Hotel, Ontario	Seacrest Resort, Pismo Beach	Holiday Inn Select, Riverside
Residence Inn, Ontario	Sea Venture Hotel, Pismo Beach	Marriott Hotel, Riverside
Sheraton Ontario Airport, Ontario	Spyglass Inn, Pismo Beach	Mission Inn, Riverside
Extended StayAmerica, Orange	Fairfield Inn, Placentia	Rocklin Park Hotel, Rocklin
Hilton Suites Anaheim Orange, Orange	Hotel, Proposed, Placentia	DoubleTree Sonoma County, Rohnert Park
Residence Inn, Orange	AmeriSuites & Homestead Village, Pleasant Hill	Good Nite Inn, Rohnert Park
Woodfin Suite Hotel, Orange	Black Angus Restaurant, Pleasant Hill	Ramada Limited Hotel, Rohnert Park
Hilton Garden Inn, Proposed, Oxnard	Embassy Suites, Pleasant Hill	Red Lion Hotel, Rohnert Park
Holiday Inn, Oxnard	Pleasant Hill Inn, Pleasant Hill	Hampton Inn & Suites, Roseville
Best Western Lighthouse Hotel, Pacifica	Residence Inn, Pleasant Hill	Hilton Garden Inn, Roseville
Hotel, Proposed, Pacifica	Savoy Restaurant, Pleasant Hill	Hotel & Convention Center, Prop., Roseville
Pacifica Quarry Site, Pacifica	Summerfield Suites Hotel, Prop. and Existing, Pleasant Hill	Larkspur Landing Hotel, Roseville
Hilton Garden Inn, Palmdale	Woodfin Suite Hotel, Prop., Pleasant Hill	Pali Mountain Retreat and Conference Center, Running Springs
Super 8 Motel, Palmdale	Candlewood Hotel, Pleasanton	Auberge Du Soleil, Rutherford
Embassy Suite, Palm Desert	Courtyard by Marriott, Pleasanton	Rancho Caymus Inn, Rutherford
Hawthorne Suites, Palm Desert	Hilton Hotel, Pleasanton	60-Unit Hotel, Proposed, Sacramento
Ace Hotel, Proposed, Palm Springs	Holiday Inn, Pleasanton	Allstar Inn, Sacramento
*Agua Caliente Casino & Resort, Palm Springs	Larkspur Landing Hotel, Pleasanton	ARCO Arena, Sacramento
Canyon Resort Hotel, Palm Springs	Pleasanton Hilton Hotel, Pleasanton	Boutique Hotel Conversion, Sacramento
Horizon Hotel, Palm Springs	Sierra Suites, Pleasanton	Candlewood Hotel, Prop. and Existing, Sacramento
Desert Princess, Palm Springs	Summerfield Suites, Pleasanton	Citizen Hotel, Sacramento
Horizon Hotel, Palm Springs	Wyndham Garden, Pleasanton	Clarion Hotel, Sacramento
Hotel, Proposed, Palm Springs	Shilo Inn Pomona Hilltop Suites, Pomona	Convention Hotel, Proposed, Sacramento
Hyatt Regency Suites Hotel, Palm Springs	Hampton Inn, Proposed, Porterville	Courtyard by Marriott, Sacramento
Infusion Beach and Hotel, Prop., Palm Springs	Country Inn, Port Hueneme	Crowne Plaza Sacramento, Sacramento
Korakia Pensione, Palm Springs	Residence Inn, Poway	Docks Hotel, Proposed, Sacramento
Marriott Rancho Las Palma, Palm Springs	SpringHill Suites, Poway	Dodge City Motel, Sacramento
Palm Canyon, Palm Springs	Ragged Point Inn, Ragged Point	
Palm Springs Spa Hotel, Palm Springs	Holiday Inn, Rancho Bernardo	
	Courtyard by Marriott, Rancho Cordova	
	Economy Inn, Rancho Cordova	
	Hallmark Suites Hotel, Rancho Cordova	

PROPERTIES - CONTINUED

** Denotes Gaming Property*

<p>DoubleTree Hotel, Sacramento Embassy Suites Riverfront Promenade, Sacramento Fairfield Inn & Suites, Sacramento Hampton Inn & Suites Sacramento Airport Natomas, Sacramento Hampton Inn, Proposed, Sacramento Hawthorn Suites, Sacramento Hilton Garden Inn, Sacramento Hilton Hotel, Sacramento Holiday Inn Express & Suites Sacramento Airport Natomas, Sacramento Holiday Inn Sacramento Northeast, Sacramento, Sacramento Hyatt Regency, Sacramento La Quinta Hotel Downtown, Sacramento La Quinta Hotel North, Sacramento Larkspur Landing Hotel, Sacramento Limited-Service Hotel, Prop., Sacramento Marriott Hotel & Conference Center, Proposed Sacramento Motel Orleans, Sacramento Peregrine Real Estate Trust, Sacramento Radisson Hotel, Sacramento Red Lion Hotel-Sacramento, Sacramento Red Lion-Sacramento Inn, Sacramento Residence Inn by Marriott Cal Expo, Sacramento Residence Inn, Proposed, Sacramento Residence Inn South Natomas, Sacramento Riverboat Delta King, Sacramento Sacramento Hilton, Sacramento Sacramento Inn, Sacramento Sierra Inn, Sacramento SpringHill Suites, Proposed, Sacramento Sterling Hotel, Sacramento Three Franchised Marriott Hotels, Prop., Sacramento TownePlace Suites by Marriott, Sacramento Travelers Inn, Sacramento Vizcaya Catering Hall, Prop., Sacramento Woodlake Inn, Sacramento Las Alcobas Resort, Proposed, St. Helena Wine Country Inn & Gardens, St. Helena Wydown Hotel, St. Helena La Quinta Inn, San Bernardino San Sevain Redevelopment Project Area, San Bernardino Courtyard by Marriott, San Bruno Boutique Hotel, Proposed, San Clemente 500 West Broadway, San Diego Bahia Resort Hotel, San Diego Ballpark and Redevelopment Project, San Diego Best Western Bayside Inn, San Diego Best Western Blue Sea Lodge, San Diego Best Western Hanalei, San Diego Best Western Island Palms Resort, San Diego Best Western Seven Seas, San Diego Bridgeworks Mixed-Use Development, San Diego Carmel Highland Doubletree, San Diego Catamaran Resort Hotel, San Diego Clarion Bay View Hotel, San Diego Comfort Inn & Suites SeaWorld, San Diego Comfort Inn-Gaslamp, San Diego</p>	<p>Comfort Inn Old Town, San Diego Comfort Suites Mira Mesa, San Diego Courtyard Mission Valley, San Diego Courtyard by Marriott, Prop. and Existing, San Diego Crown Plaza and Staybridge Suites, Proposed, San Diego Dana on Mission Bay, San Diego Days Inn Hotel Circle, San Diego Del Mar Marriott, San Diego Diegan Hotel, Proposed, San Diego DoubleTree Club Hotel, San Diego DoubleTree Del Mar, San Diego DoubleTree Hotel at Horton Plaza, San Diego Embassy Suites San Diego La Jolla, San Diego Estancia La Jolla Hotel and Spa, San Diego Executive Lodge, San Diego Golden Door Spa, San Diego Grand Del Mar National Golf Course, San Diego Grand Hyatt, San Diego Hampton Inn San Diego Del Mar, San Diego Hampton Inn Downtown, San Diego Hampton Inn SeaWorld Airport, San Diego Hanalei Hotel, San Diego Harbour Lights, San Diego Hard Rock Hotel, Proposed, San Diego Hilton Convention Center Hotel, Prop., San Diego Hilton Garden Inn Del Mar, San Diego Hilton Garden Inn, Prop. and Existing, San Diego Hilton Garden Inn Shelter Island, Prop., San Diego Hilton Gaslamp Lasalle, San Diego Hilton Harbor Island, San Diego Hilton Hotel, Proposed, San Diego Hilton San Diego Bayfront, San Diego Holiday Inn Express Mira Mesa, San Diego Holiday Inn Express Hotel & Suites Otay Mesa, San Diego Holiday Inn Express SeaWorld, San Diego Homewood Suites, Proposed, San Diego Homewood Suites & Hilton Garden Inn, Proposed, San Diego Hotel, Proposed, San Diego Hotel San Diego, San Diego Hotel Santee, Proposed, San Diego Howard Johnson, San Diego Hyatt Islandia, San Diego Hyatt Manchester Grand, San Diego Hyatt Regency Mission Bay Spa & Marina, San Diego InterContinental Hotel, San Diego Island Palms Hotel, San Diego Ivy Hotel, San Diego Kings Inn, San Diego La Jolla Village Inn, San Diego Lane Field Full-Service Hotel, Prop., San Diego Lane Field South Dual-Branded Hotel Project, San Diego La Quinta Inn, San Diego Manchester Gateway Development, Proposed, San Diego Manchester Grand Hyatt, San Diego Marriott Hotel and Marina, San Diego Marriott Mission Valley, San Diego</p>	<p>Marriott Suites, San Diego Meridien Hotel, San Diego Mission Valley Inn, San Diego Mission Valley Hilton, San Diego Omni Hotel, San Diego Pacific Terrace Inn, San Diego Paradise Point Resort, San Diego Pickwick Hotel, San Diego Prava Hotel, San Diego Quality Inn & Suites, San Diego Quality Suites & Holiday Inn Express Mira Mesa San Diego, San Diego Radisson Hotel, San Diego Ramada Limited Suites, San Diego Rancho Bernardo Inn & Oaks Golf Course, San Diego Red Lion Hotel, San Diego Residence Inn San Diego Carmel Valley/Del Mar, Proposed, San Diego Residence Inn by Marriott San Diego Downtown, San Diego Residence Inn Mission Valley, San Diego Renaissance Hotel, Prop., San Diego San Diego Yacht Club, San Diego Select-Service Hotel, Prop., San Diego Setai Hotel San Diego, Prop., San Diego Shelter Pointe Hotel & Marina, San Diego Sheraton Grand, San Diego Sheraton Harbor Island East, San Diego Sheraton Hotel & Marina, San Diego Sheraton Suites, San Diego Sommerset Suites Hotel, San Diego Summer House Inn, San Diego Super 8 Motel-Point Loma, San Diego Symphony Towers, San Diego Town and Country Hotel, San Diego U.S. Grant Hotel, San Diego Westin, San Diego Westin Horton Plaza, San Diego W Hotel, San Diego Woodfin Suites Hotel, San Diego Wyndham Emerald Plaza Hotel, San Diego Proposed Hotel, 144 King Street, San Francisco ANA Hotel, San Francisco Aquarium of the Bay, San Francisco Argent Hotel, San Francisco Argonaut Hotel, San Francisco Bedford Hotel, San Francisco Bellevue Hotel, San Francisco Beresford Hotel, San Francisco Best Western Canterbury Inn, San Francisco Bix Restaurant, San Francisco Broadway Hotel Site, Prop., San Francisco Campton Place Hotel, San Francisco Candlestick Center Hotel, Prop., San Francisco Cartwright Hotel, San Francisco Chancellor Hotel, San Francisco Clift Hotel, San Francisco Comfort Inn by the Bay, San Francisco Courtyard by Marriott, San Francisco Donatello Hotel, San Francisco DoubleTree Club Hotel, Prop., San Francisco El Drisco Hotel, San Francisco Embarcadero Inn, San Francisco Excipio San Francisco, San Francisco Executive Vintage Court, San Francisco</p>
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PROPERTIES - CONTINUED

