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ties of creating a hotel—they are merely another consultant providing overall project review, critique, recommendations, and approval. Compensation for technical service assistance is generally a negotiated flat fee paid in stages over the development phase. These services are usually considered separate and distinct from the preopening services because they require a specialized level of expertise.

The hotel owner should exercise particular care when entering into a technical service agreement with a hotel management company. The in-house capabilities of the operator must be carefully evaluated in order to be sure that the technical services will be performed by knowledgeable experts. The operator must also have a sufficient number of personnel providing these services so that critiques, recommendations, inspections, and approvals can be made on a timely basis. Some hotel companies overextend themselves in the development area, thereby causing costly delays. Owners should also realize that hotel management companies are primarily interested in obtaining long-term management agreements and will at times consider preopening and technical services a loss leader or giveaway in order to secure the contract.

CHAPTER 17

Hotel Franchises

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17.01 INTRODUCTION

A hotel franchise is essentially an agreement between a hotel chain (franchisor) and a hotel owner (franchisee) whereby the hotel chain allows the owner to make use of the chain's name and services such as a central reservation system and defined operational procedures, in return for which the hotel owner pays the hotel chain a franchise fee. Under such an agreement, the chain has no ownership or financial interest in the hotel and is not directly responsible for its economic success.

Hotel companies involved in franchising generally start off as small chains composed of company-owned properties. Over time, they develop a concept, image, and brand name that prove successful in attracting patronage to their properties. In addition, specific operational procedures (known as a mode of operation), are established that produce a profitable level of efficiency. When the lodging product thus developed becomes successful, and it can be demonstrated that hotel owners using the brand name and mode of operation of the company will also be successful, the hotel company is able to franchise its concept and procedures.

One of the first franchise agreements in the hotel industry occurred in 1907 when Caesar Ritz allowed his famous name to be used on hotels in New York City, Montreal, Boston, Lisbon, and Barcelona. Modern day hotel franchising started during the 1950s when hotel construction resumed following the end of World War II. Hotel chains, realizing that name, image, goodwill, established patronage, mode of operations, and reservation system had value, turned to franchising their brand names and modes of operation as a rapid, inexpensive, and profitable means of expanding their holdings. Hotel developers were drawn to this idea because it gave a new hotel an immediate identity and a set of established systems and procedures that provided both lenders and investors with some confidence that the property would be financially successful.

Some of the hotel chains that first offered franchises were Holiday Inns of America, Inc., Howard Johnson's Motor Lodges, and Ramada Inn Roadside Hotels. The first Holiday Inn was a company-owned motel that opened in Memphis, Tennessee in 1952. By 1954, Holiday Inns started to franchise and within a few years, franchises represented the bulk of the properties with which the company was involved. Howard Johnson, a successful restaurant company that was founded in 1925, started franchising motor lodges in 1954. These were generally rooms-only facilities constructed in conjunction with freestanding Howard Johnson restaurants. The motor lodges and restaurants were often separately owned and operated independently of each other. Ramada Inns started out as a chain called Flamingo Motor Hotels in 1952. The name was later changed to Ramada Inn Roadside Hotels in 1958 when the company started successfully franchising.

Hotel franchising flourished during the 1960s and 1970s when a building boom, fueled by financing made available through real estate investment trusts (REITs), spurred the development of thousands of new hotel rooms. When the benefit of a chain affiliation became apparent to sophisticated hotel investors, particularly mortgage lenders, either a franchise or a first-tier management contract became almost a standard requirement of any development or acquisition deal. At present, very few hotels are developed as independents.

17.02 ADVANTAGES FOR FRANCHISORS

[1] Inexpensive, Rapid Expansion

Hotel companies that seek to become major chains often use franchising as a growth vehicle because doing so generally requires a relatively modest capital investment compared to developing or acquiring properties on their own. In addition, franchising does not require the extensive management structure that is needed to operate a hotel management company. Depending on the up-front cost of a central reservation system, the capital required to start a franchise chain can be as low as several hundred thousand dollars for legal expenses, promotional material, and start-up costs. The bulk of the expenses for a franchise company is actually the advertising and promotional efforts needed to sell franchises and obtain the critical mass of franchisees required in order to have an economically viable chain.

Another cost-saving aspect of a franchise system is that development responsibilities are shifted to individual property owners. These parties typically have first-hand knowledge of local real estate and business markets, so they are usually in a better position than a franchisor to acquire the best sites and to handle the overall development process.

The capital that makes a franchise organization grow comes from the owners of the individual hotels in the form of fees. Franchisees assume the major portion of the financial risk associated with opening a new hotel, but in return receive most of the economic rewards.

[2] Profitable Source of Revenue

The revenue generated by a hotel franchise chain typically comprises initial fees payable by franchisees when they join the franchise system, along with ongoing royalty fees. In addition, some franchisors require additional payments for services that they provide, such as marketing, advertising, reservations, frequent traveler programs, and training.

The expenses incurred by franchisors that are chargeable against these fees are generally for services provided by the franchisor and are usually minimal. Many of the services provided by franchisors generate relatively fixed fees (e.g., centralized reservation systems, chain directories, and various administrative functions) so a franchise chain must have a sufficient number of properties under contract in order to be profitable. Once the number of franchisees reaches this level (the "critical mass") the franchise company typically becomes extremely profitable. Depending on the nature of the services provided by the franchisor and the fees charged the franchisees, this critical mass of properties can range in number from 20 to 50.

Many franchise companies also own hotels or operate properties under management contracts, so franchising offers a means of spreading the fixed operating costs of the owned or managed facilities among franchised properties, thereby achieving the necessary critical mass in a shorter period of time.

[3] Customer Recognition and Brand Loyalty

Customer recognition is an important attribute for a hotel chain. While recognition can be created through advertising and promotion, one of the best methods of devel-

oping a known hotel brand name is to have a product for people to see and use. Having hotels in both popular destinations and in the cities en route to the destinations (known in the industry as feeder cities) provides potential customers with the opportunity to see or hear about the chain before selecting their overnight accommodations. Most people are very particular in their choice of sleeping facilities, so product knowledge (either first-hand or second-hand) is an important factor in the selection process.

The rapid growth potential offered by franchising accelerates the essential process of creating customer recognition. Once customers recognize a hotel product and have been satisfied after using it, brand loyalty develops, which results in repeat patronage along with positive word-of-mouth promotion.

[4] Income From Brand Name, Trademarks, Image, and Goodwill

Most hotel companies that offer franchise affiliations started in the industry by developing or acquiring properties that they owned or managed. Over time they created a brand name and trademarks that in turn developed consumer image and goodwill. Further development of the companies included a mode of operation consisting of a home office management structure, operating systems and procedures, and in most instances, a central reservation system and marketing network.

This entire package, particularly the established consumer image and goodwill, has value—especially to an independent hotel in need of identity and image. Franchising converts this intrinsic value into income for the franchisor. There often is a direct relationship between a hotel chain's consumer image and goodwill and the volume of franchise fees generated on a per-property basis.

17.03 DISADVANTAGES FOR FRANCHISORS

[1] Loss of Operational Control

The operating responsibility for a franchised hotel lies with either the hotel's owner or the owner's agent (i.e., a management company). The franchisor exerts very little influence over the day-to-day operation of the property. Although franchise chains attempt to control the quality and image of each individual hotel through rules and regulations and periodic property inspections, the persistent fact that the franchisor does not really have basic control over an operation can sometimes result in lower standards of quality and service than the franchisor wishes to maintain. When this occurs, the guests who experience the substandard level of quality service receive an incorrect image of the entire chain, which can easily have a detrimental affect on repeat patronage or word-of-mouth promotion.

For this reason, chains such as Hyatt, Westin, and Four Seasons prefer not to franchise so as not to risk losing the operational control of a hotel. Marriott does franchise, but only with a few management companies that Marriott believes will maintain the levels of quality and service that it requires. Generally speaking, lodging chains associated with the higher classes of facilities are less likely to franchise than those that provide a lower level of service because they are more concerned with the need to maintain operational control.

Franchise chains attempt to exert operational control by periodically inspecting each property to see that the facilities are well maintained and the hotel is operating

at the prescribed standards. Backing up these inspections are extensive operating requirements contained in the franchise agreement. Objective standards set by franchisors, such as requirements that the hotel accept American Express credit cards, that the restaurant be open from 6 A.M. to 10 P.M., or that all guestrooms have a color television, are relatively simply enforced. Subjective standards are more difficult to evaluate and enforce. For example, determining whether an operator complies with regulations stating that a hotel must, at all times, be clean and well maintained or that an operation must be "first-class" can be difficult.

The ultimate penalty franchisors can wield in order to enforce their various regulations and standards is the termination of the franchise. Unfortunately, the time it takes to actually terminate a franchise, particularly if the franchisee is uncooperative, can range from several months to one or more years. The termination process becomes even more difficult if litigation is involved and the dispute involves a subjective regulation.

For these reasons, loss of operational control can be a significant deterrent for a hotel chain evaluating the potential of franchising. Not only is it difficult for a franchisor to enforce its standards, but the process of terminating a franchise can be time-consuming. The potential liability is a substandard hotel that could tarnish the image and goodwill of the entire chain.

[2] Difficulties With Owners

A hotel franchise company generally has to work with many different property owners and management companies. The hotel industry is largely ego-driven, so the chances are good that the objectives of a franchise company will not always mesh with the motivations and style of all of the individuals with which it works. In fact, franchisees often band together and form a franchise association that represents their interests when disputes with their franchisor arise.

In any case, the end result of maintaining a number of business relationships is that hotel franchise companies often have to spend a considerable amount of time and money attending to their franchises in order to keep their system functioning in an efficient and orderly manner.

[3] Liability Without Control

When a franchised hotel is involved in litigation, particularly in suits involving liability claims, the franchisor is often named as a defendant. Even though the hotel chain is often found to have no control over the incident and therefore to bear no liability, the cost of legal defense can often be considerable. Occasionally, franchisors are found to be liable even though they do not have direct control over the operation of a hotel. This liability exposure can be and generally is limited through insurance, which in itself can represent a considerable expense.

[4] Quality, Service, and Cleanliness Control Problems

As described earlier, controlling the level of quality, service, and cleanliness at individual properties is not easily accomplished by franchisors. These subjective ele-

ments are always open to different interpretations, so that property owners are sometimes able to get by with lower standards than those intended by the franchisor.

Periodic property inspections followed by counseling with on-site management are the usual steps taken by franchisors seeking control of a property. Some chains offer extensive training programs and operating manuals that describe the various operating procedures that must be used to maintain the standards that they set. In any event, maintaining acceptable levels in these areas can often involve a large amount of effort and expense on the part of a franchisor.

[5] No Control Over Pricing

Another element beyond the control of a franchisor is the establishment of uniform room rates and pricing policies for individual franchisees. For some types of lodging chains, particularly those catering to price-sensitive travelers, a uniform pricing strategy is highly desirable. Uneven pricing from one hotel to another can confuse customers and adversely affect the image of the entire chain.

[6] Costly Start-Up

When a hotel chain first begins franchising, the company will generally experience a negative cash flow until the number of its properties reaches the necessary critical mass. Cash flow should turn around when the critical mass is reached, but the franchisor must have sufficient funds set aside to provide the necessary services to the franchises it has on board during the build-up period.

[7] Mandatory Disclosure Document

All forms of franchising are strictly regulated by both the federal government and certain state agencies. Aimed at protecting the small investor from risking life savings on fraudulent franchise schemes, these regulations require full disclosure of many of the important business aspects of a franchise investment. This level of disclosure eliminates the possibility of franchisors creating individual agreements for each potential franchisee and adjusting terms through negotiation. As a result, most terms of a franchise agreement are fixed and are not subject to alteration.

The Federal Trade Commission (FTC) is the primary governmental overseer of franchising in the United States. In order to offer (sell) a franchise, potential franchisors must first file with the FTC a disclosure document known as a Uniform Franchise Offering Circular (UFOC). While this document does not receive either an approval or disapproval from the FTC, it must be accurate and current. The following list contains the major items that must be addressed in a UFOC.

1. *Introduction.* Brief introduction and warnings that the material should be read carefully and that a lawyer or an accountant should be consulted. Notice from the FTC that even though the offering circular has been filed with that agency, they have not checked it and do not know if it is correct.
2. *The franchisor and any predecessor.* Description of the franchisor and the franchised business. Date when the franchisor started the business, its

business address, any previous owners. An overview of the franchised business, its concept and strategy.

3. *Identity and business experience of the persons affiliated with the franchisor; Franchise brokers.* Biographical sketches of the directors, principal officers, and other executives who have management responsibility in the franchisor's business.
4. *Litigation history.* Description of any past or present litigation involving the franchisor or the persons affiliated with the franchisor described in Item 2.
5. *Bankruptcy.* Fifteen-year bankruptcy history for the franchisor, its predecessor, or any of the persons affiliated with the franchisor described in Item 2.
6. *Franchisee's initial fee or other initial payment.* Description of the initial fee paid by franchisee to acquire the franchise. Description of the franchisor's expenses that are paid from the initial fee.
7. *Other fees and expenses.* Description of the other fees and expenses payable by the franchisee during the term of the franchise, which typically include: royalty fees; accounting and auditing fees; advertising fees; expansion fees; initial leasehold construction fees; furniture, fixture, and equipment fees; insurance fees; ongoing maintenance fees; refurbishing fees; telephone reservation referral fees; transfer fees; and training fees. Statement of whether these charges and fees are to be paid to the franchisor, or expenses to be paid to other parties such as contractors, furniture and equipment dealers, and accountants.
8. *Franchisee's estimated initial expense.* A broad estimate of the major expense categories involved in developing and starting a lodging facility typical of what will be franchised.
9. *Obligations of the franchisee to purchase or lease from designated sources.* Terms of any requirement for franchisee to purchase or lease anything from either the franchisor or suppliers designated by the franchisor.
10. *Obligations of the franchisee to purchase or lease in accordance with specifications or from approved suppliers.* Terms of any requirement for franchisee to utilize either approved specifications or suppliers when purchasing.
11. *Financing arrangements.* Terms of any agreement by franchisor to provide any financing to the franchisee.
12. *Obligations of the franchisor; other supervision, assistance or services.* List of the services and obligations of the franchisor, which are generally subdivided into pre-opening obligations and continuing obligations.
13. *Exclusive area or territory.* Details of any exclusive areas or territories granted by the franchisor.
14. *Trademarks, service marks, trade names, logotypes, and commercial symbols.* Description of the various marks and trade names owned by the franchisor and available to the franchisee. Description of any known infringement or agreements limiting the use of these marks.
15. *Patents and copyrights.* Description of any patents and copyrights owned by the franchisor. Terms of issuing and maintaining operating manual supplied to franchisee, including any provisions regarding confidentiality.

16. *Obligations of the franchisee to participate in the actual operation of the franchised business.* Rules pertaining to whether the franchisee must actually operate the hotel or can hire a professional management company. Restrictions, if any, regarding the conduct of other hotel business activities and the diversion of business to other hotels are also described.
17. *Restrictions on goods and services offered by the franchisee.* Definition of what goods and services can be offered by the franchisee at the franchised premises.
18. *Renewal, termination, repurchase, modification, and assignment of the franchise agreement and related information.* Various aspects of the franchise terms including length of initial term and renewal term; termination by franchisee; termination by franchisor, with and without notice; obligations upon termination or expiration; franchisee's interest upon termination or non-renewal; transfer of interest by franchisor; transfer of interest by franchisee; transfer upon death or mental incapacity; franchisee sale of its securities; corporate transfers; non-waiver of claims; covenants not to compete; and modifications of agreement.
19. *Arrangements with public figures.* Description of any public figures involved with the franchise.
20. *Actual, average, projected, or forecasted franchise sales, profits, or earnings.* Any statement or projection of sales, profits, or earnings, made by the franchisor.
21. *Information regarding franchises of the franchisor.* Data relating to the number of franchises currently in existence and the projected franchise sales for one year.
22. *Financial statements.* Recent audited financial statements of the franchisor.
23. *Contracts.* Complete copy of franchise agreement and other contracts that must be executed by the franchisee.
24. *Statement of prospectus accuracy.* Representation by franchisor that prospectus is accurate.
25. *Acknowledgment of receipt by a prospective franchisee.* Statement by prospective franchisee noting the date of receipt of the UFOC.

The UFOC must be given to a prospective franchisee at the earlier of the first "personal meeting" or "the time for making disclosures." The FTC defines the "time for making disclosures" as 10 business days prior to the earlier of (1) the execution by a prospective franchisee of any franchise agreement imposing a binding legal obligation or (2) the payment by a prospective franchisee of any consideration in connection with the sale or proposed sale of a franchise.

In addition to the FTC disclosure requirements, the following states impose additional franchise regulations, some of which are more stringent than the federal rules: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Oregon, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

The ultimate effect of this level of disclosure is to establish uniformity in franchise structures, requirements, and fees, and thus eliminate any advantage a franchisor may have over a franchisee in terms of bargaining power.

17.04 ADVANTAGES FOR FRANCHISEES

[1] Instant Recognition and Shortened Start-Up Period

The primary benefit of a franchise affiliation for a hotel is the instant name recognition that it provides. Hotel patrons traveling to new destinations often look for a lodging facility with a recognizable name and image because they seek a certain degree of assurance that the quality of the accommodations and service at the hotel they choose will meet the expectations they have that are based on prior experience with (or recommendations of) the same product. Although an independent hotel without a chain identity may well develop its own reputation and patronage, the period of time needed to penetrate the market in this fashion may extend over many years. Another decided advantage for new hotels with a recognizable affiliation is that they generally experience a faster build-up of patronage. This shortens the normal start-up period, so that a hotel with a chain affiliation will reach a stabilized occupancy level more quickly than would a new, non-affiliated hotel.

[2] Attraction of Different Market Segments to Different Franchises

Over time, hotel chains develop specific images in various market segments. For example, Marriott Hotels, Hyatt Hotels, Westin Hotels, and Hilton Hotels generally achieve high penetration in the meeting and convention market segment. Holiday Inns, Ramada Inns, and Doubletree Hotels have a strong following in the commercial segment while Howard Johnson has an orientation towards the leisure market and Days Inns attracts many senior citizens.

The market strengths of each lodging chain can directly benefit the hotels that take on their franchises, so a hotel owner looking for a franchise affiliation should thus be aware of the market strengths of each available franchisor and determine which affiliation will make the best use of both the available market and the subject property's contemplated or existing facilities.

[3] Proven Method of Operation and Product Merchandising

Successful, established hotel chains generally allow potential franchisees access to the manuals and training programs that they have developed as internal guidelines for their mode of operation and product merchandising. By reviewing these materials, a franchisee can be certain that the franchisor has tried and proven systems and procedures that will increase the chances of franchise success.

Franchise companies often have several company-owned hotels that serve as laboratories for developing systems and procedures. Prospective franchisees, lenders, and investors look at the operating results of these properties and use them as a means of confirming the ability of the franchisor to run viable, profitable hotels.

17.05 DISADVANTAGES FOR FRANCHISEES

[1] Excessive Cost if Incorrect Franchise Is Chosen

The selection of a franchise is one of the most important decisions that a hotel owner must make. Choosing the wrong franchise almost always adversely affects operating results. For example, an affiliation with a luxury-quality, convention-oriented lodging chain will negatively impact a hotel that, based on local market conditions and characteristics, should be oriented towards the budget-rate, leisure market segment. Some of the costs that can result from selecting the incorrect franchise include

- Operating losses during the period the ineffective affiliation is in use
- Cost of acquiring a new franchise
- Cost of purchasing new identity items such as signs, logos, and monogrammed items
- Operating losses during the initial occupancy build-up period under the new franchise

[2] No Guarantee of Success

Hotel franchisors typically have no financial interest in the properties they franchise and make no representation that a particular franchise will be an economic success. In fact, franchisors occasionally set operating standards that may in themselves be costly to the franchisee, such as requiring a hotel to be opened year-round even though operating during the off-season is unprofitable.

Even though franchise offerings are regulated by the FTC and some state agencies, franchise salespeople have occasionally resorted to unethical practices in order to sell new franchises. The compensation received by many of these salespeople is based on the number of franchises they sell, so without strict supervisory control, some salespeople may attempt to sell franchises either to unqualified owners or to projects that have no economic feasibility. This type of conduct was partially responsible for the overbuilding that took place during the early 1970s.

[3] Nontransferable Franchises

Some hotel franchisors do not allow existing owners to freely transfer a franchise to a new owner in the event of a sale. Some of the transfer restrictions typically imposed by franchisors include

- Payment of a transfer fee
- Approval of new owner by franchisor
- Application for an entirely new franchise
- Refurbishment of hotel to meet current franchise standards
- Right of first refusal on transfer

Ultimately, the risk posed to the seller by these transfer restrictions is that the franchise may not be renewed or that it can only be renewed for a price. For example, a transfer may require spending hundreds of thousands of dollars in order to

bring a hotel up to current standards. Anything that could inhibit the transfer of a valuable franchise could also adversely affect the market value of the property.

[4] **Short Term of Franchise**

Franchisees and potential buyers face the risk that the reversionary value of an investment in a hotel will be discounted if its franchise cannot be renewed or extended. Since the economic lives of hotels generally span 30 to 40 years, and franchise terms typically range from 10 to 20 years, continuation of a favorable franchise affiliation is important. A change of name and image midway along a hotel's economic life can result in severe marketing and financial difficulties. For this reason, first-tier hotel management companies typically require contracts that extend beyond 20 years in order to preserve the name integrity of the chain.

[5] **Little Control Over Other Franchisor Affiliations**

Most franchise agreements are not overly restrictive regarding the number of new hotels in the market area with which the franchisor can be affiliated. Occasionally, a franchise will grant a property owner an exclusive area for a specific period of time, but in most cases a franchisor is free to add a new product to a market whether it is another franchised hotel or a property managed or owned by the franchise company. With the recent trend in product segmentation, franchisors will sometimes claim that adding a product to a market area that caters to a different market segment or price classification will not adversely impact an existing franchisee. This may not always be the case, however.

[6] **Adherence to Chainwide Standards**

The various regulations and standards developed by franchisors are designed to cover all the hotels in the chain and ensure uniform mode of operation and image. Occasionally, these standards may be inappropriate for a specific property, or unsatisfactory to a particular owner, but franchisors generally do not allow any deviation from their system. The chainwide standards that can negatively affect individual hotels include

- Required year-round operation
- Set operating hours for restaurants, lounges, and room service;
- Minimum staffing level requirements, such as 24-hour door attendants and bell hops
- Participation in chain advertising and frequent traveler programs
- Required amenities, such as a swimming pool, a restaurant, room service, a lounge, or free parking

Property owners who would be adversely affected by these types of standards are sometimes able to work out exemptions with franchisors before signing an agreement.

[7] Benefits Dependent on Number of Properties in Chain

Just as a franchise chain has a critical mass for the franchisor at which franchise revenues cover the costs of licensing and maintaining franchises, so too does a franchise chain have a critical mass for the franchisee, at which the economic benefits of the franchise affiliation exceed the cost of acquiring and maintaining it. The benefits of a franchise affiliation that are directly related to the number of properties in the chain include

- Reservation referrals from other properties
- Word-of-mouth referrals from patrons with favorable experiences
- Advertising and marketing assistance
- Additional chain services
- Sophisticated central reservation system

A potential franchisee should evaluate the price/value relationship of joining a hotel chain, particularly in light of the fact that some new franchisors will reduce initial and continuing franchise fees during their start-up period to reflect the reduced level of benefits that they provide compared to an established chain.

[8] Lack of Control Over Chain Quality and Image

Individual franchises have little control over any of the operating policies of the franchisor that adversely affect the overall quality and image of the franchise chain, and so are essentially at the financial mercy of the franchisor. An analysis of the hotel franchise organizations that started during the 1950s and 1960s yields examples of chains that faded in popularity and others that increased in strength because of their ability or inability to maintain efficient operating policies. The necessary policies for a franchise company include

- Mechanism for terminating franchises that do not maintain an appropriate level of quality and service
- Mechanism for removing hotels from the system that are not functionally up-to-date
- Periodic update of marketing strategies and chainwide customer image
- Consistent product and unified image

A 20-year franchise commitment will typically expose the owner of the affiliated hotel to at least one complete turnover in the management of the franchise company. New policies and management outlook evolve on a continual basis, and this may or may not be a positive influence on the entire lodging chain.

17.06 SERVICES OFFERED BY FRANCHISORS

Like any other long-term financial relationship, obtaining a hotel franchise has certain risks and benefits. Hotel owners can minimize the possibility of an unpleasant experience by carefully reviewing the services offered by individual franchisors and dealing only with reputable franchise companies.

[1] Site Selection and Market Analysis

Hotel franchise chains will often help prospective franchisees to select a suitable hotel site and analyze the characteristics of the surrounding market area. In this regard, however, their assistance is reactionary in that franchise companies will generally only comment on a potential site chosen by the franchisee; they will not actually seek out suitable locations.

Franchisors also typically recommend independent hotel appraisers who can perform market analyses for potential franchisees. Franchisors are also often able to assist appraisers by providing important data such as the room rates and occupancy levels of competitive lodging facilities, the number of fill nights at other chain properties in the market area, and reservation data regarding the amount of satisfied and unsatisfied lodging demand in the immediate area.

[2] Provision of Plans and Specifications

Hotel chains that seek to have a uniform image or character for their properties will generally provide prototypical architectural plans to the franchisee that can be modified and adjusted to fit a particular site. The benefit of these plans to the franchisee is two-fold: they often reduce development cost, and they assure a well-conceived, functional property. Some franchisors also provide detailed specifications for construction and furnishings in order to maintain the quality standards of the chain.

Potential hotel developers should realize that most hotel chains have strict guidelines concerning plans and specifications for constructing and furnishing their facilities. Because of this fact, developers should make no significant expenditures for architectural plans until a franchise is selected and their required specifications are obtained.

[3] Development Assistance

Hotel franchisors are often able to provide assistance during the construction of a hotel. At the minimum, a hotel chain will usually want the opportunity to approve plans and specifications prior to construction and to inspect for compliance during development and after the project is completed. Some franchisors, however, have in-house development experts who will provide extensive support in all phases of the development process. The cost of these services is generally an additional charge over the normal franchise fees.

[4] Assistance in Obtaining Financing

Franchisors generally do not secure financing for franchisees, but they do sometimes assist in assembling loan packages for lenders. A good hotel chain typically develops relationships with the various financial components necessary to obtain financing, which include: firms that perform market studies and appraisals, mortgage bankers and brokers, construction lenders, permanent lenders, equity syndicators, joint venture partners, and investors. A potential franchisee should investigate these contacts to see if the proposed franchise can obtain financing.

Financing is an important aspect of a hotel development or acquisition, so more franchisors can be expected to take an active role in obtaining funds in the future. A franchise package that offered not only the normal franchise benefits but also some form of financing commitment would be an unbeatable combination for attracting franchisees.

[5] Publicity and Promotion Assistance

Generally, hotel chains that sell franchises have prepared professional advertising and promotional campaigns that include logos, trademarks, signs, property, billboards, and print, and radio and television ads. Franchisees can usually obtain these advertisements and promotional material from the franchisor and immediately use them in the proper media.

[6] Centralized Purchasing

Many franchisors offer centralized purchasing services that are able to take advantage of quantity discounts available to large volume buyers and pass these savings on to the individual franchisees. Not only can the financial benefits of centralized purchasing be substantial, but the ease of ordering, receiving, and accounting is often greatly simplified. Vendors, realizing the purchasing power of an entire organization, are also more likely to provide better service. Centralized purchasing not only reduces the cost of buying products such as furniture and operating supplies, but it also decreases the price of services such as advertising, accounting, and legal counsel. Centralized purchasing is generally a voluntary service; in most instances, the franchisee is free to purchase supplies, furnishings, and equipment from any vendor in the market as long as the specifications of the item purchased meet the franchisor's approval.

Another advantage gained by the buying power of a lodging chain is that individual franchisees are able to receive reductions in credit card commissions.

[7] Referrals Between Properties

One of the primary benefits of belonging to a lodging chain is the referral of business between the properties within the chain. In effect, each property in the chain functions as a marketing office that creates room-nights of demand for other hotels throughout the chain. For example, when a patron is checking out of one hotel, the front desk personnel should determine whether the traveler requires a reservation at the next destination. If so, a sale should occur and a reservation should be made with another franchisee in the chain. Similarly, when meeting and convention groups have been satisfied with the service and accommodations they received by one hotel in a chain, they should be referred directly to other chain hotels for future meetings. Individual franchisees benefit by keeping hotel patrons "within the chain" through property level referrals.

Hotel owners who are prospective franchisees should investigate whether a franchisor actively encourages referral activity between properties, and if so, whether there is chain representation in the feeder cities where this type of reservation activity would originate.

[8] Centralized Reservation System

Another major benefit of a franchise affiliation is the centralized reservation system that ties the entire chain together. Most hotel chains offer a reservation system consisting of a central reservation office with a toll-free telephone number. Staffed by trained personnel, the central reservation office takes all reservation requests and records the following information:

- The hotel within the chain that is the most convenient destination to the caller
- The availability of accommodations at the requested hotel on the desired date(s)
- Available room rates
- A reservation, if the caller so chooses
- Guarantee of the reservation, if necessary
- Any special request
- Information about the caller (e.g., name, address, and telephone number).

These data are stored in the central reservation computer for future statistical analysis and, if necessary, are also transmitted to the property to confirm the reservation and identify the patron.

Hotel franchise reservation systems vary in sophistication. Potential franchisees should investigate the workings of each reservation system to determine which will work best for their particular operation. The aspects of the system that should be analyzed include the following:

- The number of reservations the central system actually generates for the properties within the chain. (The franchisee should trace this data to individual properties that have locations similar to the subject property, and then analyze the reservation data on both a monthly and weekly basis.)
- The number of reservations that represent actual room-nights and the number that result in no-shows.
- The number of reservations that are currently unaccommodated within the potential franchisee's market area, and to what properties unaccommodated reservations are currently referred.
- The identity of the properties in the chain from which the subject property can expect to receive reservation overflow. Reservation system computers are programmed to refer unaccommodatable reservations to another property within the chain, usually the closest based on travel time. This procedure should, however, be verified to ensure that the potential franchisee's hotel will receive its fair share of overflow reservations.
- The identification of the potential franchisee in the reservation system. For example, a hotel might be known as the Sleep-Inn-Downtown or Sleep-Inn-Convention Center or Sleep-Inn-Airport or Sleep-Inn-Interstate. Incorrect information conveyed by a name or description could divert reservations and patronage to other properties—even if they are less well located to the traveler's final destination.

Hotel franchise companies with centralized reservation systems are generally able to provide franchisees with market analysis based on their reservation data.

These reports can provide important market research information to the franchisee. The reports containing this research information that are usually available to franchisees include:

- Reservation originations.* A listing of where reservations originate, categorized either by zip code or by telephone area code. This information is useful in planning future marketing programs.
- Reservation denial report.* A listing of the number of potential patrons who attempted to make a reservation at a specific property but, because the property was fully booked, could not be accommodated. This information is important for quantifying unaccommodated demand, which provides an indication of the need to expand a property.
- Occupancy comparisons.* A report showing how a specific property's occupancy percentage compares to other hotels of the same franchise in the property's market area, state, and region. This information is useful in evaluating operating performance.

A potential franchisee should request to see examples of the different reservation system reports offered by franchise chains in order to determine which offers the most useful information.

[9] Proven Mode of Operation

A franchisor should provide the franchisee with a tried and proven mode of operation that includes all the systems and procedures that are necessary in order to operate the franchise efficiently. In most instances, the information regarding the implementation of the mode of operation is communicated by either training programs or an operations manual offered by the franchisor.

Some chains offer extensive schools or seminar programs to familiarize management level personnel with the chain's mode of operation and general philosophies. Other franchisors have detailed operating manuals that provide recommended solutions to almost any problem that the management of the property may encounter. While the assistance provided by the franchisor will not substitute for actual hotel operating experience, it is important to utilize the experience of the hotel chain in order to reduce the number of operational errors and to conform with the chainwide image and mode of operation of the franchisor as well.

[10] Marketing Offices

Most hotel chains, particularly those with a group marketing orientation, maintain national and regional marketing offices that generate meeting, convention, and group business. This service is particularly beneficial for those hotels that anticipate heavy usage in the meeting and convention segments. The time and effort required to establish the marketing infrastructure to effectively penetrate the meeting and convention segment can be overwhelming for an individual hotel; tapping into a chain's database of group business can be a substantial advantage. The potential franchisee should verify that such information does exist and will ultimately produce meeting and convention room-nights for the subject property.

[11] Property Inspection and Evaluation

Quality assurance is an important activity for franchisors. A hotel chain is only as good as its poorest hotel, so constant inspection and evaluation on the part of the franchisor is necessary to maintain a consistent level of physical and service quality.

Most hotel chains will inspect their properties two to four times per year. The purpose of these inspections is to monitor quality standards and familiarize the on-site management with the techniques used to maintain the required level of quality. Rigid enforcement of quality standards is extremely important for the success of a franchise system, so the methods of regulating property level quality should be closely evaluated by potential franchisees.

17.07 FRANCHISE FEES

When evaluating a possible hotel franchise, one of the most important economic considerations is the structure and amount of the franchise fee. Hotel franchise fees are the compensation paid to the franchisor for the use of the chain's name, logo, identity, image, goodwill, operating systems and procedures, marketing plans, and referral and reservation systems. Franchise fees are normally formulated utilizing an initial fee paid upon applying for the franchise plus continuing fees paid periodically during the term of the franchise.

[1] Initial Fee

The initial fee typically takes the form of a minimum dollar amount plus an additional amount based on the hotel's room count. For example, the initial fee may be a minimum fee of \$45,000 plus \$300 per room for each room over 150 (so a hotel with 125 rooms would pay \$45,000, and one with 200 rooms would pay \$60,000). The initial fee is paid upon submission of the franchise application and it covers the franchisor's cost of processing the application, reviewing the site and market potential, evaluating the plans, inspecting the property during construction and providing services over the pre-opening phase. Occasionally, if the hotel is existing and the franchise represents a conversion, the initial fee structure will be reduced. Some franchisors will return the entire initial fee if the franchise is not approved while others will keep a portion (5 to 10 percent) to cover the cost of reviewing the application.

[2] Continuing Fees

The payment of a continuing franchise fee begins when the hotel opens, and is paid monthly over the term of the franchise. Such fees are referred to by several different names depending on how the payment is used by the franchisor.

[a] Royalty Fee

Almost all franchisors collect a royalty fee, which represents compensation for the use of the chain's name, logo, goodwill, and other franchise services. A significant margin of profit is generally incorporated in a royalty fee.

[b] Advertising or Marketing Fee

Chainwide advertising and marketing consists of national or regional campaigns in various types of media along with the development and distribution of a chain directory, as well as marketing efforts directed at groups and other specific market segments. In many instances, the advertising or marketing fee goes into a fund that is administered by the franchisor on behalf of all members of the chain. The use of these fees is restricted solely to the promotion of the chain and does not normally represent a source of profit for the franchise company.

[c] Reservation Fee

If the franchise chain has a reservation system, the reservation fee supports the cost of operating the central office, telephones, computer, and reservation personnel. As with the advertising or marketing fee, the reservation fee is structured to cover the cost of the reservation system and generally contains little profit for the franchisor.

[d] Training Fee

Those franchisors that provide extensive training programs for their franchisees levy training fees that cover the cost of the instructional programs.

[3] Continuing Fee Assessment

Continuing franchise fees are assessed based on several different formulas. Royalty fees are generally based on a percentage of rooms revenue (usually between 3 and 6.5 percent). Advertising, marketing, and training fees are generally calculated on a percentage of rooms revenue (usually 1 to 3 percent), but sometimes are based on a dollar amount per available room per month. Reservation fees may also be based on either a percentage of rooms revenue (1 to 2.5 percent) or a dollar amount per available room per month, but in some instances are assessed by an amount per reservation sent to the property through the central reservation system (\$4 to \$6). These various formulas may be used by themselves or they may be combined with each other. For example, the marketing fee for a franchise may be the greater of \$0.50 per available room per day or 2 percent of rooms revenue.

Each one of these fee structures has advantages and disadvantages for individual properties. A fee based entirely on a percentage of rooms revenue is favorable for hotels that derive significant income from food and beverage sales. Fees based on an amount per available room are fixed fees that tend to benefit hotels with high volumes. Reservation fees based on the number of reservations received are reasonable as long as the reservations counted are those that ultimately became room-nights of occupancy and not merely no-shows.

The specific fee structures required by a franchise company must be disclosed in the UFOC that it must file with the FTC, so potential franchisees can evaluate the fee structure of prospective franchise companies and determine whether the price/value relationship warrants the acquisition of a particular franchise. Tables 17.1, 17.2, and 17.3, developed from information contained in UFOCs, provide comparisons of the fees charged by various franchise companies. Each table deals with a different class of lodging facility (i.e., economy, mid-rate, and first-class) and the data in them is derived from the following operating information for a hotel representative of each respective class.

Economy Hotel

Room count	100 rooms
Average room rate—Year 1	\$35.00
Room rate growth	5% per year
Occupancy—Year 1	60%
—Year 2	70%
—Years 3 to 10	75%
Projection period	10 years
Total rooms revenue during 10-year projection period	\$11,794,243
Number of reservations from franchisor	15% of occupied rooms

Mid-Rate Hotel

Room count	200 rooms
Average room rate—Year 1	\$65.00
Room rate growth	5% per year
Occupancy—Year 1	60%
—Year 2	70%
—Years 3 to 10	75%
Projection period	10 years
Total rooms revenue during 10-year projection period	\$43,798,356
Number of reservations from franchisor	15% of occupied rooms

First-Class Hotel

Room count	300 rooms
Average room rate—Year 1	\$95.00
Room rate growth	5% per year
Occupancy—Year 1	60%
—Year 2	70%
—Years 3 to 10	75%
Projection period	10 years
Total rooms revenue during 10-year projection period	\$96,027,117
Number of reservations from franchisor	15% of occupied rooms

TABLE 17.1
Comparison of Economy Hotel Franchise Costs

Name	Total initial fee (based on room count)	Annual royalty fee	Annual reservation fee	Annual advertising fee	Annual miscellaneous fee	Total 10-year costs	Total cost as a percentage of total rooms revenue
Best Inns	\$10,000	\$235,885	\$ 0	\$ 0	\$ 0	\$245,885	2.1
Comfort Inns	30,000	471,770	157,910	117,942	0	777,622	6.6
Country Hearth Inns	25,000	471,770	45,000	176,914	0	718,683	6.1
Econolodge	20,000	471,770	0	294,856	0	786,626	6.7
Friendship Inns	12,750	178,850	0	0	9,000	200,600	1.7
Hampton Inns	35,000	471,770	354,856	0	0	861,626	7.3
Master Host	10,000	353,827	24,000	58,971	0	446,799	3.8
SleepInns	55,000	471,770	157,910	190,942	0	875,622	7.4
Microtel	25,000	412,799	0	0	0	437,799	3.7
Red Carpet Inn	8,000	353,827	24,000	58,971	0	444,799	3.8
Rodeway Inns	20,000	353,827	0	412,799	0	786,626	6.7
Scottish Inns	5,000	235,885	24,000	58,971	0	323,856	2.7
Super 8	20,000	471,770	0	235,885	0	727,655	6.2
Travelodge	15,000	353,827	0	412,799	0	781,626	6.6

TABLE 17.2
Comparison of Mid-Rate Hotel Franchise Costs

Name	Total initial fee (based on room count)	Annual royalty fee	Annual reservation fee	Annual advertising fee	Annual miscellaneous fee	Total 10-year costs	Total cost as a percentage of total rooms revenue
Best Western	\$26,500	\$ 329,420	\$ 24,882	\$ 33,340	\$ 0	\$ 414,142	1.0
Club House Inn	25,000	1,751,934	279,773	656,975	0	2,713,682	6.2
Compri Hotel	30,500	1,313,951	0	1,313,951	0	2,658,401	6.1
Country Inns	20,000	1,313,951	127,760	1,313,951	0	2,775,661	6.3
CrestHil by Hilton	85,000	2,189,918	564,007	437,984	0	3,276,908	7.5
Days Inns	43,000	2,846,893	649,473	0	0	3,539,366	8.1
Holiday Inn	60,000	1,751,934	543,584	437,984	0	2,793,501	6.4
Howard Johnson's	60,000	1,751,934	485,984	875,967	0	3,173,885	7.2
Innsuites International	25,000	1,094,959	159,870	437,984	0	1,717,813	3.9
Park Inns	30,000	1,270,152	394,185	437,984	87,597	2,219,918	5.1
Quality Inns	60,000	1,313,951	517,919	437,984	0	2,329,853	5.3
Ramada Hotels	45,000	1,313,951	1,532,943	437,984	0	3,329,877	7.6
Treadway Inns	20,000	1,095,018	319,740	657,011	0	2,091,769	4.8
Viscount	30,000	1,313,951	0	1,532,943	0	2,876,893	6.6

TABLE 17.3
Comparison of First-Class Hotel Franchise Costs

Name	Total initial fee (based on room count)	Annual royalty fee	Annual reservation fee	Annual advertising fee	Annual miscellaneous fee	Total 10-year costs	Total cost as a percentage of total rooms revenue
Clarion	\$ 60,000	\$2,880,814	\$1,080,174	\$1,179,271	\$ 0	\$5,200,259	5.4
Embassy Suites	150,000	3,841,085	1,118,671	1,920,542	0	7,030,298	7.3
Hawthorn Suites	\$120,000	\$3,841,085	\$ 0	\$2,400,678	\$ 0	\$6,361,763	6.6
Hilton Inns	55,000	4,801,356	846,010	0	0	5,702,366	5.9
Holiday Inn Crowne Plaza	90,000	3,841,085	1,118,671	1,440,407	0	6,490,163	6.8
Omni Hotels	48,500	2,880,814	0	3,360,949	0	6,290,263	6.5
Preferred Hotels	17,500	300,000	899,269	0	12,000	1,228,769	1.3
Radisson Inns	56,650	3,841,085	0	3,360,949	1,650	7,260,334	7.6
Sheraton Inns	60,000	4,801,356	639,000	0	0	5,550,356	5.7

A comparison of the percentage relationship of total 10-year franchise fees to total rooms revenue yields interesting results. The range is from a low of 1.0 percent to a high of 8.1 percent, with the average being 5.6 percent. However, the chains that have the lowest franchise fee percentages, such as Best Western and Preferred Hotels, are not technically franchises, but rather associations or referral organizations. These groups are structured for the benefit of all their member hotels, so their fees are oriented more toward covering operating costs than producing profits. These percentages are therefore somewhat representative of the actual cost of operating a franchise organization, which provides an indication of the margin of profit realized by other chains.

17.08 **HOTEL FRANCHISE SELECTION PROCESS**

The selection of an appropriate franchise affiliation is one of the most important decisions to be made during the entire hotel development or acquisition process. The chain affiliation of a hotel affects the property's image, market orientation, ability to benefit from referral business and a central reservation system, ability to compete in the local market, potential for future competition, and ability to generate profits. A poor choice of a franchise can seriously affect the competitiveness of a hotel and its ultimate profitability and financial success.

[1] **Market Study and Appraisal**

Selecting a hotel franchise is essentially a matter of first identifying what sort of hotel represents the highest and best use of a property and then determining which hotel chain affiliation would best complement the type of hotel chosen. The key to determining the highest and best use of a property is a thorough market study and appraisal. As described in Part II, a market study and appraisal is an evaluation of the market potential of the subject area. Based on the locational and competitive factors determined to be influencing the subject property, recommendations are made in the study regarding market orientation, types of facilities required to cater to this orientation, and the appropriate class or level of quality for the facility. Once these characteristics have been determined and the highest and best use established, appropriate franchise affiliations can be investigated based on their ability to complement and create demand for the subject property.

Developers should evaluate the important factors regarding franchises before proceeding to the next step in the selection process. The first factor that should be considered is that a hotel chain will not consider granting a franchise that will be directly competitive with another lodging facility that it owns, manages, or has franchised in the same market area unless there is sufficient existing and unaccommodated room-night demand. The presence of a competitive property within the market should not deter a potential franchisee from investigating whether the franchisor will consider a franchise application. In some cases, a franchisor may be considering the termination of a franchise, which could mean an available opening for a new property. However, the presence of another property in the same market area should alert the hotel owner to research other franchise opportunities.

The second factor to be considered is whether or not a franchisor has any properties in the feeder cities to the subject's market area. It is important from a marketing point of view that a franchisor have representation in the cities that will provide demand to the subject property's market area. Familiarity with a product often influences the selection of a lodging facility.

[2] **Analysis of Suitable Franchise Affiliations**

Once several suitable franchisors have been found, the prospective franchisee should contact the appropriate franchise salespeople and request a copy of their company's UFOC. This document will contain a wealth of information, but additional investigation will probably be necessary. The following checklist contains questions that the prospective franchisee should ask in order to properly evaluate a franchise affiliation and make a suitable selection.

- How long has the chain been in business?
- Is the chain growing? How many properties did it have five years ago? How many properties does it have at present? How many properties is it expected to have two, five, and 10 years from now? How many properties are owned, managed, or franchised by the chain? Has the product or concept been market tested?
- How many franchises were terminated over the last five years? What were the reasons for terminating these franchises?
- What are the names, addresses, and phone numbers of franchisees that can be contacted for references?
- What percentage of the chain's properties are up-to-date in design, and what percentage are currently being refurbished?
- Reservation system:
 - How many reservations per property does it produce—on an annual, monthly, and weekly basis?
 - Does it tie into airline reservation systems?
 - How effective is the reservation system for other properties in the market area? For similar properties outside the market area?
 - What types of reservation reports are available?
 - What is the typical percentage of no-shows from the reservation system?
 - What is the operating performance of other chain hotels within or near the subject's market area?
 - What services are offered by the franchisor? Is there an additional charge for these services?
 - What is the chain's reputation among travelers?
 - Does the franchisor only sell franchises to individuals it considers qualified?

[3] Negotiation of Final Terms

Because a franchisor is generally required to amend the UFOC whenever any important terms of a franchise agreement are changed, most hotel chains will not negotiate variances to their standard agreement. Occasionally, however, some additions and modifications such as the following can be obtained.

- Exclusive territory.* Sometimes franchisors will grant exclusive territories to franchisees who promise to develop a certain number of properties in the area within a specific period of time. Having franchise control over a geographic region often creates value for the holders of these exclusive territories, who can sometimes sell the franchise rights to others.
- Protected areas.* Franchisees are sometimes able to negotiate an agreement by which the franchisor cannot own, manage, or franchise another property within a specified geographic area for either a certain period of time or until a certain level of operating performance is achieved at the franchisee's property (e.g., occupancy over 70 percent for two consecutive years). A protected area is an important benefit if it can be obtained from a franchisor.

In regard to the final selection of a franchise company, potential franchisees should strive to make their choice as early as possible in the development or acquisition process. Most franchisors have specific requirements for layout, design, quality, and furnishings, so it is advantageous to involve the franchisor before any architectural plans or specifications are made. The franchisee should always ask for an exclusive area, since this technique is an effective means of prohibiting new competition. If the franchise chain that is chosen is new, the franchisee should ask for reduced fees until the chain reaches a certain size. Finally, since the reservation system is one of the key elements to a franchise affiliation, the franchisor should try to obtain some type of guarantee that the system will be effective and generate actual room-nights for the facility.

17.09 **FRANCHISE AGREEMENTS**

Once an offer to grant a franchise is made by the franchisor and it is accepted by the franchisee, a contractual agreement is drawn up that details the responsibilities of the two parties. The general provisions of franchise agreements typically provide an overview that attempts to make the franchise system and concept appear to be unique so the franchisor can consider the license it grants (the franchise) to be proprietary. Most licenses for franchises are granted for a specific location, so the franchise agreement should include a description of the exact location of the hotel. If the franchisor allows a restricted area, the details of this area should be contained in the agreement.

[1] **Term of Agreement**

The terms of hotel franchise agreements typically range from 10 to 20 years. A few provide extensions at the option of the licensee. Franchisees should seek a term for as many years as possible if they have the ability to freely terminate the franchise should the benefits it generates not measure up to expectations of the franchisee. If there is a cost associated with termination, the franchisee should ask for short terms with several options to extend. Most lenders want franchise terms to extend over the life of the mortgage on the property. In addition, lenders generally want the right to either terminate or to take over the franchise for the remaining term in the event of a foreclosure. Mortgage provisions of this kind are known as "comfort letters."

[2] **Proprietary Information**

Most franchisors consider all of the publications and written material that they generate for the benefit of their franchise holders to be proprietary. These include operations and training manuals, educational material, conferences and seminars, methods, techniques, formats, specifications, procedures, architectural plans, and so forth. Franchise agreements generally stipulate that this kind of information must be treated confidentially and that its disclosure must be limited.

[3] Relationship of Parties

All parties to a franchise agreement are considered independent and are not able to bind each other. To limit liability, most franchisors stipulate in their franchise agreements that signs be posted at the front desk stating that the hotel is independently owned and operated under a license with the franchisor. Franchisors generally require indemnification from their franchisees for any claims or actions brought against them.

[4] Hotel Image and Operating Standards

One of the most important sections of a franchise agreement is the one containing provisions regarding the maintenance of a hotel's image and general operating standards. These provisions relate to franchisor control over not only the physical quality of a lodging facility, but also the level of service and guest satisfaction. Franchisors generally require contract provisions that allow them to monitor the condition and appearance of the hotel and to establish standards for grading compliance. Some chains insist on requirements that hotels that hold their franchises be upgraded at regular intervals so that they remain in conformance with company standards. If alterations are to be undertaken or if the hotel must be rebuilt after a casualty or condemnation, the franchisor will generally want the right to approve plans and specifications. In order to control the quality of furnishings, equipment, and supplies, franchisors also often develop strict specifications that must be followed when purchasing, including the use of only approved vendors. Operational procedures are controlled by setting forth requirements in the agreement that the franchisee follow the standards established in the operating manuals provided by the franchisor. Operating standards also generally include restrictions regarding the franchisee operating competing hotels, diverting business, employing company personnel, and working for another franchisor. Insurance coverage is another important operating standard for franchisors, so they include provisions related to the amount and types of insurance that must be carried by the franchisees in the agreement.

[5] Training and Guidance

Hotel chains generally require some form of training or orientation for senior level management in order to familiarize personnel with the various systems, procedures, programs, and policies developed by the franchisor. The franchise agreement should specify the nature of this training, which can range from regular classes conducted by the franchisor at an educational facility to simple training manuals. A certain amount of ongoing guidance and consulting is also normally provided, but if the time involved in these activities becomes excessive, the franchisor will usually require a fee.

[6] Reservation Systems and Advertising

Most franchised hotel chains offer some form of reservation or referral system that is paid for either by the continuing franchise (royalty) fee or a separate reservation fee that is stipulated in the franchise agreement. A reservation fee can be assessed based

on a percentage of rooms revenue or on some other formula related to the number of reservations received. Some hotel chains establish advertising funds to be used for activities such as national or regional advertising and specialized marketing. Most of these funds are established and administered by the franchisor, but are funded by the individual hotels within the chain.

[7] Fees

As noted previously, most franchises require prospective members to pay an initial license application fee. The amount and details of the fee should be set forth in the franchise agreement. The license application fee is generally payable upon application and is considered earned by the franchisor when the application is approved. The agreement should specify the procedure to be followed if the franchise is not approved. For example, a percentage of the fee may be retained by the franchisor to offset the cost involved in processing the application.

[8] Reports, Inspections, and Audits

Most franchise agreements establish the right of the franchisor to inspect the books, records, and financial reports of the franchisee, particularly if the franchise fee is based on a formula tied to the financial operating results of the franchisee. Provisions relating to the types and timing of reports that must be submitted to the franchisor are set forth in this part of the agreement.

Franchisors periodically inspect the properties in their chains to determine if the standards set forth in their franchise agreements are maintained. If necessary to verify the accuracy of the financial data a franchisor usually has the right to conduct an audit.

[9] Assignment

A franchise can be assigned by either the franchisee or the franchisor, and while both parties will generally want the right to freely transfer the franchise, usually, only the franchisor has the ability to do so—the franchisee must request approval in accordance with the franchise agreement. Naturally, the primary concern of the franchisor is to maintain the chain's level of quality, so a new franchisee must be closely reviewed. Franchise agreements generally set forth the basis for approving an assignment as well as the procedure for notification. Some franchisors require that a property be brought up to current standards before it can be assigned, which can entail a substantial expenditure and thus make the property more difficult to transfer. Most franchisors want the right of first refusal in the event they might desire to acquire the property upon a contemplated transfer.

[10] Termination

Most franchise agreements do not permit the franchisee to terminate the agreement before the end of the term. If the agreement is terminated, the franchisee generally

has to pay damages to the franchisor that usually amount to two to three times the franchise fee paid over the past year. Since the cost of terminating a franchise can be expensive, it is important for franchisees to make a good initial selection in order to reduce the chance of an early termination.

Most franchise agreements grant the franchisor extensive rights regarding franchise termination. Some of the more common termination provisions include: failure to open the property; failure to operate the property; failure to have proper moral character; violation of a law or ordinance; bankruptcy; failure to maintain insurance; failure to pay franchise fees; and failure to comply with franchisee agreement. In most instances, the franchisee has a right to cure the default before the franchise is terminated.

Franchise agreements generally establish certain obligations on the part of the franchisee in the event that the franchise is terminated or expires. Some of these obligations are: payment of all monies owed to the franchisor including liquidated damages, if appropriate, and removal of signs, systems, marks, and identity items. Some franchise agreements even require that the telephone number of the hotel be returned to the franchisor.

PART IV

**Development,
Acquisition, and
Finance**

CHAPTER 18

Property Development

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18.01 INTRODUCTION

The development of a lodging facility is a complicated process that requires a great deal of planning, scheduling, and coordination of effort on the part of a number of professionals. The technical aspects of the actual construction of a hotel are beyond the scope of this book, but an understanding of the phases of the development process and the roles of the main contributors to a hotel development is important for investors in such projects.

18.02 CONDITIONS NEEDED FOR DEVELOPMENT

Hotel development in the United States has traditionally followed a cycle that is driven, for the most part, by the availability of financing. As described in Chapter 2, large numbers of hotels were developed during periods of readily available mortgage financing (e.g., 1970 through 1975 and 1980 through 1983). When mortgage financing was not readily available, hotel development slowed down. On a local basis, new hotel development is largely encouraged or discouraged by factors such as the economic health of the market area, the availability of reasonably priced sites suitable for hotel development, and the willingness of the local government and the community to allow the development of lodging facilities.

The development of a particular hotel ultimately depends on a precise fit of favorable national and local factors. The necessary conditions do not often prevail,

as evidenced by the fact that the number of lodging facilities that make it through the entire development process is approximately 1 in 10.

18.03 **DEVELOPMENT TIME LINE**

The development of a hotel takes many months and requires the successful completion of a series of events. Developers must undertake a considerable amount of planning and scheduling in order to coordinate the activities of the people who work on the project and to be sure that necessary tasks are accomplished at the proper time. An important part of the early stages of a hotel development is the formulation of a time line that indicates what events must take place and when they should occur. Table 18.1 provides an example of such a time line listing the typical sequence of events in the development of a 200-room commercial hotel.

18.04 **MARKET SELECTION**

A healthy, growing economy, a favorable supply and demand relationship, and a positive market environment suited to long-term growth are the key factors that draw the focus of a hotel developer to a specific market area. Other factors, such as the travel distance from the developer's home office to the project, can also be important considerations when the developer selects a particular area.

18.05 **SITE SELECTION**

Once a market area is chosen, the developer begins the search for a particular site. In this analysis, factors such as size, topography, access, visibility, availability of utilities, and zoning are of primary importance. The cost of the land is one of the first factors that must be considered, because it has a direct impact on the project's feasibility. The rule of thumb in this regard is that the land on which a hotel is built should not represent more than 15 to 20 percent of the total project cost. If this threshold is bypassed, net income generated by the hotel may not be enough to satisfy the project financing.

For example, assume that a first-class, 200-room hotel in a particular market area is expected to generate a net income sufficient to pay debt service and provide a satisfactory equity return on a total investment of \$20,000,000. The cost of constructing, furnishing, and operating this hotel is estimated to be \$17,000,000. If the land can be acquired for \$3,000,000, resulting in a total project cost of \$20,000,000, the project will probably be economically viable. If, on the other hand, the cost of the land is much more than \$3,000,000, the feasibility of the project would be impaired.

In instances where the cost of the land does not justify the development of a hotel or motel, it is often because a hotel project does not represent the highest and best use of the property. The parcel of land may simply be better suited for the development of office space or a retail use, either of which may be capable of generating more net income per square foot of land area, and therefore would justify paying the higher price for the land.

TABLE 18.1
Development Time Line for a 200-Room Commercial Hotel

Months from opening	Event
17	Perform a market analysis and select a market suited for hotel development
16	Narrow focus to particular site
16	Determine best type of hotel product for specific site
15	Prepare preliminary economic market study and appraisal
15	Negotiate the price and terms for acquiring site. Tie up site with as many contingencies as possible.
14	Start zoning approval process and verify availability of all necessary licenses and permits
14	Line up architect and work on preliminary layout and concepts
14	Line up franchise affiliation
14	Line up hotel management company
13	Start preparing working architectural plans and specifications
13	Start lining up debt and equity financing
11	Start pre-selling efforts
11	Line up development team and request construction bids
10	Start construction
5	Start pre-opening functions
0	Open hotel

18.06 CHOOSING A SUITABLE HOTEL PRODUCT

Determining what type of hotel product is best for a particular site requires a careful analysis of the local market. The following are some key factors that must be considered.

- Local demand.* The conclusions drawn in the market analysis regarding the types and classes of lodging facilities for which there is demand in the market area, as well as any information regarding future trends in demand, are probably the most crucial elements in the decision-making process.
- Local supply.* The supply of lodging in the market area has an important bearing on the type of facility that should be developed. Future trends in supply, particularly the proposed development of any new facilities, must also be closely reviewed.
- Franchise availability.* If the market analysis indicates that a franchise company with a national identification is necessary in order for the proposed facility to succeed, the type of hotel product that should be developed may be determined by the availability of a desirable franchise affiliation. For example, if a suite-type product is justified by supply and demand conditions, but no national suite-oriented franchise is available, it is probably unwise to attempt such a development.
- Site considerations.* The size, topography, and cost of the site chosen for development can often dictate the type of product that can be built. For example, a small site may require a multi-story building, which will increase the overall cost of the project and thus may require the development of a first- or luxury-class facility in order to realize any profit from the project.

If the developer is a large hotel company with an in-house appraisal staff, the selection of a hotel product for a particular site and a preliminary market study and appraisal are often undertaken concurrently. This course of action provides an initial sense of feasibility, which is often necessary to justify any further expenditures on the development process. If, after taking this step, the success of a particular site appears in doubt, the developer may wish to investigate the feasibility of another type of hotel product or site.

18.07 **SITE ACQUISITION**

When the developer is satisfied that a specific site is feasible, the negotiation of the purchase price and terms for the acquisition of this site can begin. This step is taken early in the overall process, which means that the odds still favor the hotel not being developed. Therefore, the developer should attempt to tie up the site for as long a time as possible without risking any cash. This can be accomplished through the use of various contractual contingencies that allow the developer to terminate the purchase contract if certain events do not take place. Examples of contingencies that are desirable in a land sales contract include:

- Ability to secure proper zoning
- Availability of necessary licenses and permits, particularly a liquor license
- Approval from a hotel franchisor
- Positive findings from lodging demand analysis
- Availability of project financing

Developers sometimes find it advantageous to offer a higher sales price for a suitable hotel parcel in return for worthwhile contractual contingencies that become effective if the development is abandoned.

18.08 **ZONING APPROVAL**

Hotel developers are often faced with the task of altering the zoning that governs the use of a site so that a hotel can be built on it. Along the same lines, developers must secure various permits and licenses for construction and operation of a lodging facility. Depending on the local political environment, the process of obtaining zoning approvals for a hotel project may proceed quickly (i.e., take one to two months), or can drag on for many years. Successful hotel developers are generally experts in dealing with local zoning boards and neighborhood groups and are able to provide convincing arguments regarding the ways in which a community will benefit by allowing the development of a hotel project. Zoning laws and the permit application process vary with each local jurisdiction, so developers often employ consultants and specialists to gain approvals as quickly as possible.

18.09 **BASIC ELEMENTS OF A DEVELOPMENT PROJECT**

As indicated by the time line in Table 18.1, approximately 14 months prior to opening the developer should come to terms with an architect, a franchise affiliation, and

a hotel management company. The decisions that must be made regarding these three elements are in many ways interdependent. For instance, the type and class of hotel that is planned will often dictate the franchise affiliation. In most instances, the developer will be able to select a franchise affiliation from several candidates. However, it is possible that only one franchise affiliation may be suited to a particular site. The selection of a management company may in turn be dictated by the choice of a particular franchise affiliation, because it is generally desirable to use a management company that has prior experience with a specific franchise. On the other hand, a desirable management company will sometimes bring with it a specific identification (e.g., a first-tier management company that has a national reputation), which eliminates the need to secure a franchise identification. Finally, franchise and management companies often have specific requirements regarding layout, design, space utilization, facilities, and amenities that will dictate to an extent what the architect can design for the project, so it is only after the franchise and management company have been selected that the architect can prepare the working plans and specifications for the project.

