EXECUTION VERSION

PURCHASE AND SALE AGREEMENT

BY AND AMONG

CINEMA DRIVE HOTEL ASSOCIATES, LLC,
a North Carolina limited liability company

STATESVILLE 77 HOTEL ASSOCIATES, LLC,
a North Carolina limited liability company

WEST MELBOURNE HOTEL ASSOCIATES, LLC,
a Florida limited liability company

SPACE COAST HOTEL ASSOCIATES, LLC,
a Florida limited liability company

and

AMERICAN HOTEL INCOME PROPERTIES REIT INC.,
a Maryland corporation

Dated: September 8, 2014

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of the Effective Date by and among Cinema Drive Hotel Associates, LLC, a North Carolina limited liability company ("Courtyard Statesville Seller"); Statesville 77 Hotel Associates, LLC, a North Carolina limited liability company ("Hampton Inn Statesville Seller"); West Melbourne Hotel Associates, LLC, a Florida limited liability company ("Fairfield Melbourne Seller"); and Space Coast Hotel Associates, LLC, a Florida limited liability company ("Fairfield Kennedy Space Center Seller" and together with the Courtyard Statesville Seller, the Hampton Inn Statesville Seller and the Fairfield Melbourne Seller, the "Sellers" and each individually a "Seller"), and American Hotel Income Properties REIT Inc., a Maryland corporation (the "Purchaser").

RECITALS

A. Courtyard Statesville Seller is the fee simple owner of real property located at 1530 Cinema Drive, Statesville, North Carolina 28625 and the Improvements located thereon (the "Courtyard Statesville");

B. Hampton Inn Statesville Seller is the fee simple owner of real property located at 1508 Cinema Drive, Statesville, North Carolina 28625 and the Improvements located thereon (the "Hampton Inn Statesville");

C. Fairfield Melbourne Seller is the fee simple owner of real property located at 4355 West New Haven Avenue, Melbourne, Florida 32904 and the Improvements located thereon (the "Fairfield Inn & Suites Melbourne");

D. Fairfield Kennedy Space Center Seller is the fee simple owner of real property located at 4735 Helen Hauser Blvd, Titusville, Florida 32780 and the Improvements located thereon (the "Fairfield Inn & Suites Kennedy Space Center", and together with the Courtyard Statesville, the Hampton Inn Statesville and the Fairfield Inn & Suites Melbourne, the "Hotels");

E. If Purchaser is satisfied with the Hotels following the Inspection Period, Purchaser would be desirous of purchasing the Hotels from Sellers, and each Seller would each be desirous of selling its respective Hotel to Purchaser, for the Purchase Price and upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. DEFINITIONS; SALE AND PURCHASE; INSPECTION PERIOD

1.1 Definitions

Defined terms in this Agreement shall have the meanings given to them in Annex A hereto.

1.2 Meaning of Certain References

For greater clarity:

(a) where the terms "Property", "Real Property" or "Hotel" are used in relation to any Seller in this Agreement, such terms shall be interpreted to refer to the Property, the Real Property or the Hotel, as applicable, owned by such Seller;

(b) where the term "Business" is used in relation to any Seller in this Agreement, such term shall be interpreted to refer to the Business of the Hotel owned by such Seller; and

(c) where the term "Purchase Price" is used in relation to any Seller in this Agreement, such term shall be interpreted to mean the purchase price for the applicable Hotel determined in accordance with Section 2.1, as increased or decreased by the prorations and adjustments provided for in Section 7.2 of this Agreement.

1.3 Sale and Purchase

(a) Based on the representations and warranties contained in this Agreement and subject to the terms and conditions set forth in this Agreement, Sellers agree to sell, convey, assign, transfer and deliver the Property to Purchaser or its designees, and Purchaser agrees to acquire (or cause its designees to acquire) the Property from Sellers, free and clear of all Encumbrances other than the Permitted Exceptions. Without prejudice to Section 5.6, default by one Seller shall not constitute a default by any of the other Sellers.

(b) The Excluded Liabilities shall remain the sole responsibility of, and shall be retained, paid, performed and discharged by, Sellers. "Excluded Liabilities" shall mean with respect to each Seller all Liabilities of such Seller (other than those Liabilities of such Seller that are expressly required to be assumed by Purchaser pursuant to the terms of this Agreement) including, without limitation, the following:

(i) any Liability relating to the Property or the operation of the Business prior to the Cut-Off Time;

(ii) any Liability under any Hotel Contract assumed by Purchaser pursuant to Section 1.4(g) that exists as of the Closing Date or that arises after the Closing Date but that, in each case, arises out of or relates to any breach of, or failure to perform or comply with, any covenant or obligation in such Hotel Contract before the Closing Date, or any event which with the passing of time or the giving of notice, or both, would constitute such a breach of or failure under the terms of such Hotel Contract;

(iii) any Liability for Taxes, including without limitation (A) any Taxes arising as a result of such Seller's operation of the Business or ownership of the Property prior to the Closing Date and (B) any Taxes attributable to such Seller that will arise as a result of the sale, conveyance, assignment, transfer or delivery of the Property pursuant to this Agreement (except where the payment of such Taxes are customarily or by applicable law the obligation or responsibility of Purchaser);

(iv) any Liability arising out of such Seller's operation or ownership of the Hotel prior to the Closing Date, including pursuant to any Environmental Protection Laws;

(v) any (A) Liability under any Employee Benefit Plans or (B) other Hotel Employee-related Liabilities arising out of, or relating to, any period prior to the Closing Date;

(vi) any Liability to any shareholder of such Seller or any Affiliate or Related Party thereof;

(vii) any Liability for Indebtedness;

(viii) any Liability to indemnify, reimburse or advance amounts to any officer, director, employee or agent of such Seller with respect to matters arising prior to the Closing Date;

(ix) any Liability arising out of any legal proceeding or claim arising out of, or relating to, any period prior to the Closing Date, including without limitation each of the matters set forth on Exhibit "F" or Exhibit "P"; and

(x) any Liability arising out of or resulting from such Seller's non-compliance with any applicable Law or Permit prior to the Closing Date.

1.4 Inspection Period; Access; Review of Materials

(a) Purchaser shall have until 6:00 p.m. Eastern Time on the date forty-five (45) days following the Effective Date (the "Inspection Period") to

evaluate the Property, including legal, title and survey matters; physical, structural, mechanical and environmental condition; economic performance and prospects; franchise status; and such other matters as Purchaser deems appropriate. Notwithstanding the foregoing, provided that Purchaser has submitted its franchise applications to the Franchisors, Purchaser may extend the Inspection Period for an additional fifteen (15) day period, as necessary, by written notice to Sellers delivered prior to the end of the Inspection Period, for the purpose of completing its due diligence review and obtaining Franchise Approvals from the Franchisors.

(b) Within ten (10) Business Days following the Effective Date, Sellers shall make available for Purchaser's review (including review by Purchaser's attorneys, accountants and consultants), all relevant documentation and information in their actual possession pertaining to the Hotels or the Businesses and Property (collectively, the "Diligence Materials"). The Diligence Materials will include, without limitation, any and all documentation and information that is responsive to the requests mutually agreed upon and set forth in Exhibit "L" in their possession or obtainable using reasonably commercial efforts and in no event will Sellers be required to expend any money to provide or obtain such Diligence Materials. For the avoidance of doubt, if Sellers do not have or are not aware of any Diligence Materials that are responsive to a request in Exhibit "L", a response of "none" will be deemed sufficient for the purposes of this Agreement. Each Seller shall have the right to amend and supplement the Diligence Materials as necessary to make them complete and accurate prior to the completion of the Inspection Period; provided, however, that if any Diligence Materials are amended or supplemented within three (3) Business Days prior to the end of the Inspection Period, the Inspection Period shall be deemed to be automatically extended by three (3) Business Days unless such extension is expressly waived by Purchaser.

(c) During the Inspection Period, each Seller shall promptly provide or make available to Purchaser such additional information relating to the Property and the Businesses in such Seller's possession or control as Purchaser may reasonably request. During the Inspection Period, Purchaser may, subject to the rights of any tenants and guests of the Hotels and the limitations set forth below, perform such physical inspections (including, without limitation, environmental site assessments), surveys and studies, and review such other matters related to the Hotels (including, without limitation, the Hotel Contracts, the property improvement plan reports provided by the Franchisors, the Environmental Reports, the Space Leases, the Permits, and the Books and Records), as Purchaser deems reasonably necessary for its review of the Property (collectively the "Inspections and Studies"). In connection with the Inspections and Studies: (i) Purchaser shall have the right, at its sole risk, responsibility, cost and expense, to enter upon the Hotel properties at pre-arranged times

and with at least twenty four (24) hours advance notice to the Seller's representative (who, until changed in writing by Seller shall be Clancy Cipkala) for the purpose of conducting such Inspections and Studies; (ii) Purchaser and its agents, contractors and consultants shall not perform any drilling, coring or other invasive testing or sampling, without prior notice and approval of the applicable Seller, which approval shall not be unreasonably withheld; (iii) each Seller agrees to authorize any such reasonable testing or sampling as is recommended by any third-party professional engaged by Purchaser to provide an environmental or engineering report regarding the condition of any area or portion of the Property or Improvements; and (iv) the Inspections and Studies shall not unreasonably interfere with any of the Businesses.

(d) Prior to conducting any on site physical inspection of the Property, other than visual examinations, Purchaser shall obtain or shall cause its building condition and environmental consultants to obtain, and during the period of such inspection or testing shall maintain, at its expense, commercial general liability insurance, including a contractual liability endorsement, and personal injury liability coverage, with the applicable Seller(s) as an additional insured, which insurance policies must have limits for bodily injury and death of not less than US$2,000,000 for any one occurrence and not less than US$2,000,000 for property damage liability for any one occurrence.

(e) Purchaser may elect on or before the expiration of the Inspection Period, for any reason whatsoever or for no reason, in its sole and absolute discretion, not to proceed with the transaction contemplated by this Agreement by providing Sellers with written notice of its determination to terminate this Agreement. If Purchaser delivers written notice to Sellers and Escrow Agent of its election to waive its right to terminate this Agreement, Purchaser shall be deemed to have elected to proceed to Closing in accordance with the terms of this Agreement. If Purchaser does not deliver such written notice to Sellers and Escrow Agent on or before expiration of the Inspection Period, this Agreement shall be deemed to be terminated. In the event of a termination by Purchaser under this Section 1.4(e) prior to the expiration of the Inspection Period, (i) the Escrow Agent shall promptly release and return the Earnest Money to Purchaser (except One Hundred Dollars (US$100.00), which shall be paid to Sellers as consideration for this Agreement) and (ii) each party shall continue to be obligated under the indemnity and other provisions in the Agreement that survive termination, including, without limitation, those set forth in Section 1.4 (Inspection Period), Article 6 (Remedies), Section 7.6 (Real Estate Commissions), Article 9 (Indemnification) and Section 10.10 (Confidentiality).

(f) If Purchaser does not acquire the Property for any reason whatsoever, Purchaser shall deliver to Sellers promptly and at no cost to Sellers all

materials and documents previously obtained by Purchaser from Sellers that have not been destroyed by Purchaser. Purchaser agrees that the information contained in the aforesaid documents shall be deemed Confidential Information subject to the terms and conditions set forth in Section 10.10 of this Agreement.

(g) Purchaser may notify the applicable Seller(s) prior to expiration of the Inspection Period of any Hotel Contracts which may be terminated without penalty to the Sellers that Purchaser requires the applicable Seller(s) to terminate on or before Closing (the "Disapproved Hotel Contracts"). If Purchaser does not terminate this Agreement in accordance with Section 1.4(e), then Purchaser agrees at Closing to purchase the Property and to assume all of the Hotel Contracts (other than Disapproved Hotel Contracts) and Space Leases, and to assume and honor all of the Bookings; provided, however, that Purchaser shall only be responsible to assume such Hotel Contracts and Space Leases to the extent they are assignable and are fully reflected as operating expenses in the operating statements and budgets for the Property disclosed by Sellers to Purchaser. Purchaser and Sellers shall cooperate at no expense to Sellers in obtaining the consent to the transfer of any Hotel Contract that requires such consent. If any such consent cannot be obtained, Purchaser shall have no obligation to assume the applicable Hotel Contract and the applicable Seller(s) shall terminate the applicable Hotel Contract as of the Closing Date, if Sellers may do so at no expense to Sellers. If consent to the assignment of such Hotel Contract(s) cannot be obtained or the Hotel Contract cannot be terminated at no expense to Sellers, Sellers shall not be in default, Purchaser may waive its request for assignment and, if such waiver is not given, either party may terminate this Agreement prior to the expiration of the Inspection Period. If any Hotel Contract is subject to any lease, purchase or payment arrangement for which payments are not reflected as operating expenses in the operating statements and budgets for the Property disclosed by Sellers to Purchaser, the applicable Seller(s) shall assign and Purchaser shall assume such Hotel Contracts (except for any Disapproved Hotel Contracts) free and clear of all liens, Encumbrances and payment obligations, or an equivalent substitute shall be provided by the applicable Seller(s) to Purchaser at Sellers' cost at Closing.

(h) Sellers shall, at their cost, provide Purchaser with reviewed financial statements for each Hotel for the years ended December 31, 2012 and 2013 and reviewed interim financial statements for the quarters ended March 31, 2014 and June 30, 2014. Purchaser, together with its accountants and auditors, shall at no expense to Seller have the right to inspect and perform a review or audit of the books and records for each Hotel for such periods and through to the last month-end preceding the Closing Date.

2. CONSIDERATION

2.1 Purchase Price

Aggregate Purchase Price. The parties have agreed that the aggregate consideration payable by Purchaser for all of the Hotels shall be an amount of US$41,000,000 (the "Aggregate Purchase Price"). Sellers have provided an allocation of the Aggregate Purchase Price among the Hotels, as set forth below:

During the Inspection Period, Purchaser shall obtain appraisals for the Hotels from Cushman & Wakefield or another independent third party appraiser (the "Independent Appraisals"). In the event of a material difference between the Independent Appraisals and the Sellers' proposed allocations set forth above, the parties will undertake to reach a mutually agreeable allocation among the Hotels during the Inspection Period. For the purposes of this Agreement, "Purchase Price" shall mean the purchase price for the applicable Hotel determined in accordance with the foregoing. "Purchase Price Ratio" shall be the Purchase Price for each Hotel divided by the Aggregate Purchase Price.

2.2 Payment

The Aggregate Purchase Price shall be paid by Purchaser as follows:

(a) Initial Earnest Money. Within one (1) Business Day following the Effective Date, Purchaser shall deposit with the Escrow Agent an amount equal to 1% of the Aggregate Purchase Price (US$410,000) as an initial earnest money deposit in relation to the purchase of the Hotels (the "Initial Earnest Money"). The portion of the Initial Earnest Money allocated to each Hotel shall be adjusted *pro rata* at Closing to reflect the Purchase Price Ratio for such Hotel pursuant to Section 2.1.

(b) Additional Earnest Money. If Purchaser elects to proceed to Closing in accordance with Section 1.4(e), then within one (1) Business Day following the expiration of the Inspection Period, Purchaser shall deposit with the Escrow Agent an amount equal to 1% of the Aggregate Purchase Price (US$410,000) as an additional earnest money deposit (the "Additional Earnest Money"). The portion of the Additional Earnest Money allocated to each Hotel shall be adjusted *pro rata* at Closing to reflect the Purchase Price Ratio for such Hotel pursuant to Section 2.1.

The Initial Earnest Money and the Additional Earnest Money shall be collectively referred to herein as the "Earnest Money."

(c) Cash Payment at Closing. On or before the Closing, Purchaser agrees to deposit with the Escrow Agent the balance of the Aggregate Purchase Price less the Earnest Money (and interest thereon held in escrow).

(d) Holdback Amount. At Closing, the Escrow Agent shall withhold from the Aggregate Purchase Price a holdback in the amount of (the "Holdback Amount"). The Holdback Amount shall be held in an escrow account (the "Holdback Escrow Account") by the Escrow Agent in accordance with the terms of an escrow agreement entered into by Purchaser, Sellers and Escrow Agent substantially in the form attached hereto as Exhibit "S" (the "Holdback Escrow Agreement"). Each of the Holdback Amount shall be used solely and exclusively to satisfy any obligations of Sellers with respect to a material fraud or breach of warranty with respect to a particular Hotel (and only for that Hotel) or any other obligations of Sellers pursuant to Section 9.1. For further clarity, Purchaser's right to set-off against the Holdback Amount under this Agreement shall be limited to of the Holdback Amount to any particular Hotel.

(e) Payment of Holdback Amount. Payment to Sellers in respect of the Holdback Amount shall be made 50% on the date six (6) months following the Closing Date and 50% on the date nine (9) months following the Closing Date (or the immediately following Business Day if such date is not a Business Day, in each case). Notwithstanding anything to the contrary set forth in this Section 2.2(e), the release or reimbursement of any amount to Sellers under this Agreement following the Closing Date shall be subject to the retention of amounts for pending claims in accordance with Article 9 hereof and the terms and conditions of the Holdback Escrow Agreement until such claims, if any, are resolved; provided further, that notwithstanding anything to the contrary in this Agreement, it is understood and agreed that upon resolution of any claims of Purchaser pursuant to Article 9 of this Agreement in favor of Seller or Sellers, any such amounts that would otherwise have been or are due and payable under this Section 2.2(e) but for such claims of Purchaser shall be immediately paid to Seller or Sellers, as applicable, in cash in accordance with the Holdback Escrow Agreement.

(f) Manner of Payment. All payments that Purchaser is required to make at or prior to Closing under Section 2.1 and Section 2.2 shall be made by wire transfer of immediately available funds to the account of Escrow Agent. Any payments to be made to Sellers from the Holdback Escrow Account in respect of the Holdback Amount shall be made in the form of cash.

2.3 Earnest Money

(a) Disposition of Earnest Money. The Earnest Money shall be delivered to and held by Escrow Agent in escrow pursuant to the terms of this Agreement in a federally insured interest-bearing account that is subject to immediate withdrawal. Escrow Agent shall hold the same as Earnest Money under this Agreement. If the Closing occurs in accordance with the terms and provisions of this Agreement, the Earnest Money (including all interest) shall be paid to Sellers and credited against the Aggregate Purchase Price in accordance with Section 2.2(c). If the Closing does not occur, the Earnest Money shall be held and delivered as provided in this Agreement, including for further clarity:

(i) In the event of the termination of this Agreement by Sellers pursuant to Section 5.7(a) or 5.7(b) or 6.1 hereof, other than as a consequence of a Seller default, the Escrow Agent shall promptly release the Earnest Money to Sellers; and

(ii) In the event of the termination of this Agreement by Purchaser pursuant to Section 1.4(e), 3.1(a)(ii), 4.1(a), 5.3(b), 5.6, 6.2(b), 7.1, or 8.1 hereof, or by Sellers pursuant to Section 7.1 hereof, the Escrow Agent shall promptly release the Earnest Money to Purchaser.

(b) Non-Refundable Nature of Earnest Money. Sellers and Purchaser acknowledge and agree that if Purchaser elects to proceed with the transaction contemplated by this Agreement as set forth in Section 1.4(e), the Earnest Money will be deemed earned by Sellers and non-refundable to Purchaser except as specifically set forth herein.

2.4 Allocation

Prior to the expiration of the Inspection Period, the parties will allocate the Purchase Price for each Hotel between the Real Property and the remaining Property based on Sellers' proposed valuations (subject to the adjustment mechanism set forth in Section 2.1). Purchaser and each Seller agree to file federal, state and local Tax returns and any other documents required by Law, including, without limitation, IRS Form 8594 – Asset Acquisition Statement, with such allocations as are agreed by the parties.

2.5 Tax Clearance Certificates

Prior to expiration of the Inspection Period, each Seller shall use commercially reasonable efforts to obtain current Tax clearance certificates for such Seller from the applicable state and local Governmental Authorities and shall promptly deliver such certificates to Purchaser after receiving same.

2.6 Establishment of Escrow; Escrow Instructions

Immediately upon execution of this Agreement by the parties hereto, Purchaser will deliver a fully executed copy of this Agreement to Escrow Agent. An escrow for this transaction shall be established with Escrow Agent, and Escrow Agent shall be engaged to administer such escrow. This Agreement constitutes escrow instructions to the Escrow Agent in respect of the Earnest Money. Should Escrow Agent require the execution of its standard form printed escrow instructions, Purchaser and each Seller agree to execute same; however, such instructions shall be construed as applying only to Escrow Agent's engagement, and if there are conflicts between the terms of this Agreement and the terms of the printed escrow instructions, the terms of this Agreement shall control.

2.7 Acceptance; Escrow Agent Not a Party

By accepting this escrow, Escrow Agent agrees to be bound by the terms of this Agreement as they relate to the duties of Escrow Agent in respect of the Earnest Money. However, such agreement does not constitute Escrow Agent as a party to this Agreement and no consent or approval from Escrow Agent shall be required to amend, extend, supplement, cancel or otherwise modify this Agreement except to the extent any such action increases the duties of Escrow Agent or exposes Escrow Agent to increased liability, in which case such action shall not be binding on Escrow Agent unless Escrow Agent has consented to the same in writing.

2.8 Cancellation Charges

If the transaction contemplated herein fails to close because of the default of one or more of the Sellers, Sellers shall be liable for all customary escrow cancellation charges. If the transaction contemplated herein fails to close because of Purchaser's default, Purchaser shall be liable for all customary escrow cancellation charges. If the transaction contemplated herein fails to close for any other reason, Sellers and Purchaser shall each be liable for one-half of all customary escrow cancellation charges.

2.9 IRS Reporting

Escrow Agent agrees to be the designated "reporting person" under Section 6045(e) of the U.S. Internal Revenue Code of 1986 as amended (the "Code") with respect to the real estate transaction described in this Agreement and to prepare, file and deliver such information, returns and statements as the U.S. Treasury Department may require by regulations or forms in connection with such requirements, including Form 1099-B.

3. SURVEY

3.1 Survey

(a) On or before five (5) business days after the Effective Date, Sellers shall deliver to Purchaser and its counsel a copy of each Seller's most recent plats and surveys, if any, in respect of such Seller's Hotel in Sellers' actual possession (the "Existing Surveys").

(i) As soon as reasonably practicable following the Effective Date, Purchaser, at Purchaser's expense, shall cause the Existing Surveys to be (A) re-certified as ALTA surveys ("Updated Surveys") to such Seller, Purchaser and to Purchaser's lender, if applicable, in such form as is reasonably required by Purchaser, and (B) updated or otherwise modified as reasonably required by Purchaser and so as to be sufficient to allow First American Title Insurance Company (the "Title Company") to issue at the Closing ALTA extended coverage owner's policies of title insurance in favor of Purchaser covering the Property (the "Title Policies") and, if applicable, ALTA mortgagee policies of title insurance in favor of Purchaser's lender, in each case with the survey exception modified to reflect all survey and title matters reflected on the Updated Surveys.

(ii) Purchaser shall, on or before the expiration of twenty (20) days following the later date of receipt by Purchaser of the Updated Surveys, or receipt by Purchaser of all the Title Commitments (the "Objection Period"), object in writing to any matters shown on the Updated Surveys. Purchaser shall notify Sellers and Escrow Agent of any objections to matters shown on the Updated Surveys prior to expiration of the Objection Period, and if Purchaser so objects, then Sellers shall have the right, but not the obligation, to cure such objections or agree and acknowledge in writing that such objections will be cured prior to or upon Closing. Sellers shall have until 5:00 p.m. Eastern Time on the date which is ten (10) Business Days after the Objection Period (the "Cure Date") to cure such objections or agree and acknowledge in writing that such objections will be cured prior to or upon Closing. If Sellers timely cure or commit in writing to cure such objections, then the Updated Surveys shall be deemed conditionally approved subject to Seller(s) completing the cure. If Sellers do not timely cure or commit in writing to cure such objections prior to the Cure Date in a manner satisfactory to Purchaser in its sole discretion, then Purchaser shall, on or before five (5) Business Days after the Cure Date, either (A) terminate this Agreement by delivering to Sellers a written notice of termination, whereupon Escrow Agent shall disburse the Earnest Money (less US$100.00) to Purchaser, or (B) waive the objections that Sellers have not cured or committed to cure; provided, however, that Purchaser's failure to deliver to Sellers and Escrow Agent a written notice of waiver with such five (5) Business Day period shall be deemed to constitute Purchaser's election not to terminate this Agreement.

4. TITLE INSURANCE

4.1 Title Commitments

(a) Within five (5) business days following the Effective Date, Sellers will deliver to Purchaser (or cause to be delivered to Purchaser) any existing title policies in Seller's actual possession for the Hotels. Within twenty (20) days after receipt of the existing policies, Purchaser shall cause title commitments to be issued by the Title Company providing for issuance by the Title Company of the Title Policies in respect of the Property (collectively, the "Title Commitments"). Purchaser shall, on or before the expiration of the Objection Period, object or approve in writing to any matters shown in any Title Commitment to which it wishes to object or approve; provided, however, that a failure by Purchaser to object to or approve of any such matters within the Objection Period shall be deemed to constitute Purchaser's approval of same. If Purchaser timely objects to any item set forth in any Title Commitment, then Sellers shall have the right, but not the obligation, to cure such objections or agree and acknowledge in writing that such objections will be cured prior to or upon Closing. Sellers shall have until 5:00 p.m. Eastern Time on the Cure Date the right but not the obligation to cure such objections or agree and acknowledge in writing that such objections will be cured prior to or upon Closing. If Sellers timely cure or commit in writing to cure such objections, then the Title Commitments shall be deemed conditionally approved (subject to the curing the applicable objections), and all other approved exceptions therein shall then become Permitted Exceptions. If Sellers do not timely cure such objections prior to the Cure Date in a manner satisfactory to Purchaser in its reasonable discretion, then Purchaser shall, on or before five (5) Business Days after the Cure Date, either (i) undertake to have such items cured itself, at the sole cost of Purchaser, (ii) terminate this Agreement by delivering to Sellers a written notice of termination, whereupon Escrow Agent shall disburse the Earnest Money less US$100.00 to Purchaser, or (iii) waive its objection to the disapproved items that Sellers have not cured or committed to cure, which shall then become Permitted Exceptions. Purchaser's failure to timely provide Sellers and Escrow Agent with a written notice of waiver shall be deemed to constitute Purchaser's election not to terminate this Agreement.

(b) Purchaser shall have five (5) Business Days after receipt of any updates to any Title Commitment (including receipt of any documents referenced in such update) to object to or approve any matters disclosed therein which were not disclosed in the original Title Commitment, and the procedure for objecting and approving such matters and Purchaser's right to terminate this Agreement, if applicable, shall be as set forth in Section 4.1(a) except that the "Objection Period" shall mean the five (5) Business Day period referred to in this clause (b).

5. REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS PRECEDENT

5.1 Seller Representations and Warranties

Each Seller represents and warrants to Purchaser, as of the Effective Date and the Closing Date, that:

(a) Status and Authority.

(i) By and in respect of Courtyard Statesville Seller only, Courtyard Statesville Seller is a limited liability company duly formed, validly existing and in good standing in the State of North Carolina and has the legal power, right and authority to enter into this Agreement and, upon receipt of limited liability resolutions will have at Closing, the instruments referenced herein, and to consummate the transaction contemplated hereby. Seller is duly qualified, licensed and registered to do business and to own, lease and operate its properties and assets;

(ii) By and in respect of Hampton Inn Statesville Seller only, Hampton Inn Statesville Seller is a limited liability company duly formed, validly existing and in good standing in the State of North Carolina and has the legal power, right and authority to enter into this Agreement and, upon receipt of limited liability resolutions will have at Closing, the instruments referenced herein, and to consummate the transaction contemplated hereby. Seller is duly qualified, licensed and registered to do business and to own, lease and operate its properties and assets;

(iii) By and in respect of Fairfield Melbourne Seller only, Fairfield Melbourne Seller is a limited liability company duly formed, validly existing and in good standing in the State of Florida and has the legal power, right and authority to enter into this Agreement and, upon receipt of limited liability resolutions will have at Closing, the instruments referenced herein, and to consummate the transaction contemplated hereby. Seller is duly qualified, licensed and registered to do business and to own, lease and operate its properties and assets; or

(iv) By and in respect of Fairfield Kennedy Space Center Seller only, Fairfield Kennedy Space Center Seller is a limited liability company duly formed, validly existing and in good standing in the State of Florida and has the legal power, right and authority to enter into this Agreement and, upon receipt of limited liability resolutions will have at Closing, the instruments referenced herein, and to consummate the transaction contemplated hereby. Seller is

duly qualified, licensed and registered to do business and to own, lease and operate its properties and assets.

(b) Due Authorization. The execution and delivery of this Agreement has been duly authorized by all necessary limited liability company on the part of Sellers (including all applicable action on the part of the members or managers thereof). This Agreement (including any ancillary documents entered into in connection with this Agreement) has been duly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller enforceable in accordance with its terms.

(c) No Conflicts. Neither the execution and delivery of this Agreement nor the completion and performance of the transactions and obligations contemplated by or contained in this Agreement shall, directly or indirectly (with or without notice or lapse of time) result in:

(i) a violation or breach of any provision of or constitute a default (or an event that with notice or lapse of time or both would become a default), or give to any Person the right to remove or take possession of any of the Property or any rights of termination, amendment, acceleration or cancellation, of or under (A) the charter or other organizational documents of Seller, (B) applicable Law or (C) to Seller's knowledge, any of the Permits, Contracts or Spaces Leases relating to the Property, except to the extent that a violation, breach of default under clause (B) or (C) would not have a material adverse effect on the Business or Seller's ability to consummate the transaction described in this Agreement; or

(ii) Subject to the Permitted Exceptions, the creation or imposition of any Encumbrance on the Property or any portion thereof.

(d) Solvency. Seller is not insolvent, and has not, to Seller's knowledge: (i) committed an act of bankruptcy; (ii) proposed a compromise or arrangement to its creditors generally; (iii) had any petition for a receiving order in bankruptcy filed against it; (iv) taken any proceeding with respect to a compromise or arrangement to creditors generally; (v) taken any proceeding to have itself declared bankrupt or wound-up; (vi) taken any proceeding to have a receiver appointed over any part of its assets; (vii) had any encumbrancer take possession of any of its assets; or (viii) had any execution or distress become enforceable or become levied upon any of its assets, and none of the foregoing actions are contemplated or have been threatened. The completion of the transactions contemplated by this Agreement will not render Seller insolvent. As used in this paragraph, "insolvent" means that the sum of the debts and other probable liabilities of Seller exceed the present fair saleable value of the assets of Seller.

(e) Possession of Real Property. Subject to the Permitted Exceptions, Seller is in full, complete and exclusive possession of the Real Property. To Seller's knowledge, there are no real property leases, licenses, tenancy or occupancy arrangements (other than the Space Leases, provision of Hotel rooms and related facilities to Hotel guests in the Ordinary Course of Business or as otherwise disclosed in Exhibit "B") which relate to the Business, the Hotel or any part of the Real Property. To Seller's knowledge, there are no Space Leases affecting all or any portion of the Property except as set forth in Exhibit "B" to this Agreement. True and complete copies of the Space Leases (including all amendments), to the extent in Seller's actual possession, have been provided to Purchaser or will be provided to Purchaser no later than ten (10) Business Days after the Effective Date. To Seller's knowledge, all of the Space Leases described in Exhibit "B" are in full force and effect, and there are no material defaults by any party thereunder except as disclosed in Exhibit "B". There are no outstanding obligations for commissions, tenant improvements or other tenant concessions with respect to the Space Leases except as disclosed in Exhibit "B".

(f) Contracts. To Seller's knowledge, having confirmed with the General Manager of the Hotel, there are no Contracts with respect to or relating to the Property except as set forth in Exhibit "C" to this Agreement. To Seller's knowledge, all of the Contracts described in Exhibit "C" are in full force and effect, and there are no defaults by any party thereunder except as disclosed in Exhibit "C".