* Denotes Gaming Property

Fairmont Hotel, San Francisco	Marriott Fisherman's Wharf, San Francisco	Fairmont Hotel, San Jose
Four Seasons Hotel, San Francisco	Marriott Hotel, San Francisco	Fontaine Inn San Jose Downtown Fairgrounds, San Jose
Galleria Park Hotel, San Francisco	Masa's Restaurant, San Francisco	Hayes Mansion Conference Center, San Jose
Grand Hyatt, San Francisco	Maxwell Hotel, San Francisco	Holiday Inn, San Jose
Harbor Court Hotel, San Francisco	Mission & Steuart Hotel, Prop., San Francisco	Homewood Suites, San Jose
Hard Rock Hotel, Proposed, San Francisco	Mission Bay Community Center, San Francisco	Hotel, Proposed, San Jose
Haslett Warehouse Hotel, Prop., San Francisco	Mission Bay Hotel, Proposed, San Francisco	Hotel Sierra, Proposed, San Jose
Hilton Financial District, San Francisco	Miyako Hotel, San Francisco	Hotel Valencia, San Jose
Hilton Fisherman's Wharf, San Francisco	Nob Hill Lamborne Hotel & Prop. Timeshare, San Francisco	Hyatt San Jose, San Jose
Hilton Garden Inn, Prop., San Francisco	Olympic Hotel & Delicatessen, San Francisco	Hyatt St. Claire, San Jose
Hilton Hotel SFO, San Francisco	Orchard Hotel, San Francisco	Marriott Hotel, San Jose
Hilton San Francisco & Towers, San Francisco	Palace Hotel, San Francisco	Moorpark Hotel, San Jose
Hilton Union Square, San Francisco	Palomar Hotel, San Francisco	Ramada Renaissance Hotel, San Jose
Holiday Inn-Civic Center, San Francisco	Pan Pacific Hotel, San Francisco	Radisson Plaza Hotel Airport, San Jose
Holiday Inn Express & Suites Fisherman's Wharf, San Francisco	Parc Fifty-Five, San Francisco	Red Lion-San Jose, San Jose
Holiday Inn Express Union Square, Proposed, San Francisco	Park Hyatt, San Francisco	Renaissance ClubSport, Prop., San Jose
Holiday Inn Fisherman's Wharf, San Francisco	Piers 30/32, San Francisco	Residence Inn, San Jose
Holiday Inn-Golden Gateway, San Francisco	Portman Hotel, San Francisco	Residence Inn & SpringHill Suites, Prop., San Jose
Holiday Inn, Proposed, San Francisco	Prescott Hotel and Postrio Restaurant, San Francisco	Marriott Hotel, San Jose
Holiday Inn-SFO, San Francisco	Presidio Travelodge, San Francisco	Sierra Suites, Proposed, San Jose
Holiday Inn Select Financial District, San Francisco	Queen Anne Hotel, San Francisco	Springhill Suites, San Jose
Holiday Lodge, San Francisco	Radisson Hotel at Fisherman's Wharf, San Francisco	Starwood Hotel Proposed, San Jose
Hotel Abri, San Francisco	Ramada Hotel	TownePlace Suites by Marriott, San Jose
Hotel Adagio Union Square, San Francisco	Ramada Inn Fisherman's Wharf, San Francisco	Winchester Boulevard Site, Prop., San Jose
Hotel Bijoux, San Francisco	Ramada Inn at Union Square, San Francisco	Residence Inn, San Juan Capistrano
Hotel Cosmo, San Francisco	Ramada Plaza Hotel, San Francisco	Islander Lodge Motel, San Leandro
Hotel Diva, San Francisco	Red Roof Inn & Studio 6, Prop., San Francisco	Marina Inn on San Francisco Bay, San Leandro
Hotel Frank, San Francisco	Regis Hotel, San Francisco	Apple Farm Inn, San Luis Obispo
Hotel Griffon, San Francisco	Renaissance ClubSport, Prop., San Francisco	Embassy Suites Hotel, San Luis Obispo
Hotel Kabuki, San Francisco	Renaissance Parc 55, San Francisco	Holiday Inn Express, San Luis Obispo
Hotel Majestic, San Francisco	Renaissance Stanford Court Hotel & Parking Garage, San Francisco	Pacific Suites Hotel, San Luis Obispo
Hotel Monaco, San Francisco	Renoir Hotel, San Francisco	Quality Suites, San Luis Obispo
Hotel Nikko, San Francisco	Residence Inn, Proposed, San Francisco	Sycamore Mineral Springs Resort, San Luis Obispo
Hotel Palomar, San Francisco	Richelieu Hotel, San Francisco	Twin Oaks Golf Course, San Marcos
Hotel, Proposed, San Francisco	Ritz-Carlton, Proposed, San Francisco	Benjamin Franklin Hotel, San Mateo
Proposed Hotel Component of a Mixed-Use Project, San Francisco	Rosewood Hotel, San Francisco	Dunfey Hotel, San Mateo
Hotel Rex, San Francisco	San Francisco Airport Hilton, San Francisco	Extended-Stay Hotel, Prop., San Mateo
Hotel Triton, San Francisco	San Francisco Hotel, San Francisco	Holiday Inn, San Mateo
Hotel Union Square, San Francisco	San Francisco Wharf Retail, San Francisco	Holiday Inn Express, San Mateo
Hotel Vintage Court, San Francisco	Savoy Hotel, San Francisco	Hotel, Proposed, San Mateo
Hotel Whitcomb, San Francisco	Serrano Hotel, San Francisco	Marriott San Mateo (SFO), San Mateo
Howard Johnson's Pickwick Hotel, San Francisco	Shangri-La Hotel, Prop., San Francisco	Residence Inn by Marriott, San Mateo
Huntington Hotel, San Francisco	Shannon Court Hotel, San Francisco	Villa Hotel, San Mateo
Hyatt at Fisherman's Wharf, San Francisco	Sheraton Fisherman's Wharf, San Francisco	DoubleTree Hotel, San Pedro
Hyatt Regency Embarcadero, San Francisco	Sir Francis Drake Hotel, San Francisco	Hilton Hotel, San Pedro
Inn at 2961 Pacific Avenue, Prop., San Francisco	St. Regis Hotel, Prop. & Existing, San Francisco	Embassy Suites, San Rafael
Inn at Fisherman's Wharf, Prop., San Francisco	Steinhart Hotel, San Francisco	Extended Stay Hotel, San Rafael
Inn at the Opera, San Francisco	Super 8 Motel at Fisherman's Wharf	Four Points by Sheraton, San Rafael
InterContinental Hotel, San Francisco	Taj Campton Place Hotel, San Francisco	Hotel, Proposed, San Ramon
Juliana Hotel, San Francisco	Transcontinental Majestic Hotel, San Francisco	Marriott Hotel, San Ramon
JW Marriott Hotel, San Francisco	Triton Hotel, San Francisco	Residence Inn, San Ramon
King George Hotel, San Francisco	Tuscan Inn, San Francisco	Sierra Suites Hotel, Prop. and Existing, San Ramon
King Street Hotel, Prop., San Francisco	Villa Florence & Kuleto's, San Francisco	California Palms, Santa Ana
Lambourne Hotel, San Francisco	Westin Hotel Market Street, San Francisco	Compri Hotel, Santa Ana
Langham Hotel, Prop., San Francisco	Westin St. Francis Hotel, San Francisco	Embassy Suites, Santa Ana
Leased Land - 495 Geary Street, San Francisco	Whitehall Inn, San Francisco	Executive Lodge, Santa Ana
Le Meridien Hotel, San Francisco	Courtyard by Marriott SFO, San Francisco	Orange County Ramada Hotel, Santa Ana
The Majestic, San Francisco	Hilton Los Angeles San Gabriel, San Gabriel	Quality Suites, Santa Ana
Mandarin Hotel, San Francisco	300-Room Hotel Site, San Jose	Westin Hotel, Proposed, Santa Ana
Mark Twain Hotel, San Francisco	400-Room Hotel Site, San Jose	Woolley's Petite Suites, Santa Ana
	Clarion San Jose Airport, San Jose	Bacara Resort & Spa, Santa Barbara
	Crowne Plaza, San Jose	Best Western Beachside Inn, Santa Barbara
	DoubleTree by Hilton Hotel, San Jose	

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Canary Hotel, Santa Barbara	Flamingo Hotel, Santa Rosa	Good Nite Inn, Sylmar
El Encanto Hotel & Garden Villas, Santa Barbara	Fountain Grove Inn, Santa Rosa	Embassy Suites, Temecula
Fess Parker's DoubleTree Resort, Santa Barbara	Hilton Sonoma County, Santa Rosa	Ramada Inn, Temecula
Fess Parker's El Marisol Resort, Prop., Santa Barbara	Holiday Inn, Santa Rosa	Temecula Inn, Temecula
Fess Parker's Red Lion Resort, Santa Barbara	Hyatt Vineyard Creek, Santa Rosa	Lodge at Tiburon, Tiburon
Four Seasons Biltmore Resort, Santa Barbara	Alta Mira Hotel, Sausalito	Conference Center, Proposed, Torrance
Holiday Inn Express, Santa Barbara	Casa Madrona Hotel, Sausalito	Hilton Hotel, Torrance
Hotel Oceana, Santa Barbara	Horizons Restaurant, Sausalito	Holiday Inn Torrance, Torrance
Miramar Hotel, Santa Barbara	Poggio Restaurant, Sausalito	Residence Inn, Torrance
Montecito Inn, Santa Barbara	Lexington Hotel, Proposed, Scotts Valley	Larkspur Hotel Truckee Tahoe, Truckee
Ramada Inn & IHOP Restaurant, Santa Barbara	Days Inn Seaside, Seaside	Northstar California Resort, Truckee
Resort Hotel, Santa Barbara	Embassy Suites, Seaside	Ritz-Carlton Highlands Lake Tahoe, Truckee
Santa Barbara Inn, Santa Barbara	Four-Star Hotel/Fairmont Hotel, Prop., Seaside	Hilton Garden Inn, Proposed, Tulare
Santa Barbara Club Resort & Spa, Santa Barbara	Holiday Inn Express, Seaside	Hilton Hotel, Universal City
San Ysidro Ranch, Santa Barbara	Seaside 8, Seaside	MCA Hotel, Proposed, Universal City
Waterfront Vacant Land, Santa Barbara	Radisson Valley Center Hotel, Sherman Oaks	Sheraton Universal, Universal City
Avatar Hotel, Santa Clara	Ramada Inn, Solana Beach	Hotel, Proposed, Upland
Budget Inn, Santa Clara	Danish Country Inn, Solvang	Courtyard by Marriott, Vacaville
Embassy Suites, Santa Clara	Best Western Sonoma Valley Inn, Sonoma	Holiday Inn Express & Suites, Vacaville
Hilton Silicon Valley, Santa Clara	Fairmont Sonoma Mission Inn, Sonoma	Extended-Stay Hotel, Proposed, Valencia
Holiday Inn Great America, Santa Clara	Hilton Hotel Sonoma, Sonoma	Hilton Garden Inn Valencia Six Flags, Valencia
Hotel Sierra, Santa Clara	MacArthur Place, Sonoma	Holiday Inn, Vallejo
Howard Johnson's Hotel, Santa Clara	Red Lion Inn, Sonoma	Hotel ClubSport, Prop., Vallejo
Hyatt Regency, Santa Clara	Renaissance The Lodge at Sonoma, Sonoma	Lodging Facility, Prop., Valley Springs
Marriott Hotel, Santa Clara	Sonoma Valley Inn, Sonoma	Airtel Plaza Hotel, Van Nuys
Quality Suites, Santa Clara	Hardage Suites Hotel Site, Sorrento Mesa	Holiday Inn, Van Nuys
Sierra Suites, Santa Clara	Woodfin Suites Hotel, Prop. and Existing, Sorrento Mesa	Hotel Van Nuys, Van Nuys
Summerfield Suites, Santa Clara	Embassy Suites Hotel, South Lake Tahoe	Inn at Venice Beach, Venice Beach
TownePlace Suites, Santa Clara	St. Christopher Motel, South Lake Tahoe	La Quinta Inn, Ventura
Westin Santa Clara, Santa Clara	Timberwolf Lodge, South Lake Tahoe	Habortown Marina Resort, Ventura
Woodcrest Hotel, Santa Clara	Crown Sterling Suites, South San Francisco	Ocean Resorts/Habortown Hotel, Ventura
Fairfield Inn, Santa Clarita	Goodnite Inn, South San Francisco	Sheraton Hotel, Ventura
Hampton Inn, Santa Clarita	Grosvenor Hotel, South San Francisco	Hilton Garden Inn, Victorville
Residence Inn, Santa Clarita	Hilton Garden Inn, South San Francisco	Quality Inn & Suites Green Tree, Victorville
Coast Santa Cruz Hotel, Santa Cruz	Holiday Inn, South San Francisco	Holiday Inn, Visalia
Dream Inn, Santa Cruz	La Quinta Inn, South San Francisco	Hotel, Proposed, Visalia
Hilton Scotts Valley, Santa Cruz	Larkspur Landing Hotel, South San Francisco	Radisson Hotel, Visalia
Inn at Pasatiempo, Santa Cruz	Marriott Hotel, Prop., South San Francisco	La Quinta Inn, Vista
Dream Inn, Santa Cruz	Ramada Inn, South San Francisco	110-Room Boutique Hotel, Prop., Walnut Creek
Motel 6, Santa Maria	Renaissance ClubSport, Prop., South San Jose	Broadway Hotel, Proposed, Walnut Creek
Santa Maria Airport Hilton, Santa Maria	390-Room Hotel, Prop., South San Francisco	Embassy Suites, Walnut Creek
Best Western Ocean View, Santa Monica	Travelodge Hotel SFO North, South San Francisco	Holiday Inn, Walnut Creek
Ambrose Hotel, Santa Monica	Hotel, Proposed, Squaw Valley	Proposed Hotel, Walnut Creek
Boutique Hotel, Proposed, Santa Monica	Harvest Inn, St. Helena	Marriott Hotel, Walnut Creek
Casa Del Mar, Santa Monica	Meadowood Resort, St. Helena	Parkside Hotel, Walnut Creek
EconoLodge, Proposed, Santa Monica	La Quinta Inn, Stockton	Renaissance ClubSport, Prop. and Existing, Walnut Creek
Fairmont Miramar Hotel, Santa Monica	Motel Orleans, Stockton	Argyle Hotel, West Hollywood
Holiday Inn at the Pier, Santa Monica	Radisson Hotel, Stockton	Chamberlain Hotel, West Hollywood
Hotel Shangri-La, Santa Monica	Sheraton Hotel, Prop., Stockton	Hyatt West Hollywood, West Hollywood
Huntley Hotel, Santa Monica	Stockton Hilton, Stockton	Le Bel Age, West Hollywood
Loews Santa Monica Beach Hotel, Santa Monica	Holiday Inn Express, Prop., Sun City	Le Dufy, West Hollywood
Ocean Avenue Hotel, Santa Monica	AC Hotel, Proposed, Sunnyvale	Le Montrose, West Hollywood
Ocean View Hotel, Santa Monica	Courtyard by Marriott, Prop., Sunnyvale	Mondrian Hotel, West Hollywood
Pacific Shore Hotel, Santa Monica	Domain Hotel, Sunnyvale	Ramada Hotel, West Hollywood
Park Hyatt Hotel, Santa Monica	Holiday Inn, Sunnyvale	Summerfield Suites, West Hollywood
Sheraton Miramar Hotel, Santa Monica	Hotel, Proposed, Sunnyvale	Sunset & Doheny Hotel and Residences, Proposed, West Hollywood
Shutters at the Beach, Santa Monica	Neighborhood Suites Hotel, Sunnyvale	Sunset Marquis, West Hollywood
Travelodge, Santa Monica	The Grand Hotel, Proposed, Sunnyvale	Sunset Tower Hotel, West Hollywood
Viceroy Hotel, Santa Monica	Larkspur Landing Hotel, Sunnyvale	Wyndham Bel Age, West Hollywood
Holiday Inn, Santa Nella	Radisson Inn, Sunnyvale	Golden Pheasant, Willows
Courtyard by Marriott, Santa Rosa	Residence Inn Silicon Valley II, Sunnyvale	Microtel Inn & Suites, Willows
	Select-Service Hotel, Proposed, Sunnyvale	Whittier Hilton, Whittier
	Sunnyvale Hilton, Sunnyvale	Hotel, Proposed, Whittier
	Super 8, Sunnyvale	

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Hotel, Proposed, Windsor
 Hotel, Proposed, Woodland
 Woodland Hotel & Conference Center, Prop., Woodland
 Courtyard by Marriott, Woodland Hills
 Marriott Warner Center, Woodland Hills
 Skylonda Retreat, Woodside
 Marriott Tenaya Lodge, Prop., Yosemite
 Bardessono Inn, Yountville
 Luxury Hotel, Proposed, Yountville
 Napa Valley Lodge, Yountville
 Vintage Estate, Yountville
 Bonanza & Convention Center, Yuba City
 Hampton Inn & Suites, Yuba City
 Motel Orleans, Yuba City

Colorado

Hotel Jerome, Aspen
 St. Regis Hotel, Aspen
 Hampton Inn, Aurora
 Holiday Inn Southeast, Aurora
 Red Lion Denver Southeast, Aurora
 *Isle of Capri Casino Hotel, Black Hawk
 Downtown Boulder Hotel, Boulder
 Embassy Suites, Boulder
 Hilton Harvest House, Boulder
 Holiday Inn, Boulder
 Hotel Boulderado, Boulder
 St. Julien Hotel and Spa, Boulder
 *Casino Hotel, Proposed, Central City
 *Imperial Casino, Cripple Creek
 Best Western Le Baron Hotel, Colorado Springs
 *Colorado Grande Casino, Colorado Springs
 Crowne Plaza, Colorado Springs
 *Double Eagle Casino Hotel, Prop., Colorado Springs
 DoubleTree Hotel, Colorado Springs
 Embassy Suites, Colorado Springs
 Great Wolf Lodge, Proposed, Colorado Springs
 Hilton, Colorado Springs
 Hyatt House, Colorado Springs
 Brown Palace, Denver
 Embassy Suites, Denver
 Executive Tower Hotel, Denver
 Hotel Monaco, Denver
 Hotel Teatro, Denver
 JW Marriott, Denver
 Le Baron Hotel, Denver
 Pepsi Center, Denver
 Radisson, Denver
 Sheraton Hotel, Denver
 Best Western Rio Grande Inn, Durango
 SilverLeaf Suites / Hawthorn Suites by Wyndham, Eagle
 Denver Hilton, Englewood
 Sheraton Denver Tech Center Hotel, Englewood
 Holiday Inn, Fort Collins
 Comfort Suites Denver Golden, Golden
 Hotel Palomar, Proposed, Greenwood
 Summerfield Suites, Prop., Greenwood Village
 Residence Inn, Highlands Ranch
 Courtyard by Marriott Denver Southwest Lakewood, Lakewood
 Extended StayAmerica, Lakewood
 Hampton Inn, Proposed, Lakewood