18.10 PROJECT FINANCING

After the architect, franchise affiliation, and management company are chosen, the developer must obtain project financing. For a new hotel development, financing typically requires a construction loan that carries the project to its opening day and permanent financing that takes out the construction loan with funds that must be repaid at some point five to ten years in the future. If a developer has a successful track record, a type of loan known as a mini-perm may be obtainable. A mini-perm loan is a combination of a construction loan and a permanent loan that is of somewhat shorter duration (i.e., 2 to 4 years as compared to 5 to 10).

Financing structures for hotel developments are actually very similar to those for most other forms of real estate, although the actual sources of funds may differ from time to time (some commercial banks will not lend money on hotel projects, as a matter of policy). For example, life insurance companies were a major provider of hotel financing during the 1970s. With the deregulation of the thrift industry, savings and loans institutions became important sources of money for hotels in the 1980s. During both periods, hotel projects were financed in much the same way as other commercial real estate loans: 60 to 80 percent of the total project cost was derived from the mortgage sources, the rates were either fixed or floating, and amortization ranged from 25 to 30 years. These conditions are still found in the marketplace at the present time.

Similarly, equity funds for a hotel are generally raised through the same kinds of syndications as those used for other commercial real estate projects. Most real estate syndications raise equity funds for partnerships that allow the pass-through of tax benefits to the partner-investors. To reduce investor liability, most real estate partnerships are formed as limited partnerships, in which the developer acts as the general partner with full liability and the individual investors are limited partners whose financial exposure is usually limited to their invested capital.

Obtaining debt and equity financing is probably the largest hurdle that must be cleared in order to complete a hotel development, so seasoned developers nurture their relationships with lenders and equity sources. A successful track record is often a prerequisite to securing funding for later projects.

If project financing becomes scarce, but it appears that the hotel will be developed nonetheless, the management company should begin the efforts at pre-selling in order to attract as much patronage as possible to the property during its first years of operation. This type of effort is particularly important in instances where the hotel is dependent on group and convention patronage, which typically selects meeting sites several years in advance.

18.11 **DEVELOPMENT TEAM**

The planning, construction, and start-up of a new lodging facility requires the involvement of a wide range of professionals who must work as a team. This group generally includes an architect, an interior designer, several consultants, general and specialized contractors, and one or more engineers.

Some members of the team, such as the architect, are involved in a project from its inception. When the project reaches the stage where financing must be obtained, the developer must identify remaining team members and estimate their fees. This information is then turned over to the financing source, which will evaluate the proposed team members before committing any funds to the project.

Large developers often already have some team members on their staffs. The composition of the development team will vary from project to project, as will the responsibilities of the individual members. The following sections describe the usual roles of the principal members of a development team.

[1] **Architect**

The architect is responsible for designing the hotel in conformance with the specifications set forth by the owner, operator (management company), and franchisor, and with any applicable codes or regulations of the state or local municipalities. In addition, the architect often coordinates the activities of other members of the development team, such as the interior designer, food service equipment consultant, and engineer.

The first task for the architect is the preparation of schematic drawings, which are rough plans for the floor layout and exterior appearance of the proposed facility. These plans are a means of developing the preliminary concept for the project and also provide hotel operators and financial sources with a rough indication of the nature, scope, and cost of the project.

Design refinements follow the approval of the schematic drawings by the owner-operator and franchisor and include more detailed plans that encompass the structural, mechanical, electrical, and other technical aspects of the project. After each step, the cost estimates are updated and evaluated.

The complete architectural plans undergo a process of refinement and modification. As the ideas and suggestions of other members of the development team are incorporated, the plans become more and more detailed. When the process is complete and the plans are finalized, they are filed with the proper agencies for the issuance of building permits.

During the actual construction phase of the project, the architect may be retained to supervise the general contractor and the subcontractors to ensure that the project is completed in accordance with the final plans and specifications. The architect must

then be available to make any necessary changes and modifications to the plans as the project moves forward.

Depending on the size of the project, there may be an architectural team that consists of a design director, who supervises other architects involved with the development; an associate architect, who generally oversees both the design and work stages of the project; and head draftsman, who directs the efforts of two or more draftsmen who do the actual drawing.

Architectural firms generally base their fees on a percentage of gross construction cost. This percentage can range from 4 to 8 percent depending on the size of the hotel. Payments are usually made monthly and are determined by the amount of work actually completed on the project.

[2] Interior Designer

The interior designer is responsible for the design of the interior of the facility and the preparation of the plans and specifications needed to carry out the design. The interior designer is usually brought into the project by the developer, but it is not uncommon for the design firm to be chosen by the architect. In any event, it is important that the designer start work as soon as possible during the planning stage of the project. The earlier the architect and designer start working together, the less likely are later problems, such as discrepancies in plans or unnecessary change orders.

Interior design work follows a series of phases: planning, design and documentation, and construction and installation. The designer is responsible for preparing drawings and specifications of the materials and equipment used to construct the interior of the facility. The designer also coordinates the work of any special design or artwork consultants. During construction, the designer inspects the project and supervises the installation of the furniture, fixtures, and equipment (FF&E).

The fee paid to the design firm is determined by the size and complexity of the project; the standard range in the industry is 6 to 10 percent of the FF&E budget. For especially large or complicated projects, fees can go as high 12 percent. Compensation agreements usually call for payments in installments. Typically, a 20 to 25 percent retainer is paid in advance, and a predetermined percentage is paid upon the completion of each phase in the design work. Compensation contracts for interior designers usually provide for projected out-of-pocket expenses and establish procedures for dealing with cost overruns and change orders.

Interior design firms usually assign one senior member to oversee a project. The number of associates assigned to the project is dependent on the size of the project and the number of design services that must be coordinated.

[3] Restaurant Concept Consultant

A restaurant concept consultant is brought in to develop the themes for the food and beverage facilities in the hotel. The first step for the consultant is to use market data gathered for the project's market study and appraisal to determine what type and style of facilities will compete most effectively in the local market, generate rooms business, and best serve as an amenity.

After this preliminary planning is accomplished, the consultant works with the project architect and a food service equipment consultant (sometimes an employee of

the same firm as the restaurant consultant) to finalize the designs of the facilities. This step requires space planning that takes into account, in the case of a restaurant for example, alternate uses such as banquet functions, suite or room service, or remote catering. Other factors, such as floor space and seating, must also be analyzed at this point.

Another important element of the restaurant concept consultant's work is the development of a menu and a determination of the average check that can be expected based on the meals that will be offered. Planning the menu also aids in planning other factors such as storage space, type of equipment needed, the extent of kitchen support areas, and utility space.

The fees for restaurant consultants are usually calculated either on an hourly or percentage basis. Hourly fees generally range from \$80 to \$90 per hour; percentage fees usually range from 1 to 3 percent of the gross restaurant equipment cost. Most consulting firms require a retainer equal to 10 to 20 percent of their total compensation.

[4] Food Service Equipment Consultant

The food service equipment consultant either is hired by the project architectural firm or works directly for the developer. If a restaurant concept consultant is not used, a food service equipment consultant will be brought into the project as early as possible in order to provide the necessary preliminary planning usually handled by the concept consultant. Once this is accomplished, the food service equipment consultant determines the equipment needs for the facility and produces appropriate specifications and plans along with cost estimates. The consultant is also responsible for the purchase and installation of all of the equipment.

The fees paid to the food service equipment consultant vary according to the type of hotel developed. Some consultants determine fees on the basis of a dollar amount per square foot of food service area, which currently ranges between \$100 and \$300 per foot. Another possible fee structure is derived from a percentage of the total cost of the equipment installed. Industry standards for this fee range between 6 and 10 percent. Other consultants have an hourly fee based either on the actual number of hours worked or hours worked combined with another method. Most food service consultants require a retainer, which can be 10 to 20 percent of the total cost, and submit monthly bills based on the percentage of completion of the project.

[5] Other Team Members

The composition of development teams varies with each project. In addition to the key members described in the preceding sections, a number of other specialists may be brought in to advise on or carry out particular aspects of development. Table 18.2 contains a list of some of the possible members of a hotel development team.

18.12 CONSTRUCTION PHASE

After the development team has done its preliminary work, and bids have been accepted and contracts finalized, the actual construction of the hotel can begin. Coor-

TABLE 18.2
Other Development Team Members

Type	Specialty
Engineers	Structural, mechanical, electrical, elevator, civil
Consultants	Telephone system, computer system, fire protection system, environmental impact, zoning and permit, property tax, graphics, audio-visual system, laundry equipment
Surveyor	
Purchasing agent	

dinating the construction of a hotel is probably one of the most difficult tasks in the field of real estate development. The developer must coordinate the purchase of large quantities of FF&E and see that it is warehoused, delivered, and installed on schedule. Another ongoing problem is purchasing and installing complex, expensive equipment such as computer and telephone systems and food and beverage service appliances.

During the time that the facility is under construction, the hotel management company must perform a number of pre-opening functions. These tasks include: hiring a complete staff; training all employees; devising and instituting all financial systems and procedures; marketing the facility and handling advance bookings; supervising the installation of FF&E; preparing for opening (e.g., cleaning, testing equipment and procedures, and so forth); and planning the opening event.

18.13 **PROJECT RISKS**

Developers quickly learn that no hotel development is ever typical and that they must be prepared to handle unforeseen problems. Unfavorable zoning decisions, the inability to satisfactorily structure a land purchase contract, or a shortfall in financing can each lead to the termination of a hotel development project. Other risks that may not terminate a development project but may make it more expensive and thus less profitable include cost overruns, delays in completing scheduled tasks, labor disputes, and litigation.

CHAPTER 19

Property Acquisition

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19.01 INTRODUCTION

The acquisition process begins once an investor has located a desirable market area, selected a suitable type of lodging facility, and targeted one or more appropriate properties worth pursuing. Prospective buyers generally utilize brokers who have developed listings of available properties and who act as agents for the owners of the hotels on the market. Most brokers will continue to work with both parties through the process of negotiating the numerous issues that are involved in the acquisition of a lodging facility.

Any facility that is a candidate for acquisition should be thoroughly evaluated. Experienced professionals must investigate and analyze both the current and future physical and financial condition of the facility. In particular, an accurate appraisal and forecast of the financial condition of a hotel is essential in order to obtain financing—the most important step in property acquisition.

An acquisition is accomplished through a series of negotiations. Initially, the buyer and the seller must agree on general terms that are mutually satisfactory. At this point, a letter of intent is drawn up that spells out the basic terms of the agreement; it also serves as an obligation on the part of both the buyer and seller to make an effort in good faith to complete the transaction. After the letter of intent has been accepted by both parties, the buyer must perform tasks of due diligence and must obtain financing. Negotiations regarding the final form of the purchase and sale contract should be ongoing throughout this process, and when the content, structure, and schedule of the transaction are agreed upon, the closing takes place.

19.02 REAL ESTATE BROKERS

Unless an investor is familiar with the local market area and has personal contact with the various hotel owners and operators in it, most sales leads come through real estate brokers. There are several benefits of dealing with a knowledgeable hotel broker; foremost is the fact that brokers will usually put together complete offering packages that include all of the information that a potential buyer needs in order to make an initial offer on a hotel property. Brokers are usually paid only when a transaction is consummated, so it is to the broker's advantage to make the package as attractive as possible and thus increase the chances of a sale taking place. To this end, the broker will most likely have persuaded the seller to agree to a realistic price for the property. The broker will usually also obtain any additional data and information from the seller that the buyer may need in order to make a decision regarding an offer. In addition, brokers often assist in the negotiation process by helping to work out any impasse between the parties.

The primary disadvantage of utilizing a broker is the commission that must be paid at closing. In most instances, however, it is simply too difficult to put together a sale without the assistance of a broker, so the broker's compensation (usually 1 to 4 percent of the sales price) is ultimately justified.

19.03 BASIC TERMS OF SALE

The offering information provided by a broker typically contains the basic terms of sale: price, terms, structure, property description, and financial statements. Occasionally, sellers are reluctant to provide complete financial statements to potential buyers. Any such reluctance should be considered a signal not to waste any further effort pursuing the property until all of the necessary data are offered. A seller who is not willing to release financial statements either is not really interested in selling the property or has something to hide. In either case, it is probably best to look for a more cooperative seller.

Before starting preliminary negotiations, the purchaser should carefully review the information provided by the seller. This review should be followed by a property inspection to ascertain what facilities are included in the sale as well as the general condition of the property (a more thorough engineering evaluation should be performed at a later time.) At the same time, the purchaser should become familiar with the local market conditions, particularly the occupancy and average room rates of competitive hotels and the status of any proposed properties. A more complete market study and appraisal should be made at a later date.

The basic terms of sale, along with a property inspection, enable the purchaser to determine

- Whether the asking price and terms are reasonable;
- Whether the property is worth purchasing; and
- What the initial offer should be.

In most instances, the asking price will be somewhat inflated by the seller to leave room for negotiation. Sometimes, however, the seller simply does not have a realistic idea of the value of the property and sets too high a price. While it is difficult to determine an exact cutoff, buyers should probably not waste their time pursuing

hotels that have an initial asking price that is more than 30 to 40 percent over the price that they are willing to pay.

19.04 **CONTRACT NEGOTIATIONS**

Once a prospective buyer determines that a particular property is worth pursuing, the process of negotiating the major terms of the purchase and sale contract can begin. It is advisable to reach agreement on the major terms of a transaction as quickly as possible. Any minor issues can then be resolved while the purchase and sale contract is drawn up. The major terms that should be focused on early in the process include price, seller's guarantees and purchase money financing, contingencies, and management and tax issues.

[1] **Price**

Final sales price is often affected by negotiations involving other terms in the purchase and sale contract. For example, the purchaser will, at times, pay a higher price if the seller is willing to take back purchase money financing. Other factors that can influence final sales price are the amount of the earnest money deposit, the amount of time over which cash payments can be spread, and whether or not an existing mortgage can be assumed. Other considerations that may affect final sales price include the track record and financial strength of the purchaser and the speed with which the transaction can be completed.

[2] **Seller's Guarantees and Purchase Money Financing**

In situations where the seller is the present management company operating the property and the purchaser wants the management company to remain in place, the purchaser will offer cash flow guarantees or take-back purchase money financing, which essentially pays out the purchase price over time. Such arrangements generally create a higher selling price and make it easier for the purchaser to put together the overall financing.

[3] **Contingencies to Reduce Risk**

When a buyer enters into a purchase and sale contract, a sizable (5 to 10 percent) earnest money deposit is usually made to demonstrate the purchaser's commitment to closing the transaction. If the deal is not consummated, the buyer forfeits the deposit. To reduce the risk of losing the deposit, the purchaser usually negotiates a set of key terms involving various contingencies that allow the purchaser to back out of the transaction and still have the deposit returned. Some of the more frequently used contingencies include any inability of the purchaser to

- Obtain specified financing
- Transfer or obtain a specified franchise affiliation

- Obtain specified licenses or permits (particularly a liquor license)
- Perform complete due diligence within a specified period of time

The seller usually agrees to encumber a transaction with one or more of these contingencies only as a result of negotiations that entitle the seller to receive such benefits as a higher price or more favorable terms.

[4] Termination of Existing Management or Franchise Affiliation

When a hotel is encumbered by a hotel management contract, the future of the existing management must be determined. In instances where the purchaser desires a new operator and a contract can be terminated by paying a cancellation fee, the parties must resolve the issue of who pays this fee. Generally, when a hotel is sold without the requirement that the existing management be retained, the sale price will be higher than it would be if the operator were to remain. Similar issues arise with an existing franchise affiliation.

[5] Tax Issues

Changes in the tax laws in the 1980s lessened the benefits of hotel investments, so tax issues have become less important in contract negotiations. However, both the purchaser and seller must still negotiate an agreement that protects their interests regarding items that require tax planning, such as the allocation of basis upon sale, deferrals of capital gains, the avoidance of taxes associated with transfers, and reducing the potential for a property assessment revaluation. For example, the manner in which the purchase price is allocated among the land, improvements, personal property, and good will components might affect the purchaser's allowable depreciation, the sales tax paid on personal property, and even the assessed value of the property.

[6] Miscellaneous Issues

In many transactions, most major contract terms are agreed upon relatively easily, but seemingly minor issues become large problems. The key to avoiding such situations and maintaining a smooth-flowing acquisition process is to negotiate all the major issues as quickly as possible so that a letter of intent can be issued and a contract closed, after which time the less important issues can be settled.

Among these minor issues is a determination of precisely what specific items associated with the property are to be included in the purchase price. Typically, the negotiated price for a lodging facility includes both real property and personal property. The following items may or may not be part of the purchase price: supplies, inventories, china, linen, glassware, silver, working capital, house funds, deposits, receivables, historical books and records, and guest histories. If any of these items are not included in the purchase price, it must be determined whether the purchaser will buy any or all of them. If any are to be sold, the two parties must agree on the way in which they are inventoried and priced, and what method of payment will be used. Another issue that must be settled before the closing date is the way in which the revenues and expenses for the night immediately prior to closing are apportioned

between the purchaser and seller. Various prorations (i.e., allocations of revenues and expenses between the buyer and seller) must be made in accordance with the terms of the purchase and sale contract. Some of the more important prorations involve the payment of utilities, taxes, payroll, rents, and insurance.

19.05 LETTER OF INTENT

After the major terms of a sale have been roughed out, the next stage in the acquisition process is the issuance of a letter of intent. A letter of intent is a written understanding (written by the purchaser and agreed to and accepted by the seller) in which the basic terms of the transaction are set forth and both parties agree to work in good faith to formalize a contract of purchase and sale as expeditiously as possible.

A letter of intent is not a contract. In most instances, a deposit is not paid and the seller can continue negotiating with other parties. It does, however, obligate the parties to make a good faith effort to conclude the transaction, which, ethically at least, restricts the seller to a limited extent.

The content of a letter of intent varies with each transaction depending on the primary concerns of the seller and purchaser and to what extent preliminary negotiations have taken place. Generally, a letter of intent is amended and revised to the satisfaction of both parties and thus becomes a negotiable instrument.

A letter of intent will reflect the compromises that are reached regarding the different underlying concerns of the buyer and seller. For the buyer, these are to

1. Purchase the property at the lowest possible price and at the most favorable terms;
2. Provide sufficient time to perform necessary due diligence and make necessary financial arrangements; and
3. Be able to get out of the deal with as little financial penalty as possible.

The seller, on the other hand, will want to

1. Sell the property at the highest possible price and at the most favorable terms; and
2. Complete the sale in the shortest possible time without providing contingencies that would allow the purchaser to back out of the deal, except by paying a substantial penalty.

In many ways, a letter of intent serves the purposes of the buyer. Agreeing to the letter obligates the seller (to a degree) to follow through with the transaction, thus allowing some time for the buyer to investigate the condition of the property and make financing arrangements without the risk of losing a substantial amount of money if the deal falls through.

The following list contains the main sections normally found in a letter of intent.

- Property description.* A description of the property being sold or leased. This is not normally a legal description, but is sufficiently detailed so that both parties understand the subject of the transaction.
- Selling price (deal structure).* A description of the price and terms of the transaction including what portion of the price is cash, the amount of the deposit, and the use of mortgage financing.

- Due diligence.* Establishes the right on the part of the purchaser to perform a certain amount of review, documentation, and analysis of the property, along with its books and records, which must be provided by the seller.
- Contingencies.* Specific circumstances that allow one or both of the parties to back out of the deal.
- Seller's representations.* Representations that are made regarding the owner's legal ability to complete the transaction.

19.06 PRELIMINARY DUE DILIGENCE

Until a purchase and sale contract is executed, the purchaser should minimize any expenditures related to due diligence. To this end, only the due diligence necessary to conduct contract negotiations should be undertaken.

These efforts should encompass the request for, and the collection and analysis of, information concerning the hotel, including:

- Audited annual profit and loss statements, with full supporting schedules, for the last five years.
- Most recent year-to-date profit and loss statement with comparison to previous year.
- Monthly profit and loss statements, with full supporting schedules, for the past three years.
- Audited balance sheet for the last five years.
- Occupancy and average rate by month for the last three years.
- Capital expenditures for the last five years, with any current estimates for future expenditures.
- Real and personal property tax bills for the last three years.
- List of all insurance coverage, including cost and expiration.
- Copies of all service contracts, leases, franchises, licenses, permits, management agreements, union agreements, and any instruments that the purchaser is expected to assume.
- Copies of all trademarks, trade names, and copyrights.
- Copies of all notes and mortgages currently encumbering the property.
- Copies of all recent (i.e., within the last three years) appraisals, market studies, engineering and soil reports, and marketing plans.
- Franchise inspection and deficiency reports for the last two years.
- Franchise reservation reports for the last two years.
- Survey (as built), legal description, architectural and engineering plans and specifications.
- Recent health, fire, building, and elevator inspection reports.
- Physical inventory of FF&E, supplies, consumables, and inventories.
- List of employees, including name, position, salary or wage scale, and benefits to which they are entitled.

- Detailed list of advanced reservations and bookings, including name of party, deposit received, rate guaranteed, dates, status, and other pertinent information.
- List of all purveyors and sources of supplies and services.
- Details of any litigation pending against the hotel.
- List of all tenants, rent rolls, deposits, and term of lease.
- Estoppel letters from any mortgagee.

Immediately before signing a binding purchase and sale contract, the purchaser should conduct or commission an economic market study and appraisal, and undertake both a thorough property inspection and evaluation and a thorough evaluation of financial statements. The buyer should evaluate the results of these analyses and bear them in mind during the negotiation process, so that the transaction can be structured with full knowledge of the property, its components, and future economic expectations.

19.07 PURCHASE AND SALE CONTRACT

The final results of the negotiation process are used to set the terms and conditions of the transaction in a purchase and sale contract. The topics covered in the purchase and sale contract are similar to those found in the letter of intent, but are, of course, covered in much greater detail. As with any contract, the actual document should be reviewed and approved by an attorney and an accountant familiar with hotel transactions to ensure that none of the terms are in conflict with federal, state, or local laws.

The basic clauses that are usually found in a purchase and sale contract are as follows.¹

1. *Real and personal property being sold.* A description of the real and personal property being transferred.
2. *Business assets being sold.* A listing of the various licenses, contracts, franchises, and other miscellaneous and intangible personal property that are being transferred with the total property.
3. *Closing.* The date, time and place of closing.
4. *Purchase price.* The purchase price and its composition (relative to equity and debt).
5. *Earnest money or deposit.* The amount of the deposit and the circumstances under which it would be defaulted or returned.
6. *Due diligence.* The review of the property and other aspects of the transaction made by the purchaser and the conditions and limits imposed upon the transaction. The contract should detail the period of time during which this should occur and the rights and obligations of each party.
7. *Terms of purchase financing.* The terms of the mortgage involved in transactions in which the seller takes back purchase money.
8. *Title commitment and survey/search.* The specifications for the type and quality of title the purchaser is willing to accept.

¹ Sample clauses taken from actual purchase and sale agreements can be found in Appendix 2.

9. *Seller's deliveries.* The data and information that must be given to the purchaser by the seller.
10. *Seller's representation, warranties, and covenants.* The various facts and statements made by the seller relative to the transaction used to induce the purchaser to buy the property.
11. *Representations and warranties of purchaser.* The various facts and statements made by the purchaser relative to the transaction used to induce the seller to sell the property.
12. *Prorations and adjustments.* The specific prorations of the current revenues and expenses between the purchaser and seller.
13. *Closing documents and procedures.* The various documents needed to close the transaction as agreed to by both parties. The closing procedure must also be approved by both parties.
14. *Closing expense.* The agreement reached on the allocation of closing expenses between the purchaser and seller.
15. *Eminent domain and risk of loss.* The details of what occurs if the property is taken by eminent domain or a casualty loss while the hotel is under contract.
16. *Assignment, successors, and heirs.* The basis (if any) for the transfer of contracts to other parties.
17. *General clauses.* General housekeeping contract clauses.

19.08 **COMPREHENSIVE DUE DILIGENCE**

Once the buyer has signed the purchase and sale contract, the seller is normally obligated to complete the transaction. At this point the risk that the transaction will not be consummated is greatly reduced, so the buyer can safely invest in the performance of comprehensive due diligence. This stage of the process usually means commissioning the following studies:

- Engineering study.* An in-depth review of all physical components of the property, including: mechanical, electrical, plumbing, and structural elements, as well as telephone, electronic, and computer systems and items of decor. This review should be performed by an engineer who is familiar with the industry.
- Financial audit.* An audit of operating statements and other financial information relied upon by the purchaser. This audit should be performed by an accountant with experience in the industry.
- Title search.* A review of the various factors that could affect the title to a property. The title search should be performed by either an attorney or title company.
- Property tax verification.* An investigation into the current status of the tax assessment imposed on the property. When a hotel is sold, the local taxing jurisdiction is likely to investigate the terms of the sale and possibly adjust the property's assessed value upward to reflect the sale price. A new assessed value (with the resulting increase in property taxes) could adversely affect the property's future cash flow. A property tax verification performed by a knowledgeable property tax consultant will provide an

accurate estimate of future tax liabilities. The property tax consultant can also assist in minimizing an upward adjustment made by the assessor.

- Environmental inspection.* An inspection made by a qualified engineer to disclose any potential environmental hazards (e.g., subsurface toxic waste materials) that may exist on or within the property site.
- Legal verifications.* An investigation undertaken by an attorney into all the property's licenses, permits, franchises, and other documents to determine whether they can be freely transferred from the seller to the buyer.

19.09 CLOSING

The closing of a hotel sale transaction involves the actual transfer of title of the hotel from the seller to the buyer. In most instances, when the buyer assumes management, the closing coincides with the takeover by the new operator. The parties that are normally present at a closing include

- Seller and seller's attorney
- Buyer and buyer's attorney
- Lender and lender's attorney
- Title company
- Real estate broker

The activities that take place at a closing include (1) accounting to allocate and prorate the property's revenues and expenses and (2) a physical inventory of all of the assets included in the purchase price. Any items to be transferred that are not included in the purchase price must be inventoried and valued in accordance with the terms of the purchase and sale contract.

After the necessary allocations and prorations are calculated, the mortgages and notes are signed and the requisite monies are transferred among the parties. Once this process is concluded, the buyer holds title to the hotel.

CHAPTER 20

Debt Financing

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20.01 NATIONAL OVERVIEW OF HOTEL MORTGAGE LENDING

As with hotel development, hotel mortgage lending tends to be cyclical with various types of lenders moving in and out of the market at different points in time. Until the 1960s, commercial banks, life insurance companies, and credit companies provided the bulk of the lodging industry mortgages. These are sophisticated lenders with vast experience in commercial lending. They understand the business of operating a hotel and are familiar with the many pitfalls associated with this type of lending. As a result of their knowledge, they generally experience a relatively low default record.

During the late 1960s and early 1970s, much of the growth in the lodging industry (and real estate in general) was financed by real estate investment trusts (REITs), which were formed by banks, insurance companies, real estate professionals, and others. REITs relied on short-term bank lines of credit for their lending funds and generally provided construction and interim loans on many types of real estate projects. The rapid development and expansion of REITs led to a sudden upsurge in lending, often to borrowers who had little experience in hotel development, investment, or management.

Since lodging properties had been extremely profitable investments during the late 1960s and early 1970s, builders, developers, and passive investors (including many individuals without prior experience in the lodging industry) came to look upon lodging properties as potentially attractive investments. REITs aggressively sought these lodging property loan opportunities. Often, however, neither the project nor the borrower merited the funds. REITs often financed projects in poor locations, in depressed and overbuilt markets, or with inexperienced developers and operators. Construction loans were sometimes funded in excess of total project cost with no verification of how the funds were to be used.

The combination of REIT over-lending, loose underwriting, and a strong bias in favor of difficult-to-monitor construction lending quickly led to overbuilding in most market areas throughout the United States. In addition, many of the projects were poorly managed and suffered from ineffective franchise affiliations. As a result, many REIT-financed projects failed and were foreclosed.

In the early 1980s, the savings and loan industry began making commercial loans. Because many of these lenders, like REITs, were unskilled in evaluating hotel and motel investments and protecting themselves from poor developers and hotel operators, a number of these loans later went into default, in some cases seriously affecting the economic viability of savings and loan institutions. By the end of the decade, most mortgage lenders had moved out of the hotel market because of the massive overbuilding that had taken place during the mid-1980s. This situation typically takes several years to resolve, after which lenders are likely to once again start financing hotel projects.

One of the best sources of information on hotel mortgages is the data compiled by The American Council of Life Insurance, which represents many of the large life insurance companies in the United States. Each quarter, members of this organization submit data on the mortgages they originate. These data are then organized and published, providing information on the number of hotel mortgages made, their interest rates, terms, and other relevant information.

20.02 **SOURCES OF HOTEL FINANCING**

A number of mortgage lenders do not like to make loans to hotels and motels. They do not understand the lodging business and believe the potential returns associated with this type of lending are not warranted by the perceived risks. Lenders who do make hotel mortgages sometimes view these types of investments as last-resort lending; they are willing to make the loans only when no better type of property is available to finance.

Hotels are traditionally financed through the following types of lenders: commercial banks, life insurance companies, credit companies, savings and loan associations, real estate investment trusts, and pension funds. Hotels are also backed with purchase money financing.

[1] **Commercial Banks**

Commercial banks are generally short-term lenders specializing in construction financing with and without take-outs. When a construction loan does not have a take-out commitment from another mortgage lender, commercial banks may provide a short-term (two- to four-year) permanent loan that is added to the construction financing. This combined construction and short-term permanent loan is known as a mini-perm.

In recent years, commercial banks have begun to provide longer-term loans, making banks more competitive with life insurance companies and credit companies.

[2] Life Insurance Companies

Life insurance companies have historically been long-term lenders providing take-out financing after construction loans. Because of the increased competition from commercial banks providing longer-term financing, however, insurance companies have recently started offering construction loans tied in with their permanent financing. Borrowers from insurance companies are often able to obtain a fixed interest rate on permanent loans. Life insurance companies also enter into joint venture arrangements where they provide both debt and equity to hotel projects. In recent years, insurance companies have reduced their involvement in hotel financing, favoring investments in stocks and bonds.

[3] Credit Companies

Credit companies have generally provided construction, standby, second, and other high risk loans for lodging properties. They tend to favor smaller hotels without established track records; as a result they are able to demand higher interest rates and personal guarantees. Credit companies also tend to be hotel lenders on a more regular basis. While many lenders are waiting for an improvement in the hotel lending climate, credit companies remain active lenders.

[4] Savings and Loan Associations

Savings and loan associations make both construction loans and longer-term permanent loans. Although these institutions became major players in hotel financing in the early 1980s, many of them did not have the expertise to originate good quality loans. Most savings and loan associations left the hotel lending business by the late 1980s because of intense regulation and scrutiny by government officials.

[5] Pension Funds

Pension funds represent a huge potential source of capital for financing real estate. However, until recently, very little pension fund capital found its way into hotel/motel mortgages or joint ventures. Most experts agree that this source of financing will be more readily available in the future and will probably be long-term with either a fixed or floating rate of interest. Pension funds are highly regulated and it may be difficult to utilize them as a source of funds for a business-oriented investment such as a hotel.

[6] Purchase Money Financing

Purchase money financing is a loan provided by the seller that enables the purchaser to buy a property with less equity money. This type of financing is generally

subordinate to a first mortgage, which enables the buyer to keep the existing mortgage in place, eliminating the necessity of obtaining new financing. The seller benefits by knowing that closing will not be contingent upon obtaining financing. In some instances, the seller is able to negotiate a higher selling price if purchase money financing is provided.

20.03 **DEFAULT HISTORY FOR HOTEL AND MOTEL LOANS**

Mortgage lending has always carried a certain degree of risk. Basically, if the property sells for less than the amount of the loan or if the property's value during the term of the loan declines until it is lower than the loan value, the lender faces a loss. Default on interest payments or bankruptcy also lower the lender's expected yield.

In order to offset these risks, lenders have the right to foreclose or take back the property in event of a default. Unlike equity investors, most mortgage lenders do not participate in the upside if the property is successful; they receive the principal with interest, but generally do not receive any value appreciation or other benefits. Thus, a mortgage lender faces downside risks if the property is not successful, shielded by the basic value of the real estate, but does not benefit to a large extent if the property is successful.

The perception of most lenders is that hotel loans are riskier than other types of real estate loans (e.g., office buildings, industrial facilities, apartments, and shopping centers). One measure of hotel lending risk is the default history for hotel and motel loans. The American Council of Life Insurance, an association of a number of large insurance companies, pools its data on hotel loans and publishes it periodically. According to its data, four out of a total portfolio of 1,801 lodging loans foreclosed in 1982. This represents a foreclosure rate of under one quarter of one percent, or 0.25 percent, which is extremely low and probably reflects the healthy lodging market during that period. Few hotel loans were made during the late 1970s and, as a result of decreased development, the hotel industry recovered from the overbuilding and prospered during the early 1980s.

By contrast, after the overbuilding of the mid-1980s, the same organization reported that as of June 1988, out of the total hotel portfolio of 1,518 loans, 114 were considered delinquent (i.e., with two or more scheduled payments past due per original or restructured loan agreement) (7.5 percent), 56 loans were in foreclosure (3.7 percent), and 15 (1 percent) had been foreclosed upon since the beginning of the year. The following table shows the distribution of the delinquent hotel loans on a geographic basis:

	<i>Number</i>	<i>Percentage</i>
New England	2	2%
Middle Atlantic	1	1
East North Central	19	17
West North Central	7	6
South Atlantic	23	20
East South Central	7	6
West South Central	26	23
Mountain	18	16
Pacific	3	3
Other	<u>8</u>	<u>6</u>
Total	114	100%

It appears that many of the delinquent hotel loans are situated in the energy states (west south central and mountain), which are suffering not only from overbuilding but also from the decrease in lodging demand brought about by the decline in oil-related business.

The rate of lodging property foreclosure is only one factor to consider when evaluating the loss exposure from hotel lending. If history is an indication of future trends, the lenders currently experiencing delinquent hotel loans will probably not suffer major losses if they are able to take back the defaulting property, change management, infuse new capital, and reposition. Most of the REITs that were able to asset-manage their delinquent hotel loans properly did fairly well and recovered most, if not all, of their capital. Some even came away with a profit.

20.04 RISKS OF HOTEL MORTGAGE LENDING

Hotel mortgage lenders attempt to minimize the risks associated with investing in lodging properties by developing strong underwriting criteria. Underwriting criteria are essentially guidelines that the lender follows in order to evaluate both the contemplated hotel lending transaction and the borrower. The risks involved encompass both the debt and equity positions and fall into two general categories: cash flow risk and the risk of a loss of a portion of the property's market value.

Cash flow risk is the risk that the cash flow generated by the property's operation will be insufficient to cover one or more of the following: operating expenses, debt service, or adequate return on equity. Market value risk is the risk that the overall value of the property will decline so that, in the event of property disposition (i.e., sale or foreclosure), there will be insufficient capital to cover one or more of the following items: mortgage indebtedness, total equity investment, or value increases reflecting inflation. Virtually every hotel mortgage default, foreclosure, bankruptcy, or loss of invested equity can be attributed to one or both of these risks.

The risks associated with hotel investing are fairly easy to define; their causes, however, are complex and are generally related to:

- Location
- Improvements
- Management
- Ownership
- Economy and competitive environment

[1] Location

A lodging facility must offer both accessibility and visibility to its potential patrons. The demand generators from which a property draws its patronage must be close in terms of distance and travel time. Convenient access from adjacent transportation systems is also an important locational criterion. In most instances, the risks attributed to locational problems cannot be corrected. Locations may improve or decline over time, but this type of change is usually slow. When underwriting a potential hotel with a marginal location, the lender should not rely on the possibility of a locational improvement to justify the investment. It is important that a hotel

appraiser thoroughly review the characteristics of the hotel's location to ensure that the mortgage will not be adversely affected by location risk.

[2] Improvements

Hotel improvements include the building, furniture, fixtures, and equipment. The quality of a hotel's improvements affects its perceived style, class, and image. Physical deterioration and functional obsolescence in turn affect the quality of improvements.

Furniture, fixtures, and equipment in particular constantly age and deteriorate, necessitating periodical upgrading or replacement. Replacement of short-lived items should be funded by a reserve for replacement escrow. This escrow fund is generally maintained by the management company, but the lender should also closely monitor its use.

Changes in style and utility result in functional obsolescence. For example, shag carpets, rotary dial telephones, and black and white television sets are out-of-date and functionally obsolete. An old or inefficient layout or design from the perspective of either the guests or the staff may also be termed functionally obsolete. Traffic flow, the ability to provide the proper level of service, and general cost controls of payroll, utilities, and maintenance are examples of areas that can become functionally obsolete. An infusion of capital can correct most types of functional obsolescence. Major functional defects that cannot be easily corrected, however, could cause a permanent decrease in hotel value.

A hotel's improvements must be of a satisfactory physical condition and must be functionally adequate to satisfy the intended market. Underwriting criteria should include a thorough property inspection by both a hotel appraiser and hotel engineer to ensure that the improvements are suitable.

[3] Management

Hotels and motels are more than real estate—they are labor-intensive retail businesses requiring constant supervision by professional management skilled in the techniques of operating lodging facilities. The two major areas of hotel management requiring the highest degree of competency are marketing and cost control.

Marketing a hotel requires creating an image or style of operation that attracts a sufficient level of transient demand and provides a satisfactory level of guest services. Marketing generates occupancy, average room rate, and food and beverage volume. Together these represent a hotel's revenue.

Cost control is the ability to monitor and limit unnecessary costs so the property operates efficiently and generates profit. Cost control must be instituted carefully so the guest receives the proper price/value relationship. Hotel management must find the right balance between service provided and profits generated.

The operating ability of the management is a key component of the underwriting criteria. Lenders should investigate a hotel's management both from a guest service point of view and from a profit outlook. The management company should be able to document its competency by showing profitable operating results from similar hotels

that they manage. (See Chapter 17 for further discussion of the selection of a hotel management company.)

[4] **Ownership**

Although the equity owners of a hotel may not be personally liable for the repayment of the mortgage debt, hotel lenders should carefully investigate the creditworthiness of the owners and their ability to fund potential cash needs over the life of the loan. During the early years of a hotel's operation or during a major renovation, the equity owners must be prepared to fund cash shortfalls to cover debt service and, sometimes, operating expenses. Many properties that default on their mortgages are newer hotels that faced these initial cash needs without sufficient shortfall reserves. The financial strength of the equity ownership is therefore an important risk consideration for the mortgage lender.

[5] **Economy and Competitive Environment**

Once a hotel is constructed and financed, the risks associated with the national and local economies and the competitive environment are beyond the control of the investors. The key to limiting these risks is to perform a thorough market analysis before entering into the transaction. The following list includes some of the questions that should be asked in a market analysis.

- Is there sufficient market demand to justify the existing lodging supply?
- Is the market demand growing at a sufficient rate to justify the expected expansion in the lodging supply?
- Is there sufficient diversity in the type of transient demand within the market area?
- How is the local demand affected by external economic changes?
- How could changes in the local economy affect the expense factors of a lodging facility?
- What is the potential for additional competitive lodging facilities to enter the market?
- What are the chances for existing supply to be removed from the market?

When the mortgage lender is aware of all these investment risks associated with hotel lending, the proper lending criteria can be established. The following section outlines some of the underwriting criteria that can be utilized to minimize hotel investment risks.

20.05 **RISK REDUCTION IN HOTEL MORTGAGE LENDING**

A hotel mortgage lender can take a number of steps to reduce the risks it faces in making hotel loans. For example, a detailed economic market study and appraisal

should be commissioned and paid for by the lender (not the developer). The study should be performed by an MAI with extensive hotel operational and appraisal experience and should include:

- Ten-year cash flow forecast, assuming the operating performance demonstrated by the intended management.
- Complete room-night analysis showing the occupancy and average rate of all existing lodging properties in the market area, documented economic growth rates, and status of all proposed hotel projects.
- Detailed analysis of property taxes for both the subject property and competitive properties, and the impact on these taxes of any sale, refinancing, or reassessment.
- Break-even analysis, both before and after debt service.
- Occupancy impact study of all new or proposed lodging facilities on the subject property and competitive properties.
- Appraisal capitalization rate, based on the financing structure intended for the property, and not derived from sales of other lodging facilities.

In reviewing the economic study and appraisal, use of the following strict lending criteria is recommended to ensure that the lending risks have been minimized.

- In the local market area, no single demand generator should control more than 30 percent of the area demand.
- The local market must show a minimum demand growth of 2 percent per year average for all market segments.
- No single market segment should account for more than 75 percent of the total market demand.
- The subject property must have a minimum of three consecutive years of profitable operating history.
- The subject property must be currently operating within 10 percent of its projected stabilized occupancy.
- The subject property must have covered the intended debt service for the past two years. The minimum acceptable debt service coverage based on this year's projection would be 1.25 to 1.
- The management company must have demonstrated experience in profitable management of similar types of properties, specifically with respect to size, class, market segments, food and beverage facilities, concept, amenities, and location. The firm must have a minimum of three years experience as a management company and have a sufficiently sized support organization with proven expertise in marketing, financial controls, food and beverage operations, and engineering.
- The subject property should have a national or regional chain affiliation in the form of either a franchise or a first-tier management company.
- Any management contract or franchise agreement must be freely terminable by the mortgagee in the event the property is acquired through foreclosure or deed in lieu of foreclosure.
- The ownership entity must have background and experience in the lodging industry.

- The ownership entity must have the financial ability to cover all anticipated cash flow needs, as well as sufficient reserves to fund unexpected financial requirements.
- The property must maintain a reserve for replacement account with the mortgage lender for the replacement of furniture, fixtures, and equipment (FF&E). The reserve must be funded by at least 3 percent of total revenue.

Once the loan is made, the lender can further reduce risk by closely monitoring the progress of the property and constantly looking for signs of trouble. This mortgage servicing includes the following activities:

- Periodic physical inspections of the property to determine whether maintenance and replacements are being performed when required.
- Review of all inspection reports issued by the management company and franchisor and enforcement of all recommendations contained in such reports.
- Review of all financial statements prepared by the hotel (daily reports should be obtained if necessary).
- Monitoring of the reserve for replacement so see that it is used productively.
- Quick response to situations that could indicate financial difficulties.

By using strict mortgage underwriting criteria and a thorough monitoring system, the hotel mortgage lender can greatly reduce the risk exposure and still participate in the benefits of hotel lending.

20.06 **TYPES OF MORTGAGE LOANS**

Hotel owners utilize a wide variety of mortgage loans to structure a financing package that meets their objectives. The following sections discuss the various types of loans typically employed in hotel financing.

[1] **Construction Loans**

A construction loan is a short-term loan made during the period in which a project is under construction. The monies from a construction loan are disbursed over the development period for amounts that are justified by the actual progress of construction. Interest is typically tied to a floating rate (usually prime), exceeding this rate by one to three points. Most construction loans call for interest only. Personal guarantees, as well as completion bonds, are normally required by construction lenders. Construction loans are paid off when the project is completed and the hotel opens. The lender that provides the permanent financing after the construction loan has been paid off is called the take-out lender.

[2] **Construction and Mini-Perm Loans**

When a lender provides both the construction financing and a short-term permanent loan (two to five years), the arrangement is called a construction and mini-perm

loan. The terms of the construction segment of the loan are similar to normal construction loans. The mini-perm often has a fixed interest rate rather than a floating rate, and it may have an amortization. The advantage of construction and mini-perm financing is that the borrower does not have to find a permanent take-out lender, which can be difficult to locate for a new hotel without an operating history. Once the hotel has been operating for two to four years and has an established track record, the borrower is better able to attract a long-term permanent lender at more favorable terms.

[3] Permanent Loans

A permanent loan is obtained after the term of a construction or mini-perm loan. Monies from the permanent loan are used to pay off the previous lender. Sometimes sufficient funds remain to allow the equity investors to remove some capital. The permanent loan carries either a fixed or floating interest rate and amortization over a 20- to 30-year term. The length of the loan typically extends for 5 to 20 years, depending on the lender. Most permanent loans made on stable hotels with established earnings do not require personal guarantees. If they do, the borrower can generally negotiate removal of the guarantee when a certain debt coverage is achieved.

[4] Term or Bullet Loans

If a construction lender does not want to provide a mini-perm loan after the construction is completed, the borrower can line up a term or bullet loan as the take-out. By using this type of loan until the property establishes a track record, the borrower is better able to obtain more favorable terms on a long-term permanent loan. The terms of a bullet loan are similar to construction financing—it carries a floating interest rate of one to three points over prime, has little or no amortization, and personal guarantees are sometimes required.

[5] Accrual and Zero Coupon Financing

An accrual loan is a mortgage where all or part of the interest accrues and is not paid until some point in the future—sometimes at the maturity of the loan. This structure reduces the amount of the debt service that has to be paid and assists hotels during initial start-up years when there is usually insufficient cash flow to cover debt service.

20.07 OBTAINING A HOTEL MORTGAGE

Obtaining mortgage financing for a hotel venture is probably the most critical step in both the hotel development and acquisition process. Since mortgage debt generally represents the largest source of cash invested in a hotel transaction, finding a mortgage lender is a make or break issue. Without a lender, the contemplated transaction will usually die.

Lenders, realizing this great power, are often difficult to approach. Coupled with the fact that most mortgage lenders do not make hotel loans, finding suitable financing can be very difficult.

The key to obtaining hotel financing is to put together a transaction that clearly shows excellent financial potential and low investment risk. It must be presented to the lender in a highly professional manner so that the opportunity stands out from all the other submissions.

The following steps are involved in obtaining a hotel mortgage:

1. Determine how to approach the lender
2. Put together a mortgage submission
3. Negotiate the important terms
4. Submit an application
5. Obtain a commitment
6. Fulfill the terms of the commitment
7. Close the loan

[1] Approaching the Lender

The first step in obtaining a hotel mortgage is to determine whether to retain the services of a mortgage broker or to attempt the process alone. A mortgage broker's services can cost between one and three percent of the amount borrowed. While this might seem expensive, it may be worth the expense, since the transaction cannot be completed unless sufficient financing is secured. For new hotel owners without a lengthy track record of successful projects, the services of a hotel mortgage broker can be invaluable. Owners with extensive experience in the hotel industry and good financing contacts are better able to successfully complete the process without a broker. In any event, contacts are vitally important and the proper introduction to the right person and the right lenders will give a project the necessary initial attention.

[2] Compiling a Mortgage Submission

A mortgage submission is a package of information that describes the hotel investment, the financing requirements, and the structure of the contemplated transaction. It should provide the lender with sufficient information to generate interest in pursuing the mortgage. As with the overall process, the mortgage submission should be complete and have a professional appearance. Some of the information a lender looks for in a mortgage submission includes the following:

- Description of the hotel project and contemplated transaction
- Description of loan and requested terms
- Resumes and financial statements of owners
- Economic market study and appraisal
- Owner's projection of income and expense
- Description of management company—experience and operating ability
- Operator's projection of income and expense

- Rendering or photograph of the property, including an aerial photo of the site with appropriate maps, plot plans, and legal description
- Architectural plans and specifications
- Estimate of all project costs—particularly if the hotel is to be constructed or will undergo a major renovation
- Identification of project team, including architect, interior designer, and contractor
- Copies of all major contracts—management contract, franchise agreement, ground lease, tenant leases

[3] Negotiating the Terms

Once the lender shows interest in the contemplated project, the important mortgage terms are negotiated, including the following:

- Interest—rate, fixed or floating
- Term
- Amortization schedule
- Prepayment
- Personal guarantees
- Accrual facility
- Commitment and closing fees
- Timing

[4] Submitting a Mortgage Application

When the borrower and the lender have agreed on the terms of the loan, a mortgage application is submitted. A mortgage application formalizes the information generally provided in the mortgage submission.

[5] Obtaining a Mortgage Commitment

Once the loan has been approved by the lender, the lender issues a mortgage commitment, which describes the loan and its terms. The commitment may also contain a request for additional information as well as contingencies. Normal contingencies in a mortgage commitment include (1) an appraisal showing that all the property has a specified minimum value; (2) a satisfactory title report; (3) a survey guaranteed to the lender; (4) an environmental study showing there are no hazardous materials on the property; (5) an engineering report showing a sound structure and equipment; and (6) satisfactory credit reports for the principals.

The borrower is usually required to sign the commitment letter and return it to the lender with a nonrefundable commitment fee of between 1.5 and 3 percent of the amount borrowed.

[6] Fulfilling the Terms of the Commitment

The bank's commitment letter generally states that borrower must provide additional information, such as appraisals, studies, and certified financial statements, and fulfill certain obligations, such as subordinating the management contract, obtaining rights under the franchise, and transferring the liquor license. These must be completed before a specified date or prior to closing the loan.

[7] Closing the Loan

When the borrower has complied with all the provisions of the commitment and the transaction has reached its culmination, the loan is ready to close. At this point the borrower and lender (and seller if appropriate) meet and exchange and sign the necessary documents, and the monies borrowed are exchanged.

CHAPTER 21

Structuring a Hotel Investment

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21.01 INTRODUCTION

Whether a proposed hotel is being developed or an existing hotel is being acquired, the various parties to the transaction must work out and agree to a basic financial structure that establishes how the benefits and risks of the investment are to be divided and allocated. This chapter first identifies and defines the various parties involved in a hotel investment. Each party faces certain risks, but at the same time anticipates some form of benefit. The chapter then describes and quantifies these investment risks from the viewpoint of each party. Finally, a typical hotel deal is illustrated in order to demonstrate how a hotel investment is structured.

The structure of most hotel investments is identical to the structure of other types of real estate investments. The parties or components are basically the same, as are the forms of ownership. The primary difference in the structure of a hotel investment, compared with other types of real estate investments, is the extensive involvement of a hotel management company and franchise and the return requirements of the various parties, which reflect the unique risks associated with hotels.

21.02 PARTIES TO A TRANSACTION

A typical hotel transaction can have numerous parties that either have a direct interest in the property (e.g., owner, mortgagee) or derive some form of remuneration from the transaction (e.g., broker, attorney). The characteristics of each of these parties to the transaction are discussed in the following sections.

[1] Developer

Generally, the developer initiates a concept of a new hotel or major renovation and makes it a reality. In more specific terms, a hotel developer performs the following activities:

- Develops a concept and proves its feasibility
- Obtains the necessary approvals and permits
- Secures a franchise and/or management company
- Arranges financing
- Supervises construction
- Opens the hotel

Hotel developers face many risks that may produce adverse financial consequences, including the following:

- Risk of not reaching the construction stage.* If the project does not reach the construction stage, all effort and money spent up to the point the project is stopped are lost. Hotel projects may be abandoned for many reasons, including the inability to tie up the land, prove feasibility, arrange financing, obtain permits, find reasonable construction bids, or secure an appropriate management agent and/or franchise affiliation.
- Risk of construction cost overruns.* Construction budgets are merely estimates that are sometimes proved inaccurate by unforeseen circumstances. Most budgets contain contingencies for cost overruns, but occasionally construction costs will escalate beyond expected levels. The developer generally assumes the risk that the project will not come in on budget and must be prepared to cure any deficit.
- Financing risks.* During the construction phase, the developer must secure adequate financing in order to complete the project. Securing financing can mean obtaining mortgage debt, raising equity capital, or bringing in a joint-venture partner. If the developer is unable to structure a workable financing package, the hotel might not reach the construction stage and all monies invested to date would be lost.

The benefit a developer looks for is called the developer's profit, which usually consists of the value enhancement of the project. Typical profit expectations for lodging facilities range from 10 to 25 percent of total cost. Therefore, if a hotel project is expected to cost \$26,000,000, the developer would want the completed value to be \$28,600,000 to \$32,500,000.

[2] Owner

A hotel owner controls the equity portion of the investment. The owner of a hotel can be an individual, a partnership, or a corporation. Hotels are most often owned by groups of individuals that form a partnership. A general partnership typically consists of one or more general partners who manage the partnership's affairs and are at risk for all the partnership's liabilities. This type of structure is called a joint venture. A limited partnership, the most common form of hotel ownership, includes one or more general partners managing the partnership's affairs and a group of limited partners not involved in management and having liability limited to their invested capital. The process of organizing and selling interests in a partnership is called syndication.

In most limited partnerships, the limited partners contribute the bulk of the initial equity capital while the general partners contribute their time and expertise to find the property, structure the transaction, and form the partnership. The general partners may or may not be responsible for any capital required beyond the capital committed by the limited partners.

In exchange for providing the equity cash, the limited partners generally receive a preferred equity return ranging from 6 to 12 percent on their invested capital. In years where the cash flow is insufficient to provide this minimum return, the unpaid amount will often accrue until funds are available to make payment. The cash flow remaining after the preferred equity return is paid to the limited partners is split between the limited and general partners in proportions usually ranging from 60:40 to 85:15. The ultimate overall split of cash flow between the limited and general partners is a function of many factors such as the perceived risk, guarantees made by the general partners, the split of refinancing and/or residual benefits, and so forth.

Upon the sale or refinancing of the property, the cash remaining after payment of all transaction expenses (including repayment of debt) is first allocated to the limited partners in an amount equal to their capital investment. The remaining cash is then divided between the limited and general partners in a ratio most often ranging from 60:40 to 85:15. The taxable income or loss is also allocated between the limited and general partners, usually at a ratio of 99:1.

Based on the distribution of the economic benefits just described, the pretax equity yield to the limited partners most often ranges from 14 to 20 percent on a before-tax basis and from 12 to 18 percent on an after-tax basis. These equity yields are lower than those for the entire partnership because the limited partners are sharing a portion of the economic benefits with the general partners.

Once the hotel opens for business, the hotel owner faces several risks.

- Risk of inadequate cash flow.* If a hotel generates an insufficient level of income to cover debt service and/or operating expenses, the owner must contribute additional capital to meet these obligations. In most instances, unbudgeted cash deficits are funded by the general partners rather than the limited partners. If ownership is unable or unwilling to invest additional monies to cure cash losses, the hotel could face foreclosure by the mortgage lender (along with the resultant adverse publicity), income tax liability, and loss of invested capital.
- Risk of declining property value.* One of the benefits of purchasing real estate is the anticipated appreciation in property value over time that will ultimately be realized by the owner when the hotel is sold or refinanced. Hotel owners face the risk that the value of their property may actually decline during the period of ownership, thus eroding their invested capital.

Occasionally, the loss in value exceeds the invested equity, requiring the owners to contribute additional capital upon sale of the property in order to pay off the existing financing if the mortgage contains recourse provisions.

Hotel owners face additional risks that tend to generate more inconvenience than loss of monies, including loss of liquidity and loss of management control (if a management contract is used).

The economic benefits of hotel ownership include periodic cash flow during the term of ownership and value appreciation realized upon sale of the property (residual value). The periodic cash flow refers to the net income remaining after payment of all operating expenses, fixed expenses, and debt service. This equity return (if available) is generally distributed to the owner on a monthly basis. The residual value, which is realized upon sale of the property, consists of the sale price, less any outstanding mortgage balance, less the cost of the sale transaction (e.g., brokerage and legal fees). If the value of the property actually declined during ownership, however, the residual value may be negative. The benefit of value appreciation can also be realized during the term of the investment through refinancing based on the property's increased value.

Hotel equity investors generally look for the following returns on invested equity:

- Cash-on-cash return of 10 to 14 percent.* A cash-on-cash return is a short-term calculation showing the return on equity during the initial years of the investment. It is calculated by dividing the annual cash flow to equity by the amount of the invested equity. This cash-on-cash return assumes a typical stabilized hotel investment with normal mortgage leverage equating to approximately 65 to 80 percent of value.
- Equity yield of 18 to 24 percent.* The equity yield is a long-term calculation showing the annual return on equity over an extended period of time—traditionally 10 years. It is calculated through an iterative process that determines the discount rate that will discount the annual cash flow to equity plus the equity reversion to equal the value of the initial equity investment. This equity yield is based on the following investment factors:

Projection term	10 years
Annual inflation rate	4 to 6 percent
Terminal capitalization rate	9 to 12 percent
Mortgage leverage	65 to 80 percent of value
Mortgage interest rate	9 to 12 percent
Mortgage amortization	20 to 30 years

As can be seen, the equity yield specifically takes into consideration many more investment factors than the cash-on-cash return.

- Unleveraged yield of 12 to 15 percent.* Some hotel investors, such as pension funds and insurance companies, purchase hotels on an unleveraged, all equity basis. The calculation is similar to the equity yield set forth above except there is no mortgage leverage, debt service, or residual mortgage balance to consider.

In addition to the economic benefits just cited, hotel investments offer equity owners certain tax benefits. Although the tax shelter aspects of real estate investments have been severely limited, hotel owners are able to benefit by offsetting

income generated by the hotel with depreciation expense, thereby deferring income taxes over the term of ownership. Hotels offer somewhat better tax benefits than other forms of real estate because furniture and equipment, which can represent 10 to 25 percent of a hotel's assets, can be depreciated over seven years rather than the 31½ years allowed for building improvements.

Hotels are sometimes utilized to enhance the value of surrounding real estate. For example, prestige office developments and mixed-use projects will often benefit from association with a convenient upscale lodging facility. This form of benefit is sometimes used to justify hotel investments that are not expected to provide an adequate level of economic benefits.

[3] **Lender**

The lender is one of the most important components of a hotel transaction. By supplying the bulk of the capital needed either to develop or to purchase a hotel, the lender usually looks for security in the form of a mortgage on the property and sometimes for guarantees from the general partners. This security is intended to provide the funds necessary to repay the loan in the event the borrowers default on their obligations. First mortgage lenders have priority on the income generated by the hotel. Often this priority even comes before a management company's incentive management fee.

The primary risk faced by the lender is the risk that the hotel will not be financially successful enough to pay debt service. If a default occurs, the lender has the option to foreclose and assume ownership of the property. Although this course of action is available, the resulting publicity of a foreclosure (and maybe a bankruptcy) can have a devastating effect on a hotel's business, particularly on the meeting and banquet segments.

According to the American Life Insurance Association, 1989 foreclosure rates on hotel loans were approximately 6 percent. Historically, lenders have fared well after foreclosing on hotels. Generally, by changing management and possibly repositioning the property with a new franchise, lenders are often able to restructure their investments, create cash flow, and eventually work themselves out of a bad loan.

Hotel lenders benefit by making mortgages that usually yield a higher return (interest rate) than similar financing on other types of real estate. A 1989 survey by the American Life Insurance Association shows hotel first mortgage interest rates compared with those on office, retail, and apartment space.

	<i>First mortgage interest rates</i>
Hotel	10.4%
Office	10.2
Retail	10.3
Apartment	10.1

[4] **Seller**

The seller is the individual or entity who transfers all or part of an ownership interest to a buyer. Depending on the structure of the transaction, the seller may either termi-

nate all future involvement with the property or maintain some form of continued interest. Examples of continued involvement include:

1. Selling only a partial share of ownership and remaining as a joint venture general partner, a limited partner, or owner of the land subject to a ground lease. Sellers utilize this form of continued involvement to minimize adverse tax consequences brought about by a sale and/or to obtain a higher selling price by making various types of financial guarantees.
2. Selling the entire ownership interest and taking back financing in the form of a purchase money mortgage. This form of continued involvement often produces a higher selling price and a quick sale, since the buyer does not have to search for and obtain third-party financing.
3. Selling the entire ownership interest and maintaining a management contract. If the seller is a management company, particularly a first-tier operator, it can be advantageous to retain a management contract after the sale. Should a seller/management company be willing to make financial guarantees, a higher selling price can often be realized.

By remaining involved with the hotel after the sale, the seller faces the same risks as an owner, lender, or management company. Under these circumstances, the seller should thoroughly investigate the contemplated buyer to ensure that a financial relationship will be mutually satisfying.

[5] Hotel Management Company

The hotel management company provides the management expertise to operate the hotel. If the management company is a first-tier operator, the property benefits from a chain affiliation.

The owner of a new hotel usually has to locate a management company and negotiate a management contract. For existing hotels, the management is often in place and the new owner buys subject to the terms and conditions in the existing agreement.

In situations where the hotel management company is also an owner, the management fee structure may be modified downward, reflecting a form of imputed equity. Occasionally, management companies with equity ownership may also make debt service guarantees.

A full discussion of hotel management companies and management contracts is found in Chapters 17 and 18.

[6] Other Parties

A number of other parties, such as hotel franchisors and mortgage and real estate brokers, participate in hotel transactions to a lesser degree.

[a] Franchisor

The hotel franchisor provides the hotel an identity, a mode of operation, and a reservation or referral system. A full discussion of hotel franchises is found in Chapter 19.

[b] Real Estate Broker

The real estate broker works as an agent for the owner to locate a buyer and assist in the negotiations. Compensation generally takes the form of a commission that is paid upon closing. Depending on the size of the transaction, real estate broker commissions for hotel sales range from 1 to 4 percent.

[c] Mortgage Broker

The mortgage broker works for the buyer and assists in obtaining mortgage financing. Compensation generally takes the form of a commission that is paid upon closing. Depending on the size and type of mortgage financing obtained, the mortgage broker commission will range from 0.5 to 3 percent.

[d] Equity Broker Dealer

Limited partner equity capital is raised by registered security dealers. These firms assist in structuring the syndication and sell partnership interests to their customers. Because broker dealers have a vested interest in selling successful deals, they will often perform an extensive amount of due diligence and project analysis before offering a partnership to their customers.

Equity syndicators are generally paid a commission as partnership units are sold. Commission rates range from 5 to 15 percent of the equity raised.

[e] Others

Other parties to a typical hotel transaction include accountants, appraisers, attorneys, title companies, engineers, and property tax consultants.