(g) Management and Franchise Agreements. There are no existing management agreements or franchise agreements relating to the Hotel other than as described in Exhibit "C", each of which shall be terminated at Closing. To Seller's knowledge, except as set forth in Exhibit "V", since January 1, 2014 neither Clancy Cipkala nor Sam Agee has received any written notice from the Franchisors of any new franchise to be developed by Seller or any other Person, other than the Hotels, under any of the Franchisors' brands, within a five (5) mile radius of any of the Hotels. Except as set forth in Exhibit "N", to Seller's knowledge there has not been any correspondence between Seller and either of the Franchisors since January 1, 2014 on any matter relating to actual or alleged non-compliance with the Franchise Agreements, or on any other matter that would be reasonably likely to adversely affect the operations or prospects of the Property or the Business. If any Franchisor fails to permit termination of any Franchise Agreement, then Closing will be extended until a date not later than the Long-Stop Date. If the termination of the applicable Franchise Agreement is not available then either party may terminate this Agreement at the Long-Stop Date without penalty.

(h) Permits. Except as otherwise disclosed to Purchaser on Exhibit "D", to Seller's knowledge Seller has not received any written notice of any

uncured violations of any Permit, and to Seller's knowledge, all of the Permits described in Exhibit "D" are in full force and effect. No notice of breach or default or defect in respect of any of the terms of any such Permit has been received by Seller. To Seller's knowledge, no proceeding is in progress to Seller's knowledge to revoke, amend, limit or refuse renewal of any such Permit.

(i) No Violations. Except as otherwise disclosed to Purchaser on Exhibit "E" to this Agreement, Seller has not received any written notice of material uncured violations (or investigation of potential violation) of laws, ordinances, orders or regulations (collectively, "Laws") of governmental or quasi-governmental authorities with respect to the Property, nor, to Seller's knowledge having confirmed with the General Manager of the Hotel, has Seller received any written notice of any uncured violation of any CC&Rs.

(j) Presence of Hazardous Substances. To Seller's knowledge, other than (i) Hazardous Substances used in the ordinary course of maintaining, operating and cleaning the Hotel in commercially reasonable amounts and in accordance with all Hazardous Waste Laws, (ii) Hazardous Substances used as fuels, lubricants or otherwise in connection with vehicles, machinery and equipment in commercially reasonably amounts and in accordance with all Hazardous Waste Laws, (iii) matters disclosed in the Environmental Reports, and (iv) matters disclosed in Exhibit "E", no Hazardous Substances are, or have been during any period of Seller's ownership of the applicable Hotel, present on, under or in the Improvements or Real Property in violation of any Hazardous Waste Laws. Seller has provided to Purchaser true and complete copies of all environmental audits, reports, evaluations, assessments, studies or tests in its possession or control or which, to Seller's knowledge, exist relating to the Business and the Real Property or regarding compliance by the Business and its employees, agents or independent contractors with Environmental Protection Laws or its obligations as a lessee.

(k) Investigations of Hazardous Substances. To Seller's knowledge, no investigations have or are being conducted or taken by any Governmental Authority under or pursuant to any Environmental Protection Laws with respect to any of the Hotels.

(l) Adverse Proceedings. Except as otherwise set forth on Exhibit "F" to this Agreement, Seller is not currently involved in and has not received written notice of any actions, claims, demands, lawsuits, assessments, arbitrations or mediations, judgments, awards, decrees, orders, injunctions, prosecutions and investigations, or other proceedings, litigation or investigations, nor has Seller received any written notice that any such litigation, investigations or other proceedings are to be instituted. Seller is not in default under any judgment, order or injunction of any court,

arbitrator or Governmental Authority. Seller has not received written notice from any Governmental Authority of any pending condemnation action affecting any portion of the Property.

(m) Financial Records. To Seller's knowledge, all of the financial statements and accounts provided to Purchaser accurately set forth and fairly present all revenues, expenses and results of operations of the Business, and to Seller's knowledge all financial transactions of the Business relating to any of the Property or the conduct of the Business and have been accurately recorded in the Books and Records in all material respects, all of which shall be made available to Purchaser pursuant to this Agreement.

(n) Ownership. Other than the Permitted Exceptions, there is no contract, option, commitment or other right in favor of, or held by, any Person other than Purchaser to acquire any of the Property, or to possess any of the Property or to occupy, subject to the Permitted Exceptions, any part of the Real Property, and none of the Property is in the possession, or under the control, of any other Person. To the knowledge of Seller, none of the FF&E or Tangible Personal Property is leased by Seller.

(o) FIRPTA. Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those items are defined in the Internal Revenue Code and Income Tax Regulations).

(p) Taxes. To Seller's knowledge:

(i) All property, municipal, local, school, general and special Taxes, rates, assessments, local improvements charges, frontage Taxes, business Taxes, development cost charges, other subdivision charges and costs and other levies which are chargeable against the Real Property, sales and use Taxes (other than those sales Taxes, if any, arising from the sale, conveyance, assignment, transfer or delivery of the Property from Seller to Purchaser), hotel/motel occupancy Taxes, real and personal property Taxes, employer withholding Taxes and similar Taxes that are due as of the Closing Date (or applicable to any period prior to Closing) have been paid in full (or will be provided for at the Closing pursuant to the provisions of Section 7.2 below), and all required reports and returns relating thereto have been, or will be, timely filed;

(ii) Seller has not received written notice of any special Tax assessment relating to any of the Hotels, the Property or any portion thereof, and there are no Tax agreements in place affecting the Hotel or the Property;

(iii) There are no Tax liens upon any of the Real Property other than liens for sales and payroll Taxes not yet due and payable and liens for non-delinquent current real property Taxes; and

(iv) There are no pending actions or suits, whether in the form of an audit or an administrative, judicial or other proceeding, for the assessment or collection of Taxes against Seller or with respect to any of the Real Property.

Seller has not received from any Governmental Authority any (i) notice indicating an intent to open an audit or other review, (ii) request for information relating to Taxes, or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed against the of Sellers or otherwise with respect to any of the Businesses or any of the Real Property. Seller has not received any written notice of a proposed reassessment of any Real Property or other similar proposal that could increase the amount of any Tax payable on or in respect of such Property. Seller is not a party to any pending Tax appeal relating to the Real Property or the Business and no such Tax appeal is currently contemplated by Seller.

(q) Employees. To Seller's knowledge, the list of Hotel Employees provided to Purchaser pursuant to Exhibit "G" is a complete and accurate list of all Hotel Employees of Seller's Business as at the date thereof (whether employed by the Seller or the Manager). There are no employment agreements for any of the Hotel Employees. The list and description of Employee Benefit Plans contained in Exhibit "Q" is a complete and accurate list and description of all material Employee Benefit Plans.

(r) Labor and Employment Disputes. Except as set forth on Exhibit "F", since January 1, 2010, with respect to the Hotel Employees, there has not been, there is not presently pending or existing, and, to the knowledge of Seller following confirmation with Manager, there is not currently threatened any material charge, grievance, strike, walkout, legal proceeding or other claim against or affecting Seller or the Business or the Property (or any director, officer or Hotel Employee) relating to the actual or alleged violation of any applicable Law or otherwise pertaining to labor relations or employment matters, including, without limitation, any charge or complaint filed by any Hotel Employee, union or other employee or labor organization with the National Labor Relations Board, the Equal Employment Opportunity Commission or any other Governmental Authority.

(s) Land Interests. The descriptions set forth in Exhibit "A" constitute all of the interests of Seller in the Land.

(t) Personal Property. To Seller's knowledge, the list set forth in Exhibit "O", accurately details the Intangible Personal Property and Tangible Personal Property owned or leased by Seller (or, to the extent applicable, owned by the applicable Franchisor as set forth in Exhibit "O") and used in the conduct of the Business or otherwise in connection with any Real Property.

(u) No Outstanding Directives. There are no outstanding directives from any Governmental Authority concerning the state and operation of any of the Improvements.

(v) Intellectual Property. The Intellectual Property of Seller set out in Exhibit "R" includes the material Intellectual Property owned by, or used in, the Business as currently conducted by Seller.

(w) Insurance Policies. Exhibit "P" contains a complete claims history from the Seller's current insurer(s), to the knowledge of Sellers, for the period such policies have been in place (not to exceed the last two (2) years).

(x) Operation in Ordinary Course of Business. Since January 1, 2014, to the knowledge of Seller the Business has been conducted in the Ordinary Course of Business, and there has been no material damage, destruction, personal injury loss, or other event of loss, from any cause whatsoever, whether or not covered by insurance, of, to or affecting any of the Real Property or the Business or any change in the condition of any of the Real Property or in the organization, operations, affairs, business, assets, properties, prospects or financial condition or position of the Business which individually or in aggregate has, or could reasonably be expected to have, a material adverse effect on the Business, the Property or Purchaser's ability to operate the Businesses in the Ordinary Course of Business following Closing. Seller has not, directly or indirectly, materially decreased Consumables or Inventory levels relating to the Business (including food, beverage and supply Inventory and operating stock such as towels, linen and cutlery) since August 1, 2014.

(y) Nearby Properties. Except as set forth on Exhibit "U", no real property within five (5) miles of the Land is owned, directly or indirectly, in whole or in part, by Seller, or any of the Persons executing Non-Compete Agreements hereunder.

(z) Promotions. To Seller's knowledge, excluding any locally negotiated rate agreements, no issuance, distribution, offer or sale of any certificates, vouchers, coupons or other rights has been made to any Person providing an entitlement to a discount or reduced promotional rate, greater than US$10,000 in the aggregate for all Persons.

Notwithstanding anything to the contrary herein, Sellers shall have the right to make any additions, supplements or amendments to the disclosures contained in Exhibits "B", "C", "D", "E", "F", "G", "H", "N", "O", "P", "Q", "R", "T", "U" or "V" hereto on or prior to 6 pm Eastern time on September 12, 2014, at which point such Exhibits will be restated for any such additions, supplements or amendments and will, as so amended, supplemented or amended, be deemed to be final for the purposes of this Agreement (subject only to the amendment and supplement procedure set forth in Section 5.3(a)).

5.2 Purchaser Representations and Warranties

Purchaser represents and warrants to each Seller, as of the Effective Date and the Closing Date, that:

(a) Status and Authority. Purchaser is a duly formed, validly existing Maryland corporation, is in good standing in the State of Maryland and has the full legal power, right and authority to enter into this Agreement and, at Closing, the instruments referenced herein, and to consummate the transaction contemplated hereby.

(b) Due Authorization. The execution and delivery of this Agreement and all documents, instruments and agreements required to be executed and delivered by Purchaser pursuant to this Agreement, and the completion of the transactions contemplated by this Agreement, have been duly authorized by all necessary corporate action on the part of Purchaser (including all applicable corporate action on the part of the board of directors thereof). This Agreement has been duly executed and delivered by Purchaser and constitutes a legal, valid and binding obligation of Purchaser enforceable in accordance with its terms.

(c) Consents. No consent or approval of any person, entity, or Governmental Authority is required with respect to the execution and delivery of this Agreement by Purchaser or the consummation by Purchaser of the transactions contemplated hereby or the performance by Purchaser of its obligations under this Agreement except for such consents as shall be obtained by Purchaser prior to the Closing.

(d) "Non-Reliance". In entering into this Agreement, Purchaser is relying solely upon its own inspections, investigations, research and analyses of the Property and the Businesses, and except for the representations and warranties contained in this Agreement and any other documents delivered by Sellers at Closing pursuant to this Agreement, Purchaser is not relying in any way upon any other representations, warranties, statements, or other information or material furnished by Sellers or their representatives to Purchaser or its representatives, whether oral or written, express or implied, of any nature whatsoever regarding any such matters.

5.3 Remedies Regarding Representations and Warranties

(a) Notwithstanding anything to the contrary in this Agreement, each Seller shall have the right prior to the Closing to amend and supplement any exhibit to this Agreement with written notice to Purchaser to the extent that (i) such exhibit needs to be amended or supplemented to maintain the truth or accuracy of the applicable representation or warranty, and (ii) such Seller did not have any knowledge as of the Effective Date of the matter being disclosed in such amendment or supplement. If any Seller makes any such amendment or supplement after the expiration of the Inspection Period (a "Post-Due Diligence Disclosure") that Purchaser, acting reasonably, deems to be material and a fundamental change to the conditions, prospects or results of any Hotel or Business, such Post-Due Diligence Disclosure shall constitute a failure of the conditions precedent to Purchaser's obligations as set forth in Section 5.6.

(b) By executing and delivering the documents listed in Section 7.4(a) below, each Seller shall be deemed to have made the representations and warranties of such Seller in Section 5.1 and elsewhere in this Agreement, as of the Effective Date and as of the Closing Date. Should any of such representations and warranties be found to be incorrect in any material respect prior to the Closing, Sellers shall have the option, but not the obligation, to cure same to the satisfaction of Purchaser on or prior to the Closing Date, and upon Sellers' election to attempt such cure as evidenced by written notice to Purchaser, the Closing shall be postponed by up to five (5) days following Purchaser's receipt of proof satisfactory to Purchaser that such matters have been cured; provided, however, that if Sellers are unable or unwilling to cure the same within such period, Purchaser shall have the option either to waive the same and close the transaction contemplated herein or to terminate this Agreement immediately upon written notice to Sellers. In the event Purchaser elects to terminate this Agreement pursuant to this Section 5.3(b), Escrow Agent shall return the Earnest Money (less US$100.00) to Purchaser and neither party to this Agreement shall thereafter have any further rights or liabilities under this Agreement, except that (i) Sellers shall pay the expenses of escrow not to exceed US$1,000.00, and (ii) each party shall continue to be obligated by the provisions in this Agreement that survive termination, including, without limitation, those set forth in Section 1.4 (Inspection Period), Article 6 (Remedies) and Section 7.6 (Commissions), Article 9 (Indemnification) and Section 10.10 (Confidentiality).

(c) The representations and warranties of the parties shall survive the Closing for a period of nine (9) months. To the extent Purchaser is seeking indemnification for a material breach of any of any Seller's representations or warranties, Purchaser will be entitled to indemnification only for those matters as to which Purchaser has given written notice

thereof to Sellers prior to the expiration of the nine (9) month period following the Closing.

5.4 As-Is

(a) SUBJECT TO THE EXPRESS REPRESENTATIONS AND WARRANTIES OF EACH SELLER SET FORTH IN SECTION 5.1 AND IN ANY CLOSING DOCUMENTS TO BE DELIVERED BY SELLERS, PURCHASER ACKNOWLEDGES AND AGREES THAT THE SALE OF THE PROPERTY AS PROVIDED HEREIN IS MADE ON AN "AS-IS" BASIS "WITH ALL FAULTS", AND THAT SELLERS HAVE NO OBLIGATIONS TO MAKE REPAIRS, REPLACEMENTS OR IMPROVEMENTS, EXCEPT IN ACCORDANCE WITH THE REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS CONTAINED HEREIN OR IN THE CLOSING DOCUMENTS DELIVERED BY SELLERS. EACH SELLER SPECIFICALLY AND COMPLETELY DISCLAIMS, EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS DELIVERED BY SUCH SELLER, ANY AND ALL WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES, STATUTORY WARRANTIES, WARRANTIES ARISING BY OPERATION OF LAW, WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. NO PERSON ACTING ON BEHALF OF ANY SELLER IS AUTHORIZED TO MAKE ANY REPRESENTATION, AGREEMENT, STATEMENT, WARRANTY, GUARANTEE OR PROMISE REGARDING THE PROPERTY, OR THE TRANSACTION CONTEMPLATED HEREIN, OR THE ZONING, CONSTRUCTION, PHYSICAL CONDITION OR OTHER STATUS OF THE PROPERTY EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN THE CLOSING DOCUMENTS DELIVERED BY SELLERS. NO REPRESENTATION, WARRANTY, AGREEMENT, STATEMENT, GUARANTEE OR PROMISE, IF ANY, MADE TO PURCHASER BY ANY PERSON ACTING ON BEHALF OF ANY SELLER WHICH IS NOT CONTAINED IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS DELIVERED BY OR AGREED WITH SELLERS WILL BE VALID OR BINDING ON SELLERS.

5.5 Covenants

(a) Each Seller covenants and agrees to use commercially reasonable efforts to cause the applicable Hotel and its Business to be operated and maintained in the Ordinary Course of Business from the Effective Date to the Closing Date, including but not limited to the following:

(i) Seller shall preserve the Property intact, and do all necessary repairs and maintenance to the Property consistent with the Ordinary Course of Business for the relevant Hotel.

(ii) Seller shall at its election (A) remedy prior to Closing or (B) promptly reimburse Purchaser after Closing for, any repairs mutually agreed to by the parties to be "immediately required" or "immediately needed" in the third-party building condition reports obtained by Purchaser for the Hotel and provided to Sellers by Purchaser prior to the expiration of the Inspection Period; provided, however, that any reimbursement obligations of the Sellers pursuant to Clause (B), in the aggregate, shall not exceed US$50,000 for all four (4) hotels combined.

(iii) Seller shall operate and maintain the Hotel and the Business on a basis consistent with present standards, and pay and discharge all Liabilities of the Business when due and payable.

(iv) Seller shall assist Purchaser and Purchaser's agents, on or before Closing, in acquiring the information necessary to enable Purchaser's agents and Seller's agents to perform the required calculations in Section 7.2.

(v) Seller will not, without the prior approval of Purchaser, which approval shall not be unreasonably withheld or delayed, sell exchange, assign, transfer, convey, lease or otherwise dispose of, or enter into any agreement or negotiate any agreement to sell exchange, assign, transfer, convey, lease or otherwise dispose of, all or any part of the Property or any interest therein except for FF&E, Consumables and Inventory in the Ordinary Course of Business.

(vi) Seller will not amend in any material respect any Space Leases, Contracts or Permits (except as required by the terms thereof) without the prior approval of Purchaser, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Seller will be allowed to (i) amend, extend or terminate Space Leases, Contracts and Permits in the Ordinary Course of Business, and (ii) enter into new Space Leases or Contracts if they are terminable by Purchaser without any termination fee upon not more than thirty (30) days' notice. Seller will pay all charges prior to delinquency under such agreements, and Seller will perform all of its obligations under such agreements. Seller shall keep Purchaser informed of and promptly provide Purchaser with copies of all material amendments, extensions, terminations of and new Space Leases, Contracts and Permits entered into by Seller prior to Closing.

(vii) Seller will not enter into any contracts, licenses, easements or other agreements relating to the Property which will obligate Purchaser or be a charge or lien against the Property, except those necessary to the Business and operation of the Hotel in the Ordinary Course of Business and which are terminable without penalty on no more than thirty (30) days' notice, without the prior approval of Purchaser, which approval shall not be unreasonably withheld or delayed. Seller shall promptly provide written notice to Purchaser of any material new agreements entered into by Seller, along with a copy of any new agreements.

(viii) Seller shall maintain Inventory, FF&E and Consumables at levels consistent with the Ordinary Course of Business, and shall provide the Hotel with a minimum of (A) two and one half (2.5) sets of good hotel quality linen and terry supplies per available room and (B) two (2) sets of bedding per available room. Moreover, Seller shall not materially reduce its available supplies of linen and terry from the levels existing as at August 3, 2014 prior to the Closing Date.

(ix) Seller will apply for the termination of the applicable Franchise Agreement to be terminated effective on the Closing Date, but failure to so terminate shall not constitute a default by any Seller. Purchaser's remedy being solely to terminate this Agreement.

(x) Seller will maintain until the Closing Date the existing insurance coverage for the Property or insurance coverage consistent with the risk management policies of the applicable Franchisor.

(xi) Seller shall maintain its Books and Records in the Ordinary Course of Business, in accordance with accounting principles applied on a basis consistent with past periods. After the Closing, Purchaser shall provide to Seller reasonable access to (i) the Books and Records with respect to the Hotel, (ii) the Property, and (iii) the Hotel Employees, for any purpose deemed necessary or advisable by Seller, including, without limitation, to prepare any documents required to be filed by Seller under applicable Laws or to investigate, evaluate and defend any claim, charge, audit, litigation or other proceeding made by any Person or insurance company involving Seller; provided, however, that (A) Seller shall provide reasonable prior notice to Purchaser; (B) Purchaser shall not be required to provide such access during non-business hours; and (C) Purchaser shall have the right to accompany the officers, employees, agents or representatives of Seller in providing access to the Books and Records, the Property or the employees of Purchaser (or Purchaser's manager). Purchaser, at its cost and expense, shall retain all Books and Records with respect to each

Hotel for a period of not less than five (5) years after the Closing Date. This Section 5.5(a)(xi) shall survive the Closing.

(xii) Seller shall promptly notify Purchaser of any event or circumstance that constitutes a material change to any of Seller's representations and warranties set forth in this Agreement. Such notification will not, however, be considered a cure of any breach of representation or warranty by Seller.

(xiii) Seller shall continue to use commercially reasonable efforts to take guest room reservations and to book functions and meetings and otherwise to promote the Business in generally the same manner as Seller has done prior to the execution of this Agreement; and all Bookings shall be booked at rates, prices and charges heretofore customarily charged by them for such purposes.

(xiv) Seller will use commercially reasonable efforts to obtain and deliver to Purchaser prior to closing any estoppels Purchaser may reasonably require in connection with the Space Leases and CC&Rs (each individually an "Estoppel", and collectively the "Estoppels"). If Seller is unable to obtain any requested Estoppels, Seller will provide Purchaser with a document certifying to Seller's knowledge to the information in the requested Estoppel. Failure to provide such Estoppels shall not constitute a default under this Agreement and shall not be grounds for terminating this Agreement.

(xv) Seller shall not modify or release any warranties or guaranties applicable to the Property other than in the Ordinary Course of Business.

(xvi) No later than five (5) Business Days following the Effective Date, each of the Sellers shall order, at Purchaser's sole expense, Change of Ownership Product Improvement Plans from each of the Franchisors and confirm the same to Purchaser and Purchaser shall immediately pay or reimburse Seller(s) for the cost extending the applicable periods for any such Product Improvement Plans.

(xvii) Seller shall promptly notify Purchaser of physical damage to any of the Property exceeding US$25,000 in any one case and any material interruption to the normal day-to-day operations of the Business.

(b) Purchaser covenants and agrees, commencing on the Effective Date and until the earlier to occur of (i) the termination of this Agreement and (ii) the execution by Purchaser of the New Franchise Agreements, to enter into and diligently pursue good faith negotiations with the Franchisors

regarding the form, terms, conditions and provisions of the New Franchise Agreements.

(c) Each Seller covenants and agrees to provide to Purchaser:

(i) True and complete copies of the Contracts (including all amendments thereto), no later than five (5) Business Days after the Effective Date;

(ii) True and complete copies of the Permits in Seller's actual possession, no later than ten (10) Business Days after the Effective Date;

(iii) True and complete copies, to the extent in Seller's possession or control, of all bills for real estate and personal property Taxes and assessments for the current (and prior completed) Tax year, no later than ten (10) Business Days after the Effective Date;

(iv) All existing financial statements and management accounts for the Hotel for the years ended December 31, 2012 and 2013, any monthly accounts for 2014 and any existing operating or capital expenditure budgets for the Hotel for 2014 or 2015, no later than ten (10) Business Days after the Effective Date;

(v) A complete list and description of all policies of insurance currently held by or on behalf of Seller relating to the Business or any of the Property, and a description of all self-insurance arrangements maintained over the past two (2) years relating to the Property and/or the Business, in each case no later than ten (10) Business Days after the Effective Date;

(vi) On or prior to Closing, a reasonably satisfactory lien affidavit to Title Company with respect to any work that has been done on the Hotel within six (6) months prior to the Effective Date that could give rise to a mechanics' or materialmen's lien, other than repairs, maintenance and/or capital improvements in the Ordinary Course of Business for which payment has been made or will be made or provided for on or before the Closing Date.

(d) Each Seller covenants and agrees, commencing on the Effective Date and until the earlier to occur of (i) the termination of this Agreement, (ii) the transfer of any and all liquor licences currently in effect at the applicable Hotel (or, if applicable, the issuance of a new license at the applicable Hotel), or (iii) six months to, and to cause its Manager to, cooperate with Purchaser to transfer to Purchaser or its applicable manager, at the discretion of Purchaser, any and all liquor licences currently in effect at the applicable Hotel (or, if applicable, to cooperate in the issuance of new licenses for the applicable Hotel). Purchaser shall use commercially

reasonable efforts to have the transfers completed, or new licenses issued, as soon as possible following the Closing Date. In the event Purchaser or its applicable manager is unable to complete the transfer or issuance of any such liquor license prior to the Closing Date, each Seller covenants and agrees to keep its existing license in effect after the Closing Date for six (6) months if permitted by local jurisdiction, governmental authorities and applicable law, and to enter into an interim liquor operating agreement enabling Purchaser or its applicable manager to sell alcohol at the applicable Hotel until the completion the transfer or issuance, as applicable, of such liquor license to Purchaser or its applicable manager, all at no expense to Sellers and with Seller being reimbursed by Purchaser for all costs. Purchaser shall provide an indemnification agreement and commercial general liability insurance in form and amounts acceptable to Sellers in Sellers' discretion with respect to the actions to be taken by Sellers pursuant to this Section.

5.6 Conditions Precedent to Purchaser's Obligations

Purchaser's obligations under this Agreement are conditioned upon the satisfaction of the following conditions in respect of each of the Hotels:

(a) Each Seller's representations and warranties set forth in this Agreement shall be true and accurate as of the date of the execution of this Agreement and continue to be true and accurate in all material respects as of the Closing Date as if made on the Closing Date.

(b) Each Seller shall have duly complied with or performed all of its covenants and obligations under this Agreement in all material respects, including, without limitation, the delivery of the documents set forth in Section 7.4(a).

(c) No legal or regulatory action or proceeding shall be pending or threatened by any Person before any court or Governmental Authority to obtain damages in respect of this Agreement or to restrain or prohibit the completion of the transactions contemplated by this Agreement or the right of any Person to carry on one or more of the Businesses.

(d) Subject to the provisions of Article 8 (Condemnation), the Property shall on the Closing Date be in the same condition as on the Effective Date except as attributable to ordinary wear and tear and depletion and replenishment of Consumables and Inventory in the Ordinary Course of Business.

(e) There shall have been no Force Majeure Event between the date of this Agreement and the Closing Date (inclusive), the effects of which are subsisting as of the Closing Date and which, singly or together with any other Force Majeure Event causing actual physical damages in excess of

US$50,000.00 in the aggregate and which makes it impracticable to proceed with the transactions contemplated by this Agreement.

(f) At Seller's sole expense (subject to Section 5.5(a)(ix)), each Seller's Franchise Agreement for its Hotel and any management agreements related to its Hotel shall each be terminated as of the Closing Date and Sellers shall deliver possession of the Property to Purchaser at the Closing Date free and clear of any such agreements.

(g) On or prior to Closing, the Title Company shall irrevocably commit to issue to Purchaser the Title Policies in respect of each of the parcels of Real Property comprising the Property pursuant to marked Title Commitments or pro forma policies effective as of the Closing Date in the amount of the Purchase Price in each case, subject only to the Permitted Exceptions.

(h) Purchaser shall have been approved for the New Franchise Agreements for each of the Hotels on or before the Closing Date on such terms as are satisfactory to Purchaser.

(i) To the knowledge of each of Sellers and Purchaser there shall be no impediment to the simultaneous completion at Closing of all of the purchase transactions contemplated by this Agreement.

The foregoing conditions are for the benefit of Purchaser only and accordingly Purchaser shall be entitled to waive compliance with any such conditions if it sees fit to do so, in its sole discretion. The duties and obligations of Purchaser to proceed to Closing under the terms of this Agreement are and shall be expressly subject to material compliance with, and material satisfaction or waiver of, each of the conditions and contingencies set forth in this Section 5.6. If any of the foregoing conditions have not been materially satisfied or waived as of the Closing Date for reasons other than a Purchaser default, then Purchaser, subject to any applicable notice and cure periods as provided in other provisions of this Agreement (including, without limitation, Section 6.2), shall be entitled to terminate this Agreement by giving Sellers written notice to such effect, whereupon Escrow Agent shall disburse the Earnest Money to Purchaser as set forth in Section 2.3, and the parties shall thereafter have no further rights or Liabilities under this Agreement, except that each party shall continue to be obligated under the indemnity and other provisions in the Agreement that survive termination, including, without limitation, those set forth in Section 1.4 (Inspection Period), Article 6 (Remedies), Section 7.6 (Commissions), Article 9 (Indemnification) and Section 10.10 (Confidentiality).

5.7 Conditions Precedent to Seller's Obligations

Seller's obligations under this Agreement are conditioned upon the satisfaction of the following conditions:

(a) Purchaser's representations and warranties set forth in this Agreement shall be true and accurate as of the date of the execution of this Agreement

and continue to be true and accurate at in all material respects as if made on the Closing Date.

(b) Purchaser shall have performed all of its obligations under this Agreement in all material respects, including, without limitation, the delivery of the documents set forth in Section 7.4(b).

(c) On or prior to the Closing, Purchaser or its Affiliates and Franchisors or their Affiliates shall have approved New Franchise Agreements for the Hotels consistent with the provisions in this Agreement with respect to such New Franchise Agreements.

The duties and obligations of Sellers to proceed to Closing under the terms of this Agreement are and shall be expressly subject to material compliance with, and material satisfaction or waiver of, each of the conditions and contingencies set forth in this Section 5.7. If the conditions set forth in Sections 5.7(a) and (b) have not been satisfied as of the Closing Date for reasons other than a default by a Seller or a failure to satisfy the conditions set forth in Section 5.6, then Sellers, subject to any applicable notice and cure periods as provided in other provisions of this Agreement (including Section 6.1), shall be entitled to terminate this Agreement by giving Purchaser written notice to such effect. Escrow Agent shall disburse the Earnest Money to Sellers as set forth in Section 2.3, and the parties shall thereafter have no further rights or liabilities under this Agreement, except that each party shall continue to be obligated under the provisions in this Agreement that survive termination, including, without limitation, those set forth in Section 1.4 (Inspection Period), Article 6 (Remedies), Section 7.6 (Commissions), Article 9 (Indemnification) and Section 10.10 (Confidentiality).

6. REMEDIES

6.1 Seller's Remedies

Prior to entering into this transaction, Purchaser and Sellers have discussed the fact that substantial damages will be suffered by Sellers if Purchaser shall fail to perform its obligations under this Agreement. Due to the fluctuation in land values, the unpredictable state of the economy and of governmental regulations, the fluctuating money market for real estate loans of all types, and other factors which directly affect the value and marketability of the Property, the parties recognize that it would be extremely difficult and impracticable, if not impossible, to ascertain with any degree of certainty the amount of damages which would be suffered by Sellers in the event of Purchaser's failure to perform its obligations under this Agreement to purchase the Property. Accordingly, the parties agree that a reasonable estimate of Sellers' damages in such event is the amount of the Earnest Money, and if Purchaser defaults under this Agreement including any failure to close the purchase of the Property (excluding, for the avoidance of doubt, any refusal by Purchaser or Sellers to close pursuant to an exercise by Purchaser or Sellers of its or their right, as applicable, to terminate this Agreement in accordance with Section 1.4(e), 3.1(a)(ii), 4.1(a), 5.3(b), 6.2(b), 7.1 or 8.1, or on the basis of a failure of Seller to satisfy the conditions precedent set forth in Section 5.6), then Sellers, as their sole remedy, after delivery of written notice to Purchaser of such failure and the expiration of a five (5) Business Day cure period from delivery of such notice, shall be entitled to (i) immediately terminate this Agreement

by giving Purchaser written notice to such effect and (ii) receive and retain the Earnest Money as liquidated damages. Following Sellers' receipt of the amount specified in clause (ii), neither party to this Agreement shall thereafter have any further rights or liabilities under this Agreement, except that (A) Purchaser shall pay the expenses of escrow, and (B) each party shall continue to be obligated under the provisions in this Agreement that survive termination, including, without limitation, those set forth in Section 1.4 (Inspection Period), this Article 6 (Remedies), Section 7.6 (Commissions), Article 9 (Indemnification) and Section 10.10 (Confidentiality).