Residence Inn by Marriott Denver Southwest Lakewood, Lakewood
 Homewood Suites by Hilton Denver Littleton, Littleton
 Marriott Hotel, Pueblo
 Silvertree Hotel, Snowmass
 Wildwood Lodge, Snowmass
 Four Seasons Resort Vail, Vail
 Westin Hotel, Vail
 DoubleTree Denver Westminster, Westminster

Connecticut

Holiday Inn Danbury Bethel, Danbury
 Holiday Inn, Darien
 Days Inn, Proposed, Enfield
 Hartford Hilton, Hartford
 Motel 6, Hartford
 Residence Inn by Marriott Hartford Manchester, Manchester
 Residence Inn, Meriden
 Dolce Norwalk Conference Center, Norwalk
 Executive Hotel, Stamford
 Harley Hotel, Stamford
 Holiday Inn-Crowne Plaza, Stamford
 DoubleTree Denver North, Westminster
 Inn at National Hall, Westport
 Fairfield Inn, Windsor Locks

Delaware

Hampton Inn, Milford

District of Columbia

ANA Hotel
 Club Quarters Hotel
 Courtyard Washington Embassy Row
 DoubleTree Guest Suites
 DoubleTree Hotel Conversion
 Embassy Suites Hotel
 Fairmont Hotel
 Four Seasons Hotel Washington
 Grand Hyatt
 Harambee House
 Hotel Monaco
 Hyatt Regency
 Hyatt Regency Washington on Capitol Hill
 J.W. Marriott Hotel
 Marriott Metro Center
 Monarch Hotel
 Park Hyatt Washington
 Renaissance Mayflower
 Residence Inn
 Ritz-Carlton Washington
 Ritz-Carlton-Georgetown
 River Inn
 Sheraton Washington Hotel
 Sofitel Lafayette Square
 St. James
 St. Regis Hotel
 Washington Court Hotel
 Washington Terrace Hotel
 Westin Embassy Row
 Westin City Center

Florida

Holiday Inn, Altamonte Springs

SpringHill Suites Orlando Altamonte Springs
 Maitland, Altamonte Springs
 Boca Raton Marriott at Boca Center, Boca Raton
 Embassy Suites, Boca Raton
 Marriott Hotel at Crocker Center, Boca Raton
 Petite Suites, Boca Raton
 Renaissance, Boca Raton
 Homestead Studio Suites, Branchburg
 Clarion Inn & Suites, Clearwater
 Country Inn & Suites, Cape Canaveral
 Best Western Sea Wake Resort, Clearwater
 Homestead Studio Suites, Clearwater
 Holiday Inn, Clearwater
 Holiday Inn Gulfview, Clearwater
 Sheraton Sand Key Resort, Clearwater
 Holiday Inn Surfside, Clearwater Beach
 Hyatt Hotel, Coral Gables
 Hotel, Proposed, Dania Beach
 Homestead Studio Suites, Davie
 Extended Stay Deluxe International Speedway, Daytona Beach
 Marriott Doral Golf Resort and Spa, Doral
 DoubleTree by Hilton Bahia Mar Ft. Lauderdale Beach, Ft. Lauderdale
 DoubleTree Oceanfront, Ft. Lauderdale
 Galleria DoubleTree Guest Suites, Ft. Lauderdale
 Hilton Fort Lauderdale Airport, Ft. Lauderdale
 Holiday Inn, Ft. Lauderdale
 Marriott Fort Lauderdale North, Ft. Lauderdale
 Sheraton Suites Cypress Creek, Ft. Lauderdale
 Westin Hotel, Fort Lauderdale
 Best Western Ft. Meyers Island Gateway, Ft. Meyers
 Pink Shell Beach Resort, Ft. Meyers Beach
 Fairfield Inn, Gainesville
 SpringHill Suites by Marriott, Gainesville
 DoubleTree Guest Suites Melbourne Beach – Oceanfront, Indialantic
 Cheeca Lodge & Spa, Islamorada
 Days Inn Jacksonville South, Jacksonville
 Hyatt Regency Jacksonville Riverfront, Jacksonville
 Residence Inn Butler Boulevard, Jacksonville
 Sea Turtle Inn, Jacksonville
 Suburban Extended Stay Bay Meadows, Jacksonville
 La Quinta Inn, Jupiter
 Wyndham Casa Marina Resort, Key West
 EconoLodge Hawaiian Resort, Kissimmee
 Holiday Inn – Maingate, Kissimmee
 Quality Suites The Royale Parc Suites, Kissimmee
 Ramada Resort – Maingate, Kissimmee
 Best Western, Lake Buena Vista
 Hilton Walt Disney World Resort, Lake Buena Vista
 Grosvenor Hotel, Lake Buena Vista
 Woodfin Suite Hotel, Prop., Lake Buena Vista
 Hampton Inn, Lakeland
 Hilton Garden Inn, Lakeland
 Candlewood Suites, Lake Mary
 Holiday Inn-Madeira, Madeira Beach
 Radisson Hotel, Marco Island

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Hilton Melbourne Beach Oceanfront, Melbourne
 Hilton Melbourne at Rialto Place, Melbourne
 Quality Suites, Melbourne
 Melbourne Suites Beach Resort, Melbourne
 b2Hotel, Proposed, Miami
 Casa Casuarina, Miami
 Doral Saturnia International Spa Hotel, Miami
 Fairfield Inn International, Miami
 Fairfield Inn South, Miami
 *Flagler Dog Track & Magic City Casino, Miami
 Garden Hotel South Beach, Miami
 Hilton Miami Airport, Miami
 Hilton Miami Downtown, Miami
 Holiday Inn-Calder, Miami
 InterContinental Hotel, Miami
 Marquis Tower, Miami
 Ritz-Carlton South Beach, Miami
 Sofitel Miami Airport, Miami
 Deauville Beach Resort, Miami Beach
 Eden Roc, Miami Beach
 Hilton Cabana Miami Beach, Prop., Miami Beach
 Miami Beach Resort & Spa, Miami Beach
 Buena Vista Resort Hotel, Prop., Orlando
 Courtyard Marriott Village, Orlando
 Fairfield Inn, Orlando
 Hampton Inn, Orlando
 Hawthorn Suites Orlando Airport, Orlando
 Holiday Inn Express Suites Orlando International Airport, Orlando
 Hyatt Regency Grand Cypress, Orlando
 Fairfield Inn Marriott Village, Orlando
 Peabody Hotel, Orlando
 Sheraton Jetport Inn, Orlando
 Sheraton Lakeside, Orlando
 SpringHill Suites Marriott Village, Orlando
 Staybridge Suites Orlando South, Orlando
 Days Inn / Scottish Inn, Ormond Beach
 Holiday Inn, Palm Beach Gardens
 DoubleTree Hotel, Palm Beach Gardens
 PGA National Resort, Palm Beach Gardens
 Suburban Extended Stay Hotel, Pensacola
 Plantation Sheraton Suites, Plantation
 Marriott Ocean Point Beach Resort, Prop. & Existing, Pompano Beach
 Amrit Resort and Residences, Riviera Beach
 Hilton Garden Inn Tampa Southeast, Riverview
 Castillo Real, St. Augustine
 Renaissance Resort World Golf Village, St. Augustine
 Holiday Inn-Lido Beach, Sarasota
 SpringHill Suites by Marriott, Sarasota
 DoubleTree Tallahassee, Tallahassee
 Homestead Studio Suites, Tamarac
 Chase Suite Hotel, Tampa
 Crowne Plaza Hotel Tampa East, Tampa
 Embassy Suites, Tampa
 Hampton Inn Tampa Veterans Expressway
 Hilton Tampa Airport Westshore, Tampa
 Holiday Inn-Airport, Tampa
 *Holiday Inn Express Tampa Fairgrounds Casino, Tampa
 Homestead Studio Suites, Tampa
 Prop. Hotel Next to Times Forum Arena, Tampa

Mainsail Suites Hotel & Conf. Center, Tampa
 Ramada Inn, Tampa
 Renaissance Tampa Hotel International Plaza, Tampa
 Tahitian Inn, Tampa
 Westin Tampa Harbour Island, Tampa
 Wyndham Westshore Hotel, Tampa
 Holiday Inn & Suites, Tarpon Springs
 Hampton Inn & Suites Venice Bayside South Sarasota, Venice
 Hyatt Regency Bonaventure Resort & Spa, Weston

Georgia

Holiday Inn Express Albany, Albany
 Homewood Suites, Alpharetta
 Sierra Suites Hotel, Proposed, Alpharetta
 Courtyard by Marriott Windy Hill, Atlanta
 Crowne Plaza Atlanta-Ravinia, Atlanta
 Fairfield Inn, Atlanta
 Hilton Atlanta, Atlanta
 Holiday Inn Express Hotel & Suites Atlanta Buckhead, Atlanta
 Red Roof Inn Atlanta Druid Hills, Atlanta
 Fairfield Inn, Atlanta
 Hilton Atlanta, Atlanta
 Hilton Garden Inn Winward, Atlanta
 Holiday Inn Atlanta Downtown, Atlanta
 Hyatt-Airport, Proposed, Atlanta
 Marriott Atlanta Downtown, Atlanta
 Motel 6, Atlanta
 Neighborhood Inn, Atlanta
 Residence Inn, Atlanta
 Residence Inn Atlanta Buckhead at Lenox Park, Atlanta
 Residence Inn Atlanta Midtown, Atlanta
 Residence Inn, Perimeter West Atlanta, Atlanta
 Sheraton Suites Galleria, Atlanta
 Stouffer's Hotel-Proposed, Atlanta
 Westin Peachtree Plaza, Atlanta
 W Hotel Buckhead, Atlanta
 Homewood Suites, Augusta
 Fairfield Inn, College Park
 Hilton Garden Inn, College Park
 Holiday Inn-Crowne Plaza, College Park
 Marriott Atlanta Airport Gateway, College Park
 SpringHill Suites by Marriott Atlanta Airport Gateway, College Park
 Fairfield Inn-Gwinnett, Duluth
 Wellesley Inn & Suites Atlanta/Gwinnett, Duluth
 Howard Johnson's, Forsyth
 Sun Suites of Gainesville, Gainesville
 Country Inn & Suites, Hiram
 Fairfield Inn, Kennesaw
 SpringHill Suites, Kennesaw
 Development, Proposed, Lake Lanier
 Hampton Inn, Lawrenceville
 Candlewood Suites, Lithia Springs
 Hilton Garden Inn, Lithonia
 Courtyard by Marriott I-75 North, Marietta
 Fairfield Inn, Marietta
 Hyatt Hotel, Marietta
 Hyatt Regency Suites, Marietta
 Fairfield Inn, Morrow

Courtyard by Marriott Peachtree Corners, Norcross
 Fairfield Inn, Norcross
 Homestead Studio Suites, Norcross
 Motel 6, Norcross
 Brookwood Inn, Roswell
 Fairfield Inn, Savannah
 TownePlace Suites by Marriott, Savannah
 Westin Savannah Harbor, Savannah
 Hampton Inn Southlake, Southlake
 Melhana - The Grand Plantation, Thomasville
 Courtyard, Tifton

Hawaii

Development, Hokukano Ranch, Prop., Mauna Loa, Hawaii
 Fairmont Orchid Hotel, Kohala Coast, Hawaii
 Hotel, Condo Hotel, Fractional & Timeshare Development, Prop., Hawaii
 Courtyard by Marriott King Kamehameha's Kona Beach Hotel, Kaiula-Kona, Hawaii
 Holiday Inn Express & Suites Kailua-Kona, Hawaii
 Sheraton Keauhou Bay Resort, Kailua-Kona, Hawaii
 Sheraton Princess, Kailua, Hawaii
 Mandarin Oriental Hotel, Prop., Ko Olina, Hawaii
 Ritz-Carlton Mauna-Lani, South Kohala, Hawaii
 Hilton Waikoloa Village, Waikoloa, Hawaii
 Marriott Waikoloa Beach Resort, Waikoloa, Hawaii
 Aloha Beach Resort Kauai, Kapa'a, Kaua'i
 ResortQuest Kauai Beach at Makaiwa, Kapa'a, Kauai
 Hyatt Timeshare Resort, Prop., Kapa'a, Kaua'i
 Marriott Kauai Resort, Lihue, Kaua'i
 Coco Palms Resort, Wailua, Kauai
 Courtyard Kauai @ Waipouli Beach, Kapa'a, Kauai
 Kauai Coconut Beach Hotel, Kapa'a, Kaua'i
 ResortQuest Kauai Beach at Makaiwa, Kapa'a, Kaua'i
 Timeshare Resort, Prop., Kapa'a, Kaua'i
 Kiahuna Plantation, Poipu Beach, Kaua'i
 Makai Golf Course, Princeville, Kaua'i
 St. Regis Princeville Resort Hotel, Princeville, Kaua'i
 Westin Kaua'i at Kauai Lagoons Resort, Kaua'i
 Challenge at Manele Golf Course, Lana'i City, Lana'i
 Experience at Koele Golf Course, Lana'i City, Lana'i
 Four Seasons Resort Lanai at Manele Bay, Lana'i City, Lana'i
 Four Seasons Resort Lana'i, The Lodge at Koele, Lana'i City, Lana'i
 Royal Palm Resort, Haikui, Maui
 Hilo Hawaiian Hotel, Hilo, Maui
 Condo Hotel, Prop., Ka'anapali, Maui
 Courtyard by Marriott Maui Kahului Airport, Kahului, Maui
 Kapalua Bay Hotel, Kapalua, Maui
 Ritz-Carlton Kapalua, Kapalua, Maui
 Maui Coast Hotel, Kihei, Maui
 Maui Oceanfront Inn, Kihei, Maui