21.03 HOTEL INVESTMENT STRUCTURE—SPRING VALLEY PROJECT

The relationship of each party to a hotel investment can be best illustrated through an example. Although few hotel investments can be classified as typical, the structure in the following example is a fair representation, combining elements of both a joint venture and a limited partnership. By understanding the logic and return requirements illustrated in the example, hotel owners, lenders, and operators should be able to modify the basic structure to meet their individual needs and unique circumstances.

This example uses the data and information contained in the case study, presented in Chapters 6–14, illustrating the proposed 300-room Spring Valley, New York hotel. The facts and investment structure are as follows:

The developer of the Spring Valley hotel decides to sell the equity in the property upon its opening. The developer's objective is to recoup his existing invested equity and maximize the selling price by maintaining an interest in the hotel after the sale and providing certain cash flow guarantees.

When the hotel opens for business in 1990, the total project cost is estimated to be as follows:

Hard Costs	
Land	\$ 2,600,000
Improvements	13,500,000
Furniture, fixtures, and equipment	4,500,000
Contingency	<u>550,000</u>
Subtotal	\$21,150,000
Soft Costs	
Appraisals	\$ 30,000
Architecture and engineering	600,000
Financing fees	316,000
Interest during construction	1,291,000
Legal	30,000
Miscellaneous	91,000
Operating reserve	1,200,000
Preopening	600,000
Property taxes	50,000
Surveys	15,000
Fees and permits	100,000
Working capital	200,000
Development fee	587,000
Franchise fees	<u>90,000</u>
Subtotal	\$ 5,200,000
Total cost	\$26,350,000

Although the appraised value of the hotel is estimated to be \$31,000,000 upon opening, it is doubtful whether the developer could actually realize this amount if he insisted on an all-cash transaction with no continued involvement. The primary reason for this is that most lenders are often reluctant to finance new hotels with nonrecourse mortgages exceeding 80 percent of the total project cost until a property establishes a track record of earnings. For the Spring Valley hotel, 80 percent of total cost equates to \$21,080,000, which is below the \$23,230,000 financing assumption contained in the appraisal. The lower leverage and resulting need for additional equity makes it difficult to justify an all-cash purchase price of \$31,000,000. However, by staying in the transaction and making some financial guarantees, the developer should ultimately realize the hotel's full \$31,000,000 opening value. This produces a developer's profit equal to 17.6 percent of the total project cost, 22 percent of hard costs (excluding development fee), and 25 percent of hard costs (including development fee).

[1] Transaction: Developer and Partnership

[a] **Syndication Costs**

In order to realize the full \$31,000,000 value and obtain a developer's profit in excess of 17 percent, the developer enters into a transaction with a hotel syndication firm. A limited partnership will purchase the Spring Valley hotel from the developer upon opening for a price of \$26,350,000, which will consist of a \$21,080,000 nonrecourse first mortgage and \$5,270,000 in cash generated by an equity syndication. To obtain the \$5,270,000 in cash to purchase the hotel, the syndication must raise a total of \$6,501,000. The costs associated with forming the syndication and the sources and usage of funds are illustrated in the following table.

Syndication Costs	
Commissions paid to broker/dealers	\$ 520,000
Broker dealer expenses	65,000
Printing and promotion	100,000
Legal	45,000
Accounting	30,000
Acquisition fee	325,000
Funds for operation	<u>146,000</u>
Total syndication costs	\$1,231,000
Acquisition price	<u>5,270,000</u>
Total to be raised	\$6,501,000
Sources of Funds	
Limited partners	\$6,500,000
General partners	<u>1,000</u>
Total funds raised	\$6,501,000

The first mortgage, representing a loan-to-cost ratio of 80 percent and a loan-to-value ratio of 68 percent, will have a fixed interest rate of 10.5 percent, a 30-year amortization schedule, and a 10-year term. The resulting mortgage constant is 0.10977 with an annual debt service of \$2,314,000. Because of the low loan-to-value ratio, the lender does not require a personal guarantee from the general partner.

[b] Before-Tax Analysis

The developer will have a non-ownership, supervisory interest in the property. He will receive 45 percent of the cash flow that remains after payment to the partnership of a 10.5 percent cumulative priority return on the \$6,501,000 raised by the syndication. This annual priority return equals \$683,000. The developer guarantees to fund all operating losses above the \$1,200,000 in operating reserves subject to a time limit of three years and a \$3,000,000 maximum. In addition, the developer keeps any unused operating reserve.

Table 21.1 is a statement of cash flow based on the 10-year projection of income and expense for the proposed Spring Valley hotel. The statement shows the annual allocation between the partnership and the developer.

In 1990, the cash flow after debt service and audit fee is projected to be -\$934,000. This anticipated deficit can be covered from the \$1,200,000 operating reserve fund. The \$683,000 preferred distribution of cash flow is not paid out to the partnership but rather it accumulates and will be paid when sufficient cash flow is available.

In 1991, the cash flow after debt service and audit fee is projected to be \$244,000. This amount flows to the partnership as a preferred distribution, and the \$1,122,000 of unpaid preferred distribution (\$1,366,000 - \$244,000) is deferred until the next year.

In 1992, the cash flow after debt service and audit fee is projected to be \$1,333,000. This amount flows to the partnership as a preferred distribution and the \$472,000 of unpaid preferred distribution (\$1,805,000 - \$1,333,000) is deferred until the next year.

In 1993, the cash flow after debt service and audit fee is projected to be \$1,516,000, which is sufficient to pay the current \$683,000 preferred distribution plus the \$472,000 accrued preferred distribution from the previous year. The balance remaining to be split between the partnership and developer is \$361,000, which goes 55 percent to the partnership (\$198,000) and 45 percent to the developer (\$163,000).

TABLE 21.1
Statement of Cash Flow (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Income before debt service	\$1,380	\$2,588	\$3,679	\$3,863	\$4,056	\$4,259	\$4,472	\$4,695	\$4,930	\$5,177
Less: Debt service	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314
Audit fees	0	30	32	33	35	36	38	40	42	44
Balance	(934)	244	1,333	1,516	1,707	1,909	2,120	2,341	2,574	2,819
Reserve funds	934	0	0	0	0	0	0	0	0	0
Balance	<u>0</u>	<u>244</u>	<u>1,333</u>	<u>1,516</u>	<u>1,707</u>	<u>1,909</u>	<u>2,120</u>	<u>2,341</u>	<u>2,574</u>	<u>2,819</u>
Preferred distribution—										
Current	683	683	683	683	683	683	683	683	683	683
Preferred distribution—										
Cumulative	683	1,366	1,805	1,155	683	683	683	683	683	683
Preferred distribution—										
Deferred	683	1,122	472	0	0	0	0	0	0	0
Preferred distribution—Paid										
to partnership	<u>0</u>	<u>244</u>	<u>1,333</u>	<u>1,155</u>	<u>683</u>	<u>683</u>	<u>683</u>	<u>683</u>	<u>683</u>	<u>683</u>
Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>361</u>	<u>1,024</u>	<u>1,226</u>	<u>1,437</u>	<u>1,658</u>	<u>1,891</u>	<u>2,136</u>
Partnership (55%)	0	0	0	198	563	674	790	912	1,040	1,175
Developer (45%)	0	0	0	163	461	552	647	746	851	961
Totals										
Cash flow—Partnership	0	244	1,333	1,353	1,246	1,357	1,473	1,595	1,723	1,857
Cash flow—Developer	0	0	0	163	461	552	647	746	851	961

The total cash flow to the partnership is the \$1,153,000 preferred distribution plus the \$199,000 share of the cash flow, which totals \$1,353,000. The developer receives a total of \$163,000.

From 1994 on, the cash flow is projected to be sufficient to pay the preferred distribution plus the full 55:45 split.

When the hotel is sold or refinanced, the net proceeds are first allocated to the partnership until its \$6,501,000 capital has been repaid. The remaining proceeds are then divided 50 percent to the developer and 50 percent to the partnership.

The projection in this example assumes a sale at the end of year 10. Assuming the net income in year 11 is expected to be \$5,436,000 and the terminal (going-out) capitalization rate is 11 percent, the resulting sales price would be \$49,414,000. From these sales proceeds, selling costs (broker and legal—3 percent) and the final mortgage balance must be deducted. The initial working capital is then added back. The following table illustrates these calculations:

Sales price	\$49,414,000
Less: Selling costs	1,482,000
Mortgage balance	19,314,000
Plus: Working capital	<u>200,000</u>
Cash to distribute	\$28,818,000

The distribution of the sales proceeds to the developer and partnership is shown as follows:

	<i>Developer</i>	<i>Partnership</i>	<i>Total</i>
Return of capital	—	+ \$ 6,501,000	= \$ 6,501,000
Distribution of balance	<u>\$11,158,500</u>	+ <u>11,158,500</u>	= <u>22,317,000</u>
Total distribution	\$11,158,500	+ \$17,659,500	= \$28,818,000

The total cash proceeds to the developer and partnership over the 10-year life of this investment is projected as follows:

<i>Year</i>	<i>Source</i>	<i>Developer</i>	<i>Partnership</i>
1990	Cash flow	\$ 0	\$ 0
1991	Cash flow	0	244,000
1992	Cash flow	0	1,333,000
1993	Cash flow	163,000	1,353,000
1994	Cash flow	461,000	1,246,000
1995	Cash flow	552,000	1,357,000
1996	Cash flow	647,000	1,473,000
1997	Cash flow	746,000	1,595,000
1998	Cash flow	851,000	1,723,000
1999	Cash flow	961,000	1,857,000
	Total cash flow	4,381,000	12,181,000
1999	Sales proceeds	11,158,500	17,659,500
	Total cash flow and sales proceeds	\$15,539,500	\$29,840,500

The net present value to the developer of the total cash flow and sales proceeds assuming various discount rates is illustrated in the following table:

<i>Discount rate</i>	<i>Net present value of project developer's cash flows and sales proceeds</i>
5.0%	\$9,861,000
10.0	6,423,000
15.0	4,285,000
20.0	2,925,000
13.9	4,650,000

The 13.9 percent discount rate shows the rate of return that produces a net present value of \$4,650,000, which is the profit to the developer if he could have sold the hotel upon opening for \$31,000,000. The discount rate would be 14.8 percent if the \$266,000 remaining in the developer's reserve fund is included (\$1,200,000 – \$934,000).

The internal rate of return (IRR) to the partnership assuming an initial investment of \$6,501,000 and assuming the preceding cash flows and sales proceeds are realized would be 20.8 percent.

[2] Partnership: General and Limited Partners

The preceding section described the financial structure between the two joint venture parties—the developer and the partnership. Separate from that structure is the financial relationship of the partnership, which comprises general and limited partners. The distribution of cash flow and sales proceeds within the partnership can be based on different formulas from those described for the joint venture.

The partnership was organized by the general partner who received a fee of \$325,000 for finding the Spring Valley hotel investment opportunity, performing the

necessary due diligence, negotiating the joint venture structure with the developer, structuring the partnership, and monitoring the sale of partnership units.

The partnership is capitalized with \$6,501,000, which was obtained from the sale of limited partner units totaling \$6,500,000 and \$1,000 from the general partner.

During the life of the partnership, the general partner will provide asset management services to oversee the operation of the hotel and ensure that its management is operating the property in a profitable and efficient manner. For these asset management services, the general partner will receive an asset management fee of \$40,000 in 1990, which increases 5 percent per year thereafter. In addition to the asset management fee, the partnership pays annual expenses estimated to be \$10,000 in 1990 and increasing 5 percent per year thereafter.

When the partnership was organized, \$146,000 was set aside in a reserve account to pay partnership expenses in the event that cash flow was insufficient. Unused reserve is invested and accumulates interest at an assumed rate of 5.5 percent. The \$146,000 reserve balance is maintained throughout the life of the partnership.

[a] Allocation of Cash Flow

The cash flow to the partnership remaining after the partnership expenses have been paid is allocated to the limited and general partners in the following manner:

1. A noncompounded cumulative preferred distribution is allocated 99 percent to the limited partners and one percent to the general partner so that the limited partners will receive an average annual distribution over the life of the investment of 11 percent of the \$6,500,000 raised, or \$715,000. If the cash flow in any one year is insufficient to make this distribution, the unpaid amount accumulates without interest until sufficient cash flow is available.
2. Any cash flow remaining after this initial preferred distribution is allocated 75 percent to limited partners and 25 percent to the general partners.

Table 21.2 illustrates the distribution of the partnership cash flow. In 1990, there was no cash flow to the partnership. The asset management fee and partnership expenses were charged against the reserve fund, reducing it to \$96,000; however, interest on the reserve funds brought the ending reserve balance to \$104,000. The \$715,000 preferred distribution to the limited partners was not paid and was deferred until the following year.

In 1991, the cash flow to the partnership was \$244,000. The reserve fund of \$104,000, plus \$6,000 interest, is added and \$42,000 in asset management fees along with \$11,000 in partnership expenses is deducted, producing a cash reserve of \$301,000. From this amount, the \$146,000 reserve must be replenished, leaving \$155,000 available for distribution. At the end of the year, the total cumulative preferred distribution amounted to \$1,430,000, which was made up of \$715,000 cumulative preferred for 1990 and \$715,000 for 1991. The \$155,000 cash flow is paid 99 percent (\$153,000) to the limited partners and one percent (\$2,000) to the general partner. There was no money available for the second distribution.

In 1992, the cash available for distribution was \$1,286,000. The cumulative preferred balance at the end of 1992 was \$1,990,000, which resulted from taking the \$1,430,000 balance in 1991, deducting the \$155,000 preferred paid in that year, and adding the \$715,000 preferred from 1992. Since the cash available for distribution

TABLE 21.2
Distribution of Partnership Cash Flow (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Cash flow: Partnership	\$ 0	\$ 244	\$1,333	\$1,353	\$1,246	\$1,357	\$1,473	\$1,595	\$1,723	\$1,857
Reserve funds	146	104	146	146	146	146	146	146	146	146
Interest: Reserve funds	8	6	8	8	8	8	8	8	8	8
Less: Asset management fee	40	42	44	46	49	51	54	56	59	62
Partnership expenses	10	11	11	12	12	13	13	14	15	16
Cash reserve	104	301	1,432	1,449	1,339	1,447	1,560	1,679	1,803	1,934
Cash available for distribution	0	155	1,286	1,303	1,193	1,301	1,414	1,533	1,657	1,934
Preferred distribution—Current	715	715	715	715	715	715	715	715	715	715
Preferred distribution—Cumulative	715	1,430	1,990	1,419	831	715	715	715	715	715
Preferred distribution—Deferred	715	1,275	704	116	0	0	0	0	0	0
Preferred distribution—Paid	0	155	1,286	1,303	839	722	722	722	722	722
Preferred distribution paid—Limited (99%)	0	153	1,273	1,290	831	715	715	715	715	715
Preferred distribution paid—General (1%)	0	2	13	13	8	7	7	7	7	7
Remaining cash	0	0	0	0	354	579	692	811	935	1,212
Second distribution—Limited (75%)	0	0	0	0	265	434	519	608	701	909
Second distribution—General (25%)	0	0	0	0	89	145	173	203	234	303
Totals										
Cash flow—Limited	0	153	1,273	1,290	1,096	1,149	1,234	1,323	1,416	1,624
Cash flow—General	0	2	13	13	97	152	180	210	241	310

(\$1,286,000) was less than the preferred cumulative (\$1,991,000), the entire amount is allocated 99 percent (\$1,273,000) to the limited partners and one percent (\$13,000) to the general partner. There was no cash flow available for the second distribution.

In 1993, the method of distribution is the same as in 1992.

In 1994, the cash available for distribution (\$1,193,000) is greater than the preferred cumulative (\$831,000), which means that by the end of the year the limited partners would receive their 11 percent preferred return since the opening of the hotel. The preferred paid is calculated by dividing the preferred cumulative by 99 percent and allocating this amount (\$839,000) 99 percent (\$831,000) to the limited partners and one percent (\$8,000) to the general partner. After this initial distribution, the remaining cash (\$362,000) is split in the second distribution 75 percent to the limited partners (\$272,000) and 25 percent to the general partner (\$90,000). Thus, the limited partners will receive \$1,103,000 and the general partner will receive \$98,000 from the preferred and second distributions in 1994.

From 1995 to 1999, the distribution is calculated the same as in 1994. The preferred cumulative for prior years has been paid off, leaving only \$715,000 for each current year.

When the hotel is sold at the end of 1999, the limited partners first receive their \$6,500,000 investment back from the proceeds of the sale. The general partner then regains its original \$1,000 investment. The remaining proceeds are allocated to the partnership 75 percent to the limited partners and 25 percent to the general partner. The following table illustrates this calculation:

	<i>Limited partners</i>	<i>General partner</i>	<i>Total</i>
Return of capital	\$ 6,500,000	\$ 1,000	\$ 6,501,000
Distribution of balance	<u>8,368,875</u>	<u>2,789,625</u>	<u>11,158,500</u>
Total	\$14,868,875	\$2,790,625	\$17,659,500

The total cash proceeds to the limited and general partners over the 10-year life of this investment is projected as follows:

<i>Year</i>	<i>Source</i>	<i>Limited partners</i>	<i>General partners</i>
1990	Cash flow	\$ 0	\$ 0
1991	Cash flow	153,000	2,000
1992	Cash flow	1,273,000	13,000
1993	Cash flow	1,290,000	13,000
1994	Cash flow	1,096,000	97,000
1995	Cash flow	1,149,000	152,000
1996	Cash flow	1,234,000	180,000
1997	Cash flow	1,323,000	210,000
1998	Cash flow	1,416,000	241,000
1999	Cash flow	<u>1,624,000</u>	<u>310,000</u>
	Total cash flow	10,558,000	1,218,000
1999	Sales proceeds	<u>14,868,875</u>	<u>2,790,625</u>
	Total cash flow and sales proceeds	\$25,426,875	\$4,008,625

The net present value to the general partner of the annual cash flows and sales proceeds assuming various discount rates is illustrated in the following table:

<i>Discount rate</i>	<i>Net present value of projected general partner's cash flows and sales proceeds</i>
5%	\$2,536,000
10	1,650,000
15	1,099,000
20	749,000

The IRR to the limited partners, assuming an initial investment of \$6,500,000 and assuming the preceding cash flows and sales proceeds are realized, would be 18.4 percent.

[b] After-Tax Benefits

Although the tax benefits of a hotel investment were greatly reduced in the 1980s, they still provide some shelter, thereby deferring some of the ordinary income generated by the hotel. This section will describe the tax benefits of the proposed Spring Valley hotel. The calculated tax benefits are based on 1988 tax law.

Assuming a purchase price of \$26,350,000, the tax basis for the subject property is calculated as follows:

Estimated development costs	
Land acquisition price	\$ 2,600,000
Improvements (real property)	13,500,000
Furniture, fixtures, and equipment	4,500,000
Contingency	550,000
Soft costs	5,000,000
Working capital	<u>200,000</u>
Total cost	\$26,350,000

The \$200,000 in working capital is not part of the depreciable basis. However, the contingency and soft costs totaling \$5,550,000 must be allocated between the improvements and furniture, fixtures, and equipment (FF&E). This will be accomplished based on the ratio of improvements and FF&E to total value.

		<i>Ratio</i>	<i>Allocation</i>	<i>Depreciable basis</i>
Improvements (real property)	\$13,500,000	75%	\$4,163,000	\$17,663,000
FF&E	<u>4,500,000</u>	<u>25</u>	<u>1,387,000</u>	<u>5,887,000</u>
Total	\$18,000,000	100%	\$5,550,000	\$23,550,000

The real property improvements can be depreciated on a straight-line basis over a 31.5-year term. The annual depreciation expense deduction is therefore:

$$\frac{\$17,663,000}{31.5} = \$561,000$$

The total comprising the original FF&E and the annual replacements, which is assumed to be the projected reserve for replacement, can be depreciated in accordance with the following schedule:

<i>Years in service</i>	<i>Depreciation percentage for year</i>	<i>Accumulated depreciation</i>
1	14.28%	14.28%
2	24.49	38.77
3	17.49	56.26
4	12.49	68.75
5	8.93	77.68
6	8.93	86.61
7	8.93	95.54
8	4.46	100.00

Table 21.3 shows the annual depreciation expense for the proposed Spring Valley hotel.

In addition to the depreciation of the building and furniture, fixtures, and equipment, the \$325,000 acquisition fee can be expensed on a straight-line basis over five years, which equals an annual deduction of \$65,000.

The annual first mortgage debt service is \$2,314,000. Of this amount, part is interest that is a deductible expense and part is repayment of principal that cannot be deducted as an expense. Table 21.4 shows the annual allocation of debt service between interest and principal.

The annual income to the partnership is calculated by taking the projected income before debt service and adding back the reserve for replacement, since this amount will be depreciated rather than expensed. The interest generated from the invested reserve funds is also income. Additional deductible expenses would include the mortgage interest, audit fee, depreciation, acquisition fee, asset management expenses, and partnership expenses. The income of the partnership is shown in Table 21.5.

The cash flow applied represents the cash shortfall guarantee of the developer, which is income to the partnership in 1990.

TABLE 21.3
Annual Depreciation Expense (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Total
Real property	\$ 561	\$ 561	\$ 561	\$ 561	\$ 561	\$ 561	\$ 561	\$ 561	\$ 561	\$ 561	
Original furniture, fixtures, and equipment	841	1,442	1,030	735	526	526	526	263	0	0	
Reserves 1990	51	87	62	45	32	32	32	16	0	0	
1991		61	104	74	53	38	38	38	19	0	
1992			70	119	85	61	44	44	44	22	
1993				73	125	90	64	46	46	46	
1994					77	132	94	67	48	48	
1995						81	138	99	71	50	
1996							85	145	104	74	
1997								89	152	109	
1998									93	160	
1999										98	
Total depreciation	\$1,453	\$2,151	\$1,827	\$1,607	\$1,459	\$1,521	\$1,582	\$1,368	\$1,138	\$1,168	\$15,274

TABLE 21.4
Annual Allocation of Debt Service (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Beginning balance	\$21,080	\$20,974	\$20,875	\$20,727	\$20,583	\$20,423	\$20,245	\$20,047	\$19,828	\$19,584
Payment	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314	2,314
Interest	2,208	2,197	2,184	2,170	2,154	2,136	2,116	2,095	2,070	2,044
Principal	106	117	130	144	160	178	198	219	244	270

The income (loss) of the partnership is allocated to the limited and general partners in the following proportion: 99 percent to the limited partners and one percent to the general partner. Table 21.6 illustrates this allocation.

The assumed sale at the end of 1999 creates a taxable event by producing a capital gain to the partnership. The calculation of this gain begins with the determination of the total basis of the partnership at the time of the sale:

	<i>Original basis</i>	<i>Additions and replacements</i>	<i>Total basis as of sale</i>
Improvements	\$17,663,000	\$ 0	\$17,663,000
Furniture, fixtures, and equipment	5,887,000	5,440,000	11,327,000
Land	2,600,000	0	2,600,000
Total	\$26,150,000	\$5,440,000	\$31,590,000

The amount for additions and replacements represents the total annual reserve for replacement during the projection period.

The book value is the total basis of the property less the total depreciation during the 10-year projection.

Total basis as of the sale	\$31,590,000
Less: Total depreciation	<u>15,274,000</u>
Book value	\$16,316,000

TABLE 21.5
Partnership's Income (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Total
Cash flow before debt service	\$1,380	\$2,588	\$3,679	\$3,863	\$4,056	\$4,259	\$4,472	\$4,695	\$4,930	\$5,177	\$39,099
Plus: Reserve for replacement	356	426	488	512	538	565	593	623	654	686	5,441
Interest on reserves	8	6	8	8	8	8	8	8	8	8	78
Less: Interest	2,208	2,197	2,184	2,170	2,154	2,136	2,116	2,095	2,070	2,044	21,374
Acquisition fee	65	65	65	65	65	0	0	0	0	0	325
Asset management	40	42	44	46	49	51	54	56	59	62	503
Audit fee	0	30	32	33	35	36	38	40	42	44	330
Partnership expenses	10	11	11	12	12	13	13	14	15	16	127
Depreciation	1,453	2,151	1,827	1,607	1,459	1,521	1,582	1,368	1,138	1,168	15,269
Cash flow applied	934	0	0	0	0	0	0	0	0	0	934
Income (Loss)	(\$1,098)	(\$1,476)	\$ 12	\$ 450	\$ 828	\$1,075	\$1,270	\$1,753	\$2,268	\$2,537	\$ 7,624

TABLE 21.6
Allocation of Income (Loss) to the Partners (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Total
Limited	(\$1,087)	(\$1,461)	\$12	\$446	\$820	\$1,064	\$1,258	\$1,735	\$2,245	\$2,512	\$7,543
General	(11)	(15)	0	4	8	11	13	18	23	25	76

Certain partnership costs incurred when the partnership was formed could not be expensed or capitalized and depreciated at that time. They could instead be deferred and used to offset any gain at sale. These costs can be added to the book value, thereby decreasing the gain upon sale.

Book value	\$16,316,000
Plus: Commissions paid to broker/dealers	520,000
Broker dealer expenses	65,000
Printing and promotion	100,000
Legal	45,000
Accounting	30,000
Adjusted book value	\$17,076,000

The gain upon sale is calculated by subtracting the adjusted book value from the net sales price (after selling costs) of the property.

Selling price	\$49,414,000
Less: Selling costs	1,482,000
Net sales price	47,932,000
Less: Adjusted book value	17,076,000
Taxable gain upon sale	\$30,856,000

An alternative method for calculating the gain upon sale is to calculate the basis of the partnership as of the date of sale. Partnership basis increases with capital invested by the partners along with taxable income generated by the partnership. The basis decreases with distribution of cash flow. Partnership basis immediately prior to the sale of the property would be calculated as follows:

Original capital	\$ 6,501,000
Plus: Total taxable partnership income	7,619,000
Less: Cash flow distributions to developer	4,381,000
Cash flow distributions to limited partners	10,558,000
Cash flow distributions to general partners	<u>1,218,000</u>
Partnership basis prior to sale	\$(2,038,000)

The cash distributed upon the sale further decreases the basis of the partnership. Any negative basis remaining after the sale is considered a taxable gain.

Partnership basis prior to sale	\$(2,038,000)
Less: Cash distributed upon sale	<u>28,818,000</u>
Taxable gain upon sale	\$30,856,000

The two methods for calculating the gain upon sale produced identical results. The allocation of the gain upon sale amongst the developer, limited partners, and general partner is accomplished utilizing the second method:

	<i>Developer</i>	<i>Limited partners</i>	<i>General partners</i>	<i>Total</i>
Original capital	\$ 0	\$ 6,500,000	\$ 1,000	\$ 6,501,000
Plus: Taxable income	0	7,543,000	76,000	7,626,000
Less: Cash flow distributions	<u>4,381,000</u>	<u>10,558,000</u>	<u>1,218,000</u>	<u>16,157,000</u>
Basis prior to sale	(4,381,000)	3,485,000	(1,141,000)	(2,038,000)
Less: Cash distributed upon sale	<u>11,159,000</u>	<u>14,868,875</u>	<u>2,790,625</u>	<u>28,818,000</u>
Taxable gain upon sale	\$15,539,500	\$11,383,875	\$ 3,931,625	\$30,856,000

Under the current tax laws, limited partners are considered passive investors, so any passive losses cannot be used to offset active income. This after-tax projection assumes that all limited partner losses will accumulate and be used to offset income in future years. Assuming a 28 percent tax rate, the annual tax due for the limited partners over the 10-year projection period is shown in Table 21.7.

In 1990 and 1991, the limited partners had cumulative losses totaling \$2,547,000. These losses shelter the income completely through 1995 and part of 1996. Between 1996 and 1999, the investors had to pay income tax on the income generated by the property. Deducting the annual tax due from the cash flow produces the after-tax cash flow to the limited partners. Using that amount and assuming an

TABLE 21.7
Limited Partners' Annual Tax Due (\$000)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Sale
Income (Loss)	(\$1,087)	(\$1,461)	\$ 12	\$ 444	\$ 820	\$1,064	\$1,257	\$1,735	\$2,245	\$2,512	\$11,385
Unusable losses	1,087	1,461	0	0	0	0	0	0	0	0	0
Cumulative losses	1,087	2,547	2,535	2,091	1,271	207	0	0	0	0	0
Taxable income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,050</u>	<u>1,735</u>	<u>2,245</u>	<u>2,512</u>	<u>11,385</u>
Tax due (28%)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>295</u>	<u>486</u>	<u>629</u>	<u>703</u>	<u>3,188</u>
Cash flow	<u>0</u>	<u>153</u>	<u>1,273</u>	<u>1,290</u>	<u>1,096</u>	<u>1,149</u>	<u>1,234</u>	<u>1,323</u>	<u>1,416</u>	<u>1,624</u>	<u>14,869</u>
After-tax cash flow	\$ 0	\$ 153	\$1,273	\$1,290	\$1,096	\$1,149	\$ 940	\$ 837	\$ 787	\$ 921	\$11,681

initial investment of \$6,500,000, the after-tax IRR (equity yield) to the limited partners is 15.5 percent. This compares with a before-tax IRR (equity yield) to the limited partners of 18.4 percent.

[3] Mortgage Lender

Even though the debt is assumed to be nonrecourse, the first mortgage lender in this transaction has a relatively secure position lending 80 percent of the project cost and 68 percent of the appraised value. The \$1,200,000 shortfall reserve along with the guarantee of the developer to fund additional cash needs provides still more comfort.

Another measure of lender risk is the debt coverage ratio calculated by dividing the income before debt service by the debt service. Hotel loans that achieve a debt coverage of 1.30 by the stabilized year are considered conservative. The projected debt coverage ratios for the Spring Valley hotel are set forth in the following table:

	1990	1991	1992	1993
Income before debt service	1,380	2,588	3,679	3,863
Debt service	2,314	2,314	2,314	2,314
Debt coverage ratio	.60	1.12	1.59	1.67

By the stabilized year (year 3), the subject property has achieved a debt coverage ratio of 1.59, indicating a highly safe loan. With a fixed interest rate of 10.5 percent, the first mortgage lender will yield 10.5 percent over the life of the loan.

[4] Other Parties

[a] **Hotel Management Company and Hotel Franchisor**

The hotel management company is assumed to be a second-tier operator receiving a management fee of 3 percent of total revenue. A franchise fee equal to 5 percent of rooms revenue is included in the market expense category. The total fees projected to be paid to the management company and hotel franchisor over the 10-year period are as follows:

	<i>Projected fees over 10-year projection</i>
Second tier management fee	\$ 5,440,000
Franchise fee	5,059,000*
Total revenue	181,329,000

* Includes an initial franchise fee of \$90,000

The total projected second-tier management fee plus the franchise fee expressed as a percentage of total revenue equals 5.8 percent. This combined amount should be sufficient to retain a first-tier hotel management company that would also provide the subject property with some operational expertise and a national identity.

[b] Real Estate Broker

If a real estate broker was involved in bringing together the buyer and the developer/seller, the fee is normally an expense of the seller and has not been directly factored into the preceding calculations.

[c] Mortgage Broker

A \$316,000 financing fee was included in the estimate of total project cost. This fee equals 1.5 percent of the first mortgage amount of \$21,080,000, which should be sufficient to pay a mortgage broker's fee and the associated financing fees.

[d] Equity Broker Dealer

The estimated syndication costs for selling \$6,500,000 in limited partnership interests amount to \$520,000 in commissions paid to broker dealers plus \$65,000 in broker dealer expenses. The estimated commissions paid plus the broker dealer expenses equal 9 percent of the equity monies raised—a reasonable compensation for these services.

[e] Others

Additional professionals also received compensation for services performed with regard to this transaction, as shown in the following table:

<i>Professional</i>	<i>Estimated professional fee</i>
Accountant	\$ 30,000*
Appraisers	30,000
Attorneys	30,000
Attorneys	45,000*
Engineers and architects	600,000
Survey	15,000

* Syndication costs

[5] Conclusion

The Spring Valley project illustrates one of numerous possible structures utilized by hotel purchasers, particularly those who employ limited partnership syndications. There are many circumstances, however, that could affect this structure.

For example, the developer may want an all-cash price and may want not to be a party to the transaction when the property is sold. This could reduce the purchase price paid by the buyer. If the general partner had to assume the initial cash shortfall exposure, the split in cash flow between the general and limited partners may be more heavily weighted toward the general partner.

As another example, the transaction could assume a refinancing at some point that would probably increase somewhat the yield to the limited partner. Likewise, if

the project is sold prior to the assumed 10-year holding period, the IRR would probably be higher.

Using sophisticated computerized financial analysis programs, buyers and sellers of lodging facilities can evaluate the proposed transaction to quantify the effect of any modifications made during the negotiation process. The various tables in this chapter illustrate the final output from such programs.

Appendixes

Data Collection Checklist

SUBJECT PROPERTY _____
 MAILING ADDRESS _____
 MUNICIPALITY _____
 COUNTY _____
 TELEPHONE NUMBER _____
 REFERENCE NUMBER _____

DATE OF STUDY _____
 OPENING DATE
 OF PROJECT _____

1. CLIENT DATA

Company Name _____
 Business Address _____

 Telephone Number _____

Financial Records

- Balance sheets (last three years)
- Profit and loss statements with supporting statements (last three years)
- Occupancy and average rate, by month (last three years)
- Operating budgets and projections
- All contracts or agreements entered into by client:
 - Union contracts
 - Leases (ground)
 - Management contracts
 - Franchise agreements
 - Title reports
 - Stock agreements
 - Partnership agreements
- Franchise Reports
 - Occupancy
 - Inspection
 - Reservation

- Turnaway
- Denials

- Capital expenditures (last three years)
- Capital budget (cost) projections (next three years)
- Personal and real property tax bills
- Comparable assessments
- Cost of furniture, fixtures, and equipment (last three years)
- Marketing plans
- Impact study
- Name of legal owner

Property Records

- Architectural plans
- Floor plans (as built)
- Plot plans
- Survey and legal description of property
- Engineering reports
- Original purchase data (price, date, terms, contract, closing statement)
- Agreement of sale, option, or listing
- Financing documents (mortgage)
- Past appraisals of subject property
- Market and feasibility studies of subject property
- Prospectuses

Miscellaneous Records

- Credit card user surveys
- Meeting planners brochure—rate card
- Maps

2. IN-HOUSE DATA BASE

- Client proposal for valuation
- Past studies performed in market area
- Contacts with local hoteliers
- American Hotel and Motel Association Construction Report
- Directories
 - Official Hotel and Resort Guide
 - Hotel Travel Index
 - Red Book
 - AAA
 - Mobil Travel Guide
 - American Institute of Real Estate Appraisers Directory
 - Hospitality Market Data Exchange
 - American Society of Real Estate Counselors Directory
 - Society of Real Estate Appraisers Directory
- Rate and occupancy data collections
- College alumni listing (e.g., Cornell Society of Hotelmen Directory)
- Mailing list of clients
- Telephone listings—hotels, motels, real estate, apartments
- National Real Estate Investor—city data, atlas, encyclopedia
- Sales and Marketing Management
- Survey of Buying Power
- Restaurant Business RAI and RGI
- FAA terminal forecasts

3. FIELD DATA

Contacts (*Name and telephone number*)

General Manager _____

Assistant Resident Manager _____

Director of Marketing _____

Director of Sales _____

Director of Engineering _____

Front Desk Manager _____

Controller/Accountant _____

Introductions (*Name and telephone number*)

Other general managers in area _____

Chamber of Commerce _____

Convention and Visitors Bureau _____

Hotel Association _____

Marketing

- Demand generator analysis
 - Major businesses and industries in area
 - Primary market area in geographic terms (provide map)
 - Top twenty major users of subject property
 - Major contract business, including term, rate, and number of room-nights
- Competition analysis
 - Competitive hotels, including occupancy, average rate, and market segmentation
 - Market segmentation, by month
 - Average length of stay
 - Seasonality
 - weekly
 - monthly
 - by segment
 - Unaccommodated demand, by segment
 - Double occupancy percentage
 - Rate resistance by segment
 - Rack rate pricing strategy
 - Points of origin (feeder markets)
 - Mode of arrival (indicate shuttle availability applicable)
 - Percentage of reservations from franchise

DATA COLLECTION CHECKLIST

- Amount of travel agent commissions
- Hotel or extended-stay association

Subject Property Analysis

- Size, topography, and shape
 - Land area
 - Excess land (indicate if salable, highest and best use)
 - Plot survey
 - Optimum frontage-to-depth ratio (corner location)
 - Frontages
 - Adjoining uses:
 - North
 - East
 - South
 - West
 - Grade, compared to surrounding roads/uses
 - Contours, slope, drainage
 - Identification of flood zones, if any, and need for flood insurance
 - Soil tests
 - Water table
 - Percolation tests
 - Other
 - Air rights
 - Subsurface rights
 - Water rights
 - Landscaping
 - Easements/restrictions
 - Current condition
- Access
 - North/south roads
 - East/west roads
 - Direct access pattern (i.e., number of lanes in approach roads, presence of median division, turn restrictions, traffic signals, one-way, curb cuts, limited access)
 - Time and distance to:
 - Airport
 - Highways and interchanges
 - Mass transportation
 - Convention center
 - Demand generators
 - Competition
- Visibility
 - North-south roadways
 - East-west roadways
 - From demand generators, airport, convention center

- Height and depth
- Slope of land
- Obstructing buildings (all sides)
- Signage
 - Location
 - Visibility
 - Condition
- Views from subject (all sides) including:
 - Guestrooms
 - Food and beverage outlets
- Effect of climate, if any
- Utilities
 - Location
 - Capacity
 - Provider
 - Electricity:
 - Price/KWH
 - Normal demand charges
 - Quantity discounts
 - Seasonal adjustments
 - Natural gas:
 - Price/therm
 - Quantity discounts
 - Seasonal adjustments
 - Oil:
 - Tank size
 - Price/gallon
 - Quantity discounts
 - Steam
 - Water source
 - Telephone service
 - Sewage
 - LPG
 - Trash removal
 - Storm drainage
- Photographic documentation
 - Visibility of subject property
 - Access to subject property
 - Entrance, with signage
 - View of subject property—four sides
 - View from subject property—four sides
 - Approach roads
 - Surrounding land use

Neighborhood

- Boundaries, as indicated by:
 - Land use changes
 - Transportation arteries

- Bodies of water
- Changes in elevation/topography
- Characteristics
 - Residential
 - Commercial
 - Retail
 - Industrial
 - Rural
 - Suburban
 - Urban
- Buildings
 - Style
 - Size
 - Density
 - Vacancy levels
 - Rental rates
 - Effective age
 - Condition
- New construction/development
- Street patterns/widths
- Nearby parks and recreation areas
- Noise or other nuisances
- Future trends or potential changes in neighborhood as indicated by uniformity/variance in land uses

4. IMPROVEMENTS

Hotel Description

- Architectural plans and description
- Year opened
- Year of expansion/renovation
- Description of expansion/renovation
- Number of structures
- Location of structures on site
- Number of stories in each building
- Configuration of each building (e.g., H, L, U)
- Total gross building square footage
- Total net building square footage
- Landscaping and sidewalks
- Exterior facade
 - Architectural style
 - Materials
 - Balconies
- Future development plans
 - Project description
 - Costs
- Current engineering reports

Building Layout

- Lobby
 - Layout and circulation
 - Decor
 - Size
 - Condition
 - Ceiling height
 - Porte cochere
 - Valet stand
 - Shuttle bus
 - Doors (i.e., automatic, airlock vestibule)
 - Bell stand
 - Luggage storage
 - Concierge desk
 - Restrooms
 - Phones
- Front Desk
 - Published rates
 - Visibility to incoming guests
 - Elevator visibility
 - Reservation and registration system

Other Floors

- Layout
- Circulation

Guestrooms (broken down by type)

- Total number
- Number of connecting rooms
- Walking distance
- Size
- Ceiling height
- Number of terraces
- Furnishings
 - Age
 - Last replacement date
 - Present condition
 - Refurbishment schedule
 - Amenities (e.g., extra phone, shoe shine, movies, VCR)
- Doors
 - Material
 - Peephole
 - Lock brand
 - Type (e.g., 1-key, 2-key, card)
- Closets
- Wall material (e.g., plaster, drywall, concrete)

DATA COLLECTION CHECKLIST

- Windows
 - Type
 - Condition
- Sprinklers
- Smoke detectors
- Accessibility to and equipment for the handi-capped
- No-smoking rooms
- Bathrooms
 - Condition
 - Lighting
 - Amenities (e.g., heat lamp, clothesline, heated towel bar)

Guest Corridors and Elevator Lobbies

- Type (double, single-loaded)
- Location (interior or exterior)
- Direction
- Width
- Lighting
- Ceiling height
- Wallcovering
- Floorcovering
- Condition
- Elevator lobby furnishings
- Ice machines
- Vending machines
- Maid/linen closets

Food, Beverage, and Room Service Facilities

- Seating capacities
- Meals served
- Hours of operation (including room service)
- Menus (obtain copies)
- Decors
- Furnishings
 - Style
 - Quality
 - Age and condition
- Bar
- Buffet
- Back-of-the-house access from kitchens
- Room service facilities
- Separate outside access (describe visibility of entrance)
- Access to restrooms
- Entertainment policy
- Point of sale system

- Average turnover by meal period
- Average check by meal period
- Percentage of in-house capture by meal period
- Estimate of in-house capture and outside capture
- Annual covers
 - Breakfast
 - Lunch
 - Dinner
- Room service
- Lounge
- Banquet room
 - Square footage
 - Room rental revenue
- Food and beverage financial statement (broken down by meal period and outlet)
 - Cost of sales
 - Total payroll expense
 - Total other expenses

Kitchen(s)

- Locations
- Access (floors, distance)
 - Receiving areas
 - Storage areas
 - Meeting rooms
 - Outlets
- Equipment
 - Description
 - Quality
 - Quantity
 - Configuration
 - Condition
- Adequacy of size and layout

Meeting and Banquet Facilities

- Individual rooms
 - Name
 - Size
 - Capacity
- Adequacy of mix and breakout rooms
- Decor
- Condition
- Separate entrance/porte cochere
- Separate service and public corridors
- Proximity to kitchen
- Adequacy of meeting support amenities (e.g., furniture, audio-visual equipment)

- Furniture storage area
- HVAC/zone control

Recreational Facilities

- Swimming pool
 - Shape
 - Indoor/outdoor
- Tennis courts
 - Lighted
 - Indoor/outdoor
- Golf course
 - Number of holes
 - Yards per hole
 - Annual rounds played
 - Fees
- Jogging trails
- Health/exercise club
 - Sauna
 - Steambath
 - Whirlpool
 - Massage
 - Exercise classes
 - Exercise apparatus
 - Type
 - Number
- Other facilities (e.g., horseback riding, ice skating, boating, skiing)
- Spa
- Game room

Back-of-the-House Layout

- Employee entrance (access pattern)
- Employee facilities
 - Lockers
 - Lounge area
 - Cafeteria
- Security
- Timekeeping
- Personnel
- Purchasing offices
- Receiving
 - Loading dock
 - Guest view
 - Lift
- Storerooms
- Engineering
 - Shops
 - Storage

- Electrician
- Locksmith
- Carpenter

Building Systems

- Structural
 - Foundation
 - Framing (e.g., steel, precast concrete, reinforced concrete)
 - Walls
 - Roof
 - Age
 - Condition
 - Sloped or flat
 - Material (e.g., asphalt shingle, built-up felt and tar, slate)
- Parking
 - Number of spaces
 - Indoor/outdoor
 - Valet
 - Cost to guest
 - Percentage of non-guest use
 - Condition of pavement and striping

Heating, Ventilation, and Air Conditioning

- Heating system
 - Type (i.e., hot water, steam, electric)
 - Fuel
 - Delivery (2-, 3-, 4-pipe, forced air)
 - Heat/cool simultaneously
 - Boilers
 - Brand
 - Model number
 - Age/condition
 - Burners
 - Brand
 - Model number
 - Age/condition
 - Water heater
 - Brand
 - Model number
 - Tank size
 - Age/condition
 - Resistance
 - Brand
 - Model/capacity
 - Age/condition

DATA COLLECTION CHECKLIST

- Heat exchanger
 - Brand
 - Model/capacity
 - Age/condition
- Heat pump
 - Brand
 - Model number
 - Capacity
 - Age/condition
- Cooling system
 - Type (e.g., central/chilled water, heat pumps)
 - Chiller
 - Brand
 - Model number
 - Age/condition
 - Cooling tower
 - Brand
 - Model number
 - Age/condition
 - Zones
 - Guestrooms
 - Meeting rooms
 - Public space control

Energy Management System

- Description
- Brand and model number
- Guestrooms (type of control; e.g., individual)
- Meeting/public space (type of control, e.g., individual)

Housekeeping

- Offices
- Storage areas
- Sorting areas
- Trash chute
- Linen chute
- Exhaust fan
- Washer
 - Brand
 - Model number
 - Quantity
- Dryer
 - Brand
 - Model number
 - Quantity
 - Fuel

- Guest laundry
 - Outside contract
 - Self-service

Fire

- Smoke detectors
 - Local
 - Wired
- Heat detectors
 - Local
 - Wired
- Sprinkler system
- Fire extinguishers
- Pull stations
 - Control/communication system
 - Brand
 - Model number
- Annunciator panel
- Emergency lighting and battery backup
- Exit signage and battery backup
- Fire hoses
 - Brand
 - Model number
- Standpipes
- Kitchen range hood
 - Brand
 - Model number
 - CO₂ system
- Public address system
- Emergency generator
 - Brand
 - Model number

Vertical Transportation

- Passenger elevators
 - Number
 - Floors served
 - Brand
 - Cable or hydraulic
 - Cab condition
 - Capacity
 - Feet per minute
 - Automatic/manned
 - Control system
 - Mechanical or electrical relays
 - Computerized load system
- Service elevators
 - Number

- Floors served
- Brand
- Cable or hydraulic
- Capacity
- Feet per minute
- Control system
- Mechanical or electrical relays
- Computerized load system
- Escalators
 - Number
 - Floors served
- Dumbwaiters
 - Number
 - Floors served
- Stairs
 - Number
 - Location

Security

- Electronic surveillance equipment
 - Number
 - Location
- Alarm systems

Telephone System

- Brand
- Model number
- Type of call accounting
- Least cost routing
- Other special functions

Lighting

- Exterior
 - Type (e.g., sodium, fluorescent, incandescent)
 - Building signage
- Interior

Miscellaneous

- Asbestos construction
- Urea-formaldehyde foam insulation
- Building inspection reports
- Health inspection reports
- Total deferred maintenance
- Total functional obsolescence

5. ECONOMIC AND DEMOGRAPHIC DATA

Market Area

- Hotels
 - Room counts
 - Rates
 - Occupancy
- SIC employment
- Population
 - Migration vs. births
 - Peak vs. annual
 - Age distribution
 - Income levels (effective buying income)
- Retail sales
- Eating and drinking place sales
- Office space and occupancy survey/directory (i.e., absorption trends)
- Major businesses
 - By employment sector
 - National
 - Number of employees
- Industrial space and occupancy survey/directory (i.e., absorption trends)
- Unemployment percentages
- Housing starts
- Building permits
 - Number
 - Dollar value
- Area maps
- Major universities
 - Enrollments
 - Faculty
 - Staff
- Major military bases
 - Civilian employment
 - Type/function
- Room/bed tax data
- Visitor statistics to area attractions

Assessed Valuation and Taxes

- Assessor
 - Name
 - Address
 - Telephone number
- Purchase tax map
 - Size of parcel (acreage, square feet)
 - Length of boundaries
 - Lot and block number
 - Tax ID number

DATA COLLECTION CHECKLIST

- Subject property's assessed value
 - Date of assessment
 - Value of land
 - Value of building
- Assessment basis
 - Income, cost, market
 - Change on sale
- Date and frequency of assessment
- Tax history
 - Past five years
 - Current
 - Future trends
 - Equalization rate
 - Assessed values
 - Mill rates
- Comparable hotel parcels
 - Number
 - Assessments
 - Land
 - Buildings
- Land sales
- Hotel sales
- Hotel rates and occupancies
- Special and/or future assessments
- Tax abatements
- Personal property
 - Subject property's assessed value
 - Comparable hotel assessed value
 - Mill rates

Chamber of Commerce/Economic Development Administration

- Primary contact
 - Name
 - Address
 - Telephone number
- Area economic status (e.g., cyclical, growing, declining, high-tech, industrial)
- Businesses entering/leaving area
- Area attractions
 - Historical visitation
 - Projected visitation
- Area hotels
 - Occupancy rates
 - Rates
- Proposed hotels
- Prominent area officials
 - Name

- Address
- Telephone number
- Area business associations

Airport Authority

- Passenger traffic
 - Past five years
 - Projected for five years
- Cargo traffic
 - Past five years
 - Projected for five years
- Airlines and number of flights
- Physical description of airport
- Expansion plans, if any
- Cities served (originations)
- Restrictions on aircraft size
- Number of days closed annually

Hotel Association

- Primary contact
 - Name
 - Address
 - Telephone number
- List of area hotels
 - Market segmentation
 - Rates
 - Occupancies
- Total room count
 - Current
 - Historical
- Room/bed tax information
- Hotels recently opened or closed
- Proposed hotels

Convention Center and Visitors Bureau

- Primary contact
 - Name
 - Address
 - Telephone number
- Physical description
 - Size
 - Capacity
 - Age
 - Facilities
- Number of conventions
 - Historic
 - Projected
 - Seasonality

- Number of conventioners
 - Historic
 - Projected
 - Seasonality
- Average expenditure of conventioner
- Average conventioner length of stay
- Average convention size
- Future convention calendar/number of events
- Marketing plan
- Promotion budget
 - Past five years
 - Next five years
 - Deficits funding
- Nature and types of events (local, state, regional)
- Visitor statistics

Room/Bed/Occupancy Tax

- Historical taxes by month
 - Past five years
 - Next five years
- Identification of tax by property (occupancy and rate)
- Tax rate
 - Historical rates
 - Rate changes
- Definition of taxable property
- Change in number of taxable hotel rooms

Zoning/Building/Planning Department

- Primary contact
 - Name
 - Address
 - Telephone number
- Proposed hotel development
 - Plans
 - Related facilities
 - Name of developer, hotel company
 - Estimated completion date
- Hotels under construction
 - Status of each project
 - Approval process
- Zoning of subject property
 - Current
 - Historical
 - Zoning map
 - Zoning regulations

- Conforming use
- Height restrictions
- Lot coverage
- Size restrictions
- Floor area ratio
- Setback restrictions
- Parking requirements
- Sign restrictions
- Moratoriums on building and utilities usage
- Environmental impact study requirements
- Zoning for surrounding land
 - Present
 - Future
- Flood plain areas
- Zoning trends for area
- Potential for/probability of zoning changes
- Building permits
 - Five-year history
 - Number
 - Dollar value

Economic Development Administration or Planning Department: City, County, and Surrounding Area

- Contacts
 - Name
 - Address
 - Telephone number
- Existing hotels
 - Occupancy
 - Rate
- New construction
 - Hotels
 - Expansions
 - Renovations
- County (of subject property)
- City (of subject property)
- Surrounding municipalities
- Master (renewal) plan for development
- Pertinent studies
 - Land use map
 - Economic/demographic data
 - Transportation
- Directions of growth (e.g., industrial, commercial, redevelopment)
- Availability of public funds/tax incentives for hotels

DATA COLLECTION CHECKLIST

Highway/Transportation Department

- Primary contact
 - Name
 - Address
 - Telephone number
- Origination and destination maps
- Traffic flow/count maps
- Future changes
 - Road improvements
 - Traffic rerouting roadway changes (e.g., left turn lanes, lights, curb cuts, medians, turn restrictions, additional lanes)
- Traffic counts
 - Historic
 - Current
 - Toll receipts

Commercial Real Estate Firm/Board/ Brokers/Developers/Relocation Services

- Apartments that accommodate extended stay demand (less than six months)
- Relocation director/coordinator
- Retail space inventory
 - Commercial
 - Office
 - Industrial
 - Retail
- Historic absorption/anticipated growth
- New projects/expansions/renovations
 - Developer
 - Location
 - Size (square feet)
 - Opening date
 - Major committed tenants
 - Projected occupancy
 - Projected tenant mix
- Geographic patterns of growth
 - Office space
 - Industrial
 - Retail
 - Residential
 - Source of tenants

Land Appraisers, Counselors, Bankers

- Land and hotel sales
- Occupancy and average rate/market segmentation

- Proposed hotels
 - Additions
 - Expansions
- Economic and demographic data
- Land use
- Land value
- Property tax rate trends

Newspapers

- Advertising/research department
 - Demographic data
 - Economic data
- Real estate department
 - Articles concerning recently announced commercial/hotel properties
 - Articles concerning recent hotel or land sales

Rental Car Agencies

- Number of cars rented
 - Monthly
 - Annually
- Average length of rentals
- Renters' points of origin
- Major companies renting cars

Generators of Visitation

- Major companies
- Office and industrial parks
- Scenic areas
- Hospitals
 - Local
 - Regional
 - National specialty
- Military installations
- Colleges and universities
- Amusement parks
- Resort facilities
- Governmental offices
- Residential developments
- Racetracks
- Sports stadiums
- Historic attractions
- Retail shopping
- Theaters
- Museums
- World and state fairs
- Sporting events
- Historic events

- National and state parks
- Courts of law
- County seats and state capitals

Generators of Visitation (specifics by type)

- Description
- Proximity to subject property
- Types of visitors (i.e., commercial, meeting/convention, leisure)
- Visitor counts
 - Admission charge
 - Recent changes
- Origin of visitors
 - Percentage local (from within 200-mile radius)
 - Percentage requiring accommodations
- Seasonality of visitation

Competitive Restaurants and Lounges

- Name and address
- Photograph
- Capacity
- Year opened
- Meals served
- Hours of operation
- Affiliation
- Owner
- Renovation/expansion plans
- Seasonality
 - Weekly
 - Monthly
- Type of menu
- Type of service
- Types of patrons
 - Age group
 - Income
- Decor/theme
- Entertainment policy
- Competitors
- Average check
- Covers/turnover
- Annual sales
- Reputation
- Location/proximity to subject property

Competitive Hotels

- Name/address
- Photograph (entrance with sign)

- Brochure/meeting planner/sales or business card
- Number of rooms/room square footage
- Building configuration
- Year opened
- Franchise/management company/owner
- Unionized
- Property for sale
- Percentage of reservations from system
- Renovation/expansion plans
- Seasonality
 - Weekly
 - Monthly
 - By segment
- Segmentation
- Competitors
- Occupancy
 - Historical
 - Current trends
- Average rate
 - Historical
 - Current trends
- Market segmentation
 - Historical
 - Current trends
- Published rates
- Proposed hotels
- Additions
- Renovations
- Major customers
- Amenities—description
- Current property condition
- Location/distance from:
 - Subject property
 - Demand generators
- Access and visibility
- Corridors
 - Exterior
 - Interior
 - Both
- Neighborhood
 - Food
 - Beverage
 - Entertainment
- Frequent traveler program
- Actual number of extended-stay room-nights
- Relocation and corporate rates
- Rooms or suites with kitchen facilities and types of facilities

DATA COLLECTION CHECKLIST

Extended Stay Competition

- Name/address
- Photograph (entrance with sign)
- Brochure/sales or business card
- Number of rooms/square footage
- Building configuration
- Year opened
- Management/ownership
- Minimum stay (six months or less)
- Furnished
 - Furniture
 - Linen
 - China
 - Utensils
- Full kitchen
- Number of units
- Breakdown of units
 - Studio
 - One-bedroom
 - Multiple bedroom
- Rates by unit size
 - 1–6 days
 - 7–29 days
 - 30–60 days
 - Over 60 days
- Maid service
 - Daily
 - Weekly
- Telephone service
 - 24-hour switchboard
 - Wake-up calls
 - Messages
 - Free local calls
- Utilities included
- Amenities
 - Pool
 - Meeting space
 - Other
- Renovation/expansion plans
- Seasonality
- Occupancy/average rate
 - Historic (past five years)
 - Future (next five years)
 - Segmentation
- Competition
 - Occupancy
 - Average rate
 - Trend
 - Segmentation
- Proposed direct competition
- Major customers
- Condition of property
- Location/distance from:
 - Subject property
 - Demand generators
- Neighborhood
 - Food
 - Beverage
 - Entertainment
- Access/visibility

Liquor License Laws

- Application process
 - Location
 - Time
 - Cost
 - Limitations
- Restrictions
 - Ratio of liquor to food
 - Open to public
 - Required unit of sale
- Types of licenses

APPENDIX 2

Sample Clauses for Hotel Purchase and Sale Agreement

This appendix is a compilation of clauses from a number of actual purchase and sale agreements, which have been selected to cover a broad range of subjects. To facilitate their use, they have been

arranged topically in 17 different categories. In many instances, the clauses are supplemented with alternative or optional language.

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9.6	Leases	A2-14	11.3	No Conflict	A2-26
9.7	Insurance Policy	A2-15	11.4	No Pending Litigation	A2-26
9.8	Historical Capital Expenditure Budgets	A2-15	11.5	Purchaser Authorizations	A2-26
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10.3	Foreign Entity Status	A2-16	12.9	Telephone Charges	A2-29
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10.5	No Undisclosed Interest	A2-17	12.11	Prepaid Rent and Deposits	A2-29
10.6	No Untrue Statement	A2-17	12.12	Vending Machines	A2-29
10.7	Further Assurances	A2-17	12.13	Inventory	A2-29
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10.10.1	Repairs and Maintenance	A2-19		Category 13 Closing Documents and Procedure	A2-30
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10.13	Franchise Agreement	A2-21	13.8	Title Policy	A2-32
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10.18	General Encumbrance	A2-23	13.13	Affidavits	A2-32
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Category 1 REAL AND PERSONAL PROPERTY BEING SOLD

Seller agrees to sell and convey the Hotel to Purchaser and Purchaser agrees to purchase the Hotel from Seller, for the Purchase price and upon the terms and conditions herein set forth, which Hotel consists of the following property:

1.1 Land

The approximately 5.1-acre tract of land described in Exhibit A [omitted] attached hereto and made a part hereof together with all rights, easements, and interests appurtenant thereto, including, but not limited to, any streets or other public ways adjacent to said real property and any water or mineral rights owned by or leased to Seller (all of such property being hereinafter referred to as the "Land").

1.2 Improvements

All improvements located on the land, including eighteen (18) two-story buildings, each of which contains six (6) studio suites (one-bedroom) and two (2) penthouse suites (two bedrooms on two levels), together with parking spaces for approximately 149 cars, and any and all amenities and other improvements located on the land, including, without limitation, the administrative building (which houses the guest lobby and registration area, administrative areas, meeting area and complimentary service area, swimming pool, whirlpool, and other recreational facilities (all such improvements being hereinafter referred to as the "Improvements"). The land and all of the Improvements thereon are hereinafter sometimes referred to collectively as the "Real Property."

1.3 Personal Property

All personal property presently owned by Seller and located on or in the Real Property or used in connection with the operation and maintenance of the Hotel, including, without

limitation, all of Seller's fixtures, furniture, machinery, vehicles, equipment, linens, kitchen and bar equipment and supplies (including cleaning supplies and materials, whether in sealed or broken packages), building materials, supplies, merchandise inventories, hardware, carpeting, draperies, wall coverings, guest supplies, signs, and all other personal property used in connection with the operation of the Hotel (all of such personal property being hereinafter referred to as the "Personal Property"); provided, however, that the Personal Property does not include Seller's food and beverage inventories. To the extent any items of Personal Property are subject to operating leases or executory contracts that are assignable, Seller shall convey such property subject to such operating leases or executory contracts. Within fifteen (15) days after the Contract Date, Seller's most recent inventory (the "Personal Property Inventory") of all of the Personal Property (and executory contracts and operating leases relating thereto) shall be delivered to Purchaser. On the Closing Date, such Personal Property Inventory shall be supplemented in accordance with the terms and provisions hereof. Such Personal Property Inventory and the supplement thereto shall, upon delivery to Purchaser as aforesaid, be and constitute a part of this Agreement, to the same extent as if fully set forth herein.

[Alternate Clause] All china, glassware, and silverware; uniforms; engineering, maintenance, and house-keeping supplies, including soap, cleaning materials, and matches; draperies, material, and carpeting; stationery and printing; and other supplies of all kinds with a use, and including such resupplies as shall occur and be made in a normal course of business.

The quantities of Personal Property and Inventory in the Property shall permit the Property to be operated at a normal level.

[Alternate Clause] Exhibit H [omitted] hereto sets forth a true and complete list of all furniture and equipment located in, at, or about the Property or otherwise used in connection with the operation thereof. All Personal Property to be transferred to Purchaser pursuant hereto is or at Closing will be owned by Seller free and clear of any and all liens, encumbrances, security interests, or hypothecations.

Category 2 BUSINESS ASSETS BEING SOLD

In recognition of the fact that the value of the business as specified herein is dependent upon the business being a going concern, Seller hereby agrees to transfer to Purchaser at the Closing the following items:

2.1 Governmental Permits

All of the Seller's right, title, and interest in and to all hotel licenses and other governmental permits, approvals, and licenses used in the operation of the Hotel, but only if such assignment is permitted by the terms thereof.

[Alternate Clause] All licenses, franchises, and permits used in or related to the ownership, occupancy, or operation of any part of the Real Property.