6.2 Purchaser's Remedies

If any Seller defaults in any material respect in performing its obligations under this Agreement to close the sale of the Property, including but not limited to any of the Sellers' obligations under Section 5.6 and Section 7.4(a), then Purchaser shall have the right, after delivery of written notice to Sellers of such failure and the expiration of a five (5) Business Day cure period from delivery of such notice, to exercise any one of the following as Purchaser's sole and exclusive remedy:

(a) proceed to Closing without any reduction in or set off against the Purchase Price, in which case Purchaser shall be deemed to have waived the default of such Seller or Sellers, as applicable, in performing its or their obligations and covenants under this Agreement, as applicable or Seller's or Sellers' incorrect representations and warranties, as applicable, and such waiver will be deemed to include any and all Claims associated with the same, including any related post-closing survivability or post-closing indemnity; or

(b) terminate this Agreement by giving Sellers written notice of such election prior to or at the Closing whereupon (i) Escrow Agent shall promptly return the Earnest Money to Purchaser, (ii) Sellers shall reimburse Purchaser within ten (10) Business Days following written demand by Purchaser in an amount not to exceed Fifty Thousand Dollars (US$50,000.00) with respect to all four Hotels actually incurred or due and payable to third parties (which such written demand shall be provided to Sellers no later than sixty (60) days after the date of the notice of termination referred to in this Section 6.2(b) and shall enclose supporting documentation reasonably evidencing such costs as having actually been so incurred), including reasonable attorney's fees and costs incurred in connection with this Agreement and the investigation of the Property, and (iii) following Purchaser's receipt of the actual amount not exceeding US$50,000.00 and the return of the Earnest Money specified in clauses (i) and (ii), neither party to this Agreement shall thereafter have any further rights or liabilities under this Agreement, except that each party shall continue to be obligated under the provisions in this Agreement that survive termination, including, without limitation, those set forth in Section 1.4 (Inspection Period) this Article 6 (Remedies), Section 7.6

(Commissions), Article 9 (Indemnification) and Section 10.10 (Confidentiality); or

(c) compel specific performance on the Property on the part of Sellers under the terms of this Agreement.

6.3 Attorneys' Fees

If any litigation or other enforcement proceeding is commenced in connection with this Agreement, then the substantially prevailing party shall be entitled to receive payment of its reasonable attorneys' fees and expenses and court costs from the other party (and in addition to any liquidated damages under Section 6.1 and in addition to any limitation of damages specified in Section 6.2).

6.4 Survival

The provisions of this Article 6 will survive the Closing or termination of this Agreement for nine (9) months.

7. CLOSING MATTERS

7.1 Closing Date

The parties hereby acknowledge their mutual intention to complete the transaction contemplated by this Agreement as soon as possible following the agreement of New Franchise Agreements on terms and conditions satisfactory to Purchaser. The Purchaser and Sellers shall use commercially reasonable efforts to hold the Closing within thirty (30) days after the expiration of the Inspection Period (the "Closing Date"); provided, however, that Purchaser may extend the Closing Date for up to thirty (30) days as necessary for Purchaser to obtain execution of the New Franchise Agreements. If the Closing has not occurred on or before the date ninety (90) days following the end of the Inspection Period (the "Long-Stop Date"), either party (who is not at fault for such delay) may immediately terminate this Agreement by written notice to the other party; provided, however that such terminating party must have complied in good faith with all of its obligations, agreements and covenants hereunder up to and including the date of the delivery of such notice. The Closing shall be effected through the escrow with Escrow Agent on terms reasonably acceptable to Sellers, Purchaser and Escrow Agent (including that all of the funds and documents to be transferred hereunder shall be delivered through the escrow with Escrow Agent). Purchaser and Sellers shall execute appropriate instructions to implement the closing of such Escrow.

7.2 Adjustment and Prorations

With respect to each Hotel, the matters and items set forth below shall be apportioned between Purchaser and the respective Seller or, where applicable, credited in total to a particular party:

(a) Taxes. All real and personal property Taxes, special assessments, community facilities district or other improvement district assessments, if any, whether payable in installments or not, shall be prorated as of the

Cut-Off Time and Sellers shall be responsible for all such amounts attributable to the period prior to the Cut-Off Time, and Purchaser shall be responsible for all such amounts attributable to the period after the Cut-Off Time. All such Taxes for 2013 and prior years shall be paid in full by Sellers on or before Closing and all such Taxes for 2014 shall be apportioned between Sellers and Purchaser on the basis set forth above. If such Taxes for 2014 or any previous Tax years have not been finally determined on the Closing Date, then such Taxes shall be prorated on an estimated basis using the most current information available (subject to Sellers' retention of pre-Closing Tax liabilities set forth in Section 1.3(b)). When such Taxes have been finally determined, the parties shall recalculate such prorations and any amount payable by Sellers or Purchaser shall be paid to the other party within fifteen (15) days after such Taxes are finally determined. All transfer Taxes, grantor's Taxes, gross receipts Taxes and Taxes related to the construction, repair and remodeling of the Improvements or similar Taxes, assessed as a result of the transaction will be the responsibility of Sellers if such Taxes are customarily paid (or required to be paid by applicable law) by sellers.

(b) Room Rentals. The room rentals attributable to the night prior to the Closing Date shall be the property of Sellers (regardless of when the room rental is actually paid). Room rentals attributable to any night prior to the night prior to the Closing Date shall be the property of Sellers. Cleaning costs on the date of Closing shall be the responsibility of Sellers.

(c) Reservation Deposits. Prepaid and unearned reservation deposits and other such third party prepaid items relating to periods after the Cut-Off Time shall be transferred to Purchaser, or the amounts thereof credited to Purchaser, at the Closing.

(d) Utility Charges. Utility charges for telephone, gas, electricity, sewer, water and other services shall not be prorated to the extent that Sellers can make arrangements for the rendering of final bills based on meter readings as of the Cut-Off Time. Sellers shall be responsible for the payment at the Closing of all bills for utility charges up to and including the Cut-Off Time. To the extent that utility bills cannot be rendered as of the Closing Date, such charges for the period through the Cut-Off Time shall be prorated as of the Cut-Off Time based upon the most recent available bills and readjusted on the basis of the actual bills as and when received. Any utility deposits shall be transferred to the name of Purchaser or its designated party at Closing (with an equivalent credit to the applicable Seller on the applicable settlement statement at Closing).

(e) Operating Expenses and Trade Accounts. At Closing, Sellers shall receive a credit for all unconsumed portions of prepaid expenses, except to the extent they pertain to Hotel Contracts or Permits not assumed by or transferred to Purchaser at Closing. Sellers shall be responsible for all

operating expenses and trade accounts of the Property (including, without limitation, charges and fees payable under the Hotel Contracts and all hotel/motel sales and occupancy Taxes) accruing up to and including the Cut-Off Time, unless Sellers and Purchaser mutually agree that Purchaser shall assume any such payables, in which case Purchaser shall receive a credit for the amount of the assumed payables at Closing; provided, however, that Purchaser shall be responsible for all purchase orders made by Sellers in the Ordinary Course of Business for Inventory or Consumables not delivered to the applicable Hotel(s) as of the Closing Date. To the extent the amounts of such items are then known, Sellers shall pay the net amount of such items at the Closing, and Sellers shall pay the balance of such items (or any other items arising for periods prior to the Cut-Off Time) in the Ordinary Course of Business, but in no event later than the date which is thirty (30) days after the date on which any Seller receives written invoices for such items. Notwithstanding the foregoing, Purchaser acknowledges and agrees that Sellers may, provided that notice is provided to Purchaser of same, postpone and/or contest payment of any operating expense or trade account which is the subject of a *bona fide* dispute. Sellers shall, at Purchaser's request, keep Purchaser informed about the status and outcome of resolution of such disputes. All operating expenses and trade accounts accruing after the Cut-Off Time shall be the responsibility of Purchaser. The obligations set forth in this Section 7.2(e) will survive the Closing.

(f) Food, Beverage and Other Income. Revenues from food, beverage and banquet services, room service, public room revenues, health club revenues and other services rendered to guests of each Hotel and the expenses related thereto shall be recognized upon completion of such services, and any such revenues and expenses related thereto if attributable to the time prior to Cut-off Time shall be the property of Sellers, and if attributable to the time subsequent to Cut-off Time shall be the property of Purchaser. Any such revenues attributable to any period prior to the night preceding the Closing Date shall be the sole property of Sellers.

(g) Rents. All rentals under the Space Leases (including fixed rents and charges in respect of electricity, operating expenses and Taxes) shall be prorated as of the Cut-Off Time if, as and when collected. If there are any arrearages under the Space Leases as of the Closing Date, (i) any rents collected by any Seller after the Closing Date with respect to such Space Leases shall be applied to the invoices specified by the payor or to which such payment (by the amount thereof or other indicia) plainly applies and in the absence of such indicia such rents collected by any Seller shall be applied to collections on behalf of Sellers only to the extent any invoices, or portions thereof, remain outstanding to any Seller therefor, the excess of which will be remitted to Purchaser, (ii) any rents collected by Purchaser after the Closing Date with respect to such Space Leases shall be applied to the invoices specified by the payor or to which such payment

(by the amount thereof or other indicia) plainly applies and in the absence of such indicia such rents collected by Purchaser shall be applied to collections on behalf of Sellers to the extent any invoices, or portions thereof, remain outstanding to any Seller therefor. In the event that there are no outstanding invoices any Seller relating to rents collected by Purchaser, such rents collected shall be applied to collections on behalf of Purchaser. Payments from tenants for electricity, operating expenses and Taxes which are billed to tenants in arrears or on an estimated basis shall be prorated on such basis and readjusted if, as and when such amounts are finally determined and collected.

(h) Employees. Sellers shall pay or shall cause Manager to pay, as applicable, to Hotel Employees, as provided in Section 7.7, all Accrued Vacation and Sick Time, wages, benefits and expenses that any Hotel Employee is owed, as of the Closing Date, pursuant to statute or contract, including any collective bargaining agreement, if applicable.

(i) Security Deposits. Any unapplied security deposits under the Space Leases shall be transferred to Purchaser at the Closing or credited against the Purchase Price.

(j) Cash. All cash on hand in house banks (including the General Manager's petty cash funds) as at the Cut-Off Time shall become the property of Purchaser and the amount thereof shall be credited to Sellers at the Closing. All other funds of Sellers shall remain Sellers' property and shall be withdrawn by or transferred or credited to Sellers at Closing.

(k) Ledger and Other Receivables. All accounts receivable of any kind attributable to guests in each Hotel on the night preceding the Closing (the "Ledger") shall belong to Sellers at Closing. All other accounts receivable of Sellers for the period prior to Closing shall remain the property of Sellers ("Retained Accounts").

(l) Closing Statement. Purchaser and Sellers will conduct inventories, examinations and audits of the Property as may be necessary to make the adjustments and prorations required under this section, or under any other provisions of this Agreement. Unless Sellers and Purchaser otherwise agree, the Closing Statement shall be prepared by Escrow Agent, Purchaser and Sellers in accordance with the provisions of this Agreement, the current edition of the Uniform System of Accounts for Hotels of the Hotels Association of New York City, Inc., as adopted by the American Hotel Association of the United States and Canada and otherwise in accordance with GAAP, provided that in the case of conflict in such provisions and the express terms of this Agreement, the provisions of this Agreement shall control. Based upon such inventories, examinations and audits and otherwise in a manner consistent with the provisions of this Agreement, Escrow Agent, working with Purchaser's

and Sellers' accountants or representatives shall prepare and deliver to the parties (i) on the date that is three (3) Business Days prior to the Closing, a "Preliminary Closing Statement" (herein so called) reflecting the projected prorations and adjustments to be made at the Closing with respect to the Hotels and (ii) on the date of Closing, a "Closing Statement" (herein so called) reflecting the actual prorations and adjustments to be made at the Closing, which Closing Statement shall be approved by Purchaser and Sellers. The approved Closing Statement shall be for convenience in expediting the Closing and shall be subject to further adjustment as described below. The approved Closing Statement will show the net amount due either to Seller or to Purchaser as the result thereof, and such net amount will be added to, or subtracted from, as applicable, the payment of the Purchase Price to be paid to Seller pursuant to this Agreement.

(m) To the extent that any of the items included in the Closing Statement cannot be finally determined on the Closing Date, then such items shall be prorated on an estimated basis using the most current information. Within ninety (90) days after the Closing Date, Sellers and Purchaser shall recalculate such prorations, except those relating to Consumables inventory which shall be final at Closing, and prepare a final Closing Statement the ("Final Closing Statement"). Any amount payable by Sellers or Purchaser pursuant to the Final Closing Statement shall be paid to the other party within fifteen (15) days after such recalculation. In the event there shall be a dispute between Sellers and Purchaser regarding any matter relating to the preparation of the Final Closing Statement, a disputing party shall submit its objection in writing to the other party. The party receiving notice of a dispute shall have the right within ten (10) days following receipt of such objections to advise the other party of any disagreement it has with the objections that have been raised. If the parties thereafter are unable to resolve their respective objections and disagreements within ten (10) days following notice of the parties' disagreement with objections or with noticed objections, then the parties shall submit the matter for final resolution to the Phoenix, AZ office of PricewaterhouseCoopers LLP (the "Accounting Firm"). The determination of the Accounting Firm shall be final and conclusive on the parties. The fees and expenses of the Accounting Firm shall be borne one-half (1/2) by each of the parties (not to exceed US$500.00 for each party). If the party owing funds to the other after the date of Closing pursuant to this section does not remit such funds on or prior to the date fifteen (15) days after the Accounting Firm has made a final determination regarding the Final Closing Statement, such funds shall thereafter bear interest from the day following the date due until paid at the rate of twelve percent (12%) per annum. The provisions of this Section 7.2(m) shall survive the Closing.

7.3 Guest Property in Seller's Possession on Closing Date

Property of guests of each Hotel in Sellers' care, possession or control (excluding that in guest rooms) on the Closing Date shall be handled in the following manner:

(a) Safe Deposit Boxes. On the day prior to the Closing Date, Sellers shall notify all guests of each Hotel who have safe deposit boxes advising them of the pending sale of the Property and requesting the removal and verification of the contents of such safe deposit boxes. Each Seller may have a representative present at its Hotel during such period for the purpose of viewing such removal and verification. Boxes of guests not responding to the written notice shall be listed at the end of such three day period. Such boxes shall be opened on the following day in the presence of representatives of Sellers and Purchaser to be agreed upon between Sellers and Purchaser and the contents thereof shall be recorded. Any property contained in the safe deposit boxes and so recorded and thereafter remaining in the hands of Purchaser shall be the responsibility of Purchaser; and Purchaser hereby agrees to indemnify, defend and save and hold Sellers harmless from and against any Claim or obligation arising out of or with respect to such recorded property. Sellers shall be responsible for, and shall indemnify, defend and hold Purchaser harmless from and against, any Claim arising with respect to property placed in the safe deposit boxes before the Closing that is not listed in said inventory. The indemnities set forth in this Section 7.3(a) will survive the Closing.

(b) Baggage Inventory. All guest baggage and other guest property checked and left in the possession, care and control of any Seller shall be listed in an inventory to be prepared in duplicate and signed by Sellers' and Purchaser's representatives on the day prior to the Closing Date (the "Baggage Inventory List"). Purchaser shall be responsible from and after the Closing Date for all baggage (and the contents thereof) and other guest property listed on the Baggage Inventory List. Purchaser agrees to indemnify, defend and save and hold Sellers harmless from and against any Claim arising out of or with respect to the baggage listed on the Baggage Inventory List, and Sellers agree to indemnify, defend and save and hold Purchaser harmless from and against any Claim arising prior to the Closing Date out of or with respect to any guest baggage or other guest property not listed on the Baggage Inventory List. The indemnities set forth in this Section 7.3(b) will survive the Closing.

7.4 Closing Documents

(a) On or before the Closing Date, each Seller shall deliver to Escrow Agent or to Purchaser, as appropriate, the following documents and materials, dated as of the Closing Date (as applicable). As contemplated by Section 10.2, Purchaser may assign its rights to purchase the Hotels and the respective components of the Property to one or more Affiliates of

Purchaser (or to have its rights and obligations hereunder assumed by one or more Affiliates). Alternatively, Purchaser may direct Sellers, prior to Closing by written instructions, to convey the Property to one or more of such Affiliates. Sellers agree to execute and deliver one or more of each of the conveyance documents described in this Section 7.4 pursuant to Purchaser's written directions as required to convey the components of the Property pursuant to Purchaser's written directions to Purchaser's designated Affiliates:

(i) a Special Warranty Deed for the Hotels conveying the fee simple title in the Real Property with respect to the Hotels to Purchaser free of all Encumbrances except the Permitted Exceptions, duly authorized, executed and acknowledged by each Seller, in the form attached hereto as Exhibit "H" (the "Special Warranty Deed");

(ii) two (2) counterparts of an Assignment and Bill of Sale (the "Assignment and Bill of Sale") for the Hotels in the form attached hereto as Exhibit "I" transferring to Purchaser all of the FF&E, Inventory and Consumables, the Tangible Personal Property, the Intangible Personal Property, the Bookings, the Books and Records, the Space Leases, the Hotel Contracts, and the assignable Permits, (other than those items leased or loaned to Seller or Sellers as described in Exhibits "B", "C", and "D"), duly authorized and executed by each Seller, endorsed to transfer same to Purchaser (and any necessary governmental forms to effect the transfer of title);

(iii) a certificate executed by each Seller in the form attached hereto as Exhibit "J" (the "Seller's Certificate") stating that (i) each of the representations and warranties of such Seller set forth in this Agreement are, as of the Closing Date, true and accurate in all material respects as required by Section 5.6(a) hereof, and (ii) each of the covenants and agreements of Sellers set forth in Section 5.5(a) have been duly performed and complied with in all material respects as required by Section 5.6(b);

(iv) executed copies of the Non-Compete Agreements;

(v) an executed copy of the Holdback Escrow Agreement;

(vi) possession of the Property and any and all keys, access codes and plans and specifications for the Improvements on the Property in Seller or Sellers' possession;

(vii) a certified copy of such authorizations, approvals and incumbencies of each Seller, an owner's affidavit of each Seller

and good standing certificates as the Title Company shall reasonably require;

(viii) a FIRPTA Affidavit executed by each Seller in form required by the Internal Revenue Service;

(ix) a copy of the safe deposit inventory list and Baggage Inventory List executed by each Seller;

(x) a Closing Statement reflecting the parties respective costs of Closing hereunder executed by each Seller;

(xi) such documents as Purchaser may reasonably request evidencing the payment or repayment by Sellers of any Indebtedness relating to the Property;

(xii) if required by applicable law the Tax Certificates described in Section 7.5(c) of this Agreement, if such Tax Certificates have been obtained on or before the Closing Date;

(xiii) to the extent not previously delivered to Purchaser, copies (or originals if available) of the Hotel Contracts, Space Leases and assignable Permits, and all Books and Records with respect to each Hotel, which shall be located at the applicable Hotel on the Closing Date and deemed to be delivered to Purchaser upon delivery of possession of each applicable Hotel;

(xiv) evidence reasonably acceptable to Purchaser and Title Company of application for termination of the Franchise Agreements;

(xv) any documents required to be filed or recorded by applicable Laws in connection with this transaction, including any documents required to transfer any water rights appurtenant to the Property; and

(xvi) any other agreements, documents and/or instruments as may be reasonably required or requested by the Title Company or Purchaser to consummate the transactions contemplated hereunder.

(b) On or before the Closing Date, Purchaser shall deliver to Escrow Agent or to Sellers, as appropriate, the following, dated as of the Closing Date (as applicable):

(i) funds representing the Aggregate Purchase Price (as adjusted in accordance with Section 2.2(c)), plus or minus costs and prorations as provided in Section 7.2;

(ii) two (2) counterparts of the Assignment and Bill of Sale for each Hotel, duly authorized and executed by Purchaser;

(iii) executed copies of the Non-Compete Agreements;

(iv) an executed copy of the Holdback Escrow Agreement;

(v) such authorizations, approvals and incumbency as Sellers or the Title Company shall reasonably require;

(vi) a certificate executed by Purchaser in the form of Exhibit "K" attached hereto (the "Purchaser's Certificate") stating that (i) each of the representations and warranties of Purchaser set forth in this Agreement are, as of the Closing Date, true and accurate in all material respects as required by Section 5.7(a) hereof and (ii) each of the covenants and agreements of Purchaser set forth in Section 5.5(b) have been duly performed and complied with in all material respects;

(vii) if required by applicable law the Tax Certificates described in Section 7.5(c) of the Agreement, if such Tax Certificates have been obtained on or before the Closing Date;

(viii) an executed copy of the safe deposit inventory list and Baggage Inventory List;

(ix) the Closing Statement reflecting the parties respective costs of Closing hereunder;

(x) the New Franchise approvals between the Franchisors or their Affiliates and Purchaser or its Affiliates;

(xi) any documents required to be filed or recorded by applicable Laws in connection with this transaction, including any documents required to transfer any water rights appurtenant to the Property; and

(xii) any other agreements, documents and/or instruments as may be reasonably required or requested by the Title Company or Sellers to consummate this transactions contemplated hereunder.

7.5 Closing Costs

(a) In addition to the other costs and expenses to be paid by Sellers set forth elsewhere in this Agreement, Sellers shall pay for the following costs in connection with this transaction: (i) the fees and expenses of their own accountants and attorneys; (ii) except as otherwise provided herein, one-

half (1/2) of any escrow fees; and (iii) all costs related to recording any documents to release all monetary liens on the Property.

(b) In addition to the other costs and expenses to be paid by Purchaser set forth elsewhere in this Agreement, Purchaser shall pay for the following costs in connection with this transaction: (i) the fees and expenses of its own accountants and attorneys; (ii) the costs of the Updated Surveys; (iii) the costs of the Title Policies and all endorsements or modifications to the Title Policies and the cost of any mortgagee policy; (iv) the fees, costs and expenses incurred by Purchaser in connection with its due diligence activities; (v) the fees, costs and expenses for recording any of Purchaser's financing documents; and (vi) except as otherwise provided herein, one-half (1/2) of any escrow fees and costs and recording fees for the closing documents.

(c) Sellers shall pay all transfer Taxes, and deed stamps, due as a result of this transaction customarily or required by law to be paid by sellers, and Sellers and Purchaser shall execute and deliver such transfer and sales Tax returns, exemption certificates and/or occasional sales certificates (collectively, the "Tax Certificates") as may be required by law or deemed reasonably necessary by either party or Escrow Agent. All such Taxes shall be fully paid by Sellers at or prior to Closing; provided however, if such Taxes cannot be paid at Closing sufficient funds shall be held in escrow at Closing to provide for full payment of such Taxes by Escrow Agent on behalf of Sellers as soon as possible following the Closing.

(d) All other fees, costs and expenses not expressly addressed in this Section 7.5 or elsewhere in this Agreement shall be allocated between each Seller and Purchaser for the Property in accordance with local custom of the respective counties in which the applicable Hotel is situated for similar transactions.

(e) The provisions of this Section 7.5 shall survive the Closing.

7.6 Real Estate Commissions

Each of the Sellers and Purchaser each represent and warrant to the other that it has not dealt with any broker or finder in the negotiation of this transaction other than Broker, who is Sellers' broker in this transaction. Each party agrees to and does hereby indemnify and hold the other harmless against the payment of any commission or finder's fee to any other Person claiming by, through or under such party, as applicable. Sellers shall pay the commission of Broker pursuant to a separate agreement. The indemnities set forth in this Section 7.6 will survive the Closing or earlier termination of this Agreement.

7.7 Hotel Employees

(a) Sellers shall or shall cause Manager, as applicable, to terminate or arrange for the termination of all the Hotel Employees to be effective as of the

Closing and Sellers shall or shall cause Manager, as applicable, to pay (i) to Hotel Employees, all wages, severance pay, bonuses, benefits and other compensation (including earned or accrued but not taken vacation and sick time of any Hotel Employee (the "Accrued Vacation and Sick Time"), (ii) all payroll Taxes and other employment Taxes that any Hotel Employee is owed through termination, pursuant to statute or contract, and (iii) all COBRA and local insurance continuance requirements. Purchaser covenants to Sellers that Purchaser or its management company shall, before the Closing, offer employment (to be effective as of the Closing) to a sufficient number of Hotel Employees on substantially the same terms and conditions as their employment prior to the Closing Date and for a sufficient period of time so that the actions of the parties pursuant to this Agreement shall not trigger the application of the federal Worker Adjustment and Retraining Notification Act (the "WARN Act") or applicable state laws with respect to employees regarding transfers of businesses. Nothing in this subsection, however, shall require Purchaser or its management company to retain for any period of time any Hotel Employee who is unable to establish identity and work authorization for employment verification, who does not pass a criminal background check or who fails to pass any drug test requirement of Purchaser or its management company. It is further agreed, that nothing within this subsection shall prohibit Purchaser or its management company from terminating any rehired Hotel Employee for cause in accordance with the WARN Act and its implementing regulations. In addition, no part of this provision is intended to alter, nor does it alter, the at-will status of the Hotel Employees. Sellers will cooperate and will cause Manager to cooperate, as applicable, with Purchaser and its management company to cause an orderly transfer of the Hotel Employees to the employ of Purchaser or its management company and will not make any offer of employment to the General Manager for a period of six (6) months after Closing without Purchaser's consent unless such General Manager has been terminated by Purchaser or its management company. Sellers and Purchaser acknowledge that Purchaser or its management company may, but are not obligated to, offer employment to the General Manager and other management level Hotel Employees. Sellers or Manager, as applicable, shall remain fully responsible for all liability and obligations to the General Manager and other management level Hotel Employees who are not rehired by Purchaser or its management company and to Hotel Employees who do not accept an offer of employment from Purchaser or its management company. No Hotel Employee shall be obligated to accept Purchaser's or its management company's offer for employment. Nothing in this Agreement shall require Purchaser or its management company to assume any obligations under any Employee Benefit Plans, programs or arrangements currently maintained for Hotel Employees, and Sellers or Manager, as applicable, shall retain and be solely responsible for all obligations under such plans, programs or arrangements and Sellers

shall indemnify and hold Purchaser harmless therefrom. As used herein, "Employee Benefit Plans" means any "employee benefit plan" (as such term is defined in ERISA Section 3(3)) and any other material employee benefit plan, program or arrangement for the directors, officers, shareholders, consultants, independent contractors and Hotel Employees or former Hotel Employees of any Seller. Any severance obligations (including, but not limited to, all accrued salary and all accrued and unpaid vacation and other paid time off accruing prior to the date of Closing) to any Hotel Employee or other individual who performed services for one or more of the Hotels and which arises from such person's employment being terminated by Seller or Manager, as applicable including as a result of a Hotel Employee's rejection of Purchaser's offer of employment, shall be retained by Seller or Manager, as applicable, who shall be solely responsible for such obligations and Seller shall hold Purchaser harmless therefrom.

(b) As long as each Seller has identified the Hotel Employees to Purchaser prior to the Closing and has provided Employee Records to Purchaser to allow Purchaser to make an offer of employment to such Hotel Employees pursuant to this Section 7.7 prior to Closing, if Purchaser or Purchaser's manager elect not to retain or rehire such Hotel Employees, Purchaser will be responsible for all obligations, if any, arising with respect to such terminated Hotel Employees under, pursuant to, and in accordance with the provisions of the WARN Act and similar state laws with respect to employees regarding transfers of businesses. Purchaser acknowledges that it expects Purchaser or Purchaser's manager to retain or rehire a sufficient number of the Hotel Employees, so that Sellers and/or Manager, as applicable, will not be required to give any notices that would otherwise be required under the WARN Act (or applicable state laws with respect to employees regarding transfers of businesses) prior to the termination of the Hotel Employees.

(c) Sellers will indemnify and hold Purchaser harmless from and against any loss, damage, liability, claim, cost or expense (including, without limitation, reasonable attorneys' fees) ("Employee Claims") that may be incurred by, or asserted against, Purchaser relating to a past or present Hotel Employee to the extent arising from acts or omissions occurring prior to the date of Closing (including, without limitation, any Employee Claims which have not yet been asserted by the Closing). Purchaser will indemnify and hold Sellers harmless from and against any Employee Claims that may be incurred by, or asserted against, Sellers after the date of Closing relating to a past or present Hotel Employee who accepts Purchaser's offer of employment to the extent arising from acts or omissions occurring on or subsequent to the date of Closing. These indemnities apply, without limitation, to all forms of civil labor and/or employment claims under state, federal or local law, whether brought in judicial, administrative, arbitration or other proceedings, private or public.

Sellers and Purchaser acknowledge and agree that nothing in this Agreement is intended to create a "joint employer" relationship between them with respect to any Hotel Employee.

(d) The provisions of this Section 7.7 will survive the Closing and will not merge with the provisions of any closing documents.

7.8 Disbursements and Other Actions by Escrow Agent

At the Closing, Escrow Agent shall promptly undertake all of the following:

(a) Disburse all funds deposited with Escrow Agent by Purchaser (excluding the Holdback Amount or any portion thereof) as follows:

(i) If, as a result of the prorations and credits pursuant to Section 7.2, amounts are to be charged to the account of Sellers, deduct the total amount of such charges;

(ii) Deduct and pay to the appropriate third party all items chargeable to the account of Sellers pursuant to Section 7.5;

(iii) Pay to the appropriate third party from funds deposited by Purchaser all items chargeable to the account of Purchaser pursuant to Section 7.5;

(iv) Disburse the balance of the funds due to Sellers to or as directed by Sellers; and

(v) Disburse any remaining funds to or as directed by Purchaser.

All amounts and payees with respect to the items listed above shall be shown on settlement statements executed at the Closing.

(b) Cause the Special Warranty Deed to be recorded in the Office of the County Recorder where the Property is located (with instructions to return the Special Warranty Deed to Purchaser or as directed by Purchaser after recordation), and obtain conformed copies thereof for distribution to Sellers and Purchaser;

(c) Issue to Purchaser the Title Policies (including any endorsements issued in connection therewith);

(d) Deliver to Purchaser and Sellers the other applicable fully-executed documents; and

(e) Take such other actions as Sellers and Purchaser may deem necessary or convenient for the consummation of the Closing.

7.9 Escrow Agent as Reporting Person

In order to assure compliance with the requirements of Section 6045 of the Code, and any related reporting requirements of the Code, the parties hereto agree as follows:

(a) Escrow Agent agrees to assume all responsibilities for information reporting required under Section 6045(e) of the Code, and Sellers and Purchaser hereby designate Escrow Agent as the Person to be responsible for all information reporting under Section 6045(e) of the Code (the "Reporting Person").

(b) Sellers and Purchaser hereby agree (i) to provide to the Reporting Person all information and certifications regarding such party, as reasonably requested by the Reporting Person or otherwise required to be provided by a party to the transaction described herein under Section 6045 of the Code; (ii) to provide to the Reporting Person such party's Taxpayer identification number and a statement (on Internal Revenue Service Form W-9 or an acceptable substitute form, or on any other form the applicable current or future Code sections and regulations might require and/or any form requested by the Reporting Person), signed under penalties of perjury, stating that the Taxpayer identification number supplied by such party to the Reporting Person is correct; and (iii) to retain this Agreement for not less than five (5) years from the end of the calendar year in which the Closing occurred, and to produce it to the Internal Revenue Service upon a valid request therefore.

7.10 Survival

The provisions of Article 7 shall survive the Closing for nine (9) months.

8. CONDEMNATION AND RISK OF LOSS

8.1 Condemnation and Casualty

Sellers shall promptly notify Purchaser in writing of any condemnation proceeding filed or any casualty to the Property occurring prior to the Closing.