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Embassy Suites, Lahaina, Maui
 Sheraton Maui Resort & Spa, Lahaina, Maui
 Lumeria Maui Resort, Makawao, Maui
 Coco Palms Resort, Wailea, Maui
 Fairmont Kea Lani Resort, Wailea, Maui
 Four Seasons Maui at Wailea, Wailea, Maui
 Grand Wailea Resort and Spa, Wailea, Maui
 Marriott Wailea Beach Resort & Spa, Wailea, Maui
 Kea Lani Resort, Wailea, Maui
 Wailea Marriott, Wailea, Maui
 W Resort, Prop., Wailea, Maui
 Courtyard by Marriott Waikiki Beach, Honolulu, Oahu
 DoubleTree Alana Waikiki Hotel, Honolulu, Oahu
 Elks/Outrigger Canoe Club Ground Lease Rent Renegotiation, Honolulu, Oahu
 Equus Hotel, Honolulu, Oahu
 Hawaii Gateway Hotel, Honolulu, Oahu
 Hilton Hawaiian Village Waikiki Beach Resort, Honolulu, Oahu
 Holiday Inn Waikiki Beachcomber, Honolulu, Oahu
 Hotel, Proposed, Honolulu, Oahu
 Proposed Hotel at King Kalakaua Plaza, Honolulu, Oahu
 Hyatt Regency Waikiki, Honolulu, Oahu
 Ilikai Hotel, Honolulu, Oahu
 Kahala Mandarin Oriental Hotel, Honolulu, Oahu
 Marriott Waikiki Beach Resort, Honolulu, Oahu
 Miramar Hotel, Honolulu, Oahu
 Moana Surfrider Westin Resort & Spa, Honolulu, Oahu
 Modern Honolulu, Honolulu, Oahu
 Ocean Resort Hotel, Honolulu, Oahu
 Ohana Waikiki West, Honolulu, Oahu
 Outrigger East Hotel, Honolulu, Oahu
 Outrigger Reef Hotel, Honolulu, Oahu
 Outrigger Waikiki Hotel, Honolulu, Oahu
 Outrigger West Hotel, Honolulu, Oahu
 Pacific Beach Hotel, Honolulu, Oahu
 Park Shore Hotel, Honolulu, Oahu
 Royal Hawaiian Hotel, Honolulu, Oahu
 Sand Villa Hotel, Honolulu, Oahu
 Sheraton Princess Kaiulani, Honolulu, Oahu
 Sheraton Waikiki, Honolulu, Oahu
 Waikiki Beachcomber Hotel, Honolulu, Oahu
 Waikiki Gateway Hotel, Honolulu, Oahu
 Waikiki Sand Villa Hotel, Honolulu, Oahu
 Turtle Bay Resort, Kahuku, Oahu
 Four Seasons Oahu at Ko Olina Resort and Spa, Proposed (formerly JW Marriott Ihilani Hotel), Kapolei, Oahu
 Ritz-Carlton Hotel, Prop., Kapolei, Oahu

Idaho

DoubleTree Boise Riverside, Boise
 Hilton Garden Inn, Proposed, Boise
 Holiday Inn, Boise
 Red Lion ParkCenter Suites, Boise
 Shilo Inn-Boise Riverside, Boise
 Extended StayAmerica, Burr Ridge Motel 6, Coeur d'Alene
 Resort Development, Coeur d'Alene

Shilo Inn, Coeur d'Alene
 Fairfield Inn & Suites, Prop., Idaho Falls
 Shilo Inn Suites Hotel, Idaho Falls
 Warm Springs Ranch Resort, Ketchum
 Shilo Inn, Nampa
 Shilo Inn Suites, Nampa
 Cavanaugh's Pocatello Hotel, Pocatello
 Cotton Tree Inn, Pocatello
 Red Lion Pocatello, Pocatello
 Best Western Cavanaugh, Post Falls
 Red Lion Templin's Hotel, Post Falls
 Hotel Ketchum, Proposed, Sun Valley
 Lodging Facility, Proposed, Sun Valley
 Comfort Inn & Suites, Twin Falls
 Fairfield Inn by Marriott, Prop., Twin Falls

Illinois

*Hollywood Casino, Aurora
 Indian Lakes Resort, Bloomington
 Jumer's Chateau, Bloomington
 Super 8 Motel, Bloomington
 Holiday Inn & Suites, Bolingbrook
 Super 8 Motel, Champaign
 Amalfi Hotel, Chicago
 Burnham Hotel, Chicago
 Canopy Hotel, Proposed, Chicago
 City Suites Hotel, Chicago
 DoubleTree by Hilton Chicago Magnificent Mile, Chicago
 Fairmont Hotel, Chicago
 Hard Rock Hotel, Chicago
 Hilton Chicago and Towers, Chicago
 Hotel Allegro, Chicago
 Hotel Monaco, Chicago
 Hotel Palomar, Chicago
 House of Blues, Chicago
 Hyatt at University Village, Chicago
 Hyatt Regency McCormick Place Extension, Chicago
 InterContinental Hotel, Chicago
 James Hotel, Chicago
 JW Marriott, Chicago
 Luxury Boutique Hotel, Proposed, Chicago
 Majestic Hotel, Chicago
 Mayfair Regent, Chicago
 Omni Chicago Suites, Chicago
 Palmer House Hilton, Chicago
 Peninsula Hotel, Chicago
 Radisson Hotel, Proposed, Chicago
 Residence Inn, Proposed, Chicago
 Sofitel Chicago Water Tower Hotel, Chicago
 Talbott Hotel, Chicago
 Westin Hotel River North, Chicago
 Westin Michigan Avenue, Chicago
 Willows Hotel, Chicago
 Wit, a DoubleTree Hotel, Chicago
 Woodfin Suite Hotel, Proposed, Chicago
 Super 8 Motel, Crystal Lake
 Marriott Suites, Deerfield
 Super 8 Motel, Decatur
 Doubletree Club, Des Plaines Hotel, Proposed, Des Plaines
 Sheraton Suites O'Hare, Des Plaines
 Radisson Suites, Downers Grove
 Hampton Inn, Elk Grove
 Holiday Inn, Elmhurst

Orrington Hotel, Evanston
 Drury Inn, Fairview Heights
 Eagle Ridge Inn & Resort, Galena
 Jumer's Continental Inn, Galesburg
 DoubleTree Glenview, Glenview
 Red Roof Inn Chicago Hoffman Estates, Hoffman Estates
 Westin Hotel & ClubSport, Prop., Hoffman Estates
 Wyndham Indianapolis, Indianapolis
 Nordic Hills Resort & Conference Center, Itasca
 Wyndham Northwest Chicago, Itasca
 *Empress Hotel & Casino, Joliet
 Holiday Inn, Joliet
 Marriott Lincolnshire Resort, Lincolnshire
 Wyndham Hotel Isle, Lisle
 Full-Service Hotel, Proposed, Moline
 Fairfield Inn, Normal
 Oak Brook Hills Resort, Oak Brook
 *Casino Hotel, Proposed, Paxton
 Econo Lodge Inn & Suites, Peoria
 Fairfield Inn, Peoria
 Jumer's Castle, Peoria
 Mark Twain Hotel & Packard Plaza Catering Hall, Peoria
 Super 8 Motel, Peru
 Fairfield Inn, Rockford
 Best Western O'Hare, Rosemont
 InterContinental Chicago O'Hare, Rosemont
 Pheasant Run Resort & Convention Center, St. Charles
 Marriott Hotel, Schaumburg
 Woodfin Suite Hotel, Prop., Schaumburg
 Wyndham Garden Hotel, Schaumburg
 DoubleTree Hotel North Shore, Skokie
 Luxury Full-Service Boutique Hotel at Village of Sugar Grove, Proposed, Sugar Grove
 Hampton Inn, Urbana
 Jumer's Castle, Urbana
 Super 8 Motel, Waukegan
 Holiday Inn, Willowbrook
 Wyndham Garden Hotel, Wood Dale

Indiana

Courtyard Hotel, Bloomington
 Fairfield Inn, Bloomington
 Super 8 Motel, Columbus
 Marriott Airport Hotel, Evansville
 Fairfield Inn, Fort Wayne
 Hampton Inn Fort Wayne Dupont Road, Fort Wayne
 Marriott Hotel, Fort Wayne
 TownePlace Suites by Marriott Fort Wayne North, Fort Wayne
 French Lick Springs Resort, French Lick
 *Majestic Star Casino I and II, Gary
 Sheraton Hotel, Gary
 *Empress Casino, Hammond
 *Caesars Riverboat Casino Complex, Proposed, Harrison County
 Canopy by Hilton, Proposed, Indianapolis
 Conrad Hotel & Condos, Prop., Indianapolis
 Convention Center Headquarters Hotel, Proposed, Indianapolis
 Embassy Suites Downtown, Indianapolis
 Fairfield Inn & Suites, Indianapolis

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Four Points Sheraton, Indianapolis
 Full-Service Boutique Hotel, Prop., Indianapolis
 Hotel, Proposed, Indianapolis
 Hotel at the Indianapolis Speedway, Proposed, Indianapolis
 Motel 6, Indianapolis
 Residence Inn by Marriott Indianapolis Airport, Indianapolis
 University Place Hotel, Indianapolis
 Westin Hotel, Indianapolis
 Woodfin Suite Hotel, Prop., Indianapolis
 Wyndham Garden Hotel, Indianapolis
 Hilton Inn, Jeffersonville
 Cambria Suites, Plainfield
 DoubleTree by Hilton, South Bend
 Marriott Hotel, South Bend
 *Belterra Casino Hotel, Vevrey
 Holiday Inn, Willowbrook

Iowa

*Prop. Hotel at Prairie Meadows Racetrack and Casino, Altoona
 Gateway Hotel & Conference Center, Ames
 Hilton Garden Inn Ames, Ames
 Jumers Castle Lodge, Bettendorf
 Holiday Inn, Cedar Falls
 Collins Plaza, Cedar Rapids
 Fairfield Inn, Cedar Rapids
 Fairfield Inn, Clive
 Coralville Marriott Hotel, Coralville
 *Ameristar Casino, Council Bluffs
 *Bluffs Run Casino and Dog Track, Council Bluffs
 *Harvey's Casino Hotel, Council Bluffs
 Extended-Stay Hotel, Proposed Davenport
 Fairfield Inn, Des Moines
 Sheraton West Des Moines, Des Moines
 TownePlace Suites by Marriott, Johnston

Kansas

Hampton Inn & Suites, Dodge City
 Holiday Inn Express & Suites, Hays
 The Emerald City Resort Hotel, Kansas City
 *Hollywood Casino at Kansas Speedway, Proposed & Existing, Kansas City
 Holiday Inn Express, Lawrence
 Fairfield Inn, Merriam
 Extended StayAmerica, Overland Park
 Fairfield Inn, Overland Park
 Marriott Overland Park, Overland Park
 Wyndham Garden Hotel, Overland Park

Kentucky

Courtyard Cincinnati Covington, Covington
 Marriott Hotel, Covington
 Sheraton Suites Lexington, Lexington
 Homestead Studio Suites Alliant Drive, Louisville
 Marriott Louisville East, Louisville
 Ramada Inn East, Louisville
 Sun Suites of Louisville, Louisville
 Courtyard Cleveland Airport North, North Olmstead

Louisiana

Howard Johnson's, Alexandria
 Value Place, Alexandria
 *Casino Rouge, Baton Rouge
 Chase Suite Hotel, Baton Rouge
 Embassy Suites, Baton Rouge
 Hilton Hotel, Baton Rouge
 Hotel Development, Prop., Baton Rouge
 *Horseshoe Casino, Bossier City
 *Isle of Capri Casino, Bossier City
 *Riverboat Casino, Bossier City
 Boutique Hotel, Proposed, Covington
 Travelodge New Orleans Westbank, Harvey
 Sheraton at New Orleans Airport, Kenner
 Hilton, Lafayette
 Courtyard by Marriott, Metairie
 Residence Inn, Metairie
 Ambassador Hotel, New Orleans
 Astor Crowne Plaza Hotel, New Orleans
 Chateau Sonesta, New Orleans
 Courtyard New Orleans Downtown Convention Center, New Orleans
 DoubleTree Hotel, New Orleans
 Element & Aloft Hotels, Prop., New Orleans
 Fairmont Hotel, New Orleans
 Hard Rock Hotel & Nightclub, Prop., New Orleans
 *Harrah's Jazz Casino, New Orleans
 Homewood Suites, New Orleans
 Hotel Mazarin, New Orleans
 Hotel Modern, New Orleans
 Hotel Monaco, New Orleans
 Hyatt Regency, New Orleans
 The Iberville Hotel, New Orleans
 JW Marriott, New Orleans
 Lakeside DoubleTree, New Orleans
 Loews New Orleans Hotel, New Orleans
 Maison Dupuy, New Orleans
 Maison Blanche Mixed-Use Development, Prop. and Existing, New Orleans
 Marriott at the Convention Center, New Orleans
 Ramada Inn St. Charles, New Orleans
 Renaissance Hotel, Prop., New Orleans
 Renaissance Pere Marquette, New Orleans
 Roosevelt Hotel, New Orleans
 SpringHill Suites by Marriott New Orleans Downtown, New Orleans
 Windsor Court, New Orleans
 Clarion Hotel, Shreveport
 *Hollywood Casino, Shreveport

Maine

Inn by the Sea, Cape Elizabeth

Maryland

Holiday Inn, Aberdeen
 Marriott Waterfront Hotel, Annapolis
 Maryland Inn, Annapolis
 Proposed Maryland Live!, Arundel Mills
 Comfort Inn BWI Airport, Baltimore
 Fairfield Inn & Suites Baltimore Downtown Inner Harbor, Baltimore
 Hotel Monaco, Baltimore
 Marriott's Hunt Valley Inn, Baltimore
 Marriott BWI Airport, Baltimore

Sheraton Baltimore City Center, Baltimore
 Sleep Inn & Suites Airport, Baltimore
 SpringHill Suites, Baltimore
 Hotel Development, Proposed, Bethesda
 Residence Inn, Bethesda
 Best Western Motor Lodge, Chicopee
 Residence Inn, Columbia
 Holiday Inn Downtown, Cumberland
 Hilton Garden Inn Solomons, Dowell
 Courtyard Hotel, Frederick
 Holiday Inn Express Hotel, Frederick
 Holiday Inn Hotel, Frederick
 Homestead Studio Suites, Germantown
 Chase Suites Hotel, Hunt Valley
 Comfort Inn, Hunt Valley
 Marriott's Hunt Valley Inn, Hunt Valley
 Holiday Inn, Laurel
 Hilton Baltimore BWI, Linthicum
 TownePlace Suites Baltimore BWI, Linthicum
 Homestead Studio Suites, Linthicum Heights
 National Harbor Hotel Study, National Harbor
 Days Inn, Rockville
 DoubleTree Hotel, Rockville
 Holiday Inn Crowne Plaza, Rockville
 Ramada Inn, Rockville