[Alternate Clause] All rights of the Partnership and all licenses and permits to the extent assignable, including, but without limitation, the license or licenses to sell alcoholic beverages on or in connection with the conduct of any business on the Real Property.

2.2 Operating Contracts

All operating leases, executory contracts, service contracts, and repair agreements with respect to the Real Property and the Personal Property, but only if assignment is permitted

by the terms thereof. Seller hereby represents and warrants to Purchaser that true and correct copies of each of the governmental permits and operating contracts are set forth in Exhibit B [omitted].

[*Alternate Clause*] All service, maintenance, union, employment, and other contracts respecting the maintenance or operation of the property.

2.3 Other Miscellaneous and Intangible Personal Property

All other contract rights, leases, concessions, receipts, trademarks, logos, copyrights, and other items of intangible personal property relating to the operation of the Property.

[*Alternate Clause*] Seller shall grant to Purchaser the right to use the existing name of _____ at the subject property only and subject to reasonable and customary conditions for a period of five (5) years, for a payment of Ten Dollars (\$10.00) per year.

[*Alternate Clause*] To the extent owned by Seller and permitted to be transferred under the Franchise Agreement or otherwise, the trade name of _____ and goodwill relating thereto, together with the telephone exchange numbers.

[*Optional Clause*] All customer lists and records owned or possessed by Seller pertaining to the transaction of business at the Hotel, together with the architectural plans.

[*Optional Clause*] All other intangible property not described above owned by Seller and used or useful in connection with the ownership and operation of the Hotel, including, without limitation, contract rights, guarantees, warranties, and goodwill, but only to the extent that such are assignable by their own terms or under law.

[*Optional Clause*] All current sales records and information with respect to the hotel, including, without restriction, all sales files and all sales "leads" that would be used in the normal course of business of the hotel.

2.4 Franchise Agreement

Purchaser shall have determined that the Partnership has entered into a Franchise Agreement with the Franchisor, and such Franchise Agreement can be transferred to Purchaser at closing.

Category 3 CLOSING

The consummation of the Purchase and sale of the Hotel as contemplated herein shall take place at the escrow offices of the Title Insurer at _____, _____, on _____, 19____, on or before the close of business, or at such other time as the parties may agree upon in writing. The Closing shall be effected through a closing escrow with the Title Insurer in accordance with the terms and provisions of this Agreement. Seller shall deliver possession of the Hotel to Purchaser at closing.

[*Alternate Clause*] The closing of title hereunder in respect of the Hotels and payment of the consideration thereof shall occur on or before sixty (60) days after the signing of this Agreement, subject only to the provisions relating to the extension of time to close. The Closing shall occur in _____, _____, at a place to be mutually agreed upon by the parties hereto.

[*Alternate Clause*] At Closing, the balance of the purchase proceeds shall be delivered to Seller in the manner provided and title to the Property, together with all other documents to be delivered by Seller to Buyer, shall be delivered and conveyed to Buyer. Legal possession and physical occupancy of the Premises shall be given to Buyer at 12:01 P.M. on the date of Closing.

Category 4 PURCHASE PRICE

4.1 General Terms

The purchase price ("Purchase Price") for the Property, subject to the adjustments as provided in this Agreement, shall be Ten Million, Nine Hundred Twenty-five Thousand Dollars (\$10,925,000) and shall be payable in the manner set forth herein.

[Alternate Clause] The Purchase Price shall be paid in cash at Closing by wire transfer, with credit for the Deposit specified above and subject to the Prorations and Adjustments referred to herein.

[Alternate Clause] Purchaser shall pay to Seller or, if the closing be an escrow closing, to the Escrow Agent on behalf of the Seller the sum of \$_____, which sum shall be paid by certified check or bank draft to the order of the Seller (or the Escrow Agent, as the case may be) at the closing.

4.2 Mortgage Assumption

Seven Million, Eight Hundred Fifty-five Thousand Dollars (\$7,855,000) shall be paid by the assumption by Purchaser of the First Mortgage Notes currently encumbering part of the Property.

4.3 Purchase Money Financing

Seller will provide purchase money financing in the amount of One Million, Three Hundred Thousand Dollars (\$1,300,000). Such loan will bear interest at the rate of eleven percent (11%) per annum and will require payment of interest and principal based on a thirty (30) year amortization period, with a balloon payment of remaining principal and interest at the end of the 15th year. Seller agrees that such purchase money financing shall be subordinate to First Mortgage financing obtained by Purchaser in an amount not to exceed Three Million, Five Hundred Thousand Dollars (\$3,500,000). It is provided, however, that the lender will agree to promptly notify Seller of any default or late payment by Purchaser and will further agree to allow a reasonable time for Seller to make such payments and to assume the loan. It is further provided that such default on the first mortgage shall be deemed a default in Purchaser's second mortgage to Seller, and Purchaser shall quietly surrender possession of the properties to Seller.

4.4 Allocation of Purchase Price

The Purchase Price shall be allocated among the assets acquired by the Purchaser as follows:

Land	\$ 800,000
Building	6,080,000
Personal Property	1,670,000
Inventory	50,000
Hotel Names	50,000
Permits	50,000
Hotel Contracts	50,000
Miscellaneous Hotel Assets	<u>50,000</u>
Total	\$8,800,000

[Alternate Clause] Prior to the closing date, Purchaser shall determine the allocation of purchase price as among Land, Building, fixtures, machinery, equipment, furniture, inventory, and goodwill and shall deliver to Seller notice as to such allocation at least five (5) days prior to the Closing Date. At Closing, Purchaser and Seller shall execute an agreement in form and

terms mutually satisfactory whereby Purchaser and Seller confirm such allocation of purchase price.

Category 5 EARNEST MONEY

5.1 General Terms

An earnest money deposit in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) by wire transfer shall be deposited with Purchaser's Title Insurer upon execution of this Agreement. If the transaction contemplated hereby is consummated in accordance with the terms and provisions of this Agreement, the Deposit shall be applied to the cash payment at Closing. The Deposit shall be promptly returned to Purchaser in the event that Seller defaults on any of the terms, covenants, or conditions of this Agreement.

[Alternate Clause] Upon the execution and delivery of this agreement, Purchaser shall pay to _____ (the "Escrowee Agent"), \$_____ (the "Deposit"), which Deposit shall be held by the Escrowee Agent until closing. All interest on the Deposit shall be payable to Purchaser. Upon closing of the transaction contemplated herein, the Deposit together with all interest thereon shall be paid by the Escrow Agent to the Purchaser. In the event that this transaction shall fail to close, the disposition of the Deposit shall be governed by the provisions of Section 19 hereof.

[Alternate Clause] An Earnest Money Deposit in the amount of One Hundred Thousand Dollars (\$100,000) by wire transfer shall be deposited with Escrow Agent by Purchaser upon execution hereof and receipt by Purchaser of a fully executed copy of this Agreement. Following the expiration of the Inspection Period, an additional Earnest Money Deposit in the amount of One Hundred Fifty Thousand Dollars (\$150,000) by wire transfer shall be deposited with Escrow Agent by Purchaser. Such Earnest Money Deposit shall be refundable in the event that Seller defaults in any of the terms, covenants, or conditions of this agreement.

5.2 Purchaser's Default

In the event the Closing fails to occur due to the default of Purchaser, Seller shall deliver a written notice of termination to Purchaser and shall retain the Earnest Money Deposit as liquidated damages, it being understood that Seller's actual damages in the event of such default are difficult to ascertain, owing to changing economic and market conditions and the amount of time that the Hotel may be off the market, and that the Earnest Money represents the parties' best current estimate of such damages. Seller shall have no other remedy for any default by Purchaser.

[Alternate Clause] If the Transaction is not consummated, and Seller is not in default under the terms of this Agreement, the Earnest Money Deposit shall be retained by the Seller.

[Alternate Clause] If Purchaser fails to perform its obligations under this Agreement within the times specified, the deposits paid by Purchaser aforesaid may be retained by and for the account of Seller as liquidated damages, as full settlement of any claims; whereupon all parties shall be relieved of all obligations under this Agreement; or Seller, at its option, may proceed at law or in equity to enforce its legal rights under this Agreement, including specific performance.

5.3 Seller's Default

In the event the Closing fails to occur due to the default of Seller, Purchaser, as its sole and exclusive remedy, may elect to obtain specific performance of the express terms and

conditions set forth in this Agreement (so long as such specific performance does not involve seeking judgment for money against Seller or any partner of Seller).

[Alternate Clause] If Seller fails, neglects, or refuses to perform this Agreement, other than rendering title marketable (unless Seller has no obligation to correct any title defect or matter unacceptable to Purchaser), the Purchaser may seek specific performance or elect to receive the return of its deposits, in which event this Agreement shall be terminated and the parties released of any further obligation hereunder.

5.3.1 Termination of Agreement. Purchaser may terminate this Agreement by written notice to Seller, in which event Seller shall return the Earnest Money, so long as Purchaser's written notice terminates all of the Purchaser's interest in the Hotel and this Agreement; provided, however, that failure of the Purchaser to give the Seller such notice shall not be constructed to expand the Purchaser's remedies in any manner.

[Alternate Clause] Purchaser may terminate this Agreement by written notice delivered to Seller on or before the Closing Date, in which event Purchaser shall be entitled to the return of the Earnest Money Deposit.

Category 6 DUE DILIGENCE

6.1 Inspection Period

For a period of sixty (60) days from and after the Seller Authorization, Purchaser and its employees, agents, and representatives shall be entitled to physically inspect and conduct an engineering study of the Premises and examine records of the Hotel as described hereunder:

6.1.1 Physical Inspection. Purchaser may enter upon the Real Property, on at least 24 hours' notice to Seller's resident manager at the Hotel, to perform such inspections and tests of the Hotel including, without limitation, all leased areas and structural and mechanical systems within the Improvements, as Purchaser shall, in its sole discretion, deem appropriate.

6.1.2 Engineering Study. Purchaser, within the time period provided herein, may obtain an independent engineering firm to conduct a thorough review of the Premises. If such engineering firm determines that the Premises have any major structural, electrical, or mechanical deficiencies (including those deficiencies that violate local building codes), Purchaser shall immediately notify Seller and Seller may correct such deficiencies prior to Closing. If such major deficiencies are found to exist, Purchaser shall have the right to either cancel this Agreement and immediately receive back all amounts paid by it or proceed to Closing and accept the property "as is," Purchaser waiving any adjustment of purchase price.

If the Seller fails to perform the above conditions or if any of the above conditions are not satisfied, then Purchaser shall have the right to terminate this Agreement and the Earnest Money Deposit shall promptly be returned to Purchaser and hereafter neither party shall have any liability or be under any obligation to the other.

Purchaser shall obtain an independent engineering firm to conduct a thorough review of the premises. Seller will correct any major structural, electrical, and mechanical deficiencies (including those deficiencies that violate local building codes) found on the premises prior to closing, or the Purchase Price will be adjusted to cover such costs.

6.1.3 Examine Records. Purchaser may examine and copy any and all books and records maintained by Seller or its agents relating to receipts and expenditures pertaining to the ownership and operation of the Hotel for the three (3) most recent full calendar years and the current calendar year.

[Alternate Clause] Purchaser's auditors may examine the books, records, and financial statements relating to the operation of the Hotel for the past three years, and such books, records, and financial statements must be in auditable condition and acceptable to Purchaser's auditors.

6.2 Confidentiality

Purchaser hereby expressly agrees that neither it nor its agents or representatives shall discuss any aspect of the physical or financial condition of the Hotel or any aspect of Hotel operations with anyone employed at the Hotel except in the presence of and with the approval of Seller's resident manager.

6.3 Seller Held Harmless

Purchaser shall hold Seller harmless and shall indemnify and defend Seller and its successors and assigns against any loss, damage, claim, cost, liability, or expense, including reasonable attorney fees, resulting from (a) any intentional act of Purchaser or its agents, representatives, or assigns during or in connection with its inspection of the Real Property, the Hotel, the Records, and other matters that adversely affect Seller's relations with the employees at the Hotel or business operation at the Hotel, or (b) any physical damage caused by Purchaser or its agents, representatives, or assigns during or in connection with its inspection of the Real Property, the Hotel, the Records, and other matters. Purchaser's indemnity in the preceding sentence shall survive termination of this Agreement or Closing of the sale contemplated herein.

6.4 Termination of Agreement

On or before the expiration of the Inspection Period, if Purchaser, in its sole discretion, determines that the results of any inspection, test, or examination are unacceptable or unsatisfactory for purchase or operation of the Hotel in the Manner contemplated by Purchaser, Purchaser may terminate this Agreement by written notice to Seller specifying the reason(s) for the termination. Upon receipt of such notice, this Agreement shall automatically terminate, Seller shall return the Earnest Money to Purchaser, and neither party shall have any further rights, obligations, or liability to the other hereunder.

[Alternate Clause] Should Purchaser not be satisfied for any reason with respect to any aspect of the Real Property, Personal Property, or any other matter whatsoever, Purchaser shall have the unconditional right to cancel this Agreement by written notice to Seller prior to 12:00 A.M. (midnight) on the sixtieth (60th) day following the effective date of this Agreement. In the event that Purchaser cancels this Agreement pursuant to this paragraph, then Purchaser shall be entitled to an immediate return of Purchaser's deposit, whereupon this Agreement shall be deemed cancelled and the parties released of all further obligations hereunder.

6.5 Affirmation of Agreement

Failure of Purchaser to send any notice to Seller within the required time period shall be conclusively deemed to constitute affirmance of this Agreement and waiver of the right to terminate.

Category 7 TERMS OF PURCHASE FINANCING

The purchaser will often include the condition that the completion of the purchase agreement is contingent on the procurement of financing.

7.1 Agreement Not Contingent on Loan Commitment

Simultaneously with the Closing, but not as a condition to the Closing and not as a condition to Purchaser's obligations under this Agreement, Purchaser shall have the right, if Purchaser so desires, to obtain, at its sole cost and expense, a loan, to be secured by a first lien against the Real Property and Personal Property.

[Alternate Clause] 7.2 Agreement Contingent on Loan Commitment

For a period of ninety (90) days from and after the Seller Authorization, Purchaser shall use reasonable efforts to procure a firm written commitment from a lender to make a fully nonrecourse acquisition loan to Purchaser, the proceeds of which loan shall be utilized by Purchaser in order to consummate its acquisition of the Hotel, on the following terms:

1. *Principal amount*—No less than Seven Million, Seven Hundred Sixty-Five Thousand and no/100ths Dollars;
2. *Interest rate*—No greater than ten and one-half percent (10½) per annum;
3. *Amortization schedule*—thirty (30) years; and
4. *Other terms*—Any other terms that Purchaser deems acceptable.

7.3 Failure to Procure Loan Commitment

In the event that Purchaser fails to procure the Loan Commitment, Purchaser shall have the right to terminate this Agreement by delivering notice of such election that shall specify the reason(s) for the termination to Seller. Upon receipt of such notice, this Agreement shall automatically terminate, Seller shall retain the Earnest Money as Liquidated damages (it being understood that Seller's actual damages in such event are difficult to ascertain owing to changing economic and market conditions and the amount of time the Hotel may be off the market), and neither party shall have any further rights, obligations, or liability to the other hereunder.

[Alternate Clause] Seller agrees that if said commitment is not obtained by Purchaser as described above, then, at Purchaser's election, it may terminate this Agreement, which shall then be void and without recourse to either party, and the Earnest Money Deposit shall be returned to Purchaser, or Purchaser may elect to proceed to close the purchase of the Property, such election to be made by written notice to Seller not later than sixty (60) days from execution and delivery of this document.

[Alternate Clause] If Purchaser is unable to obtain the first mortgage funding by the Closing, Purchaser shall have the right to extend the Closing for 30 days for a maximum of two times. Each time Purchaser wishes to extend Closing, Purchaser will (a) send written notice to Seller stating such intention five (5) days prior to the scheduled Closing, and (b) deposit with the Escrow Agent an additional deposit in the amount of One Hundred Thousand Dollars (\$100,000). Any deposits made under this paragraph will be considered part of the Deposit and credited toward the Purchase Price.

Category 8 TITLE COMMITMENT AND SURVEY**8.1 Title Commitment**

Purchaser, at Purchaser's sole expense, shall be responsible for obtaining a title insurance commitment for a title insurance policy from a title insurance company (hereinafter "Purchaser's Title Insurer") in such amount and in favor of such persons as Purchaser desires. Purchaser shall have a period of ten (10) days from the date of this Agreement in which to conduct a title search of Property encumbrances or defects of title rendering title of the Property unmarketable. Marketability of title hereunder shall be determined in accordance with the standards of title of the Local Bar. Seller shall have an additional twenty (20) days (but not later than the date of Closing) from the date of receipt of such written notice to remove the specified encumbrances or defects. If, at the expiration of such twenty (20)-day period or the day of Closing, Seller is able to convey good and marketable title, transfer of title shall occur at the Closing. If, at the expiration of said twenty (20)-day period or the day of Closing period, Seller shall then be unable to convey good and marketable title free and clear of all such encumbrances and defects, then Purchaser shall have the option either of accepting such title as Seller can convey or of rescinding this Agreement; and if Purchaser shall elect to rescind, Seller shall refund the Earnest Money Deposit to Purchaser, whereupon all rights and liabilities of the parties hereto by reason of this Agreement shall be deemed at an end.

8.1.1 Title to Real Property. No later than fifteen (15) days after the Contract Date, Seller will deliver to Purchaser, at Seller's sole cost and expense, a title commitment, dated on or after the Contract Date, issued by the Title Insurance Company committing to issue to Purchaser an American Land Title Association (ALTA) owner's policy of title insurance in the amount of the Purchase Price, showing fee simple title to the Real Property in Seller, subject only to the exceptions listed on Exhibit D [omitted] and true and correct copies of all documents, whether recorded or unrecorded, referred to in the Title Commitment.

8.1.2 Title to Site. Promptly after the effective Date, Purchaser shall obtain evidence of title to the Site, at Purchaser's cost and expense, by the issuance of a title insurance binder or commitment through a major national title insurance company selected by Purchaser. The Title Commitment shall set forth the state of title to the Site together with all exceptions or conditions to such title, including, but without limitation to, all easements, restrictions, rights-of-way, covenants, reservations, and all other encumbrances affecting the Site that would appear in an owner's title policy.

8.1.3 Title to Personal Property. At Closing, Seller shall warrant that the Partnership has good and sufficient title to the Personal Property, subject to the encumbrances created by Security Agreements in the Loan Documents.

8.1.4 Contract Rights. Purchaser shall have determined that the Partnership has good title to the Contract Rights in accordance with the requirements hereof.

[*Alternate Clause*] At Closing, Seller shall warrant to Purchaser that the Partnership has good sufficient title to the Contract Rights and Accounts, that Seller has no knowledge of any defect or unmerchantable title thereto, and that Seller has not created or suffered any lien, encumbrances, attachment, security interest, or other outstanding interest or right that would diminish, affect, or reduce title thereto subject to the encumbrance created by Security Agreements in the Loan Documents.

8.1.5 Defects of Title—Cure. Seller shall have an additional thirty (30) days from the date of receipt of such written notice to remove the specified encumbrances or defects. If, at the expiration of such thirty (30) -day period, Seller is able to convey good and marketable title, transfer of title shall occur at the Closing as provided for in this Agreement.

[Alternate Clause] Seller shall, at its sole cost, cause the standard printed exceptions contained in the Title Commitment to be removed or insured over as of the Closing. Seller shall, at its sole cost, cause the title policy to be issued in accordance with the Title Commitment to be issued, as of the Closing Date, to cover the recording of the Deed.

[Alternate Clause] In the event Purchaser objects to any matters of records as disclosed by the Abstract of Title, Purchaser shall notify Seller of the items of which Purchaser disapproves. Seller then shall have the right for a period of thirty (30) days to cure or remove such matters of records that have been objected to by Purchaser, provided, however, that Seller shall have no obligation to do so.

8.1.6 Defects of Title—Termination. If, at the expiration of said thirty (30) -day period, Seller shall then be unable to convey good or marketable title free and clear of all such encumbrances and defects, Purchaser, nevertheless, may elect to accept such title as Seller may be able to convey, with a credit against the monies payable at the Closing equal to the reasonably estimated costs to cure the same up to Twenty Thousand Dollars (\$20,000), but without any other credit or liability on the part of Seller. If Purchaser shall not so elect, Purchaser may terminate this Agreement and Seller will immediately refund the Deposit.

[Alternate Clause] In the event Seller fails or refuses to cure or remove all of such items as hereinbefore provided within said thirty (30) -day cure period, Purchaser's only remedy will be to terminate this Agreement, whereupon the Title Company is hereby authorized to return to Purchaser all deposits that have been theretofore paid or deposited by Purchaser in connection with this Agreement, and the parties hereto shall be released from all further obligations hereunder. In the alternative, if Purchaser shall fail to cancel this Agreement as provided, Purchaser shall accept title in its existing condition, and Purchaser shall be deemed to have waived any objections to such title that have not been cured or removed, except as to warranties contained in the documents of conveyance.

8.2 UCC Search

Purchaser, at Purchaser's sole expense, shall be responsible for obtaining a UCC search of the records of _____ County, State of _____ and the Secretary of State of _____ pertaining to Seller and Property. The results of this search shall not disclose any lien or encumbrance that cannot be discharged at the Closing. Seller warrants to discharge any other such lien or encumbrance at Closing.

8.3 As-Built Survey

No later than fifteen (15) days after the Contract Date, Seller will deliver to Purchaser, at Seller's sole cost and expense, a print of an as-built survey of the Hotel (the "Survey"), prepared by the planners and engineers. Prior to Closing, the Survey will be updated, will be certified by said surveyor to have been prepared in accordance with minimum detail requirements of the ALTA land survey standards, and will be recertified to Purchaser and Purchaser's lender(s). In the event the Survey shows any encroachment over a lot line, a prohibited encroachment over any easement, or any other matter that, in Purchaser's reasonable opinion, does (or could, in the future) materially interfere with the use, operation, or financing of the Real Property, such matter shall be considered a "Defect" hereunder.

8.4 Site Survey

Promptly after the Effective Date, Seller shall cause a boundary survey of the Site to be made by a licensed land surveyor selected by Seller. The Survey shall provide a legal description of the boundaries of the Site and shall identify all easements, restrictions, and rights-of-way benefiting or burdening the Site by reference to the applicable recorded documents creating same. The costs and expenses of the Survey shall be paid by Purchaser.

8.5 Review of Title Commitment and Survey

Purchaser shall have thirty (30) days after receipt of the latter of (a) the Title Commitment and (b) the Survey to deliver, in writing to Seller, Purchaser's objections to title. Purchaser's failure to object to any item on the Title Commitment or Survey within the thirty (30) -day time limitation imposed hereby shall be deemed to be approval of same by Purchaser.

[Alternate Clause] In the event that any or all of the Title Commitment, Survey, or Lien Searches disclose any claim, lien, encumbrance, encroachment, or other matter that is objectionable to Purchaser, then Purchaser shall, within fifteen (15) days of receipt of the instrument containing the Defect, notify Seller in writing of any objections. Failure of Purchaser to so notify Seller in writing within such time period shall be conclusively deemed to be approval by Purchaser of all items in the Title Commitment, Survey, or Lien Searches, as applicable. If Purchaser timely notifies Seller of any objections, Seller may, but shall not be obligated to, prior to Closing, cause such Defects to be removed or insured over prior to Closing; Purchaser may, at its sole option, either (a) terminate this Agreement by written notice to Seller, in which event the Earnest Money shall be returned to Purchaser, and neither party shall have any further liability to the other, or (b) proceed to close and accept title to the Hotel subject to such objectionable items, in which event the obligations of the parties hereunder shall not be affected by reason of such matters, the sale contemplated hereunder shall be consummated without reduction of the Purchase Price, and Purchaser shall have no further right to terminate this Agreement because of such Defects. If Seller causes the Defects to be removed or insured over, Purchaser shall be obligated to proceed with Closing.

Category 9 SELLER'S DELIVERIES
9.1 Financial Statements

Seller will provide the Purchaser with copies of year-end financial statements for the Hotel (the "Operating Statements") for the three (3) most recent full calendar years prior to Closing and, to the extent available, the current year. The year-end statements shall be certified by an independent certified public accountant as having been prepared in accordance with generally accepted accounting principles.

[Alternate Clause] Seller will provide Purchaser with copies of monthly operating statements for the Property for each month for the last two (2) years, each statement to include the occupied rooms for that period, accompanied by a written statement signed by the President of the Seller certifying that such statements are true and correct to the best of his/her knowledge after reasonable investigation.

[Alternate Clause] The Seller will provide to Purchaser, on or before the twentieth (20th) day of each month, a Profit and Loss Statement with detailed departmental schedules, actual occupancy per-

centage, and average room rate for the preceding month from the date hereto until the Closing.

9.2 Plans

Seller will provide Purchaser with copies of all engineering and architectural plans and specifications, drawings, soil reports, studies, and surveys relating to the construction of the Hotel in Seller's possession or control.

9.3 Taxes

Seller will provide Purchaser with copies of the bill or bills issued for the three (3) most recent years for which bills have been issued for all real estate taxes and personal property taxes and with copies of any and all notices pertaining to real estate taxes or assessments applicable to the Hotel.

9.4 Contracts

Seller will provide Purchaser with copies of all brokerage, commission, management, leasing, maintenance, repair, service, pest control, and supply contracts (including without limitation janitorial, elevator, scavenger, laundry, and landscaping agreements) and any other contracts or agreements relating to or affecting the Hotel that will be binding upon the Hotel or Purchaser subsequent to Closing, all as amended.

Contemporaneously with the execution hereof, Seller shall provide Purchaser with copies of all notes, mortgages, leases, contracts, licenses, commitments, trademarks, trade names, copyrights, and engagements of Seller with respect to the Property and the business conducted thereon or any part thereof and, within ten (10) days after receipt of such documents, Purchaser shall advise Seller in writing of which of such Contracts Purchaser at its sole discretion will agree to assume and perform from and after Closing, providing, however, that if Purchaser shall not agree to assume any one of the Contracts that shall be material in nature, Seller shall have the right to cancel this Agreement within five (5) days after such notification from Purchaser, and in such event Purchaser's deposit shall be returned to Purchaser with all interest earned thereon. At Closing, Seller shall furnish to Purchaser assignments, in form and content satisfactory to Purchaser's counsel, conveying and assigning such of the Contracts as Purchaser has agreed to assume and perform. Such assignments of Contracts shall contain all third party consents as may be required in order to validly assign same to Purchaser and shall require Purchaser to assume all obligations under such Contracts that may arise thereunder from and after the Closing (except as otherwise herein provided) and to indemnify Seller with respect thereto.

9.5 Licenses

Seller shall provide Purchaser with copies of all licenses of Seller for the benefit of the Hotel or of third parties burdening the Hotel.

9.6 Leases

Seller shall provide Purchaser with copies of all contracts, leases, and agreements for the Property.

9.7 Insurance Policy

Seller shall provide Purchaser with copies of existing insurance policies covering the Property.

[Alternate Clause] Seller shall, contemporaneously with the execution hereof, provide Purchaser with a schedule setting forth all the insurance policies owned by Seller with respect to the Property and indicating the carrier or carriers of such insurance, the type of coverage afforded by each such policy, the annual premium, and the duration of the policy. Purchaser acknowledges that it will cause its own insurance to be placed on the Property at Closing.

9.8 Historical Capital Expenditure Budgets

Seller shall provide Purchaser with a summary of all capital expenditures made by Seller during last three (3) years, which summary may be delivered up to thirty (30) days after the execution of this agreement.

9.9 Franchise Reports

Seller shall provide Purchaser with copies of all inspection reports, deficiency letters, improvement requirements, and similar communications received by Seller from the Franchisor under the Franchise Agreement during the past twenty-four (24) calendar months.

9.10 Miscellaneous Hotel Assets

Seller shall provide Purchaser with a complete listing of all miscellaneous Hotel assets.

9.11 Reduction Certificate

Seller shall provide Purchaser with any estoppel letters from any mortgagees as to mortgages encumbering the Real Property and/or Personal Property, to be furnished not less than twenty (20) days prior to closing.

9.12 Rent Roll

Seller shall provide Purchaser with a Rent Roll for the property, certified to be true and correct by the Seller, setting forth the name and address of each tenant, monthly rent, amount of security or other deposits, status of rental payments, options if any, term of lease, and rent prepayments.

9.13 Payroll Summary

Seller shall provide Purchaser with a summary of Seller's payroll for employees.

[Alternate Clause] Contemporaneously with the execution hereof, to the extent available to Seller, Seller shall provide Purchaser with a list of all employees presently employed by Seller or by the manager of the hotel with respect to the Property, indicating, in each case, the name of each such employee, the position occupied by such employee, such employee's rate of compensation and any agreement relating to any increase thereof or bonus to be paid to such employee, term of employment, contract agreement, if any, and any other relevant information with respect to such employee.

9.14 Inventory of Personal Property

The inventory of Personal Property of the Hotel shall be delivered to Purchaser within twenty (20) days.

9.15 Affidavit From Partners of Sellers

Within thirty (30) days, an affidavit from the partners of Seller shall be provided to Purchaser setting forth who the partners are and the identity of the person or persons authorized to execute the documents required by this Agreement to effectuate the closing.

Category 10 SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS**10.1 Due Authorization**

The performance of this Agreement and the transactions contemplated hereunder by Seller and each general partner of Seller have been duly authorized by all necessary action on the part of Seller and by each of its partners, and this Agreement is binding on and enforceable against Seller and each general partner of Seller in accordance with its terms. Seller shall, on or prior to the Closing Date, furnish Purchaser with certified resolutions, in form and substance satisfactory to Purchaser, evidencing that Seller and each general partner of Seller have been duly authorized to enter into and perform this Agreement and the transactions contemplated hereunder. No further consent of any shareholder, creditor, investor, judicial or administrative bonds, Governmental Authority, or other party to such execution, delivery, and performance is required.

[Alternate Clause] Seller has informed Purchaser, and Purchaser hereby acknowledges and agrees, that, notwithstanding the executions of this Agreement by _____ as the general partners of Seller, this Agreement shall not be or become binding upon Seller unless and until the terms and conditions of the transaction contemplated by this Agreement have been approved by the Board of Directors of the general partners. If both partners of Seller have not obtained authorization within ten (10) days after the Contract Date and given written notice thereof to Purchaser, this Agreement shall be automatically terminated and be null and void, and the parties shall have no further rights or obligations unto the other hereunder.

10.2 Authority and Capacity

Any person signing below warrants that, unless a representative capacity is set forth in connection with his signature, he is acting for himself alone. Seller warrants that Seller is the owner of the Property in fee simple and has the right and power to enter into this offer and to carry out the terms hereof. All persons signing as Seller agree to execute Seller's deed required hereunder.

10.3 Foreign Entity Status

At the closing, Seller shall deliver to Purchaser such documents as may be required by the Internal Revenue Service pursuant to Section 1445 of the Internal Revenue Code of 1954, as amended, or the regulations issued pursuant thereto certifying as to the non-foreign status of the Seller. In the event that Seller fails or refuses to deliver such certificate to the Purchaser and the Title Company at the closing, Seller authorizes the Title Company to withhold from the cash portion of the purchase price to be delivered to Seller at closing an amount equal to ten percent (10%) of the purchase price. All such sums withheld by

the Title Company shall be remitted to the Internal Revenue Service within the period prescribed by law. Notwithstanding the foregoing, if the Seller has received a Withholding Certificate from the Internal Revenue Service pursuant to applicable laws and regulations, the Title Company shall withhold from the cash portion of the purchase price payable at the closing only the amount required by the Withholding Certificate, with all such funds so withheld or paid to be remitted to the Internal Revenue Service within the period prescribed by applicable law.

10.4 No Conflicts by Consummation of Agreement

To the best knowledge of Seller, neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will (a) result in a breach of, default under, acceleration of, or imposition of any lien or encumbrance against the Hotel under any agreement to which Seller is a party or by which Seller or the Real Property are bound or (b) violate any restriction, court order, judgment, law, regulation, charter, bylaw, instrument, or agreement to which Seller or the Real Property (or any portion thereof) are subject.

10.5 No Undisclosed Interest

All of the Real Property described in Exhibit A [omitted] as being conveyed hereby in connection with the hotel is contiguous. Seller neither owns nor leases nor has any other interest in any real property adjoining, adjacent, or otherwise connected with the operation of the Property and no such real property is being conveyed to Purchaser pursuant to the terms of this Agreement.

10.6 No Untrue Statement

The representations and warranties of Seller contained herein were true in all material respects when made and are true in all material respects with its obligations and agreements hereunder and Seller shall have delivered to Purchaser a certificate dated the Closing Date signed by the President of the Seller to that effect and indicating any changes.

[*Alternate Clause*] No Exhibit hereto or document specified hereunder furnished or to be furnished pursuant to this Agreement to Purchaser contains or will contain any untrue statement of a material fact.

[*Alternate Clause*] Seller shall notify Purchaser promptly if Seller becomes aware of any transaction or occurrence prior to the Closing Date which would make any of the covenants, representations, and warranties of Seller contained herein not true in any material respect with the same force and effect as if made on and as of the date on which Seller becomes aware of such transaction or occurrence.

[*Alternate Clause*] Seller hereby represents and warrants to Purchaser as to the truth and accuracy of each of the matters set forth on Schedule C [omitted] annexed hereto, which representations and warranties shall survive the execution hereof (and any investigation made by the Purchaser) and the Closing for a period of two (2) years after the Closing.

10.7 Further Assurances

The parties hereto agree to execute, acknowledge, deliver, and record such certificates, amendments, instruments, and documents and to take such other action as may be necessary to carry out the intent and purposes of this Agreement.

[Alternate Clause] All action required pursuant to this Agreement that is necessary to effectuate the transaction contemplated herein will be taken promptly and in good faith by Seller, and Seller shall furnish Purchaser with such documents or further assurances as Purchaser may reasonably require.

10.8 Actual Knowledge

Notwithstanding anything in this Agreement to the contrary, Seller shall have no liability whatsoever with regard to any matter of which the Purchaser had actual knowledge prior to the Closing. For purposes of this Agreement, "actual knowledge" shall include anything in a written report or document of any sort given to Purchaser in connection with the transaction contemplated in this Agreement or in a written report prepared for Purchaser by any inspector, engineer, auditor, or any other party; or anything known by an inspector, engineer, auditor, or other person reviewing any aspect of the Real Property, the Hotel, the Records, or the general business operations of the Hotel on behalf of Purchaser, whether or not said person disclosed the information to Purchaser or any of the foregoing named persons. By executing this Agreement, the Purchaser waives any such claim; by Closing, the Purchaser shall be deemed to have waived any such claim; and the Purchaser shall not be entitled to "reserve" any claims at Closing of which it has actual knowledge.

10.9 No Further Entrance Into Binding Agreements

Seller will not enter into any new Hotel Contracts or agreements of any kind (whether written or oral) affecting the Property that by their terms require the payment of or receipt by Seller of more than Five Hundred Dollars (\$500) annually, or cancel, modify, or renew any existing Hotel Contracts without notifying Purchaser by written notice. If Purchaser does not approve of any such agreement, within five (5) days of receiving notice from Seller of such agreement, Purchaser may terminate this contract and receive back the Deposit, and thereafter neither party shall have any further obligation to the other.

[Alternate Clause] Seller agrees that from and after the date hereof and pending transfer of title to Purchaser, Seller will not enter into any lease or agreement for the rental of any portion of the Premises, other than in the ordinary course of business.

[Alternate Clause] Seller will not enter into any negotiations with any third party with respect to the sale of the Property unless and until this agreement shall have been terminated in accordance with the provisions hereof.

10.10 Continued Operation

Seller shall continue to operate and manage the Hotel, maintaining present services (including pest control); shall maintain the Hotel in good repair and working order; shall keep on hand sufficient materials, supplies, equipment, and other personal property for the operation and management of the Hotel; and shall maintain in full force and effect and make all payments, and perform, when due, all of Seller's obligations under the Operating Contracts, the Governmental Permits, and all mortgages, restrictions, and other agreements affecting or relating to the Hotel and otherwise in accordance with applicable laws, ordinances, rules, and regulations affecting or relating to the Hotel. Seller shall deliver the Hotel at Closing in substantially the same condition as on the date Purchaser waives or is deemed to waive its rights to terminate this Agreement, reasonable wear and tear excepted. Except as otherwise provided herein, Seller shall terminate, as of the Closing Date, those of the Operating Contracts that by their terms are not assignable. None of the

Personal Property or fixtures shall be removed from the Real Property unless replaced by personal property or fixtures of equal or greater utility and value.

10.10.1 Repairs and Maintenance. All repairs and replacements necessary to maintain the Property in its current condition will be made in the regular course of business up to the Closing Date at the expense of Seller.

10.10.2 Marketing. The Hotel will continue to be operated, promoted, advertised, and marketed substantially in accordance with the present standards of operation, promotion, advertising, and marketing.

10.10.3 Business Relationships. Seller shall preserve intact the normal business and organization of the Hotel and the normal business relationships of the Hotel with all wholesalers, suppliers, contractors, and other parties with whom the Property maintains a business relationship, and Seller shall maintain normal relations with the present employees of the Property.

10.10.4 Inventory. Each and every guestroom and function room in the hotel located on the Property and all public rooms therein are and shall on the Closing Date be no less fully equipped and furnished that they were on _____, 19__ and each and every item of equipment and furniture therein or used in connection with the operation of the business thereon is included within the Property, except with respect to leased equipment.

[Alternate Clause] Until the date hereof and from the date hereof to the Closing Date, each of Seller and manager of the hotel has not and shall have not removed any item of inventory from the Property, other than items of inventory that have been consumed on the Property in the normal course of business.

[Alternate Clause] The book values of food and beverage inventories on the Property at the Closing Date shall be not less than the book values of such inventories maintained by the Property in the comparable month in the preceding year.

10.10.5 No Sale of Hotel. Until the date hereof and from the date hereof to the Closing Date, neither Seller nor the manager of the hotel has nor shall have sold, leased, mortgaged, pledged, or otherwise encumbered or disposed of any part of the Property, except in the ordinary and usual conduct and course of business.

10.10.6 Taxes. Seller is current in the payment of all taxes affecting the Property or operation thereof and Seller shall continue to make timely payments of all such taxes.

10.10.7 Insurance. Seller carries insurance upon or in connection with the Property of the kind and in the amounts as required by the first mortgage, and said insurance is in full force and effect on the date hereof and no notices of cancellation or suspension have been received with respect thereto.

[Alternate Clause] Seller will maintain in effect through the Closing Date all policies of casualty and liability insurance or similar policies of insurance, with limits of coverage not less than those required by the First Mortgagee.

10.11 Licenses and Permits

All required Certificates of Occupancy, underwriter's certificates, zoning, building, housing, safety, fire, health, environmental, liquor, and similar governmental approvals and all

permits and licenses necessary to operate the Hotel in the manner in which it is presently being operated have been issued and are valid and in full force and effect, and none of the foregoing is in the nature of a conditional use permit variance or other special approval.

- [Alternate Clause]* Seller owns and holds all licenses, permits, certificates, concessions, franchises, rights, approvals, and other authorizations, all unencumbered and subject to no challenge or revocation, as are required to carry out and conduct the business carried out and conducted at the Property and each and every aspect thereof and to own, use, and operate the business thereon carried on and conducted; and all such rights and privileges will pass to Purchaser at Closing without creating the right of termination or revocation on the part of any third party granting such right and privilege, except with respect to those licenses, permits, certificates, concessions, franchises, and approvals as expressly noted. With respect to the Property and its use and operation, Seller is not obligated or under any liability to make any payments by way of royalties or fees or otherwise pursuant to any license, royalty, franchise, or other agreement to any owner of, licensor of, or claimant to a patent, trademark, trade name, copyright, or other intangible asset with respect to the use thereof or in connection with the conduct of its business or otherwise.
- [Alternate Clause]* Exhibit C *[omitted]* identifies and will on the Closing Date identify all Permits used in connection with the operation of the Property, and is complete and correct. Seller has received no written notice from the issuing agency to the effect that a default has occurred in the due observance of any condition to any Permit, and the Seller has not received any written notification from any governmental body to the effect that there is lacking any license, franchise, or permit needed in connection with the operation of the Property and any related business thereof. All Permits are transferable to Purchaser.
- [Alternate Clause]* Seller has unencumbered title to any and all licenses and permits necessary for the customary operation of the Hotel as required by any governmental authority having jurisdiction over the Premises, and such licenses and permits are freely transferable to Purchaser; and the Hotel is properly zoned for its present use as a first-class hotel.
- [Alternate Clause]* Seller has valid transferable permits and/or leases as the case may be for all signs used in connection with the advertising, location, or directions to the Property.
- [Alternate Clause]* To the best of Seller's knowledge, all permits and licenses necessary for the operation of the Property for its current use have been obtained and will be in effect as of the date of closing.
- [Alternate Clause]* Seller will execute and, where necessary, Purchaser will join in the execution of all applications and instruments required in connection with the transfer of the Permits in order to transfer the benefits of the Permits to Purchaser on the Date of the Closing. Seller shall preserve in force all existing Permits and shall timely file proper applications for renewal of any Permit expiring prior to the Closing Date. If any such Permit shall be suspended or revoked, Seller shall promptly so notify Purchaser and shall take all measures necessary to cause the reinstatement of such Permit without any additional limitation or condition.
- [Optional Clause]* The Seller holds valid licenses under the State of _____ Alcoholic Control Law permitting the sale of alcoholic beverages for on-premises consumption and all permits as are required in order for Seller to sell alcoholic beverages on the Property in the places and in the manner in which Seller has heretofore sold such alcoholic beverages.
- [Optional Clause]* All curb cut and street opening licenses or permits required for vehicular access to and from any portion of the Property to any adjoining public street, highway, or road have been obtained and, where required, paid for in full by Seller and are in full force and effect.

10.12 Contracts

There are no contracts, leases, or other agreements affecting the Property other than those to be delivered at the Closing. Such contracts, leases, or agreements are not in default by either party thereto and are freely transferable to Purchaser.

[Alternate Clause] There are no contracts, verbal or written, with any employees or unions, nor any service contracts, maintenance contracts, or any other contracts or agreements in connection with the operation of the Real Property or Personal Property, and there are no actions pending or, to Seller's knowledge, threatened between Seller, as landlord, and any tenant on the Real Property, to reduce any of their rentals.

[Alternate Clause] With respect to the Property, the Seller is not engaged in any labor or other material controversy with any of its employees, and the Seller is not a party to any labor agreement, management contract, employment contract, expense program, or pension, retirement, profit sharing or other benefit plan, program, or arrangement, or to any executive or key personnel incentive or other special compensation or agreement or to other contracts or agreements with employees, including union and incentive contracts or agreements, other than those referred to in Exhibit 3 *[omitted]* annexed hereto; and with respect to each employee of Seller or of the manager of the hotel with respect to the Property, all amounts owing to the date of Closing shall be paid to each such employee on the date of closing, including, without restriction, all salaries, wages, fringe benefits, contributions to pension plans, and accrued vacation pay.

10.13 Franchise Agreement

Annexed hereto is all of the documentation constituting the Franchise Agreement, true and complete copies of which documentation have been heretofore delivered to Purchaser. The Franchise Agreement has not been modified, amended, supplemented, or changed in any manner and the Franchise Agreement is valid, binding, and in full force and effect. As of the date hereof, no defaults on the part of Seller or any other party thereto exist under the Franchise Agreement; all royalty and other payments under the Franchise Agreement, including, without limitation, fixed payments and percentage payments, have been paid to date; and Seller shall deliver to Purchaser at the Closing and thereafter all reports, statements, and financial information necessary or appropriate to enable Seller to calculate percentage royalties and other sums payable to the franchisor, as the case may be, and otherwise to file required financial and other statements pursuant to the Franchise Agreement.

[Optional Clause] On or before the Closing Date, Purchaser will have obtained any required consents or approvals to enable Purchaser to assume the existing license or Franchise Agreement. Purchaser shall use diligence and its best efforts to obtain the approval from the franchisor for the assumption of the existing Franchise Agreement.

[Optional Clause] There are no outstanding requirements or recommendations by the franchisor of the Franchise Agreement or by any insurance company issuing a policy with respect to the Property and/or Personal Property or by any board of fire underwriters or by any other bodies exercising similar functions requiring or recommending any repair or ameliorative work to be done in, at, or about the Hotel.

10.14 Employee-Related Representations

No employee of Seller or of the Property has the right to occupy any dwelling space on the Property or has a dwelling provided for it by the Property.

[Alternate Clause] There are no employment agreements with any of the employees.

[*Alternate Clause*] There are no labor disputes pending or threatened, and Seller has no knowledge or reason to believe such disputes are threatened.

[*Alternate Clause*] Until the date hereof and from the date hereof to the Closing Date, each of Seller and the manager of the hotel has not and shall not have incurred any increase in salaries, wages, or other forms of compensation payable to or to become payable to any employee of the Seller with respect to the Property.

10.15 No Outstanding Litigation or Outstanding Conflicts

Seller represents and warrants that as of the Effective Date, there are no suits, arbitration proceedings, other proceedings, or governmental investigations pending against it or, to the knowledge of Seller, threatened that adversely and materially affect its right or ability to enter into this Agreement or to consummate the sale of the Hotel in accordance with the terms of this Agreement, or that materially affect the Hotel.

[*Alternate Clause*] To the best of Seller's knowledge, there is no violation of any law, ordinance, or regulation and no existing litigation, known potential or threatened litigation, investigation, or other proceeding with respect to any aspect of the real or Personal Property being purchased under this Agreement, and if there were, any such litigation would be covered by insurance. In the event that a lien, claim, or cause of action should arise after the closing resulting or attributable to any of Seller's activities upon the property prior to the closing, the Seller shall, at its sole cost and expense, cause any such lien to be discharged and defend against any such claim or cause of action, and Seller shall hold Purchaser harmless therefrom, including, but not necessarily limited to, charges incurred for the retention of such attorneys or other persons as may be required. If any matters referred to in this paragraph become known to Seller after the effective date of this Agreement and prior to closing, Seller shall notify Purchaser of same.

[*Alternate Clause*] There is no violation of applicable laws, ordinances, or regulations, inclusive of those of administrative boards or agencies and other public authorities, relating to the Property and the business thereon conducted, and the Seller is not in default for having failed to file tax returns or statements required to be filed under the laws of any federal, state, municipal, or other jurisdiction with respect to the Property and the business conducted thereon by Seller, and the Seller has paid or shall pay on or prior to the Closing all taxes, whether income, sales, use, real estate, or otherwise, owing to date with respect to the Property or its ownership or operation thereof and the business conducted thereon, and Purchaser will assume no liability with respect to any period up to and including the Closing Date or otherwise with respect to any such taxes, except for such real estate taxes that may be adjusted at Closing.

10.16 Eminent Domain/Condemnation Actions

Seller represents and warrants that as of the Effective Date, there are no pending condemnation actions of any nature with respect to the Hotel that would materially impair the Hotel's economic viability, and Seller has not received any notice of any such threatened or contemplated condemnation actions.

A. MISCELLANEOUS REPRESENTATIONS, WARRANTIES, AND COVENANTS

10.17 Title Matters

Seller has good and marketable title to the Personal Property and all Personal Property has been fully paid for.

[*Alternate Clause*] Seller makes no warranty of title as to the Site or the Improvements, except that Seller represents and warrants that it has refrained from any action that might impair Purchaser's title and will continue to do so.

10.18 General Encumbrance

There are no instruments or agreements that in any way encumber or affect the Property, and Seller has neither done nor failed to do anything nor suffered anything to be done as a result of which the Property or any part thereof has been or will be encumbered or title thereto has been or will be affected in any way.

10.19 Mortgage

To the best of Seller's knowledge, all mortgages and liens encumbering the Real Property and Ground Lease are in good standing, and Seller shall keep all of such mortgages and the Ground Lease in good standing through the date of closing.

[*Alternate Clause*] There are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy pending against Seller or contemplated by Seller, and to the knowledge of Seller no such action has been threatened against it.

10.20 Zoning

Except as required by law, Seller shall not seek or consent to any amendment to any Permit that would alter the existing permissible uses of the Hotel or any part thereof.

[*Alternate Clause*] Seller has not made nor shall Seller make any applications before any zoning board or commission seeking to modify or change the present zoning of the Real Property constituting the Property.

10.21 Operating Liabilities

All Liabilities for sales taxes, unemployment compensation contributions, and assessments incurred by Seller in connection with the operation of the Real Property through the date of actual closing hereunder shall, unless otherwise provided herein to the contrary, be paid prior to or at closing.

10.22 Asbestos

There is now and there shall be on the Closing Date no asbestos or other noxious or environmentally hazardous substance on or about the Property.

10.23 Payment for Labor, Goods, and Services

Seller has paid or will pay in full before or after Closing all bills and invoices for labor, goods, material, and services of any kind relating to the Hotel or any portion thereof, and utility charges relating to the period prior to closing.

10.24 Hotel Names

Exhibit B [*omitted*] identifies the Hotel Names that are included in this sale and Seller is currently using no others in connection with the operation of the Property.

10.25 Break-Even Guarantee

From the date of Closing and for twelve (12) months thereafter, the Seller shall guarantee that gross operating expenses shall be sufficient to cover all debt service on the Seven Million, Six Hundred Thousand (\$7,600,000) Dollar loan and One Hundred Sixty-two Thousand Dollars (\$162,000) of credit fees. The Seller's guarantee will be personally guaranteed by ____.

B. SPECIAL CASES**10.26 Completion of Hotel**

Seller agrees that it will undertake and complete the Hotel for the purposes and in the manner intended hereby and in accordance with the plans and specifications therefor that have been prepared by or on behalf of Seller and are attached as Exhibit D [omitted] hereto, and that it will cause such improvements to be made to the Real Property as are necessary for the operation thereof in the manner herein provided.

[*Alternate Clause*] Seller shall obtain all necessary approvals from any and all governmental agencies requisite to the completion of the Hotel and in compliance with all state and local laws, ordinances, and regulations applicable thereto. Upon completion of the Hotel, Seller shall obtain all required permits and authorization from appropriate authorities, if any be required, authorizing the operation and uses of the Hotel for the purposes contemplated hereby.

[*Alternate Clause*] Seller covenants that it will take such action and institute such proceedings as shall be necessary to cause and require all contractors and material suppliers to complete their contracts diligently in accordance with the terms of the contracts, including, without limitation, the correcting of any defective work.

10.27 Limitations on Seller's Representations, Warranties, and Covenants

Purchaser acknowledges and agrees that except as otherwise expressly set forth in this Agreement, (a) Purchaser is acquiring the Hotel "as is" and (b) neither Seller nor the Broker nor any other agent of Seller has made, and Purchaser is not relying upon, any representation or warranty, express or implied, with regard to the Hotel or otherwise in connection with the size, value, physical condition, or financial condition of the Hotel or its suitability for development resale or any particular use.

10.28 Survival of Contract

Notwithstanding anything to the contrary contained in this Agreement, after Closing, Purchaser shall have no cause of action against the Seller with respect to the breach of any representation, warranty, or agreement contained herein.

[*Alternate Clause*] All warranties and representations made in this Agreement shall survive the Closing.

10.29 Default and Termination

If Seller defaults at any of the terms, covenants, or conditions of this Agreement or if any of the above conditions are not satisfied, then Purchaser shall have the right to terminate this Agreement by written notice to Seller listing the condition that was not satisfied and the return of the Deposit to Purchaser.

[*Alternate Clause*] If, at any time prior to the Closing, Purchaser discovers that any of the representations or warranties of Seller are not true or that any of the agreements of Seller have not been complied with or that any of the conditions precedent to Closing are not satisfied, then Purchaser shall notify Seller and Seller may, but shall not be obligated to, cure same. If Seller is unwilling or unable to cure any such matters, Seller shall forthwith give notice of such fact to Purchaser and Purchaser shall, as its sole and exclusive remedy in such event, make an election in writing, which must be received by Seller within ten (10) days after receipt by Purchaser of Seller's Election Not to Cure, to terminate this Agreement, in which event the Earnest Money shall be returned to Purchaser by Seller after its receipt of Purchaser's election, and the parties hereto shall be fully released from any further liability or obligation hereunder. In the event that Purchaser has not received Seller's Election Not to Cure within ten (10) days after Seller's receipt of the notification from Purchaser, Seller shall be deemed conclusively to have elected to cure.

[*Alternate Clause*] In the event that Seller is unable to deliver title in accordance with the terms of this agreement or is unable to perform or comply with any other condition or obligation on the part of Seller to be performed under this Agreement, or in the event that any representation or warranty made by Seller hereunder shall be untrue as of the Closing Date, in each such case for reasons beyond Seller's control, then Purchaser shall have the option (a) to close and waive objection to any such defect or (b) to terminate this agreement at any time prior to Closing or at Closing, by notice in writing to Seller, whereupon the Deposit and all interest earned thereon shall be returned to Purchaser and whereupon neither party shall be further obligated hereunder. In the event that the transaction contemplated hereby fails to close owing to any reason that is not beyond Seller's control, then Purchaser shall have the right, at its option, to obtain specific performance or to obtain money damages and to terminate this Agreement. Notwithstanding the foregoing, to the extent that there exists a state of fact underlying any representation or warranty made by Seller hereunder, which state of fact shall cause any representation or warranty to be untrue or incorrect as of the Closing, Purchaser shall not be entitled to elect to terminate this Agreement as aforesaid if (i) this state of fact shall be susceptible of correction by the payment of money, (ii) Seller elects to take such steps as are necessary for the correction of such state of fact subject to the reasonable approval by Purchaser of the steps to be taken, and (iii) such steps are taken and such state of fact if corrected within fifteen (15) days from the date initially established for the Closing.

In the event that this transaction fails to close due to Purchaser's unexcused default, then Seller shall be entitled to payment of the Deposit as liquidated damages, and this Agreement shall be terminated and neither party shall be further obligated hereunder.

Category 11 REPRESENTATIONS AND WARRANTIES OF PURCHASER

11.1 General Terms

In order to induce Seller to sell the Hotel and to consummate the other transactions contemplated hereby, Purchaser hereby represents and warrants to Seller that the following are true statements as of the date hereof and agrees that the following shall be true statements as of the Closing, subject to the proposition that, prior to Closing, the truth of the following is a condition to Closing only, with no liability of Purchaser whatsoever.

11.2 Due Organization

Purchaser is duly organized, validly existing, and in good standing under the laws of the state of its formation, and will, on the Closing Date, be qualified to do business in the State of _____, and has all requisite power and authority to execute this Agreement and

the documents referred to herein to be executed by Purchaser. Prior to the closing, Purchaser shall have taken all actions required for the consummation of the transaction contemplated by this Agreement or any document delivered or to be delivered in connection with this Agreement.

[Alternate Clause] Purchaser represents and warrants that it is a corporation duly organized, validly existing, and in good standing under the laws of the State of _____, is qualified to do business in the State of _____, and is authorized to enter into the transactions contemplated by this Agreement. At Closing, if this Agreement has been assigned to a limited partnership, said limited partnership will be duly organized, validly existing, in good standing under the laws of the State of _____, qualified to do business in the State of _____, and authorized to enter into the transactions contemplated by this Agreement.

11.3 No Conflict

Neither the execution, delivery, and performance of this Agreement or any other agreement contemplated hereunder nor the carrying out by the Purchaser of the transactions contemplated hereby or thereby will conflict with, result in a breach of, constitute a default under, or accelerate the maturity of (a) any applicable provisions of the Purchaser's charter or by-laws or other governing instrument, (b) any applicable legal requirements, or (c) any other agreement, indenture, or instrument to which the Purchaser is a party or by which the Purchaser is or may be bound or affected. No consent of any third party is required in order for the Purchaser to enter into this Agreement or any other agreement contemplated hereunder or for the Purchaser to carry out the transactions contemplated hereby or thereby.

11.4 No Pending Litigation

The Individuals and the entity comprised by the Purchaser represent and warrant that as of the Effective Date, there are no suits, arbitration proceedings, other proceedings, or governmental investigations that are pending against them or to their knowledge threatened that adversely and materially affect their right or ability to enter into this Agreement or to consummate the purchase of the Hotel in accordance with the terms of this Agreement.

11.5 Purchaser Authorizations

Within thirty (30) days from the effective date of this Agreement, Purchaser shall furnish to Seller evidence acceptable to Seller, authorizing the consummation by Purchaser of the purchase and sale transaction contemplated hereby and the execution and delivery of the closing documents on behalf of the Purchaser. The foregoing shall also be required as to any person or entity to which Purchaser may assign this Agreement. No assignment of this Agreement by Purchaser will relieve Guarantors of their obligation hereunder. Simultaneously with the provision of such information as required by this paragraph, Purchaser shall also provide to Seller a certificate of current good standing of the Purchaser in the State of incorporation of Purchaser.

11.6 Truth of Representations

Purchaser hereby represents and warrants to Seller as to the truth and accuracy of each of the matters set forth on Schedule D *[omitted]* annexed hereto, which representations and warranties shall survive the execution hereof and the Closing for a period of two (2) years after the Closing.

Category 12 PRORATIONS AND ADJUSTMENTS**12.1 General Accounts Receivable and Accounts Payable**

It is understood and agreed by and between the parties that any and all accounts receivable arising out of Seller's operation of the Hotel prior to the Closing shall remain the property of Seller and are not part of the property being transferred under this Agreement. In the event Purchaser shall receive payments on said accounts receivable due Seller after Closing, Purchaser agrees to promptly remit same to Seller. All accounts receivable arising out of the operation of said Hotel from and after the date of Closing shall belong to Purchaser. Further, it is understood and agreed to between the parties that Purchaser assumes no responsibility or liability for any accounts payable, obligations, or indebtedness of Seller of the Hotel, except those obligations assumed by Purchaser hereunder, and Seller shall hold Purchaser harmless and indemnify Purchaser from any claim by any party relating to any accounts payable, obligation, or indebtedness of any nature that was incurred prior to the Closing.

12.2 Liabilities Not Assumed

The purchase and sale of the Hotel shall be a transfer of assets only, and no liabilities or obligations of the Seller, whether incurred prior to or after the date hereof, shall be assigned by Seller or assumed by Purchaser, with the exception of the following: (a) any liability to provide hotel accommodations and services pursuant to confirmed reservations subsequent to the Closing Date; (b) any liability under the service contracts and equipment leases that is attributable to the period after the Closing Date; and (c) all accounts payable, trade payables, wages, vacation pay, and other accrued operating expenses incurred in the ordinary course of operating the hotel (not including real estate or personal property taxes, which shall be prorated as of the Closing Date). Except as specifically provided herein, Purchaser shall not be responsible for any liabilities arising from acts or omissions of Seller prior to the Closing Date, even though the claim with respect thereto may be brought after the Closing Date.

[Alternate Clause] Purchaser is not assuming any of the liabilities of Seller accrued prior to or on the Closing Date unless otherwise specifically provided in this Agreement, which liabilities are and shall remain after the Closing Date the obligation of Seller.

12.3 Utilities

Seller shall be responsible for all water, sewer, and all other utility charges through the date prior to Closing hereunder, and Seller will use its best efforts to have meters for such utility services read on the date of the closing and thereafter Purchaser shall be responsible for such utility services in its own name commencing with the closing date and thereafter. Seller agrees not to terminate utility services without giving Purchaser at least three (3) days' notice. Purchaser shall, prior to closing, post such utility deposits as required by the applicable utilities to assume the utility services and prevent interruption of service.

[Alternate Clause] Rents, if any, and water, sewer, gas, and electric charges as per meter readings taken not more than twenty-four hours prior to Closing shall be prorated and adjusted as of the date immediately prior to Closing.

12.4 Real Estate and Personal Property

Real estate taxes, personal property taxes, and no prepayable assessments shall be prorated to the date of delivery of possession, using the last available tax bill. Accrued general real estate, personal property, and ad valorem taxes for the current year shall be

prorated on the basis of actual bills therefor, if available prior to closing. If such bills are not available, then such taxes shall be prorated on the basis of one hundred ten percent (110%) of the most currently available information for the Real Property and promptly re-prorated upon the issuance of final bills therefor (and any amounts due from one party by reason of such re-proration to the other shall be paid in cash at that time). Prior to or at Closing, Seller shall pay or have paid all such bills that are due and payable prior to or on the Closing Date and shall furnish evidence of such payment to Purchaser and the Title Insurer.

[Alternate Clause] At Closing, the real estate ad valorem taxes and the personal property taxes shall be prorated between the Seller and the Purchaser on the basis of the tax bill rendered for the year before the year in which the Closing occurs if said tax bill for the year in which the Closing occurs has not been rendered. At such time as the actual tax bills for the Real Property and Personal Property for the tax year during which the Closing is held are available, then taxes shall be re-prorated between the parties based upon the Closing Date. All tax prorations shall be made, taking into account the maximum discount permitted by law. The obligation to re-prorate taxes as set forth herein shall survive the closing.

12.5 Sales Taxes

There shall be no apportionment with respect to sales tax or occupancy taxes charged to guests occupying rooms at the Property subject to such taxes. After the Closing, Seller shall file final sales and occupancy tax returns with the appropriate taxing authority and pay to the appropriate taxing authority sales and occupancy taxes charged to guests and others during the period of time prior to the Cut-Off Time.