(a) Condemnation. If any condemnation proceeding filed prior to the Closing results in the loss of all or any material portion of the Property, or materially and adversely affects one or more of the Businesses or access to one or more of the Hotels ("material" or "materially" meaning in excess of US$500,000), or reduces the parking available at one or more of the Hotels below that required by applicable Law, then this Agreement shall, at Purchaser's sole election, either (i) continue in effect without modification of the terms thereof, in which event, upon the Closing, Purchaser shall be entitled to any compensation, awards, or other payments or relief resulting from such condemnation proceeding, (ii) terminate by Purchaser's written notice to Sellers and Escrow Agent

delivered within ten (10) Business Days after receipt by Purchaser of notice of such condemnation, in which event Escrow Agent shall return the Earnest Money to Purchaser, and following Purchaser's receipt of the Earnest Money, all obligations, duties, rights and entitlements of Sellers and Purchaser shall terminate, except that Sellers and Purchaser shall share equally the expenses of escrow, and the parties shall continue to be obligated under the applicable indemnity provisions of this Agreement which survive termination of this Agreement, or (iii) terminate by Purchaser's written notice to Sellers and Escrow Agent delivered within ten (10) Business Days after receipt by Purchaser of notice of such condemnation.

(b) Casualty. In the event of fire, casualty or any other damage of any kind whatsoever (insured or uninsured) to the Property which is reasonably estimated to cost five percent (5%) of the Purchase Price or more to repair, replace or remediate (the "Casualty Threshold"), Purchaser may, at its option, terminate this Agreement by written notice to Sellers within thirty (30) days after Purchaser's receipt of the notice of casualty referred to above or at Closing, whichever is earlier. If Purchaser does not elect to terminate this Agreement within such time period, or if any such occurrence costs less than the Casualty Threshold to repair, replace or remediate, then:

(i) the parties shall proceed to the Closing pursuant to the terms and conditions hereof, without modification of the terms of this Agreement and without any reduction in the Purchase Price except as set forth in this Section 8.1(b); and

(ii) Each Seller shall assign to Purchaser at Closing all of such Seller's interest in any insurance proceeds (except only, rent loss and business interruption insurance, and any similar insurance attributable to the period preceding the interruption insurance, and any similar insurance attributable to the period preceding the Closing Date) that may be payable to such Seller on account of any such fire, casualty or other damage, and Purchaser will receive a credit against the Purchase Price for any such proceeds that are received and retained by any creditor of such Seller and for the amount of any deductibles under any policies related to such proceeds, to the extent such deductibles or insurance proceeds have not been previously expended or are otherwise required to reimburse such Seller for actual expenditures of restoration.

9. INDEMNIFICATION

9.1 General Indemnity

(a) Subject to the limitations set forth in this Section 9.1, each party agrees to indemnify and hold harmless the other party, its Affiliates and each of their respective directors, officers, employees and agents, and any successor to such party, its Affiliates and their respective directors, officers, employees and agents (each of the foregoing, an "Indemnified Party"), from and against all Losses suffered or incurred as a result of or arising directly or indirectly out of or in connection with:

(i) any breach of any representation or warranty of such party contained in this Agreement or in any agreement, certificate or other document delivered pursuant hereto (but subject to Section 5.3 with respect to any such representation or warranty);

(ii) any breach or non-compliance by such party of any covenant or agreement in this Agreement or in any agreement, certificate or other document delivered pursuant hereto, including without limitation any amount due and owing to the other party following the Closing pursuant to Article 7;

(iii) any Claims brought by any third party to the extent arising from acts, omissions or occurrences that occur or accrue in connection with the Business and the Property prior to the Closing Date with respect to Sellers and on or after the Closing with respect to Purchaser, including, without limitation, with respect to the Hotel Contracts and Space Leases;

(iv) in respect of Sellers only, any breach by a relevant Seller of any Tax representation or warranty set out in this Agreement;

(v) any noncompliance with any Law relating to fraudulent conveyance or transfer in respect of the transactions contemplated by this Agreement to occur at Closing.

9.2 Notice to Indemnifying Party

If any Indemnified Party receives notice of any Claim or other commencement of any action or proceeding with respect to which the other party (in such capacity, the "Indemnifying Party") is or may be obligated to provide indemnification pursuant to this Agreement, the Indemnified Party shall promptly give the Indemnifying Party written notice thereof, which notice shall specify in reasonable detail the amount or, to the extent of the Indemnified Party's knowledge, an estimate of the amount of the liability arising therefrom and the factual basis of the Claim. Such notice shall be a condition precedent to any liability of such Indemnifying Party for indemnification hereunder, but the failure of the Indemnified Party to give prompt notice of a Claim shall not adversely affect the Indemnified Party's right to indemnification hereunder

unless the defense of that Claim is materially prejudiced by such failure or any Losses result from or are caused by such failure (and then solely to the extent such defense is materially prejudiced and to the extent of such Losses that result from or are caused by such failure). The Indemnified Party may settle, compromise or consent to entry of any judgment with respect to any Claim by a third party for which it is entitled to indemnification hereunder and for which the Indemnifying Party has elected not to take control of pursuant to Section 9.3, provided that the Indemnifying Party consents in writing to any such settlement, compromise or judgment, which consent shall not be unreasonably withheld or delayed.

9.3 Defense by Indemnifying Party

In connection with any indemnification Claim arising out of a Claim by a Person who is not a party to this Agreement, the Indemnifying Party, may, upon written notice to the Indemnified Party, assume the defense of any such Claim, the costs and expenses of which shall be paid by the Indemnifying Party; provided, however, that the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party with respect to such Claim. Notwithstanding the foregoing, the Indemnifying Party may not assume the defense of any Claim if (i) a conflict of interest exists which, under applicable principles of legal ethics, would reasonably be expected to prohibit a single legal counsel from representing both the Indemnified Party and the Indemnifying Party in any proceeding reasonably likely to ensue from the Claim or (ii) the Claim requests relief in the form of an injunction or other equitable relief to be imposed upon the Indemnified Party. If Indemnifying Party assumes the defense of any such Claim, it may use counsel of its choice to prosecute such defense, subject to the approval of such counsel by the Indemnified Party, which approval shall not be unreasonably withheld or delayed. The Indemnified Party shall be entitled to participate in the defense of any such action. The Indemnifying Party shall be entitled to settle, compromise or consent to the entry of any judgment with respect to any such Claim with the prior written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed.

10. MISCELLANEOUS

10.1 Entire Agreement

This Agreement (including the Exhibits attached hereto) constitutes the complete and final expression of the agreement of the parties relating to the Property and supersedes all previous contracts, agreements, and understandings of the parties, either oral or written, relating to the Property. This Agreement cannot be modified, or any of the terms hereof waived, except by an instrument in writing (referring specifically to this Agreement) executed by the party against whom enforcement of the modification or waiver is sought.

10.2 Binding Effect; Assignment

(a) This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of each of the parties to this Agreement; provided, however, the same is not intended nor shall it be construed as creating any rights in or for the benefit of any Person other

than the parties to this Agreement and their respective personal representatives, successors and permitted assigns.

(b) Purchaser shall not assign its rights under this Agreement without Sellers' consent except to one or more Affiliates of Purchaser provided that Purchaser provides written notice of such assignment to Sellers at least five (5) Business Days prior to closing together with directions regarding conveyance of the components of the Property by Sellers to such Affiliates; otherwise, Purchaser may not assign this Agreement without Sellers' prior written consent.

(c) Any assignee of Purchaser shall assume in writing all obligations and liabilities of Purchaser under this Agreement, and Purchaser shall continue to be liable for the due performance of all of Purchaser's obligations under this Agreement.

10.3 Notices

Any notice, communication, request, reply or advice (collectively, "Notice") provided for or permitted by this Agreement to be made or accepted by either party must be in writing. Notice may, unless otherwise provided herein, be given or served (a) by depositing the same in the United States mail, postage paid, registered or certified, and addressed to the party to be notified, with return receipt requested; or (b) by delivery by hand or overnight courier; or (c) by e mail with proof of delivery. Notice deposited in the mail in the manner herein above described shall be effective two (2) Business Days after such deposit. Notice by overnight courier shall be effective one Business Day after deposit with the courier service. Notice given by email shall be effective on the Business Day delivered as evidenced by the printed delivery confirmation receipt retained by the sender, provided that such notice is also sent concurrently by registered or certified mail or overnight courier. Notwithstanding the foregoing, any Notice received after 5:00 p.m. local time of the recipient shall be deemed to have been delivered the following Business Day. For the purposes of Notice, the addresses of the parties shall be as set forth below:

SELLERS: c/o Gateway Hospitality
Address: [redacted] [1]

SELLERS' ATTORNEY: Parker Poe Adams & Bernstein LLP
Three Wells Fargo Center
401 South Tryon Street

1. Seller contact information redacted.

Suite 3000
Charlotte, NC 28202
Attention: A. Grant Whitney, Esq.
Telephone: (704) 335-9021
Email: grantwhitney@parkerpoe.com

PURCHASER: American Hotel Income Properties REIT Inc.
Address: 1660 – 401 West Georgia Street
Vancouver, B.C.
Canada V6B 5A1

Attention: Robert F. O'Neill
Telephone: (604) 633-2872
Email: roneill@ahipreit.com

Attention: Daniel M. Miller
Telephone: (972) 559-8000
Email: dmiller@ahipreit.com

PURCHASER'S ATTORNEYS: Farris, Vaughan, Wills & Murphy LLP
Address: 700 W. Georgia Street, 25th Floor
Vancouver, B.C.
Canada V7Y 1B3

Attention: B.R. (Brian) Canfield
Telephone: 604-661-9362
Email: bcanfield@farris.com

Attention: Duncan J. Reid
Telephone: 604-661-1736
Email: dreid@farris.com

ESCROW AGENT: First American Title Insurance Company
Address: 2425 E. Camelback Road, #300
Phoenix, AZ 85016-9293

Attention: Brandon Grajewski
Telephone: 602-567-8145
Email: bgrajewski@firstam.com

The parties shall have the right from time to time to change their respective addresses for notice by at least five (5) Business Days' written notice to the other party.

10.4 Governing Law, Jurisdiction and Venue

This Agreement shall be construed in accordance with the laws of the State of North Carolina. The Parties hereby consent to exclusive jurisdiction and venue in the state and federal courts of the State of North Carolina.

10.5 Section Headings

The section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections of this Agreement.

10.6 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

10.7 Time of the Essence

Time is of the essence of this Agreement and of the obligations of the parties to purchase and sell the Property, it being acknowledged and agreed by and between the parties that any delay in effecting a closing pursuant to this Agreement may result in loss or damage to the party in full compliance with its obligations hereunder.

10.8 Invalid Provisions

If any one or more of the provisions of this Agreement, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Agreement and all other applications of any such provision shall not be affected thereby.

10.9 Computation of Time

The time in which any act under this Agreement is to be done shall be computed by excluding the first day and including the last day. If the last day of any time period stated herein shall fall on a Saturday, Sunday or legal holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday. Unless preceded by the word "business," the word "day" shall mean a calendar day. The phrase "Business Day" or "Business Days" shall mean those days on which the state courts of the county in which the Property is located is open for business and the days on which Escrow Agent is open for business. The word "legal holiday" shall mean a legal holiday of the state in which the Property is located or in the state in which Escrow Agent is located.

10.10 Confidentiality

(a) The terms of the transfers contemplated in this Agreement, including the Aggregate Purchase Price and all other financial terms, as well as the non-public information discovered by, provided to or otherwise obtained by

Purchaser and Sellers and their respective agents either prior to or after the Effective Date in connection with the Property or the Business (the "Confidential Information") shall remain confidential and shall not be disclosed by Purchaser or Sellers without the written consent of the other party except (i) to each party's Affiliates and Related Parties of the party and its Related Parties (including legal counsel, accountants and similar professionals to the extent the party deems it reasonably necessary to inform such person(s), in which case they shall inform each of the foregoing persons of such party's obligations under this Section 10.10 and shall secure the agreement of such persons to be bound by the terms hereof); or (ii) as otherwise required by law, rule or regulation, including the rules, regulations, instruments or policies promulgated by the Securities and Exchange Commission, the British Columbia Securities Commission, the Ontario Securities Commission or the Toronto Stock Exchange. For further clarity, the foregoing shall not preclude Sellers or Purchaser from providing information regarding the terms of the transaction contemplated by this Agreement following the end of the Inspection Period (or, if earlier, following a waiver by Purchaser of its rights under Section 1.4(e)) to Sellers' or Purchaser's direct or indirect owners, lenders and underwriters or in the public announcements or filings of Sellers, or Purchaser and their respective Affiliates.

(b) The parties shall be entitled to an injunction restraining the other party or its agents or representatives from disclosing, in whole or in part, the Confidential Information governed by this Section 10.10 and any prior confidentiality agreement with the Broker. Nothing herein shall be construed as prohibiting a party from pursuing damages or any other available remedy at law or in equity for such breach or threatened breach by the other party; provided that no breaching party shall be liable to the other party for any special, indirect, incidental, punitive, exemplary or consequential damages.

(c) Prior to the end of the Inspection Period (or, if earlier, the receipt by a party of a waiver by the other party of its rights under Section 1.4(e)), any press releases with respect to the sale contemplated herein that identifies the parties or the Hotels or any matters set forth in this Agreement will be made only in the form approved by both Purchaser and Sellers, such approval not to be unreasonably withheld, conditioned or delayed. If a party fails to respond with specific comments or objections to the other party within two (2) Business Days after such party is notified of and has received the proposed press release, such failure to respond shall be deemed to constitute a party's approval of such press release. Notwithstanding the foregoing, this Section 10.10(c) shall not restrict Seller or Purchaser from public announcements or filings required or permitted in accordance with Section 10.10(a).

(d) The provisions of this Section 10.10 shall survive the termination of this Agreement.

10.11 Offers

Following the mutual execution of this Agreement and continuing until any termination of this Agreement, Sellers agrees not to grant any other party a right to purchase the Property whether as a backup offer, Option or other purchase right.

10.12 Tax-Free Exchange

In the event either party desires to effectuate a Tax-free exchange under Section 1031 of the Code and notifies the other party of such determination prior to the expiration of the Inspection Period, the other party agrees to fully cooperate in the structure and documentation of the transaction in order to facilitate such Section 1031 exchange at no cost or other liability to such party and with no obligation to acquire title to any property other than the Property; provided, however, (a) there shall be no resulting delay in the Closing, (b) the party requesting the Section 1031 exchange shall reimburse the other party at Closing for all reasonable additional costs and expenses incurred by such other party in cooperating with such exchange (including legal fees and expenses) and (c) the party requesting the Section 1031 exchange shall indemnify the other party against any Claims resulting solely from structuring the transaction as an exchange, rather than as a direct purchase, which indemnification obligations will survive the Closing and shall not merge with the Special Warranty Deeds or any other documents executed and delivered at the Closing.

10.13 Amendment to the Agreement/Waiver of Matters or Conditions

No term or condition of this Agreement will be deemed to have been amended or waived unless expressed in writing, and the waiver of any condition of the breach of any term will not be a waiver of any subsequent breach of the same or any other term or condition.

10.14 No-Offer

The delivery of this Agreement to Sellers shall not be deemed an offer by Purchaser to enter into any transaction or to enter into any other relationship with Sellers, whether on the terms contained in this Agreement or on any other terms. This Agreement shall not be binding upon Purchaser or Sellers, nor shall Purchaser or Sellers have any obligations or liabilities or any rights with respect hereto, unless and until both Purchaser and Sellers have executed and delivered this Agreement.

10.15 Further Assurances

From the Effective Date until the Closing or earlier termination of this Agreement, Sellers and Purchaser shall use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the transaction described in this Agreement, including, without limitation, (i) obtaining all necessary consents, approvals and authorizations required to be obtained from any Governmental Authority or other Person under this Agreement or applicable Laws, and (ii) effecting all registrations and

filings required under this Agreement or applicable Laws. After the Closing, Sellers and Purchaser shall use commercially reasonable efforts (at no cost or expense to such party, other than any *de minimis* cost or expense or any cost or expense which the requesting party agrees in writing to reimburse) to further effect the transaction contemplated in this Agreement. The immediately preceding sentence of this Section 10.15 shall survive the Closing.

10.16 Bulk Sales

Purchaser and Sellers agree to cooperate and take any actions reasonably necessary to comply with the bulk sales or other sales Tax statutes, if any, of the State in which the Property is located, in connection with the transactions contemplated by this Agreement at no expense to either party.

10.17 E-mail Execution

For purposes of negotiating and finalizing this Agreement, any signed document transmitted by e-mail with confirmation of receipt shall be treated in all manners and respects as an original document. The signature of any party transmitted as aforesaid shall be considered for all purposes as an original signature and any such document shall be considered to have the same binding legal effect as an original document executed, delivered and exchanged between the parties. At the request of either party, any e-mail document shall be re-executed by both parties in original form. Sellers and Purchaser hereby agree that neither shall raise the use of an e-mail transmission of signatures as a defense to this Agreement and each hereby waives such a defense.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Agreement has been duly executed in multiple counterparts by the parties hereto on the dates set forth below.

Date: September 8, 2014

SELLER:
CINEMA DRIVE HOTEL ASSOCIATES, LLC,
a North Carolina limited liability company

_____

_____

Title: Managing Member

Date: September 8, 2014

SELLER:
STATESVILLE 77 HOTEL ASSOCIATES, LLC,
a North Carolina limited liability company

_____

_____

Title: Managing Member

Date: September 8, 2014

SELLER:
WEST MELBOURNE HOTEL ASSOCIATES, LLC,
a Florida limited liability company

_____

_____

Title: Managing Member

Date: September 8, 2014

SELLER:
SPACE COAST HOTEL ASSOCIATES, LLC,
a Florida limited liability company

_____

_____

Title: Managing Member

IN WITNESS WHEREOF, this Agreement has been duly executed in multiple counterparts by the parties hereto on the dates set forth below.

Date: September 8, 2014

PURCHASER:

AMERICAN HOTEL INCOME PROPERTIES REIT INC.,
a Maryland corporation

By: *"Daniel M. Miller"*

Name: Daniel M. Miller

Title: Chief Investment Officer

SIGNATURE BY ESCROW AGENT

The undersigned hereby acknowledges receipt of a fully-executed copy of this Agreement and agrees to accept, hold, deliver and disburse the Earnest Money strictly in accordance with the terms of the Agreement and to otherwise perform the obligations of Escrow Agent and Reporting Person as set forth in the Agreement.

Date: September 8, 2014

ESCROW AGENT:

FIRST AMERICAN TITLE INSURANCE COMPANY,
a California corporation

By: *"Brandon Grajewski"*

Name: Brandon Grajewski

Title: Escrow Agent

ANNEX A

DEFINITIONS

Accounting Firm shall have the meaning set forth in Section 7.2(m).

Accrued Vacation and Sick Time shall have the meaning set forth in Section 7.7(a).

Additional Earnest Money shall have the meaning set forth in Section 2.2(b).

Advance Deposits shall mean the aggregate amount of any deposits received by or on behalf of each Seller (whether paid in cash or by credit card) as a down payment for any Bookings.

Affiliate shall mean, with respect to any Seller or Purchaser, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with such Seller or Purchaser, or owning ten percent (10%) or more of the securities of such Seller or Purchaser, as applicable. For purposes of the foregoing, a Person shall be deemed to control another Person if it possesses, directly or indirectly, the power to direct or cause direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

Aggregate Purchase Price shall have the meaning set forth in Section 2.1.

Agreement shall have the meaning set forth in the first paragraph of this Agreement.

Assignment and Bill of Sale shall have the meaning set forth in Section 7.4(a)(ii).

Baggage Inventory List shall have the meaning set forth in Section 7.3(b).

Bookings shall mean for each Hotel, all contracts, reservations and sales files for the use or occupancy of guest rooms and/or the banquet facilities of such Hotel, to be provided to Purchaser at the Closing.

Books and Records shall mean for each Hotel, all title documents, files, ledgers and correspondence, all equipment, parts, price and supplier lists, customer lists, all manuals, reports, texts, notes, engineering, environmental and feasibility studies, books, records, files, computer data, memorandum, invoices, receipts, accounts, accounting records and books, financial statements, financial working papers, Employee Benefit Plan documents, operating reports, plans and specifications and other records and documents of any nature or kind including, without limitation, those recorded, stored, maintained, operated, held or otherwise wholly or partly dependent on discs, tapes and other means of storage including, without limitation, any electronic, magnetic, mechanical, photographic or optical process, whether computerized or not (and all software, passwords and other information and means of or for access thereto), relating to the Business, the Property and the ownership and operation of such Hotel, including records relating to the Bookings, but excluding (i) the Employee Records, (ii) items that belong to or are proprietary to any Franchisor or other third parties, (iii) internal memoranda regarding the sale,

financing and/or valuation of such Hotel, and (iv) materials and information that are covered by the attorney-client privilege.

Broker shall mean Hotel AG.

Business shall mean the lodging business and all activities related thereto conducted at each Hotel, including, without limitation, (i) the rental of any guest, conference or banquet rooms or other facilities at each Hotel, (ii) the operation of any restaurant or banquet services, together with all other goods and services provided at each Hotel, (iii) the rental of any commercial or retail space to tenants at each Hotel, (iv) the maintenance and repair of the Property, (v) the employment of the Hotel Employees, and (vi) the payment of Taxes.

Business Day and Business Days shall have the meanings set forth in Section 10.9.

Casualty Threshold shall have the meaning set forth in Section 8.1(b).

CC&Rs shall mean any covenants, conditions and/or restrictions binding, restricting or benefiting the Property (including, without limitation, reciprocal easement agreements) which are set forth in the Title Commitments.

Claims shall mean any demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, reasonable attorneys' fees and expenses), whether direct or indirect, known or unknown, foreseen or unforeseen.

Closing shall mean the consummation of the purchase and sale of the Property pursuant to this Agreement.

Closing Date shall mean the date determined pursuant to Section 7.1.

Closing Statement shall have the meaning set forth in Section 7.2(l).

Code shall mean the Internal Revenue Code of 1986, as amended.

Confidential Information shall have the meaning set forth in Section 10.10(a).

Contract shall mean any agreement, contract, lease, consensual obligation, promise or undertaking (whether written or oral and whether express or implied).

Consumables shall mean for each Hotel, all opened and unopened food and beverages and other supplies whether in use or held in reserve storage for future use in connection with each of the Hotels.

Courtyard Statesville shall have the meaning set forth in the Recitals hereto.

Courtyard Statesville Seller shall have the meaning set forth in the first paragraph of this Agreement.

Cure Date shall have the meaning set forth in Section 3.1(a)(ii).

Cut-off Time shall mean 11:59 p.m. on the date preceding the Closing Date.

Diligence Materials shall have the meaning set forth in Section 1.4(b).

Disapproved Hotel Contracts shall have the meaning set forth in Section 1.4(g).

Earnest Money shall have the meaning set forth in Section 2.2(b).

Effective Date shall mean the date this Agreement is last executed by any Seller or Purchaser as reflected by the dates set forth on the signature pages of this Agreement.

Employee Benefit Plans shall have the meaning set forth in Section 7.7(a).

Employee Claims shall have meaning set forth in Section 7.7(c).

Employee Records shall mean such employment information for all Hotel Employees as is provided to Purchaser by Sellers pursuant to this Agreement.

Encumbrances shall mean any mortgage, pledge, lien (statutory or otherwise), charge, hypothecation, security interest, encumbrance, assessment, charge, adverse right, interest, claim, license, covenant, title defect, option, right of first refusal or other restriction or limitation of any nature whatsoever.

Environmental Protection Laws shall mean all applicable Laws relating to the environment, health, pollution, occupational health and safety, the transportation of dangerous goods or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, emission, release, destruction, packaging, containment, transport, handling, clean-up or other remediation or corrective action with respect to any Hazardous Substances.

Environmental Reports shall mean all existing reports, studies or test results in each Seller's possession or control regarding environmental conditions of or relating to the Property and adjacent real property.

Escrow Agent shall mean the First American Title Insurance Company at the address specified in Section 10.3.

Estoppel shall have the meaning set forth in Section 5.5(a)(xiv).

Excluded Assets shall mean (i) computer hardware, telecommunications and information technology systems and computer software that are the property of any of the Franchisors, including, but not limited to, all central reservation systems, sales systems, financial modeling, budget, group pace, incentive and human resource systems, and all other proprietary systems; (ii) any employee training manuals or employee benefit manuals in use at a Hotel or Hotels that are the property of any of the Franchisors; (iii) all service marks, copyrights, trade names, trademarks, symbols, logos, and all other intellectual property rights, marks or characteristics associated with a brand name of any of the Franchisors; and (iv) all Contracts that are not listed on Exhibit "C" to this Agreement, as same may be supplemented or amended from time to time in accordance with the terms of this Agreement.

Excluded Liabilities shall have the meaning set forth in Section 1.3(b).

Existing Surveys shall have the meaning set forth in Section 3.1(a).

Fairfield Inn & Suites Kennedy Space Center shall have the meaning set forth in the Recitals hereto.

Fairfield Inn & Suites Melbourne shall have the meaning set forth in the Recitals hereto.

Fairfield Kennedy Space Center Seller shall have the meaning set forth in the first paragraph of this Agreement.

Fairfield Melbourne Seller shall have the meaning set forth in the first paragraph of this Agreement.

FF&E shall mean for each Hotel, all fixtures, furniture, fittings, equipment, machinery, computers, apparatus, appliances, signs (whether on-site or off-site), vehicles and other articles of personal property (other than the Inventory and the Consumables) located at the Property or held in reserve storage for future use in connection with such the Hotel (except for Excluded Assets), including all operating manuals, computer software, programs and databases subject to such depletions, substitutions and replacements as shall occur and be made in the Ordinary Course of Business prior to the Closing Date.

Final Closing Statement shall have the meaning set forth in Section 7.2(m).

Force Majeure Event shall mean any of the following events: any moratorium on commercial banking activities declared by Canadian or United States federal, provincial or state authorities, any earthquake, flood, fire, tornado, hurricane or other natural disaster or Act of God.

Franchise Agreements shall mean the franchise or license agreements between Franchisors and Sellers in effect as of the date hereof.

Franchise Approvals shall mean Purchaser's receipt of approvals from the Franchisors of New Franchise Agreements for the Hotels, which shall be drafted to be effective as of the Closing Date and on terms acceptable to Purchaser.

Franchisors shall mean Hilton Worldwide Inc. (or its relevant Affiliates) and Marriott International, Inc. (or its relevant Affiliates).

GAAP shall mean generally accepted accounting principles set forth in the Accounting Standards Codification of the Financial Accounting Standards Board as in effect on the Effective Date.

General Manager shall mean for each Hotel, the then-current general manager of such Hotel.

Governmental Authority shall mean any domestic or foreign government, whether federal, state, county, provincial, municipal, local, territorial, regional or other political jurisdiction, and any agency or authority, instrumentality, court, tribunal, board, commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental or other entity, insofar as it

exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of or pertaining to government.

Hampton Inn Statesville shall have the meaning set forth in the Recitals hereto.

Hampton Inn Statesville Seller shall have the meaning set forth in the first paragraph of this Agreement.

Hazardous Substances shall mean any substance or material which (A) has been or is at any time determined by any state or federal court in a reported decision to be a waste, pollutant, contaminant, hazardous waste or hazardous substance, (B) has been or is determined by any Governmental Authority to be a waste, pollutant, contaminant, hazardous waste, hazardous substance or hazardous material capable of posing a risk of injury to health, safety or property, or (C) is described as, or has been or is determined to be a waste, pollutant, contaminant, hazardous waste, hazardous substance, or hazardous material under any Hazardous Waste Law.

Hazardous Waste Law shall mean any law, statute, ordinance, code, rule, regulation, decree, resolution or requirement promulgated by any Governmental Authority with respect to Hazardous Substances, including, without limitation, the following: (A) the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. Section 6901 et seq.; (B) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Section 9601 et seq.; (C) the Clean Water Act, 33 U.S.C. Section 1251 et seq.; (D) the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq.; (E) the Toxic Substances Control Act, 15 U.S.C. Sections 2601-2629; (F) the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; (G) the Clean Air Act, 42 U.S.C. Section 7401 et seq.; (H) the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. Section 136 et seq.; and (I) the Occupational Safety and Health Act of 1970, 29 U.S.C. Section 651 et seq.

Holdback Amount shall have the meaning set forth in Section 2.2(d).

Holdback Escrow Account shall have the meaning set forth in Section 2.2(d).

Holdback Escrow Agreement shall have the meaning set forth in Section 2.2(d).

Hotel and Hotels shall have the meanings set forth in the Recitals hereto.

Hotel Contracts shall mean for each Hotel, all service and maintenance contracts, supply contracts, collective bargaining agreements, equipment leases, signage contracts, leases, notes, binding engagements, transactions and binding commitments, other contracts or agreements, and all amendments thereto, whether written or oral, relating to the Business, the Property and the maintenance, operation, provisioning or equipping such Hotel, together with all related written warranties and guaranties, except for the Space Leases, if any, and any other contracts or agreements that are Excluded Assets.

Hotel Employees shall mean for each Hotel, the Persons employed by Manager in connection with the operation of such Hotel. For the avoidance of doubt, the term "Hotel Employees" shall not include any employees that work at the Hotels on an arm's-length, contract basis.

Hotel Guest Data and Information shall mean for each hotel, all guest or customer profiles, contact information (e.g., addresses, phone numbers, facsimile numbers and email addresses), histories, preferences and any other guest or customer information obtained or collected by Seller in the Ordinary Course of Business from guests of any of the Hotels relating to such guests' stay at any of the Hotels. Hotel Guest Data and Information does not include (i) any information maintained by any of the Franchisors in their corporate databases that is not specific to guest stays at one or more of the Hotels including, without limitation, websites, central reservation databases, operational databases and preferred guest programs of any of the Franchisors, and (ii) any data and information collected by Seller or any of the Franchisors the transfer or disclosure of which is prohibited or restricted by applicable Laws.

Improvements shall mean the buildings, structures (surface and sub-surface), installations and other improvements, including all such fixtures and appurtenances as shall constitute real property located on the Land.

Indebtedness shall mean any mortgage or other indebtedness whether unsecured or secured by any part of the Property and, with respect to any Person at any date, without duplication: (i) all obligations of such Person for borrowed money; (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments; (iii) all obligations in respect of letters of credit, to the extent drawn, and bankers' acceptances issued for the account of such Person; (iv) all guarantees by such Person of indebtedness of any other Person; (v) all obligations of any other Person secured by an Encumbrance on the property of such first Person; (vi) all obligations with respect to capital leases and purchase money obligations; (vii) all commitments by which a Person assures a creditor against loss (including contingent reimbursement obligations regarding letters of credit); and (viii) any accrued interest, prepayment premiums, fees and expenses or penalties related to any of the foregoing.

Indemnified Party shall have the meaning set forth in Section 9.1(a).

Indemnifying Party shall have the meaning set forth in Section 9.2.

Independent Appraisals shall have the meaning set forth in Section 2.1.

Initial Earnest Money shall have the meaning set forth in Section 2.2(a).

Intellectual Property shall mean all intellectual property and/or other proprietary rights owned, licensed, used or held for use by or the benefit of the Business or Sellers, including, but not limited to: (a) any and all registered and unregistered trademarks, brand names, slogans embodying the business or products or goodwill, service names, logos, logotypes, certification marks, industrial designs and/or service marks, including, but not limited to, any and all common law and statutory rights therein and therefor, and further including any and all variations, derivations, combinations, registrations thereof and applications for registration therefor and all goodwill associated therewith; (b) any and all Internet domain names, trade dress and/or trade names, including, but not limited to, any and all common law and statutory rights therein and

therefor, and further including any and all registrations thereof and applications for registration therefor and all goodwill associated therewith; (c) any and all copyrights, including, but not limited to, any and all common law and statutory rights therein and therefor, and further including any and all copyright registrations thereof and applications for registration of copyright therefor; (d) any and all technical information, notes, reports, drawings, blue-prints, works, devices, makes, models, works in progress, customer lists and creations; (e) computer software owned by Sellers (including source code, object code, firmware, operating systems and specifications), all rights under licences agreements, sublicense agreements, strategic alliances, development agreements, technology transfer agreements; (f) all other agreements or instruments relating to the foregoing that are owned or used by Sellers whether in connection with the Hotels, the Business or otherwise, and (g) all rights to sue or recover and retain damages and costs and attorneys' fees for past, present and future infringement or misappropriation of any of the foregoing.