Massachusetts

Ames Hotel, Boston
 Fairmont Copley Plaza, Boston
 Four Seasons Hotel, Boston
 Hilton Boston Financial District, Boston
 Marriott Copley Place, Boston
 Meridien Hotel, Boston
 Nine Zero Hotel, Boston
 Residence Inn, Boston
 Ritz-Carlton-Millennium Palace, Boston
 Tremont Boston Hotel, Boston
 Westin Copley Place, Boston
 Brookline Marriott, Brookline
 Chatham Bars Inn, Chatham
 Sheraton Hotel, Framingham
 Canyon Ranch Resort, Lenox
 Radisson Hotel, Milford
 Radisson Hotel, Rockland
 Federal House Inn, South Lee
 Holiday Inn, Springfield
 Sheraton, Sturbridge
 Sheraton Colonial Boston North Hotel & Conference Center & Golf Club, Wakefield
 Sierra Suites Hotel, Proposed, Waltham
 Summerfield Suites Hotel, Prop., Waltham
 DoubleTree Boston Westborough, Westborough
 Sierra Suites Hotel, Proposed, Woburn

Michigan

Fairfield Inn, Ann Arbor
 Fairfield Inn, Auburn Hills
 Hilton Hotel, Auburn Hills
 Super 8 Motel, Battle Creek
 Howard Johnson's, Belleville
 Kingsley Hotel & Suites, Bloomfield Hills
 Fairfield Inn, Canton
 Henry Autograph Collection Hotel, Dearborn
 *Greek Town Casino, Detroit
 Hilton Garden Inn Detroit Downtown, Detroit

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Holiday Inn, Detroit
 Golden Harp, Proposed, Detroit
 *MGM Grand, Detroit
 Hampton Inn, East Lansing
 Radisson Hotel, Farmington Hills
 Hyatt Hotel, Flint
 Crowne Plaza Grand Rapids Airport, Grand Rapids
 Country Inn & Suites, Houghton
 Fairfield Inn, Kalamazoo
 Super 8 Motel, Kalamazoo
 Courtyard by Marriott Grand Rapids Airport, Kentwood
 Embassy Suites, Prop. and Existing, Livonia
 Marriott Hotel, Livonia
 Wyndham Garden Hotel, Livonia
 Fairfield Inn, Madison Heights
 Super 8 Motel, Mount Pleasant
 Super 8 Motel, Muskegon
 Hilton Garden Inn, Novi
 Staybridge Suites, Novi
 Wyndham Garden Inn, Novi
 Hampton Inn, Port Huron
 Inn at the Bridge, Port Huron
 Royal Park Hotel, Rochester
 Crowne Plaza Detroit Metro Airport, Romulus
 Proposed Hotel Site, Royal Oak
 Super 8 Motel, Saginaw
 Saint Paul Hotel, Saint Paul
 Courtyard by Marriott, Southfield
 DoubleTree Guest Suites, Southfield
 Embassy Suites Southfield, Southfield
 SpringHill Suites Detroit Southfield, Southfield
 Woodfin Suite Hotel, Prop., Southfield
 Comfort Suites, Sterling Heights
 Holiday Inn, Troy
 Homewood Suites, Troy
 Marriott Hotel, Troy
 Sheraton Colonial Hotel & Golf Club, Wakefield
 Fairfield Inn, Warren
 Holiday Inn, Warren
 Motel 6, Warren

Minnesota

Hampton Inn & Suites Mall of America, Bloomington
 Holiday Inn, Duluth
 Hampton Inn, Eden Prairie
 DoubleTree Hotel, Minneapolis
 Grand Hotel, Minneapolis
 Le Meridien Chambers Hotel, Minneapolis
 Motel 6, Minneapolis
 Radisson Metrodome Hotel, Minneapolis
 Sofitel Hotel, Minneapolis
 W Minneapolis The Foshay, Minneapolis
 Marriott Minnesota SW, Minnetonka
 Motel, Proposed, Montevideo
 Motel 6, Rochester
 Kahler Grand Hotel, Rochester
 Radisson Plaza Hotel, Rochester
 Hampton Inn & Suites, Rogers
 Holiday Inn Minneapolis West, St. Louis Park
 Saint Paul Hotel, St. Paul
 Sheraton Inn, St. Paul

Mississippi

*Beau Rivage Casino & Resort, Biloxi
 *Grand Casino, Biloxi
 Gulf Beach Resort Hotel, Biloxi
 *Treasure Bay Hotel & Casino, Biloxi
 Candlewood Suites, Flowood
 Suburban Extended Stay Gautier, Gautier
 Crystal Inn, Gulfport
 *Grand Casino, Gulfport
 Motel 6, Hattiesburg
 Howard Johnson's, Jackson
 Quality Inn, Oxford
 Homewood Suites, Ridgeland
 *Hollywood Casino, Robinsonville
 *Sam's Town Hotel & Gambling Hall, Robinsonville
 *Gold Strike Casino Resort, Tunica
 *Horseshoe Casino Center, Tunica
 *Ameristar Vicksburg, Vicksburg
 *Isle of Capri Casino & Hotel, Vicksburg

Missouri

La Quinta Inn & Suites, Blue Springs
 Radisson, Branson
 Crowne Plaza Saint Louis Airport, Bridgeton
 Embassy Suites Hotel, Prop., Clayton
 Fairfield Inn, Hazelwood
 StudioPlus Suites St. Louis - Westport, Hazelwood
 Holiday Inn, Joplin
 Conference Center Hotel, Prop., Kansas City
 Crowne Plaza Hotel Kansas City Downtown, Kansas City
 DoubleTree Hotel, Kansas City
 Fairfield Inn Kansas City West, Kansas City
 Fairmont Hotel, Kansas City
 Holiday Inn, Kansas City
 Radisson Hotel, Kansas City
 Residence Inn, Kansas City
 *Sam's Town Hotel & Gambling Hall, Kansas City
 Station Kansas City, Kansas City
 Holiday Inn Express, Kirksville
 Riva Del Lago Resort, Prop., Lake of the Ozarks
 Tan-Tar-A Resort, Osage Beach
 *Casino Hotel, Proposed, Perryville
 *Hollywood Casino - Tunica, Robinsonville
 Holiday Inn, Springfield
 Station St. Charles, St. Charles
 Adam's Mark Hotel, St. Louis
 *Casino Hotel, Proposed, St. Louis
 Clarion Hotel, St. Louis
 Crowne Plaza Saint Louis Airport, St. Louis
 Executive Inn, St. Louis
 Holiday Inn St. Louis Southwest Viking, St. Louis
 Holiday Inn Sports Complex, St. Louis
 Renaissance Grand Hotel, St. Louis
 Renaissance Suites Hotel, St. Louis
 Sheraton Airport, St. Louis
 Sheraton Westport, St. Louis
 Three Proposed Hotels, St. Louis
 West County Hilton Hotel, Prop., St. Louis County
 Riva D'Lago Resort, Proposed, Sunrise Beach
 Hotel, Proposed, Unity Village

Montana

Crowne Plaza, Billings
 Sheraton Billings, Billings
 Element Hotel, Proposed, Bozeman
 Holiday Inn, Bozeman
 Best Western Colonial Hotel, Helena
 Red Lion Colonial Hotel, Helena
 Red Lion Hotel & Kalispell Mall, Kalispell
 Red Lion Inn, Kalispell
 Holiday Inn, Missoula
 Red Lion Hotel, Missoula
 Proposed Red Lion Leo Hotel, Polson
 St. Mary Lodge & Resort, St. Mary
 Red Lion Inn, West Kalispell

Nebraska

DoubleTree Omaha Downtown, Omaha
 Marriott Hotel, Omaha
 Red Lion Inn, Omaha

Nevada

*Ormsby House Hotel and Casino, Carson City
 Fairfield Inn & Suites, Proposed, Elko
 Hampton Inn and Suites, Proposed, Elko
 Holiday Inn Express and Suites, Elko
 Shilo Inn Suites, Elko
 *Eldorado Casino, Henderson
 Hilton Garden Inn Las Vegas Henderson, Henderson
 *Joker's Wild Casino, Henderson
 Loews/Westin Lake Las Vegas Resort, Henderson
 Proposed Hotel(s), Henderson
 *Cactus Pete's & Horseshu Casino Resort, Jackpot
 Hyatt Regency Lake Las Vegas Resort, Lake Las Vegas
 Luxury Boutique Hotel, Prop., Lake Las Vegas
 Airport Inn, Las Vegas
 *Aladdin Hotel & Casino, Las Vegas
 Alexis Park Resort and Americana Apartments, Las Vegas
 *Bellagio Hotel & Casino, Las Vegas
 *Boomtown Casino, Las Vegas
 *Boardwalk Hotel & Casino, Las Vegas
 *California Hotel & Casino, Las Vegas
 *Casino Hotel, Proposed, Las Vegas
 *Circus Circus Hotel Casino, Las Vegas
 Prop. Echelon Development Project, Las Vegas
 Embassy Suites Airport, Las Vegas
 Emerald Suites, Las Vegas
 Fairfield Inn Las Vegas Airport, Las Vegas
 *Flamingo Hotel & Casino, Las Vegas
 *Fremont Hotel & Casino, Las Vegas
 *Greek Isles Hotel & Casino, Las Vegas
 *Hacienda Casino Hotel, Las Vegas
 Hampton Inn & Suites Las Vegas Red Rock, Las Vegas
 Hampton Inn Tropicana, Las Vegas
 *Hard Rock Hotel and Casino Excess Land, Las Vegas
 *Harrah's Las Vegas, Las Vegas
 Hawthorne Suites, Las Vegas
 Hilton Garden Inn, Proposed, Las Vegas
 Hilton Hotel, Las Vegas
 Holiday Inn-Emerald Springs, Las Vegas

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Holiday Inn Express North, Las Vegas
 Holiday Inn Express West, Las Vegas
 Holiday Inn Express, Prop., Las Vegas
 Homewood Suites, Proposed, Las Vegas
 *Hotel & Casino El Rancho, Las Vegas
 *Hotel & Casino Convention Center, Prop., Las Vegas
 *Howard Johnson Hotel & Casino, Las Vegas
 *Imperia Beach Casino Hotel, Prop., Las Vegas
 Jockey Club, Las Vegas
 *JW Marriott Resort and Rampart Casino, Las Vegas
 Loews Lake Las Vegas Resort, Las Vegas
 Mandarin Oriental Hotel, Las Vegas
 *MGM Grand Las Vegas, Las Vegas
 *Mirage, Las Vegas
 Mirala Resort, Proposed, Las Vegas
 *New Frontier Hotel & Casino Site, Las Vegas
 *New York-New York Hotel & Casino, Las Vegas
 Paradise Resort Hotel, Las Vegas
 *Paris Las Vegas Hotel & Casino, Las Vegas
 Parcel 16216301007, Las Vegas
 *Planet Hollywood Casino & Resort, Las Vegas
 *Plaza Casino Hotel, Retail & Condominium, Prop., Las Vegas
 Proposed Development Site, Las Vegas
 *Regent Int'l. Hotel & Casino, Las Vegas
 *Rio All-Suite Hotel & Casino, Las Vegas
 *Sahara Casino & Two Vacant Land Parcels, Las Vegas
 *Sam's Town Hotel & Gambling Hall, Las Vegas
 Sands Exposition Center, Las Vegas
 Shangri-La Hotel, Proposed, Las Vegas
 Siena Suites, Las Vegas
 *SLS Las Vegas, Proposed, Las Vegas
 *Stardust Resort & Casino, Las Vegas
 *Sunrise Hotel & Casino, Las Vegas
 *Venetian Hotel & Casino and LIDO Land Parcel, Las Vegas
 *Casino and RV Project, Prop., Laughlin
 *Casino Hotel & Timeshare, Prop., Laughlin
 *Harrah's Laughlin Casino, Laughlin
 *River Palms Hotel & Casino, Laughlin
 Mount Potosi Canyon Retreat, Mountain Springs
 Hampton Inn Las Vegas North Speedway, North Las Vegas
 Holiday Inn Express North Las Vegas, North Las Vegas
 SpringHill Suites by Marriott Las Vegas North Speedway, North Las Vegas
 *Whiskey Pete's Hotel & Casino, Primm
 *Boomtown Casino Hotel, Reno
 Holiday Inn Express, Proposed, Reno
 Lakeridge Resort, Reno
 La Quinta Inn, Reno
 Extended-Stay Hotel, Proposed, Reno
 Full-Service Hotel, Proposed, Reno
 Hampton Inn & Suites, Proposed, Reno
 Staybridge Suites, Reno
 Fairfield Inn, Proposed, Sparks
 Hotel, Proposed, Sparks
 Edgewood Lodge, Stataline
 *Bill's Casino, Stataline
 *Harrah's Lake Tahoe, Stataline

*Harvey's Lake Tahoe, Stataline
 Luxury Condo Hotel & Residences, Prop., Stataline
 Mixed-Use Resort, Proposed, Stataline
 *MontBleu Resort Casino & Spa, Stataline
 *Peppermill Casino, Wendover
 *Rainbow Casino, Wendover
 *State Line and Silver Smith Casino Hotels, Wendover

New Jersey
 Atlantic City Hilton, Atlantic City
 *Borgata Casino Hotel, Prop., Atlantic City
 *Caesars Atlantic City, Atlantic City
 *Casino Hotel w/Ancillary Facilities, Proposed (Phase One), Atlantic City
 Deauville Hotel, Atlantic City
 Harrah's Atlantic City, Atlantic City
 Resorts Atlantic City, Atlantic City
 *Sands Hotel & Casino, Atlantic City
 Sheraton Atlantic City Convention Center, Atlantic City
 *Showboat Atlantic City, Atlantic City
 *Tropicana Hotel & Casino, Atlantic City
 *Trump Marina Hotel Casino, Atlantic City
 *Trump Pier at Taj Majal, Atlantic City
 Courtyard Basking Ridge, Basking Ridge
 North Maple Inn, Basking Ridge
 Sierra Suites Hotel, Proposed, Branchburg
 Marriott, Bridgewater
 Cherry Hill Inn, Cherry Hill
 Sheraton Meadowlands, East Rutherford
 Baymont Inn & Suites, East Syracuse
 Courtyard Edison, Edison
 Sheraton Edison Raritan Center, Edison
 Ramada Inn, Proposed, Elizabeth
 Ramada Inn, Proposed, Franklin Township
 Summerfield Suites Morristown, Prop., Hanover
 Summerfield Suites Parsippany, Prop., Hanover
 Holiday Inn, Jamesburg
 Hyatt Regency Hotel, Jersey City
 Meadowlands-Lyndhurst Court, Lyndhurst
 Headquarters Plaza Hotel, Morristown
 Howard Johnson's Mount Holly
 Mt. Laurel Hilton, Mt. Laurel
 Radisson Hotel Mt. Laurel, Mt. Laurel
 TownePlace Suites, Mount Laurel
 Wyndham Mt. Laurel, Mt. Laurel
 Best Western Newark Airport West, Newark
 Hilton Gateway Plaza, Newark
 Hilton Newark Penn Station, Newark
 Holiday Inn, Newark
 Hyatt Regency, New Brunswick
 Hilton Parsippany, Parsippany
 Hotel Sierra, Parsippany
 Sierra Suites, Proposed, Parsippany
 Marriott Courtyard Princeton, Princeton
 Sheraton Meadowlands, East Rutherford
 Howard Johnson's, Saddle Brook
 Crowne Plaza, Secaucus
 Hilton Short Hills Hotel and Spa, Short Hills
 Courtyard by Marriott, Somerset
 DoubleTree Hotel, Somerset
 Marriott Hotel, Somerset