12.6 Payroll

Seller will pay all employees for all services performed through 12 P.M. (noon) of the date of Closing, together with all contributions to welfare, pension, fringe benefit, and other such programs required to be made on their behalf, and the employer's share of payroll taxes, social security, unemployment compensation taxes, and disability insurance incident to such salaries, wages, or other benefits. The accrual for vacation and sick day pay and bonuses shall be based upon individual calculations for each employee in conformity with (a) union contracts, when applicable, and (b) past practices as to vacations and sick days allowed and bonuses paid to non-union employees.

12.7 Interest

Interest, accrued or prepaid, shall be apportioned as of the date of Closing.

12.8 Association Dues

Trade association dues, travel agency commissions, trade subscription, and commissions of credit referral organizations, if any, shall be prorated as of the Closing Date.

[Alternate Clause] American Express, Diners Club, Carte Blanche, VISA, Mastercard, Citicorp Credit Service, net receivables, and payments or net receivables of other credit organizations, if any, shall be apportioned and the amount due to Seller shall be paid to Seller by Purchaser if and when collected by Purchaser. Seller agrees to reimburse Purchaser promptly for any refunds Purchaser is required to make with respect to any payment theretofore made to Seller.

12.9 Telephone Charges

Purchaser and Seller shall obtain and determine all telephone charges applicable to the telephone system in use at the Hotel, and Seller shall execute any and all forms required in order to transfer the existing telephone numbers, and any and all rights thereto, to Purchaser.

12.10 Room Rents

Seller shall be credited with all room rents from guests in residence on the night immediately prior to the date of Closing.

[Alternate Clause] Purchaser shall be credited with all room rents from guests in residence on the night immediately prior to the date of Closing.

[Alternate Clause] At 12:01 A.M. on the Closing Date, Purchaser and Seller, or their designated agents and representatives, shall prepare and enter into the cash register a separate "folio" for every hotel guest then residing at the Hotel as disclosed by the guest ledger maintained by Seller (which guest ledger shall be subject to verification by Purchaser) and shall prepare a separate listing or inventory of same. As Purchaser receives payment in response to the accounts set forth on such Guest Inventory, Purchaser shall, within seven (7) days after receipt of such payment, pay to Seller that portion of each such payment representing guest charges attributable to the period prior to the Closing Date, net of all applicable collection charges, including, but not limited to, any applicable credit card commissions or other similar charges. Purchaser shall receive credit for one half (1/2) of the guest charges attributable to guests residing at the Hotel at 12:01 A.M. on the Closing Date for the previous night's lodging.

12.11 Prepaid Rent and Deposits

All prepaid rent, room rental deposits, and all other deposits for advanced reservations or future rentals are to be turned over to Purchaser at Closing. All prepaid amounts under Hotel Contracts shall be adjusted.

[Alternate Clause] On the Closing Date, Seller shall provide Purchaser with a complete schedule (the "Reservation Schedule") of post-closing confirmed guest reservations, which Reservation Schedule shall list (a) the party for whose benefit the reservation was made; (b) the amount of prepaid room rent thereunder; (c) the amount of any room rental deposits; and (d) the amount of any other deposits made for advance reservations, banquets, and/or future services to be provided after the Closing Date. Seller shall pay to Purchaser the amount of all deposits held in connection with such confirmed reservations at the rate or price previously agreed to by Seller.

12.12 Vending Machines

All revenues from vending machines and commissions, if any, payable by the telephone company in respect of public telephones in the Property and long distance telephone calls made from the property shall accrue to the benefit of Purchaser after the Closing.

12.13 Inventory

There shall be no apportionment for inventory of consumable items or any linens, china, silverware, or supplies, the value of which are included in the Purchase Price.

[Alternate Clause] On the Closing Date, Seller and Purchaser shall take a further inventory of the Personal Property for the purpose of assuring the accuracy of the Personal Property Inventory, and

any items of Personal Property that shall have been added or removed since the date of the Personal Property Inventory shall be disclosed in a written supplement to the Personal Property Inventory and furnished to Purchaser at Closing. Any additional items of Personal Property disclosed in said supplement shall be conveyed to Purchaser at Closing in the manner herein provided.

12.14 Working Capital

Purchaser shall pay Seller amounts of all house funds and petty cash funds at the Premises as of 12 P.M. (noon) of the date of the closing. All such amounts shall be verified jointly by representatives of Seller and Purchaser.

[Alternate Clause] Seller shall insure that there is Seventy-five Thousand Dollars (\$75,000) of working Capital deposited in the Hotel's working capital account as of 12 P.M. (noon) of the date of Closing.

[Alternate Clause] Purchaser shall pay to Seller an amount equal to the sum of all cash maintained in all cash registers in use at the Hotel as of 12:01 A.M. on the Closing Date. That cash shall be counted jointly by representatives of Seller and Purchaser.

[Alternate Clause] Promptly after the Closing Date, Seller shall determine, subject to Purchaser's review and approval, the dollar amount of the Working Capital of the Hotel as of the Closing Date. If said dollar amount is less than Five Hundred Fifty Thousand Dollars (\$550,000), Seller shall pay any such deficiency to Purchaser. If said dollar amount is greater than Five Hundred Fifty Thousand Dollars (\$550,000), Seller shall be entitled to withdraw and retain any such excess from the Hotel operating accounts.

12.15 Other Adjustments

Charges due under the Assigned Contracts (defined hereinafter) shall be prorated as of the Closing Date. All other items that are customarily adjusted in transactions similar to the transactions contemplated hereunder shall also be prorated as of the Closing Date.

12.16 Disputes

Any and all disputes as to the adjustments pursuant to this section shall be resolved by an audit. The losing party shall pay all of the costs of such auditing expense. The provisions of this section shall survive the Closing.

Category 13 CLOSING DOCUMENTS AND PROCEDURE

Not later than fifteen (15) days prior to the Closing, the parties shall deliver copies of certain documents, set forth below, to the other parties as specified; the original of said documents shall be executed and delivered at the Closing together with such other documents as are contemplated by this Agreement.

A. SELLER'S RESPONSIBILITIES

13.1 Title Deed

Limited warranty deed in recordable form, executed by Seller, conveying the Real Property to Purchaser free and clear of all claims, liens, and encumbrances except for the Permitted Exceptions and items approved or deemed to be approved by Purchaser.

[Alternate Clause] By general warranty deed, which deed, when filed for record, shall convey to Purchaser and Warrant good and marketable title to the property, in fee simple absolute, free and clear of all liens and encumbrances, except the underlying mortgages, described herein, taxes and assessments not yet due and payable, zoning ordinances and regulations acceptable to Purchaser, and such other "title exceptions," the Permitted Exceptions as well as additional title explanations, as shall have been approved in writing by Purchaser prior to the Closing.

13.2 Bill of Sale

A warranty assignment and bill of sale, executed by Seller, assigning, conveying, and warranting to the Purchaser title to the Personal Property, free and clear of all encumbrances, other than the Permitted Exceptions and items approved or deemed to be approved by Purchaser, and assignments of title to any vehicles owned by Seller included in the Personal Property, together with the original certificates of title thereof.

[Alternate Clause] By Seller to Purchaser, a Bill of Sale in the form customarily used in the county in which the Personal Property is situated, conveying the Personal Property, with warranty of title.

[Alternate Clause] The personal property, which shall be inventoried prior to Closing to the approval of Purchaser, shall be conveyed by a good and sufficient Bill of Sale with warranty of title by Seller as required by Purchaser. Purchaser agrees to accept the Personal Property estate in its present physical condition. Purchaser acknowledges that Seller has made no representations or warranties of any kind or nature, express or implied, with respect to the aforesaid Personal Property and Improvements except as herein set forth.

13.3 Assignment of Governmental Permits

To the extent any Governmental Permits are assignable, an assignment, executed by Seller, to Purchaser of all of Seller's right, title, and interest in and to the Governmental Permits, together with executed copies, applications, forms, and other documents as may be necessary to fully effectuate to the transfer of the same to Purchaser as herein contemplated.

13.3.1 Liquor Permit. Among the permits and licenses to be assigned and transferred with respect to the operation of the Property and the conduct of the Seller's business is the liquor permit issued to the Seller by the _____ Department of Liquor Control. At the Closing, Seller shall cause to be executed and delivered to Purchaser or Purchaser's nominee an instrument in form reasonably satisfactory to Purchaser that assigns, conveys, and transfers to Transferee all of Seller's rights and interests in, under, and to the Liquor Permit.

13.4 Assignment of Intangible Personal Property

An assignment to Purchaser of all right, title, and interest of Seller and its agents in and to the Intangible Personal Property, executed by Seller.

13.5 Assignment of Operating Contracts

An assignment executed by Seller, to Purchaser of those of the Operating Contracts that are assignable, in which Seller agrees to indemnify, protect, defend, and hold Purchaser harmless from and against any and all claims, damages, losses, costs, and expenses (including attorney fees) that arise in connection with the Operating Contracts and relate to the time period prior to Closing.

13.6 Original Documents

To the extent not previously delivered to Purchaser, original copies of the Operating Contracts and Governmental Permits.

13.7 Keys

All keys used in connection with the Property, tagged for identification.

13.8 Title Policy

The Title Policy (for a "marked-up" Title Commitment) issued by the Title Insurer, dated as of the Closing Date, in such amounts and containing such endorsements and other terms as are required herein.

[Alternate Clause] At the Closing, there shall be issued to Purchaser by the Title Company an owner's policy of title insurance on ALTA Owner's Policy Form ___ (the "Title Policy") in the amount of the Purchase Price. The Title Policy shall insure good, marketable, and indefeasible fee simple title to the Site, and to any beneficial easements and/or restrictions appurtenant to the Site, and shall contain as exceptions to title only the Permitted Exceptions and such additional matters as shall be approved by Purchaser. The costs and expenses of the Title Policy shall be paid by Purchaser.

13.9 Resolutions

A certified resolution authorizing Seller to enter into and perform this Agreement and to perform Seller's obligations hereunder.

[Alternate Clause] At Closing, a certificate of the Seller signed by a Senior officer, dated the Closing Date, certifying that all of the representations and warranties of the Seller contained in this Agreement are true and correct on and as of the Closing Date with the same force and effect as if made on and as of the Closing Date.

13.10 Closing Statement

A counterpart, executed by Seller, of a closing statement conforming to the proration and other relevant provisions of this Agreement.

13.11 Records

To the extent not previously delivered to Purchaser, original copies of all records (including, without limitation, all guest ledgers) pertaining to the Hotel.

13.12 Certificate of Non-Foreign Status

The Certificate of Non-Foreign Status in the form attached hereto as Exhibit C *[omitted]*.

13.13 Affidavits

Affidavits reasonably required by Purchaser and/or the Title Company to establish the authority and capacity of Seller to consummate the transaction described herein.

13.13.1 No-Lien Affidavit. By Seller to Purchaser, a Seller's No-Lien affidavit that is customary in form and content in the county in which the Property is located.

13.14 Tenant Notice

By Seller to Purchaser, a form letter to tenants advising them of the sale of the Lessee's interest under the Ground Lease, advising that future rent payment shall be paid to the Purchaser.

13.15 Warranty Assignment

By Seller to Purchaser, a general assignment to Purchaser of all warranties that exist as to equipment, Personal Property, or structural components of the building that have not expired by lapse of time.

13.16 Lease Assignment

By Seller to Purchaser, an assignment of any leases to Purchaser.

13.17 Rent Roll

By Seller to Purchaser, a rent roll, certified to be true and correct by Seller, setting forth the name and address of each tenant, monthly rental, amount of security or other deposits, status of rental payment, options (if any), term of lease, and rent prepayments.

13.18 Hotel Name

An assignment by Seller to Purchaser, to the extent of the Seller's rights therein, without warranty, to the name "_____" and the current telephone numbers of the _____ (if same are transferable to the Purchaser).

13.19 Other Documents

Such other documents and instruments as are contemplated hereunder or as may reasonably be required by Purchaser, its counsel, or the Title Insurer and necessary to consummate this transaction and to otherwise effect the agreements of the parties hereto.

B. PURCHASER'S RESPONSIBILITIES

At Closing, Purchaser shall deliver to Seller:

13.20 Purchase Price

The full Purchase Price, plus or minus prorations and other adjustments hereunder, in the amount and in the manner provided pursuant to this agreement.

13.21 Assumption of Ground Lease

By Purchaser to Seller, the consent and agreements of the Lessor to the assignment of the Lessee's interest under the Ground Lease and other matters as required by this Agreement.

13.22 Closing Statement

A counterpart, executed by Purchaser, of a closing statement conforming to the proration and other relevant provisions of this Agreement.

13.23 Assumption of Operating Contracts

An assumption executed by Purchaser in which Purchaser agrees to assume the Operating Contracts assigned to it by Seller, together with the agreement of Purchaser to indemnify, protect, defend, and hold Seller harmless from and against any and all claims, damages, losses, costs, and expenses (including attorney fees) that arise in connection with the assigned Operating Contract and relate to the time period from and after Closing.

13.24 Resolutions

Certified resolution authorizing Purchaser to enter into and perform this Agreement and to perform Purchaser's obligations hereunder.

[Alternate Clause] By Purchaser to Seller, evidence reasonably acceptable each to the other authorizing the consummation of this Agreement and the execution and delivery of all of the Closing documents by the applicable party, and the authority of the applicable party to execute and deliver the closing documents.

13.25 Affidavits

Affidavits reasonably required by Seller and/or the Title Company to establish the authority or capacity of Purchaser to consummate the transaction described herein.

13.26 Franchise Transfer

By Purchaser to Seller, the consent of Franchisor to the transfer of the existing Franchise Agreement from Seller to Purchaser and agreement by such Franchisor as to such other matters required by this Agreement.

13.27 Other Documents

Such other documents and instruments as are contemplated hereunder or as may reasonably be required by Seller, its counsel, or the Title Insurer and necessary to consummate this transaction and to otherwise effect the agreements of the parties hereto.

13.28 Seller's Escrowee Instructions

Seller's instructions to Escrowee regarding the recording and release to Purchaser of the Deed and the other documents described herein.

13.29 Purchaser's Escrowee Instructions

Purchaser's instructions to Escrowee authorizing the disbursement of the Purchase Price to Seller and the delivery of the documents listed above to Seller, conditioned on Escrowee simultaneously informing Purchaser that it is prepared to issue the Title Policy with respect to the Hotel, in the total amount of the Purchase Price, subject only to the Permitted Exceptions.

13.30 Escrowee Actions

Wire transfer to Seller of the Purchase Price and delivery to Seller of the documents described hereinabove.

Causing the Deed (together with all other documents that are to be recorded) to be recorded in the jurisdiction in which the Hotel is located.

Issuance (or contractual obligation of itself to issue) the Title Policy to Purchaser.

Carrying out all of the remaining instructions given by Purchaser and Seller to Escrowee.

Category 14 CLOSING EXPENSES**14.1 Closing Expenses**

Seller shall pay the cost of the Title Policy, the Survey, one half of all escrow fees, and recording relating to the instruments of conveyance contemplated herein. Purchaser shall pay any real estate transfer taxes, intangible fee, or tax, and one half of all escrow fees.

[Alternate Clause] Seller shall pay such Closing costs including, but not limited to, transfer, stamp, or documentary taxes. Purchaser shall pay for the costs of title insurance policies and Escrow fees.

[Alternate Clause] All costs relating to the Closing, other than fees payable to Purchaser's and Seller's respective legal counsel, and including, but without restriction, the cost of the title insurance policy and any transfer taxes shall be paid by Seller, and recording fees and sales taxes shall be paid by Purchaser; each of Purchaser and Seller shall be responsible for fees payable to their respective legal counsel.

14.2 Real Estate Brokerage Fees

Real Estate Broker fees will be provided for in a separate agreement between Seller and Broker. Purchaser shall have no liability for any real estate brokerage commission in connection with the acquisition of the Property.

[Alternate Clause] Seller and Purchaser represent and warrant each to the other that no broker was involved in the negotiations leading to the execution of this Agreement or brought it about either directly or indirectly.

[Alternate Clause] Seller and Purchaser each warrant to the other that each has dealt with no broker, salesman, finder, or consultant with respect to this Agreement or the sale contemplated herein except the Broker. All sums due Broker shall be paid in full by Seller. Except as provided above, each shall indemnify, protect, defend, and hold the other harmless from and against all claims, losses, costs, expenses, and damages (including attorney fees) resulting from a breach of the foregoing warranty.

Category 15 EMINENT DOMAIN AND RISK OF LOSS**15.1 Eminent Domain**

In the event of the institution of any proceedings, judicial, administrative, or otherwise, relating to the taking of a portion of the Real Property by eminent domain, or condemnation, prior to closing, the Seller shall have the first right to terminate this Agreement, which right shall be exercised within fifteen (15) days after notice of condemnation or proposed taking is received by Seller, whereupon all deposits heretofore paid by the Purchaser shall be returned to the Purchaser, and the parties shall be released from any further obligations hereunder. In the event that the Seller does not elect to cancel this Agreement, then the Purchaser shall have the option, to be exercised within ten (10) days after the aforesaid fifteen (15) -day period, of cancelling this Agreement, in which event all deposits theretofore paid by the Purchaser shall be returned to the Purchaser and the parties shall be released of all further obligations hereunder, or the Purchaser shall elect to close this

transaction, in which event there shall be no reduction in the Purchase Price, except that Purchaser shall be entitled to receive the award as a result of such taking, except that Seller shall be entitled to such portion of the award for its damages between the date of the taking and the date of the Closing, assuming the taking occurred prior to the Closing, in which event the award shall be prorated.

15.2 Risk of Loss

Risk of loss to the Real Property or Personal Property or any portion thereof until the Closing shall be borne by Seller. In the event of damage to or destruction of the Real Property or Personal Property or any portion thereof by fire or other casualty prior to Closing, Seller shall have the option of repairing the damage or of rescinding this Agreement, in which event the deposits theretofore paid by Purchaser shall be returned to Purchaser and the parties shall be released and relieved of all further obligations hereunder.

[Alternate Clause] If the Premises or any part thereof shall be damaged or destroyed by fire or other casualty prior to the Closing, and such damage shall not have been repaired or reconstructed prior to Closing in a good and workmanlike manner to the reasonable satisfaction of Purchaser, Purchaser may, at its option, (a) receive the proceeds of any insurance payable in connection therewith, under Seller's insurance policy or policies, and thereupon remain obligated to perform this Agreement, or (b) terminate this Agreement and receive back any funds previously paid or deposited. Upon termination of this Agreement by Purchaser pursuant to this section, neither party shall thereafter be under any further liability to the other. Seller agrees to advise Purchaser of the present insurance coverage upon the property, to keep said policy or policies in full force and effect through the Closing Date, and to advise Purchaser promptly of any damage to the Premises by any loss or casualty.

Category 16 ASSIGNMENT, SUCCESSORS, AND HEIRS

Purchaser may assign this Agreement and the Purchaser's rights thereunder to any person or entity at any time.

[Alternate Clause] Purchaser may assign this Agreement and the Purchaser's rights thereunder to any person or entity at any time; however, such assignment shall not release Purchaser from any personal guarantees or recourse liabilities given by Purchaser to Seller unless Seller consents to such release in writing, which consent shall not be unreasonably withheld.

[Alternate Clause] This Agreement may not be assigned prior to the Closing Date by either party without the prior written consent of the other, except that Purchaser shall have the right to assign its interest in this Agreement to a limited partnership. When such assignee limited partnership assumes this Agreement, such an assignment shall relieve Purchaser of its obligations hereunder. Subject to the foregoing provisions, this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

Category 17 GENERAL CLAUSES

17.1 Benefit

This Agreement is for the benefit only of the parties hereto or their nominees, successors, beneficiaries, and assigns, and no other person or entity shall be entitled to rely hereon, receive any benefit herefrom, or enforce against any party hereto any provision hereof.

17.2 Binding Agreement

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns, and shall constitute the entire agreement among the parties.

17.3 Business Day

If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should be on a Saturday, Sunday, or legal holiday, the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday, or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post office are generally closed in the State of _____.

17.4 Confidentiality

(a) The parties agree that the terms of this Agreement and all information, documents, reports, and studies developed by either party in connection with the within transaction are strictly confidential and that they will make every effort to ensure that the provisions hereof and such information, documents, reports, and the like are not disclosed to any third party (including the press) without the other party's written consent.

(b) Neither the Private Placement Memorandum nor any documents relating thereto will contain statements about Seller or the Hotel unless Seller has previously reviewed such statements for accuracy. However, regardless of whether Seller does or does not review such statements, Seller will not be deemed a sponsor of the offering described in the Private Placement Memorandum, nor will Seller have responsibility for the preparation or review of the offering documentation, and the Private Placement Memorandum will so state.

17.5 Controlling Law

This Agreement shall be interpreted in accordance with the laws of the State of New York.

This Agreement shall be governed by and construed in accordance with the law of the State of New York.

17.6 Entire Agreement

This Agreement constitutes the entire understanding between the parties with respect to the transaction contemplated herein, and all prior or contemporaneous oral agreements, understandings, representations, and statements are merged into this Agreement. Neither this Agreement nor any provisions hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument.

[Alternate Clause] This Agreement may be executed in one or more counterparts, and all so executed shall constitute one contract, binding on all the parties hereto, notwithstanding that all of the parties are not signatory to the same counterpart.

17.6.1 Waiver. Either party hereto may, at its option, waive any performance by any other party required under the provisions of this Agreement by an instrument in writing.

[Alternate Clause] No modification or amendment of this Agreement shall be of any force or effect unless it is in writing and executed by both Seller and Purchaser.

17.7 Escrow Agent

This Agreement shall serve as escrow instruction subject to the escrow agent's usual conditions or acceptance where not contrary to any of the terms hereof.

[Alternate Clause] This Agreement shall serve as escrow instruction subject to the escrow agent's usual conditions or acceptance where not contrary to any of the terms hereof. Purchaser's Title Insurer shall be escrow agent for consummation of this transaction.

17.7.1 Escrow Fund. Each Seller and the Purchaser agree that Three Thousand Dollars (\$3,000) of the closing proceeds due Seller shall be held by Escrow Agent, in escrow, for a period not to exceed ninety (90) days from the date of Closing, which escrow monies shall be used to satisfy any liabilities and obligations of the particular Seller pursuant to this Agreement that were not known or could not have been known as of the date of Closing. As to any such liabilities or obligations, before Escrow Agent shall disburse any of such monies in payment of same, the Seller and Purchaser shall provide Escrow Agent with joint written instructions as to the disbursement of such funds.

17.8 Headings

The headings appearing in this Agreement are inserted only as a matter of convenience for reference purposes, and in no way define, limit, or describe the scope and intent of this Agreement or any paragraph hereof.

17.9 Hold Harmless

Seller agrees to indemnify and hold harmless Purchaser from and against all claims, damages, losses, and expense, including reasonable legal fees and other costs, arising from any and all liability, loss, or damage the Purchaser may suffer as a result of claims, demands, costs, or judgments against it arising from or in any way connected with any accident, action, or incident of whatever nature occurring during the period of Seller's ownership of said Premises; and Purchaser agrees to indemnify and hold harmless Seller from and against all claims, damages, losses, and expenses, including reasonable legal fees and other costs, arising from any and all liability, loss, or damage the Seller may suffer as a result of claims, demands, costs, or judgments against it arising from or in any way connected with any accident, action, or incident of whatever nature during the period of Purchaser's ownership of said Premises.

17.10 Litigation

In the event of litigation between the parties with respect to the Real Property, this Agreement, the performance of their obligations hereunder, or the effect of a termination under this Agreement, the losing party shall pay all costs and expenses incurred by the prevailing party in connection with such litigation, including reasonable attorney fees. Notwithstanding any provision of this Agreement to the contrary, the obligations of the parties under this Paragraph shall survive termination of this Agreement.

[Alternate Clause] In the event either party hereto is required to employ an attorney because of the default of the other party, then the defaulting party shall pay to the non-defaulting party court costs and reasonable attorney fees incurred in the enforcement of this Agreement.

17.11 Notices

Any notice or election that may be or is required to be given pursuant to the provisions of this Agreement shall be sufficiently served if sent by certified or registered U.S. Mails, postage prepaid, return receipt requested and addressed as follows:

As to Purchaser:

As to Seller:

17.11.1 Notice Deemed Served. Any properly mailed notice shall be deemed to have been served as of five (5) days after its posting for purposes of establishing that the sending party complied with this Agreement’s applicable time limitations, but it shall not be binding on the addressee until actually received.

17.12 Recording

This Agreement shall not be recorded, nor shall any memorandum hereof or excerpt or summary hereof be recorded. Any violation of the preceding sentence shall automatically render this Agreement, and the rights and obligations of the parties hereunder, null and void.

17.13 Reference

Wherever reference is made herein to any party by name or designation, such reference shall be deemed to extend to and include the nominee, successors, and assigns of such party.

17.14 Severability

If any provision of this Agreement is held invalid, the validity of the remainder of the Agreement shall not be affected thereby.

17.15 Time of the Essence

Time is of the essence as to this Agreement.

17.16 Time of Termination of Offer

This offer shall be open for acceptance until _____, 199X. Acceptance shall be effected by delivery to Purchaser of a copy of this Agreement executed by Seller.

17.17 Currency

All amounts herein expressed in dollars shall be in the legal tender of the United States.

APPENDIX 3

Management Contract Clauses

This appendix is a compilation of clauses from a number of actual management contracts. These clauses have been selected to provide a representative sample of the types of provisions included in a typical management contract. In addition to serving as a guide for an attorney drafting such an agreement, these clauses can help the parties negotiating the agreement by showing them how other contracts have been structured.

The clauses have been arranged topically into 11 different sections. In many cases, a number of differ-

ent clauses are contained under one title in order to provide the reader with optional or alternative language. At the beginning of each clause is an indicator showing the orientation of the clause. Clauses can be owner-oriented, operator-oriented, or neutral. This identification of orientation should allow the reader to select the clauses that best represent his interests. Finally, many of the clauses are followed by editorial notes that provide additional insight into the content of the clause.

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Section 1 PREOPENING MANAGEMENT SERVICES

1.1 Preopening Services—General

NEUTRAL In general, Operator will perform all activities necessary or reasonably required to open the Hotel for business, to see that the Hotel is properly staffed and equipped, and to see that there is in place, well prior to the Opening Date, a coordinated program for selling the room facilities and services of the hotel to the public.

NOTE: The contract should set forth in detail the preopening duties and responsibilities of the Operator.

[Alternate Clause] As part of the Preopening Services, Operator will:
OWNER

- A. Recruit, train, direct, and employ an initial staff for the Hotel;
- B. Initiate and conduct such promotion, publicity, and other like programs as Operator may deem necessary to attract guests to the Hotel on and after the Formal Opening Date;
- C. Negotiate for and enter into agreement for leases, licenses, and concessions for stores, office space, and lobby space at the Hotel, in Owner's name subject to Owner's prior written approval, as agent for Owner;
- D. Apply for, process, and take all necessary steps to procure, in Owner's name or in name of an operator or an individual on its behalf or any combination thereof as may be required by the issuing authority, all licenses and permits required for the operation of the Hotel and its related facilities, including, but not limited to, liquor and restaurant licenses;
- E. Purchase or contract for the purchase of all initial inventories and operating supplies, which shall be paid for out of the Initial Working Capital furnished by Owner;
- F. Assist in coordinating the efforts and activities of the architect, interior designer, and all other consultants retained by Owner in connection with the planning and development of the Hotel;

- G. Supervise the Hotel's sales staff and conduct the sales and marketing efforts through its sales and marketing staff as Operator shall deem appropriate for the Hotel;
- H. Do all other things Operator deems necessary for the proper opening of the Hotel, including, but not limited to, arranging for suitable inaugural ceremonies; and
- I. Coordinate all Preopening Services.

1.2 Payment of Preopening Fees

OPERATOR Owner shall pay Operator a fee equivalent to two and one-half (2½) times Operator's direct personnel costs, including related fringe benefits and payroll costs for those personnel who are directly engaged in performing Preopening Services for the time such personnel are performing such services (excluding (a) personnel at other hotels managed by Operator and from Operator's corporate offices who are temporarily assigned to the Hotel to provide preopening and opening assistance in connection with the opening of the Hotel to the general public ("Preopening Personnel"), and (b) the Operator personnel assigned to the Hotel on a permanent basis in order to perform the services provided for under this clause ("Permanent Employees")). "Direct personnel costs" pursuant to this Section shall be based on Operator's mean grade salary level for personnel in each job classification, which may change from time to time; provided however, that Operator agrees to assign personnel without regard to their actual salary level.

1.3 Reimbursement for Preopening Expenses

OPERATOR Preopening expenses incurred or paid by Operator, not to exceed One Hundred Fifty Thousand Dollars (\$150,000), shall be promptly reimbursed by Owner upon receipt of a statement of account for such expenses.

1.4 Preopening Plan and Budgets

NEUTRAL On or before _____, 19___, Operator shall submit for Owner's approval, not to be unreasonably withheld, a preopening budget ("Preopening Budget") to Owner. Such budget shall not exceed One Hundred Fifty Thousand Dollars (\$150,000).

1.5 Owner's Approval of Preopening Plan and Budgets

NEUTRAL Within thirty (30) days from the date of submission of the initial Preopening Plan to Owner or submission of any additional information requested by Owner in connection with its review of the initial preopening Plan, Owner shall submit to Operator, in writing and in reasonable detail, its objections to and comments on the initial Preopening Plan. A failure to do so shall be deemed an approval thereof by Owner. If Owner and Operator are not able to reach an agreement concerning any modifications to the initial Preopening Plan resulting from Owner's objections and comments within sixty (60) days after such comments and objections are received by Operator (it being expressly understood that the inability of Owner and Operator to agree on such modifications shall not be subject to arbitration), then this Agreement and the Management Agreement shall terminate, unless Operator, by notice given to Owner prior to such date, shall elect to continue them in full force and effect for such period or periods of time, not to exceed forty-five (45) days from the date of Operator's notice as Operator shall, in its sole discretion, determine by so stating in said notice.

1.6 Operator to Prepare Staffing and Wage Schedules

OWNER Prior to the Opening, Operator will prepare for Owner an organization chart of Operator's corporate personnel who will perform the services to be provided by Operator under this Agreement; a proposed organization chart of job positions for the people to be employed by Operator and Owner in connection with the operation of the Hotel under this Agreement; and a preliminary staffing plan providing positions, schedules of employment, and average salaries or wages of persons to be employed by Operator and Owner in connection with the operation of the Hotel under the Management Agreement ("Staffing Plan").

[Alternate Clause]
OWNER Prior to the Opening, Operator will prepare staffing tables, employment time tables, hiring and training guidelines for employees, and other programs relating to staffing of the Hotel.

1.7 Operator to Assemble a Task Force of Experts

OWNER The Operator will provide for a task force of experts and personnel to supervise and assist with certain Preopening and Opening operations.

1.8 Consultants

NEUTRAL Pursuant to the services provided by Operator in this Agreement, Owner will not be required to hire separate, outside consultants for special systems (including Hotel computer systems and the Hotel telephone system) and front desk layouts.

Operator will assist Owner in determining what outside consultants are necessary for the design of the project.

Owner will submit to Operator a list of consultants proposed to be used for the design of project, which shall include the names of architect; structural, mechanical, and electrical engineers; interiors and lighting designers; food service and laundry designers; life safety, elevator, and audio-visual consultants; landscaping designer; and any other design consultants required. Operator will either approve, if acceptable, such consultants or suggest alternate consultants. All consultants to be used for the design of the project must be approved by Operator. Such approval shall not be unreasonably withheld.

1.9 Operator to Hire Executive Staff

OWNER At an appropriate time prior to the Opening, Operator will hire and retain, on behalf of Owner, a General Manager, director of sales, head housekeeper, and other department heads, and thereafter, with the assistance of such department heads, Operator will engage on behalf of Owner a full staff of employees for the Hotel.

1.10 Operator to Recruit and Train Staff

OWNER Prior to the Opening, Operator will recruit, train, direct, and employ an initial staff for the Hotel in the name of and on behalf of Operator or a wholly owned subsidiary of Operator.

1.11 Operator to Perform Preopening Sales and Marketing

OWNER Operator will prepare and coordinate, on behalf of the Hotel, preopening advertising, public relations, and sales budgets, and may hire outside advertising and public relations firms, and will manage and coordinate all activities so as to develop a cohesive and coordinated preopening program for advertising, public relations, and sales, all subject to Owner's approval.

Such sales and marketing services will include the following:

- A. Developing a mission statement for the Hotel;
- B. Developing three-year revenue goals for major business segments of the Hotel;
- C. Developing direct sales plans for the Hotel, including backlog goals, room rate guidelines, and sales strategies;
- D. Developing a corporate rate program for the Hotel;
- E. Developing catering market segment and sales goals;
- F. Preparing and recruiting a sales organization necessary to support the goals and objectives developed in items A through D;
- G. Developing a monthly reporting system to monitor sales progress;
- H. Developing appropriate sales promotion strategies; and
- I. Developing preopening plans for advertising, public relations, and marketing.

[Alternate Clause] Operator will, on behalf of Owner, hire and retain sales personnel and establish a sales program for the purpose of "selling" the rooms of the Hotel and the use of meeting rooms and other Hotel facilities, prior to the opening of the Hotel.

OWNER

1.12 Inaugural Ceremonies

OWNER In cooperation with Owner, Operator will arrange for suitable opening and/or inaugural ceremonies.

1.13 Model Room

OPERATOR Owner shall construct, at Owner's expense and Operator's direction, a model room or rooms in the city in which the Hotel is to be located or at some other site mutually acceptable to Owner and Operator. Said model room or rooms shall be constructed pursuant to those sections of Operator's Project Standards Manual that Operator deems appropriate, and shall be used for marketing purposes and to illustrate the Hotel guest rooms, the concept, the detail of construction, and the furniture, fixtures, and equipment (F,F&Es) therein.

1.14 Operator to Negotiate Loans

OWNER In cooperation with Owner, Operator will negotiate leases, licenses, and concession agreements for stores, office space, and lobby space at the Hotel (exclusive of retail space adjacent to the Hotel), subject to Owner's approval. All leases, licenses, or concessions shall be in Owner's name and executed by officers of Owner on its behalf.

1.15 Operator to Secure Licenses

OWNER Operator will assist Owner in securing all licenses necessary to open and operate the Hotel, including, but not limited to, occupational licenses, liquor licenses, Health Department licenses, and the like.

1.16 Operator to Perform Purchasing Services

OWNER Operator will negotiate contracts for the design, specification, and purchase of Operating Equipment, Furnishings and Equipment, and Consumable Supplies. Such contracts shall be subjected to the approval of Owner.

1.17 Operator to Supervise Delivery and Installation

OWNER Operator will supervise and coordinate the delivery, installation, and acceptance of Operating Equipment, Furnishings and Equipment, and Consumable Supplies.

1.18 Soft Opening Period

NEUTRAL If agreed upon by Operator and Owner there may be a period during which the Hotel is open to paying guests, although not on a substantially fully operational basis (the "Soft Opening Period"). Any operation of the Hotel during the Soft Opening Period, which shall not exceed three (3) months in duration, shall be treated as part of the Preopening Period, and any excess of Operating Expenses and Other Expenses over Total Revenue during such period shall not be considered in the determination of Net Operating Profit for any Fiscal Year and shall be distributed to Owner pursuant to the provisions of this Agreement.

1.19 Monies Invested by Operator

NEUTRAL Operator shall lend to Owner upon the terms and conditions hereinafter described the sum of Eight Hundred Thousand Dollars (\$800,000), which represents a part of the estimated cost of Preopening Services (exclusive, however, of (a) all costs in connection with obtaining all licenses and permits, including attorney and consultants fees, and (b) the fee payable to Operator in accordance with the provisions of this Agreement in relation to partial operations prior to the Opening Date), according to the following schedule:

- A. Ten percent (10%) thereof within thirty (30) days of the date the construction loan is committed;
- B. Fifteen percent (15%) thereof upon notice to Owner from Operator on the earlier of (i) three (3) months after the construction loan is committed or (ii) fifteen (15) months prior to the Estimated Opening Date (as defined hereinabove);
- C. Twenty-five percent (25%) thereof upon notice to Owner from Operator twelve (12) months prior to the Estimated Opening Date; and
- D. Fifty percent (50%) thereof upon notice to Owner from Operator (6) months prior to the Estimated Opening Date.

Owner shall execute in favor of Operator a promissory note in the Original principal amount of Eight Hundred Thousand Dollars (\$800,000) with interest thereon at the prime rate as set by the parties agreed upon bank from time to time, such interest to accrue on the unpaid balance until paid. The note shall be due and payable in one balloon installment five (5) years following the Opening Date of the Hotel but shall allow Owner to pre-pay without penalty. Owner shall execute a deed of trust securing the construction-term loan. Operator agrees to subordinate its deed of trust to the construction-term loan upon request to Owner.

Section 2 OPENING DATE

2.1 Opening Date

NEUTRAL The Opening Date is the date of the formal opening of the Hotel and shall be the earliest date after the Completion Date on which each of the following criteria has been met, as thereupon confirmed by Operator's issuance of a Certificate of Operational Readiness in the form annexed hereto as Exhibit E [omitted]:

- A. Eighty-five percent (85%) of guestrooms are permanently available for sale;
- B. Lobby area is equipped and functional;
- C. Front desk is equipped and functional;
- D. Food and beverage outlets are equipped and functional;
- E. Kitchens are equipped and functional;
- F. Elevators and escalators are installed and operating;
- G. Public spaces, banquet rooms, and meeting rooms are equipped and functional;
- H. Telephone Department is equipped and functional;
- I. Parking facilities are available;
- J. Heat, light, power, and air conditioning are available and operating;
- K. Laundry and Valet (dry cleaning) Departments are available and functional;
- L. Adequate Room status and Front Office systems equipment are installed and functional;
- M. Cashiering equipment is installed and functional;
- N. All necessary licenses and permits (including, without limitation, liquor licenses) required for the operation of the Hotel have been obtained;
- O. Necessary operating inventories are on hand;
- P. Necessary inspections by regulatory body have been completed and approvals have been received;
- Q. Municipal Statement of Occupancy has been issued (temporary or permanent);
- R. All required insurance coverage is in force; and
- S. The Complex is capable of rendering deluxe, first-class service to guests on a substantially fully operational basis.

[Alternate Clause] NEUTRAL The Opening Date is the date of the formal opening of the Hotel. It shall occur on a date to be specified by Operator with the approval of Owner after Operator deems the Hotel to be substantially completed and the Furniture and Equipment and Operating Equipment have been substantially installed therein, all in accordance with the provisions of this Agreement, after all licenses and permits required for the operation of the Hotel (including a certificate of occupancy and liquor and restaurant licenses) have been obtained, adequate working capital has been furnished by Owner in accordance with this Agreement, and the Hotel has been accepted by Operator and is ready to render first-class service to guests on a fully operational basis. Operator may, without accepting the Hotel and with Owner's consent, conduct partial operations of the Hotel prior to the Opening Date.

[Alternate Clause] NEUTRAL The date for the opening of the Hotel to the public (the "Opening Date") shall be the date specified by Owner in a written notice to Operator (given at least thirty (30) days prior to the Opening Date), provided that in no event shall the Opening Date occur prior to the date on which all of the following conditions shall have been satisfied: (a) The construction of the Hotel shall have been substantially completed in accordance with the Final Plans, (b) the installation of the Furniture and Equipment and Operating Supplies in the Hotel shall have been substantially completed in accordance with the provisions of this Agreement, and (c) all certificates, approvals, licenses, and permits required for the legal use and operation of the Hotel, including liquor and restaurant licenses and certificates of occupancy, shall have been obtained from the appropriate governmental authorities. The parties hereto agree to execute an Addendum to this Agreement setting forth the Opening Date, at such time that the Opening Date is finally determined, and a counterpart of such Addendum shall be attached to and become a part of each counterpart of this Agreement.

Section 3 GENERAL COVENANTS OF OWNER AND OPERATOR

3.1 Owner to Provide Supplies

OPERATOR Owner agrees to provide, at its expense, sufficient initial inventories of operating supplies for the uninterrupted and efficient operation and maintenance of the Property.

3.2 Owner Responsible for All Expenses

OPERATOR Owner shall be solely liable for the costs and expenses of maintaining and operating the property and shall pay all costs and expenses of maintaining, operating, and supervising the operation of the property, including, without limitation, the salaries of all of its personnel.

NOTE: The preceding provision makes the agreement a management contract rather than an operating lease.

3.3 Owner's Right of Inspection

OWNER Duly authorized representatives of Owner shall have the right to enter the Hotel upon reasonable notice at all reasonable times during the Operating Term for the purpose of inspecting the Hotel. Such inspections shall be done with as little disturbance to the business of the Hotel as possible.

All books, accounts, and records maintained for the operation of the Hotel (whether maintained at the Hotel or elsewhere by Operator) shall be open at all reasonable hours upon reasonable notice for inspection, examination, copying, and audit by Owner or any qualified accountant experienced in Hotel matters selected by Owner for that purpose, at Owner's expense.

Owner, brokers, and prospective tenants, managers, and/or purchasers shall have the right to enter the Hotel at all reasonable times upon reasonable notice during the Operating Term, for the purpose of inspecting the Hotel; but the same shall be done with as little disturbance to the business of the Hotel as possible.

[Alternate Clause]
OPERATOR Owner or its agents shall have the right to free access to the Hotel and all of its facilities at all reasonable times, but only for the purpose of inspecting or having others inspect or view the premises either to determine its condition or as prospective purchasers, investors, or lenders. Any concern, comment, or question Owner may have during or after any such visit shall only be directed to Operator or its specified representatives, and not to any other Hotel Employees. In all respects, Owner shall seek to minimize any disruptions to the operation of the Hotel resulting from its access thereto.

[Alternate Clause]
OPERATOR Owner may consult only with the General Manager, or if he is unavailable, the manager on duty, concerning any aspect of the management of the Hotel by Operator.

[Alternate Clause]
OWNER Owner may at any time converse with the General Manager or Operator's Vice-President in charge of the Hotel regarding any subject, and Operator shall instruct them to disclose fully to Owner upon Owner's request all information regarding the operation of the Hotel.

3.4 Reserve for Replacement of Furniture, Fixtures, and Equipment

NEUTRAL Owner shall establish and maintain a separate account to be known as "Reserves for Capital Improvements and Replacements of and Additions to Furniture, Fixtures, and Equipment," for use solely for capital improvements and replacement of, and additions to, furniture and equipment so as to maintain the Hotel in a first-class condition.

[Alternate Clause] Operator shall establish one (1) interest-bearing account (the "Replacement Fund") for use in connection with the Hotel, for the benefit of Owner, with a bank selected by Operator and approved by Owner. The monies from time to time included in the Replacement Fund shall be the property of Owner and shall be kept separate and apart from the Operating Accounts. Operator shall have the sole and exclusive power to designate the persons authorized, by manual or facsimile signature, to withdraw funds from the Replacement Fund shall be excluded from Gross Revenues and in computing Gross Operating Profit for any period and shall remain part of the Replacement Fund. To the extent Operator shall be required to pay any income taxes on the income as a fiduciary or otherwise, the same shall be payable out of such Replacement Fund.

NEUTRAL

NOTE: If operator receives an incentive fee calculated on the basis of net income less a Reserve for Replacement, then part of the Reserve has actually been funded by the operator. This point becomes important when the Operating Agreement terminates.

3.5 Funding the Reserve for Replacement of Furniture, Fixtures and Equipment

NEUTRAL During each fiscal year (and proportionately for any fraction thereof), there shall be reserved and deducted in the determination of adjusted Gross Operating Profit an amount equal to the following percentages of Gross Operating Income: one and one-half percent (1.5%) in the second and third full fiscal year and two percent (2%) in any later years until the amount reserved for the replacement of furniture, fixtures, and equipment equals One Thousand Dollars (\$1,000) multiplied by the number of rooms in the Hotel. After the amount reserved equals this sum, no further amount will be reserved, except that as expenditures are made they will be replaced at the two percent (2%) rate.

NOTE: The objective for funding a reserve for replacement of FF&E is to accumulate a sufficient amount for required replacements, but not so much as to create an excessive balance. Most formulas are based on a percentage of total revenue ranging from two to five percent (2% to 5%).

[Alternate Clause] Funds shall be paid from the Operating Accounts into the Replacements Fund for each Monthly Accounting Period of the Operating term in the following amounts:

NEUTRAL

- A. An amount equal to one percent (1%) of the Gross Revenues of the Hotel for each full Monthly Accounting Period during (i) the Fractional Year in which the Effective Date occurs, if the Effective Date does not occur on the first day of a Fiscal Year, and (ii) the first full Fiscal Year of the Operating Term;
- B. An amount equal to two percent (2%) of the Gross Revenues of the Hotel for each Monthly Accounting Period during the second full Fiscal Year of the Operating Term; and
- C. An amount equal to three percent (3%) of the Gross Revenues of the Hotel for each Monthly Accounting Period of the term of this Agreement following the end of the second full Fiscal Year of the Operating Term.

Notwithstanding the foregoing, no such payment shall be made to the extent that it would cause the balance in such fund to exceed the sum of Three Thousand Dollars (\$3,000) per room for the Hotel. Operator shall be entitled to withdraw from such Replacement Fund to pay for assets in the Equipment Budget and the Capital Expenditures Budget. The items so replaced or added shall be and become, forthwith upon acquisition and installation and without further act or action, the property of Owner.

[Alternate Clause] For each Fiscal Year, an annualized amount initially fixed at ten percent (10%) of the original installed cost of the Furnishings and Equipment shall be set aside for the reserve for replacement of said Furnishings and Equipment. However, whenever Operator shall, from

NEUTRAL

time to time, determine that the replacement value of the Furnishings and Equipment has increased to a degree that makes it necessary to increase the said deduction in order to preserve the standards of the Hotel, Operator shall be entitled to obtain an independent appraisal of the said replacement value, the cost of which appraisal shall be an operating expense, and the amount of the deduction hereunder shall thereafter be fixed at ten percent (10%) of the replacement value as so determined. The said deduction shall be made by a monthly charge equal to one twelfth ($1/12$) of the annualized amount determined as above.

3.6 Reserve for Structural Repairs

NEUTRAL Operator shall establish, in respect of each Fiscal year during the term of this Agreement, a reserve cash amount from which shall be drawn funds for structural or extraordinary equipment repairs, replacement, or maintenance at the discretion of Owner. During each Fiscal Year of this Agreement, funds shall be transferred into the Structural Component Reserve in Accordance with the following percentages: (a) None (0%) for all Fiscal Years through and including the Fiscal Year in which the Renovation Program is completed; and (b) One half of one percent (0.5%) in each full Fiscal Year thereafter.

3.7 Insufficient Reserves

NEUTRAL The percentages for the Replacement Fund described hereinabove are estimates. If, in good faith, Operator believes, at any time during the term of this Agreement, that such percentages have become excessive given the needs of the Hotel, such percentages shall be reduced at the option of Owner. On the other hand, if, in good faith, Operator decides that these percentages may not be sufficient to keep the Replacement Fund at the levels necessary to make the expenditures required for the Hotel as a high quality, first-class facility, and if the Equipment Budget and Capital Expenditures Budget prepared in good faith by Operator exceeds the available funds in the Replacement Fund, Owner shall in good faith consider reasonable proposals made by Operator, in keeping with the need to maintain the position of the Hotel in its competitive geographical market. Owner will have final say in any change to the amounts specified.

3.8 Operator's Use of the Reserve fund

OPERATOR On or after the Formal Opening Date and during each Fiscal Year, Owner will make available to Operator, within thirty (30) days after receipt of Operator's request, for capital improvements and replacements of and additions to furniture and equipment, from the reserve account established therefor, the amount provided in the Annual Capital Budget therefor.

[*Alternate Clause*]
OPERATOR Any expenditure for replacement, substitution, and additions during each fiscal year may be made by Operator without Owner's consent up to the then-remaining balance in such reserve fund.

3.9 Disposal of Furniture and Equipment

OWNER It is expressly understood that nothing contained in this Agreement shall be construed to give Operator any right to dispose of furniture, furnishings, fixtures, equipment, machinery, or any other personal property used in the operation of the Hotel without the prior written approval of Owner.

However, if such disposal is in accordance with the Annual Plan approved by Owner, prior written approval of Owner shall not be required.

3.10 Reserve Funds Upon Termination

OPERATOR Any amounts remaining in the Reserve upon termination of this Agreement, less (a) the cost to complete any projects which have been previously committed and (b) aggregate deposits to the Reserve of proceeds from sale(s) of FF&E, shall be included in the computation of Total Revenue for the sole purpose of computing Incentive Earnings in the year of termination.

3.11 Operator's Right of Offset

OPERATOR Operator shall have the right at any time, but not the obligation, to withdraw from the Agency Account any amounts owed by Owner to Operator that are not paid by Owner in accordance with the terms hereof, but no failure or forbearance by Operator to deduct any such amounts shall be or shall be deemed to be a waiver of Operator's rights to deduct such amounts subsequently or to collect such amounts from Owner in any other manner available to Operator hereunder or at law or in equity.

3.12 Owner to Indemnify Operator

OPERATOR Owner shall indemnify and hold operator harmless from all liability, loss, damage, cost, or expense relating to, arising, or incurred by reason of or in connection with the operation of the Hotel, including any act or omission, negligent, tortious, or otherwise, of any agent or employee of Operator or its Affiliates unless such act of omission constitutes fraud, gross negligence, or willful misconduct. Owner shall, at Owner's sole cost and expense and at Operator's request or upon Operator's demand, assume the defense of any legal proceeding arising out of the allegation of any such act or omission.

NOTE: Both owners and operators usually seek some form of indemnity from the other party. The key phrases in the preceding clause are "gross negligence" and "willful misconduct," which limit the extent of the provision. The use of the phrase "negligence," (as opposed to "gross negligence") would limit this clause even further.

[Alternate Clause]
OWNER Notwithstanding the foregoing, Owner shall not be required to indemnify Operator against damages suffered as a result of gross negligence or intentional or willful misconduct on the part of Operator, its agents, or its employees, or on the part of any agents or employees selected or engaged Operator on the account of Owner.

The indemnification provided by this provision shall not extend to any liabilities or claims of Owner that may arise out of the breach, intentional or otherwise, of this Agreement by Operator.

No recovery under this indemnification provision will be allowed if the liability or claim of Operator has been paid in full, or if, and to the extent that, it has been paid in part, by any insurance maintained by Owner or Operator.

3.13 Operator to Indemnify Owner

OWNER Operator shall indemnify and hold harmless Owner from all liability, loss, damage, cost, or expense (including, without limitation, attorney fees and expenses) caused by Operator's breach of this Agreement, actions outside the scope of this Agreement, gross negligence, willful misconduct, fraud, or breach of trust, whether during or after the term of this Agreement. Operator's duty to indemnify Owner shall be binding upon all successors and assigns of Operator. In case of any action, suit, or proceeding brought against Owner with respect to which Owner is entitled to indemnification pursuant to this provision, Owner will notify Operator of such action, suit, or proceeding, and of the extent to which Owner is to be indemnified. Operator may, and upon Owner's request will, at Operator's expense,

defend such action, suit, or proceeding, or cause the same to be defended by counsel designated by Operator and approved by Owner.

3.14 Operator Not Liable to Owner

OPERATOR Operator shall not, in the performance of this Agreement, be liable to Owner for any action or omission, negligent, tortious, or otherwise, of any agent or employee of Operator or its Affiliates, unless its act or omission constitutes fraud, gross negligence, or willful misconduct and the damages resulting therefrom are not covered by insurance that Operator is required to maintain hereunder.

[Alternate Clause]
OPERATOR Notwithstanding any other provisions of this Agreement, in no event shall Owner make any claim against Operator or its Affiliates on account of any alleged errors of judgment made in good faith in connection with the operation of the Hotel hereunder by Operator or its Affiliates or the performance of services provided for herein, nor shall Owner object to any expenditure made by Operator in good faith in the course of its management of the Hotel or in settlement of any claim arising out of the operation of the Hotel (other than claims involving a settlement of excess of Ten Thousand Dollars (\$10,000), which must be approved by Owner) unless such expenditure is specifically prohibited by this Agreement.

[Alternate Clause]
OPERATOR Operator is not liable to Owner or others for any act or omission on the part of its employees, unless Operator has failed to use reasonable diligence in the hiring, discharge, or supervision of such employees so as to maintain a staff of qualified, competent, and trustworthy employees.

3.15 Noncompetition Covenant

OWNER Except with the written consent of Owner, Operator shall not manage or have any equity interest in any other hotel or motel within the radius of five miles of the Hotel during the term of this Agreement.

[Alternate Clause]
OWNER For the first five (5) years of the Operating Term, neither Owner, Operator, nor any of their subsidiaries shall either own, lease, manage, or franchise a hotel, motor inn, or similar facility within Area A outlined in red on Exhibit F attached hereto [omitted]. Thereafter for the balance of the Operating Term, the size of the noncompetition area shall be reduced to the area designated Area B on Exhibit F attached hereto [omitted], it being understood that such ownership, leasing, management, or franchising outside of said area shall be totally unrestricted.

[Alternate Clause]
OWNER Neither Operator, its parent, nor any subsidiary or entity related to Operator or its parent shall at any time during the Operating Term own any interest in or manage a hotel or motel that is located within seven miles of the Hotel. Except as provided hereinabove, nothing in this Agreement shall deprive or otherwise affect the right of either party to own, invest in, manage, or operate property or business activities that are competitive with the business of the hotel. Operator covenants and agrees that even though it may have either an ownership interest in or a management responsibility for other similar properties that, from time to time, may be competitive with the hotel, Operator always shall represent the hotel fairly and deal with Owner on an equitable basis.

[Alternate Clause]
OWNER Operator agrees that, during the first ten (10) years of this Agreement (the "Restricted Period"), Operator shall not hold an interest in any hotel operated under a name of Operator that is located within a ten-mile radius of the Hotel (the "Restricted Area"), provided, however, that if Operator acquires, or is acquired by, a publicly held company (the "Constituent Company") through a merger, consolidation, acquisition of assets, or similar transaction and the Constituent Company holds an interest in a hotel or hotels in the Restricted

Area, the foregoing prohibition shall not apply to the hotel or hotels wherein the Constituent Company holds an interest.

3.16 Arbitration

NEUTRAL In the event that the parties fail to agree on a matter as provided in this Agreement, the matter involved shall be resolved by arbitration. An arbitrator shall be selected by mutual agreement of the parties, or if they cannot agree, by appointment made by the American Arbitration Association from among the members of its panels who are qualified and who have experience in resolving matters of a nature similar to the matter to be resolved by arbitration. Each party shall submit to the arbitrator a detailed and complete statement of terms and conditions that such party considers to be a fair and reasonable resolution of the dispute and that such party considers its "last and best offer." The arbitrator shall decide the dispute by selecting the proposal made by one (1) party that such arbitrator, after consideration of the parties to this Agreement and the economic benefits the parties intend to derive from this Agreement, considers to be the most reasonable and equitable resolution of the dispute. The decision of the arbitrator shall be final and conclusive and shall be binding upon the successors and assignees of the parties.

[*Optional Additional Clause*] The arbitrator or arbitrators shall have the right only to interpret and apply the terms of this Agreement, and may not change any such terms or deprive any party to this Agreement of any right or remedy expressly or implicitly provided in this Agreement.

NEUTRAL

3.17 Legal Costs

NEUTRAL In the event that either party shall institute legal or equitable proceedings to enforce any provision of this Agreement, the prevailing party, in addition to any other remedy to which it may be entitled, shall be entitled to recover as a part of such judgment or otherwise, and the non-prevailing party shall pay, all costs and expenses incurred in such proceedings, including reasonable attorney fees and disbursements.

3.18 Operator Shall Not Pledge Credit of Owner

OWNER Operator shall not, except in the purchase of Furnishings and Equipment, Operating Supplies, and services reasonably required in the ordinary course of business in the operation of the Hotel, or as may be otherwise required in the performance of its obligations under this Agreement, pledge the credit of Owner, nor shall Operator in the name of or on behalf of Owner borrow any money, execute any promissory note, or pledge, mortgage, or otherwise encumber any real or personal property used in connection with the Hotel or otherwise without the prior written consent of Owner.

3.19 Confidential Information

OPERATOR Owner agrees, for itself and its agents and employees, during the term of the Management Agreement and after its termination, not to reveal to any person (except as required hereunder or as authorized by Operator) any confidential or proprietary information or any other information belonging to Operator, its parent company, or their subsidiaries or affiliates relating to the business contemplated by the Management Agreement and not generally known to the trade and to the public, including, but not limited to, trade secrets, business and financial information, and know-how. Owner further agrees not to use at any time any such confidential or proprietary information belonging to Operator or its parent company or their subsidiaries or affiliates in competition with any of them.

3.20 Owner's Right to Mortgage Property

OWNER Nothing herein contained shall prevent Owner from encumbering the Hotel by mortgage, deed of trust, or trust deed in the nature of a mortgage (the first, unsubordinated mortgage, deed of trust, or trust deed and any instruments secured thereby or collateral thereto shall be herein collectively referred to as the "Mortgage," and the holders of any such Mortgage, or of the indebtedness secured thereby, are herein referred to as "Mortgagee"), provided that Mortgagee shall be subject to the approval of Operator, unless such Mortgagee is a bank, savings and loan association, savings bank, insurance company, mortgage bank, pension fund, educational institution, welfare or retirement or endowment fund, real estate investment trust, or other like institution that is regularly engaged in the business of making loans secured by mortgages on real property, in which case no such approval shall be required.

Owner agrees that, in the event of such refinancing, Owner shall provide Operator notice of such appraised value along with the name, address, telephone number, and résumé of the person who performed said appraisal ("First Appraiser") which person shall be an MAI Appraiser who specializes in the appraisal of hotels. Within ten (10) days of receipt thereof, Operator shall either accept the findings of said appraisal or notify Owner that it disputes said amount, in which event the following shall occur:

- A. Operator shall within ten (10) days of the serving of such notice of dispute to Owner, select an MAI Appraiser ("Second Appraiser").
- B. The First Appraiser, whose fees shall be paid by Owner, and Second Appraiser, whose fees shall be paid by Operator, shall, within ten (10) days of the selection of the Second Appraiser, jointly select a third MAI Appraiser ("Third Appraiser"), whose fees shall be split equally between Owner and Operator.
- C. The Second Appraiser and Third Appraiser shall each independently perform an appraisal of the Hotel, which appraisals shall be delivered to Owner and Operator within ninety (90) days of the date the Third Appraiser is selected.
- D. The value of the Hotel shall be determined by calculating the average of the two appraisals closest in value to each other.

Upon the execution of any Mortgage, Owner shall furnish Operator with a duplicate copy thereof and shall designate the post office address where notices may be served upon Mortgagee. Operator agrees that, so long as any such Mortgage shall constitute a lien on the Hotel, when Mortgagee shall request in writing copies of any and all financial or other information, Operator, pursuant to the terms and provisions of this Agreement, is obligated to deliver same to Mortgagee as often as Mortgagee may reasonably request. Moreover, Operator shall allow, upon request of Owner, any person designated in writing by Mortgagee to examine, audit, inspect, and transcribe all books of account and all other records relating to or reflecting the operation of the Hotel.

[Alternate Clause]
OWNER Owner shall have the right to incur indebtedness in favor of one or more Institutional Lenders for which the Hotel or any part thereof or any interest therein may be used as collateral, so long as the Cash Flow Available for Debt Service for the Fiscal Year immediately preceding the Fiscal Year in which such indebtedness is proposed equals one hundred fifteen percent (115%) of regular annualized debt service on all indebtedness secured and/or to be secured by the Hotel.

3.21 Operator to Periodically Meet With Owner

NEUTRAL After each fiscal quarter, Operator and Owner shall, if deemed necessary by Operator or Owner, meet at a mutually agreeable time and place to review operating results for the Fiscal Year to date and operating plans for the balance of the Fiscal Year.

3.22 Owner Responsible for Debts, Liabilities, and Expenses

OPERATOR All debts and liabilities to third persons incurred by Operator in the course of its operation and management of the Hotel and within the scope of its authority hereunder shall be the debts and liabilities of Owner only, and Operator shall not be liable for any such obligations by reason of its management, supervision, direction, and operation of the Hotel for Owner or for any other reason whatsoever, unless such obligations were incurred by Operator beyond the scope of its authority.

[*Alternate Clause*] In performing its duties hereunder during the Operating Term, Operator shall act solely for the account of Owner. All expenses incurred by Operator in performing its said duties shall be borne exclusively by Owner. To the extent the necessary funds are not generated by the operation of the Hotel, they shall be supplied by Owner to Operator upon demand.

Section 4 OPERATOR'S DUTIES**4.1 Operator's Overall Duties and Responsibilities**

OWNER Operator shall be responsible for and have full power, authority, discretion, and control in all matters relating to the operation, management, and maintenance of the Hotel, including, without limitation, (a) rental and occupancy of rooms and commercial space and setting of charges therefore; (b) food and beverage services (including menu development and pricing); (c) employment policies; (d) credit policies; (e) the receipt, holding, and disbursement of funds; (f) accounting; (g) budgeting; (h) maintenance of bank accounts; (i) procurement of inventories, supplies, and services; (j) promotion, sales, marketing, and publicity; (k) maintenance, repairs, and cleaning of all improvements and equipment; and (l) generally, all activities necessary for the operation, management, and maintenance of the Hotel.

4.2 Operator's Duties—Maximization of Profits

OWNER Operator shall use its best efforts in the management and operation of the Hotel so that the Hotel and its services will be operated and maintained in such a manner as to maximize profits and provide a first-rate environment.