Inspection Period shall have the meaning set forth in Section 1.4(a).

Inspections and Studies shall have the meaning set forth in Section 1.4(c).

Intangible Personal Property shall mean each Seller's interest in all goodwill and other intangible personal property associated with or used in connection with the ownership, operation, leasing, occupancy or maintenance of the Property or the Hotels, including, without limitation, the following: (1) the Permits; (2) telephone numbers, post office boxes, warranties and guaranties, signage rights, utility and development rights and privileges, general intangibles, business records, site plans, surveys, environmental and other physical reports, plans and specifications pertaining to the Land, the Improvements and/or FF&E; (3) all assignable trade-names for one or more of the Hotels, and (4) all websites and domains used for one or more of the Hotels except any website and domain name used by Manager generally for its hotel and other businesses, including access to the FTP files of the websites to obtain website information and content pertaining to one or more of the Hotels (so long as not an Excluded Asset).

Inventory shall mean for each Hotel, all supplies used in the operation of such Hotel, including, without limitation, all china, glassware, linens, towels, silverware, kitchen and bar small goods, paper goods, guest supplies, cleaning supplies, operating supplies, printing supplies, stationery, uniforms and similar items, whether in use or held in reserve storage for future use in connection with the operation of such Hotel.

Land shall mean, collectively, the land and all rights, privileges and appurtenances thereto, as more particularly described in Exhibit "A" to this Agreement, upon which the Hotels are situated.

Laws shall mean any, statute, code, law (including common law), bylaw, order, legislation, ordinance, rule or regulation of any Governmental Authority, which now or at any time prior to Closing is applicable to the Property, or any use, operation or condition thereof, and with respect to which compliance is mandatory.

Ledger shall have the meaning set forth in Section 7.2(k).

Liability shall mean with respect to any Person, any liability, debt or obligation of such Person of any kind, character or description, whether absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, matured or unmatured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is, or is required to be, accrued on the financial statements (if any) of such Person.

Long-Stop Date shall have the meaning set forth in Section 7.1.

Losses shall mean any loss, cost, damage, injury, Liability, Claim, demand, prosecution, fine, sanction, penalty, assessment, amounts paid as settlements, costs, damages or judgment or award available at law or in equity, all interest thereon and all expenses (including reasonable costs, fees and expenses of investigation and legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation) or diminution in value (including a diminution in value of the Property and/or the Business).

Manager shall mean Gateway Hospitality LLC.

New Franchise Agreements shall mean franchise agreements and associated property improvement plans to be entered into and agreed upon between Franchisors or their Affiliates and Purchaser or its Affiliate to operate the Hotels post-Closing as branded hotels with terms of not less than 10 years and otherwise on terms acceptable to Franchisors or their Affiliates and Purchaser or its Affiliate.

Non-Compete Agreements shall mean the non-competition agreements to be entered into by Purchaser and (i) each Seller, (ii) the Manager and (iii) Clancy Cipkala and Sam Agee on or prior to the Closing Date, substantially in the form attached hereto as Exhibit "M".

Notice shall have the meaning set forth in Section 10.3.

Objection Period shall have the meaning set forth in Section 3.1(a)(ii).

Ordinary Course of Business shall mean, with respect to an action taken by any Person, such action is consistent with custom and past practice, and is taken in the course of the normal day-to-day operations of the relevant business.

Permits shall mean all licenses (including, without limitation, liquor licences), franchises, permits, certificates of occupancy, authorizations, registrations, declarations, consents, waivers, privileges, exemptions, orders, certificates, filings, rulings and approvals used in or relating to the ownership, maintenance, occupancy, operation or use of any part of the Hotels and/or the Property, including in relation to on-site or off-site signage for each Hotel and those Permits described in Exhibit "D" to this Agreement.

Permitted Exceptions shall mean, collectively, (i) the Space Leases described in Exhibit "B" to this Agreement and the Bookings and room reservations and room rentals, (ii) any lien, Encumbrance or security interest created by Purchaser post Closing in connection with Purchaser's financing of the Property, (iii) any exceptions to title that are mutually agreed upon by Seller and Purchaser in writing, and (iv) any title exceptions to which Purchaser does not

object in accordance with Section 3.1 or Section 4.1, and any title exceptions to which Purchaser objects that are not cured and which Purchaser is deemed to have accepted and approved in accordance with Section 3.1 or Section 4.1; provided, however, that the following items will be deemed Permitted Exceptions: (x) zoning ordinances and regulations, and (y) standard printed title exceptions, other than those that may be removed by endorsement or deletion or by the execution and delivery of a customary affidavit of Seller or Sellers, as applicable, (in form reasonably acceptable to the Title Company) in favor of the Title Company and all matters set forth in Sellers' existing title insurance policies and/or title opinions.

Person shall mean an individual, legal personal representative, corporation, body corporate, limited liability company, firm, partnership, limited partnership, trust, trustee, syndicate, joint venture, unincorporated organization or Governmental Authority.

Post Due Diligence Disclosure shall have the meaning set forth in Section 5.3(a).

Preliminary Closing Statement shall have the meaning set forth in Section 7.2(l).

Property shall mean, collectively, all of the right, title and interest of each Seller in and to all of the Hotels and their related assets, including the Real Property, the FF&E, the Consumables, the Inventory, the Hotel Contracts, the Space Leases, the Books and Records, the Hotel Guest Data and Information, the Bookings, the Advance Deposits, the assignable Permits (to the extent transferable by Sellers or Seller, as applicable), the Intangible Personal Property and any Tangible Personal Property, but excluding any Excluded Assets or Excluded Liabilities.

Purchase Price shall have the meaning set forth in Section 2.1.

Purchase Price Ratio shall have the meaning set forth in Section 2.1.

Purchaser shall have the meaning set forth in the first paragraph of this Agreement.

Purchaser's Certificate shall have the meaning set forth in Section 7.4(b)(vi).

Real Property shall mean the Land and Improvements.

Related Parties shall mean with respect to any Person the officers, directors, shareholders, partners, members, other equity owners, employees, agents, attorneys, successors, personal representatives, heirs, executors, or assigns of any such Person.

Reporting Person shall have the meaning set forth in Section 7.9(a).

Retained Accounts shall have the meaning set forth in Section 7.2(k).

Seller and Sellers shall have the meaning set forth in the first paragraph of this Agreement.

Seller's Certificate shall have the meaning set forth in Section 7.4(a)(iii).

Seller's knowledge (and references to "Seller has no knowledge" or any similar phrase implying a limitation on the basis of knowledge) shall mean the actual knowledge of Clancy Cipkala and Sam Agee, without further inquiry.

Space Leases shall mean all leases and other agreements (written or oral) for the occupancy of office, retail, restaurant or other space at the Property (including, for the avoidance of doubt, any agreements for the use of the Property by third parties for cellular communication towers).

Special Warranty Deed shall have the meaning set forth in Section 7.4(a)(i).

Tangible Personal Property shall mean each Seller's interest in all tangible personal property used solely in connection with the ownership, operating, leasing, occupancy or maintenance of the Property or the Hotels and not otherwise included within the other categories of the definition of Property (all to the extent that they are not Excluded Assets).

Tax or Taxes shall mean any and all income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, hotel, innkeeper, premium, property, environmental, windfall profit, customs, vehicle, airplane, boat, vessel or other title or registration, capital stock, franchise, employees' income withholding, foreign or domestic withholding, social security, unemployment, disability, real property (including annual ad valorem and special assessments), personal property, sales, use, transfer, value added, alternative, add-on minimum and other tax, payment for unclaimed property or escheatment, fee, assessment, levy, secondary Liability, tariff, charge or duty of any kind whatsoever and any surcharge, interest, penalty, addition to tax or additional amount with respect thereto thereon imposed, assessed or collected by or under the authority of any Governmental Authority or payable under applicable Laws or under any tax-sharing or other similar agreement.

Tax Certificates shall have the meaning set forth in Section 7.5(c).

Title Commitments shall have the meaning set forth in Section 4.1(a).

Title Company shall have the meaning set forth in Section 3.1(a)(i).

Title Policies shall have the meaning set forth in Section 3.1(a)(i).

Updated Surveys shall have the meaning set forth in Section 3.1(a)(i).

WARN Act shall have the meaning set forth in Section 7.7(a).

List of Exhibits

EXHIBIT "A"

LEGAL DESCRIPTIONS OF THE LAND

COURTYARD STATESVILLE

The Land referred to in this policy is situated in Iredell County, North Carolina and more particularly described as follows:

LYING AND BEING in the City of Statesville, Iredell County, North Carolina and more particularly described as follows:

Being all of Lots 7 and 8 as shown on the "REVISION OF LOTS 7, 8, 9 & 10 for EASTSIDE CENTRE" recorded in Plat Book 53 at Page 22 in the Iredell County Public Registry in Statesville, Iredell County, North Carolina, and bearing tax parcel identification numbers 4744-84-1696 and 4744-84-4612, respectively.

HAMPTON INN STATESVILLE

BEING all of Lot 6 as same is shown on plat entitled "Final Subdivision Plat for Eastside Centre" recorded in Map Book 45, Page 128, Iredell County Registry.

FAIRFIELD INN & SUITES MELBOURNE

A parcel of land lying within Section 2, Township 28 South, Range 36 East, Brevard County, Florida, more particularly described as follows:

Begin at the intersection of the South right of way line of Kissimmee Highway (S.R. 500/U.S. 192 a variable width Public right of way) and the West line of the East 60 feet of Lot 10, FLORIDA INDIAN RIVER LAND COMPANY, according to the Plat recorded in Plat Book 2, Page 80, of the Public Records of Brevard County, Florida; thence North 89 degrees 35 minutes 00 seconds East, along said South right of way line, 111.22 feet; thence continue South 76 degrees 54 minutes 43 seconds East 51.39 feet; thence continue North 89 degrees 35 minutes 00 seconds East 149.35 feet; thence continue South 80 degrees 55 minutes 40 seconds East 15.82 feet to the point of a curve to the right, concave Southwesterly, having a radius of 23.00 feet; thence Southeasterly along the arc of said curve a distance of 30.17 feet through a central angle of 75 degrees 09 minutes 39 seconds to the curves end; thence South 05 degrees 46 minutes 01 seconds East 12.84 feet to the point of a curve to the right concave Northwesterly having a radius of 64.50 feet; thence Southerly along the arc of said curve, a distance of 51.22 feet through a central angle of 45 degrees 29 minutes 57 seconds to the point of a reverse curve to the left, concave Northwesterly having a radius of 84.50 feet; thence Southerly along the arc of said curve, a distance of 98.56 feet through a central angle of 66 degrees 49 minutes 38 seconds to the curves end; thence South 27 degrees 05 minutes 42 seconds East 19.09 feet to the point of a curve to the right, concave Westerly having a radius of 40.50 feet; thence Southerly along the arc of said curve, a distance of 19.15 feet through a central angle of 27 degrees 05 minutes 42 seconds to the curves end; thence South 00 degrees 00 minutes 00 seconds East 18.84 feet to the point of a curve to the right, concave Westerly having a radius of 24.50 feet; thence Southwesterly along the arc of said curve, a distance of 38.48 feet through a central angle of 90 degrees 00 minutes 00 seconds to the curves end; thence South 90 degrees 00 minutes 00 seconds West 93.50 feet to the point of a curve to the left, concave Southerly having a radius of 49.50 feet; thence Southwesterly along the arc of said curve, a distance of 63.04 feet through a central angle of 72 degrees 58 minutes 00 seconds to a point of intersection with a non-tangent line; thence South 90 degrees 00 minutes 00 seconds West 20.17 feet; thence South 00 degrees 00 minutes 00 seconds West 253.01 feet; thence South 90 degrees 00 minutes 00 seconds West 22.73 feet to the point of a curve to the left, concave Southerly, having a radius of 49.50 feet; thence Southwesterly along the arc of said curve, a distance of 68.20 feet through a central angle of 78 degrees 56 minutes 07 seconds to the intersection with a non-tangent line; thence South 90 degrees 00 minutes 00 seconds West 18.92 feet; thence South 00 degrees 00 minutes 00 seconds West 12.50 feet; thence North 90 degrees 00 minutes 00 seconds West 31.50 feet; thence South 00 degrees 00 minutes 00 seconds West 56.50 feet; thence South 90 degrees 00 minutes 00 seconds East 31.50 feet; thence South 00 degrees 00 minutes 00 seconds West 192.21 feet to the point of intersection with a non-tangent curve to the left, concave Southeasterly having a radius of 49.50 feet and a radial bearing of South 31 degrees 19 minutes 22 seconds East; thence Southerly along the arc of said curve, a distance of 35.98 feet through a central angle of 41 degrees 38 minutes 38 seconds to the intersection with a non-tangent line; thence South 90 degrees 00 minutes 00 seconds West 20.17 feet; thence South 00 degrees 00 minutes 00 seconds West 382.32 feet; thence South 89 degrees 36 minutes 18 seconds West 13.72 feet; thence North 00 degrees 10 minutes 36 seconds West 1263.83 feet to the POINT OF BEGINNING.

FAIRFIELD INN & SUITES KENNEDY SPACE CENTER

A tract of land containing approximately Two (2) acres more or less (exact acreage to be determined by survey) as follows:

1. The North 230 feet of the South 275 feet of Lot 39 lying East of the 80 feet Right-of-Way of the private Helen Hauser Boulevard.

2. The North 230 feet of the South 275 feet of Lot 38 lying West of the Interstate 95 Right-of-Way.

All above subject to a 15 feet utilities, drainage, access, easement along the East Right-of-Way of the 80 feet Right-of-Way of the private Helen Hauser Boulevard; a 20 feet drainage, access easement along the South line; and a 40 feet building setback along Helen Hauser Boulevard.

AND TOGETHER WITH:

Together with Cross Access and Utility Easement Agreement #4 recorded in Official Records Book 5631, Pages 0471, 0479, 0486 more particularly described as follows:

1. The East 80 feet of the West 181.8 feet of the North 225 feet of the South 450 feet of Lot 39.
2. The East 15 feet of the West 101.8 feet of the North 225 feet of the South 450 feet of Lot 39.

AND:

A rectangular tract of land 95 feet wide and 225 feet long mare particularly described as follows:

1. The East 80 feet of the West 181,80 feet of the North 180 feet of the South 225 feet of Lot 39,
2. The East 15 feet of the West 101.80 feet of the South 225 feet of Lot 39.

AND:

A Tract of land 80 feet wide and 513 feet long at its center line more particularly described as follows:

1. The West 80 feet of the East 225 feet of Lot 58 lying North of State Road 50 and Interstate 95 right of way.
2. The West 80 feet of the East 225 feet of the South 45 feet of Lot 39.

All of the aforesaid lots are located in Section 30, Township 22 South, Range 35 East and being as shown upon and according to the Plat of Titusville Fruit and Farm Lands Company as recorded in Plat Book 2, Page 29. Public Records of Brevard County, Florida.

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EXHIBIT "B"

SPACE LEASES

None (excluding guest room bookings).

EXHIBIT "C"

CONTRACTS

Cinema Drive Hotel Associates, LLC:

1) **PSNC Energy (Gas Service)**
2) **ThyssenKrupp (Elevator Maintenance)**
3) **TMC Landscaping (Landscaping Maintenance)**
4) **Aerolina (Internet Management)**
5) **Time Warner Cable (Cable TV)**
6) **City of Statesville (Water & Power)**
7) **Gregory Pest Control (Pest Control)**
8) **Republic (Waste Removal)**
9) **Ingram (Monitoring for Fire Panel)**
10) **Windstream (Phone)**

EXHIBIT "C"

CONTRACTS

Statesville 77 Hotel Associates, LLC:

1) **PSNC Energy (Gas Service)**
2) **ThyssenKrupp (Elevator Maintenance)**
3) **TMC Landscaping (Landscaping Maintenance)**
4) **Aerolina (Internet Management)**
5) **Time Warner Cable (Cable TV)**
6) **City of Statesville (Water & Power)**
7) **Gregory Pest Control (Pest Control)**
8) **Republic (Waste Removal)**
9) **Ingram (Monitoring for Fire Panel)**
10) **Windstream (Phone)**

EXHIBIT "C"

CONTRACTS

Space Coast Hotel Associates, LLC:

1) **Muzak (Lobby Music)**
2) **ThyssenKrupp (Elevator Maintenance)**
3) **Bright House Network (Cable, Phones & Internet)**
4) **Aerolina (Internet)**

EXHIBIT "C"

CONTRACTS

West Melbourne Hotel Associates, LLC:

1) **Muzak (Lobby Music)**
2) **ThyssenKrupp (Elevator Maintenance)**
3) **Bright House Network (Cable, Phone & Internet)**
4) **Aerolina (Internet)**

EXHIBIT "D"

PERMITS

Cinema Drive Hotel Associates, LLC:

1) **NC Alcohol Beverage Control (Beer, Wine & Liquor)**
2) **Iredell Department of Health (Swimming Pool, Building & Restaurant)**
3) **City of Statesville (Business License)**
4) **Certificate of Occupancy**

EXHIBIT "D"

PERMITS

Statesville 77 Hotel Associates, LLC:

1) Iredell Department of Health (Swimming Pool, Building & Restaurant)
2) City of Statesville (Business License)
3) Certificate of Occupancy

EXHIBIT "D"

PERMITS

Space Coast Hotel Associates, LLC:

1) **State of Florida (Swimming Pool)**
2) **City of Titusville (Food Service / Grease Trap & Business Tax)**
3) **Brevard County (Business Tax)**
4) **State of Florida (DBPR License for Hotel & Restaurant)**
5) **Florida DBPR (Elevator Permits)**
6) **State of Florida (Resale Certificate – Sales Tax)**
7) **Certificate of Occupancy**

EXHIBIT "D"

PERMITS

West Melbourne Hotel Associates, LLC:

1) **State of Florida (Swimming Pool)**
2) **City of Titusville (Food Service / Grease Trap & Business Tax)**
3) **Brevard County (Business Tax)**
4) **State of Florida (DBPR License for Hotel & Restaurant)**
5) **Florida DBPR (Elevator Permits)**
6) **State of Florida (Resale Certificate – Sales Tax)**
7) **Certificate of Occupancy**

EXHIBIT "E"

VIOLATION OF LAWS, ORDINANCES, ORDERS OR REGULATIONS

None.

EXHIBIT "F"

PENDING LITIGATION

None.

EXHIBIT "G" [2]

LIST OF HOTEL EMPLOYEES



2. Exhibit consisting of employee information redacted.

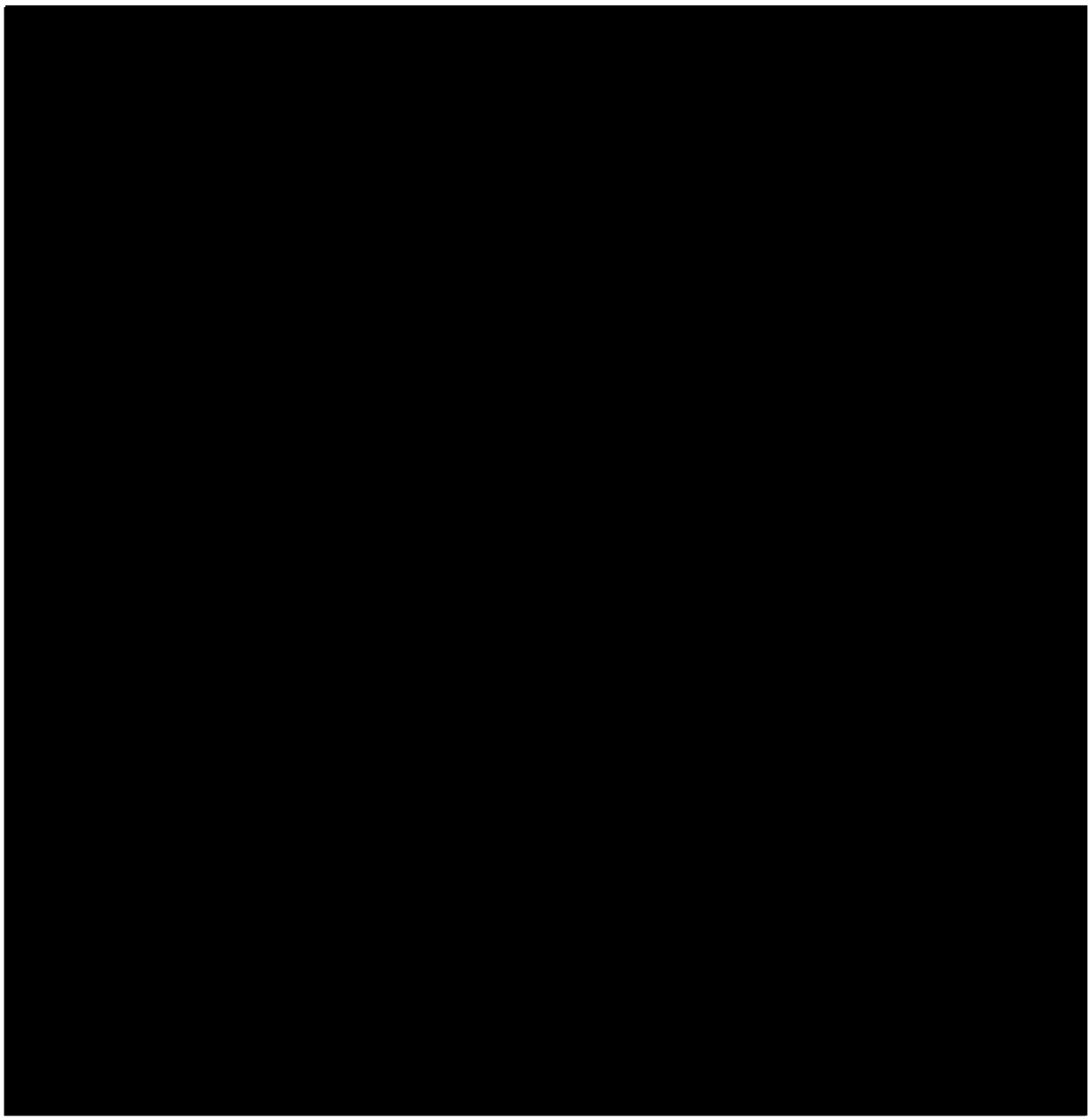


















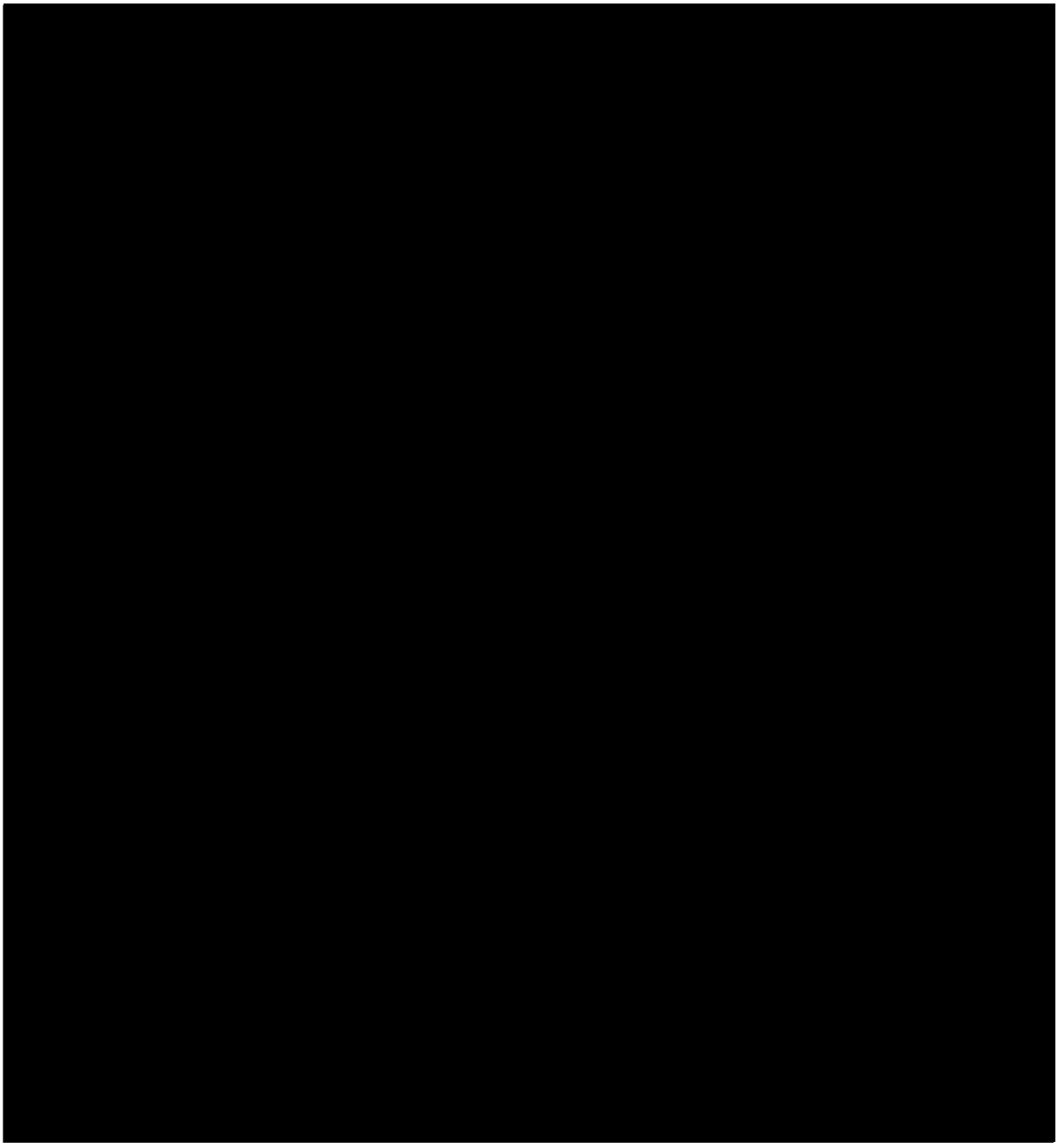




















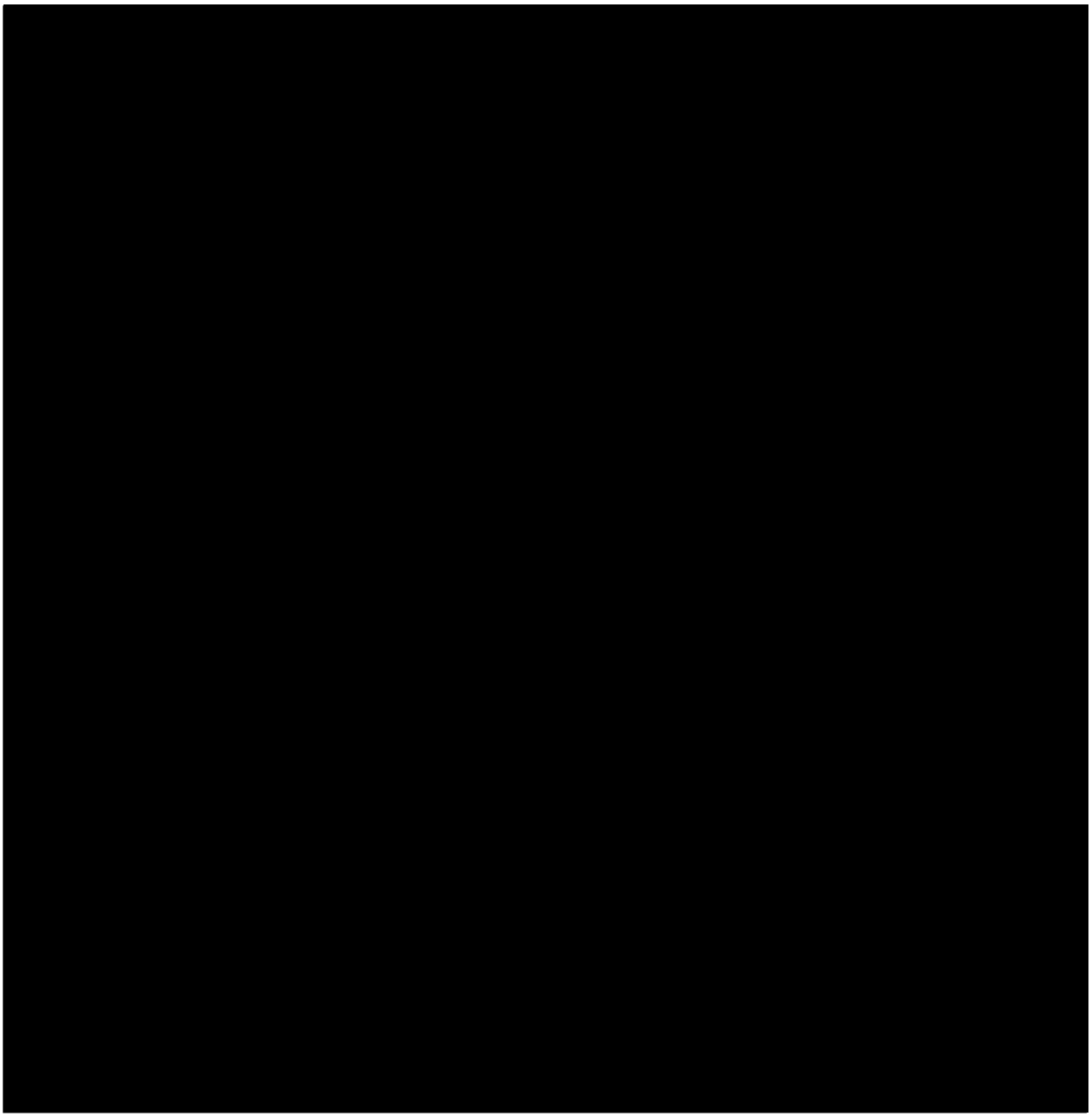
















EXHIBIT "H"

SPECIAL WARRANTY DEED

NORTH CAROLINA SPECIAL WARRANTY DEED

Excise Tax: _____

Parcel Identifier No. _____ Verified by _____ County on the ____ day of _____, 20___
By: _____

Mail/Box to: _____

This instrument was prepared by: _____

Brief description for the Index: _____

THIS DEED made this _____ day of _____, 20___, by and between

GRANTOR	GRANTEE

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot, parcel of land or condominium unit situated in the City of _____, _____ Township, _____ County, North Carolina and more particularly described as follows:

NC Bar Association Form No. 6 © 1/1/2010, 2013
Printed by Agreement with the NC Bar Association

This standard form has been approved by:
North Carolina Bar Association – NC Bar Form No. 6

The property hereinabove described was acquired by Grantor by instrument recorded in Book _____ page _____.

All or a portion of the property herein conveyed ___ includes or ___ does not include the primary residence of a Grantor.

A map showing the above described property is recorded in Plat Book _____ page _____.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor has done nothing to impair such title as Grantor received, and Grantor will warrant and defend the title against the lawful claims of all persons claiming by, under or through Grantor, other than the following exceptions:

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

_____ (SEAL)
(Entity Name)
By: _____
Print/Type Name & Title: _____

_____ (SEAL)
Print/Type Name: _____

By: _____
Print/Type Name & Title: _____

_____ (SEAL)
Print/Type Name: _____

By: _____
Print/Type Name & Title: _____

_____ (SEAL)
Print/Type Name: _____

State of _____ - County or City of _____

I, the undersigned Notary Public of the County or City of _____ and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this _____ day of _____, 20___.

My Commission Expires: _____
(Affix Seal)

_____ Notary Public
Notary's Printed or Typed Name

State of _____ - County or City of _____

I, the undersigned Notary Public of the County or City of _____ and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this _____ day of _____, 20___.

My Commission Expires: _____
(Affix Seal)

_____ Notary Public
Notary's Printed or Typed Name

State of _____ - County or City of _____

I, the undersigned Notary Public of the County or City of _____ and State aforesaid, certify that _____

NC Bar Association Form No. 6 © 1/1/2010, 2013
Printed by Agreement with the NC Bar Association

This standard form has been approved by:
North Carolina Bar Association – NC Bar Form No. 6

_____ personally came before me this day and acknowledged that _he is the _____ of _____, a North Carolina or _____ corporation/limited liability company/general partnership/limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity, __he signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20___.