Radisson Hotel, South Brunswick
 Crowne Plaza, Syracuse
 Hampton Inn & Suites, Syracuse
 TR Hotel (formerly Holiday Inn), Toms River

New Mexico
 Andaluz Hotel, Albuquerque
 Baymont Inn and Suites, Albuquerque
 Convention Center Hotel, Prop., Albuquerque
 DoubleTree Hotel, Albuquerque
 Hampton Inn, Albuquerque
 Hotel Project, Proposed, Albuquerque
 Hyatt Regency, Albuquerque
 La Posada de Albuquerque, Albuquerque
 Ramada Hotel Classic, Albuquerque
 Radisson Inn, Albuquerque
 Mixed-Use Development, Proposed, Bernalillo
 Las Cruces Hilton, Las Cruces
 Holiday Inn Express & Suites, Portales
 Hilton Garden Inn, Rio Rancho
 *Inn of the Mountain Gods Resort & Casino, Proposed, Ruidoso
 Casitas, Proposed, Santa Fe
 Four Seasons Resort Rancho Encantado/
 Auberge Rancho Encantado Resort, Prop., Santa Fe
 Hilton Hotel, Santa Fe
 Holiday Inn, Santa Fe
 Homewood Suites, Santa Fe
 Inn at Loretto, Santa Fe
 Inn of the Anasazi, Santa Fe
 La Posada de Santa Fe Resort, Santa Fe
 Sheraton de Santa Fe, Santa Fe
 Holiday Inn Express, Santa Rosa
 La Quinta Inn & Suites, Santa Rosa
 El Monte Sagrado, Taos
 Taos Development, Proposed, Taos
 Rancho Ramada Inn de Taos, Taos

New York
 Hilton Hotel, Albany
 Holiday Inn Albany Wolf Road, Albany
 Holiday Inn, Proposed, Brooklyn
 Nu Hotel, Brooklyn
 Sheraton Brooklyn New York, Brooklyn
 Airport Hotel, Proposed, Buffalo
 Buffalo Hotel, Buffalo
 Marriott Hotel, Buffalo
 DoubleTree Hotel Syracuse, East Syracuse
 Nevele Hotel, Ellenville
 Howard Johnson's, Elmsford
 Hotel Sierra, Prop. & Existing, Fishkill
 Hamilton Park Conference Center, Florham Park
 Hyatt Place, Garden City
 Ramada Inn, Hauppauge
 Wyndham Wind Watch Hotel, Hauppauge
 Mohawk Bingo Palace, Hogsansburg
 Radisson Hotel, Holtsville
 *RW Hudson Valley Resort, Prop, Kerhonkson
 Hilton Hotel, Lake Placid
 Whiteface Lodge Resort & Spa, Lake Placid
 Z NYC, Long Island City
 *Monticello Gaming and Raceway, Monticello
 Hotel, Proposed, New Rochelle
 Ramada Plaza, New Rochelle

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Sheraton Inn, New Rochelle
 Ace Hotel, NYC
 Aman Hotel 443 Greenwich, Proposed, NYC
 Barbizon Plaza Hotel, NYC
 Berkshire Place, NYC
 Century Paramount Hotel, NYC
 Club Quarters Midtown New York, NYC
 Club Quarters Rockefeller Center NYC
 Club Quarters Wall Street New York, NYC
 Essex House, NYC
 Executive Hotel, NYC
 Fairfield Inn Fifth Avenue, NYC
 Halloran House, NYC
 Hampton House, NYC
 Hilton New York, NYC
 Hilton Times Square, NYC
 Holland Hotel, NYC
 Howard Hotel, NYC
 MAve Hotel, NYC
 Mandarin Oriental Hotel, NYC
 Marriott Eastside, NYC
 Mayfair Regent, NYC
 Night Hotel, NYC
 Nova-Park Gotham, NYC
 Parker Meridien Hotel, NYC
 Peninsula Hotel, NYC
 Ritz-Carlton Battery Park, NYC
 Ritz-Carlton Central Park, NYC
 Soho Hotel, Proposed, NYC
 Tudor Hotel, NYC
 Woodfin Suites Hotel, Prop., NYC
 York Club, NYC
 Tioga Downs Racetrack, Nichols
 Sheraton Inn, Ossining
 Homestead Studio Suites Hanover Parsippany,
 Parsippany
 Holiday Inn Express, Poughkeepsie
 *Genting Casino at Aqueduct Racetrack,
 Queens
 Hotel, Proposed, Saratoga
 Courtyard by Marriott, Saratoga Springs
 Residence Inn, Saratoga Springs
 *Saratoga Gaming and Raceway, Saratoga
 Springs
 Howard Johnson's, Smithtown
 Hampton Inn, Syracuse
 Tarrytown House Hotel & Conference Center,
 Tarrytown
 Boutique Resort Hotel & Spa, Prop., Tuxedo
 *Sterling Forest Resort, Proposed, Tuxedo
 Sheraton Nassau Hotel, Uniondale
 *Turning Stone Casino & Hotel, Verona
 Renaissance Westchester, White Plains
 Fairfield Inn, Williamsville

North Carolina

Renaissance Hotel, Asheville
 Comfort Inn Hatteras Island, Buxton
 Best Western, Cary
 Sheraton Chapel Hill, Chapel Hill
 Four Seasons Resort, Charleston
 DoubleTree Suites by Hilton Charlotte
 SouthPark, Charlotte
 Fairfield Inn, Charlotte
 TownePlace Suites Charlotte Arrowood,
 Charlotte

Holiday Inn, Crabtree
 Crossland Studios Durham Research Triangle
 Park, Durham
 Fairfield Inn, Durham
 Marriott Research Triangle Park, Durham
 Motel 6, Durham
 Wyndham Garden Hotel, Durham
 Fairfield Inn, Fayetteville
 Clarion Inn Airport, Fletcher
 Holiday Inn Asheville Airport, Fletcher
 Hampton Inn, Goldsboro
 Comfort Suites Four Seasons, Greensboro
 Embassy Suites, Greensboro
 Fairfield Inn, Greensboro
 Hampton Inn, Greensboro
 Hilton Inn, Greensboro
 Howard Johnson Hotel Greensboro Four
 Seasons, Greensboro
 Best Western High Point, High Point
 High Point Radisson, High Point
 Country Inn & Suites, Huntersville
 Comfort Suites Hotel, Lexington
 Hampton Inn, Spring Lake
 Fairfield Inn, Raleigh
 Hilton Inn, Raleigh
 Holiday Inn Crabtree, Raleigh
 Marriott Raleigh City Center, Raleigh
 Motel 6, Rocky Mount
 Cleghorn Plantation, Rutherfordton
 Fairfield Inn, Wilmington
 Suburban Extended Stay, Wilmington
 Hilton Inn, Winston-Salem
 Holiday Inn Select, Winston-Salem
 Residence Inn, Winston-Salem

North Dakota

Hilton Garden Inn, Grand Forks

Ohio

Holiday Inn Cascade, Akron
 Courtyard by Marriott, Beachwood
 Fairfield Inn & Suites by Marriott, Beachwood
 Fairfield Inn, Brook Park
 Embassy Suites Hotel, Prop, and Existing,
 Cincinnati
 Howard Johnson's, Cincinnati
 Marriott Inn, Cincinnati
 Radisson Inn, Cincinnati
 Residence Inn, Cincinnati
 Vernon Manor, Cincinnati
 Cleveland Airport Marriott, Cleveland
 Cleveland Marriott East, Cleveland
 Fairfield Inn, Cleveland
 Holiday Inn Lakeside, Cleveland
 Hotel, Proposed, Cleveland
 Sheraton Hopkins, Cleveland
 200-Room Boutique Hotel, Cleveland
 Columbus North Marriott, Columbus
 Crowne Plaza Downtown, Columbus
 Crowne Plaza Hotel Columbus North,
 Columbus
 DoubleTree Hotel, Columbus
 Fairfield Inn, Columbus
 Holiday Inn, Columbus
 Holiday Inn Airport, Columbus
 Westin Hotel, Columbus

Woodfin Hotel, Columbus
 Daytonian Hilton, Dayton
 Fairfield Inn, Dayton
 Motel 6, Dayton
 Woodfin Suite Hotel, Prop., Dublin
 Country Inn & Suites Fairborn South, Fairborn
 TownePlace Suites, Findlay
 SpringHill Suites Columbus Airport Gahanna,
 Gahanna
 Fairfield Inn, Holland
 Courtyard Independence, Independence
 Hilton Cleveland South, Independence
 IMG Resort Academies, Lakeview Bluffs
 Courtyard Toledo/Maumee, Maumee
 Courtyard Cleveland Airport South,
 Middleburg Heights
 TownePlace Suites Cleveland Airport,
 Middleburg Heights
 Holiday Inn Express Port Clinton Catawba
 Island, Port Clinton
 Embassy Suites, Rockside
 Courtyard, Rossford
 Best Western Plus, Sandusky
 Comfort Inn, Sandusky
 Fairfield Inn, Toledo
 Holiday Inn, Toledo
 Courtyard Cleveland, Westlake
 TownePlace Suites, Westlake
 Hampton Inn & Suites Cincinnati Union Centre,
 West Chester
 Fairfield Inn, Willoughby

Oklahoma

Hampton Inn & Suites, Altus
 Fountainhead Resort, McIntosh County
 Colcord Hotel, Oklahoma City
 Portofino Hotel, Prop., Oklahoma City
 Sheraton Hotel, Oklahoma City
 Arrowhead Resort, Pittsburgh County
 The Hotel Ambassador, Tulsa

Oregon

Phoenix Inn, Albany
 Red Lion Inn, Astoria
 Inn at Face Rock, Bandon
 Fairfield Inn, Beaverton
 Phoenix Inn, Beaverton
 Shilo Inn, Beaverton
 Condominium Hotel, Proposed, Bend
 Hotel, Proposed, Bend
 Phoenix Inn, Bend
 Red Lion Inn North, Bend
 Remington Hotel, Proposed, Bend
 Shilo Inn Suites, Bend
 Surfsand Resort, Cannon Beach
 Red Lion Inn, Coos Bay
 Hilton Garden Inn, Proposed, Corvallis
 Crater Lake National Park Concession, Crater
 Lake
 EconoLodge, Eugene
 Execulodge, Eugene
 Phoenix Inn, Eugene
 Red Lion Inn, Eugene
 Shilo Inn Springfield, Eugene
 Valley River Inn, Eugene
 Best Western Plus Pier Point Inn, Florence

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Big Creek Resort, Florence
 Hotel Site, Proposed, Florence
 Salishan Resort, Gleneden Beach
 Shilo Inn, Grants Pass
 Candlewood Hotel, Hillsboro
 Courtyard Hotel, Proposed, Hillsboro
 Larkspur Landing Hotel, Hillsboro
 Residence Inn, Proposed, Hillsboro
 Springhill Suites Hotel, Hillsboro
 Red Lion Inn, Klamath Falls
 Shilo Inn Suites, Klamath Falls
 Fairfield Inn, Lake Oswego
 Hilton Garden Inn, Lake Oswego
 Phoenix Inn, Lake Oswego
 Residence Inn, Lake Oswego
 Shilo Inn Oceanfront Resort, Lincoln City
 Airport Hotel, Prop., Medford
 Convention Center & Full-Service Hotel, Prop., Medford
 Courtyard by Marriott, Prop., Medford
 Homewood Suites, Medford
 Red Lion Inn, Medford
 Shilo Inn, Newport
 Red Lion Hotel, Pendleton
 aloft Portland Airport at Cascade Station, Portland
 Avalon Hotel & Spa, Prop. & Existing, Portland
 Benson Hotel, Portland
 Canopy by Hilton Portland Pearl District, Proposed, Portland
 Columbia River Red Lion, Portland
 Convention Headquarters Hotel, Prop., Portland
 Courtyard Hotel, Proposed, Portland
 DoubleTree Portland/Lloyd Center, Portland
 Embassy Suites Hotel, Portland
 Fifth Avenue Suites Hotel, Portland
 Governor Hotel, Portland
 Holiday Inn, Portland
 Hotel Deluxe, Portland
 Hotel Fifty, Portland
 Hotel Lucia, Portland
 Hotel Modera, Portland
 Hotel, Proposed, Portland
 Inn at Northrup Station, Portland
 InterContinental Hotel, Prop., Portland
 Luxury Collection Hotel, Prop., Portland
 Marriott Portland City Center, Portland
 Marriott Renaissance Hotel, Prop., Portland
 Monaco Hotel, Portland
 Nines Hotel, Proposed, Portland
 Red Lion Inn Convention Center, Portland
 Renaissance Hotel, Portland
 Residence Inn-Lloyd Center, Portland
 Residence Inn, Proposed, Portland
 RiverPlace Hotel & Condominiums, Portland
 Sentinel Hotel, Portland
 Sheraton Suites, Proposed, Portland
 Shilo Inn Portland Airport Suites, Portland
 Shilo Inn Portland/Beaverton, Portland
 Vintage Plaza Hotel, Portland
 Wells Building, Portland
 Westin Hotel, Prop. and Existing, Portland
 Capitol Inn, Salem
 Execulodge, Salem
 Phoenix Inn – North, Salem

Phoenix Inn – South, Salem
 Shilo Inn, Salem
 Best Western Ocean View Resort, Seaside
 Red Lion Inn, Seaside
 Shilo Inn Seaside Oceanfront Resort, Seaside
 Embassy Suites, Proposed, Springfield
 Red Lion Inn, Springfield
 Skamania Lodge, Stevenson
 Sunriver Resort, Sunriver
 Hilton Garden Inn, Proposed, The Dalles
 Hotel Project, Proposed, The Dalles
 Shilo Inn Suites, The Dalles
 Embassy Suites Hotel, Tigard
 Phoenix Inn, Tigard
 Red Lion Inn, Tigard
 Shilo Inn Washington Square, Tigard
 Shilo Inn Suites, Tillamook
 Shilo Inn Suites Astoria/Warrenton, Warrenton
 Best Western Hotel, Wilsonville
 Holiday Inn, Wilsonville
 Phoenix Inn, Wilsonville