NOTE: The preceding clause deals with a duty sometimes overlooked by management companies: the maximization of profits. Operator-oriented contracts usually omit this clause.

[*Alternate Clause*] Operator shall implement policies and practices to achieve the following goals:

- OWNER
- A. To facilitate effective and efficient discharge of its obligations under this Agreement;
 - B. to create and enhance goodwill among existing and prospective guests and patrons; and
 - C. to establish and maintain a favorable reputation for the Hotel.

[*Alternate Clause*] Operator shall manage and operate the Hotel and its businesses, services, and sales and shall exercise its best efforts to do so at all times in a manner of a high-quality hotel, consistent with the Franchise Agreement, and within the requirements of the applicable laws. Operator will use its best efforts to maximize to Owner the profits that can be derived from the Hotel and, upon its own initiation, with reasonable frequency, shall consult with and advise Owner and otherwise bring to Owner's attention opportunities to obtain and increase such profits. Operator shall not cause or knowingly permit to occur any act or omission that would violate the Franchise.

4.3 Operator to Maintain a Specific Level of Quality

OWNER Operator shall operate the Hotel throughout the entire Operating Term at a "First-Class Level" and shall provide or cause to be provided all amenities in connection therewith that are customary and usual to such an operation, and shall perform all of the functions and services, including those that are customary and usual for such an operation, so long as Owner does not impair Operator's ability to maintain such First-Class Level by withholding sufficient funds in violation of Owner's obligation to provide funds.

NOTE: When used in an operating agreement, the preceding clause should include a definition of the desired level of quality. The last sentence releases operator from responsibility to maintain this standard if the owner withholds necessary funds.

[*Alternate Clause*] Operator agrees to diligently operate the Hotel as a deluxe hotel throughout the Operating
OWNER Term and in accordance with the high standards of the hotels operated by Operator and its subsidiary companies. The term "deluxe hotel" as used herein refers to the classification listed in the official Hotel and Restaurant Guide issued July 1977, published by the Public Transportation and Travel Division, Ziff-Davis Publishing Company, annexed to this Agreement [*omitted*]. Operator agrees further to provide in the Hotel all services that are customary and usual to such an operation, while at all times attempting to maximize the revenues and operating profit of the Hotel consistent with the maintenance of the standards set forth hereinabove.

NOTE: The reference cited in the preceding clause can be replaced with other sources, such as provided by the Mobil Travel Guide and AAA.

[*Alternate Clause*] The term "luxury hotel" shall mean a luxury hotel as currently exists in the United States of
OWNER America comparable in size to the Hotel, with the Hyatt Union Square hotel in San Francisco being used as an example of a luxury hotel at the date of this Agreement.

NOTE: The quality level in the above clause is defined by reference to a specific property. However, this practice can sometimes be difficult for long-term management contracts because the level of quality of the comparable hotel can be altered.

4.4 Operator to Advise Owner of Major Policy Matters

OWNER Operator shall submit outlines, in reasonable detail, to Owner setting forth its plans for and/or any major changes in its management and operation of the Hotel that are likely to have a material effect upon the profitability of the Hotel prior to Operator's institution of such changes.

[*Alternate Clause*] Operator shall consult with and advise Owner concerning all policies and procedures
OWNER affecting all phases of the conduct of business at the Hotel and will give consideration to suggestions made by Owner. To the extent possible and where required under this Agreement, such consultation and advice shall take place prior to the institution of any major policies and procedures.

[*Alternate Clause*] Operator agrees that it will not make any major policy changes not reflected in the applica-
OWNER ble Annual Business Plan that would have a potentially substantial material effect on the operations of the Hotel without first obtaining Owner's approval of such policy change. Notwithstanding any provision herein set forth to the contrary, in the event that it shall ever be determined that Operator has made a major policy change not reflected in the applicable Annual Business Plan without obtaining Owner's approval, and that such change actually has had a substantial material adverse effect upon Hotel operations, Owner may require that Operator reinstate the policy from which Operator departed without Owner's approval, and may seek such other remedies as may be available hereunder.

NOTE: The first part of the preceding clause ties into the Annual Business Plan, which should incorporate specific Owner approvals. The last part of this clause gives the owner the ability to correct mistakes of the operator. This is a strongly owner-oriented clause.

4.5 Operator to Have Absolute Operational Control

OWNER Operator shall have absolute control and discretion in the operation, direction, management, staffing, supplying, and supervision of the Hotel, including, without limitation, performance of the following activities:

- A. Determination of labor policies (including the hiring and firing of all employees);
- B. Granting and limiting credit and establishing credit in connection with the operation of the Hotel (including entering into policies and agreement with credit card organizations);
- C. Determining the terms of admittance for guests and users of the Hotel, including charges for rooms;
- D. Deciding entertainment, amusement, food, and beverage policies;
- E. Instituting such legal proceedings in the name of Owner or Operator as Operator shall deem appropriate in connection with the operations of the Hotel;
- G. Arranging, in cooperation with the Owner, for all advertising, promotion, and publicity relating to the Hotel;
- H. Entering into such contracts, concession agreements, and other undertakings as Operator shall from time to time consider appropriate;
- I. Purchasing operating supplies and other services for the Hotel; and
- J. Undertaking such other and further matters as Operator shall deem consistent with the good order and management of the Hotel.

4.6 Operator to Comply With Franchise Requirements

OWNER Operator agrees to operate and manage the Hotel in compliance with any franchise agreement Owner may have with, and with the rules, regulations, and requirements of, any major hotel franchisor.

[Alternate Clause] Operator shall administer compliance with the Franchise, and shall, in connection therewith, communicate with Franchisor, purchase such supplies and services as may be required by the franchise, conduct the business of the Hotel in compliance with the Franchise, and prepare any and all writings and make all payments required by the Franchise. Operator shall forward to Owner copies of all notices, correspondence, and other writings received from or sent to the franchisor immediately following such receipt or dispatch. Upon Owner's request, Operator shall cause an appropriate employee of Operator to attend any and all meetings administered by Franchisor or held by or for the Franchisees and to prepare reports of such meetings for Owner.

4.7 Operator to Comply With Terms of Mortgage

OWNER Operator shall cause the operation of the Hotel to comply with all terms, conditions, and obligations contained in the Mortgage Instruments of which Operator is made aware (provided that Operator shall be under no obligation to ensure that sufficient funds for payment thereof are generated from Hotel operations) and with any leases or other agreements of which Operator is made aware that are executed by Owner and that relate to the Hotel. Operator shall execute and deliver promptly any agreements and documents that Owner or lender may reasonably request to provide for or verify operation of the Hotel in such manner.

4.8 Operator to Establish Prices

OWNER As part of the Annual Business Plan, Operator will submit to Owner for its approval the rates to be published and charged to members of the general public for normal transient occupancy of the various categories of rooms and suites in the Hotel (hereinafter referred to as the "Rack Rates") during such fiscal year. The Rack Rates, as approved by Owner, may not be changed without Owner's further approval. However, it is understood that the said rates will not apply to group business or other categories of business to which Operator may extend a lower rate and that in its discretion Operator may from time to time permit individuals to occupy rooms or suites at the Hotel at rates lower than the said published rates. Operator will also provide Owner with price schedules for all other products and services of the hotel, such as food, beverage, meeting rooms, and commercial space.

4.9 Operator to Establish Credit Policies

NEUTRAL Operator shall establish and implement policies and procedures for verifying, accepting, limiting, and rejecting the credit of guests and patrons of the Hotel. In connection with the foregoing, Operator shall make appropriate arrangements to honor American Express, Visa, MasterCard, such credit cards as may be required or provided by Franchisor, and such other credit cards as Operator or Owner may deem desirable. Operator shall utilize its best efforts to make such arrangements on the most favorable terms available.

4.10 Operator's Collection Practices

OWNER Operator shall employ its best efforts to collect any and all credit card charges, checks, traveler's checks, drafts, and other accounts receivable. Operator shall employ collection agencies and legal counsel, where appropriate, to pursue such claims. If, during any three-month period, more than three percent (3%) of the Gross Revenue is not collected when due, Operator shall promptly explain to Owner, in writing, the reasons therefor and shall revise the credit policies and practices pursuant to Owner's reasonable suggestions.

4.11 Operator to Submit Annual Plan

OWNER Operator shall submit to Owner for Owner's approval an annual plan for the Hotel in form reasonably satisfactory to Owner. Such plan shall be submitted to Owner no later than sixty (60) days prior to the scheduled Effective Date and at least forty-five (45) days prior to the beginning of each Fiscal Year thereafter.

NOTE: The deadline for submission of the annual plan can range from thirty (30) to one hundred twenty (120) days prior to the beginning of the fiscal year. The owner should have sufficient time to review the plan and negotiate modifications.

4.12 Operating Budget

NEUTRAL The operating budget should contain a Profit and Loss Statement on a monthly and yearly basis that is generally in accordance with the *Uniform System of Accounts for Hotels* promulgated by the Hotel Association of New York City, Inc., as adopted by the American Hotel Association of the United States and Canada (the "Uniform System of Accounts"). This statement should include detailed departmental and supporting schedules for each line item. Such budget estimates shall be presented on the form of pro forma operating statement attached hereto [omitted].

The operating budget shall also include the following items:

- A. Projected occupancy and average room rate by month;
- B. Projected gross revenue, detailed by source;
- C. Leasing plan with respect to commercial or retail spaces that will be vacant;
- D. Projected expenses, detailed by type;
- E. Detailed proposed scheduling of staff, salaries, and wages;
- F. Hotel room rates and charges for other services;
- G. Insurance premiums and property taxes;
- H. Property operations and maintenance (non-capital);
 - I. Advertising, promotional, and marketing expenses;
 - J. Calculation of base and incentive fees; and
- K. Narrative overview of all budgeted revenue and expense levels and an analysis of budgeted levels to the previous year's actual results. Any differences should be explained.

4.13 Capital and Equipment Budgets

NEUTRAL As part of the Annual Plan, Operator will prepare a Capital Expenditures Budget setting forth in reasonable detail Operator's best estimate of capital expenditures to be made for major building improvements, renovation, repairs, and expansion for such period. Operator will also prepare an Equipment Budget setting forth Operator's estimate of the capital expenditures for additions and replacement of FF&E.

4.14 Submission of Annual Plan to Owner

OWNER Operator shall submit the Annual Plan to Owner for its approval, and Owner shall have the right to make any changes thereto or to refuse to expend any money suggested by the Annual Plan. Owner shall inform Operator in writing of any such change or refusal before the commencement of the period covered by the Annual Plan. Except as so changed by Owner, the Annual Plan shall be final for all purposes hereunder.

NOTES: The owner should have at least thirty (30) days from receipt of the Annual Plan to make changes. The above clause is strongly owner-oriented.

4.15 Settlement of Disputes Regarding the Annual Plan

NEUTRAL In the event that Owner and Operator shall not agree on any item of any Annual Plan, the terms or items included in such Annual Plan that have been agreed to by both Owner and Operator shall become operative immediately. In regard to the terms or items over which the parties are in dispute, pending the settlement thereof, operator may continue to operate the Hotel at the levels of expenditures agreed to in the most recently approved Annual Plan increased by a percentage equal to the increase in the Consumer Price Index for the calendar year preceding the calendar year for which the dispute has arisen. In the event that Owner and Operator cannot reach agreement on any term or item of the Annual Plan within sixty (60) days of its submission to Owner, such dispute shall be resolved by arbitration.

[Alternate Clause]
NEUTRAL Pending resolution of any dispute over any item or term of an Annual Plan, the specific disputed items shall be suspended and replaced for the fiscal year in question by an amount equal to the lesser of (a) the amount proposed by Operator for such fiscal year or (b) such budget item for the fiscal year prior thereto, subject to escalation per item by the percentage increase in the Consumer Price Index over the twelve (12) -month period immediately preceding the start of the fiscal year in question.

[Alternate Clause] If any of the items in the Annual Plan are disapproved by Owner, Operator and Owner shall enter into negotiations in an attempt to determine mutually satisfactory budgets and programs. Owner shall make final determination with respect to the budgets and programs.

NOTE: The preceding clause gives the owner total veto power over all Annual Plans. Operator-oriented contracts omit any clause calling for owner approval of Annual Plans.

4.16 Operator Must Comply With Annual Plan

OWNER Operator shall comply with the Annual Plan, once it is approved by Owner, and shall not deviate substantially therefrom as to any item, incur additional expense or capital expenditure or obligation, or change the manner of operation of the Hotel without the written consent of Owner, except where such deviation is due to and is in direct proportion to an increase in business at the Hotel in excess of the pro forma operating statement, or in case of an emergency, or where failure to take a particular action would expose Owner to the imminent danger of criminal liability other than the payment of fines.

[Alternate Clause] Operator may deviate from the Annual Plan under the following conditions and for the following reasons:

OWNER

A. The actual expenditures for the Department within which any given expense is allocable will not exceed one hundred ten percent (110%) of the total budgeted expenditures for such Department approved in the Operating Budget (for the purpose of this Agreement, the term "Department" shall mean each of the following twelve (12) general expense categories along with all of the individual expenses included therein as set forth in the Chart of Accounts: (1) Food, (2) Beverage, (3) Rooms, (4) Food and Beverage, (5) Telephone, (6) Golf, Pool, and Health, (7) Laundry, (8) Other Costs, (9) Heat, Light, and Power, (10) Repair and Maintenance, (11) Advertising and Promotion, and (12) Administrative and General);

B. Such expenditure is expressly authorized in this Agreement;

C. Operator obtains Owner's prior approval of such expenditure;

D. Such expenditure is warranted by increased levels of business;

E. Such expenditure is required to meet emergency conditions and Owner is promptly advised thereof;

F. Additional costs are incurred because of the occurrence of an event(s) not reasonably foreseeable by Operator; or

G. Such expenditure is caused by the occurrence of an event(s) outside Operator's reasonable control.

[Alternate Clause] Operator's sole right to deviate from the planned expenditures on a line-item basis within the accounts for Administration and General, Advertising and Business Promotion, and Property Operations and Maintenance shall be to exceed such planned expenditures on a line-item basis within the foregoing accounts by an amount not to exceed the greater of Fifty Thousand Dollars (\$50,000) (adjusted in accordance with changes in the Consumer Price Index) or ten percent (10%) of the line-item amount. Any substantial deviations from the overall direction of the Marketing Plan portion of the Annual Plan contemplated by Operator shall be submitted to Owner, for its prior approval. Operator shall make no material changes in material business policies affecting the Hotel without Owner's prior approval.

OWNER

4.17 Operator Does Not Guarantee Financial Projections

OPERATOR Owner hereby represents that in entering into this Agreement Owner has not relied on any projection of earnings ("Projections"); statements as to the possibility of future success, or other similar matters that may have been prepared by Operator. Any Projections made by Operator in contemplation of or in the course of implementing this Agreement will not take into account, nor make provisions for, any rise or decline in local or general economic conditions, and Owner understands that (a) no guaranty is made or implied by Operator as to the cost or the future financial success of the Hotel, and (b) Operator does not warrant or guarantee the Projections in any way whatsoever. Any use of this information is based on this understanding.

NOTE: The preceding clause refers to projections performed by the operator made prior to commencing the management contract. A similar clause should be used to state that the Operator makes no guarantee, warranty, or representation with respect to the budget.

4.18 Minimum and Maximum Budget Expenditures

NEUTRAL At a minimum, the Annual Plan will provide for an expenditure of an amount equal to four percent (4%) of gross revenues of the Hotel (determined in accordance with the Uniform System of Accounts for Hotels) for repairs and maintenance.

NOTE: Some contracts also provide for minimum and maximum amounts for advertising, repairs, and maintenance based on a percentage of total revenue, a specific dollar amount per room, or a specific total dollar amount. Any deviation must be approved by the Owner.

4.19 Revised Operating Budgets

OWNER In addition to the Operating Budget, Operator shall prepare a Revised Operating Budget within thirty (30) days after the end of the third (3rd), sixth (6th), and ninth (9th) Accounting Periods if the Hotel's income before fixed charges for any fiscal quarter is less than ninety percent (90%) of the Gross Operating Profit set forth in the Operating Budget for such fiscal quarter.

4.20 Duty of Operator to Supervise Hotel Operations

OWNER Operator shall reasonably employ the resources of its home office and regional facilities and personnel to supervise and assist the operation of the Hotel. Operator shall cause appropriate officers and employees of Operator to visit and inspect the Hotel and the operation thereof with reasonable frequency, and in any event Operator's regional executive in charge of hotel management shall visit the Hotel no less frequently than once each sixty (60) days.

4.21 Cost of Supervisory Services

OWNER The overall supervisory and management services to be rendered by the home office personnel and staff of Operator in connection with the operation of the Hotel shall be provided by Operator at its own expense and not charged to Owner.

NOTE: When the preceding clause is used, the contract should specify who pays travel expenses and what mode of travel should be utilized.

[Alternate Clause] Upon commencement of operations after the Opening Date, the supervisory services of Operator's corporate officers and employees other than those regularly or tempora-

rily employed on a full-time basis at the Hotel, and specifically including its home office administrative heads of maintenance, housekeeping, decoration and design, public relations, advertising, food and beverage operations, entertainment, sales promotion, forecasting and operations analysis, staff planning, accounting, and reservations, shall be provided by Operator at its own expense and not charged to Owner, except as otherwise specifically provided for in this Agreement, including, without limitation, the out-of-pocket expenses as may be chargeable to the operations of the Hotel. Without limiting the generality of all of the foregoing, Owner shall not be charged with the salaries or wages of any officers, directors, or employees of Operator or any of its affiliated or subsidiary companies except as otherwise specifically provided in this Agreement, or except with such personnel who shall be regularly or temporarily employed on a full-time basis at the Hotel.

[*Alternate Clause*] Operator may charge to the Hotel (a) the tourist-class travel expenses and meals, for its home office personnel, to the extent reasonably allocable to the Hotel and not to other businesses, and (b) the salaries of such personnel only if and for such time as the subject employees are located at the Hotel and are performing full-time services as substitutes for regular Hotel Employees.

NEUTRAL

[*Alternate Clause*] Operator may find it desirable to assign one or more of its employees to the Property on a temporary basis to perform hotel-related business. Owner agrees to reimburse Operator for all actual expenses to and from the Property and for all room and board while at the Property for such employees.

NEUTRAL

4.22 Cost of Special Services

OPERATOR Extraordinary types of expenses incurred for projects, such as labor negotiations, renovation or rehabilitation programs, and special market studies, that involve a substantial time commitment of Operator's personnel or the engagement of outside professionals will be reimbursed as a hotel expense, provided, however, that Operator shall not, without Owner's prior approval, incur expenses for such projects in excess of Twelve Thousand Dollars (\$12,000) per project, as such amount may be increased by changes in the Consumer Price Index.

4.23 Duty of Operator to Consult With Owner

OWNER Upon request by Owner, from time to time, Operator shall provide the services of qualified personnel to consult with Owner regarding such subjects relating to the Hotel as Owner may designate, provided that Operator shall have no obligation to provide consulting services of any persons other than employees of Operator or other persons whose services are provided to other hotel owners by Operator.

4.24 Operator to Enter Into Leases

NEUTRAL Operator will use its best efforts and due diligence in entering into leases and concession agreements for stores, commercial space, and services at the Hotel. Any lease or concession for a period in excess of six (6) months (including any renewal options) shall be subject to the prior written approval of and be executed by Owner. Leases or concessions of a term of six (6) months or less may be executed by the Operator in the name of Owner without its consent. Operator shall, subject to the limitations of such leases and concession agreements and general hotel practice, also supervise and control the activities of tenants, concessionaires, and other persons in possession, and their employees and agents.

4.25 Operator to Enter Into Service Contracts

NEUTRAL Operator is authorized to make and enter into all such contracts, equipment leases, and agreements as are required in the ordinary course of business and as are budgeted in the approved Operating Budget for the operation, maintenance, and service of the Hotel, and to make payment for the same when payment is due. However, Operator shall be required to obtain the consent of Owner before entering into any contract for the account of Owner, of whatever nature, if the total amount payable under such contract exceeds One Thousand Dollars (\$1,000), as such amount may be adjusted to reflect changes in the Consumer Price Index, unless such contract is made under circumstances that the Operator reasonably considers to constitute an emergency or such contract is budgeted and approved by Owner. Notwithstanding the foregoing, Operator shall use its best efforts to contact and secure the approval of Owner should any such emergency expenditure be likely to exceed One Thousand Dollars (\$1,000), as such sum may be adjusted pursuant to changes in the Consumer Price Index. Operator shall use its reasonable best efforts to secure for Owner all possible rebates, discounts, and other benefits to be derived from every contract. Any rebate, discount, or other benefit derived under any such contract, lease, or agreement shall accrue to the benefit of the Hotel. Operator shall not be responsible to Owner for the performance of any contract that is not recommended or approved by Operator; however, Operator shall make every effort to ensure the success of Owner's decision with respect thereto.

NOTE: The \$1,000 limit on service contracts in the preceding clause is on the low end of the range. Large properties should have higher limits.

[*Alternate Clause*] NEUTRAL Operator will negotiate and enter into, on behalf of the Owner, service contracts required in the ordinary course of business in operating the Hotel, including, without limitation, contracts for electricity, gas, telephone, detective agency protection, vermin extermination, water, steam, cleaning, elevator and boiler maintenance, air-conditioning maintenance, master television service, laundry and dry-cleaning, and other services that Operator deems advisable. However, no contract with a duration in excess of one (1) year or involving an expenditure of more than Five Thousand Dollars (\$5,000) per annum in the aggregate shall be entered into without Owner's approval.

NOTE: For purposes of the preceding clause, dollar limit on service contracts can range from \$1,000 to \$25,000 over terms of one to five years.

4.26 Operator to Enter Into Entertainment Agreements

NEUTRAL Operator will negotiate and enter into, on behalf of Owner, agreements for entertainment within the Hotel facilities for one hundred twenty (120) days or less.

4.27 Purchasing by Operator

OWNER Operator shall purchase such Consumable Supplies and other expendable items as are necessary to operate the Hotel, and shall pay for such supplies out of the General Account. When taking bids or issuing purchase orders, Operator shall be under a duty to use its reasonable best efforts to secure for and credit to Owner any discounts, commissions, or rebates obtainable as a result of such purchase.

[*Alternate Clause*] OWNER Operator shall promptly remit to Owner all discounts, rebates, profits, commissions, or other emoluments received by Operator or by any "Affiliate" of Operator, which term shall mean any corporation or other entity related to Operator or any officer, director, employee, or shareholder of Operator or of such related corporation or other entity, in connection with any purchase of materials or supplies delivered to or for the Hotel or in connection

with any contracts or agreements entered into on behalf of Owner or in connection with the Hotel. This clause is intended to ensure that neither Operator nor any Affiliate of Operator shall receive, directly or indirectly, any compensation other than that to be paid by Owner to Operator hereunder.

4.28 Purchasing From Operator

OWNER Whenever Operator shall contract with any company controlled by or under common control with Operator, the terms thereof shall be no less favorable to Owner than what Operator could have obtained in the public marketplace for materials or services of the same quality and quantity from independent third parties and on terms no less favorable to Owner than those pursuant to which the Affiliate provides similar services to any other Hotel owned or operated by Operator. Operator shall advise Owner of the substance of any such agreement.

4.29 Repairs, Replacements, and Improvements

OWNER Operator shall make or install, at Owner's expense, all necessary or desirable repairs, decorations, renewals, revisions, alterations, replacements, additions, and improvements in and to the site, building, furnishings, and equipment of the Hotel; provided, however, that such are included in the budget or do not exceed One Thousand Dollars (\$1,000) per item.

NOTE: For purposes of the preceding clause, dollar limitations can range from \$500 to \$100,000. It is important to specify what is a repair and what is a capital replacement.

[Optional Additional Clause] Owner shall at all times have the right to do or arrange for any of such work itself. All such work done or arranged for by Operator involving a payment in excess of Ten Thousand Dollars (\$10,000) shall be contracted for on a competitive bid basis. Operator shall not receive from Owner or from any contractor any markup or payment from any such contract.

OWNER

[Alternate Clause] In accordance with the requirements of the Franchise and the standards applicable to a high-quality hotel, Operator shall (a) maintain the Hotel in good condition and repair generally and (b) maintain, repair, and replace when necessary the Operating Equipment and the FF&E, all out of funds made available for such purposes by Owner. Operator will keep the Hotel and surrounding property in a safe, neat, clean, and sanitary condition at all times and will promptly remove all garbage and trash and ice and snow from the sidewalks, adjoining driveways, and parking areas.

OWNER

4.30 Cost of Maintenance and Repairs

NEUTRAL It is accepted in principle that over the term of this Agreement, expenditures on maintenance and repairs will average not less than five percent (5%) of gross revenue.

NOTE: The preceding clause provides a minimum amount of maintenance and repairs. However, this approach can cause problems, because operations and maintenance do not always vary as a percentage of total revenue. Many other factors, such as the property's age, ratio of food and beverage to rooms, location, and occupancy should be considered.

4.31 Operator to Provide Licenses and Permits

OWNER Operator will seek, on behalf and in the name of Owner (unless the law requires that a particular license be in the name of Operator), the necessary licenses and permits as may be required for the conduct and operation at the Hotel of the business herein contem-

plated, including licenses and permits relating to signage and to the sale of alcoholic beverages. Owner agrees to cooperate fully with Operator in applications for such licenses and permits.

NOTE: Some contracts allow the owner or operator to terminate in the event certain licenses or permits cannot be obtained. It is very important for all licenses to revert to the owner at end of the operating term.

[Alternate Clause]
OPERATOR Owner agrees to execute and deliver any and all applications and other documents and to otherwise cooperate to the fullest extent possible with Operator in applying for, obtaining, and maintaining such licenses and permits.

[Alternate Clause]
OWNER Operator will maintain at all times throughout the term of this Agreement all licenses and permits required of Owner or Operator in connection with the operation and management of the Hotel.

4.32 Compliance With Government Rules and Regulations

OWNER Operator shall exercise its best efforts to conduct the business of the Hotel in compliance with all applicable laws and to ensure that no activity or condition occurs on or about the Hotel in violation of any laws. In the event that Operator shall have reason to believe that any laws may be violated on or about the Hotel, Operator shall promptly so notify Owner.

4.33 Contesting Government Regulations

NEUTRAL Owner shall have the right to contest or to cause Operator to contest any alleged violation of any law and to postpone compliance with the law pending the determination of such contest as permitted by law. In such event, Owner shall indemnify Operator and its employees from any resulting loss, cost, damage, or expense (including fees of attorneys approved or selected by Owner).

4.34 Operator's Bank Accounts

NEUTRAL Operator, on behalf of Owner, shall establish two bank accounts (the "Operating Accounts") for the Hotel in Operator's name, in banks approved by Owner (which approval shall not be unreasonably withheld), with Operator being the only party authorized to draw from the Operating Accounts unless otherwise agreed upon by the parties. One of the Operating accounts for the Hotel shall be known as the Depository Account and shall be used to deposit all cash and rental receipts generated by the Hotel. Operator shall deposit all funds collected from the operation of the Hotel in the Depository Account. The other account shall be known as the General Account and from it all disbursements for the Hotel shall be made. At the end of each Monthly Accounting Period, the amount in the Depository Account shall be drawn down to a minimal balance, and the excess funds shall be transferred to the General Account. Additionally, Operator regularly may draw funds from the Depository Account and deposit them in the General Account. In the event a nearby bank can be used to deposit funds directly into the General Account, the Operator may elect to not use a Depository Account. Funds from the General Account shall be disbursed by the Operator to pay its Base Management Fee, as well as to pay the normal and reasonable expenses of the Hotel incurred in the operation and maintenance of the Hotel pursuant thereto, including all expenses of the type deducted from Gross Revenues in determining Gross Operating Profit hereof and all expenditures of the type deducted from Gross Operating Profit in determining Cash Flow. It is understood and agreed that to facilitate the payment in expenses for the Hotel, Operator may elect to make such payments from an account maintained by Operator for making such payments with regard to

the Hotel and other properties operated by it and shall be entitled to withdraw from the General Account and to deposit to such other account, from time to time, an amount equal to the checks drawn upon such other account for the payment of expenses of such Hotel. All bank accounts shall be owned by Owner and shall be controlled and operated by Operator as the agent of Owner. The agency status of Operator shall be designated on the checks and drafts drawn on such bank accounts.

4.35 Transfer of Funds to Owner

OWNER Subject to maintaining adequate reserves for replacements and working-capital requirements, Operator, at Owner's request, shall transfer such funds as Owner shall specify to a bank account opened and maintained solely by Owner.

[Alternate Clause]
NEUTRAL Within twenty-five (25) days after the end of each calendar month, and simultaneously with the delivery of the financial statements, Operator shall remit to Owner the balance in such bank accounts, less disbursements and advances made on behalf of and for the account of Owner, and less also such reasonable sums as Operator may reasonably deem necessary or appropriate to meet obligations that will or that Operator reasonably believes may become due thereafter, taking into account estimated future income. Operator is also authorized to draw as an advance on its Basic Fee for the preceding month directly from the bank account(s), provided all statements required by this Agreement have been delivered by Operator to Owner.

4.36 Owner to Furnish Working Capital

NEUTRAL On the formal Opening Date and thereafter from time to time throughout the Operating Term, Owner shall furnish to Operator (by deposit into the Agency Account) funds in the amounts requested by Operator to cause the Working Capital to be and remain at a level reasonably sufficient for the uninterrupted and effective operation of the Hotel. All such Working Capital shall be funds of Owner and shall be kept in the Agency Account to be utilized by Operator in Operator's sole discretion in a manner consistent with the practices of the hotel industry.

[Alternate Clause]
NEUTRAL Owner shall provide to Operator the sum of Fifty Thousand Dollars (\$50,000) as Initial Working Capital for use by Operator for initial inventories and operating supplies during the Preopening Period.

[Alternate Clause]
NEUTRAL On or before the Effective Date, Owner agrees to deposit in the General Account the sum of Fifty Thousand Dollars (\$50,000) (the "Initial Minimum Working Capital Balance"). Thereafter, at any time when the balance in the General Account shall be less than the Initial Minimum Working Capital Balance and the balance in the Depository Account is not sufficient to fund such deficit, Owner agrees to deposit to such General Account, as needed, an amount equal to such deficiency (the "Operator Advance"). The total of such deposits is not to exceed Eighty Thousand Dollars (\$80,000) at any given time. Notwithstanding anything herein to the contrary, if, at any time, Owner deposits an Operator Advance to fund any such deficit, such Operator Advance shall be repaid to Owner by Operator without interest out of the General Account at such times when the amounts in the General Account exceeds the Initial Minimum Working Capital Balance.

4.37 Repayment of Funds Advanced by Operator

OPERATOR Operator shall in no event be required to advance any of its own funds for the operation of the Hotel, nor to incur any liability in connection therewith, unless Owner shall have furnished Operator funds necessary for the discharge thereof. If Operator shall at any time advance funds in payment of any expenditure of the Hotel, which Operator shall have the

right but not the obligation to do, Owner shall repay Operator immediately upon demand all or any part thereof with interest, at the prevailing prime rate of the bank or trust company serving as the depository for the Agency Account, which amount Owner hereby promises to pay.

[Optional Additional Clause]
 OPERATOR If Owner does not provide the Initial Working Capital funds within said thirty (30) days, Operator may elect to provide such funds, and shall be reimbursed therefor by Owner out of Owner's separate funds (not those of the Hotel) with interest at a rate equal to four (4) percentage points over the prime rate.

NOTE: In the preceding clause, the operator may want to add a sentence stating that it can withdraw reimbursable funds from operating cash flow.

4.38 Operator to Provide Cash Management

OWNER Operator shall provide cash management for the cash portion of the Working Capital. For the purpose of this Agreement, the term "cash management" shall mean expediting cash inflows, controlling cash outflows, and, if reasonably possible, investing the difference between cash inflows and outflows at a market rate.

4.39 Insurance Coverage

NEUTRAL Concurrently with the submission of the Annual Plan, Operator shall furnish Owner with a schedule setting forth the kinds and amount of insurance Operator intends to procure in connection with the operation of the Hotel. This schedule shall specify the kinds and amounts of insurance required to be maintained pursuant to any mortgage, lease, or other agreement, as well as such other kinds and amounts of insurance as Operator shall deem necessary or advisable for the protection of Operator and Owner. Promptly following the receipt of such schedule, Owner shall notify Operator of any changes that Owner shall elect to make in such schedule, and Operator shall thereupon forthwith apply for and obtain, if obtainable, all such insurance from such companies and through such brokers as Owner shall direct.

4.40 Types and Amounts of Insurance

NEUTRAL Owner shall also provide and maintain the following insurance throughout the Operating Term:

A. Public liability insurance having a minimum per occurrence limit of One Hundred Million Dollars (\$100,000,000) against all claims that may be brought anywhere in the world for personal injury (including bodily injury), death, or damage to property of third persons. This insurance shall include coverage against liability arising out of the ownership or operation of motor vehicles, as well as coverage in the said amount against all claims brought anywhere in the world arising out of alleged (i) sale and/or sale of intoxicating beverages ("Dram Shop" coverage); (ii) assault or battery; (iii) false arrest, detention, or imprisonment or malicious prosecution; (iv) libel, slander, defamation, or violation of the right of privacy; (v) wrongful entry or eviction; and (vi) contractual liability.

B. Workers' compensation insurance or insurance required by similar employee benefit acts as mandated by law, as well as insurance against all claims that may be brought for personal injury or death of Hotel Employees, such insurance to have a minimum limit of not less than One Hundred Thousand Dollars (\$100,000) per occurrence.

C. Business Interruption Insurance covering loss of income to both Owner and Operator for a minimum period of one (1) year resulting from interruption of business caused by

the occurrence of any of the risks insured against under the property damage insurance referred to in item A.

D. Crime insurance, including bonds covering Hotel Employees for a minimum of One Million Dollars (\$1,000,000) per loss.

E. Boiler and machinery insurance, including use and occupancy (loss of income) for all direct loss or damage to property caused by failure of boilers or breakdown of machinery, in minimum limits of One Million Dollars (\$1,000,000).

Operator may reasonably require Owner to increase the limits of insurance coverage set forth hereinabove and may reasonably require Owner to carry other or additional insurance, it being reasonable for Operator to require insurance of the types and in the amounts generally carried on hotels owned or operated by Operator or its affiliates. Owner shall pay all premiums on the insurance required by items A, B, C, D, and E, but the cost of insurance required under items A, B, C, and D shall be an Operating Expense.

4.41 Insurance Policies

NEUTRAL Operator shall deliver to Owner, at the commencement of the Operating Term or promptly thereafter, original insurance policies or certificates covering all insurance required or authorized to be maintained under this Agreement, and not less than five (5) days prior to the expiration of the then existing policies shall deliver to Owner such policies, renewals of policies, or certificates.

4.42 Disputes Over Insurable Value

NEUTRAL Any dispute between Owner and Operator as to full insurable value shall be determined as an expense of the Hotel by an appraiser jointly selected by the parties. The value determined by the appraiser so selected shall be binding upon both parties until changed by a subsequent appraisal, but neither party shall have the right to require another appraisal within two (2) years after an appraisal has been made in accordance with this provision. If the parties are unable to agree upon an appraiser within thirty (30) days after the request by one of them for such agreement, the matter may be submitted for arbitration.

4.43 Insurance Claims

NEUTRAL Owner shall give to Operator, and Operator shall give to Owner, prompt notice of any claims in excess of Ten Thousand Dollars (\$10,000) made against Owner or Operator, and each party shall cooperate fully with each other and with any insurance carrier to the end that all such claims will be properly investigated and defended. Operator shall promptly engage legal counsel to defend any such claim against Owner, which counsel shall be approved by Owner.

4.44 Owner to Assume Liability for Inadequate Insurance

OPERATOR Owner assumes all risks in connection with the adequacy of any insurance or self-insurance program, and waives any claim against Operator and its Affiliates for any liability, cost, or expense arising out of any uninsured claim, in part or in full, of any nature whatsoever except for the gross negligence or willful misconduct of Operator, its servants, and employees.

4.45 Owner and Operator Waive Claims Against Each Other

NEUTRAL Provided that Operator shall procure and keep in force all of the insurance required to be obtained by Operator pursuant to this Agreement, neither Owner nor Operator shall assert against the other any claims for any losses, damages, liabilities, or expenses (including attorney fees) incurred or sustained by either of them, to the extent that the same are covered by such insurance, on account of damage or injury to person or property arising out of the ownership, operation, or maintenance of the Hotel. The parties agree that all policies of insurance to be procured by Operator shall permit the foregoing waiver.

4.46 Operator to Keep Books of Accounts

NEUTRAL Operator shall keep full and adequate books of account and such other records as are necessary to reflect the results of the operation of the Hotel. Such books and records shall be kept in all material aspects in accordance with the Uniform System of Accounts for Hotels (The Uniform System of Accounts for Hotels, 8th rev. ed. 1986).

NOTE: The Uniform System of Accounts is updated periodically. The contract should specify the current edition. It is very difficult to sell and refinance hotels that do not follow this system.

[Alternate Clause] Operator shall establish and operate accounting and internal audit control systems reasonably acceptable to Owner, and in connection with the foregoing, Operator shall establish and maintain for the benefit of Owner complete, proper, current, and accurate records and books of account reflecting all transactions of the Hotel and of Operator with respect to the Hotel. Such books and records shall be prepared on an accrual basis and otherwise in accordance with generally accepted accounting principles and the Uniform System of Accounts, consistently applied within each accounting period and from year to year. Operator shall store safely such books and records for a minimum of three (3) years following the Fiscal Year to which they are applicable, and Operator shall not destroy or dispose of the same except by delivery to Owner for further storage or destruction as Owner may determine.

OWNER

4.47 Storage and Inspection of Books and Records

NEUTRAL Except for the books and records that may be kept in Operator's home office or other suitable location pursuant to the adoption of a centralized billing system or other centralized service, the books of account and all other records relating to or reflecting the operation of the Hotel shall be kept at the Hotel. All books and records relating to the Hotel shall be available to Owner and its representatives at all reasonable times after each notice from Owner to Operator of Owner's desire to examine, audit, inspect, and transcribe same.

4.48 Books and Records Upon Termination

NEUTRAL Upon any termination of this Agreement in accordance with its terms, all books and records shall be forthwith turned over to Owner so as to ensure the orderly continuance of the operation of the Hotel, but such books and records shall thereafter be available to Operator at all reasonable times for inspection, audit, examination, and transcription for a period of not less than seven (7) years from the date of said termination.

4.49 Operator's Monthly Financial Reports

NEUTRAL Operator shall deliver to Owner at or prior to the end of each month an accounting for the operations of the Hotel, including a detailed profit and loss statement and balance sheet and cash forecast showing the results of the operation of the Hotel for the preceding month and for the fiscal year to date and the cash needs, if any, for the subsequent six (6) months. Such statement shall: (a) be in the customary form with the schedules annexed and in the same detail as generally prepared by Operator for other hotels it owns or operates, (b) be taken from the books and records maintained by Operator in the manner hereinabove specified, and (c) follow the general form set forth in the Uniform System of Accounts for Hotels (8th rev. ed. 1986), unless Owner reasonably specifies a different form, and shall be calculated on the accrual method.

NOTE: The timing for submission of the financial reports discussed ranges from 15 to 30 days after the cease of the accounting period.

4.50 Operator's Annual Financial Reports

NEUTRAL Within ninety (90) days after the end of each fiscal year, Operator shall deliver to Owner financial statements including a detailed balance sheet, a statement of sources and uses of funds, an income and expense statement, and a computation of the Incentive Management Fee, certified by the Independent Certified Public Accountant, showing the results of operations of the Hotel during such fiscal year. Such financial statements shall be calculated on the accrual method. Any disputes as to the contents of any such statements or any accounting matter hereunder shall be determined by the Independent Certified Public Accountant.

4.51 Operator to Prepare Additional Reports

NEUTRAL Operator shall render to Owner, and any persons so designated by Owner, at Owner's expense, any additional financial statements reasonably required by Owner.

[*Alternate Clause*]
OWNER Upon request by Owner, from time to time, Operator promptly shall prepare or cause to be prepared additional reports showing aging of receivables, schedules of payables, schedules of supplies and inventory, detailed cash flow information, occupancy reports, reports on insurance claims, reports on the physical condition of the Hotel, information regarding marketing outlook, and information regarding other matters of interest to Owner. Owner shall pay Operator's reasonable expenses incurred in preparation of such reports. Upon Owner's request, from time to time, the General Manager and Owner (or its agents) shall meet and discuss the operations of the Hotel.

4.52 Audit Annual

OWNER Following the close of each Fiscal Year, Owner shall have the right to cause an audit of the books, records, and operations of the Hotel to be made by an independent certified accounting firm. Operator shall cooperate fully with such auditors and shall make available to them any and all information concerning the Hotel. Owner shall deliver to Operator copies of all financial reports regarding the Hotel promptly after they are received from such auditors. Any adjustments to the Management Fee required because of the results of such audit shall be made by the parties within ten (10) business days. The cost of any such independent audit shall be an administrative and general expense of the Hotel for the succeeding Fiscal Year, provided that such cost shall be an expense of the subject year in the event that such year is the last year of the term hereof.

4.53 Operator to Pay All Bills

NEUTRAL Operator will pay all proper bills and expenses incurred in the operation of the Hotel and will file and pay all sales and use, property, franchise, income, and other tax records and returns relating to the Hotel. Operator shall pay as a part of the operating expenses of the Hotel, when due, all charges for water, gas, electricity, and all other public services furnished to the Hotel. Operator likewise shall pay as part of the operating expenses of the Hotel the replacement cost of the Consumable Supply, Other Supply, and other type of supplies; all wages; and all other costs incurred for the property operation of the Hotel in accordance with the provisions hereof. Operator will furnish centralized computing services for the efficient processing of payroll services, financial statements, accounts receivable, and accounts payable.

[*Alternate Clause*] Operator shall cause its accounting department to prepare and timely file all necessary reports with respect to withholding taxes, social security taxes, unemployment insurance, disability insurance, the Fair Labor Standards Act, and all other statements and reports pertaining to labor employment on Owner's payroll in or about the Hotel.

NEUTRAL

[*Alternate Clause*] Operator shall maintain all required records and prepare and file all forms related to the collection and payment of all sales and use taxes. Operator shall make required payments to the appropriate taxing authority from funds collected therefore by the Hotel. Operator's responsibilities hereunder specifically exclude the preparation or filing of local, state, or federal income tax returns.

NEUTRAL

[*Optional Additional Clause*] Provided that Owner has timely furnished sufficient funds for the payment thereof, Operator shall indemnify Owner from any penalties incurred as a result of Operator's failure to file sales tax, payroll tax, or local tax returns on behalf of the Hotel, other than income tax returns, for any tax period commencing on or after the date hereof. Any penalties incurred by reason of such failure or Operator's part shall not be considered an expense of the Hotel.

OWNER

4.54 Operator to Provide Centralized Accounting

NEUTRAL Operator shall make available, in connection with the operation of the Hotel, its complete system of central financial services utilizing Operator's home office financial staff and computer equipment for so long as Operator shall provide such services for at least ten (10) other hotels in this chain.

Such services shall include, without limitation, cash management; verification of daily work; preparation of payroll and benefits administration; preparation of payroll tax returns; handling of accounts receivable (including normal in-house collection activities) and accounts payable; billing under national credit cards; cash management; preparation of monthly internal operating statements; verification of financial controls; advice and monitoring of accounting and reporting systems and internal controls (relating to cash, inventories, and accounts receivable); and training and supervision of cashiers, front desk, and inventory personnel. Such services shall not include the cost of a certified audit or the preparation and filing of state and federal tax returns, other than payroll and sales tax returns.

[*Optional Additional Clause*] In addition to all other fees due hereunder, Owner agrees to pay to Operator an Accounting Fee of Two Thousand Dollars (\$2,000) per month to reimburse Operator for the expense of off-premise central office bookkeeping and accounting services, including, without limitation, the cost of issuance of checks and preparation of payroll statements; provided, however, that such Accounting Fee shall, in accordance with Operator's current standard fee schedule therefore be subject to increase annually by the lesser of ten percent (10%) or the percentage of increase in the Consumer Price Index as specified hereinabove.

OPERATOR

[Alternate Additional Clause] For so long as Operator provides the Centralized Accounting Servers described herein-above, Operator shall receive a Centralized Financial Service Charge, in an amount equal to one and one-half (1½%) percent of Total Revenues, payable monthly in the same manner as the Basic Fee.

OPERATOR

[Alternate Additional Clause] Operator will be paid a fee of \$750, to be adjusted to reflect the Consumer Price Index, on January 1, 1989 and annually thereafter, as an administrative and general expense of the Hotel, for each Monthly Accounting Period as a non-allocatable reimbursement for centralized computer, payroll processing, checks, accounting, and bookkeeping services. It is expressly understood that no outside accounting services will be hired as an expense of the Hotel for any reason whatsoever, except for the annual audit.

OPERATOR

4.55 Inventory

NEUTRAL Operator shall, on or before the Opening Date, and for every third Year of Operation thereafter, conduct an inventory of all Furnishings and Equipment and maintain complete records of such at the Hotel.

4.56 Internal Audits

OWNER At Operator's sole option, Operator may perform internal audits of the operation of the Hotel. The cost of each audit shall be borne exclusively by Operator and shall not be an Expense of Operation of the Hotel; provided, however, that the out-of-pocket travel costs of Operator's employees engaged in the performance of such audit(s) shall be considered a Reimbursable Expense.

4.57 Legal Actions for Guest or Tenant Default

NEUTRAL Operator may institute, in its own name or in the name of Owner, as required by the law, at the expense of Owner, any necessary legal actions or proceedings to collect charges, rent, or other income for the Hotel or to oust or dispossess guests, tenants, or other persons in possession, and concessionaires, or to cancel or terminate any lease or concession for the breach thereof or default thereunder by the tenant or concessionaire; provided that Operator shall not institute any legal actions with respect to any lease of one (1) year or more or involving more than Ten Thousand Dollars (\$10,000) without the prior written consent of Owner. Any legal counsel engaged under this provision shall be designated by Owner.

4.58 Legal Actions Against the Property

NEUTRAL Operator may, but shall not be obligated to, take at Owner's expense appropriate steps to protest or litigate final court decisions for any violation, order, rule, or regulation affecting the property.

[Alternate Clause] Operator and Owner shall use their best efforts to prevent any liens from being filed against the Hotel that arise from any maintenance, changes, repairs, alterations, improvements, renewals, or replacements in or to the Hotel. They shall cooperate fully in obtaining the release of any such liens. If such a lien arises that was not occasioned by the fault of either party, it shall be treated as an expense of the Hotel. If the lien arises as a result of the fault of either party, then the party at fault shall bear the cost of obtaining the lien release.

NEUTRAL

4.59 Operator to Provide Advertising, Promotion, and Sales

OWNER Operator will plan, prepare, and contract for advertising and promotions for the Hotel designed to publicize the Hotel and attract guests in accordance with the standards set by other high-quality first-class hotel operations. To this end, Operator shall arrange and make contracts for such advertising and promotion as it may deem advisable from time to time for the successful operation of the Hotel.

[Alternate Clause]
OWNER Operator shall provide the Hotel with such advertising, public relations, and promotional services as are judged by it to be reasonably necessary and appropriate in order to promote the name and facilities of the Hotel and to maintain its identity as one of the Operator's Hotels. Such services shall include but not be limited to assistance in the following areas:

A. Developing and implementing the Hotel's communications plan following the Operator's guidelines. This task includes planning, publicity and internal communications, and organizing and budgeting the Hotel's advertising and public relations programs;

B. Selecting and providing guidance as required for the public relations personnel;

C. Preparing and disseminating news releases for trade and consumer publications, both national and international; and

D. Selecting an advertising agency.

Operator shall coordinate the Hotel's communications program with Operator's corporate communications program and shall include the Hotel in Operator's corporate identity programs and in its national advertising programs as appropriate.

4.60 Operator to Prepare a Marketing Plan

OWNER Operator will prepare on an annual basis a marketing plan that shall include, but not be limited to, projected occupied room-nights and average daily rate by market segment, a detailed program for advertising and promotion, a detailed program for sales strategies, and a competitive hotel analysis.

4.61 Operator to Utilize Franchisor's Marketing and Reservation Services

OWNER Operator shall cooperate with Franchisor to cause the Hotel to be included in the national advertising programs and central reservation system for all hotels franchised by Franchisor. Operator shall use its best efforts to secure bookings for the Hotel through the sales and reservations systems of Franchisor and Operator and shall encourage the use of the Hotel by and for travelers, organizations, groups, meetings, conventions, travel agencies, and other recognized sources of hotel business.

4.62 Operator's Centralized Marketing and Reservations

OWNER Operator shall provide, or shall cause an Affiliate to provide, in the operation of the Hotel and for the benefit of its guests, inter-hotel reservations, convention and business meeting marketing and promotions, sales promotions, publicity, public relations, and all other group marketing benefits, services, and facilities, including joint advertising programs to the extent appropriate (all herein collectively called "Centralized Services"), similar to those furnished to other hotels owned and operated by Operator. Owner shall pay Operator monthly, as an expense of the Hotel deducted in calculating Hotel Net Income, a Cen-

tralized Services Fee of one and one-half percent (1 1/2%) of Hotel Gross Revenue for the preceding month.

[*Alternate Clause*]
NEUTRAL Owner shall be charged for all costs of reservation equipment, communication facilities, and credit card company charges, and for its pro rata share of all central reservation services payable to third parties, on the same basis as other hotels owned or operated by members of Operator.

[*Alternate Clause*]
NEUTRAL Operator shall process reservations for the Hotel through Operator's reservations system. Any charges payable to third parties in connection with the securing of reservations for the Hotel shall be an operating expense of the Hotel.

[*Alternate Clause*]
OWNER Owner's obligation to participate in the reservation system and related programs shall be conditioned upon the charges therefor being in an amount satisfactory to Owner. In the event the charges therefor are not satisfactory to Owner, Owner may elect not to participate in said system.

4.63 Joint Advertising and Sales Promotion

OPERATOR It is understood and agreed that where advertising or sales promotion for the Hotel is supplied in conjunction with advertising for other of Operator's owned, operated, or affiliated hotels or motels, the cost of such advertising or sales promotion shall be prorated to the Hotel and the other hotels and motels benefitted thereby on a per-room basis; provided, however, that within the total advertising and promotion budget for such fiscal year the cost of such joint advertising and sales promotion allocated to the Hotel shall not exceed one third (1/3) thereof. It is agreed that the Hotel is not benefitted unless its name and location appear in the advertising.

4.64 Operator's Regional Sales Offices

OPERATOR As a result of the growth of the number of hotels owned and/or operated by Operator, Operator is planning to establish regional sales offices in major metropolitan areas throughout the United States. Owner agrees to pay its pro rata share of the expenses of such regional sales offices to be allocated on a per-room basis in the same method as the joint advertising and sales promotion expenses are allocated. The expenses to be allocated to Owner shall not exceed one half of one percent of the Gross Operating Income of the Hotel in any one fiscal year and the per-room charge shall not include any profit for Operator.

4.65 Operator's Credit Card System

NEUTRAL Operator may, from time to time, at its sole discretion implement a charge card system for the convenience of guests and for the promotion of Operator's Hotels. At any time when such a charge card system is in effect, Operator shall make such system available to the Hotel, and Owner hereby authorizes Operator to accept such charge card and all other charge or credit cards designated by Operator for all Hotel charges authorized in accordance with Operator's credit card billing policies, as they may be amended from time to time. Operator shall retain the right at any time during the term of this Agreement to discontinue utilization of its charge card system.

4.66 Operator's Logotype and Symbols

OPERATOR Owner acknowledges that the Hotel's communications plan must be in accordance with Operator's sales, advertising, and public relations philosophies and must adhere to Oper-

ator's corporate identity requirements. In furtherance thereof, Owner acknowledges that Operator's logotype shall be the only logotype or symbol used to identify the Hotel.

4.67 Public Statements by Owner and Operator

NEUTRAL Owner and Operator shall coordinate with one another on all public statements, whether written or oral and no matter how disseminated, regarding their contractual relationship as set forth in this Agreement and/or the performance by either of them of their respective obligations hereunder.

NOTE: Many management contracts are confidential and the terms cannot be released by either party.

4.68 Operator to Provide Centralized Group Services

NEUTRAL Operator may, at the request of Owner and with Owner's approval in each instance, cause its affiliates or subsidiary companies to provide for the Hotel and its guests the full benefit of any reservation system hereafter established by Operator and its affiliates and, with Owner's approval, may cause any such companies to so provide such aspects of any accounting services or other group benefits and services as are made available generally to properties managed by Operator, all of which are collectively referred to herein as "Centralized Services." Owner hereby agrees that the Hotel may participate in all such Centralized Services on the terms and conditions hereinafter specified.

4.69 Cost of Group Services

NEUTRAL Operator shall not charge any profit for group services but shall be entitled to reimbursement for the cost of those specific services elected by Owner to be performed centrally and for the property's pro rata share of all costs and expenses incurred in connection with the rendition of group advertising, business promotion, and reservations services, allocated on the same basis as allocated to other properties owned or operated by Operator.

[Alternate Clause]
NEUTRAL Operator's affiliated or subsidiary companies that provide Centralized Services shall be entitled to be reimbursed for the Hotel's share of the total costs incurred in providing such services on a system-wide basis to hotels and motor inns owned or managed by Operator or its affiliates or subsidiaries. Such costs may include, without limitation, salaries (including payroll taxes and employee benefits) of employees and officers of Operator and its affiliated and subsidiary companies, costs of all equipment employed in the rendition of such services, and a reasonable charge for overhead that does not include any profit. The Hotel's share of said costs shall be determined in an equitable manner by Operator as certified by Operator's chief financial officer taking into account, to the extent possible, differing cost factors relating to the individual properties covered. The Hotel's costs shall be an operating expense of the Hotel.

[Optional Additional Clause]
OWNER Each time that Operator shall charge the operation of the Hotel for its pro rata share of Allocable Chain Expense for any period, it shall furnish to Owner a statement in sufficient detail to provide Owner with data supporting such charge. Owner may, in connection with any such statement for any period, cause an audit to be made of the books and records of Operator and its affiliates relating to the data furnished in such statement, including, without limitation, the Chain Expense and Allocable Chain Expense incurred during such period in the average number of key guestrooms during such period in hotels opened to the public and situated in the United States and operated by Operator or its affiliates.

[Optional Additional Clause] If Operator shall at any time institute major changes in the character or cost of its Group Services, the increased costs shall not be charged to Owner unless those changes have been implemented and the costs thereof allocated among at least two thirds ($\frac{2}{3}$) of the other hotels Managed by Operator in which Owner has no equity interest.

OWNER

4.70 Emergencies

NEUTRAL In the event that any circumstance shall occur that Operator reasonably and in good faith judges to be an emergency threatening the safety of persons or property (an "Emergency"), then Operator shall take such action and shall cause such things to be done as Operator reasonably and in good faith believes necessary. Operator shall inform Owner of any and all Emergencies as soon as practicable. If practicable, Operator shall obtain Owner's prior approval of any action in response to an Emergency.

4.71 Taxes and Assessments

OWNER Operator shall obtain bills for real estate and personal property taxes, improvement assessments, and other like charges that are or may become liens against the Hotel and recommend to Owner payment thereof or appeal therefrom. Operator annually shall review and submit all real estate and personal property taxes and all assessments affecting the property to Owner and shall file all personal property tax returns.

Section 5 MANAGEMENT FEES

5.1 Management Fees—General

NEUTRAL As consideration for the services to be rendered by Manager as set forth in this Agreement, Owner agrees to pay to Manager a basic management fee (the "Basic Fee"), an incentive fee (the "Incentive Fee"), and an accounting fee (the "Accounting Fee"), each to be determined and paid in accordance with the terms set out herein during each Operating Year of the Operating Term (and, unless otherwise provided, proportionately for a fraction of an Operating Year).

5.2 Amount of Management Fees—Basic Fee

NEUTRAL Commencing on the Effective Date, Owner shall pay Operator a Basic Management Fee equal to five percent (5%) of the Gross Revenues of the Hotel. The Basic Management Fee shall be calculated for each Monthly Accounting Period during the Operating Term and three percent (3%) shall be payable by Operator to itself out of the Operating Accounts (as defined herein) prior to any distributions to Owner and prior to payment of any mortgage Indebtedness or obligations under any Equipment Leases, the remaining two percent (2%) being subordinated to the payment of principal and interest on the initial permanent or take-out loan on the Hotel, accrued without interest, and repaid.

5.3 Amount of Management Fees—Incentive Fee

NEUTRAL Commencing on the Effective Date, Owner shall pay Operator an Incentive Management Fee equal to fifteen percent (15%) of:

- A. The annual Gross Operating Profit, less (i) annual ad valorem taxes, (ii) property insurance, (iii) the amounts paid into the Replacement Fund, and (iv) Nine Hundred Thousand Dollars (\$900,000) (hereinafter call "Net Cash Flow"). In the event the hotel is refinanced, Net Cash Flow shall be adjusted by the difference

between Nine Hundred Thousand Dollars (\$900,000) and the then actual annual principal and interest payments.

- B. Sale or refinancing proceeds in excess of Eight Million Five Hundred Thousand Dollars (\$8,500,000), including the distribution of funds related to the Replacement Fund and initial Reserve Fund.

NOTE: If the incentive fee is based on profits, then the method used to calculate profits should be clearly defined.

[Alternate Clause]
OWNER The payment of Incentive Management Fees shall be made only to the extent of Cash Flow during such fiscal year. In any year in which Cash Flow is not sufficient to pay Operator the Incentive Management Fee, such unpaid Incentive Management Fee shall accrue and be paid from Cash Flow available in later years until such time as all accrued and unpaid Incentive Fees have been paid.

5.4 Payment of Management Fees

NEUTRAL On or before the twenty-fifth (25th) day following the expiration of each three (3) -month period of the Operating Term, Operator shall receive out of the Operating Account its Incentive Fee for the said three (3) -month period just ended. The Incentive Fee for each three (3) -month period subsequent to the prior three (3) -month period or periods of each Operating Year hereof shall be equal to the excess of the Incentive Fee, calculated on a cumulative basis from the commencement of the then current Operating Year to the end of such three (3) -month period in respect of which the Incentive Fee is being paid, over the aggregate of the Incentive Fee theretofore paid in respect of such Operating Year. To the extent that there may be insufficient funds in the Operating Account for such payment, Owner shall pay to Operator forthwith, on demand, such Incentive Fee. To the extent the cumulative Incentive Fee paid to Operator in any then current Operating Year exceeds, at any time, the actual cumulative amount of Incentive Fee to which Operator is entitled, Operator shall promptly refund the excess to Owner.

NOTE: The incentive fee can also be paid on a monthly basis.

5.5 Disputes Over Management Fees

OWNER If Owner questions any of the amounts or computations for any period (a) as shown by the Annual Statement of Operator's Fee, or (b) in determining Net Distributable Cash, or (c) as shown in statements submitted, and if Owner and Operator are unable to agree thereon, the matter in dispute shall be submitted for a binding decision by a Certified Public Accountant selected by the parties from the following list *[omitted]* in the order listed, subject only to their availability and to their independence, at the time, with reference to Owner, Operator or any affiliate or either:

[list parties]

Any expenses incurred in connection with such a resolution shall be treated as an expense of the Hotel. Owner shall be conclusively deemed to have accepted the accuracy and correctness of each Annual Statement of Operator's Fees unless Owner notifies Operator that Owner questions specific items therein within ninety (90) days after the later of its receipt by Owner or discovery of facts not reasonably in Owner's knowledge at the time it was received, but in any event not later than one (1) year from the date of the report.

5.6 Management Fee Definitions

NEUTRAL The term "Gross Income" shall mean all revenues, sales, or income of any kind, including service fees, resulting from the operation of the Hotel and over which Operator has any direct or indirect responsibility, including, but not limited to the following:

A. Rental of rooms (excluding sales tax, hotel tax, and any other tax relating to room rental);

B. Rentals and other payments from licenses, sublessees, concessionaires, and others occupying space or rendering services at the Hotel (but not including the gross receipts of such licensees, sublessees, concessionaires, or others);

C. Food and beverage sales (excluding sales taxes and gratuities) from meeting rooms, restaurants, bars, and/or room service, if such services are conducted by Operator;

D. Subsidy payments;

E. Proceeds of use and occupancy insurance received or business interruption insurance payments (after deducting therefrom necessary expenses in connection with the adjustment or collection thereof); and

F. Any other form of income, from any source whatsoever, that is directly attributable to the Hotel, but not including the proceeds of any financing or refinancing, casualty or liability insurance proceeds, or condemnation proceeds.

The following amounts shall not be included in determining Gross Income:

A. Gratuities or payments in the nature of gratuities that the Owner is obligated to pay over to employees;

B. Sums and credits received in settlement for loss, theft, or damage to property unless in excess of the cost of settlement of such loss, theft, or damage to property;

C. Excise, sales, or use taxes or similar charges that are required by law to be collected directly from patrons or guests or as part of the sale price of any goods or services or displays, and that must be remitted to governmental authorities; and

D. Credits or refunds to guests not previously deducted.

NOTE: The contract should contain specific definitions for all accounting terms used that are not clearly defined in *The Uniform System of Accounts for Hotels* or for which the parties require a modified definition.