My Commission Expires:_____
(Affix Seal)

_____
_____Notary Public
Notary's Printed or Typed Name

NC Bar Association Form No. 6 © 1/1/2010, 2013
Printed by Agreement with the NC Bar Association

This standard form has been approved by:
North Carolina Bar Association – NC Bar Form No. 6

This instrument prepared by and should be returned to:

_____
_____
_____
_____

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED made this _____ day of _____, 20__ by _____, a _____, whose address is _____, (the "Grantor"), to _____, a _____, whose address is _____ (the "Grantee").

(Whenever used herein the terms "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

WITNESSETH: That the Grantor, for and in consideration of the sum of $10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all that certain land situate in _____ County, Florida, more particularly described as follows:

See Exhibit "A" attached hereto and incorporated herein.

TOGETHER, with all of the Grantor's interest in and to all licenses, approvals, tenements, hereditaments and appurtenances belonging or in anywise appertaining to the Property.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the Grantor does hereby covenant that the Grantor is lawfully seized of the Property in fee simple; that the Grantor has good right and lawful authority to sell and convey the Property; the Grantor does hereby fully warrant the title to the Property and will defend the same against the lawful claims of all persons by and through the Grantor; and that the Property is free and clear of all encumbrances made by Grantor except for matters of record; provided, however, reference thereto shall not serve to reimpose the same.

IN WITNESS WHEREOF, the said Grantor has hereunto set his hand and seal the day and year first above written.

Signed, sealed and
delivered in our presence:

_____ (Name of company)
a _____

_____
Print Name:_____

By:_____

_____
Print Name:_____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ___ day of _____, 20__, by _____, as _____ of _____ _____, a _____, on behalf of the _____ _____. He is [ ] personally known to me, or [ ] has produced _____ as identification.

_____
Notary Public, State of _____
Print Name:_____
Commission No.:_____
My commission expires:_____

EXHIBIT "A"

EXHIBIT "I"

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE (this "Agreement") is made as of _____, 2014, by and between _____, a _____ _____ ("Seller"), and AMERICAN HOTEL INCOME PROPERTIES REIT INC., a Maryland corporation ("Purchaser"), in furtherance of that certain Purchase and Sale Agreement dated _____, 2014, by and among Seller and Purchaser (the "Purchase Agreement").

Sale and Transfer of Assets. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller hereby sells, conveys, transfers, assigns and delivers unto Purchaser, all of Seller's legal and beneficial right, title and interest in and to all of the FF&E, Inventory and Consumables, Tangible Personal Property, Intangible Personal Property, Bookings, Books and Records, the Space Leases listed on Exhibit "A" attached hereto, and the Hotel Contracts listed on Exhibit "B" attached hereto, and the assignable Permits listed on Exhibit "C" attached hereto, but excluding the Excluded Assets, all as described and defined in the Purchase Agreement (collectively, the "Purchased Assets").

Assumption and Indemnity. Seller agrees to perform all duties and obligations related to the Purchased Assets arising from or attributable to the period prior to the Closing Date, and except (i) may be the express obligation of Purchaser pursuant to an express provision of the Purchase Agreement, or (ii) for any item for which Purchaser received a credit at Closing (as defined in the Purchase Agreement) (to the extent of such credit), Seller agrees to indemnify, defend, and hold harmless Purchaser, on Purchaser's demand, for, from, and against any claims related to the Purchased Assets arising from or attributable to the period prior to the Closing Date. Purchaser assumes and agrees to perform all duties and obligations related to the Purchased Assets arising from or attributable to the period from and after the Closing Date, and except (a) may be the express obligation of Seller pursuant to an express provision of the Purchase Agreement and with respect to which Purchaser did not receive a credit at Closing, or (b) for any item for which Seller received a credit at Closing (to the extent of such credit), Purchaser agrees to indemnify, defend, and hold harmless Seller, on Seller's demand, for from, and against any claims related to the Purchased Assets arising from or attributable to the period from and after the Closing Date.

Purchase Agreement Governs. This Agreement is delivered without representations, warranties or covenants of any kind. This Agreement is only intended to effectuate the sale, transfer and conveyance to Purchaser of the Purchased Assets in accordance with the provisions of the Purchase Agreement, and nothing herein shall expand the rights, covenants, obligations, representations or warranties of Seller or Purchaser (express or implied) beyond what is provided for in the Purchase Agreement, and the terms of this Agreement shall be understood and construed accordingly. To the extent that any provision of this Agreement is inconsistent with the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall govern.

Condition of Purchased Assets. Seller has been duly authorized to transfer and assign the Purchased Assets to Purchaser. All of the Purchased Assets are transferred from Seller to Purchaser "as is." Seller makes no implied warranty of merchantability and no warranty, either express or implied, concerning the Purchased Assets.

Terms Defined. Initially capitalized terms used but not defined herein have the respective meanings given to them in the Purchase Agreement.

Additional Assurances. Purchaser and Seller shall, as may be reasonably requested by the other party from time to time, provide such additional assurances, execute and deliver such instruments, assignments, certificates, or other documents, and take such actions as reasonably shall be necessary or desirable to evidence and to give full effect to the provisions of this Agreement.

Counterpart Execution. This Agreement may be executed in any number of original counterparts, each of which will be effective on delivery and all of which together will constitute one binding agreement of Seller and Purchaser. Any signature page of this Agreement may be detached from any executed counterpart of this Agreement without impairing the legal effect of any signatures and may be attached to another counterpart of this Agreement that is identical in form to the document signed (but that has attached to it one or more additional signature pages).

Attorneys' Fees. In any litigation or other proceeding relating to this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees.

Successors and Assigns. This Agreement shall be binding upon the parties hereto, their successors, assigns and transferees.

Controlling Law. This Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the laws of the State of North Carolina.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Assignment as of the date set forth above.

SELLER:

●,
a ●

By: _____

Name: _____

Title: _____

PURCHASER:

AMERICAN HOTEL INCOME PROPERTIES REIT INC.,
a Maryland corporation

By: _____

Name: _____

Title: _____

EXHIBIT A TO
ASSIGNMENT AND BILL OF SALE

SPACE LEASES

EXHIBIT B TO
ASSIGNMENT AND BILL OF SALE

CONTRACTS

EXHIBIT C TO
ASSIGNMENT AND BILL OF SALE

PERMITS

EXHIBIT "J"

SELLER'S WARRANTY CERTIFICATE

The undersigned, on behalf of _____, a _____ _____ ("Seller"), hereby certifies to AMERICAN HOTEL INCOME PROPERTIES REIT INC., a Maryland corporation ("Purchaser"), pursuant to Section 5.1 of that certain Purchase and Sale Agreement dated _____, 2014 [as amended by _____ dated _____] ([as amended,] the "Agreement") as follows:

1. All of the representations and warranties of Seller set forth in Section 5.1 of the Agreement were true when made and are true and accurate in all material respects as of, and as if made on, the date set forth below.

2. All such representations and warranties will survive the "Closing" as defined in the Agreement for nine (9) months.

3. Each of the covenants and agreements of Seller set forth in Section 5.5(a) of the Agreement have been duly performed and complied with in all material respects.

IN WITNESS WHEREOF, Seller has executed this Warranty Certificate as of the _____ day of _____, 2014.

SELLER:

•,
a •

By: _____

Name: _____

Title: _____

EXHIBIT "K"

PURCHASER'S WARRANTY CERTIFICATE

The undersigned, on behalf of AMERICAN HOTEL INCOME PROPERTIES REIT INC., a Maryland corporation ("Purchaser"), hereby certifies to _____ _____, a _____ ("Seller"), pursuant to Section 5.2 of that certain Purchase and Sale Agreement dated _____, 2014 [as amended by _____ dated _____] ([as amended,] the "Agreement") as follows:

1. All of the representations and warranties of Purchaser set forth in Section 5.2 of the Agreement were true when made and are true and accurate in all material respects as of, and as if made on, the date set forth below.

2. All such representations and warranties will survive the "Closing" as defined in the Agreement for nine (9) months.

3. Each of the covenants and agreements of Purchaser set forth in Section 5.5(b) of the Agreement have been duly performed and complied with in all material respects.

IN WITNESS WHEREOF, Purchaser has executed this Warranty Certificate as of the _____ day of _____, 2014.

PURCHASER:

AMERICAN HOTEL INCOME PROPERTIES REIT INC.,
a Maryland corporation

By: _____

Name: _____

Title: _____

EXHIBIT "L"

DUE DILIGENCE REQUESTS

Tab 1 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
1	Assets	Leases	List of all equipment and personal property leases, including descriptions, terms of leases, accounting treatment (capital versus operating), minimum lease payments, useful life, existence of buy-out options (specifically buy-out at market or bargain purchase options if any) and guaranteed residual value (if any), etc.	B
2	Assets	Auto leases	Schedule of all owned or leased vehicles, registration numbers and VIN's	B
3	Assets	Inventory	Inventory: 1. Detailed Furniture, Fixtures and Equipment (FF&E) Inventory 2. Detailed Linen & Terry Inventory	A
4	Financial	Insurance	Insurance. i. Schedules or copies of all material insurance policies currently in effect covering property, liabilities and operations of the Company, including, without limitation, blanket bonds, fire, hazard, liability, self-insurance clauses or coverage on a "claims-made" basis. ii. Summary of all claims filed against insurance policies during the past five years and any losses for which no claims filed. iii. Current directors and officers' liability policy (and previous policies, if any during the past five years), together with copies of all correspondence relating to any claims filed with the insurer under these policies. iv. Details of any reviews that have been done regarding the adequacy of the current coverage.	B
5	Legal	Past litigation	Schedule of, and documents relating to, all significant litigation, arbitration, administrative proceedings or governmental investigations or inquiries, or threatened or contemplated significant litigation, arbitration, administrative proceedings or governmental investigations or inquiries, within the past five years, affecting the Company or any of its subsidiaries or affiliates or officers or directors.	A
6	Legal	Current and future litigation	Schedule of and documents relating to all current, significant contemplated, threatened or pending litigation, arbitration, administrative proceedings or governmental investigations or inquiries affecting the Company or that may affect the Company.	B
7	Legal	Waivers	Description of all waivers or agreements cancelling or surrendering claims or rights of substantial value.	B
8	Legal	Liens	Personal property or similar lien filings against any of the Company's assets.	B
9	Legal	Violations of law	List any violations of governmental laws or regulations during the past five years. Material reports to governmental agencies for most recent five years.	A

Tab 1 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
10	Legal	Regulatory rulings	Copies of regulatory or governmental examinations, rulings, findings or fines during the last five years.	B
11	Legal	Licenses and permits	Copies of all licenses or permits held by the Company in connection with its operations (e.g. Certificates of Occupancy).	B
12	Legal	Licenses	All licenses, permits, registrations, approvals, consents, etc., which will form the basis of the list of items to be transferred from vendor to acquirer.	B
13	Human Resources	Employee list	Employee list, showing name (at least first name), title, years with the company, current remuneration (base + bonus + benefits + perks + vacation), banked vacation time, years of industry experience and identification of key personnel.	A
14	Human Resources	Employee policies	Personnel Manuals, Employee Handbooks and Policies.	B
15	Human Resources	Benefits	Operative documents relating to any type of benefit plan or trust (e.g. long-term incentive, deferred compensations, employee savings and pension plans, stock purchase, vacation, sick, disability, medical, life insurance), including descriptive booklets and most recent summary plan descriptions, most recent actuarial reports for each plan, most recent financial data for each trust, audit reports, list of transactions involving Company securities or assets, and names of all plan administrators (current or terminated in the past five years).	B
16	Human Resources	Employment agreements	Employment agreements, including severance or termination agreements. When standard forms are used, include standard form, list of persons party to such agreement, and any deviations from the standard form.	A
17	Human Resources	Union agreements	Details of all union matters and discussions, including any history relating to attempts to certify the company.	B
18	Human Resources	Independent contractors	Agreements with independent contractors or consultants	B
19	Human Resources	Labour disputes	Description of any labour disputes within the past five years, summary of ongoing organization efforts, projected schedule of future negotiations, copies of any correspondence on labour disputes referred to federal or provincial authorities.	B
20	Human Resources	Worker Claims	List of all (past and outstanding) workers' compensation claims.	B
21	Human Resources	Health and safety	Health and safety certifications; copies of latest health and safety audits and corrective actions	B
22	Human Resources	Employees laid off	List of employees on layoff or disability, with descriptions.	B
23	Human Resources	Incentive plans	Copies or descriptions of all bonus, commission and incentive plans (both formal and informal).	B
24	Human Resources	Employee fraud	History of employee dishonesty (theft and fraudulent activities).	B

Tab 1 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
25	Tax	Tax compliance	Copies of the current and prior two years' property tax bills for each property, together with any and all assessments, and utility billings to each property for the prior two fiscal years and the interim periods ended subsequent to the last fiscal year.	A
26	Tax	Municipal returns	Any material municipal returns for the most five recent years and any other years open for audit. Identify all property tax disputes and explain status.	B
27	Tax	Tax audits	Description of any pending or potential issues with tax authorities, including details of all material filing positions taken by the company that in the view of either the advisors to the company or the management of the company have been, or may be, challenged by tax authorities, including the status of any tax audits (and which taxation years have been audited).	A
28	Tax	Tax Jurisdictions	Summary of jurisdictions where the Company is registered and/or files sales and use tax returns.	B
29	Tax	Payroll tax summary	Payroll summary provided to tax authorities for all employees.	B
30	Tax	Payroll tax	Most recent quarterly payroll tax withholding filings.	B
31	Tax	Employee Benefits filings	Most recent employee benefit plan filings.	B
32	Tax	Property taxes	Most recent personal and real property tax assessments.	B
33	Tax	Tax relief	Summary of any local government provided tax relief and the associated terms and conditions.	B
34	Facilities	Real estate	Description of the owned real estate, together with copies of title reports, property tax assessments and liens, architectural, construction plans and as-built documents, existing survey and site plans, and evidence of zoning compliance for each property.	A
35	Facilities	Property leases	All property lease or sublease agreements to which the Company is a party, including copies of leases, descriptions of terms of leases, options, annual costs, pay-offs, etc.	A
36	Facilities	Property appraisals	Appraisals of any real property and related assets.	B
37	Facilities	Property condition	Copies of any existing physical inspection reports for each property, including any engineering, ADA compliance, fire and life safety, asbestos, seismic, and soils reports for each property.	A
38	Facilities	Property quality	Copies of recent quality assurance inspection reports from any franchisor or third party.	B
39	Facilities	mortgages	List of all mortgages, trust deeds, etc.	B
40	Facilities	Damage to property	Particulars of any material defects or damage to any buildings situated on real property.	B
41	Facilities	Bylaw compliance	Particulars of any material non-compliance with any bylaw or other law of any kind.	B

Tab 1 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) July 30, 2014

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
42	Environmental	Hazardous materials	List of materials used or stored that are designated as "hazardous" or "toxic" pursuant to applicable environmental laws.	B
43	Environmental	Environmental risks	Description of any known environmental risks relating to the properties.	B
44	Environmental	Environmental permits	Environmental licenses, permits, registrations, certificates of approval, consents, orders or similar documents issued to the company and applications for any of the foregoing.	B
45	Environmental	Environmental proceedings	Pending proceedings before any environmental regulatory authority.	B
46	Environmental	Environmental compliance	Written regulatory compliance inquiries, notices of violations, citations, complaints, or administrative or judicial orders received from any environmental authority in the last five years.	A
47	Environmental	Environmental assessments	Environmental assessments, environmental investigations or environmental studies and reports.	A
48	Competition	Competitive position	1) Any material changes or trends in the competitive standing of the properties? 2) Any pending brand changes that you are aware of in your comp set, or have there been any brand changes in the last 12 months? 3) Any planned renovations that you are aware of in your comp set or have there been any significant renovations completed in the last 12 months at any of your comp set hotels? Are any renovations currently underway in any of your comp set hotels? 4) Any new hotel construction planned in your market tract?	B
49	Competition	Market Trends	STR reports for the previous five years and for the current year to date up to the most recent completed month.	B
50	Intellectual Property	Licenses and royalty agreements	Listing and related agreements of all licenses, franchises, royalty agreements, confidentiality agreements, transportation agreements, indemnities, marketing agreements, distributorships, registered user, sales, management, assignment and other agreements, authorizations, consents or permits relating to the Company's intellectual property granted to third parties by the Company or obtained by the Company from third parties.	B
51	Intellectual Property	Internet domains	List of Internet domain names.	B
52	Marketing	Marketing agreements	List of marketing, advertising and affiliate agreements and contracts, including length, cost/payments, impressions received, etc. including barter agreements.	B
53	Marketing	Marketing studies	Copies of marketing studies performed internally or by external firms or consultants.	B
54	Customers	Customer Contracts	Summary and copies of all ongoing and/or Room Night contracts.	A

Tab 1 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
55	Suppliers	Vendor Contracts and Agreements	Detailed summary of supply arrangements, and summary and copies of all supplier contracts: Copies of all current vendor agreements, supply contracts, and service agreements.	A
56	Internal Controls	Payroll	Payroll process: Payroll performed in-house vs. outsourced (e.g., ADP, Ceridian), approval of hiring, firing, and pay-rate adjustments (and notification to payroll service provider, if applicable).	B
57	Operating Agreements	Major agreements	Summary of and access to all major operating agreements by type (including supplier, distributor, web-content, advertising, marketing, volume pricing and other major operating arrangements).	B
58	Operating Agreements	Royalty and licensing agreements	Summary of and access to all royalty and licensing agreements and the key terms thereof.	A
59	Forecasts	Business plans	Business plans and future projections, and a discussion of strategy and assumptions representing management's best assessment of the current outlook.	A
60	Forecasts	Business plans	Business plans for 2013 and 2014, and beyond if available.	A
61	Forecasts	Externally prepared forecasts	Copies of all external or internal reports, valuations, analyses, projections, due diligence reports, and pro forma financial projections prepared during the past five years by investment bankers, management consultants or others.	B
62	Miscellaneous	Government assistance	Details of any government assistance programs.	B
63	Miscellaneous	Related party transactions	Disclosure of agreements and/or transactions between Directors, Officers, Employees and their Affiliates and Other Related Party Transactions having a direct impact on the operations of the properties.	A

Tab 2 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
1	Financial	Financial Statements & Flash Reports	Financial statements for the past five fiscal years and for the interim monthly periods ended subsequent to the last fiscal year. Month-end flash reports for 2013 (all 12 periods) and the year-to-date 2014 periods.	A
2	Financial	Financial Analyses	Year-to-date and period financial reporting package for the last fiscal year and the interim periods ended subsequent to the last fiscal year that include income statements, balance sheet, cash flow statements and key performance metrics. Package should reflect performance in comparison to prior year and plan. Include variation explanations.	A
3	Financial	Audit reports	All audit and/or review reports and correspondence with external accountants, including but not limited to management letters, special consulting projects, etc. over the last five years.	A
4	Financial	Internal Audits	Summary of internal audit reports for the last five years.	A
5	Financial	Accounting policies	Description of accounting policies and any changes over the last five years.	B
6	Financial	Year end journal entries	Summary of all year end financial statement entries/adjustments posted in each of the last five fiscal year ends and the interim periods ended subsequent to the last fiscal year (accruals, reversals, tax, etc.).	A
7	Financial	Revenue recognition policies	Summary of revenue recognition policies (if not adequately disclosed in notes to the financial statements)	B
8	Assets	AR aging	Aging of accounts receivable as of the last fiscal year end and the interim periods ended subsequent to the last fiscal year, in addition to current estimate and/or specific identification of bad debts.	A
9	Assets	Intercompany transactions	Description of intercompany accounts and summary of inter-company transactions for the last five years and the interim periods ended subsequent to the last fiscal year.	A
10	Assets	Fixed Assets	List of major fixed assets and depreciation schedule with separate details of major items of plant and equipment, building, lease fleet, intangible assets and goodwill including: 1. Date of purchase/installation. 2. Any recent valuations/appraisals. 3. Original cost. 4. Present value. 5. Any impairment or reduction in value that has not been booked.	A
11	Assets	Prepaids and current assets	Detail of prepaids and other current assets.	A
12	Liabilities	AP Aging	Accounts payable aging as of the last fiscal year end and the interim periods ended subsequent to the last fiscal year.	A

Tab 2 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
13	Liabilities	Deferred revenue	Detail of deferred revenue as of last fiscal year and the interim periods ended subsequent to the last fiscal year, along with the policy for recording and amortizing the revenue.	A
14	Liabilities	Loans to other parties	Summary of agreements relating to loans by the Company to, or guarantees of the obligations of, other persons or entities.	A
15	Liabilities	Off balance sheet liabilities	List of any off-balance sheet liabilities as of the fiscal year and the interim periods ended subsequent to the last fiscal year, including but not limited to operating leases.	A
16	Liabilities	Contingent liabilities	Any other actual or contingent indebtedness not reflected in the most recent financial statements and all agreements and material correspondence relating thereto.	A
17	Liabilities	Deferred purchase agreements	Detail any deferred or committed purchase agreements.	B
18	Financial	Non recurring items	Summary and details of unusual, special changes and non-recurring items for the last five fiscal years and the interim periods ended subsequent to the last fiscal year.	B
19	Facilities	Other property agreements	All other material real property agreements to which the Company is a party, including real estate purchase agreements, option agreements or earnest money agreements.	B
20	Customers	Account List	List of top 15 accounts and their room nights and rate during the last three fiscal years and the interim periods ended subsequent to the last fiscal year. Explanation for any bad debt write-offs for these customers, and summary projections for 2013 and beyond.	A
21	Internal Controls	Cash management	Cash management process: Controls surrounding cash tills and petty cash, frequency of cash deposits, sweeping of cash accounts, receipt of cheques and direct deposits and month-end reconciliation to bank records.	B
22	Financial	Standard credit terms	Summary of standard terms for credit extension (accounts receivable).	B
23	Liabilities	Reserves	Identify and comment on the adequacy of current reserves.	B
24	Liabilities	Mortgages	List of any material real property mortgages or lease commitments which are not disclosed in the last fiscal year-end statements and the interim periods ended subsequent to the last fiscal year.	A
25	Assets	Capital expenditures	Record of capital expenditures for the last five years.	A
26	Assets	Capital expenditure plans	Capital expenditure plans/budgets, including a summary of capital expenditure commitments.	A
27	Financial	Loan details	All material agreements relating to the borrowing of money, including bank lines of credit (including any amendments, renewal letters, notices), promissory notes, letters of credit, indentures, notes, term loans and revolving credit agreements. List banks and describe accounts, loan documents and current bank statements.	A

Tab 3 - Due Diligence List - GATEWAY HOTEL PORTFOLIO (for each property, as applicable) **July 30, 2014**

Note: If possible, please deliver items marked Priority "A" first.

ID	Category	Item	Description	Priority
1	Miscellaneous	Utility Account	Copies of Most recent utility accounts, water, sewer, electricity, gas etc	B
2	Human Resources	Human Capital Review	Organizational Chart, hourly vs. Salary breakdown of employees, Breakdown of FT vs. PT, Long Tenured employees, Cultural diversity, Languages Spoken	B
3	Human Resources	Management Employment agreements	Copies of Gm offer letter, Terms, other management offer letters	B
4	Human Resources	Short/Long Term Incentive Plans	Copies of Incentive plans, Bonus plan, recognition or award programs, bonus for hourly employees?	B
5	Human Resources	401k or retirement plan	retirement benefit exits, employer matching ?	B
6	Human Resources	Health Benefits	Eligibility, medical, participation, carrier or policy copies, PPO, HMO Consumer Driven? Premium Share rates? Vision, Dental, EAP, Wellness ?	B
7	Human Resources	Voluntary Group Benefits	Life Insurance, STD/LTD	B
8	Human Resources	Other Benefits	GM Car Allowance, equity/defined contribution plan, Exec Life, Others ?	B
9	Human Resources	Performance Reviews	Annual ? Universal date, or employment anniversary date? Typical % wage increase over the last three years, per year ?	B
10	Human Resources	HR Systems	HRIS, Clocks or Time/Attendance System ? Payroll System ?	B
11	Human Resources	Communication systems	Team Meetings, Department Meetings, Newsletter, Intranet? Back of house bulletin boards or communication boards?	B
12	Human Resources	Recruitment / On-Boarding	Copies of all existing sample hiring letter, application forms, E-Verify, I9 process, Where do employee files reside? Turnover rates, Staffing Issues, Recruitment or advertising methods, pre-employment screening, drug testing? Orientation program?	B
13	Human Resources	Guest Service	Internal training programs - copies of material, or Brand Training?	B
14	Human Resources	Employee Development	Career Development or Succession plans, Learning management system, leadership training? Internship programs?	B
15	Human Resources	Risk/Legal	Outstanding and active HR lawsuits, EEOC, Wage and hour claims? High Risk employees or performance issues? Open investigations? Workers Comp Issues? Employees with ADA accommodation? Safety committee or safety reporting process? Handling of property/casualty/general liability claims? any open liability issues?	B
16	Information Technology	IT Security	IT policies and procedures including but not limited to security, backup, and disaster recovery policies and procedures.	B
17	Information Technology	Software	Listing of all significant software used, associated cost, and whether owned or licensed.	B
18	Information Technology	Hardware, Software and Documentation	Complete the tabs named, "IT Hardware", "IT Software" and "IT Documentation" to the right (currently filled in with examples).	B

EXHIBIT "M"

FORM OF NON-COMPETE AGREEMENT

THIS NON-COMPETE AGREEMENT is made effective October __, 2014,

BETWEEN:

, an individual; (each, a "**Covenantor**", and collectively, the "**Covenantors**")

AND:

AMERICAN HOTEL INCOME PROPERTIES REIT INC., a Maryland corporation, and/or its assignees (the "**Purchaser**", and each of the Covenantors and Purchaser are a "**party**" and collectively, the "**parties**" to this Agreement)

WHEREAS:

A. Pursuant to the purchase and sale agreement dated as of September 8, 2014 (the "**Purchase Agreement**"), between Purchaser and each of Cinema Drive Associates, LLC, Statesville 77 Hotel Associates, LLC, West Melbourne Hotel Associates, LLC and Space Coast Hotel Associates, LLC (each a "**Seller**" and collectively the "**Sellers**"), Purchaser and/or its assignees is acquiring the Hotels from the Sellers; and

B. This Agreement is a required delivery of each of the Covenantors on or before the Closing Date under the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration given by Purchaser and its assignees to the Covenantors, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. INTERPRETATION

1.1 Definitions.

All terms used but not defined herein shall have the meaning given to them in the Purchase Agreement.

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms have the following meanings:

(a) "**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with such Person. For the purposes of the foregoing, a Person shall be deemed to "**control**" another Person if it possesses, directly or indirectly, the power to direct or cause direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "**controlling**" and "**controlled**" shall have meanings correlative to the foregoing;

(b) "**Agreement**" means this agreement, as it may be amended from time to time by the parties hereto;

(c) "**Competitive Business**" means any hotel or lodging facility of any kind operated or carried on within the Territory;

(d) "**Confidential Information**" means all confidential or proprietary information, intellectual property and confidential facts and non-public information (including, without limitation, all budgets, forecasts, analyses, financial results, prospects, costs, margins, wages and salaries, bids and other business activities and all financial information, all customer and supplier lists and information, all prospective customer and supplier lists and information, pricing, sales, trade secrets, any secret or proprietary manufacturing technique, any formulae or other composition of any product, marketing techniques, procedures, operations, know-how and other aspects of the Business of each Hotel) relating to any of the Hotels or the Business of any Hotel, including, without limitation, any such confidential information owned by, held by, used by or obtained by any of the Sellers or the Covenantors or their respective agents prior to Closing;

(e) "**Governmental Authority**" means any federal, state, municipal, county, local, or other government, or political subdivision thereof, or any agency, department, commission, board, bureau or instrumentality of such government or political subdivision thereof, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction, in each case to the extent the same has jurisdiction over the Person or hotel in question;

(f) "**Legal Requirement**" has the meaning set forth in Section 2.4(a);

(g) "**Limitation Period**" has the meaning set forth in Section 2.1;

(h) "**Person**" means an individual, partnership (general, limited or limited liability), corporation, limited liability company, joint stock company, trust, estate, unincorporated association, joint venture, other entity or Governmental Authority; and

(i) "**Territory**" means the area within a [redacted][3] radius around each of the Hotels.

2. COVENANTS AND ACKNOWLEDGEMENTS OF the COVENANTORs

2.1 Competition.

Each Covenantor covenants and agrees in favor of Purchaser that for a period commencing as and from the Closing Date and ending on the date which is (A) in respect of the Courtyard Statesville and the Hampton Inn Statesville, [redacted][4] after the Closing Date, and (B) in respect of the Fairfield Inn & Suites Melbourne and the Fairfield Inn & Suites Kennedy Space Center, [redacted][4] after the Closing Date (in each case, the "**Limitation Period**"), that he or it shall not and shall cause his or its Affiliates not to, without the prior written consent of Purchaser, either alone or in partnership or jointly or in conjunction with any Person or Persons, whether as principal, agent, partner, co-venturer, shareholder, investor, creditor, director, officer, employee, advisor, consultant or in any other capacity whatsoever:

3. Distance redacted.
4. Time period redacted.

(a) carry on, own, manage, organize, control, develop or establish any undertaking or business, or be engaged in, serve as a director, officer, trustee of or consultant to, any undertaking or business, in each case, that is a Competitive Business; or

(b) have any financial or ownership interest (including without limitation, an interest by way of royalty or other compensation arrangements but excluding interest(s) in a publicly traded business (including dividend payments) in, or in respect of, a business or undertaking that is a Competitive Business.

In addition, each Covenantor covenants and agrees that he or it shall not and shall cause his or its Affiliates not to, without the prior written consent of Purchaser, either alone or in partnership or jointly or in conjunction with any Person or Persons, whether as principal, agent, owner, partner, co-venturer, shareholder, investor, creditor, director, officer, employee or in any other capacity whatsoever, directly or indirectly participate in the development or construction of any new hotel, or serve as a director, officer, trustee of any business investing in or owning any new hotel, where in each case such new hotel would be a Competitive Business to the Fairfield Inn & Suites Melbourne or the Fairfield Inn & Suites Kennedy Space Center upon completion, for a period of [redacted] following the Closing Date.[5]

2.2 Non-Solicitation

Each Covenantor covenants and agrees in favour of Purchaser that during the Limitation Period he or it shall not and shall cause his or its Affiliates not to, without the prior written consent of Purchaser, either alone or in partnership or jointly or in conjunction with any Person or Persons, whether as principal, agent, partner, co-venturer, shareholder, investor, creditor, director, officer, employee, advisor, consultant or in any other capacity whatsoever:

(a) contact any Person who is a customer of any of the Hotels (including of their respective Businesses) as of the Closing Date for the purpose of interfering with, or encouraging them to terminate, their business relationships with any of the Hotels (including with their respective Businesses) or for the purpose of otherwise soliciting any such customer for a Competitive Business; or

(b) make offers or invitations of employment or retention as a consultant to, or hire, retain, solicit, interfere with, entice away, or otherwise attempt to obtain the withdrawal or encourage the resignation or retirement of any current employees of any of the Hotels (including of their respective Businesses); provided, however, that the Covenantors shall not be prohibited:

(i) from and after the date of this Agreement, from engaging in general solicitations for employment or retention (including through public advertisements and the use of search firms) so long as such solicitations are not specifically targeted at such employees; or

(ii) from and after the date of this Agreement, from employing any current employee of any of the Hotels who has been terminated by Purchaser or Purchaser's management company.