Pennsylvania

Holiday Inn, Beaver Falls
 Courtyard Bensalem, Bensalem
 *Parx Casino, Bensalem
 *Sands Casino Resort, Bethlehem
 Sheraton, Bucks County
 *Harrah's Chester Casino & Racetrack, Chester
 Holiday Inn, Clarion
 Embassy Suites Pittsburgh, Coraopolis
 Marriott Pittsburgh Airport, Coraopolis
 Days Inn, Danville
 Ramada Inn, Erie
 *Hollywood Casino & Penn National Race Course, Grantville
 *Penn National Race Course, Grantville
 Four Points Greenburg, Greenburg
 Comfort Inn Harrisburg, Harrisburg
 Fairfield Inn, Harrisburg
 Marriott Hotel, Harrisburg
 Holiday Inn Indiana, Indiana
 Hotel Sierra, King of Prussia
 Hyatt House, King of Prussia
 Valley Forge Hilton, King of Prussia
 Marriott, Proposed, Lancaster
 Hampton Inn & Outback Steakhouse Restaurant, Monroeville
 Courtyard Philadelphia Downtown, Philadelphia
 Embassy Suites, Philadelphia
 Extended StayAmerica Philadelphia Airport, Philadelphia
 Marriott Hotel, Philadelphia
 Rittenhouse Towers, Philadelphia
 Sheraton Philadelphia City Center, Philadelphia
 Sheraton Society Hill, Philadelphia
 Wyndham Franklin Plaza, Philadelphia
 Fairfield Inn, Pittsburgh
 Motel 6, Pittsburgh
 *Rivers Casino, Pittsburgh
 Wyndham Garden Hotel, Pittsburg
 Wyndham Pittsburgh University Place, Pittsburgh

Pocono Downs Race Course, Plains Township
 DoubleTree Guest Suites, Plymouth Meeting
 SpringHill Suites, Plymouth Meeting
 Comfort Inn, Pottstown
 Hilton at Lackawanna Station, Scranton
 Holiday Inn, Uniontown
 Hotel Conference Center, Washington
 *Casino Component of Hotel Conference Center Feasibility Study, Washington County
 Marriott Philadelphia West, West Conshohocken
 Holiday Inn York Manchester Mall, York

Rhode Island

Hotel Viking, Newport
 Providence Biltmore Hotel, Providence

South Carolina

Hampton Inn & Suites, Bluffton
 Charleston Place, Charleston
 Holiday Inn, Charleston
 Travelodge, Charleston
 Comfort Suites at Harbison, Columbia
 Embassy Suites, Columbia
 Home-Town Suites of Columbia, Columbia
 Motel 6, Columbia
 Fairfield Inn, Greenville
 Hampton Inn Greenville Haywood, Greenville
 Ramada Inn, Greenville
 Fairfield Inn, Florence
 Fairfield Inn, Hilton Head
 Hilton Head Inn, Hilton Head
 Holiday Inn Express, Hilton Head
 Hyatt Regency, Hilton Head
 Westin Hilton Head Resort, Hilton Head
 Save Inn, Lake Hartwell
 3 Palms Oceanfront Hotel, Myrtle Beach
 Sun N Sand Resort, Myrtle Beach
 Fairfield Inn by Marriott, Orangeburg
 Brookwood Inn, Spartanburg

South Dakota

Four Points Hotel, Proposed, Sioux Falls

Tennessee

Hilton Suites Hotel, Brentwood
 Motel 6, Chattanooga
 Fairfield Inn & Suites Chattanooga South East Ridge, East Ridge
 Hyatt Place Memphis Germantown, Germantown
 Holiday Inn, Jackson
 Fairfield Inn, Johnson City
 Clarion Hotel Airport Graceland, Memphis
 Holiday Inn, Memphis
 Howard Johnson Airport, Memphis
 Motel 6, Memphis
 Residence Inn Memphis Downtown, Memphis
 Staybridge Suites Poplar Ave. East, Memphis
 Villager Lodge, Memphis
 Westin Hotel, Memphis
 Days Inn, Nashville
 Hampton Inn, Nashville
 Hilton Nashville Downtown, Nashville
 Holiday Inn Express, Nashville

PROPERTIES - CONTINUED

** Denotes Gaming Property*

<p>Hotel Preston, Nashville Renaissance, Nashville Comfort Inn, Oak Ridge Hampton Inn, Pigeon Forge Wilderness at the Smokies, Sevierville</p> <p>Texas Courtyard by Marriott, Prop. and Existing, Addison Hotel, Proposed, Addison Hyatt Summerfield Suites, Addison Summerfield Suites Hotel, Prop., Addison Woodfin Suite Hotel, Proposed, Addison Days Inn, Amarillo Hampton Inn & Suites, Amarillo Motel 6, Amarillo Super 8 Motel, Amarillo Holiday Inn Express Arlington, Arlington Sheraton Hotel, Arlington Sierra Suites Conversion, Prop., Arlington Aloft Austin at The Domain, Austin Barton Creek Resort, Austin Courtyard by Marriott University Area, Austin Fairfield Inn & Suites University Area, Austin Fairfield Inn & Suites, Prop. & Existing, Austin Hampton Inn & Suites Austin Airport, Austin Hampton Inn & Suites Downtown, Austin Holiday Inn, Austin Hotel Site, Austin Lakeway Inn, Austin Sheraton Hotel, Austin Woodfin Suites Hotel, Proposed, Austin Holiday Inn, Beaumont Tryp by Wyndham, Prop., College Station Comfort Inn & Suites Calallen, Corpus Christi Candlewood Suites Corpus Christi SPID, Corpus Christi Courtyard by Marriott, Corpus Christi Days Inn, Corpus Christi Embassy Suites, Corpus Christi Holiday Inn Express, Corpus Christi Howard Johnson, Corpus Christi La Quinta Inn & Suites Corpus Christi Northwest, Corpus Christi Staybridge Suites, Corpus Christi Courtyard by Marriott Dallas LBJ at Josey, Dallas Doubletree Inn, Dallas Fairmont Hotel, Dallas Holiday Inn Select Northpark, Dallas Hyatt Regency DFW, Dallas Knights Inn Market Center, Dallas Magnolia Hotel, Dallas Marriott Park Central, Dallas Marriott Quorum, Dallas Marriott Suites, Dallas Melrose Hotel, Dallas Motel 6, Dallas Northpark Holiday Inn, Dallas Park Plaza, Dallas Ramada Inn Convention Center, Dallas Residence Inn, Prop. and Existing, Dallas Ritz-Carlton Hotel, Dallas Sheraton, Dallas Sheraton Grand Hotel, Dallas Summit Hotel, Dallas</p>	<p>Wyndham Garden Las Colinas, Dallas Howard Johnson's, East Dallas Allstar Inn, El Paso Chase Suites Hotel, El Paso Courtyard by Marriott El Paso Airport, El Paso DoubleTree by Hilton Downtown, El Paso Embassy Suites, El Paso Travelers Inn, El Paso Westin Hotel, Proposed, Frisco Candlewood Suites DFW South, Fort Worth Holiday Inn DFW Airport South, Fort Worth Metro Center Hotel, Fort Worth Omni Hotel, Fort Worth Renaissance Worthington, Fort Worth Residence Inn by Marriott, Fort Worth Springhill Suites, Proposed, Fort Worth La Quinta Inn & Suites South Grand Prairie, Grand Prairie Crowne Plaza Houston North Greenspoint, Houston Best Western Fountainview Inn & Suites, Houston Candlewood Suites Houston Medical Center, Houston Comfort Suites Willowbrook Technology Corridor, Houston DoubleTree Guest Suites Galleria, Houston Embassy Suites, Houston Four Seasons Hotel, Houston Hilton Americas, Houston Hilton Houston Post Oak, Houston Hilton Houston Southwest, Houston Holiday Inn & Suites, Proposed, Houston Holiday Inn Express Hotel & Suites Houston Kingwood, Houston Holiday Inn-Hobby, Houston Holiday Inn Houston Westchase, Houston Hotel Granduca, Houston Hotel Sorella, Houston Houstonian Hotel, Houston Marriott Hotel, Houston Motel 6, Houston Omni Hotel, Proposed, Houston Omni Houston Galleria, Houston Radisson Towne & Country, Houston Stouffer Renaissance, Houston Studio 6, Ingleside Element DFW Airport North, Irving Four Seasons Resort Las Colinas, Irving Hampton Inn, Proposed, Irving Hotel Site, Proposed, Irving Hyatt Regency DFW, Irving Sheraton Grand Hotel DFW, Irving Summerfield Suites, Irving Westin Dallas Fort Worth Airport, Irving La Quinta Inn & Suites, Katy Candlewood Suites Houston Kingwood, Houston Days Inn & Suites, Laredo Red Roof Inn Laredo - I-83 South, Laredo Wyndham Hotel, Las Colinas Comfort Inn & Suites, Lubbock Holiday Inn Express & Suites, Lubbock Super 8, Lubbock Holiday Inn, Lubbock Renaissance Hotel, McAllen</p>	<p>Residence Inn by Marriott, Midland TownePlace Suites by Marriott, Odessa Courtyard by Marriott North Dallas Plano, Plano Marriott at Legacy Town Center, Plano Residence Inn Dallas Plano, Plano Staybridge Suites Plano Richardson, Plano TownePlace Suites, Plano Holiday Inn Express & Suites Port Aransas Beach Area, Port Aransas DoubleTree Richardson Hotel, Richardson Holiday Inn Richardson Hotel, Richardson Holiday Inn Select, Richardson Hyatt House Dallas Richardson, Richardson Radisson Hotel Dallas North, Richardson Wingate Inn, Richardson Courtyard by Marriott, Round Rock Microtel Inn & Suites, Prop., Round Rock Baymont Inn & Suites San Antonio Northwest, San Antonio Comfort Suites San Antonio Airport North, San Antonio Crockett Hotel, San Antonio Courtyard San Antonio Riverwalk, San Antonio DoubleTree San Antonio Airport, San Antonio Embassy Suites, Proposed, San Antonio Fairmont Hotel, San Antonio Four Points Riverwalk, San Antonio Grand Hyatt, San Antonio Hampton Inn, San Antonio Hilton Garden Inn, Proposed, San Antonio Holiday Inn Express San Antonio Airport North, San Antonio Holiday Inn Lackland Sea World Area, San Antonio Homewood Suites by Hilton San Antonio North, San Antonio Homewood Suites San Antonio Riverwalk, San Antonio Hotel Valencia Riverwalk San Antonio, San Antonio Hyatt Regency Hill Country, San Antonio Microtel by Wyndham San Antonio by SeaWorld/Lackland AFB, San Antonio Microtel Inn & Suites San Antonio North, San Antonio Salado Creek/Arena District Master Plan, San Antonio Toyota Field, San Antonio Amerihost Inn, San Marcos Hampton Inn & Suites, Trophy Club Holiday Inn Express & Suites Houston Space Center, Webster</p> <p>Utah Proposed Resort @ Bryce Canyon, Bryce Amangiri Resort & Spa and Pangolin Land, Canyon Point Red Mountain Spa, Ivins Utah Trails Resort, Kanab Canyon Land Resort, Proposed, Kane County Courtyard by Marriott, Layton Zermatt Resort & Spa, Midway Crystal Inn Mid Valley, Murray Holiday Inn Express & Suites, Prop., Murray Marriott Hotel, Ogden</p>
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PROPERTIES - CONTINUED

** Denotes Gaming Property*

TownePlace Suites, Proposed, Orem
 Hampton Inn & Suites, Park City
 Holiday Inn Express, Park City
 The Lodges at Stillwater, Park City
 Marriott Park City, Park City
 St. Regis Deer Crest Resort, Park City
 Sky Lodge, Park City
 Marriott Provo, Provo
 Residence Inn, Provo
 Seven Peaks Resort Hotel, Provo
 Hotel, Proposed, St. George
 Cavanaugh's Olympus Hotel, Salt Lake City
 Chase Suite SLC Downtown, Salt Lake City
 Courtyard Salt Lake City Airport, Salt Lake City
 Crystal Inn West Valley, Salt Lake City
 DoubleTree Suites by Hilton, Salt Lake City
 Hotel Monaco, Salt Lake City
 Marriott Hotel, Salt Lake City
 Red Lion Hotel, Salt Lake City
 Sheraton Hotel, Salt Lake City
 Shilo Inn, Salt Lake City
 WestCoast Hotel, Salt Lake City
 Woodfin Suites Hotel, Salt Lake City
 Zion Park Inn & Switchback Grill & Trading
 Company, Salt Lake City
 Hyatt House Salt Lake City Sandy, Sandy

Vermont

Hilton, Burlington
 Sheraton Burlington, Burlington
 Wyndham Burlington, Burlington

Virginia

Hawthorn Suites, Alexandria
 Howard Johnson's, Alexandria
 Crystal Gateway Marriott, Arlington
 Waterview Condominium Hotel, Arlington
 AmeriSuites, Arlington Heights
 Embassy Suites Crystal City, Arlington
 Hyatt Arlington, Arlington
 Homestead Studio Suites, Chantilly
 Wingate Inn Dulles Airport, Chantilly
 Hampton Inn & Suites Chesapeake Square
 Mall, Chesapeake
 TownePlace Suites, Chesapeake
 Hampton Inn Petersburg Southpark Mall,
 Colonial Heights
 Holiday Inn Petersburg North Fort Lee,
 Colonial Heights
 Holiday Inn Crowne Plaza, Crystal City
 Hilton Garden Inn, Fairfax
 Homestead Studio Suites, Fairfax
 Westin Tysons Corner, Falls Church
 Motel 6, Fredericksburg
 Homestead Studio Suites, Glen Allen
 Marriott Richmond West, Glen Allen
 SpringHill Suites, Glen Allen
 Fairfield Inn & Suites, Manassas
 Holiday Inn Express & Suites, Manassas
 Hilton Tyson's Corner, McLean
 Holiday Inn Express, Mechanicsville
 Omni International Hotel, Norfolk
 Homestead Studio Suites, Reston
 Embassy Suites, Richmond
 Extended-Stay Hotel, Proposed, Richmond
 Holiday Inn West End, Richmond

Comfort Inn, Springfield
 Hampton Inn, Springfield
 Candlewood Suites Hotel, Sterling
 Homestead Studio Suites, Sterling
 Sierra Suites, Proposed, Sterling
 Suburban Extended Stay, Sterling
 Marriott Hotel, Tyson's Corner
 Fairfield Inn, Virginia Beach
 Studios 4 Less Virginia Beach, Virginia Beach
 Residence Inn Tysons Corner Mall, Vienna