[Alternate Clause] Gross Operating Profit for the Hotel for any period shall mean and refer to Gross Revenues of the Hotel for such period, less the following expenses for such period incurred or authorized by Operator in operating the Hotel:

NEUTRAL

A. All wages and salaries of all employees (exclusive of salaries paid to corporate executive personnel of Operator, but including such wages, salaries, and other compensation chargeable to such employees used by Operator in connection with the operation and management of the Hotel) and all other payroll costs, fringe benefits, employer taxes, and similar charges related to employment; provided, however, that if any employee is also employed elsewhere by Operator, such compensation shall be equitably prorated among the Hotel and such other properties where such employee also is employed.

B. All departmental, administrative, and general expenses relating to the Hotel, including, without limitation, payments to the Marketing Fund and other advertising, promotional, and entertainment expenses; commissions; and the cost of heat, light, power, and other utilities.

C. All costs and expenses of routine maintenance, repairs, and minor alterations to keep the Hotel in good operating condition, which under generally accepted accounting principles are expensed currently rather than capitalized.

D. All license fees and permits relating to the Hotel or the operation thereof.

E. All amounts due under service contracts relating to the Hotel or the operation thereof.

F. The cost of all Consumable Supplies consumed in the operation of the Hotel.

G. A reserve for uncollectible accounts receivable in a reasonable amount determined by Operator and adjusted from time to time to reflect actual experience.

H. All costs and fees of accountants, attorneys, and other third parties who perform services required or permitted hereunder, which under generally accepted accounting principles are expensed currently rather than capitalized.

I. All costs and fees of technical consultants and operational experts for technical or specialized services in connection with non-routine hotel work or matters that under generally accepted accounting principles are expensed currently rather than capitalized.

J. The Base Management Fee (as hereinafter defined).

K. All franchise royalties and other fees or expenses paid or payable by Operator under and pursuant to the Franchise Agreement pursuant to which the Hotel is operated or under or in connection with any renewal or extension thereof.

Section 6 EMPLOYMENT PRACTICES

6.1 Operator's Personnel Duties

NEUTRAL Operator shall select, employ, promote, terminate where appropriate, supervise, direct, train, and assign the duties of all personnel that Operator reasonably determines to be necessary or appropriate for the operation of the Hotel (collectively, the "Hotel Employees"). Operator shall employ its best efforts and exercise reasonable care to select qualified, competent, and trustworthy employees. To the extent possible, Operator shall use local labor in the operation of the Hotel.

6.2 Employee Training

OWNER Operator shall provide appropriate training for all Hotel Employees. Operator also shall cause the appropriate employees to attend any program required by Franchisor pursuant to the Franchise Agreement. The costs of attending any such meetings or seminars, including the cost of tourist-class travel, accommodations, and food, shall be an expense of the Hotel, but shall not unreasonably exceed the amount provided for such purpose in the Operating Budget.

6.3 Employee Conduct

OWNER Operator shall require each Hotel Employee to be at all times (to the greatest extent possible within the scope of his duties) clean, neat, well-groomed, well-postured, unobtrusive, and dignified and to conduct himself at all times and in all contacts with guests, patrons, other Hotel Employees, and members of the public in a friendly, cooperative, helpful, and responsive manner and otherwise in such a way as to contribute to the comfort and goodwill of the guests and patrons of the Hotel and other Hotel Employees and to enhance the reputation of the Hotel generally. Operator shall employ its best efforts to create and maintain among the Hotel Employees a business-like but congenial atmosphere, a spirit of cooperation and goodwill, and a sense of pride associated with providing quality products and services and performing their jobs well.

NOTE: The preceding clause asserts the Owner's interest in maintaining top quality employees. The attitude and conduct of employees is an important factor in the success of a hotel venture.

6.4 Employees Are Employed by Owner

OPERATOR Each Hotel Employee shall be the employee of Owner and not of Operator, and every person performing services in connection with this Agreement, including any agent or employee of Operator or its Affiliates or any agent or employee of Owner hired by Operator, shall be acting as the agent of Owner.

[Alternate Clause] The General Manager (or other such Hotel Employees as designated by Operator) shall be an employee of Operator, and Owner shall reimburse Operator monthly for the General Manager's salary and fringe benefits.

NEUTRAL

[Alternate Clause] All Hotel Employees and agents shall be on Owner's payroll. Manager shall not be liable to such employees for their wages or compensation.

OPERATOR

6.5 Operator to Negotiate Labor Contracts

NEUTRAL Operator will negotiate on Owner's behalf, after consulting with Owner or, if Owner is not available, with Owner's attorney, with any labor union lawfully entitled to represent the Hotel Employees. However, Owner, in its discretion, may participate in such negotiations. No collective bargaining agreement or labor contract resulting from such negotiations shall be valid unless executed by Owner.

[Optional Additional Clause] Owner's approval will not be withheld in any case if such contract is consistent with similar agreements commonly in effect in the area.

NEUTRAL

NOTE: When using the preceding clause, Owner should verify Operator's ability to conduct labor negotiations prior to signing the management contract.

6.6 Limits on Employee Compensation

OWNER Subject to the restrictions imposed by the Operating Budget, Operator shall set the salaries and fringe benefits of all Hotel Employees. Operator shall not permit such compensation to exceed by a substantial amount the compensation paid to employees with similar skills and responsibilities at comparable hotels in and about the area.

NOTE: The annual plan should contain a wage survey of area lodging facilities.

[Alternate Clause] No Hotel Employee shall receive compensation in excess of Sixty Thousand Dollars (\$60,000) per year without Owner's prior approval of the pay rate.

OWNER

NOTE: The preceding clause provides ownership control over employee compensation. The \$60,000 base should be adjusted to reflect local conditions.

[Alternate Clause]
OPERATOR In determining employee salaries, Operator may pay such incentive salaries and bonuses to department heads and sales staff as Operator may deem appropriate, provided that such payments are pursuant to an incentive compensation plan that has been previously approved by Owner.

6.7 Limits on Employment Contracts

OWNER Operator shall not enter into, institute, or grant employee benefits or employment agreements with respect to Hotel Employees that (a) require more than thirty (30) days' notice of cancellation, (b) require more than a thirty (30) -day grace period for termination of funding or participation, or (c) require a penalty or extraordinary payment on cancellation or any such termination, except those benefits or agreements required pursuant to union contracts, as the same may be changed from time to time to comply with applicable laws.

6.8 Selection of General Manager

OWNER The selection of the General Manager, as well as his salary, shall be subject to Owner's prior written approval, which shall not be unreasonably withheld.

[Alternate Clause]
OWNER The General Manager shall be selected by Operator, but his employment, termination, or transfer to another Hotel shall be subject to the prior approval of Owner. In the event that the General Manager shall resign or be terminated or shall be absent from the Hotel for any period in excess of ordinary vacations and leave time, Operator shall replace the General Manager with a qualified person as soon as reasonably practicable.

6.9 Replacement of General Manager

OWNER If the General Manager shall not prove satisfactory to Owner, Owner may, in writing, request Operator to discharge the General Manager, setting forth therein the reasons for such action. If the grounds for removal set forth by Owner shall be sufficient to constitute a violation of the terms of this Agreement, Operator must discharge the General Manager.

[Alternate Clause]
OPERATOR Operator may change or replace the General Manager of the Hotel at any time. The decision in regard to any change or replacement shall be at the sole discretion of Operator.

6.10 Owner May Not Rehire General Manager

OPERATOR Owner agrees that if the General Manager of the Hotel leaves the employ of Operator for any reason, Owner shall not hire the General Manager in any capacity for at least one (1) year following such termination.

NOTE: The preceding clause prevents the Owner from terminating the management company and retaining the General Manager, a practice that can sometimes be tempting from the Owner's point of view. Time periods for such clauses range from one to three years.

6.11 Salary for General Manager

OWNER Owner shall be given prior written notification, subject to its approval, of the appointment and total compensation package of the General Manager. Owner's approval of such compensation package shall not be unreasonably withheld or delayed.

6.12 Fringe Benefits for General Manager

OPERATOR The General Manager is entitled to annual holidays as well as reasonable time off from regular duties for the purpose of attending professional development seminars, managers' meetings, and industry conferences and conventions, and for the purpose of attending to such other business as may be reasonable in the hotel industry. Owner shall pay all reasonable expenses of the employee in attending such meetings, seminars, conferences, and conventions.

6.13 Owner May Not Give Orders to Hotel Employees

OPERATOR Owner may at any time consult or communicate with Operator regarding any of the Hotel Employees, but Owner shall not give orders to or otherwise interfere in the day-to-day activities of the Hotel Employees.

Section 7 TRADE NAMES

7.1 Use of Trade Name

OPERATOR In its operation of the Hotel, Operator may utilize trade names or trademarks that, in whole or in part, may be the same as or similar to the trade names or trademarks now or hereafter used by it or other members of Operator's Group, in connection with the operation of other hotels. The exclusive rights to the use of the trade names and trade marks will belong to Operator, and are not in any way to be considered appurtenant to the Hotel, irrespective of whether any of the trade names and trademarks are used by Operator for the first time at the Hotel or elsewhere. Upon the termination of this Agreement for any reason, all further rights to use the trade names and trademarks shall remain with Operator, and neither Owner nor any other occupant of the Hotel shall have any rights thereto.

[Alternate Clause]
OPERATOR After termination of this Agreement, neither Owner nor any other owner or operator of the Hotel shall have the right to use the trade name or any trademarks, emblems, insignia, slogans, or distinguishing characteristics in connection with the operation of the Hotel or in any other manner.

[Alternate Clause]
OPERATOR Operator has registered the name, trade name, trademark, and service mark of certain names for restaurants that are used in hotels owned and/or operated by Operator. Owner agrees that any such name, trade name, trademark, or service mark registered by Operator shall remain the exclusive property of Operator; provided, however, that Owner shall have the right to approve the name of any restaurants in the Hotel.

Section 8 SUCCESSORS AND ASSIGNS

8.1 Assignment by Operator

OWNER This Agreement, or any rights and duties expressed herein, shall not be assigned or transferred by Operator without the prior written consent of Owner. Transfer or issuance of the stock of Operator resulting in any change of control thereof shall be deemed a transfer of this Agreement by Operator.

[Alternate Clause]
OPERATOR Operator, without consent of Owner, shall have the right to assign this Agreement to any successor or assignee of Operator that may result from any merger, consolidation, or

reorganization, or to any corporation or firm, fifty percent (50%) or more of whose voting stock or control is owned directly or indirectly by Operator, or to another corporation that shall acquire all or substantially all of the business and assets of Operator.

[Alternate Clause]
OPERATOR Operator shall have the right to assign its rights and obligations under this Agreement, or any portion thereof or interest therein, to any person or entity that acquires all or substantially all of the assets of Operator, or the partnership interest of any partner of Operator, without the consent of Owner; provided, however, that any such assignee shall expressly assume in writing the obligations of Operator (or the obligations, if any, of such former partner or Operator) hereunder, in which event the liability of Operator (or of such former partner of Operator, as the case may be) hereunder shall terminate. Operator shall not have the right otherwise to assign its rights and obligations under this Agreement, except with the prior consent of Owner, which consent may not be unreasonably withheld. It is understood and agreed that any approval given by Owner to any assignment shall not be deemed a waiver of the covenant herein contained against assignment in any subsequent case. Any assignee who succeeds to the interest of Operator hereunder (or to the interest of an assignee of Operator hereunder) shall be deemed to be Operator hereunder for all purposes.

[Optional Additional Clause]
OWNER Any consent granted by Owner to any such assignment shall not be deemed a waiver against assignment in any subsequent case.

8.2 Assignment by Owner

OWNER Owner shall have the absolute right to assign this Agreement to any person or entity acquiring all of Owner's right, title, and interest in and to the Hotel without the consent of Operator, provided, however, that any such assignee shall expressly assume in writing the obligations of Owner hereunder in which event the liability of Owner shall terminate hereunder and the assignee who succeeds to the interest of Owner hereunder (or to the interest of an assignee of Owner hereunder) shall be deemed to be Owner hereunder for all purposes.

[Alternate Clause]
OWNER Owner can sell or lease the property provided that the purchaser expressly assumes in writing all of the Owner's obligations under this Agreement.

8.3 Acceptable Purchaser

OPERATOR Operator shall not terminate this Agreement if the proposed purchaser of the property from Owner is an "Acceptable Purchaser," which shall mean one that has (a) total assets of at least Twenty Million Dollars (\$20,000,000) in 1989 dollars, (b) a financial net worth at least equal to twenty-five percent (25%) of the then fair market value of the Hotel (or such proportion if less than all of the Hotel is to be sold), (c) a reputation in the business world generally at least equal to that of Owner and its constituent transferors, (d) no significant part of its business in competition with Operator as a national or regional hotel chain (whether or not in direct competition with the Hotel), and (e) an agreement with Owner to execute at the closing of such proposed sale a document in writing assuming all of the Owner's obligations pursuant to this Management Agreement.

[Alternate Clause]
OWNER If Owner's interest in the Hotel is contracted to be sold or leased, this Agreement shall remain in full force and effect and binding upon Operator, except that Operator shall have the right to terminate this Agreement effective upon transfer of ownership of the Hotel if the purchaser or lessee is: (a) in the reasonable and good faith opinion of Operator, not of sufficient net worth to comply with the obligations reasonably anticipated at such time to be incurred by Owner hereunder, (b) a party who is generally reputed to be controlled by

persons known to be engaged in criminal activities or an associate or agent of criminals, or (c) not an operator of hotels or motels. Operator shall notify Owner of its election to terminate this Agreement within fifteen (15) days of receipt by Operator of notice of any proposed sale of the Hotel. Operator shall not be entitled to exercise the right of termination if Owner shall have notified Operator in writing of the identity of the proposed purchaser or lessee with reasonable supporting background information pertaining thereto, and within fifteen (15) days of such notification, either (a) Operator does not signify in writing to Owner the manner in which any of such purchaser(s) or lessee(s) fall within any of the categories listed hereinabove, or (b) if, having signified as aforesaid, such objections are thereafter resolved to Operator's reasonable satisfaction, or if not so resolved, determined not to be valid pursuant to an arbitration proceeding.

[Alternate Clause]
OPERATOR Owner and Operator recognize that certain Operator Affiliates are now engaged, and will in the future be engaged, in various gaming or casino business activities that are strictly regulated by governmental authorities, and that, by virtue of applicable licensing requirements and other regulations, such activities may be adversely affected by the character and reputation of persons with whom Operator does business. Accordingly, Owner agrees to notify Operator in writing of the identity of any of the following persons or entities together, in each case, with such additional information concerning any such person or entity, and the officers and owners of such entity, as Operator may reasonably request:

- A. Any proposed assignee of this Agreement in connection with any contemplated sale or lease of the Hotel;
- B. Any proposed assignee/transferee of a controlling interest in Owner; or
- C. Any proposed purchaser of a limited partnership interest in Owner in connection with the original offering of such interests or any proposed transferee of any such interest.

Operator shall have a period of ninety (90) days after receipt of such information to investigate the backgrounds and reputations of such persons or entities and shall have the right to disapprove any of the proposed transactions on the basis that it may jeopardize its gaming or casino business activities. Owner and Operator acknowledge the discretionary nature of the governmental regulations and licensing requirements imposed upon Operator Affiliates and agree that Operator shall have the widest possible discretion in withholding its approval if it determines in good faith that any proposed assignment of this Agreement is likely to have an adverse impact or would otherwise jeopardize or delay any present or future gaming or casino business venture (including, without limitation, any approvals, temporary or permanent licensing requirements, or other regulatory procedures in connection therewith) engaged in by any Operator Affiliates.

[Optional Additional Clause]
OPERATOR Any consent granted by Operator to any such sale, lease, or assignment shall not be deemed a waiver against sale, lease, or assignment in any subsequent case.

8.4 Right of First Refusal

OPERATOR Owner shall extend to Operator a first right to purchase the Hotel in the event that Owner decides to sell the Hotel, or any part thereof. Owner shall extend to Operator in writing the opportunity to buy the Hotel upon certain terms and conditions (the "Offer"). Operator shall have thirty (30) days from its receipt of the Offer to accept same. Operator's failure to accept the Offer within such thirty (30) -day period shall be deemed Operator's refusal to purchase the Hotel on the terms and conditions offered, and Owner shall have the right to sell the Hotel upon the same terms and conditions con-

tained in the Offer, or upon terms more favorable to Owner, provided that a contract reflecting such transaction is executed by Owner and the new Purchaser within nine (9) months of the date Operator declines the Offer. In the event no contract has been executed within such nine (9) -month period, or if a contract has been executed during such period but such contract later fails, Owner must resubmit to Operator a written offer to sell the hotel, or any part thereof and, Operator shall again have thirty (30) days to accept or decline such offer.

8.5 Future Owners and Operators

NEUTRAL All references to "Owner" and "Operator" throughout this Agreement shall include and apply to their respective authorized successors and assigns; provided, however, that no assignment of this Agreement shall relieve the assignor of its obligations and liabilities under this Agreement.

8.6 Assignment as Collateral Security

OWNER Nothing herein contained shall prevent Owner from assigning this Agreement to any bank, insurance company, or other financial institution as collateral security to any first mortgage on the property.

8.7 Subordination to Mortgages

OWNER It is mutually agreed that this Agreement is subject and subordinate to the lien of all and any mortgages (the term "Mortgages" shall include both construction and permanent financing as well as secondary or junior financings and personal property financing and shall include deeds of trust and similar security instruments) that may now or hereafter encumber or otherwise affect the Hotel and to all and any renewals, extensions, modifications, recastings, or refinancings thereof. This clause shall be self-operative and no further instrument of subordination shall be required by any mortgage, trustee, beneficiary, or secured party. However, as confirmation of such subordination, Operator shall, at Owner's request, promptly execute any requisite or appropriate certificate or other documents.

Operator agrees to negotiate in good faith with Owner with respect to any modifications to this Agreement or any ancillary agreement that may reasonably be required or requested by any such construction or permanent institutional first mortgagee. Operator agrees that the operation is expressly conditioned upon the approval hereof by such mortgagee and the satisfaction by Owner and Operator of such additional conditions and requirements as may be imposed by such construction or permanent institutional first mortgagee.

It is agreed that in the event any party shall succeed to the interest of Owner through foreclosure or through a deed in lieu thereof, no liability or outstanding obligation of Owner to Operator that arose prior to such foreclosure or deed shall bind, obligate, or become a liability of such party, but Owner shall remain liable therefore.

If requested to do so by any mortgagee, Operator shall furnish to such mortgagee a copy of any financial report, statement, schedule, or plan required under this Agreement, to be submitted by Operator to Owner.

A copy of all notices of default under this Agreement shall be provided to any mortgagee of the Hotel, and such mortgagees shall be given a reasonable opportunity to cure such default. In addition, upon the request of any mortgagee or of either party hereto, Owner and/or Operator shall provide for such requesting party or such mortgagee estoppel certificates that shall state that this Agreement is in full force and shall specify any known defaults, if any, thereunder. Operator shall certify to such mortgagee, and/or to

Owner, that all preconditions and the full effectiveness of the Agreement have been satisfied and that the Operating Term has commenced.

Section 9 CONDEMNATION, DAMAGE, OR DESTRUCTION

9.1 Partial Condemnation

NEUTRAL If only a part of the Hotel shall be taken or condemned and the taking or condemnation of such part does not make it unreasonable or imprudent, in Operator's reasonable opinion, to operate the remainder as a hotel of the same type and class as immediately preceding such taking or condemnation, this Agreement shall not terminate, but out of the award to Owner so much thereof as shall be reasonably necessary to repair any damage to the Hotel, or any part thereof, so as to render the Hotel a complete and satisfactory architectural unit as a hotel of the same type and class as immediately preceding the taking or condemnation, shall immediately be made available for this purpose, subject to the interests of any mortgagee; and the balance of the award, after deduction of the sum necessary for restoration, shall be distributed to the Owner.

In the event of a taking or condemnation of all or part of the Hotel for temporary use, this Agreement shall remain in full force and effect. Restoration, repairs, and alterations shall be commenced promptly after the termination of the taking or condemnation for temporary use and same shall be completed with diligence. Operator's fees shall be computed on the basis of actual Gross Income and Adjusted Gross Operating Profit.

To the extent that any of the provisions of this Article conflict with the terms of any mortgage or other secured financing covering the Hotel, the terms of such mortgage or other secured financing shall supersede the provisions herein.

9.2 Use of Award for Partial Condemnation

OPERATOR Any compensation or award received by Owner with respect to any taking of the property in partial condemnation shall be used first for any restoration, repair, replacement, or rebuilding required by Operator and, thereafter, any excess shall be divided between Owner and Operator in such proportion that Operator will receive twenty percent (20%) of that fraction of the excess determined by dividing the then-remaining number of years in the term of this Agreement (including partial years and assuming exercise of all options to renew) by the remaining number of years in the useful life of the Hotel (for Hotel purposes) prior to the taking.

9.3 Total Condemnation

OPERATOR If the whole of the Buildings and the Land shall be taken or condemned by reason of any eminent domain, condemnation, compulsory acquisition, or like proceeding by any competent authority for any public or quasi-public use or purpose, or if such a portion thereof shall be taken or condemned as to make it imprudent or unreasonable, in the reasonable opinion of Owner, to use the remaining portion as a hotel of the same type and class as immediately preceding such taking or condemnation, then, in either of such events, this Agreement shall terminate with respect to the Hotel as of thirty (30) days after written notice from Owner to Operator of Owner's decision to terminate this Agreement under this provision. Owner and Operator each shall have the right and authority, as to their respective interests in such hotel, to defend at their own expense against any such taking or condemnation or to sue for or appeal from any such award and, in the exercise of such right, to compromise and settle any such action or award solely as to their own interest in the Hotel, on such terms as they may deem advisable. Operator shall continue to manage

the Hotel and to perform all of the duties required hereunder until such time as this Agreement terminates as herein provided.

9.4 Award for Total Condemnation

OWNER If, in Operator's reasonable opinion, it is not possible to use the remaining portion of the Hotel as a hotel of the type and class immediately preceding such taking or condemnation, then Operator may terminate this Agreement as of the date of such event. Operator shall not be entitled to participate in any award of such taking or condemnation.

[Alternate Clause]
OWNER All proceeds of any condemnation shall belong to Owner, except to the extent that separate award is made to Operator. Operator shall have the right to seek an award in an eminent domain, condemnation, compulsory acquisition, or like proceeding only if such action by Operator is not likely to, and does not, in Owner's opinion, prejudice any of Owner's rights or diminish or adversely affect any award or proceeds sought by or awarded to Owner.

[Alternate Clause]
OWNER Owner shall receive the whole of any award for any complete expropriation; provided, however, that Operator may separately claim, prove, and receive an award for any separately compensable rights of Operator taken in such expropriation only if Operator shows, to Owner's satisfaction, that such claim may be made separately from Owner's claim, and that any award would not adversely affect the timing or amount of the award to which Owner is entitled.

[Alternate Clause]
OPERATOR Operator shall have the right, during the first ten (10) full Fiscal Years of the Operating Term, in the case of either total or partial taking or condemnation, either to institute or to intervene in any available administrative proceeding or judicial action intended to determine just compensation for such taking, for the purpose of representing Operator's compensable interest in any award thereof arising from this Agreement and more specifically from Operator's right of quiet enjoyment pursuant to this Agreement. Such award, after first paying any amounts due any mortgagee and all borrowings of the joint venture owning the property and returning Owner's initial capital contribution to Owner, shall be apportioned between the parties hereto in consideration, without limitation, of the following factors: (a) recoupment by Owner of its investment, (b) return on investment to date, (c) actual loss of income, in the event of partial taking or condemnation, (d) loss of reasonably anticipated future income, in the event of total taking, (e) length of unexpired term and any renewals thereof, and/or (f) proportion that Operator's fees under this Agreement bear to return to Owner after Operator fees. Any award that does not recognize such separate and compensable interest in Operator shall be the subject of arbitration between the parties hereto pursuant to the provisions of this Agreement. Thereafter, Operator may institute a proceeding and shall be entitled only to any separate award made to Operator that does not reduce the award otherwise payable to Owner.

[Alternate Clause]
OPERATOR In the event that this Agreement terminates owing to a full condemnation, the aggregate of the awards or other proceeds of the taking (including any interest included in or paid with respect to such award or proceeds) shall be paid to Owner; provided, however, that if such awards or other proceeds of the taking shall represent loss of income to Operator, Operator shall be entitled to a fair and equitable share of such awards or other proceeds to the extent of such loss of income.

9.5 Taking for Temporary Use

NEUTRAL In the event of a taking of all or part of the Hotel for temporary use, this Agreement shall remain in full force and effect, and the following shall be applicable:

A. If the taking is for a period not extending beyond the Operating Term, the awards or other proceeds on account of the taking (including any interest included or paid with respect to such awards or proceeds) other than any portion of such awards or proceeds specifically identified as compensation for alterations or damages to the Hotel shall be included in Gross Revenue and Operating Profit for the Operating Year or Years in which received. When and if, during the Operating Term, the period of temporary use shall terminate, Owner shall make all such restorations, repairs, and alterations as shall be necessary to restore the Hotel to its condition prior to such taking for temporary use and shall complete the same with diligence.

B. If the taking is for a period extending beyond the Operating Term, the awards or other proceeds on account of the taking (including any interest included or paid with respect to such awards or proceeds) other than any portion of such awards or proceeds specifically identified as compensation for alterations or damages to the Hotel for the period of the taking up to the stated expiration of the Operating Term shall be included in determining Gross Revenue and Operating Profit for the Operating Year or Years in which received, and the remainder of such awards or other proceeds (including interest as aforesaid) shall be paid to Owner.

9.6 Owner's Options After Fire or Casualty

OWNER If the Buildings, Operating Equipment, or Furniture, Furnishings, and Equipment for the Hotel shall be damaged or destroyed to the extent of twenty-five percent (25%) or more of its replacement cost during the Operating Term by fire or other casualty, Owner shall have the right and option, upon notice served upon Operator within sixty (60) days after such fire or other casualty (or within ten (10) days after ascertaining the amount of such proceeds of insurance, if later), to either (a) replace and restore the Hotel to the condition that existed prior to such destruction and to have the full proceeds from the insurance thereon, in which case this Agreement shall continue in full force and effect, or (b) to terminate this Agreement as to the Hotel, provided that such notice of termination shall be voidable at the option of Operator and by written notice to Owner if, within one (1) year after such notice is given to Operator, Owner (or any affiliate of Owner) shall commence to repair, restore, rebuild, or replace the destroyed Buildings, Operating Equipment, or Furniture, Furnishings, and Equipment with the intent of operating the Hotel as a hotel, motel, or other transient lodging facility. In case of such termination by Owner, the amount of any Incentive Fee due to Operator under this Agreement shall be agreed upon mutually.

9.7 Termination for Total Destruction

NEUTRAL Owner shall be entitled to elect, by written notice given to Operator within ninety (90) days after a fire or other casualty, to terminate this Agreement, if one of the following conditions is met:

- A.** The Hotel is damaged or destroyed to such an extent that the cost of repairs or restoration exceeds, in Owner's determination, eighty-five percent (85%) of the full replacement cost (excluding excavations, footings, and foundations) of the Hotel; or
- B.** The major food and beverage facilities in the Hotel are rendered substantially unusable for their intended use during the last eighteen (18) months of the Operating Term; or
- C.** The percentage of the guestrooms in the Hotel referred to in column x shall be rendered unsuitable for use by guests as a result of any damage or destruction to the whole or any part of the Hotel when the Operating Term shall have no more than the number of years to run set forth in column y, as follows:

<i>Percentage of Rooms Rendered Unusable</i>	<i>Years</i>
<i>x</i>	<i>y</i>
55	Five
40	Four
30	Three
20	Two
10	One

[*Alternate Clause*] If the percentage of the guestrooms in the Hotel referred to in column a shall be rendered unsuitable for use by guests as a result of any damage or destruction to the whole or any part of the Hotel when the term of this Agreement shall have no more than the number of years to run that is set forth in column b below, as follows:

NEUTRAL

<i>a</i>	<i>b</i>
50	Five
40	Four
30	Three
20	Two
10	One

then Owner or Operator may terminate this Agreement within thirty (30) days after the occurrence of such damage or destruction by giving notice to the other party hereto irrespective of the insurance coverage applicable to said damage or destruction.

9.8 Uninsured Casualty

OWNER If the whole or any part of the Hotel shall be damaged or destroyed by any cause for which insurance coverage was not required to be maintained by Owner, and the cost of the Casualty Restoration with respect thereto shall exceed thirty percent (30%) of the replacement value of the Hotel, as determined by an independent licensed architect selected by Operator and Owner, then Owner may terminate this Agreement by providing written notice to Operator within thirty (30) days after the occurrence of such damage.

9.9 Payment to Operator for Casualty Termination

OPERATOR If all or any part of the Hotel is damaged or destroyed to such an extent that the estimated cost of the Casualty Restoration exceeds fifty percent (50%) of the total replacement cost (without deduction for depreciation) of the Hotel, then, if Owner reasonably concludes on the basis of the factors existing at the time of such casualty that it would be uneconomic to repair and restore the Hotel, Owner shall have the right to terminate this Agreement with respect to the Hotel upon payment to Operator of a termination fee equal to five (5) times the total Base Fee and Incentive Fee (without any accrual or limitation based on Cash Available for Incentive Fee) earned by Operator with respect to the Hotel for the most recent full Operating Year. Notwithstanding such termination, the Hotel shall remain subject to Operator's right of first refusal pursuant to this Agreement.

NOTE: The termination fee included in the above clause is higher than most such fees. Usually the fee is two or three times the management fee.

9.10 Payment to Operator During Restoration

OPERATOR At all times until operations of the Hotel are fully recommenced, Owner shall pay to Operator each month an amount equal to the average total monthly payments paid to Operator for the twelve (12) months preceding the appropriation (or such lesser actual period, if the

Hotel has been managed by Operator for less than twelve (12) months) but in no event an amount that exceeds the sum of Total Revenue and the proceeds of business interruption insurance after payment or provision for payment of all other operating expenses of the Hotel, including debt service on indebtedness permitted to be incurred pursuant to this Agreement and taxes for such month.

9.11 Operator's Response to Casualties, Accidents, and Claims

- OWNER Operator shall promptly investigate all accidents and claims for damage relating to the ownership, operation, and maintenance of the Hotel and related facilities and any damage or destruction to the Hotel and related facilities. Operator shall report to Owner any such incident that is material, together, if applicable, with the estimated cost of repair thereof.
- [Alternate Clause]* In the event of any damage or loss to the Hotel by fire or other casualty, Operator shall give immediate written notice thereof to Owner if the damage or loss involves more than Twenty-Five Thousand Dollars (\$25,000).
- OWNER *[Alternate Clause]* As agent for Owner, Operator shall promptly apply for the insurance covering such damage or loss, and in the Owner's name shall prosecute and negotiate for payment of such proceeds, employing counsel (to be selected by the Owner) if necessary for such purpose.
- OWNER *[Alternate Clause]* Operator shall prepare any and all reports required by any insurance company as a result of any such incident and shall submit to Owner the paperwork concerning any material incident for approval prior to submission to any such insurance company.

9.12 Restoration of Hotel

- NEUTRAL If the Hotel, or any portion thereof, shall be damaged or destroyed at any time or times during the Operating Term by fire or any other casualty, the Owner, at no expense or risk to Operator, shall, using diligence and dispatch, repair, rebuild, or replace the same (such repairing, rebuilding, or replacing being herein referred to as "Restoration") so that after such Restoration the Hotel shall be substantially the same as prior to such damage or destruction, and all proceeds of insurance, other than business interruption insurance, shall be made available to the Owner for this purpose. Owner shall use its best efforts to obtain the consent of any Mortgagee of the Hotel to make insurance proceeds available for application to such Restoration, and if such Mortgagee consents, Operator shall have the right to ensure that such proceeds of insurance shall be applied to such Restoration. If the Owner fails to undertake such Restoration within one hundred twenty (120) days after a fire or other casualty that affects a material portion of the Hotel, or fails to complete the same diligently, Operator may, at its option, terminate this Agreement by written notice to Owner, effective as of the date received by Owner. Operator shall supervise all aspects of the restoration at no cost to Owner, provided, however, that if the proceeds of insurance provide for a supervisory fee, such fee shall be paid to Operator.

Section 10 TERMINATION RIGHTS

10.1 Operator's Breach of Contract

- OWNER Owner may terminate this agreement if Operator shall have committed a material breach of this Agreement, or otherwise failed to observe or perform any material covenant or provision of this Agreement, and Owner shall have served written notice upon Operator

setting forth the details of such alleged breach, and Operator shall not, within thirty (30) days after the mailing of such notice, have cured such breach to the reasonable satisfaction of Owner, or if such breach is of a nature that it cannot be cured within such thirty (30) -day period, Operator shall not within such thirty (30) -day period have commenced and at all times thereafter have diligently proceeded with all acts required to cure such breach and does not cure such breach to the reasonable satisfaction of Owner within sixty (60) days. Any such termination under this subdivision shall be without prejudice, however, to any and all other rights and remedies that the Owner may have for breach of this Agreement by the Manager.

[Alternate Clause]
OWNER In the event that Operator violates any of its covenants and agreements herein, or fails to perform any of its obligations, undertakings, or conditions as set forth in this Agreement, and shall not cure such failure within thirty (30) days after written notice from Owner, Owner may terminate this Agreement upon ten (10) days' prior written notice to Operator.

10.2 Operator's Willful Misconduct or Fraud

OWNER Owner may terminate this Agreement if Operator shall engage in any act of willful misconduct or fraud with respect to, or the misappropriation or diversion of funds or property of, Owner for Operator's own benefit.

10.3 Operator's Bankruptcy

OWNER If Operator shall file in any court, pursuant to any statute of either the United States or any state, a petition in bankruptcy or insolvency, or for a reorganization, or for the appointment of a receiver or trustee of all or a substantial portion of Operator's property, or if Operator makes an assignment for or petitions for or enters into an arrangement for the benefit of creditors, or if a petition seeking relief under the bankruptcy laws is filed against Operator that is not discharged within ninety (90) days thereafter, then Owner may terminate this Agreement upon written notice to Operator.

[Alternate Clause]
OWNER If Operator shall file a voluntary petition for reorganization or for any arrangement under any provisions of any bankruptcy code now or hereafter enacted, Owner may terminate this Agreement upon written notice to the party filing such petition.

[Alternate Clause]
OWNER If a petition shall be filed by any third party for the reorganization of Operator under any provisions of any bankruptcy code now or hereafter enacted and such proceeding is not dismissed within ninety (90) days after such filing, then Owner may terminate this Agreement upon written notice to the party against whom such petition was filed.

10.4 Appointment of a Receiver for Operator

OWNER If a receiver, trustee in involuntary bankruptcy, or other similar officer shall be appointed to take care of all or a substantial portion of the property of Operator, then Owner may terminate this Agreement upon written notice to the party for whom such official has been accepted.

10.5 Operator's Assignment for Creditors

OWNER If Operator makes a general assignment for the benefit of its creditors, Owner may terminate this Agreement upon written notice to the party making such assignment.

10.6 Operator Causes Licenses to Be Revoked

OWNER If the property's licenses or permits, including, but not limited to, occupancy, food, and alcoholic beverage service, are revoked because of the wrongful acts of Operator, Owner may terminate this Agreement upon written notice to Operator.

10.7 Operator Causes Franchise to Be Terminated

OWNER If the Franchise is terminated as a result of the operation of the Hotel being in non-compliance with the Franchise requirements, Owner may terminate this Agreement upon written notice to Operator, unless such termination is due to Owner's failure to fund sums to maintain the Franchise in good standing.

10.8 Operator Not Active in Hotel Business

OWNER Operator shall be deemed to have ceased to be actively engaged in the business of operating and managing hotels and inns if less than sixty-six and two thirds percent (66²/₃%) of the total gross income of Operator and its wholly-owned Affiliates or wholly-owned Related Entities shall be derived from the hotel, inn, catering, restaurant, beverage, and related businesses.

[Alternate Clause] If Operator and other members of its chain collectively shall cease to own, lease, or manage at least ten (10) hotels in the continental United States, Operator shall be deemed to have ceased to be actively engaged in the business of operating and managing hotels and inns.

10.9 Operator Fails to Provide Chain Services

OWNER Owner may terminate this Agreement if Operator shall fail to maintain, at Operator's expense, at all times during the Operating Term, a toll-free operator-tended inter-hotel reservation system pursuant to which persons located anywhere in the United States can, without long distance charge to such persons, make reservations by telephone at the Hotel.

10.10 Acquisition of Operator by Criminal

OWNER Owner may terminate this Agreement if Operator shall be acquired or controlled by a party who is generally reported to be controlled by persons known to be engaged in criminal activities or an associate of criminals.

10.11 Termination of Operator for Poor Operating Performance

OWNER In the event that the Payment to Owner as provided herein shall, for any three (3) consecutive full Fiscal Years, be insufficient to meet Owner's debt service requirements for the Hotel under the original mutually agreed financing plan for the Hotel after provision for real estate taxes, or if during the extended period of operation the Gross Operating Profit of the Hotel as defined herein shall, for any two (2) consecutive Fiscal Years, average less than one hundred fifty (150) times the average room rate for each such year times the number of available guestrooms in the Hotel, Owner shall have the right to issue a Notice of Termination of this Agreement, on three (3) months' notice to Operator. If such notice is accompanied by a declaration by Owner that it has determined to cease the use of the Improvements as a Hotel, this Agreement shall automatically terminate at the end of the three (3) months' notice period, provided, however, that if at any time within five (5) years thereafter the Improvements are again to be used as a Hotel, Operator shall have the right, but not the obligation, to reinstate this Agreement and to operate the Hotel in accor-

dance with the terms and conditions thereof, except that the Operating Term shall be extended for the period in which the building has not been used as a hotel. If the Notice is not accompanied by such a declaration, Operator shall have the right to serve a notice of arbitration upon Owner pursuant to the terms of this Agreement, and the date of termination specified in the notice shall be extended until thirty (30) days after a final award has been entered that Operator has not sustained the affirmative burden of proving, by a preponderance of evidence, that the failure to meet the performance standard was due to causes or conditions beyond Operator's control. In the event that the arbitrator shall determine that Operator has sustained the aforesaid burden of proof, the aforesaid notice of termination shall be nullified and shall have no force and effect.

NOTE: The preceding clause provides for termination due to the operator's failure to achieve specific profit levels.

[Alternate Clause]
OWNER In addition to the foregoing rights of termination for default, if the Adjusted Gross Operating Profit for any two (2) consecutive fiscal years occurring after the first three (3) full Fiscal Years (i.e., Fiscal Years of not less than three hundred sixty-five (365) days) of the Operating Term of this Agreement shall be less than zero (0) for each such Fiscal Year, Owner may terminate this Agreement.

Operator shall have the right, but not the obligation, on one occasion and one occasion only, to pay Owner the difference between the actual Adjusted Gross Operating Profit for either of the two consecutive Fiscal Years that give rise to Owner's right to terminate on which Owner's said notice was based and zero (0) (or such amount to which it may have been reduced in accordance with the preceding paragraph), in which event Owner's notice of termination shall be deemed withdrawn, provided, however, that in the event the next fiscal year following such cure by Operator results in an adjusted gross operating profit of less than zero (0), Owner shall have the option to terminate.

NOTE: The preceding clause gives the operator the right to cure.

[Alternate Clause]
OWNER Owner shall have the right, within sixty (60) days after the sixth (6th) anniversary of the Formal Opening Date, to terminate this Agreement by giving Operator written notice during such sixty (60) -day period of Owner's intent to terminate this Agreement on a date set forth in such notice, which date shall not be less than ninety (90) days nor more than one hundred eighty (180) days after Operator's receipt of such notice, if Operator fails to achieve a Total Income Before Fixed Charges of at least \$..... during the twelve (12) months immediately preceding the sixth (6th) anniversary of the Formal Opening Date.

If Owner so advises Operator of Owner's intent to terminate this Agreement in such a manner, Operator shall have fifteen (15) days from the date of receipt of such notice of termination during which Operator may cure such failure by loaning to Owner an amount equal to the difference between \$..... and the Total Income Before Fixed Charges actually achieved by the Hotel in the twelve (12) months immediately preceding the sixth (6th) anniversary of the Formal Opening Date.

In the event that Operator cures such failure described above by making a loan to Owner, such loan shall be evidenced by a promissory note from Owner to Operator, in form and substance satisfactory to Operator and consistent with the terms hereof, and shall bear interest at the rate of six percent (6%) per annum. Repayment of the full amount of the loan is to be made from Cash Flow beginning in the year following the seventh (7th) anniversary of the Formal Opening Date, after payment of the Incentive Management Fees due and payable as provided for herein, and payments on such loan shall be made monthly or otherwise as such Cash Flow is available until such loan has been paid in full.

NOTE: The preceding clause allows the operator to cure its default by making a loan.

[Alternate Clause]
 OWNER If, after the first two (2) full calendar years of operation, the Hotel has no Gross Operating Profit in any Operating Year, Owner may, at its option, terminate this Agreement, unless Operator advances the necessary funds required to fully cover (a) any negative Gross Operating Profit; (b) plus an amount equal to a fifteen percent (15%) annual return on equity funds (as hereinafter defined) invested in the Hotel. Should Operator advance any funds necessary for such purpose, Operator shall be reimbursed for any such advances out of future Adjusted Gross Operating Profit, if any, derived from the operation of the Hotel; provided, however, that such reimbursement shall not result in a negative Adjusted Gross Operating Profit and provided that such reimbursement shall reduce Adjusted Gross Operating Profit upon which any Incentive Fee is computed. Such reimbursement shall be in an amount equal to the amount so advanced plus interest on the balance of funds advanced outstanding from time to time at a rate of fifteen percent (15%) per annum, provided, however, that such reimbursement shall be payable only from funds remaining after Owner shall have received a fifteen percent (15%) return on Equity Funds invested in the Hotel.

[Optional Additional Clause]
 OWNER In addition to the other provisions regarding termination herein provided, Owner shall have the right to terminate this Agreement if after five (5) full years of operation of the Hotel, eighty percent (80%) of the Adjusted Gross Operating Profit for any subsequent Operating Year does not equal at least a fifteen percent (15%) annual return for equity funds invested in the Hotel.

As used herein, the term "Equity Funds" shall mean all funds invested in or loaned to Owner by its principals and applied to the construction and operation of the Hotel over and above all borrowed funds, plus fair market value of all other assets, such as land contributed by the principals in Owner to Owner in return for a capital account credit, but only to the extent such assets are used in connection with the Hotel.

[Alternate Clause]
 OWNER Owner shall have the right, at its option, to terminate this Agreement on thirty (30) days' written notice to Operator if, for any two (2) consecutive Fiscal Years during the Operating Term, the amount of Gross Operating Profit is less than the amount corresponding to each of the following Fiscal Years:

Year	Gross Operating Profit	Percentage of Market Study Projections	Percentage Cash on Equity
1988	\$1,197,000	95	5.3
1989	1,447,000	95	13.4
1990	1,619,000	95	19.0
1991	1,692,000	90	21.4

For each year thereafter, the Gross Operating Profit number will be adjusted by the Consumer Price Index. In the event the Hotel were to be wholly or partially closed for business during any such year, for reasons beyond the control of Operator, then the foregoing performance standards shall be equitably adjusted.

Notwithstanding the above, Operator shall have a one-time right to cure the termination by paying to Owner, within five (5) business days, the amount that the actual Gross Operating Profit was deficient for each of the two Fiscal Years. If Operator makes this payment, the termination will be waived; however, if the actual Gross Operating Profit is less than the amount corresponding for the immediately succeeding Fiscal Year, Owner will again have the right to cancel this Agreement, and, as Operator will have already used its one-time right to cure, Operator will not be able to cure. If this Agreement is terminated as a result of this provision, the Incentive Fee to Operator will remain in effect.

[Alternate Clause]
 OWNER A "Negative Earnings Event" shall occur if, at the completion of any Fiscal Year, the cumulative Performance Test Cash Flow for all Fiscal Years through such Fiscal Year is less

than One Dollar (\$1). "Performance Test Cash Flow" shall mean Cash Flow Available for Debt Service less Notional Free and Clear Cash Flow.

"Notional Free and Clear Cash Flow" shall be (a) none (\$0) through and including that Fiscal Year (the "Base Year") in which the Renovation Program is completed, (b) One Million Five Hundred Thousand Dollars (\$1,500,000) for the first full Fiscal Year following the Base Year, (c) Two Million Five Hundred Thousand Dollars (\$2,500,000) for the second full Fiscal Year following the Base Year, (d) Three Million One Hundred Thousand Dollars (\$3,100,000) for the third full Fiscal Year following the Base Year, and (e) Three Million Four Hundred Thousand Dollars (\$3,400,000) for the fourth full Fiscal Year following the Base Year and each Fiscal Year thereafter.

If a Negative Earnings Event shall occur, Owner may elect to terminate this Agreement upon written notice to Operator, within ninety (90) days after receipt of the annual financial statements as provided herein disclosing the occurrence of such a Negative Earnings Event. In this event, this Agreement shall terminate on the last day of the second (2d) calendar month following the month in which such notice was given.

A Negative Earnings Event shall not be a default hereunder, nor shall a default hereunder be a Negative Earnings Event.

[*Alternate Clause*]
OWNER

Beginning in the fourth (4th) full or partial Fiscal Year of operation of the Hotel, Operator shall achieve a level of performance (the Performance Standard) that is at least equal to eighty-five percent (85%) of the approved budgeted Gross Operating Profit or any revised approved budgeted Gross Operating Profit. If Operator fails to achieve the Performance Standard for three Fiscal Years of any five (5) -fiscal-year period, Owner shall have the option to terminate this Agreement. Notwithstanding the foregoing, if the Performance Standard is not met for any Fiscal Year, the Performance Standard shall be deemed to be met for such Fiscal Year to the extent that the deficiency for that Fiscal Year ("Performance Deficiency") is cured by operations in the succeeding Fiscal Year. To the extent that operations in the next succeeding Fiscal Year do not cure the Performance Deficiency, Operator may at its option contribute an amount equal to the Performance Deficiency for such Fiscal Year by deposit in the Bank Account (as hereinafter defined) by April 30 of the second (2d) succeeding Fiscal Year, and upon such contribution, the Performance Standard shall be deemed to have been met for the Fiscal Year.

10.12 Termination by Owner Upon Payment of Termination Fee

OWNER

From the Formal Opening Date until the second anniversary of the Formal Opening Date, Owner shall have no right to terminate this Agreement except for those events of default set forth herein. Commencing with the second (2d) anniversary of the Formal Opening Date, this Agreement may be terminated by Owner for any reason by notice to Operator of Owner's intent to terminate this Agreement upon the expiration of a period of not less than ninety (90) nor more than one hundred eighty (180) days from the date of notice and payment of the following amounts:

A. If notice is given by Owner to Operator during the period commencing on the second (2d) anniversary of the Formal Opening Date, but prior to the fifth (5th) anniversary of the Formal Opening Date, Owner shall pay Operator a fee equal to one and one half (1 1/2) times the amount of Base Management, Centralized Service, and Incentive Fees earned by Operator for the twelve (12) months immediately preceding the date of termination.

B. If notice is given by Owner to Operator after the fifth (5th) anniversary of the Formal Opening Date, and prior to the tenth (10th) anniversary of the Formal Opening Date, Owner shall pay Operator a fee equal to one (1) times the amount of Base Management, Centralized Services, and Incentive Fees earned by Operator during the twelve (12) months immediately preceding the date of termination.

C. If notice of termination is given by Owner to Operator after the tenth (10th) anniversary of the Formal Opening Date, Owner shall pay Operator a fee equal to seventy-five percent (75%) of the Base Management, Centralized Services, and Incentive Fees earned by Operator during the twelve (12) months immediately preceding the notice of termination. In no event, however, shall the amount paid Operator by Owner under this provision be greater than the amount determined by multiplying (i) the amount earned by Operator during the year commencing on the ninth (9th) anniversary of the Formal Opening Date for Base Management Fees, Centralized Services, and Incentive Fees by (ii) a fraction, the numerator of which is the latest published Consumer Price Index figure available as of the date of termination and the denominator of which is the latest published Consumer Price Index figure available as of the tenth (10th) anniversary of the Formal Opening Date.

NOTE: Termination fees generally range up to three times the total management fee paid over the previous 12-month period.

[Alternate Clause]
OPERATOR If this Agreement terminates pursuant to Owner's election, Owner shall pay to Operator liquidated damages, representing the agreed, reasonable stipulated sum of all losses suffered by Operator because of such termination (including, without limitation, home office and key Hotel personnel commitments and loss of profits), in an amount equal to three (3) times annual fees and charges payable to Operator in the Fiscal Year ended immediately prior to the date on which Owner gives a termination notice to Operator.

[Alternate Clause]
OWNER Owner may terminate this Agreement without cause and upon thirty (30) days' prior written notice only in the event of a sale of the Hotel to a third party and then only as follows:

A. There shall be no right to terminate hereunder for the first three (3) years after the Effective Date;

B. If the Agreement is terminated in the fourth (4th) year, Owner will pay to Operator three (3) times the prior year's Base Management Fee as liquidated damages;

C. If the Agreement is terminated after the fourth (4th) year, Owner will pay to Operator the lesser of two and one half ($2\frac{1}{2}$), or the number of years remaining under the Initial Term, times the prior year's Base Management Fee as liquidated damages.

D. In addition, Operator shall be entitled to receive its Incentive Management Fee upon such sale, as per provisions of this Agreement.

10.13 Owner Indemnifies Operator After Termination

OPERATOR As a further condition of termination for any reason, Owner and, if this Agreement terminates in connection with a sale, any successor Owner shall indemnify and keep Operator harmless against any and all losses, costs, damages, liabilities, claims, and expenses, including reasonable attorney fees, arising or resulting from the failure of Owner or any prospective purchaser, lessee, or operator to provide any of the services contracted for in connection with the business booked for the Hotel to and including the date of termination, including any and all business so booked as to which facilities or services are to be furnished subsequent to the date of termination.

10.14 Termination by Operator

OPERATOR This Agreement and the employment of Operator may be terminated at the option of Operator ninety (90) days after written notice, and, except as to liabilities or claims that shall have accrued or arisen prior to such termination, all obligations hereunder shall cease upon the happening of any of the events specified hereinbelow.

10.15 Owner's Breach of Contract

OPERATOR Operator may terminate this Agreement if Owner shall have committed a material breach of this Agreement, and Operator shall have served written notice upon Owner setting forth the details of such alleged breach, and Owner shall not, within ten (10) days after the mailing of such notice in the case of a monetary default, have cured such breach, or if Owner shall not, within thirty (30) days after the mailing of such notice in the case of any other default, have cured such breach, or if such breach is of a nature that it cannot be cured within such thirty (30) -day period, and Owner shall not within such thirty (30) -day period have commenced and at all times thereafter have diligently proceeded with all acts required to cure such breach or does not cure such breach within sixty (60) days. Any such termination under this subdivision shall be without prejudice, however, to any and all other remedies that the Manager may have for breach of this Agreement by the Owner.

[*Alternate Clause*] In the event that Owner violates any of its covenants and agreements herein, or fails to perform any of its obligations, undertakings, or conditions as set forth in this Agreement, and shall not cure such failure within thirty (30) days after written notice from Operator, Operator may terminate this Agreement upon ten (10) days' prior written notice to Owner.

10.16 Owner's Bankruptcy

OPERATOR If Owner shall file, in any court and pursuant to any statute, of either the United States or any State, a petition in bankruptcy or insolvency or for a reorganization or for the appointment of a receiver or trustee of all or a substantial part of Owner's property, or if Owner makes an assignment for or petitions for or enters into an arrangement for the benefit of creditors, or if a petition seeking relief under the bankruptcy laws is filed against Owner that is not discharged within ninety (90) days thereafter, Operator may terminate this Agreement upon written notice to Operator.

[*Alternate Clause*] If Owner shall file a voluntary petition for reorganization or for any arrangement under any provisions of any bankruptcy code now or hereafter enacted, Operator may terminate this Agreement upon written notice to the party filing such petition.

[*Alternate Clause*] If a petition shall be filed by any third party for the reorganization of Owner under any provisions of any bankruptcy code now or hereafter enacted and such proceeding is not dismissed within ninety (90) days after each filing, then the Operator may terminate this Agreement upon written notice to the party against whom such petition was filed.

10.17 Appointment of a Receiver for Owner

OPERATOR If a receiver, trustee in involuntary bankruptcy, or other similar officer shall be appointed to take care of all or a substantial portion of the property of Owner, then Operator may terminate this Agreement upon written notice to the party for whom such official has been accepted.

10.18 Owner's Assignment for Creditors

OPERATOR If Owner makes a general assignment for the benefit of its creditors, the Operator may terminate this Agreement upon written notice to the party making such assignment.

10.19 Owner Causes Licenses to Be Revoked

OPERATOR Operator shall have the right to cancel and terminate this Agreement with respect to the Hotel if Owner causes any material license, permit, or other governmental authorization

necessary for the operation of the Hotel in accordance with the provisions of this Agreement to be revoked, rescinded, or terminated or its renewal to be refused by the governing authority having jurisdiction thereof where such revocation, rescission, termination, or refusal to renew is due to circumstances beyond Operator's control.

10.20 Owner Fails to Provide Adequate Funds

OPERATOR Operator may terminate this Agreement upon Owner's failure to maintain agreed-upon minimum balance in the Property's operating bank account.

10.21 Owner Fails to Compensate Operator

OPERATOR Operator may terminate this Agreement if compensation due Operator from Owner is not received by Operator thirty (30) days after Operator has submitted a written request for such compensation.

10.22 Owner's Default Under Ground Lease or Mortgage

OPERATOR Operator may terminate this Agreement as a result of a default by Owner under the ground lease (if any) or the mortgage, or if the landlord or mortgagee shall declare a default or take any other action in pursuance of the remedies arising as result of such default.

10.23 Owner Not in Compliance With Municipal Laws

OPERATOR If Owner shall fail to comply with any rule, order, termination, ordinance, or law of any federal, state, county, or municipal authority and Owner is not in good faith contesting same, Operator may terminate this Agreement upon ten (10) days' written notice to Owner.

10.24 Condemnation of Property

OPERATOR Operator may terminate this Agreement if the property is condemned in whole or in part and if Operator determines that the remaining facilities are insufficient for the efficient and profitable operation of the property.

10.25 Owner Fails to Restore After Casualty

OPERATOR Operator may terminate this Agreement if the property or any portion thereof shall be damaged or destroyed by fire or other casualty and if Owner fails to undertake to repair, restore, rebuild, or replace any such damage or destruction within ninety (90) days after such fire or other casualty, or shall fail to complete such work diligently.

10.26 Owner Fails to Secure Financing

OPERATOR Operator may terminate this Agreement if Owner has not secured firm investment commitments and firm financing commitments in amounts and upon terms approved by Operator in order to finance the construction, furnishing, equipping, and operation of the property.

10.27 Owner Interferes in Operation

OPERATOR Operator may terminate this Agreement if Owner repeatedly fails or refuses to observe Operator's right of non-interference.

10.28 Termination by Operator for Any Reason

OPERATOR Operator may terminate this Agreement with or without cause if it gives thirty (30) days' notice in writing to Owner, without payment of any damages to Owner, after the first (1st) complete year of operation.

10.29 Operator May Not Terminate Because of Foreclosure

OWNER If any mortgagee or other person or legal entity shall become Owner of the property, or any part thereof, as a result of any foreclosure or a conveyance in lieu of foreclosure, Operator shall have no right or power to terminate this Agreement solely because of such change in ownership of the property, or any part thereof, and shall recognize the mortgagee or such other person or legal entity as Owner hereunder to the same extent as though it or they had been Owner hereunder as of the execution of this Agreement, provided that such mortgagee or such other person or legal entity shall agree in writing with Operator to be bound by the terms and conditions of this Agreement to the same extent as if such mortgagee or such other person or legal entity had been an original party hereto.

10.30 Termination by Mutual Consent

NEUTRAL This Agreement and the employment of Operator may be terminated at any time by mutual agreement of Owner and Operator.

10.31 Termination Because Hotel Does Not Open

NEUTRAL If the opening of the Hotel shall not have occurred by July 1, 1990, then this Agreement shall terminate, unless Operator, by notice given to Owner prior to such date, shall elect to continue them in full force and effect for such period or periods of time as it shall, in its sole discretion, determine by so stating in said notice.

10.32 No Default During Arbitration

NEUTRAL Notwithstanding the foregoing, neither Owner nor Operator shall be deemed to be in default under this Agreement if a bona fide dispute with respect to any of the foregoing events of default has arisen between Owner and Operator and such dispute has been submitted to arbitration.

10.33 Payment of Accounts After Termination

NEUTRAL All accounts due and owing as between the parties shall become immediately due and payable upon termination, including a pro rata share of the Basic Fee and Incentive Fee then due Operator, if any.

[Alternate Clause]
OPERATOR Upon termination of this Agreement after the Commencement Date for any reason, Operator shall be entitled to receive from Owner the following amounts, subject to Owner's right of set-off in cases of termination of this Agreement by Owner because of a breach of this Agreement by Operator:

- A. Reimbursement of all expenses incurred with respect to the Hotel and to which it is otherwise entitled pursuant to this Agreement.
- B. Payment of all of its Basic Fees, Deferred Fees (and accrued interest thereon), Incentive Fees, and Centralized Financial Services Charges to date of termination;
- C. Payment of any other sums due Operator hereunder; and

- D. Reimbursement of the actual cost, together with administrative costs incurred, of all non-cancelable or non-terminable employee benefits to which employees (whether employed by Owner or Operator, other than those who continue to be employed by Operator after such termination) and their covered dependents may be entitled after the date of termination of this Agreement, including, without limitation, any amounts required to be paid pursuant to the Employee Retirement Income Security Act of 1974, as amended, in accordance with the terms of such documents or instruments as may be in force on the date of termination of this Agreement provided, that (i) the parties shall cooperate, to the extent reasonably practicable, in order to create plans and provide benefits such that there will be no liability pursuant to this section as a result of the termination of the coverage of any such employees pursuant to such plans; and (ii) the parties shall cause the trustee under any defined benefit plan that applies to employees of Owner pursuant to a collective bargaining agreement to determine, or cause an actuary selected by it to determine, as of the termination date of this Agreement, the excess of the accrued vested benefits over the balance of funds in such plan or, in the case of a multi-employer plan, the amount of the termination liability attributable to Owner's participation in the plan pursuant to the collective bargaining agreement relating to employees of the Hotel, and, at such times as such excess or termination liability is required to be funded, Operator shall fund twenty percent (20%) of such amount as of the termination date but will not, however, be obligated to fund amounts pursuant to this provision or the immediately following sentence that, in the aggregate, exceed the aggregate of Incentive Fees paid to Operator pursuant to this Agreement. Twenty percent (20%) of the cost of such determination and any costs associated therewith shall be paid by Operator. The balance of any amounts not required to be paid by Operator pursuant to this subsection D shall be Owner's obligation. Upon termination of this Agreement, Operator shall render a final accounting within forty-five (45) days after the end of the month of termination, regardless of the reason for such termination.

10.34 Operator to Remove Property After Termination

OWNER At the termination of this Agreement, Operator shall remove all its property from hotel's premises.

10.35 Operator to Deliver Property to Owner After Termination

OWNER Upon termination of this Agreement, Operator agrees to deliver to Owner any and all Furnishings and Equipment (along with then existing warranties, operating instructions, and service contracts). Operating Supplies, keys, locks and safe combinations, reservation lists, ledgers, bank statements for the Hotel Operating Account, budgets, accounting books and records, insurance policies, bonds and other documents, memoranda, schedules, lists, contracts, agreements, leases, licenses, correspondence, and other items required for the operation of the Hotel, including the Working Capital and the Reserve Fund. Any of the foregoing which are held in Operator's name shall be assigned by Operator to Owner.

[Optional Additional]
OWNER Upon termination of this Agreement, all of such books and records forthwith shall be turned over to Owner so as to ensure the orderly continuance of the operation of the Hotel, but such books and records shall be available to Operator at all reasonable times for inspection, audit, examination, and transcription for a period of three (3) years thereafter.

[Alternate Clause]
OWNER Operator shall transfer to Owner (a) all of Owner's books and records regarding the Hotel that are in the custody and control of Operator, and (b) all Operator's right, title, and interest in and to all liquor, restaurant, and other licenses and permits, if any, used by

Operator in running of the Hotel; provided, however, that if Operator has expended any of its own funds in the acquisition of such licences and permits, Owner shall reimburse Operator therefor if Owner requests such assignment and transfer of such licenses and permits.

10.36 Inventory at Termination

OPERATOR Upon termination of this Agreement, at the expense of Owner, Operator shall arrange for an independent agency to conduct an inventory of Furnishings and Equipment (the cost of which shall be an Expense of Operation), copies of which shall be made available to both Owner and Operator.

10.37 Operator to Assign Licenses at Termination

OWNER Operator shall, in connection with the termination of this Agreement, surrender and assign to Owner any and all licenses, permits, and/or other authorizations or property required for the operation of the Hotel in accordance with the directions of Owner and with applicable governmental laws, regulations, orders, or other provisions.

10.38 Cooperation During Termination

NEUTRAL During the period of termination of this Agreement, Owner and Operator shall fully cooperate with each other in connection with all matters relating to the Hotel that took place prior to termination.