5. Time period redacted.

2.3 Confidentiality

During the Limitation Period, each Covenantor shall keep in strict confidence, and shall not, directly or indirectly, disclose, furnish, disseminate, make available or use any Confidential Information in violation of this Agreement, without limitation as to when or how such Covenantor may have acquired such information. Each Covenantor specifically acknowledges that, with respect to any Confidential Information whether reduced to writing, maintained on any form of electronic media, or maintained in the mind or memory of such Covenantor and whether compiled by the Purchaser, the Sellers and/or such Covenantor, such Confidential Information: (i) derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from its disclosure or uses; (ii) such information is and will remain the sole property of Purchaser, and (iii) any retention (other than through general knowledge maintained in the mind and memory of such Covenantor) and use of such information after the Closing Date will constitute a breach of this non-disclosure undertaking and/or misappropriation of the trade secrets of the Businesses of the Hotels, as applicable. Each Covenantor acknowledges and agrees that the Confidential Information shall at all times during the Limitation Period and thereafter remain the exclusive property of Purchaser. The obligations under this Section 2.3 shall be limited to the Limitation Period.

2.4 Permitted Disclosure.

The restrictions on disclosure set forth in Section 2.3 shall not apply to the extent that:

(a) disclosure is required by applicable Law or regulation or by judicial, administrative, legislative, regulatory, arbitral, investigative or other legal, governmental or regulatory proceeding, process or demand ("**Legal Requirement**");

(b) disclosure is contemplated by, or required to enforce, the Purchase Agreement or related agreements between a Covenantor or any of his or its Affiliates and Purchaser or any of its Affiliates;

(c) disclosure is required to a bank or financial institution in connection with financing arrangements; or

(d) the Confidential Information is or becomes generally available to the public other than as a result of an unauthorized disclosure by the relevant Covenantor.

In the event that a Covenantor is required to make a disclosure required by any Legal Requirement, such Covenantor shall, to the extent permitted by such Legal Requirement, promptly notify Purchaser prior to making such disclosure (except in the event of an emergency or where the circumstances make it impractical to so notify Purchaser) and shall permit Purchaser to seek a protective order or take other appropriate actions, and shall reasonably cooperate in Purchaser's efforts (at Purchaser's expense), to maintain the confidentiality of the Confidential Information.

2.5 Acknowledgement and Agreement.

(a) Each Covenantor acknowledges and agrees that:

(i) this Agreement is an integral part of the transactions contemplated by the Purchase Agreement;

(ii) the Sellers are selling all of their right, title and interest in and to the Hotels in the transactions contemplated by the Purchase Agreement;

(iii) he or it has received or will receive, significant direct and indirect benefits as a result of the completion of the transactions contemplated by the Purchase Agreement; and

(iv) Purchaser is relying directly upon the covenants and acknowledgements given by the Covenantors in this Agreement in relation to such transactions.

(b) Each Covenantor further acknowledges and agrees that:

(i) he or it is a sophisticated party and acknowledges that he or it has had full opportunity to seek independent legal advice prior to signing this Agreement;

(ii) all restrictions contained in this Agreement (including, without limitation, the restrictions as to time and geography contained in Sections 2.1, 2.2 and 2.3, as applicable) are reasonable in all respects and are valid in accordance with their terms; and

(iii) the Covenantors hereby agree that Purchaser shall, in addition to all other remedies available to it in law or in equity, be entitled as a matter of right to an injunction restraining the relevant Covenantor from any breach or further breach of the said provisions.

3. GENERAL

3.1 Severability.

Each section and subsection of this Agreement constitutes a separate and distinct provision of this Agreement. It is the intent of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the Laws and public policies applicable in each jurisdiction in which enforcement is sought. Accordingly, if any provision of this Agreement is adjudicated to be invalid, ineffective or unenforceable, the remaining provisions will not be affected by such adjudication. The invalid, ineffective or unenforceable provision will, without further action by the parties, be automatically amended to effect the original purpose and intent of the invalid, ineffective or unenforceable provision; provided, however, that such amendment will apply only with respect to the operation of such provision in the particular jurisdiction with respect to which such adjudication is made. Without limiting the generality of the foregoing, the parties acknowledge and agree that each of Sections 2.1, 2.2(a), 2.2(b), 2.2(c) and 2.3 reflect separate and individual covenants that each such section shall be severable from the others.

3.2 Waiver.

No waiver of any provision of this Agreement is binding unless it is in writing and signed by the party entitled to grant the waiver. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this Agreement will be deemed to be a waiver of any subsequent breach of that provision.

3.3 Assignment.

Purchaser and its assignees may assign the benefit of this Agreement to (i) any Affiliate of Purchaser, its assignees or any Person to whom all or substantially all of the undertakings, properties and assets of Purchaser are transferred or (ii) any of its assignees to which Purchaser's obligations under the Purchase Agreement are assigned, in each case without obtaining the consent of the Covenantors.

3.4 Enurement.

This Agreement enures to the benefit of Purchaser and the Covenantors and binds the parties hereto, and in each case, their respective successors, heirs, executors, administrators and permitted assigns, as the case may be.

3.5 Amendment.

No amendment, supplement, restatement or termination of any provision of this Agreement is binding unless it is in writing and signed by each party to this Agreement.

3.6 Entire Agreement.

This Agreement and the other agreements referred to in this Agreement set forth the entire understanding of the parties regarding this subject matter and supersede all prior contracts, agreements, arrangements, communications, discussions, representations and warranties, whether oral or written, between the parties regarding this subject matter.

3.7 Notices.

All notices and other communications required or permitted under this Agreement will be in writing and will be deemed to have been duly given when delivered in person or when dispatched electronically (confirmed in writing by mail simultaneously dispatched) or one business day after having been dispatched by a nationally recognized overnight courier service to the appropriate party at the address specified below:

If to Purchaser:

AMERICAN HOTEL INCOME PROPERTIES REIT INC.
c/o American Hotel Income Properties REIT LP
401 West Georgia Street, Suite 1660
Vancouver, British Columbia V6H 5A1
Attn: Mr. Robert O'Neill
Fax: (604) 684-0482
Email: roneill@ahipreit.com

With a copy to:	Farris, Vaughan, Wills & Murphy LLP 25th Floor, 700 W. Georgia Street Vancouver, B.C. V7Y 1B3 Attn: Duncan Reid Fax: (604) 661-9349 Email: dreid@farris.com
If to a Covenantor	c/o Gateway Hospitality Address: [redacted] [6]
With copies to:	Parker Poe Adams & Bernstein LLP Three Wells Fargo Center 401 South Tryon Street Suite 3000 Charlotte, NC 28202 Attention: A. Grant Whitney, Esq. Telephone: (704) 335-9021 Email: grantwhitney@parkerpoe.com

3.8 Headings.

The headings in this Agreement are solely for convenience of reference and are not to be given any effect in the construction or interpretation of this Agreement.

3.9 Time of the Essence.

Time is of the essence of this Agreement.

3.10 Further Assurances.

Each of the parties will execute such further assurances and other documents and instruments and will do such further and other things as may be necessary to implement and carry out the intent of this Agreement.

3.11 Governing Law.

This Agreement shall be governed by and construed in accordance with the Laws of the State of North Carolina, regardless of the Laws that might otherwise govern under applicable principles of conflict of laws. The parties expressly waive any right they may have, now or in the future, to demand or seek the application of a governing Law other than the State of North Carolina.

6. Contact information redacted.

3.12 Consent to Jurisdiction.

Each of the parties to this Agreement hereby consents to the jurisdiction of the courts of the State of North Carolina with respect to any action or proceeding which arises out of or relates to this Agreement.

3.13 Interpretation and Enforcement.

If suit or action is filed to interpret or enforce this Agreement, the prevailing party shall be entitled to be awarded its reasonable attorneys' fees and disbursements solely relating directly to the litigation through all appeals in addition to other costs and disbursements allowed by Law, including those incurred on appeal.

3.14 Counterparts.

This Agreement and any amendment, supplement, restatement or termination of any provision of this Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. A party's electronic transmission of a copy of this Agreement duly executed by that party shall constitute effective delivery by that party of an executed copy of this Agreement to the party receiving the transmission. A party that has delivered this Agreement electronically shall forthwith deliver an originally executed copy to the other party or parties.

[the remainder of this page left intentionally blank – Covenantor's signature page follows]

IN WITNESS WHEREOF this Agreement has been executed, to be effective as of the date first above written.

COVENANTORS:

_____

•,

By: _____
Name: •
Title: •

•

By: _____
Name: •
Title: •

•

By: _____
Name: •
Title: •

•

By: _____
Name: •
Title: •

[***the remainder of this page intentionally left blank – Purchaser's signature page follows***].

PURCHASER:

AMERICAN HOTEL INCOME PROPERTIES REIT INC.,
a Maryland corporation

By: _____
Name: •
Its: •

EXHIBIT "N"

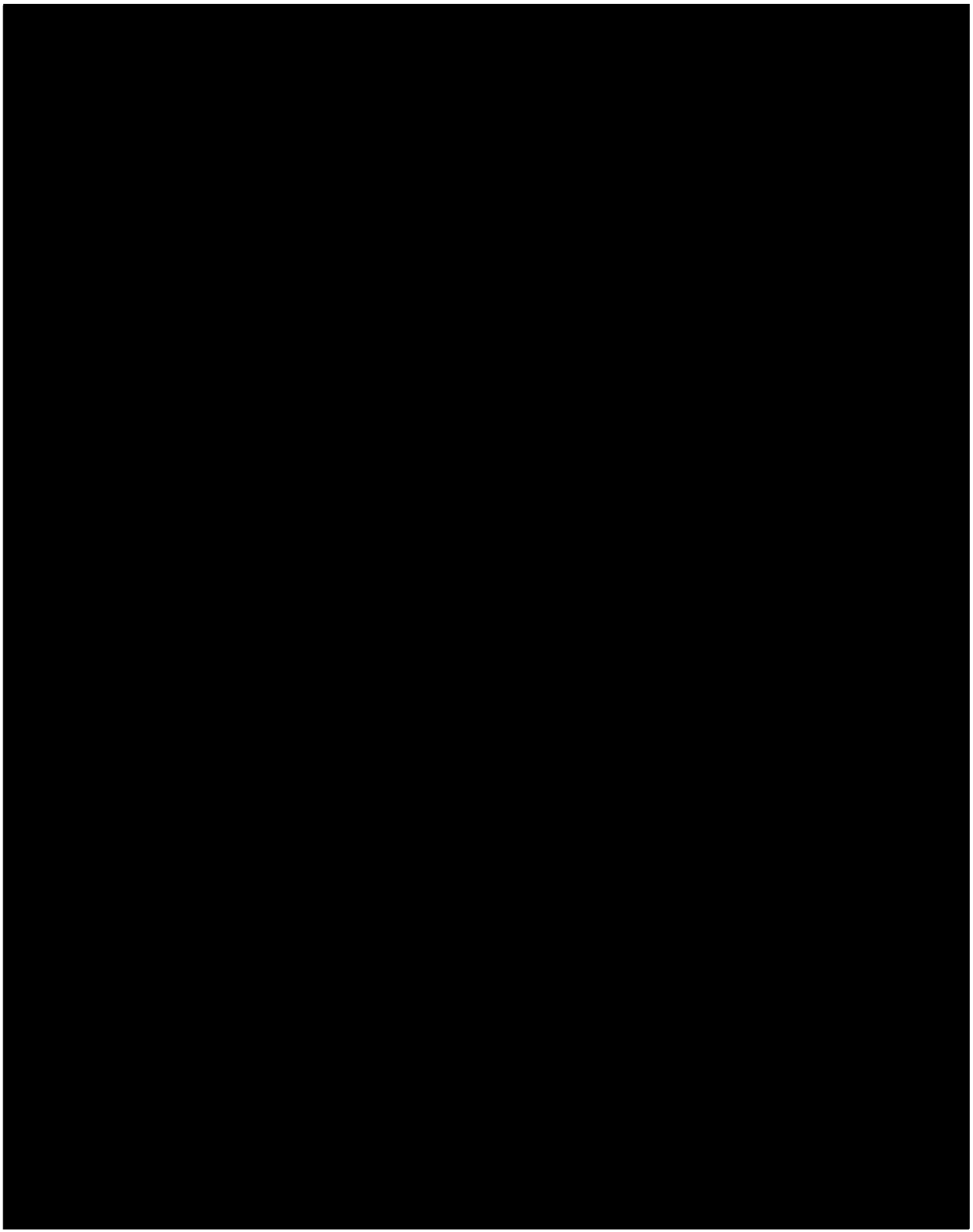
ADVERSE FRANCHISOR CORRESPONDENCE

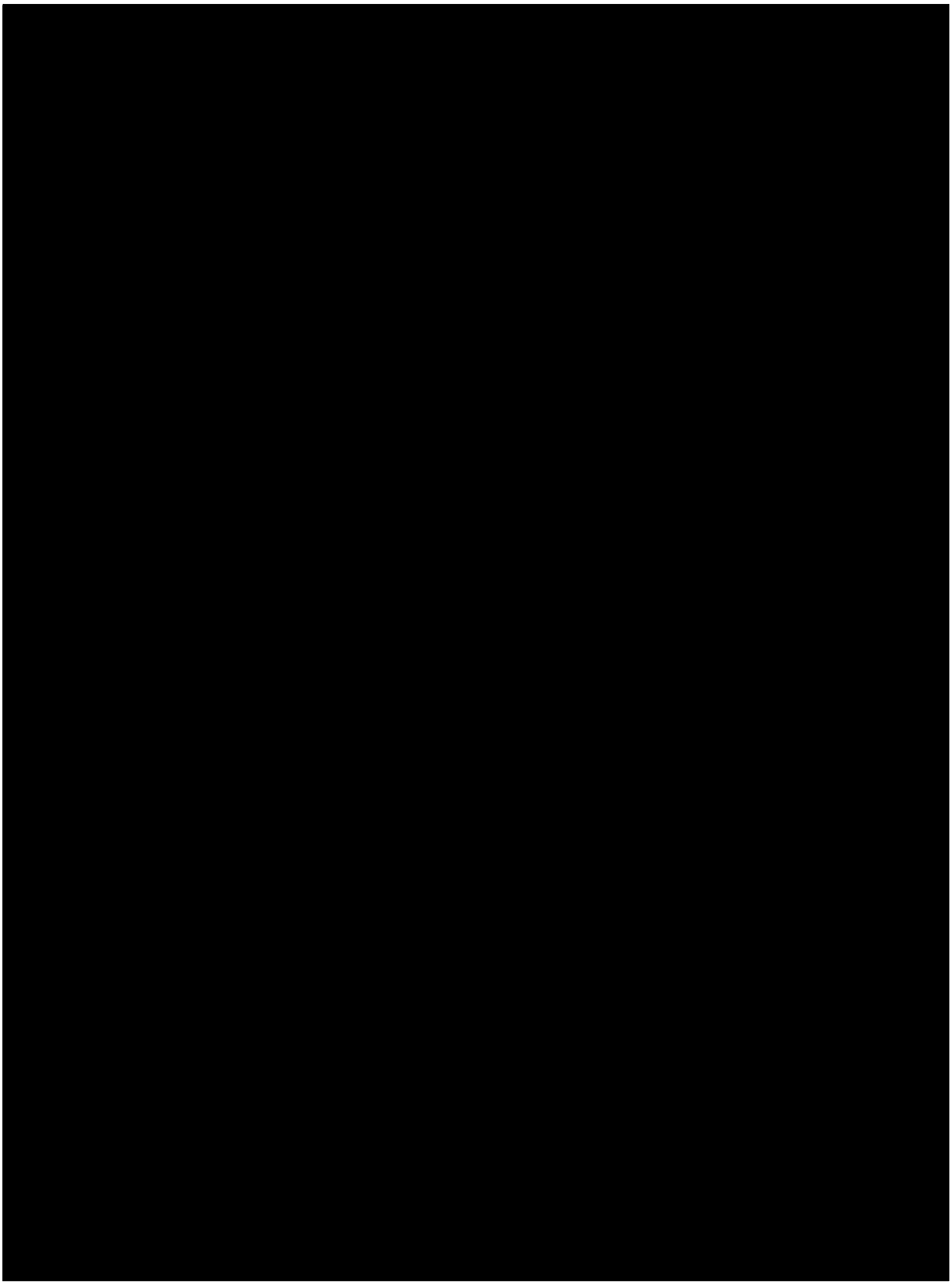
None.

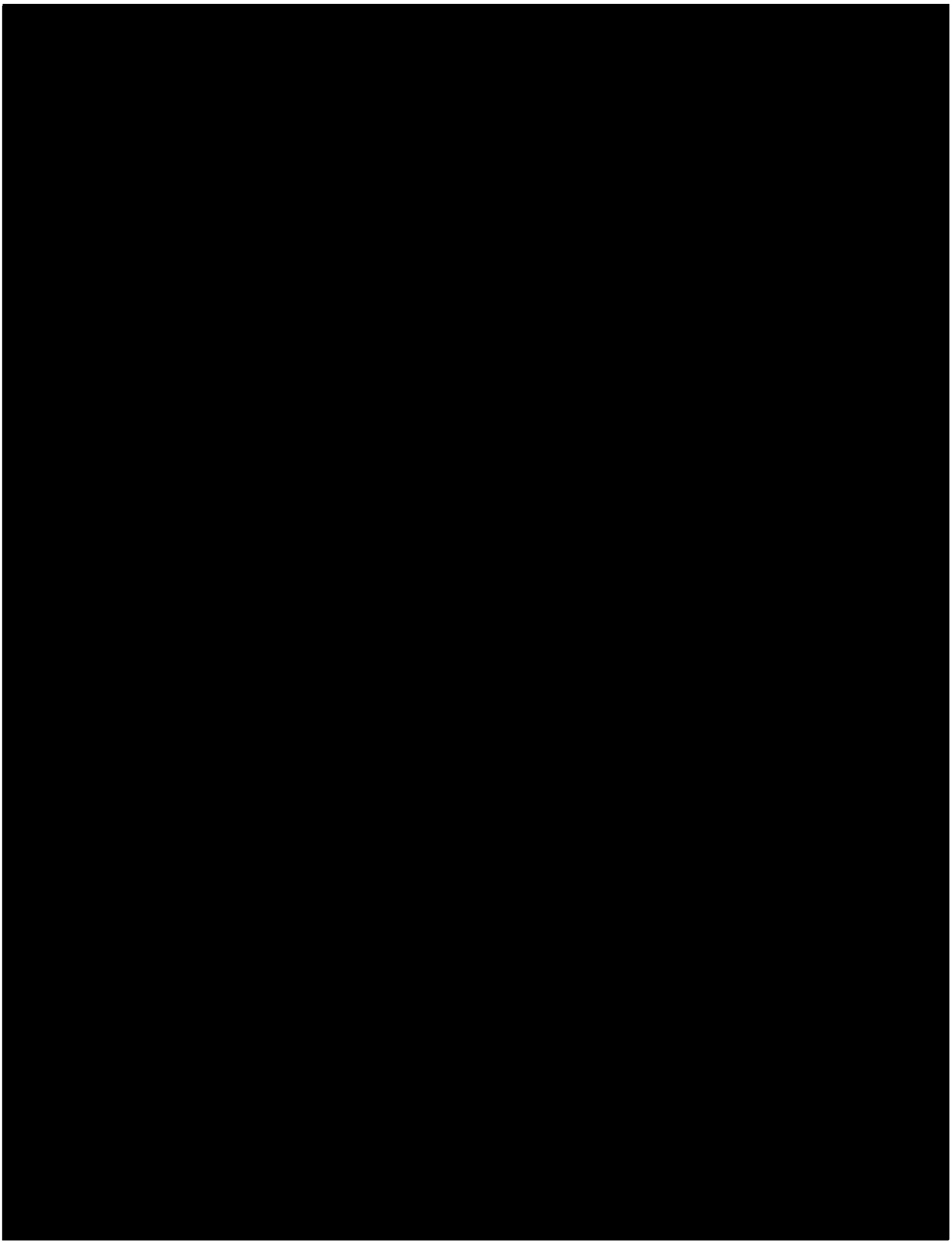
EXHIBIT "P"

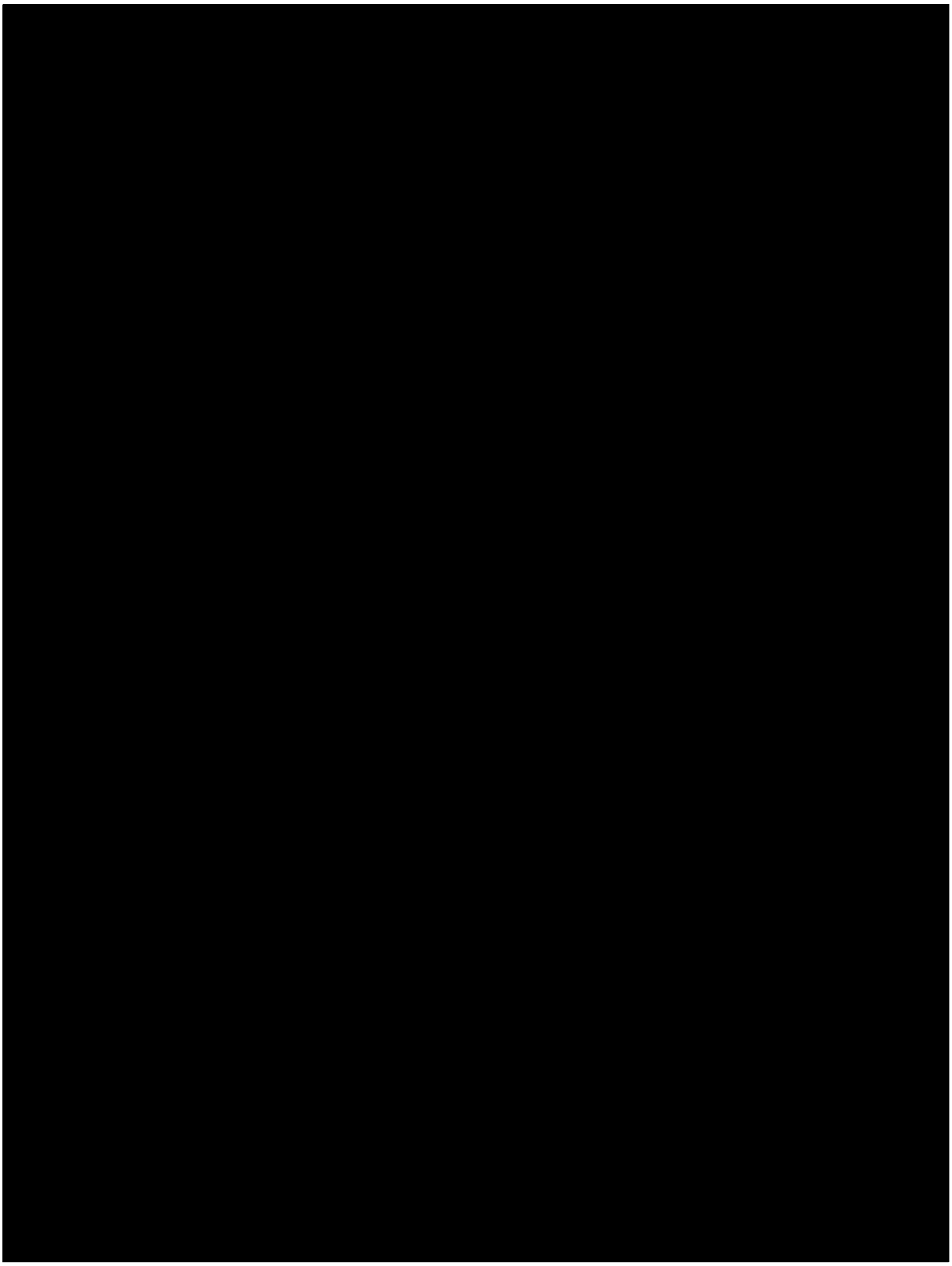
INSURANCE[7]

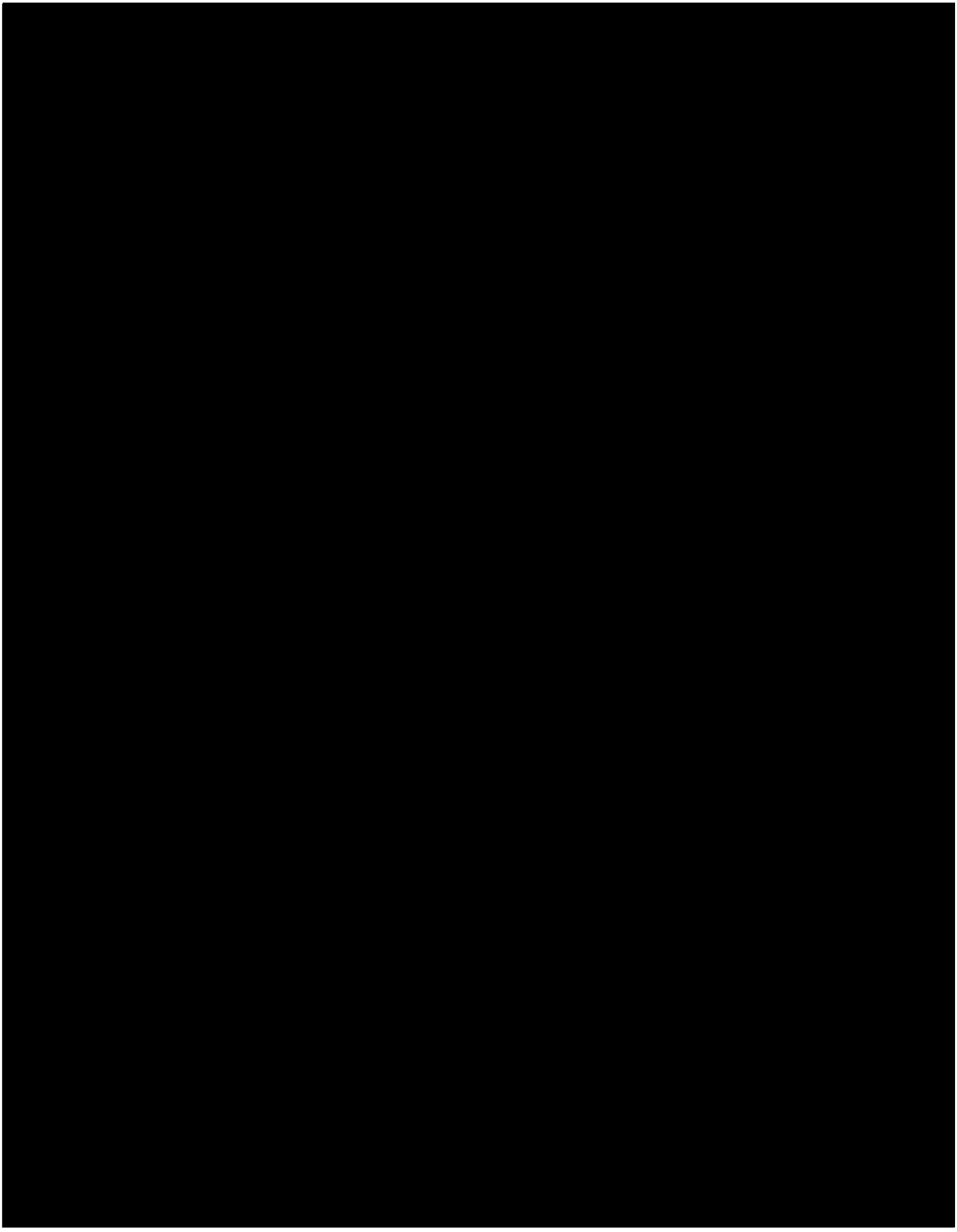
7. Exhibit containing insurance claim and policy information redacted.