Washington

Red Lion Inn, Aberdeen
 *Iron Horse Casino, Auburn
 Best Western Bellevue Inn, Bellevue
 Candlewood Suites, Bellevue
 DoubleTree Bellevue Center, Bellevue
 Embassy Suites, Bellevue
 Full-Service Hotel, Proposed, Bellevue
 Hampton Inn, Bellevue
 La Quinta Inn, Bellevue
 Larkspur Landing Hotel, Bellevue
 Lincoln Square Hotel, Bellevue
 Marriott Hotel, Bellevue
 Palladium Center Project, Bellevue
 Red Lion Hotel Bellevue, Bellevue
 Red Lion Inn Bellevue Center, Bellevue
 Residence Inn, Bellevue
 Ritz-Carlton Hotel, Proposed, Bellevue
 Westin Hotel, Proposed, Bellevue
 Semi-ah-moo Resort, Blaine
 Sierra Suites Hotel, Proposed, Bellevue
 Full-Service Hotel, Proposed, Everett
 Motel 6, Issaquah
 Red Lion Inn, Kelso
 Red Lion Hotel Columbia Center, Kennewick
 Comfort Inn, Kent
 Fairfield Inn, Proposed, Lacey
 Proposed Hotel, Lakewood
 Embassy Suites, Lynnwood
 Residence Inn, Lynnwood
 Phoenix Inn, Olympia
 Red Lion Hotel, Olympia
 WestCoast Olympia Hotel, Olympia
 DoubleTree Hotel, Pasco
 Red Lion Hotel, Pasco
 Red Lion Inn, Pasco
 Red Lion Hotel, Port Angeles
 Marriott Hotel, Proposed, Redmond
 Residence Inn, Redmond
 Hilton Gardens Hotel, Redmond
 Hilton Garden Inn, Renton
 Larkspur Landing Hotel, Renton
 Best Western Tower Inn, Richland
 Red Lion Hotel Hanford House, Richland
 Red Lion Inn, Richland
 Shilo Inn, Richland
 Hampton Inn, Sea-Tac
 Holiday Inn Sea-Tac, Sea-Tac
 La Quinta Inn, Sea-Tac
 Red Lion Hotel, Sea-Tac
 Coast Gateway Hotel, Sea-Tac
 Alexis Hotel, Seattle
 Convention Hotel at Greyhound Site, Prop.
 Seattle
 Courtyard Hotel, Seattle

DoubleTree by Hilton Arctic Club Hotel, Seattle
 Doubletree Inn, Seattle
 Elliott Hotel, Seattle
 Embassy Suites Seattle/Tacoma, Seattle
 Extended-Stay Hotel, Proposed, Seattle
 Fairmont Olympic Hotel, Seattle
 Four Seasons Olympic Hotel, Seattle
 Four-Star Hotel, Proposed, Seattle
 Grand Hyatt Seattle, Seattle
 Hampton Inn, Seattle
 Holiday Inn Crowne Plaza, Seattle
 Holiday Inn Sea-Tac, Seattle
 Homewood Suites, Seattle
 Hotel 1000, Seattle
 Hotel Andra, Seattle
 Hotel First Street, Proposed, Seattle
 Hotel Max, Seattle
 Hotel Monaco, Seattle
 Hotel, Proposed, Seattle
 Hotel Vintage Plaza, Seattle
 Hyatt Hotel at Olive8, Proposed, Seattle
 Madison Hotel, Seattle
 Marriott Seattle Waterfront, Seattle
 Paramount Hotel, Seattle
 Red Lion Hotel, Seattle
 Renaissance Hotel, Seattle
 Roosevelt Hotel, Seattle
 Seattle Hotel, Proposed, Seattle
 Sheraton Hotel, Seattle
 Springhill Suites, Seattle
 W Hotel, Seattle
 WestCoast Grand Hotel on Fifth Avenue,
 Seattle
 WestCoast Paramount, Seattle
 WestCoast Vance Hotel, Seattle
 The Bay Silverdale Hotel, Silverdale
 Salish Lodge, Snoqualmie
 Courtyard by Marriott, Spokane
 DoubleTree Spokane City Center, Spokane
 Red Lion Hotel at the Park, Spokane
 Red Lion Inn, Spokane
 Residence Inn, Proposed, Spokane
 WestCoast Grand Hotel, Spokane
 WestCoast Ridpath Hotel, Spokane
 Shilo Inn, Spokane
 Red Lion Inn, Spokane Valley
 Skamania Lodge, Stevenson
 Hotel Monaco, Tacoma
 Hotel Premier, Tacoma
 La Quinta Inn, Tacoma
 Park Shore Inn, Tacoma
 Red Lion Inn, Tacoma
 Sheraton Hotel, Tacoma
 Shilo Inn Suites, Tacoma
 Winthrop Hotel, Tacoma
 Doubletree Suites, Tukwila
 Embassy Suites, Tukwila
 Residence Inn, Tukwila
 Hampton Inn, Tukwila
 Homewood Suites by Hilton, Tukwila
 Hotel, Proposed, University Place
 Phoenix Inn, Vancouver
 Red Lion Inn at the Quay, Vancouver
 Residence Inn, Vancouver
 Red Lion Inn, Wenatchee

PROPERTIES - CONTINUED

** Denotes Gaming Property*

WestCoast Wenatchee Center Hotel,
Wenatchee
Hotel, Proposed, Yakima
Red Lion Hotel Yakima Center, Yakima
Red Lion Inn, Yakima

West Virginia

Holiday Inn Charleston House, Charleston
Charles Town Entertainment Complex, Charles
Town
Holiday Inn Express, Falling Waters
Holiday Inn, Huntington
Days Inn, Martinsburg
Howard Johnson's, Wheeling

Wisconsin

Radisson Hotel, Appleton
Radisson Paper Valley Hotel, Appleton
Fairfield Inn, Auburn Hills
DoubleTree Hotel, Brookfield
Fairfield Inn, Brookfield
Milwaukee Marriott Hotel, Brookfield
Wyndham Garden Hotel, Brookfield
Radisson Inn, Farmington Hills
Various Locations, Frankenmuth
Hilton Garden Inn, Green Bay
Super 8 Motel, Jamesville
Super 8 Motel, Kenosha
Hilton Garden Inn Appleton/Kimberly,
Kimberly
Fairfield Inn, Madison
Hampton Inn & Suites Madison West, Madison
Homewood Suites Madison West, Madison
Sheraton Hotel, Madison
Fairfield Inn, Milwaukee
Hampton Inn, Proposed, Milwaukee
Holiday Inn-Airport, Milwaukee
Holiday Inn-West, Milwaukee
Hyatt Regency, Milwaukee
Kimpton Hotel, Proposed, Milwaukee
Renaissance ClubSport, Prop., Milwaukee
Wyndham Milwaukee Airport Hotel and
Convention Center, Milwaukee
Country Inn & Suites Marinette Hotel,
Miranette
Holiday Inn, Neenah
Hilton Garden Inn, Oshkosh
Downtown Convention Hotel, Racine
Fairfield Inn, Warren
Hampton Inn & Suites, Proposed, West Allis
Hotel, Proposed, West Allis

Wyoming

Days Inn, Casper
Shilo Inn, Casper
Flying L Skytel, Cody
Shilo Inn, Evansville
Amangani Resort, Jackson Hole
Four Seasons Resort Hotel, Condominiums,
and Fractionals, Jackson Hole
Granary Restaurant & Spring Creek Ranch,
Jackson Hole
Amerihost, Pinedale

TERRITORIES

Guam

Royal Palm Resort, Tumon
Hyatt Regency Hotel, Tumon Bay
Palace Hotel Guam, Tamuning
Hotel, Proposed, Tamuning

Puerto Rico

El San Juan Resort & Casino, a Hilton Hotel,
Carolina
Waldorf Astoria El Conquistador Resort,
Fajardo
Carib Inn, San Juan
Condado Plaza Hilton, San Juan

INTERNATIONAL

Aruba

*Prop. Hard Rock Hotel and Casino, Oranjestad
*Renaissance Aruba Resort & Casino and Retail
Mall, Oranjestad
*Marriott Aruba Resort & Stellaris Casino,
Palm Beach

Australia

Swissôtel Sydney on Market Street, Sydney

The Bahamas

Resort, Marina, and Villas, Prop., Eleuthera
*Coral Harbour Development, Prop., Nassau
Atlantis, Paradise Island
Baja Mar Resort, Paradise Island
One & Only Ocean Club Resort, Paradise Island
The Reef Atlantis, Paradise Island

Barbados

Fairmont Royal Pavilion, St. James
St. Barth Hotel, Proposed, Grand Cul de Sac, St.
Barthelemy

Bermuda

Fairmont Hamilton Princess, Hamilton
Fairmont Southampton Princess, Southampton
Reefs Resort & Fractionals, Southampton

Cambodia

Raffles Hotel Le Royal Phnom Penh, Phnom
Penh
Raffles Grand Hotel d'Angkor Siem Reap, Siem
Reap

Canada

Westin Calgary, Calgary, AB
119-Unit Hotel, Canmore, AB
Courtyard by Marriott, Edmonton, AB
Enoch Cree Entertainment Complex, Prop.,
Edmonton, AB
Sutton Place, Edmonton, AB
Westin Edmonton, Edmonton, AB
Fairmont Jasper Park Lodge, Jasper, AB
Fairmont Chateau Lake Louise, Lake Louise,
AB
Delta Vancouver Airport Hotel & Marina,
Richmond, BC
Fairmont Vancouver Airport, Vancouver, BC

Hotel Georgia, Vancouver, BC
Pacific Palisades Hotel, Vancouver, BC
Sutton Place Hotel, Vancouver, BC
Westin Bayshore Resort & Marina, Vancouver,
BC
Fairmont Chateau Whistler, Whistler, BC
Mountainside Lodge, Whistler, BC
Holiday Inn Airport West, Winnipeg, MB
Courtyard by Marriott, Markham, ON
Residence Inn by Marriott, Markham, ON
Fairfield Inn by Marriott, Markham, ON
Residence Inn by Marriott, Mississauga, ON
*Casino Niagara, Niagara, ON
Westin Ottawa, Ottawa, ON
Sutton Place Hotel & Apartments, Toronto, ON
Toronto Prince Hotel, Toronto, ON
Westin Bristol Place Toronto Airport, Toronto,
ON
Westin Harbour Castle, Toronto, ON
Courtyard by Marriott Toronto Vaughan,
Vaughan, ON
Fairmont Chateau Montebello, Montebello, QC
Fairmont Kenauk, Montebello, QC
Hyatt Regency Montreal, Montreal, QC
Le Chateau Frontenac, Quebec City, QC

Cayman Islands

Courtyard Hotel Grand Cayman, Grand Cayman
Marriott Grand Cayman, Grand Cayman
Treasure Island Resort, Grand Cayman
Westin Casuarina Resort & Spa, Grand Cayman

Chile

*Casino Hotel, Prop., San Francisco de
Mostazel

Costa Rica

Rip Jack Inn Hotel, Playa Grande, Guanacaste

Curacao

Hard Rock Hotel, Proposed Curacao
*Renaissance Curacao Resort & Casino,
Wilemstad

Fiji

Jean-Michele Cousteau Resort, Savusavu
Taunovo Bay Resort Hotel, Proposed, Taunovo
Bay

France

Le Mélézin Hotel, Courcheval 1850
Marriott Champs Elysée, Paris

Germany

Swissôtel, Berlin
Swissôtel, Dusseldorf
Fairmont Hotel Vier Jahreszeiten, Hamburg

Ireland

Proposed Mixed-Use Development, Tipperary

Japan

Swissôtel Nankai Osaka, Osaka

PROPERTIES - CONTINUED

** Denotes Gaming Property*

Macau, S.A.R., China

Altira Macau
 *City of Dreams Hotel & Casino, Prop. & Existing
 *Crown Macau Hotel & Casino
 *Grand Waldo Casino-Hotel
 *New Century Hotel & Casino, Macau
 *Sands Casino Macao
 Sands China Limited Parcels 5 & 6
 Studio City Macao
 Venetian Resort Macao, Proposed

Maldives

One & Only Reethi Rah Resort, Reethi Rah

Mauritius

One & Only Le Saint Geran Hotel

Mexico

Trump Ocean Resort, Prop., Rosarito Beach, BC
 Rancho La Puerta, Tecate, BC
 400-Room Hotel, Prop., Cabo San Lucas, BCS
 Capella Pedregal Resort, Prop., Cabo San Lucas, BCS
 Chileno Bay Development, Cabo San Lucas, BCS
 Hilton Los Cabos Beach & Golf Resort, San Jose del Cabo, BCS
 Hotel & Timeshare Development, Prop., Cabo San Lucas, BCS
 Esperanza Resort & Fractionals, Cabo San Lucas, BCS
 One&Only Palmilla, San Jose del Cabo, BCS
 Luxury Hotel Submarket, Los Cabos, BCS
 Las Hados Resort, Manzanillo, Colima
 Four Seasons Mexico D.F., Mexico City, DF
 Sheraton Centro Historico Hotel & Convention Center, Mexico City, DF
 Fairmont Acapulco Princess, Acapulco, Guerrero
 Fairmont Pierre Marques, Acapulco, Guerrero
 Barcelo La Jolla de Mismaloya, Puerto Vallarta, Jalisco
 Puerto Vallarta Casa Magna Marriott Resort, Puerto Vallarta, Jalisco
 Four Seasons Resort Punta Mita, Bahia de Banderas, Nayarit

Cancun Casa Magna Marriott Resort, Cancun, QR
 Hilton Cancun Beach & Golf Resort, Cancun, QR
 Sandos Cancun Luxury Experience Resort & Spa, Cancun, QR

Netherlands

Swissôtel Amsterdam, Amsterdam

Panama

*Convention-Oriented Hotel and Casino, Proposed, Panama City

Russia

*Casino Component Proposed Resort, Moscow

Singapore

Marina Bay Sands Development, Marina Bay
 Raffles Hotel Singapore
 Raffles The Plaza Singapore
 Swissôtel Merchant Court Singapore
 Swissôtel The Stamford Singapore

Spain

Proposed LVS Spain Development Project

Sri Lanka

Proposed Lost City of Shanhalala

Switzerland

Swissôtel Le Plaza Basel, Le Basel
 Raffles Le Montreaux Palace, Montreal
 Swissôtel Zurich, Zurich

United Arab Emirates

Atlantis The Palm, Dubai

Virgin Islands

Pond Bay Saint John, Saint John

West Indies

Grand Princess Entertainment Center, Jolly Harbour, Antigua
 Four Seasons Resort, Nevis

VARIOUS

Anglo-Irish Hotel Portfolio, Various Locations
 ARC Hotel Portfolio, Various Locations
 Ashford Hospitality Assets, Various Locations
 Barclays Portfolio, Various Locations
 Chelsea Portfolio, Various Location
 Clarion Portfolio, Various Locations
 Competitive Luxury Hotel Performance, Los Angeles
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