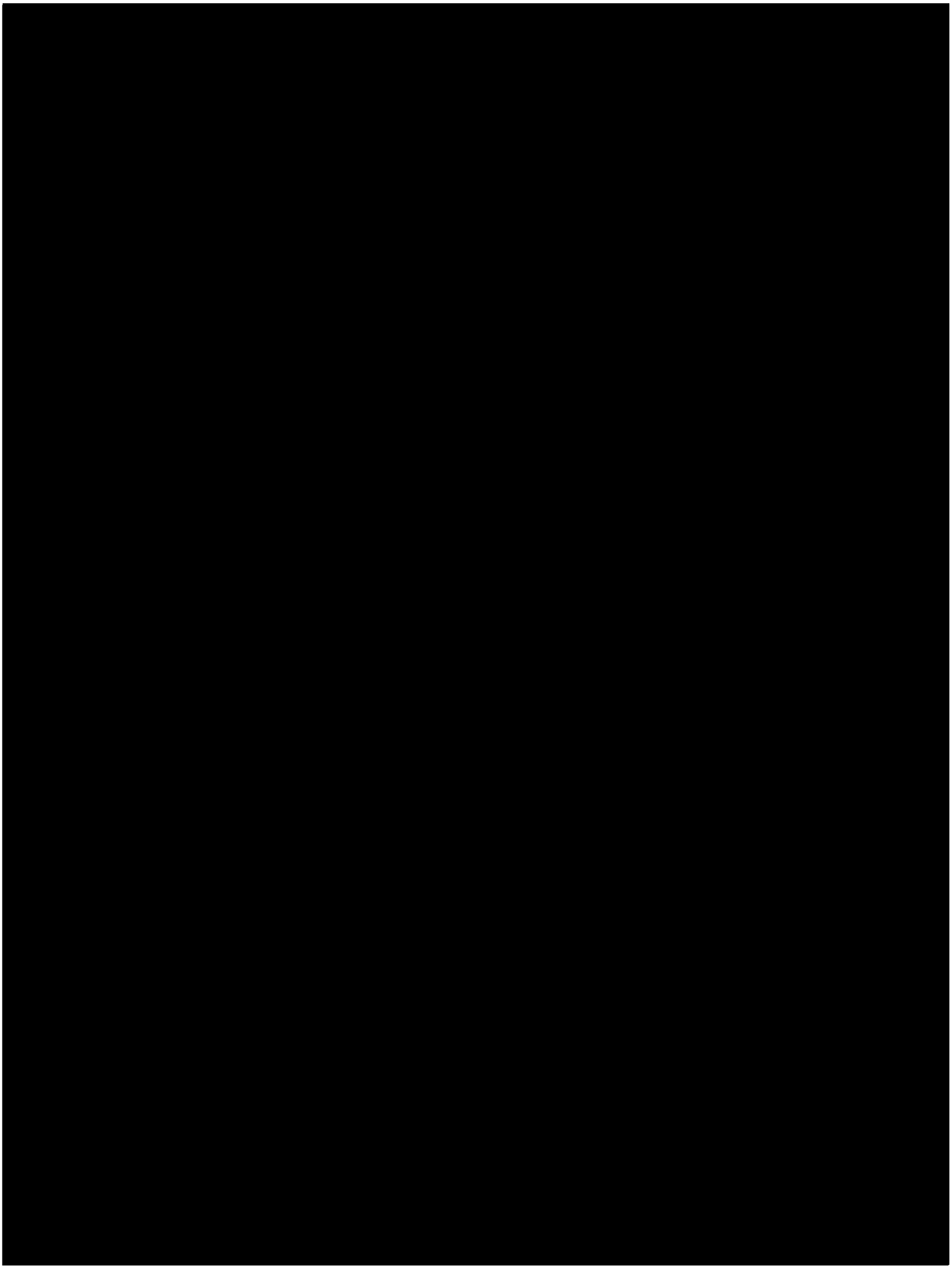


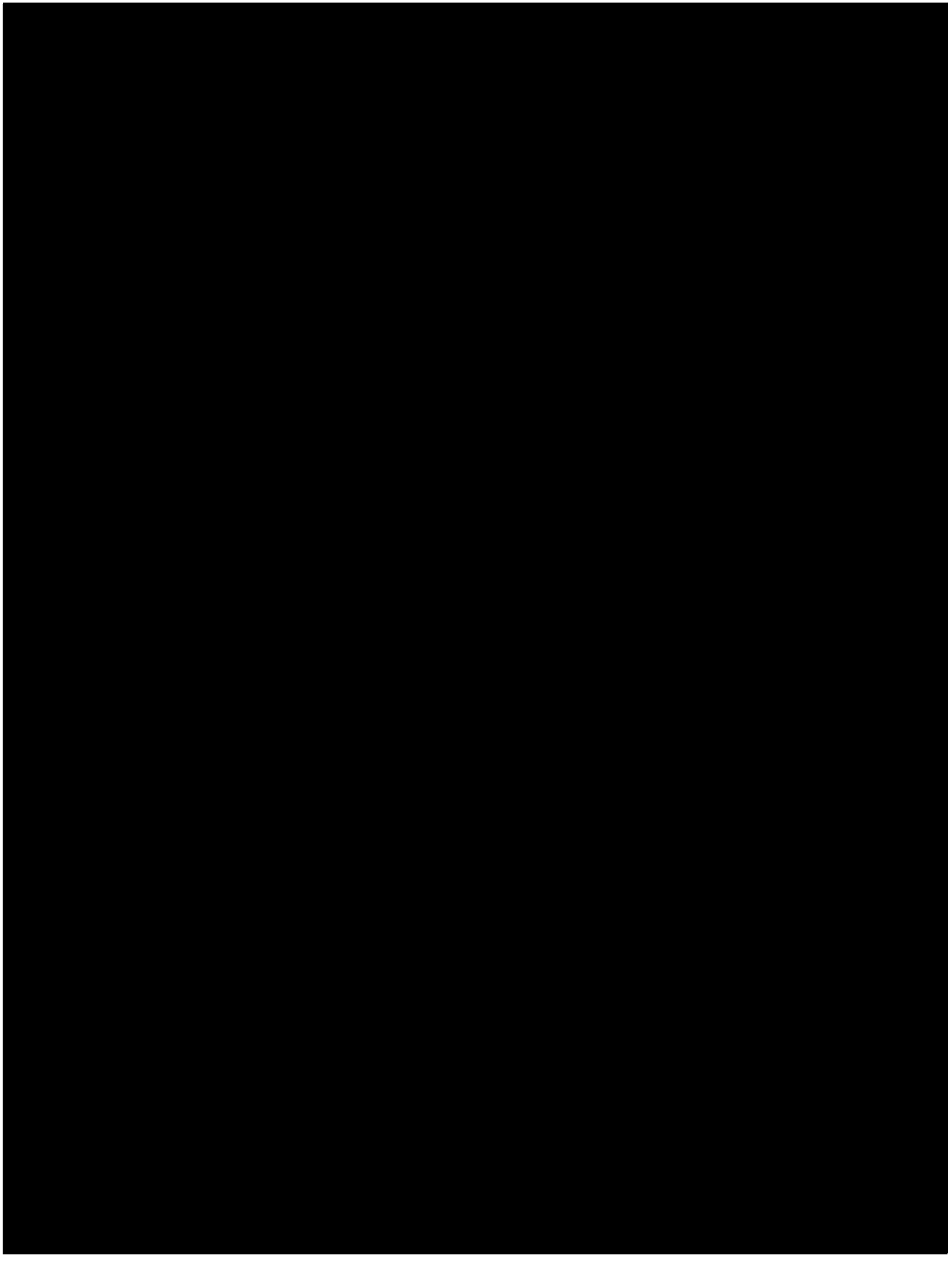












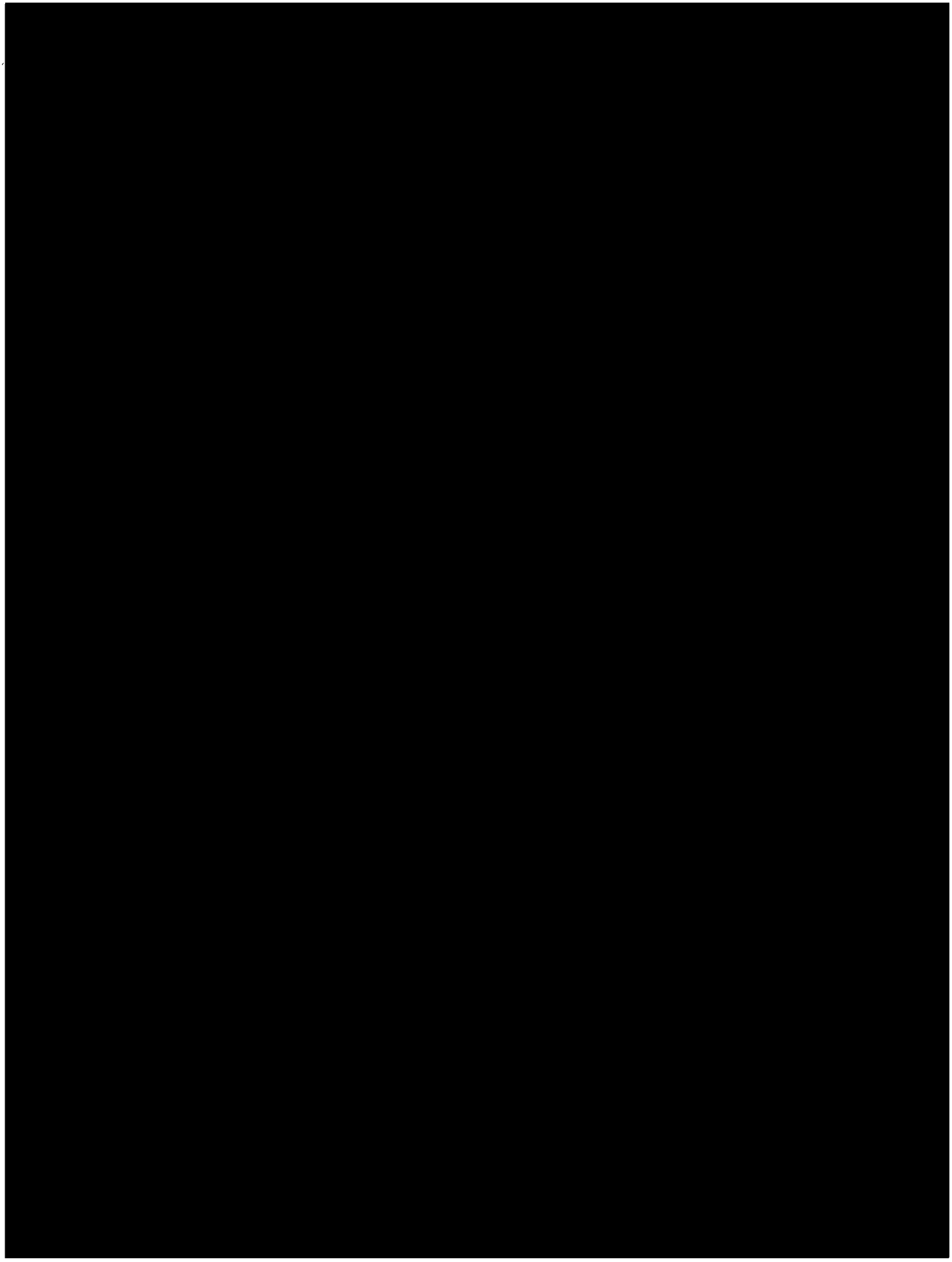


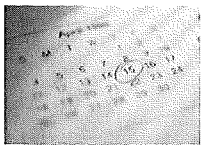
EXHIBIT "Q"

EMPLOYEE BENEFIT PLANS

Employee Handbook.

EMPLOYEE BENEFITS

These benefits are available to all full time employees that have completed their probationary period. To be considered a full time employee, you must work an average of at least 32 hours per week over the previous six months.



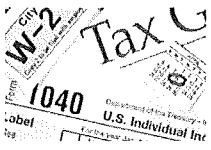
Paid Holidays
January 1st, July 4th, Labor Day, Thanksgiving, Christmas – You will be given a "typical day" off with pay for each of these holidays.



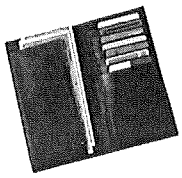
Paid Vacation
After one year of service you will receive one week paid vacation. After two years of service, you will receive two weeks. Three weeks of paid vacation will be earned after your fifth year of service. Vacation is paid based upon the average number of hours you work per week.



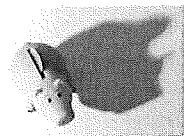
***** Group Insurance**
Supervisory personnel are eligible to participate in our group health insurance plan after being employed for six months. We will pay 50% of the individual cost of the plan. You are welcome to add dependents to this plan at your own expense. Dental and disability insurance are also available for a modest additional charge. A supplemental health insurance plan is available for all employees after their probationary period.



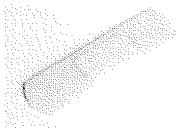
Retirement
A 401K plan is available after you have been with us one year. This is an excellent tax benefit and will help you plan your retirement. The company also contributes to this plan!



Direct Deposit
You may have your paycheck deposited directly into your bank account. This can save you time and possible check cashing fees. See your supervisor.



Credit Union
Membership in the Credit Union is available. This allows you to save money more easily and may provide another source if you need a loan.



Workers Compensation
The Company provides insurance to cover you if you are injured while at work. This is an important benefit which is provided at no cost to you.



Uniforms
You will be provided with the uniforms needed for you to perform your job. You must maintain your uniforms. A clean, fresh, pressed uniform is necessary each day.

***** Hourly Associates are also eligible for Group Insurance as long as they meet the minimum hourly requirements needed. Also, the hotel pays 100% of the General Managers insurance.**

EXHIBIT "R"

INTELLECTUAL PROPERTY

None.

EXHIBIT "S"

HOLDBACK ESCROW AGREEMENT

THIS HOLDBACK ESCROW AGREEMENT (this "**Agreement**") is made and entered into as of the ___ day of October, 2014, by and among AMERICAN HOTEL INCOME PROPERTIES REIT INC., a Maryland corporation ("**AHIP**"); each of AHIP's affiliates set forth on Annex A; _____, a _____ ("**Seller I**"); _____, a _____ ("**Seller II**"); _____, a _____ ("**Seller III**"); and _____, a _____ ("**Seller IV**", and together with Seller I, Seller II and Seller III, the "**Sellers**"), and FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation (the "**Escrow Agent**").

RECITALS

WHEREAS:

A. Pursuant to the Purchase and Sale Agreement dated as of _____, 2014 (as supplemented or amended, the "**Purchase Agreement**"), between AHIP and each Seller, and the Assignments and Assumptions of Purchase and Sale Agreement dated _____, 2014 (the "**Assignments**", and together with the Purchase Agreement, the "**Transaction Documents**"), the Purchaser Assignees (as defined in Annex A) are acquiring the Hotels from the Sellers as of the Closing Date;

B. Pursuant to the Transaction Documents, the parties have agreed that the Purchaser Assignees will make a cash deposit in the aggregate amount of US$400,000 with the Escrow Agent to be held in escrow and to be available to satisfy (i) the obligations of the Purchaser Assignees with respect to the Aggregate Purchase Price (as defined in the Purchase Agreement), and (ii) the obligations of each of the Sellers, respectively, under the Transaction Documents with regard to each Seller's respective indemnification obligations under Article 9 of the Purchase Agreement; and

C. The AHIP Parties (as defined in Annex A) and the Sellers desire to appoint the Escrow Agent as the escrow agent pursuant to this Agreement, and the Escrow Agent is willing to act as escrow agent hereunder;

NOW THEREFORE, in consideration of the covenants and agreements contained in this Agreement, and intending to be legally bound, the parties hereto agree as follows:

AGREEMENT

ARTICLE I
DEFINED TERMS

1.1 For purposes of this Agreement, all capitalized terms shall have the meanings ascribed to such terms in the Purchase Agreement unless otherwise defined herein or the context otherwise requires.

1.2 The term "Purchaser" shall be used herein to mean, collectively, any one or more or more of the Purchaser Assignees, as applicable.

1.3 The AHIP Parties, the Sellers and the Escrow Agent are each a "party" and collectively, the "parties".

ARTICLE II
APPOINTMENT OF ESCROW AGENT

2.1 Appointment of Escrow Agent. The parties hereby appoint the Escrow Agent to act as escrow agent hereunder, and the Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein.

ARTICLE III
INDEMNITY

3.1 Indemnity. To the extent and subject to the terms and conditions set forth in the Purchase Agreement and the terms of this Agreement, claims by the Purchaser or any Purchaser Indemnified Party pursuant to Article 9 of the Purchase Agreement shall be paid out of the Escrow Account (as defined herein).

ARTICLE IV
ESCROW

4.1 Escrow.

(a) At Closing, the Purchaser Assignees shall deposit), with the Escrow Agent pursuant to Section 2.2(d) of the Purchase Agreement, representing the Holdback Amount. The Escrow Agent shall provide the Sellers with written confirmation to verify the receipt of the Holdback Amount within one Business Day of such deposit.

(b) The Holdback Amount together with the interest earned thereon, shall be (i) deposited by the Escrow Agent in a federally insured interest-bearing account that is subject to immediate withdrawal and that is established by the Escrow Agent for receipt of such amounts (the "**Escrow Account**"), and (ii) held in such Escrow Account and distributed in accordance with the terms and provisions of this Agreement. The Holdback Amount together with all interest earned thereon is referred to herein as the "**Aggregate Holdback Escrow Amount**".

(c) The rights of Purchaser or the Purchaser Assignees to set-off against the Holdback Amount under this Agreement and the Purchase Agreement shall be limited to o any particular Hotel.

4.2 Release of Funds from the Escrow Account.

(a) Payments to the Sellers in respect of the Aggregate Holdback Escrow Amount shall be made as follows:

(i) Escrow Agent shall (without any further consent or approval from any Person or party to this Agreement) release [redacted] from the Escrow Account on the date six months following the Closing Date, or the immediately following Business Day if such date is not a Business Day (the "**Initial Release Date**") (or such lesser amount as is available for release from the Escrow Account on such date as a result of claims made by the Purchaser or any Purchaser Indemnified Party pursuant to the terms of Article 9 of the Purchase Agreement);

(ii) Escrow Agent shall (without any further consent or approval from any Person or party to this Agreement) release an [redacted] from the Escrow Account on the date nine months following the Closing Date, or the immediately following Business Day if such date is not a Business Day (the "**Second Release Date**") (or such lesser amount as is available for release from the Escrow Account on such date as a result of claims made by the Purchaser or any Purchaser Indemnified Party pursuant to the terms of Article 9 of the Purchase Agreement).

For further clarity, to the extent that there are pending indemnification claim(s) asserted by the Purchaser or any Purchaser Indemnified Party pursuant to and in accordance with the terms and conditions of Article 9 of the Purchase Agreement (each, a "**Pending Claim**") submitted to the Escrow Agent pursuant to Section 4.3(a) hereof and outstanding on the Initial Release Date or Second Release Date, as applicable, the Escrow Agent shall retain in the Escrow Account sufficient funds, determined pursuant to Section 4.5(a) hereof, to satisfy such Pending Claim(s) until such time as the Escrow Agent is permitted to disburse such funds pursuant to Section 4.5 hereof (in addition to the amount to be paid on the Second Release Date, if applicable).

4.3 Claims for Payment from Escrow Account.

(a) If at any time prior to the Second Release Date the Purchaser or any Purchaser Indemnified Party (i) believes that it is entitled to payment or that payment should be made to Purchaser or any applicable Purchaser Indemnified Party pursuant to the terms and conditions of Article 9 of the Purchase Agreement, and (ii) desires to make a claim for payment from the Escrow Account in connection therewith, then the Purchaser or Purchaser Indemnified Party, as applicable, shall give written notice of such claim (a "**Payment Notice**") to the Sellers and the Escrow Agent prior to the Second Release Date, which notice shall specify in reasonable detail the basis for and the amount (or, if the amount cannot be determined, a good faith estimate of the amount) of such claim. If any of the Sellers objects to all or a portion of any such claim, Sellers shall give written notice of such objection (an "**Objection Notice**") to Purchaser and the Escrow Agent within 30 days after the date of receipt by the Sellers of the Payment Notice (the "**Objection Period**"), and shall describe the grounds for such objection in reasonable detail.

If no objection to the claim is made by the Sellers within such 30 day period, the claim set forth in the Payment Notice shall be paid out of the Escrow Account to the Purchaser or the Purchaser Indemnified Party by the Escrow Agent within three Business Days following the end of the Objection Period.

(b) If the Sellers provide an Objection Notice with respect to all or a portion of any claim to the Purchaser or Purchaser Indemnified Party, as applicable, and the Escrow Agent prior to the expiration of the Objection Period, the Purchaser and the Sellers shall attempt in good faith to resolve the dispute and, if they are able to do so in whole or in part, shall give a joint written notice (signed by both the Purchaser and the Sellers) to the Escrow Agent of the resolution of the dispute and the amount of the claim agreed to be allowed, if any. To the extent a dispute is resolved in whole or in part, the allowed amount of the claim set forth in the joint written notice (signed by both the Purchaser and the Sellers) to the Escrow Agent shall be paid, as applicable, to the Purchaser or the applicable Purchaser Indemnified Party by the Escrow Agent within three Business Days following receipt of such joint written notice of such resolution.

(c) If the Purchaser and the Sellers are unable to fully resolve a disputed claim pursuant to Section 4.3 above within 30 days after the date of delivery of the Objection Notice to the Purchaser or Purchaser Indemnified Party, as applicable, the dispute (or the unresolved portion of the dispute) shall be settled by a court of competent jurisdiction. The Purchaser and the Sellers shall promptly give a joint written notice of any such resulting final resolution of the dispute to the Escrow Agent and the allowed amount of any claim set forth in the joint written notice (signed by both the Purchaser and the Sellers) to the Escrow Agent shall be paid to the Purchaser or the applicable Purchaser Indemnified Party by the Escrow Agent within three Business Days following receipt of such joint written notice thereof.

4.4 Limit on Allowed Claims. In no event shall the Escrow Agent be required to pay amounts in the aggregate pursuant to Section 4.3 in excess of the Aggregate Holdback Escrow Amount, or any amount in respect of any one Hotel.

4.5 Disbursement of Balance of Aggregate Holdback Escrow Amount. The Escrow Agent shall hold and/or distribute the Aggregate Escrow Holdback Amount in accordance with the following:

(a) If on the Initial Release Date or the Second Release Date, as applicable, there are any Pending Claim(s) made by the Purchaser or a Purchaser Indemnified Party pursuant to Section 4.3 hereof, the funds reasonably necessary to satisfy such Pending Claim(s), as agreed to in writing by the AHIP Parties and the Sellers (in the aggregate, the "**Retained Amount**"), will be retained by the Escrow Agent until such Pending Claim(s) are resolved; provided, however, that if the AHIP Parties and the Seller(s) disagree as to the amount of the funds reasonably necessary to satisfy such Pending Claim(s), and no resolution has been reached pursuant to Section 4.3(c), such disagreement shall be resolved by a court of

competent jurisdiction and no funds, to the extent disputed, shall be released prior to such resolution. For the avoidance of doubt, there shall be no Retained Amount in respect of any specific Hotel for any Pending Claims that do not relate to such Hotel. On the Initial Release Date and the Second Release Date the other amounts (for the avoidance of doubt, including, without limitation, any funds that are not disputed), if any, due and eligible to be distributed on such date under Section 4.2(a) hereof and remaining in the Escrow Account after Escrow Agent has retained the Retained Amount, shall be distributed to the Sellers in accordance with Section 4.2(a) hereof.

(b) If on the Initial Release Date and the Second Release Date there is no Pending Claim(s) made by the Purchaser pursuant to Section 4.3 hereof, Escrow Agent shall distribute any amounts eligible to be distributed on such dates in accordance with Section 4.2(a) hereof.

(c) Following the Initial Release Date and the Second Release Date, as applicable, subject to the provisions of Section 4.3 hereof, the portion of any Pending Claim made by the Purchaser pursuant to Section 4.3 hereof existing as of the Initial Release Date and/or the Second Release Date, as applicable, which is ultimately resolved pursuant to Section 4.3 hereof in favor of the Purchaser, if any, shall be paid to Purchaser or to the applicable Purchaser Indemnified Party (to the extent requested by the Purchaser) within three Business Days following the Escrow Agent's receipt of a joint written notice of the resolution of such Pending Claim and the amount to be paid.

(d) Following the Initial Release Date and the Second Release Date, subject to the provisions of Section 4.3 hereof, the portion of any Pending Claim existing as of the Initial Release Date and the Second Release Date, which is ultimately resolved pursuant to Section 4.3 hereof in favor of the Sellers, if any, shall be paid to the Sellers immediately following the Escrow Agent's receipt of a joint written notice of the resolution of such Pending Claim and the amount to be paid (subject to the retention of amounts for any other Pending Claims and for the funds to be released on the Second Release Date, if applicable).

4.6 Escrow Agent.

(a) The duties of the Escrow Agent hereunder shall be entirely administrative and not discretionary. The Escrow Agent shall be obligated to act only as specifically set forth in this Agreement. The Escrow Agent is hereby authorized to comply with any orders, judgments or decrees of any court of competent jurisdiction in relation to the Purchase Agreement and this Agreement, and shall not be liable as a result of its compliance with the same.

(b) As to any legal questions arising in connection with the administration of this Agreement, the Escrow Agent may rely absolutely upon the written opinions given to it by its legal counsel and shall be free from liability for acting in good faith in reliance upon such opinions.

(c) The Escrow Agent may rely absolutely upon the genuineness and authorization of the signature and purported signature of any party upon any instruction, notice, release, receipt or other document delivered to it pursuant to this Agreement.

(d) The Escrow Agent may, as a condition to the disbursement of monies as provided herein, require from the payee or recipient a receipt therefor.

(e) All fees and expenses of the Escrow Agent for the services provided by the Escrow Agent under this Agreement shall be set forth in the applicable settlement statements and shall be borne and paid 50% by the AHIP Parties and 50% by the Sellers.

4.7 Indemnity of Escrow Agent.

(a) The AHIP Parties, on the one hand, and the Sellers, on the other hand, each agree to and hereby do waive any suit, claim, demand or cause of action of any kind which they may have or may assert against the Escrow Agent arising out of or relating to the execution or performance by the Escrow Agent of this Agreement, unless such suit, claim, demand or cause of action is based upon the willful neglect, willful misconduct, gross negligence or bad faith of the Escrow Agent. Each of the AHIP Parties, on the one hand, and the Sellers, on the other hand, further agrees to severally and not jointly indemnify the Escrow Agent against and from one-half of the amount of any and all claims, demands, costs, liabilities and expenses, including reasonable legal counsel fees, which may be asserted against it or to which it may be exposed or which it may incur by reason of its execution or performance of this Agreement, other than claims arising out of or based upon willful neglect, willful misconduct, gross negligence or bad faith of the Escrow Agent. Such agreement to indemnify shall survive the termination of the Escrow Account until extinguished by any applicable statute of limitations.

(b) In the event that any litigation is brought against the Escrow Agent in respect of which indemnity may be sought hereunder, the Escrow Agent shall give prompt notice of that litigation to the AHIP Parties and the Sellers, and the AHIP Parties and the Sellers shall, upon receipt of that notice, have the right to assume the defense of such litigation, provided that failure of the Escrow Agent to give that notice shall not relieve the AHIP Parties or the Sellers from any of their obligations under this Section unless that failure prejudices the defense of such litigation by the AHIP Parties or the Sellers. In the event that the AHIP Parties and the Sellers assume the defense of such litigation, the Escrow Agent may, at its own expense, employ separate legal counsel and participate in the defense. None of the parties hereto shall be liable for any settlement entered into without such party's written consent, which such consent shall not be unreasonably withheld.

4.8 Acknowledgment by the Escrow Agent. By execution and delivery of this Agreement, the Escrow Agent acknowledges that the terms and provisions of this Agreement are acceptable and it agrees to carry out the provisions of Article IV of this Agreement on its part.

4.9 Resignation or Removal of Escrow Agent; Successors.

(a) The Escrow Agent may resign as such following the giving of 30 days' prior written notice to the AHIP Parties and the Sellers. Similarly, the Escrow Agent may be removed and replaced following the giving of 30 days' prior written notice to the Escrow Agent by the AHIP Parties and the Sellers. In either event, the duties of the Escrow Agent shall terminate 30 days after the date of such notice (or as of such earlier date as may be mutually agreeable between the Escrow Agent, on the one hand, and the AHIP Parties and the Sellers, on the other hand); and the Escrow Agent shall then deliver the balance of the Escrow Account then in its possession to a successor Escrow Agent as shall be appointed by the AHIP Parties and the Sellers as evidenced by a written notice filed with the Escrow Agent.

(b) If for any reason any successor bank or escrow company is unwilling to serve as successor Escrow Agent and if the AHIP Parties and the Sellers are unable to agree upon a successor or shall have failed to appoint a successor prior to the expiration of 30 days following the date of the notice of resignation or removal, the then acting Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent or other appropriate relief; and any such resulting appointment shall be binding upon all of the parties hereto.

(c) Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the AHIP Parties and the Sellers, an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Agent, without any further act, shall become fully vested with all the duties, responsibilities and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the successor Escrow Agent or any of the parties hereto, execute and deliver an instrument or instruments transferring to such successor Escrow Agent all the rights of such predecessor hereunder, and shall duly assign, transfer and deliver all funds and property held by it pursuant to this Agreement to the successor Escrow Agent. Should any instrument be required by any successor Escrow Agent to more fully vest in such successor Escrow Agent the duties, responsibilities and obligations hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on the request of any of the other parties hereto, be executed, acknowledged and delivered by the predecessor.

(d) Upon acknowledgment by any successor Escrow Agent of the receipt of the then remaining balance of the Escrow Account, the then acting Escrow Agent shall be fully released and relieved of all duties, responsibilities and obligations under this Agreement.

ARTICLE V
MISCELLANEOUS

5.1 Assignment; Successors and Assigns; Third Parties. The AHIP Parties may assign the benefit of this Agreement to any Affiliate or any Person and the Sellers to whom all or substantially all of the undertakings, properties and assets of the applicable parties are transferred without obtaining the consent of the Escrow Agent. Except as otherwise provided herein, the Escrow Agent shall not convey, assign or otherwise transfer any of its rights or obligations under this Agreement without the express written consent of the AHIP Parties and the Sellers. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement is not intended to benefit, and shall not run to the benefit of or be enforceable by, any other person or entity other than the parties hereto and their successors and permitted assigns, as the case may be.

5.2 Entire Agreement. This Agreement and the Purchase Agreement set forth the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersede all prior or contemporaneous agreements and understandings, negotiations, inducements or conditions, express or implied, oral or written. In the event of any direct conflict of the terms of this Agreement with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control and prevail.

5.3 Amendment and Waiver; Cumulative Effect.

(a) To be effective, any amendment or waiver of or under this Agreement must be in writing and signed by the AHIP Parties and the Sellers; provided, however, that any amendment to Article IV hereof shall also require the consent of the Escrow Agent.

(b) Neither the failure of any party hereto to exercise any right, power or remedy provided in this Agreement or to insist upon compliance by any other party with its obligations hereunder, nor any custom or practice of the parties at variance with the terms hereof shall constitute a waiver by such party of its right to exercise any such right, power or remedy or to demand such compliance; provided, however, that Section 4.3 shall not extend any time period provided for in this Agreement.

5.4 Severability. If a provision of this Agreement is deemed to be contrary to law, that provision will be deemed separable from the remaining provisions of this Agreement, and will not affect the validity, interpretation or effect of the other provisions of either this Agreement or any agreement executed pursuant to it or the application of that provision to other circumstances not contrary to law.

5.5 Notices. All notices, demands, requests and other communications hereunder will be in writing and will be deemed to have been given (i) on the same Business Day if delivered personally or if delivered as a scanned document via email to the address set forth below by email (and so long as such notice is also sent by Federal Express or other similar reputable national overnight delivery service), (ii) three Business Days following mailing by registered or

certified mail, return receipt requested, postage pre-paid, (iii) on the date transmitted if sent by facsimile on a Business Day with printed confirmation of transmittal (so long as such notice is also sent by Federal Express or other similar reputable national overnight delivery service) or (iv) on the following business day if delivered by Federal Express or other similar reputable national overnight delivery service, to either party at its address set forth below:

If to any of the AHIP Parties:	American Hotel Income Properties REIT Inc. c/o American Hotel Income Properties REIT LP 401 West Georgia Street, Suite 1690 Vancouver, B.C. V6B 5A1 Attn: Mr. Robert F. O'Neill Fax: (604) 684-0482 Email:roneill@ahipreit.com
With a copy to:	Farris, Vaughan, Wills & Murphy LLP 700 West Georgia Street, 25th Floor Vancouver, B.C. Canada V7Y 1B3 Attn: Duncan J. Reid Facsimile: (604) 661-9349 Email:dreid@farris.com
If to the Sellers:	•
With a copy to:	•
If to the Escrow Agent:	First American Title Insurance Company National Commercial Services 2425 E. Camelback Road, Suite 300 Phoenix, AZ 85016 Attn: Brandon Grajewski Fax: (602) 567-8101 Email: bgrajewski@firstam.com

Any party may at any time change the address to which notices may be sent under this Section by the giving of notice of such to the other parties in the manner set forth herein.

5.6 Expenses. Except as otherwise provided for herein or in the Purchase Agreement, each party shall be responsible for its own costs and expenses with respect to matters involving this Agreement.

5.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws.

5.8 Execution Counterparts. This Agreement may be executed in two or more counterparts, including electronically transmitted counterparts, each of which shall be deemed to be an original but all of which together shall be deemed to be one and the same instrument.

5.9 Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction and interpretation hereof.

5.10 Gender and Tense. Where the context or construction requires, all words applied in the plural shall be deemed to have been used in the singular, and vice versa; the masculine shall include the feminine and neuter, and vice versa; and the present tense shall include the past and future tenses, and vice versa.

5.11 Further Assurances. Each party hereto, at the reasonable request of another party hereto, shall execute and deliver such other instruments and do and perform such other acts and things as may be necessary or desirable for effecting completely the consummation of this Agreement and the transactions contemplated hereby.

5.12 Tax Treatment. For tax reporting and withholding purposes, the interest earned on any portion of the Aggregate Holdback Escrow Amount shall be treated and shall be reported as income by the party entitled to receive such interest and portion of the Aggregate Holdback Escrow Amount.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf as of the day and year first above written.

SELLERS:

•

By: _____
Name: •
Title: •

•

By: _____
Name: •
Title: •

•

By: _____
Name: •
Title: •

•

By: _____
Name: •
Title: •

ESCROW AGENT:

FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation

By: _____
Name: _____
Its: Authorized Agent

PURCHASER:

AMERICAN HOTEL INCOME PROPERTIES REIT INC.,
a Maryland corporation

By: _____
Name: Robert O'Neill
Its: President

PURCHASER ASSIGNEES:
[AHIP • I PROPERTIES LLC],
a Delaware limited liability company

By: _____
Name: •
Its: •

[AHIP • I ENTERPRISES LLC],
a Delaware limited liability company

By: _____
Name: •
Its: •

[AHIP • II PROPERTIES LLC],
a Delaware limited liability company

By: _____
Name: •
Its: •

[AHIP • II ENTERPRISES LLC],
a Delaware limited liability company

By: _____
Name: •
Its: •

[AHIP • III PROPERTIES LLC],
a Delaware limited liability company

By: _____
Name: •
Its: •

[AHIP • III ENTERPRISES LLC],
a Delaware limited liability company

By: _____
Name: •
Its: •

ANNEX A – PURCHASER ASSIGNEES

[AHIP • I Properties LLC], a Delaware limited liability company;

[AHIP • I Enterprises LLC], a Delaware limited liability company;

[AHIP • II Properties LLC], a Delaware limited liability company;

[AHIP • II Enterprises LLC], a Delaware limited liability company;

[AHIP • III Properties LLC], a Delaware limited liability company;

[AHIP • III Enterprises LLC], a Delaware limited liability company;

[AHIP • IV Properties LLC], a Delaware limited liability company;

[AHIP • IV Enterprises LLC], a Delaware limited liability company;

such entities, collectively, the "**Purchaser Assignees**", and together with AHIP, the "**AHIP Parties**".

EXHIBIT "U"

ADDITIONAL PROPERTY

None.

EXHIBIT "V"

OTHER FRANCHISE HOTELS

None.