10.39 Use of Operating Supplies on Termination

OPERATOR Upon the expiration or earlier termination of this Agreement, Owner shall have the right to use in connection with the operation of the Hotel any and all items of Operating Supplies bearing the name of Operator, but shall not reorder any such items. However, if within fifteen (15) days after termination of this Agreement, Operator offers to buy any and all of said Operating Supplies bearing the name of Operator, trademarks, emblems, insignias, slogans, or distinguishing characteristics, at fair market value, Owner shall cease to use same and shall sell same to Operator. In the event of any dispute as to such fair market value, the Independent Auditor shall determine said value. Removal of Operator's name from the Hotel shall be at Operator's cost.

[*Alternate Clause*]
OWNER Operator will purchase from Owner, for a purchase price equal to fair market value but not exceeding cost, all unbroken cases of operating supplies and expendable products then on hand at the Hotel or ordered or purchased and that bear only the identification of Operator.

Section 11 GENERAL PROVISIONS

11.1 Ownership of Hotel

NEUTRAL Owner covenants and agrees that its right, title, and interest in and to the Hotel will upon the Commencement Date be as detailed in the description of the hotel project, the survey, and the legal description of the land attached hereto as Exhibit I [*omitted*].

NOTE: The preceding clause assures the Operator that the contract is with the actual owner of the hotel.

11.2 Qualifications of Operator

NEUTRAL Operator is qualified in the supervision, operation, and management of hotels.

11.3 Engagement of Operator

NEUTRAL Owner desires to engage Operator to manage and operate the Hotel for the account of Owner, and Operator desires to accept such engagement, all upon the terms and conditions hereinafter set forth.

[*Alternate Clause*] OPERATOR Owner turns over to Operator all control and discretion in the operation, direction, management, and supervision of the property.

11.4 Furniture, Fixtures, and Equipment

NEUTRAL The phrase "Furniture, Fixtures, and Equipment" shall mean the furniture, furnishings, fixtures, and equipment installed and used in the Hotel, including, without limitation: (a) all necessary furniture and furnishings for guestrooms, public areas, and non-public areas (e.g., kitchen, laundry, and cleaning facilities, rooms for the use of employees, storage areas, front desk, and administrative offices); floor and window coverings; decorative light fixtures; and equipment. However, this phrase shall not encompass the Hotel's major mechanical and electrical equipment and systems (e.g., the elevators).

NOTE: The preceding clause provides a definition of furniture, fixtures, and equipment for the Hotel. Such a definition is important because such items are generally replaced from a Reserve for Replacement account.

11.5 Licenses

NEUTRAL Owner hereby certifies that it has all necessary food and liquor licenses authorizing sale and consumption upon the premises.

11.6 Franchise

OPERATOR Owner will keep in full force and effect the Franchise, if any, and will comply with all terms and conditions of such Franchise required to be performed by Owner.

11.7 Operator's Right to Quiet Enjoyment

OPERATOR Owner covenants to Operator that, so long as no grounds exist for termination of this Agreement by Owner, Operator shall and may peaceably and quietly possess, hold, occupy, enjoy, and manage the Hotel throughout the Operating Term, free from molestation, eviction, ejection, or disturbance by Owner, any person through whom Owner may derive title to the Hotel, or any other person claiming by, through, or under Owner. Owner agrees to pay and discharge any payments and charges and, at its expense, to prosecute or defend all appropriate actions, judicial or otherwise, necessary to ensure such peaceful and quiet possession of the Hotel by Operator.

[*Alternate Clause*] OPERATOR The parties acknowledge and agree that the continued operation by Operator of the Hotel pursuant to the terms hereof represents a valuable asset of Operator, and, moreover, is critical to the maintenance by Operator of its reputation in the hotel industry. Therefore, and notwithstanding any provision of law or of this Agreement otherwise pertaining, it is agreed that any attempt by Owner to disturb Operator's right to quiet enjoyment of the Hotel or to terminate this Agreement, other than in strict accordance with its terms, would

cause Operator to suffer great, incalculable, and irreparable harm, and may be enjoined by Operator in any court of law having jurisdiction, to the end that this Agreement may be specifically enforced in the aforesaid manner by Operator.

NOTE: Although the preceding clause is attractive from the operator's viewpoint, it sets the owner up for a massive damage suit if the contract is terminated. In addition, this provision might impact the principal-agent relationship that allows for termination of the agency. An owner would be unlikely to agree to this clause.

11.8 Initial Operating Term

NEUTRAL The phrase "Operating Term" shall mean and refer to that period commencing on the Effective Date and ending at 11:59 PM on the last day of the fifteen (15th) full Fiscal Year thereafter, or on any earlier date upon which this Agreement terminates pursuant to the provisions hereof.

[Alternate Clause]
NEUTRAL The obligations of Owner and the services of Operator under this Agreement shall commence upon the completion of the construction of the Hotel and the issuance of all permits required for the operation of the Hotel (the "Commencement Date") and shall expire on December 31 of the fifteenth (15th) year following the Commencement Date, unless terminated sooner by the terms of this Agreement.

11.9 Renewal Terms

OWNER After the expiration of the initial Operating Term, the term of this Agreement shall continue on a calendar year-to-year basis unless canceled by Owner upon the giving of four (4) months' advance written notice.

[Alternate Clause]
OPERATOR Operator shall have the right to extend the Operating Term for three (3) successive periods of ten (10) years each, provided that the following conditions are met:

- A. Owner at such time is not entitled to terminate this Agreement by reason of Operator's default;
- B. The Operating Term shall have been extended for all prior periods; and
- C. Operator shall have given notice to Owner of its election to extend the Operating Term on or before the first (1st) day of January on the last full calendar year of the Initial Operating Term, or any extension thereof then in force.

11.10 Delegation of Authority

OPERATOR The operations of the Hotel shall be under the supervision, direction, and control of Operator, and, except as otherwise specifically provided in this Agreement, Owner delegates to Operator sole and full responsibility for the proper and efficient operation, management, and maintenance of the Hotel.

NOTE: In the preceding clause, the phrase "without interference from Owner" can be added to strengthen the operator's position.

11.11 Establishment of an Agency Relationship

NEUTRAL In the performance of its duties as Operator, Operator shall act solely as agent of Owner. No provision of this Agreement shall constitute or be construed to be or create a partnership or joint venture between Owner and Operator.

11.12 Operator as Independent Contractor

OPERATOR Owner hereby appoints and engages Operator, and Operator hereby accepts such appointment on the terms and conditions hereinafter provided by this Agreement, to maintain, operate, manage, supervise, rent, and lease the Hotel on Owner's behalf. The performance of all activities by Operator hereunder shall be as an independent contractor and not as an agent of Owner, except as otherwise specifically provided herein. Operator's appointment and engagement hereunder encumbers the Hotel and runs with the Land upon which the Hotel is situated.

NOTE: The preceding clause attempts to make the owner-operator relationship an encumbrance that runs with the land in the manner of a lease, thereby giving the operator greater possessory rights. It is doubtful, however, whether a management contract can be construed as anything more than an agency agreement.

11.13 Use of Property

OWNER Operator shall use the property solely for the operation of a hotel under standards comparable to those prevailing in the hotel industry and for all activities in connection therewith that are customary and usual to such an operation. Operator, in any event, shall comply with and abide by all applicable laws and regulations.

11.14 Nature of Agreement

NEUTRAL The relationship of Owner and Operator created hereby is that of a principal and agent, it being understood that Operator's agency is defined by virtue of this Agreement. Nothing herein contained shall constitute or be construed to be or create a co-partnership or joint venture between Owner and Operator with respect to the management of the Hotel as provided for in this Agreement.

11.15 Operator Does Not Guarantee Profits

OPERATOR Operator makes no guarantee, warranty, or representation that there will be profits or that there will not be losses from the operation of the Property.

11.16 Reliance on Operator's Projections

OPERATOR Owner hereby certifies that it has not relied on any projection of earnings, statements as to the possibility of future success, or other similar matter that may have been prepared by Operator, and understands that no guaranty is made or implied by Operator as to the future financial success of the Hotel.

11.17 Timely Consent by Parties

NEUTRAL Except as herein otherwise provided, whenever in this Agreement the consent or approval of Owner or Operator is required, such consent or approval shall not be unreasonably withheld or delayed and shall be in writing, signed by an officer or agent, thereunto duly authorized, of the party granting such consent or giving such approval. In cases where consent or approval is required, the failure to respond within twenty (20) Business Days of the receipt of the request for such consent or approval shall be conclusively deemed to constitute the requested consent or approval unless another period is expressly provided for in this Agreement in which case the other period shall apply.

11.18 Severability

NEUTRAL In the event any term or provision of this Agreement or any application thereto to any person or circumstance shall be declared prohibited, invalid, or unenforceable to any extent in any jurisdiction, as determined by a court of competent jurisdiction, such term or provision shall, in that jurisdiction, be ineffective only to the extent of such prohibition, invalidity, or unenforceability, or as applied to such persons or circumstances, without invalidating or rendering unenforceable the remaining terms or provisions hereof or affecting the validity or enforceability of such term or provision in any other jurisdiction or as to other persons or circumstances in such jurisdiction, unless such would effect a substantial deviation from the general intent and purpose of the parties or make a significant change in the economic effect of the Agreement on the party benefited by such term or provision.

11.19 Partial Invalidity

NEUTRAL In the event that any portion of this Agreement shall be declared invalid by order, decree, or judgment of a court, this Agreement shall be construed as if such portion had not been inserted herein except when such construction would operate as an undue hardship to Operator or Owner or constitute a substantial deviation from the general intent and purpose of said parties as reflected in this Agreement.

11.20 Binding Effect

NEUTRAL This Agreement shall be binding upon Owner and Operator and, as provided in this Agreement, their respective successors and assigns, provided that, except as specified in this Agreement, neither of the parties hereto shall assign their rights hereunder without the consent and approval of the other party. This Agreement contains the final and entire agreement between the parties hereto. No change or modification of this Agreement shall be valid or binding upon the parties hereto unless such change or modification shall be in writing and signed by the parties hereto. Neither the parties nor their agents shall be bound by any terms, conditions, statements, warranties, or representations, oral or written, not herein contained.

11.21 Notices

NEUTRAL Any notice, statement, or demand required to be given under this Agreement shall be in writing, sent by certified mail, return receipt requested, postage prepaid. Notices shall be sent to Owner at the address specified hereinabove or at such or to such other address or addresses as Owner shall designate in the manner herein provided. Notices shall be sent to Operator, at the address specified hereinabove, marked "Attention: President," with a copy to the attention of the Senior Vice President of Finance, or at such or to such other address or addresses as Operator shall designate in the manner herein provided. A notice shall be deemed to have been given on the day ten (10) business days after it shall have been deposited as aforesaid in any post office or post box maintained by the United States Government.

11.22 Waiver

NEUTRAL The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue and remain in full force and effect. No

waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.

11.23 Construction of Additional Facilities

OPERATOR In the event a casino, restaurant, or cocktail lounge should be operated at the Hotel, Operator shall have the exclusive right to operate same and to include gross revenues in the total revenues of the Hotel and gross revenues less operating expenses in the Gross Operating Profit of the Hotel.

[*Alternate Clause*]
OPERATOR In the event a casino should be operated at the Hotel, Operator shall have the exclusive right to operate same, and the excess of the gross amount wagered therein over the total amount of money won by wagerers will be included in the Total Revenue of the Hotel. The said excess, reduced by the Operating Expenses specified herein that relate to the casino, will be included in the Gross Operating Profit of the Hotel.

11.24 Operator Not Responsible for Owner's Obligations

OPERATOR Owner shall not represent in any proposed financing arrangement or to any proposed lender or participant in a private or public investment that Operator shall be in any way responsible for Owner's obligation in financing arrangement other than to state that the property will bear the name of Operator, will be managed by Operator, and will be a part of the Operator's hotel system.

11.25 Operator to Review Financing Instruments

OPERATOR In order to ensure Owner's full and faithful compliance with the terms of this Agreement and to prevent any misunderstanding on the part of a proposed lender or participant in any such investment offering, Owner shall, prior to the closing of any such proposed financing arrangement, inform and furnish Operator with the identity of the proposed lender and copies of the proposed closing documents, and Owner shall, prior to the printing of any prospectus concerning said private or public investment offering, furnish Operator with a copy of said prospectus, and said prospectus shall not be published or distributed without the prior written consent of Operator.

11.26 Modification of Agreement for Refinancing

OWNER If, in connection with any refinancing of the Hotel, any Mortgagee shall request modifications of this Agreement as a condition of such refinancing, Operator covenants not to unreasonably withhold or delay its agreement to such modifications, provided that such modifications are reasonable and do not increase the obligations or adversely affect the rights of Operator hereunder.

11.27 Exculpation

OWNER Operator agrees that it will look only to Owner's estate and property in the Hotel (or the proceeds thereof) for the satisfaction of Operator's remedies for the collection of a judgment requiring the payment of money by Owner in the event of any default by Owner hereunder, and no other real or personal property or assets of Owner or of Owner's individual principals shall be subject to levy, execution, or other enforcement procedures for the satisfaction of Owner's remedies under or with respect to this Agreement.

11.28 Real Estate Broker Indemnification

NEUTRAL Each party agrees to indemnify and hold the other party harmless from and against all loss, cost, damage, or expense (including reasonable attorney fees) suffered or incurred in connection with claims made by a real estate broker or other persons claiming, by or through the indemnifying party, entitlement to any brokerage fees or similar payment in connection with the negotiation and execution of this Agreement.

11.29 Consumer Price Index Adjustments

NEUTRAL Expenditure limitations and required minimums and maximums specified herein are based on the purchasing power of money as of the date of this Agreement. Notwithstanding Operator's authorization to revise the Operating Budget and Capital Budget as heretofore specified, said limitations, minimums, and maximums shall be subject to annual adjustment to retain the purchasing power intended at the onset of this Agreement. The annual adjustment shall be based upon annual percentage increases or decreases in the Consumer Price Index for all Urban Consumers (1967 = 100) specified for "All Items" as published by the United States Department of Labor, Bureau of Labor Statistics.

11.30 Freedom of Action

OPERATOR Operator may engage in and/or possess an interest in other business ventures of every nature and description, independently or with others, including, but not limited to, the ownership financing, leasing, operation, management, brokerage, and development of real property, which may be adjacent to and/or competitive with, the Hotel. Owner shall not have any right by virtue hereof in and to such other business ventures or to the income or profits derived therefrom.

11.31 Owner's and Operator's Use of the Hotel

NEUTRAL Officers and employees of Operator or its parent company, or a reasonable number of persons designated by Owner may occupy guest rooms at a fifty percent (50%) discount from the rates charged to the public, provided, however, that lodging facilities may be utilized in such a manner only if space is available and not reserved or occupied by members of the public and is utilized in accordance with Operator's standard employee privilege program, as amended from time to time. The percentage discount may also vary from time to time as percentage changes are made and promulgated in Operator's employee benefit handbook or employee benefit card. In the event a room occupied by a person paying less than the full room rate, as provided hereunder, is needed to satisfy the demands of full-paying guests, such person shall be given the choice of vacating the room or paying full price for the room, so long as the demand for such room persists.

[Alternate Clause]
OWNER Operator agrees that during the Operating Term and subject to availability, Operator will make rooms in the Hotel available (a) without charge to the officers of the general partner (and its constituent partners) of Owner, (b) at fifty percent (50%) of the normal rate for such rooms to the limited partners of Owner, and (c) at fifty percent (50%) of the normal rate for such rooms to certain brokers involved in marketing the interests in Owner's partnership (a list of such brokers shall be provided to Operator by Owner) for a period of one (1) year after the Closing. The provisions of this clause shall be limited to seven (7) nights for each calendar year period.

[Alternate Clause]
OWNER Operator shall provide complimentary suites at the Hotel to Owner, its officers, directors, employees, agents, and guests upon request at such times as vacancy permits and at other times in reasonable amounts and upon reasonable notice. Operator shall provide

such complimentary accommodations to Franchisor as are required under the Franchise and shall provide complimentary accommodations to travel agents and others to the extent necessary to market and promote the Hotel as provided in the Operating Budget.

11.32 Employee Use of the Hotel

OPERATOR Operator, in its discretion and as is customary and usual in hotels, may provide reasonable food and lodging for full time employees of the Hotel, and allow them the reasonable use of Hotel facilities.

Directories

Directories

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DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Accor North America Corporation 2 Overhill Rd. Scarsdale, NY 10583	Michael J. Flaxman Exec. VP/GM 914-725-5055	Hotels Developed Last 2 Years: 15 Number of Rooms: 4,314	1. US 2. 3.	Lux.: 43 Mid.: 42 Econ.: 15 Comm.: 65 Conv.: 25 Resort: 10	Ma Maison Sofitel Novotel Compt Hotel Hotel Sofitel Novotel Toronto Center Los Angeles, CA New York, NY Princeton, NJ Miami, FL Toronto, CAN
ADI Properties 12707 High Bluff Dr. San Diego, CA 92130	George Golding Pres. 619-481-7777	Hotels Developed Last 2 Years: 3 Number of Rooms: 300	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 40 Conv.: 30 Resort: 30	Le Meridien San Diego, CA
Alfred Sanzari Enterprises P.O. Box 2187 Hackensack, NJ 07606	David Sanzari Pres. 201-342-2777	Hotels Developed Last 2 Years: 1 Number of Rooms: 350	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: N/A Conv.: N/A Resort: N/A	Loews Glenpointe Hotel Teaneck, NJ
Allen & O'Hara, Inc. 3385 Airways Blvd. Memphis, TN 38116	Bill Harris Sen. VP 901-345-7620	Hotels Developed Last 2 Years: 4 Number of Rooms: 500	1. NE 2. NC 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 65 Conv.: 10 Resort: 25	Hampton Inn Hampton Inn Residence Inn Residence Inn Albany, NY Mount Laurel, NJ Milwaukee, WI Milwaukee, WI
Alterton Realty Ltd. # 2, 2231 N. 24th St. Phoenix, AZ 85008	Marvin Alterton Pres. 602-955-6411	Hotels Developed Last 2 Years: 2 Number of Rooms: 500	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 70 Conv.: 15 Resort: 15	Embassy Suites L'Ermitage Palm Springs, CA Beverly Hills, CA
American Trading Real Estate, Inc. P.O. Box 238, Blaustein Bldg. Baltimore, MD 21203	Laurence S. Lennon Corp. Arch. 301-347-7254	Hotels Developed Last 2 Years: 1 Number of Rooms: 266	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 85 Conv.: 0 Resort: 15	Christiana Hilton Inn Newark, DE
Ameritrust Properties, Inc. 6915 Red Rd. Coral Gables, FL 33143	Cecily Silberman Gen. Partner 305-665-9229	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,000	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Tampa Days Inn Super 8 Super 8 Super 8 Super 8 Tampa, FL Charleston, SC Charlotte, NC Riviera Beach, FL Orlando, FL
Amfac Resorts, Inc. 5200 E. Cortland Flagstaff, AZ 86004	John Hyatt Sen. VP 602-527-2100	Hotels Developed Last 2 Years: 3 Number of Rooms: 350	1. SW 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 5 Conv.: 5 Resort: 90	King Kamehameha Kaanapali Beach Hotel Furnace Creek Ranch & Inn Grand Canyon Lodges Silverado Country Club Kona, HI Lahaina, Maui, HI Death Valley, CA Grand Canyon, AZ Napa, CA
Astor Hotels, Inc. 1350 Ave. of the Americas New York, NY 10019	William M. Boland Mnging. Dir. 212-679-4380	Hotels Developed Last 2 Years: 4 Number of Rooms: 235	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Guesthouse Inn Guesthouse Inn Guesthouse Inn Guesthouse Inn Lubbock, TX San Antonio, TX Columbia, SC Little Rock, AR
Atlantida Design 4315 S. Industrial Rd. Las Vegas, NV 89103	Steve Dezil CFO 702-736-4556	Hotels Developed Last 2 Years: 2 Number of Rooms: 4,700	1. US 2. 3.	Lux.: 20 Mid.: 40 Econ.: 40 Comm.: 0 Conv.: 0 Resort: 0	Golden Nugget Resort Golden Nugget Laughlin Las Vegas, NV Las Vegas, NV
Atlantic Inns Management, Inc. 1960 Liverpool Ave. Egg Harbor, NJ 08215	Bill Callnin Pres. 609-965-0646	Hotels Developed Last 2 Years: 2 Number of Rooms: 220	1. SE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Sheraton New Bern, NC

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
Ayala Hotels 340 Stockton St. San Francisco, CA 94108	John D. Wilkinson Dir. of Dev. 415-956-3773	Hotels Developed Last 2 Years: 2 Number of Rooms: 380	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 90 Conv.: 0 Resort: 10	Campton Place Checkers Hotel	San Francisco, CA Los Angeles, CA
Azar's, Inc. 1010 N. Coliseum Blvd. Fort Wayne, IN 46805	George Azar COO 219-424-1972	Hotels Developed Last 2 Years: 3 Number of Rooms: 843	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 55 Conv.: 38 Resort: 7	Marriott Marriott Marriott	Fort Wayne, IN Grand Rapids, MI Wichita, KS
B.F. Saul Company 8401 Connecticut Ave. Chevy Chase, MD 20815	Malcolm Marshall VP 301-986-6381	Hotels Developed Last 2 Years: 2 Number of Rooms: 322	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Holiday Inn Comfort Inn	Sterling, VA Sterling, VA
Bagley Realty Company 302 Greenbrier Rd. Anniston, AL 36201	Don Bagley Pres. 205-237-6000	Hotels Developed Last 2 Years: 15-20 Number of Rooms: 2,000	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0		
Banner Associates 1900 Amidon Wichita, KS 67203	Robert C. Foster Pres. 316-838-7701	Hotels Developed Last 2 Years: 1 Number of Rooms: 156	1. NW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Residence Inn	San Diego, CA
Barbery & Associates 307 Farwell Eau Claire, WI 54701	Warren Barbery Pres. 715-835-5161	Hotels Developed Last 2 Years: 1 Number of Rooms: 223	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 35 Conv.: 65 Resort: 0	Eau Claire Hilton Eau Claire Embassy Suites	Eau Claire, WI Eau Claire, WI
Barness Organization, The 1352 Easton Rd. Warrington, PA 18976	Craig Stein VP 215-343-0700	Hotels Developed Last 2 Years: 2 Number of Rooms: 700	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 100 Resort: 0		
Bass/Holiday Inns International 5955 T.G. Lee Blvd. Orlando, FL 32822	Ed Castro Dir. of Dev. 407-240-8201	Hotels Developed Last 2 Years: 30 Number of Rooms: 8,960	1. SE 2. Carib 3. Lat/Am	Lux.: 17 Mid.: 83 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Holiday Inn Holiday Inn Holiday Inn Holiday Crowne Plaza Holiday Crowne Plaza	Nashville, TN Orlando, FL Miami, FL Santiago, CHILE Sao Paulo, BRAZIL
Beacon Hotel Corporation 30 Rowes Wharf Boston, MA 02110	Henry Vickers Dir. of Dev. 617-330-1440	Hotels Developed Last 2 Years: 80 Number of Rooms: 2,070	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20		
Begg, Inc. 2121 Wisconsin Ave. NW Washington, DC 20007	Walter Burns VP Comm'l VP Comm'l	Hotels Developed Last 2 Years: 3 Number of Rooms: 1,300	1. Carib 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100		
Beiz Hotels 5118 Park Ave. Memphis, TN 38117	Martin Beiz Chmn. 901-762-5400	Hotels Developed Last 2 Years: 2 Number of Rooms: 1,150	1. SE 2. 3.	Lux.: 78 Mid.: 22 Econ.: 0	Comm.: 60 Conv.: 40 Resort: 0	Hilton The Peabody	Greenville, SC Orlando, FL
Berkshire Group P.O. Box 4190 Manchester, NH 03108	Joe Simone Owner 603-669-8551	Hotels Developed Last 2 Years: 5 Number of Rooms: 602	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Appleton Inn Appleton Inn Appleton Inn Appleton Inn Appleton Inn	Woburn, MA Danvers, MA Lowell, MA Tinton Falls, NJ Merrimack, NH

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Bernstein Group Inc., The 394 E. Town St. Columbus, OH 43215	Dick Bernstein 614-224-2753	Hotels Developed Last 2 Years: Number of Rooms: 150	1. NCr 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Cincinnati Inn Hotel Cincinnati, OH	
Best Western Dussefink P.O. Box 3728, Rd. #3 Pottsville, PA 17901	Barry Schwartz Sales 717-385-2407	Hotels Developed Last 2 Years: Number of Rooms: 100	1. NE 2. 3.	Lux.: 0 Mid.: 75 Econ.: 25	Comm.: 70 Conv.: 20 Resort: 10	Best Western Dussefink Pottsville, PA	
Boykin Management Co. 700 Terminal Tower Cleveland, OH 44113	Robert Boykin Pres. 216-241-6375	Hotels Developed Last 2 Years: Number of Rooms: 1,000	1. SE 2. MW 3.	Lux.: 20 Mid.: 80 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Quality Suites W. Palm Beach, FL Comfort Suites Toledo, OH Hilton Boca Raton Radisson Sannibel Comfort Suites Ft. Myers, FL	
Bradgate Associates, Inc. 74 Northeastern Blvd. Nashua, NH 03062	Bernard Plante VP 603-882-1122	Hotels Developed Last 2 Years: Number of Rooms: 340	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 25 Conv.: 5 Resort: 70	Holiday Inn Hyannis, MA Sheraton Regal Hyannis, MA	
Bresler & Reiner, Inc. 401-M St., SW Washington, DC 20024	Charles Bresler CEO 202-488-8800	Hotels Developed Last 2 Years: Number of Rooms: 275	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn Andrews AFB Inn at the Colonnade Camp Springs, MD Baltimore, MD	
Brewer Management Co., Inc. 1205 Skyline Dr. P.O. Box 17 Marion, IL 62959-7719	Lynn Brewer Real Estate Dir. 618-997-5454	Hotels Developed Last 2 Years: Number of Rooms: 700	1. SE 2. NW 3.	Lux.: 0 Mid.: 97 Econ.: 3	Comm.: 74 Conv.: 0 Resort: 26	Best Inn Best Inn Best Inn Best Inn Best Inn South Bend, IN Marietta, GA Anderson, IN Waukegan, IL Jacksonville, FL	
Brewran Corporation 50 Glen St. Glen Cove, NY 11542	A. Alexander Lari Pres. 516-674-4500	Hotels Developed Last 2 Years: Number of Rooms: 75	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 0 Resort: 30	Roslyn Inn Roslyn, NY	
Budgetel Inns 212 W. Wisconsin Ave. Milwaukee, WI 53203	Thad Grouchot VP 414-272-6020	Hotels Developed Last 2 Years: Number of Rooms: 3,060	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 80 Conv.: 0 Resort: 20	Budgetel Inn Budgetel Inn Budgetel Inn Budgetel Inn Budgetel Inn Detroit, MI Columbia, SC Memphis, TN Minneapolis, MN Worcester, MA	
C.A.P. Investments 300 Montgomery St. San Francisco, CA 94104	Arthur Juhl Gen. Partner 415-398-0904	Hotels Developed Last 2 Years: Number of Rooms: 92	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Park Tower Reno, NV	
C.F. Vatterott Hospitality Management Co. 10449 St., Charles Rock Rd.* St. Ann, MO 63074	Linda M. Vlahow Dir. 314-427-4000	Hotels Developed Last 2 Years: Number of Rooms: 252	1. MW 2. MO 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 55 Conv.: 10 Resort: 35	Hampton Inn Hampton Inn St. Louis, MO St. Louis, MO	
Cardinal Lodging Group 2255 Kimberly Pkwy. E. Columbus, OH 43232	Carol Merry Mktg. Servs. Dir. 614-755-6230	Hotels Developed Last 2 Years: Number of Rooms: 10,120	1. SE 2. NC 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Knights Inn Knights Inn Knights Inn Knights Inn Knights Inn Naples, FL Columbia, SC Charlotte, NC St. Louis, MO Birmingham, AL	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Carlin Construction & Development 140 Huguenot St. New Rochelle, NY 10801	Morry Heller VP 914-632-7400	Hotels Developed Last 2 Years: Number of Rooms: 305	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 95 Conv.: 0 Resort: 5	Royce Carlin Hotel Melville, NY
Cedarwood Companies, The 1765 Merriman Rd. Akron, OH 44313	Anthony A. Petrarca Pres. 216-836-9971	Hotels Developed Last 2 Years: Number of Rooms: 602	1. SE 2. 3.	Lux.: 33 Mid.: 33 Econ.: 34 Comm.: 33 Conv.: 0 Resort: 67	Comfort Suite Quality Suite Radisson Suite Resort W. Palm Beach, FL Melbourne, FL Clearwater, FL
Centurion Investment Corporation 575 Anton Blvd., 3d Floor Costa Mesa, CA 92626	J. Gorden Griffith Pres. 714-432-6575	Hotels Developed Last 2 Years: Number of Rooms: 400	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 30 Conv.: 40 Resort: 30	
Chalet Suisse International* Chalet Dr. Wilton, NH 03086	Cole Fach VP Real Estate 603-654-2000	Hotels Developed Last 2 Years: 11 Number of Rooms: 1,300	1. NE 2. SE 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 70 Conv.: 20 Resort: 20	Suisse Chalet* Suisse Chalet* Suisse Chalet* Suisse Chalet* Suisse Chalet* Oxen Hill, MD Spring Valley, NY Baltimore, MD Boston, MA Hartford, CT
Charles Luria Co., Inc. 1235 Jefferson Davis Hwy. Arlington, VA 22202	Charles Luria Pres. 703-892-4600	Hotels Developed Last 2 Years: Number of Rooms: 186	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Holiday Inn Landover, MD
Clement Chen & Associates 820 Montgomery St. San Francisco, CA 94133	Clement Chen III Pres. 415-392-8260	Hotels Developed Last 2 Years: Number of Rooms: 850	1. China 2. 3.	Lux.: 33 Mid.: 67 Econ.: 0 Comm.: 66 Conv.: 0 Resort: 34	Jianguo Hotel Xian, CHINA
Coachman Incorporated 301 NW 63d Oklahoma City, OK 73116	Dennis Bradford Pres. 405-840-4667	Hotels Developed Last 2 Years: Number of Rooms: 892	1. SW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 70 Conv.: 30 Resort: 0	Coachman Inn Coachman Inn Coachman Inn Coachman Inn Coachman Inn San Antonio, TX Tuscon, AZ Phoenix, AZ Anaheim, CA Oklahoma City, OK
Cohen Investments 126 Desoto Ave. Clarksdale, MS 38614	Elliott D. Cohen VP 601-627-7311	Hotels Developed Last 2 Years: Number of Rooms: 235	1. SE 2. MW 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 65 Conv.: 0 Resort: 35	Hampton Inn Hampton Inn Grand Rapids, MI
Colorado Hotel Management P.O. Box 4240 San Clemente, CA 92672	Robert A. Alter Pres. 714-361-3900	Hotels Developed Last 2 Years: Number of Rooms: 714	1. SW 2. 3.	Lux.: 0 Mid.: 20 Econ.: 80 Comm.: 75 Conv.: 0 Resort: 25	Hampton Inn Hampton Inn Hampton Inn Hampton Inn Holiday Inn Fresno, CA Denver, CO Mesa, AZ Aurora, CO Steamboat Springs, CO
Columbia Sussex Corporation 207 Grandview Dr. Ft. Mitchell, KY 41017	William J. Yung Pres. 606-331-0091	Hotels Developed Last 2 Years: 13 Number of Rooms: 3,200	1. US 2. 3.	Lux.: 40 Mid.: 50 Econ.: 10 Comm.: 80 Conv.: 10 Resort: 10	Radisson Airport Radisson Hilton Hilton Radisson Newark, NJ Romulus, MI Islandia, NY Louisville, KY Evansville, IN
Com-Spec Properties, Inc. 800 Quintana Rd. Morro Bay, CA 93442	Gerald Hempenius Pres. 805-772-3631	Hotels Developed Last 2 Years: Number of Rooms: 50	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Atascadero Inn Atascadero, CA

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Commercial Development Group 50 Music Sq. Nashville, TN 37203	Gary L. Price Pres. 615-327-0815	Hotels Developed Last 2 Years: 3 Number of Rooms: 520	1. SE 2. NE 3.	Lux.: 30 Mid.: 70 Econ.: 0 Comm.: 60 Conv.: 0 Resort: 40	Hampton Inn Quality Inn Hilton
Compri Hotel Systems, Inc. 410 N. 44th St. Phoenix, AZ 85008	Kevin Holt VP Dev. 602-220-6666	Hotels Developed Last 2 Years: 24 Number of Rooms: 4,400	1. US 2. Can 3. Int'l	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 85 Conv.: 0 Resort: 15	Compri Hotel Compri Hotel Compri Hotel Compri Hotel Compri Hotel
Continental Companies, The 3250 Mary St. Miami, FL 33133	Kenneth Gaudet Sen. VP 305-445-2493	Hotels Developed Last 2 Years: 15 Number of Rooms: 4,000	1. US 2. Carib 3. Can	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Grand Bay Hotel Grand Bay Hotel Sheraton Design Center The Colonnade Carnival's Crystal Palace
Cornerstone Hospitality Management 1011 Western Ave. Seattle, WA 98104	Todd Johnson VP 206-343-7656	Hotels Developed Last 2 Years: 3 Number of Rooms: 500	1. NW 2. 3.	Lux.: 28 Mid.: 72 Econ.: 0 Comm.: 64 Conv.: 36 Resort: 0	Alexis Hotel Riverplace Sheraton
Corporex Companies, Inc. P.O. Box 75020 Cincinnati, OH 45275	Elaine Finnan PR Mgr. 606-331-5000	Hotels Developed Last 2 Years: 3 Number of Rooms: 360	1. SE 2. 3.	Lux.: 64 Mid.: 34 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Commonwealth Hilton Embassy Suites Hampton Inn
Crown American Corporation Pasquerilla Plaza Johnstown, PA 15907	Micheal Horgan VP 814-535-9450	Hotels Developed Last 2 Years: 19 Number of Rooms: 2,865	1. SE 2. NE 3.	Lux.: 0 Mid.: 78 Econ.: 22 Comm.: 60 Conv.: 15 Resort: 25	Compri Hotel Compri Hotel Compri Hotel Compri Hotel Compri Hotel Comfort Inn
Demars Development, Inc. 1919 N. Meridian Indianapolis, IN 46202	David Carley Pres. 317-926-2730	Hotels Developed Last 2 Years: 3 Number of Rooms: 782	1. SW 2. NCr 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Sheraton Tempe Mission Oneida Radisson Viscount
Diversified Equities 34555 Chagrin Blvd. Moreland Hills, OH 44022	James A. Schoff Gen. Partner 216-247-2977	Hotels Developed Last 2 Years: 1 Number of Rooms: 213	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Hilton Hotel
Doubletree Hotels 410 N. 44th St. Phoenix, AZ 85008	David A. Sherr VP 602-220-6666	Hotels Developed Last 2 Years: 2 Number of Rooms:	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 15 Resort: 10	Doubletree Doubletree Doubletree Doubletree Doubletree Suites
Drury Inns, Inc. 10801 Peartree La. St. Ann, MO 63074	Charles Drury Jr. Pres. 304-429-2255	Hotels Developed Last 2 Years: 38 Number of Rooms: 4,659	1. MW 2. SW 3.	Lux.: 10 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Drury Inn Drury Inn Drury Inn Drury Inn Drury Inn
Duke Associates 8888 Keystone Crossing Indianapolis, IN 46240	Tom Hefner Partner 317-848-7400	Hotels Developed Last 2 Years: 1 Number of Rooms: 155	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Radisson Suite Indianapolis, IN

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Dulaney Valley Partnership 700 Fairmont Ave. Towson, MD 21204	Laurence Rachuba Gen. Partner 301-823-0637	Hotels Developed Last 2 Years: Number of Rooms: 516	1. NE 2. 3.	Lux.: 55 Comm.: 44 Mid.: 33 Conv.: 42 Econ.: 12 Resort: 14	Sheraton Towson Baltimore Travel Plaza Baltimore Port Plaza Baltimore, MD Baltimore, MD Baltimore, MD
EGF Realty Corporation 880 3d Ave. New York, NY 10022	George Post Mging. Dir. 212-888-1088	Hotels Developed Last 2 Years: Number of Rooms: 125	1. SE 2. 3.	Lux.: 0 Comm.: 90 Mid.: 0 Conv.: 10 Econ.: 100 Resort: 0	Days Inn at Oyster Point Newport News, VA
ES Garcia & Associates Ltd. 100 Princess Anne Plaza Virginia Beach, VA 23452	Edward Garcia, Sr. Pres. 804-340-1616	Hotels Developed Last 2 Years: Number of Rooms: 298	1. SE 2. 3.	Lux.: 0 Comm.: 0 Mid.: 100 Conv.: 50 Econ.: 0 Resort: 50	Radisson Hotel Virginia Beach, VA
Edward J. De Bartolo Corporation 7620 Market St. Youngstown, OH 44512	Marie Izzo Cartwright Dir. PR 216-758-7292	Hotels Developed Last 2 Years: Number of Rooms: 1,685	1. US 2. 3.	Lux.: 43 Comm.: 40 Mid.: 0 Conv.: 0 Econ.: 57 Resort: 60	Mayfair House Hotel Maxims de Paris Hotel The Crowne Plaza Hotel Holiday Inn Beechwood Holiday Inn Coconut Grove, FL Palm Springs, CA Orlando, FL Beechwood, OH Boardman, OH
Embassy Suites, Inc. 222 Las Colinas Blvd. 1700 Irving, TX 75039	Steve Schultz VP of Dev. 214-556-1133	Hotels Developed Last 2 Years: 87 Number of Rooms: 21,000 +	1. US 2. 3.	Lux.: 100 Comm.: 90 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 10	Embassy Suites Embassy Suites Birmingham, AL Phoenix, AZ San Diego, CA Washington, DC
Encore Development Corporation 5220 Spring Valley Dallas, TX 75240	Bud Reed VP Hotel Dev. 214-934-3000	Hotels Developed Last 2 Years: 2 Number of Rooms: 714	1. NCTr 2. 3.	Lux.: 0 Comm.: 75 Mid.: 100 Conv.: 0 Econ.: 0 Resort: 25	Radisson Radisson Toldeo, OH Austin, TX
Estes Properties 1010 Finance Center Dr. Tucson, AZ 85710	Jeff Mongan Dir. of Dev. 602-886-1156	Hotels Developed Last 2 Years: 3 Number of Rooms: 700	1. US 2. 3.	Lux.: 75 Comm.: 0 Mid.: 25 Conv.: 0 Econ.: 0 Resort: 0	Loews Ventana Resort Ventana Canyon Club Days Inn Hotel Tucson, AZ Tucson, AZ Flagstaff, AZ
Etkin Equities 29100 Northwestern Hwy. Southfield, MI 48034	Douglas Etkin Pres. 313-358-0800	Hotels Developed Last 2 Years: 2 Number of Rooms: 470	1. NCTr 2. 3.	Lux.: 0 Comm.: 100 Mid.: 100 Conv.: 0 Econ.: 0 Resort: 0	Holiday Inn-Fairlane Residence Inn-Fairlane Detroit, MI Detroit, MI
Eyemark, Inc. 1829 Riverside Dr. Titusville, FL 32780	Kenneth Field VP 904-238-3600	Hotels Developed Last 2 Years: 1 Number of Rooms: 206	1. US 2. 3.	Lux.: 100 Comm.: 75 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 25	Hilton/Kennedy Space Ctr. Titusville, FL
Executive Management Inns 2520 Commerce Tower Kansas City, MO 64105	Steve Glassman Gen. Counsel 816-221-2700	Hotels Developed Last 2 Years: 10 Number of Rooms: 2,000	1. MW 2. 3.	Lux.: 0 Comm.: 70 Mid.: 100 Conv.: 30 Econ.: 0 Resort: 0	Fairmont Fairmont San Jose, CA Chicago, IL
Fairmont Hotels Atop Nob Hill San Francisco, CA 94106	Steve Gilley Pres. 415-772-5000	Hotels Developed Last 2 Years: 2 Number of Rooms:	1. SW 2. 3.	Lux.: 100 Comm.: 33 Mid.: 0 Conv.: 33 Econ.: 0 Resort: 34	Fairmont Fairmont
Faison Associates 122 E. Stonewall St. Charlotte, NC 28202	Henry Faison Pres. 704-374-1711	Hotels Developed Last 2 Years: 2 Number of Rooms: 724	1. SE 2. 3.	Lux.: 100 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	Omni Richmond Omni Jacksonville Richmond, VA Jacksonville, FL

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Finely Commercial Realtors 3605 Glenwood Ave. Raleigh, NC 27612	Earl Finely VP 919-781-0700	Hotels Developed Last 2 Years: 2 Number of Rooms: 200	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Sundown Inns North Sundown Inns West Raleigh, NC Raleigh, NC	
Flautt Properties, Inc. 1755 Lynnfield Rd. 142 Memphis, TN 38119	Robert T. Kamm Pres. 901-761-4664	Hotels Developed Last 2 Years: 2 Number of Rooms: 400	1. SE 2. US 3.	Lux.: 100 Mid.: Econ.:	Comm.: 90 Conv.: 0 Resort: 10	Holiday Inn Holiday Inn Holiday Inn Augusta, GA Raleigh, NC Asheville, NC	
Florida East Coast Properties 444 Brickell Ave. Miami, FL 33131	Tiror Hollo Pres./Chmn. 305-358-7710	Hotels Developed Last 2 Years: 5 Number of Rooms: 3,000	1. SE 2. US 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25		
Forest City Development 10800 Brook Park Rd. Cleveland, OH 44114	James Ratner Pres. 216-267-1200	Hotels Developed Last 2 Years: 1 Number of Rooms: 207	1. SE 2. NCTR 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 20 Resort: 10	Mariott Omni Vista International Ritz Carlton Charleston, VA Detroit, MI Pittsburgh, PA Cleveland, OH	
Four Seasons Hotels Ltd. 1165 Leslie St. Donmills, Ont. M3C2K8	Nicola Blazier PR 416-449-1750	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,419	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 20 Resort: 10	Four Seasons Four Seasons Resort Four Seasons Hotel Four Seasons Resort Four Seasons Hotel Chicago, IL Wailea, Maui, HI Tokyo, JAPAN North Kona, HI Paris, FRANCE	
Friend Group, The 200 W. 57th St. New York, NY 10019	Jim Friend Sen. VP 212-757-7691	Hotels Developed Last 2 Years: 6 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 25 Mid.: 50 Econ.: 75	Comm.: 75 Conv.: 25 Resort: 0		
Friend Group, The 1101 The Embarcadero San Francisco, CA 94111	Skip Friend Pres. 415-981-2202	Hotels Developed Last 2 Years: 1 Number of Rooms: 300	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 0 Resort: 30	Radisson Tucson, AZ	
GP Hospitality, Inc. 125 S. 9th St. Philadelphia, PA 19107	Gie Liem Mngng. Partner 215-925-4540	Hotels Developed Last 2 Years: 1 Number of Rooms: 185	1. NCTR 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 75 Conv.: 0 Resort: 25	Comfort Inn Philadelphia, PA	
Gaelic Management, Inc. 2024 N. Woodlawn Wichita, KS 67208	Mr. J. Lynn Bock Pres. 316-683-5150	Hotels Developed Last 2 Years: 1 Number of Rooms: 240	1. NW 2. W 3. SW	Lux.: 60 Mid.: 0 Econ.: 40	Comm.: 60 Conv.: 20 Resort: 20	Embassy Suites Denver, CO	
Gary David Investments 14820 N. 45th Place Scottsdale, AZ 85032	Gary D. Rubenstein Pres. 602-867-3311	Hotels Developed Last 2 Years: 1 Number of Rooms: 250	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Embassy Suites Birmingham, AL	
Gary Schneider Real Estate 1715 Ashley Rd. Hoffman Estates, IL 60195	Gary Schneider Pres. 312-882-4414	Hotels Developed Last 2 Years: 1 Number of Rooms: 240	1. Can 2. US 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 60 Conv.: 0 Resort: 40	Valhalla Inn Toronto, CAN	
General Inns Corporation 215 Keo, P.O. Box 1536 Des Moines, IA 50306	John Nagle Dir. of Operations 515-281-9113	Hotels Developed Last 2 Years: 2 Number of Rooms: 350	1. MW 2. NE 3.	Lux.: 65 Mid.: 35 Econ.: 0	Comm.: 60 Conv.: 40 Resort: 0	Holiday Inn East Towne Holiday Inn Scranton East Madison, WI Dunmore, PA	
Gimaro Associates Ltd. 18 Sentry Pkwy. Blue Bell, PA 19422	Joe Gimaro, Sr. Pres./Owner 215-540-2220	Hotels Developed Last 2 Years: 5 Number of Rooms: 560	1. NE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 100 Conv.: 0 Resort: 0		

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Goldrich, Keet & Associates 15233 Ventura Blvd. Sherman Oaks, CA 91403	Manny Aftergut Dir. of Dev. 818-981-5233	Hotels Developed Last 2 Years: Number of Rooms: N/A	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 100 Resort: 0	San Pedro-Sheraton San Pedro, CA
Goodhill Properties 2332 Harrison St. Oakland, CA 94612	Steve Zimmerman Pres. 415-268-8600	Hotels Developed Last 2 Years: Number of Rooms: 526	1. SW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Chancellor Hotel Lake Merit Lodge Hotel California Los Angeles, CA Oakland, CA Sacramento, CA
Graham Wong Hastings 345 Queen St. Honolulu, HI 96813	Donald H. Graham, Jr. Gen. Partner 808-524-5151	Hotels Developed Last 2 Years: Number of Rooms: 900	1. HI 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Embassy Suites Wailea, Maui, HI Kaunapali, Maui, HI Marriott Maui Holiday Inn Sheraton Coconut Beach Kaunapali, Maui, HI Wailea, Maui, HI Kaunapali, Maui, HI Waikiki, Oahu, HI Kapaa, Kauai, HI
Greenberg Development Co. 11906 Manchester St. Louis, MO 63131	Robert Greenberg Partner 314-965-2000	Hotels Developed Last 2 Years: Number of Rooms: 120	1. NCTr 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	
Guild Realty Corporation 4040 Del Prado Blvd. Cape Coral, FL 33904	Frank W. Schieber Pres. 813-542-2033	Hotels Developed Last 2 Years: Number of Rooms: 450	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
H.I. Development Corporation 111 W. Fortune St. Tampa, FL 33602	David H. Callen Pres. 813-229-6686	Hotels Developed Last 2 Years: Number of Rooms: 8,000	1. SE 2. Int'l 3.	Lux.: 10 Mid.: 75 Econ.: 15 Comm.: 50 Conv.: 25 Resort: 25	
Hampton Inns 6799 Great Oaks Rd. Memphis, TN 38138	Raymond E. Schultz Pres. 901-756-2811	Hotels Developed Last 2 Years: Number of Rooms: 20,000	1. US 2. 3.	Lux.: 0 Mid.: 20 Econ.: 80 Comm.: 65 Conv.: 0 Resort: 35	Hampton Inn Hampton Inn Hampton Inn Hampton Inn Hampton Inn Hampton Inn Alexandria, VA Madison, WI Lancaster, PA Valencia, CA San Diego, CA
Harbert Properties 1 Riverchase Pkwy. S Birmingham, AL 35244	Lee Kinnebrew VP 205-987-5500	Hotels Developed Last 2 Years: Number of Rooms: 200	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Hilton Suites Lexington, KY
Hardaway Realty Co. 615 Main St. Nashville, TN 37206	Charles Garrett Project Coordinator 615-254-5461	Hotels Developed Last 2 Years: Number of Rooms: 725	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 25 Resort: 25	Sheraton Sheraton Ocean Inn Nashville, TN Riviera Beach, FL
Harkins Associates, Inc. 12301 Old Columbia Pike Silver Spring, MD 20904	Robert R. Sitz VP 301-622-9000	Hotels Developed Last 2 Years: Number of Rooms: 750	1. NE 2. 3.	Lux.: 10 Mid.: 0 Econ.: 90 Comm.: 80 Conv.: 10 Resort: 10	Harrison's at Pier 5 Solomons Comfort Inn Dublin Comfort Inn Morgantown Comfort Inn WMC College Inn Baltimore, MD Solomons, MD Dublin, VA Morgantown, WV Westminster, MA
Hawthorn Suites 131 State St. Boston, MA 02109	Joseph A. McInerney Pres. 617-367-5880	Hotels Developed Last 2 Years: Number of Rooms: 929	1. SW 2. NCTr 3. SE	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 70 Conv.: 10 Resort: 20	Hawthorn Suites Hotel Chicago, IL
Heather Park Development Corporation 41 Forest St. New Canaan, CT 06840	Jeffery Boughrum Owner 203-966-7376	Hotels Developed Last 2 Years: Number of Rooms: 500	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 40 Conv.: 40 Resort: 20	

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Helmley Hotels, Inc. 455 Madison Ave. New York, NY 10022	Leona Helmley Pres. 203-356-9560	Hotels Developed Last 2 Years: Number of Rooms: 2,200	3	1. NE	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Helmley Palace Helmley Park Lane New York, NY New York, NY New York, NY
Hermeter Corporation 2424 Kalakaua Ave. Honolulu, HI 96815	Christopher Hermeter Pres. 808-529-9000	Hotels Developed Last 2 Years: Number of Rooms: 2,851	3	1. HI 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Westin Maui Westin Kuai Hyatt Regency Waikoloa
Hilton Hotels Corporation 9336 Civic Center Dr. Beverly Hills, CA 90210	James Philon Sen. VP Real Estate 213-205-4430	Hotels Developed Last 2 Years: Number of Rooms: 820	2	1. SE 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 70 Conv.: 30 Resort: 0	Hilton Hotel-Airport Hilton Hotel-Airport Atlanta, GA New Orleans, LA
Hirschfeld Realty 725 5th Ave. New York, NY 10022	Elie Hirschfeld Partner 212-355-3838	Hotels Developed Last 2 Years: Number of Rooms: 3,000	4	1. NE 2. SE 3.	Lux.: 35 Mid.: 50 Econ.: 15	Comm.: 75 Conv.: 25 Resort: 0	Penta Hotel Crown Plaza-Holiday Inn Castle Hotel New York, NY New York, NY Miami Beach, FL
Home Suite Home Hotels, Inc. 6120 S.W. 37th Way Gainesville, FL 32608	William Cash Pres. 904-372-9550	Hotels Developed Last 2 Years: Number of Rooms: 1,214	3	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Ramada Resort Ramada Resort Ramada Resort Quality All Suite New Port Richey, FL Clearmont, FL Kissimmee, FL Kissimmee, FL
Horizon Hotels Ltd. 270 W. 45th St. New York, NY 10036	Stanley Cox Chmn. 212-221-5966	Hotels Developed Last 2 Years: Number of Rooms: 850	4	1. NE 2. SE 3. Carib	Lux.: 50 Mid.: 35 Econ.: 15	Comm.: 30 Conv.: 50 Resort: 20	Sheraton University Inn Ramada Renaissance Sheraton Harbor Front Brazillia Court Dawn Beach Resort Syracuse, NY Southbury, NY Dunkirk, NY Palm Beach, FL St. Martin, VI
Hospitality Associates, Inc. 230 W. Hgwy. 436 Altamonte Spring, FL 32710	Joseph L. Ash Pres. 305-830-6550	Hotels Developed Last 2 Years: Number of Rooms: 1,170	4	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25	Rodeway Inn Holiday Inn Days Lodge Desoto Hilton Mobile, AL Altamonte Springs, LA Kissimmee, FL Savannah, GA
Hospitality Consultants 550 Fairway Dr. Deerfield Beach, FL 33441	Robert Goldstein Pres. 305-421-7002	Hotels Developed Last 2 Years: Number of Rooms: 4,000	12	1. US 2. 3.	Lux.: 25 Mid.: 60 Econ.: 15	Comm.: 75 Conv.: 10 Resort: 15	Quality Suite Comfort Inn Sheraton Comfort Inn Ramada Ft. Lauderdale, FL Chicago, IL Meadowlands, NJ Birmingham, AL Ft. Lauderdale, FL
Hospitality Group 1 Atwood Dr. Northampton, MA 01060	Gary Avigne Pres. 413-586-6701	Hotels Developed Last 2 Years: Number of Rooms: 120	1	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 20 Resort: 30	Quality Suites Quality Suites Jetport Portland, ME Portland, ME
Hospitality Partners 5100 Wisconsin Ave. NW Washington, DC 20016	Michael M. Dickens Pres. 202-364-8969	Hotels Developed Last 2 Years: Number of Rooms: 419	2	1. NE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 70 Conv.: 10 Resort: 20	Holiday Inn Embassy Suites Arlington, VA Chevy Chase, MD
Hostmark 1125 17th St Denver, CO 80202	William D. Gingrich III CFO 303-293-9900	Hotels Developed Last 2 Years: Number of Rooms: 650	4	1. SE 2. SW 3. NW	Lux.: 15 Mid.: 75 Econ.: 10	Comm.: 60 Conv.: 30 Resort: 10	Holiday Inn Westbank Hilton Hotel Ramada Conference Center Comfort Inn Airport New Orleans, LA Killeen, TX Denver, CO Denver, CO
Hotel Equity Development 500 Davis Center Evanston, IL 60201	Peter S. Greene Pres. 312-475-8380	Hotels Developed Last 2 Years: Number of Rooms: 543	3	1. SCTR 2. NCTR 3. SE	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Aristocrat Hotel Mayfair Days Inn Dallas, TX St. Louis, MO Nashville, TN

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Howard Group, The 1735 Central Ave. Albany, NY 12205	Howard Carr 518-452-1881	Hotels Developed Last 2 Years: Number of Rooms: 336	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 50 Conv.: 50 Resort: 0	Comfort-Airport Squire Inn Albany, NY Schenectady, NY
HSL Properties 801 S. Prudence Tucson, AZ 85710	Bert Lopez Pres. 602-620-0550	Hotels Developed Last 2 Years: Number of Rooms: 164	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Days Inn Suites Hotel Yuma, AZ
Hudson Hotels Corporation 1 Airport Way Rochester, NY 14624	Loren G. Anisley Pres. 716-436-1700	Hotels Developed Last 2 Years: Number of Rooms: 305	1. NE 2. 3.	Lux.: 33 Mid.: 0 Econ.: 67 Comm.: 80 Conv.: 12 Resort: 8	Brookwood Comfort Inn Comfort Inn Rochester, NY Rochester, NY
Imperial Square Associates 19 N. Central Ave. Baltimore, MD 21202	Mendel Friedman Partner 301-327-6100	Hotels Developed Last 2 Years: Number of Rooms: 0	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 50 Resort: 50	Marriott Baltimore, MD
Inn America Corporation 50 Braintree Hill Park Braintree, MA 02184	Arthur L. Duggan Pres. 617-848-9266	Hotels Developed Last 2 Years: Number of Rooms: 4,950	1. NE 2. NCr 3. SE	Lux.: 50 Mid.: 0 Econ.: 50 Comm.: 70 Conv.: 20 Resort: 10	Sheraton Smithtown Sheraton Golf Resort Holiday Inn East Sheraton Resort Holiday Inn Downtown Smithtown L.I., NY Lancaster, PA Harrisburg, PA Sturbridge, MA South Bend, IN
Insuite Int'l Inns & Resorts 7204 N. 16th St. Phoenix, AZ 85020	Larry Duncan VP Constr. 602-944-1500	Hotels Developed Last 2 Years: Number of Rooms: 310	1. NW 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 52 Conv.: 5 Resort: 43	Ontario California Solana Beach Inn Suites Solana Beach, CA
Interquity Group, Inc. 3000 Marcus Ave. Lake Success, NY 11042	Alan Wolpert Pres. 516-488-4880	Hotels Developed Last 2 Years: Number of Rooms: 300	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Best Western Best Western Best Western Punta Gorda, FL Sarasota, FL Pine Bluff, AR
Intergroup Development, Inc. 1400 Post Oak Blvd. Houston, TX 77056	Tandy Lofland Pres. 713-627-2131	Hotels Developed Last 2 Years: Number of Rooms: 592	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Ramada Resort Orlando, FL
Interstate Hotels Corporation Foster Plaza #10 680 Anderson Dr. Pittsburgh, PA 15220	W. Thomas Parrington Jr. Exec. VP Fin. 412-937-0600	Hotels Developed Last 2 Years: Number of Rooms: 1,630	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Marriott Airport Marriott/Minnetonka Marriott Marriott/Mission Valley Marriott's Casa Marina Pittsburgh, PA Minneapolis, MN Memphis, TN San Diego, CA Key West, FL
Interwest Group, Inc. McKnight Park Dr. Pittsburgh, PA 15237	David D. Jordan Sen. VP 412-367-8440	Hotels Developed Last 2 Years: Number of Rooms: 298	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Econo Lodge Econo Lodge Atlanta, GA Atlanta, GA
Investors Capital Services 6680 Oakland, CA 94611	Steve Trettin Owner 415-797-0901	Hotels Developed Last 2 Years: Number of Rooms: 250	1. SW 2. NW 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 75 Conv.: 0 Resort: 25	Motel Orleans Motel Orleans Motel Orleans Motel Orleans Motel Orleans Hayward, CA Hayward, CA Tracy, CA Williams, CA Stockton, CA
J.T. Loo & Company 777 Marinique Redwood City, CA 94065	J.T. Loo Pres. 415-592-5901	Hotels Developed Last 2 Years: Number of Rooms: 39	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Arrow Motel Modesto, CA

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price				Representative Developments
				Lux.:	Mid.:	Econ.:	Resort:	
Jack Armstrong Properties P.O. Box 1880 Yorktown, VA 23692	John R. Davis Pres. 804-875-1222	Hotels Developed Last 2 Years: Number of Rooms: 120	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Holiday Inn	Bellsville, MD	
Jackson Motel Management Co. 1 Office Park Circle Birmingham, AL 35223	Cory G. Jackson Sr. Pres. 205-879-1241	Hotels Developed Last 2 Years: Number of Rooms: 370	1. SE 2. 3.	Lux.: 5 Mid.: 35 Econ.: 60	Comm.: 75 Conv.: 25 Resort: 0	Sheraton Sheraton Pickwick Cricket Inn Days Inn	Birmingham, AL Tuscaloosa, AL Birmingham, AL Birmingham, AL Huntsville, AL	
John Q. Hammons Co. 300 John Q. Hammons Pkwy. Springfield, MO 65806	Terrance J. Bichsel Sen. VP Operations 417-864-4300	Hotels Developed Last 2 Years: Number of Rooms: 2,912	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 85 Conv.: 15 Resort: 0	Holiday Inn Pyramid University Park Embassy Suites Holiday Inn Airport Embassy Suites	Albuquerque, NM Des Moines, IA Columbia, SC Madison West, WI Kansas City, MO	
Johnson Properties, Inc. Box 96, 20th Fl. First American CE Nashville, TN 37238	Sam Johnson Pres. 615-244-3039	Hotels Developed Last 2 Years: Number of Rooms: 516	1. NCTR 2. SE 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Ramada Inn Six Flags Ramada Inn-Conv. Ctr. Holiday Inn	Atlanta, GA Nashville, TN Cambridge, OH	
Jolly Co. 19 N. Central Ave. Baltimore, MD 21202	Mendel Friedman Pres. 301-327-6100	Hotels Developed Last 2 Years: Number of Rooms: 150	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Howard Johnson	Baltimore, MD	
Joseph C. Canizaro Interests 400 Paydraf New Orleans, LA 70130	Joseph Canizaro Pres. 504-581-6007	Hotels Developed Last 2 Years: Number of Rooms: 900	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Holiday Inn Crowne Plaza Westin-Canal Place	New Orleans, LA New Orleans, LA	
Joslow Associates 318 W. Main St. Chester, CT 06412	David Joslow Owner/Pres. 203-526-9541	Hotels Developed Last 2 Years: Number of Rooms: 160	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 25 Conv.: 25 Resort: 50	Townfarnes Inn Lord Jessery Gaston House The Inn at Chester	Middletown, CT Amherst, MA E. Haddam, CT Chester, CT	
KBH, Inc. 1345 N. Palm Canyon Dr. Palm Springs, CA 92262	Katrina B. Heinrich Pres. 619-323-5619	Hotels Developed Last 2 Years: Number of Rooms: 500	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Sun Canyon Resort	Palm Springs, CA	
Kevin F. Donohoe Co., Inc. The Curtis Center/Independence Sq. Philadelphia, PA 19106	David P. Hartsfield VP Dev. 215-238-6400	Hotels Developed Last 2 Years: Number of Rooms: 155	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Omni-Independence Park	Philadelphia, PA	
Konover Hotel Corporation 334 Ella Grasso Turnpike Windsor Locks, CT 06096	Granville Gargiulo Pres. 203-292-6079	Hotels Developed Last 2 Years: Number of Rooms: 412	1. NE 2. 3.	Lux.: 15 Mid.: 85 Econ.: 0	Comm.: 65 Conv.: 15 Resort: 20	Sheraton Bradley Airport Days Inn Hilton Inn Centennial Inn Holiday Inn	Windsor Locks, CT Middleborough, MA Mystic, CT Farmington, CT Plainville, CT	
Landmark Hotel Corporation 3802 Topeka Blvd. Topeka, KS 66609	Craig Sweeney VP Fin. 913-266-6252	Hotels Developed Last 2 Years: Number of Rooms: 410	1. SE 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	Holiday Inn-Montgomery Holiday Inn-Conf. Ctr.	San Diego, CA Decatur, GA	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (Percent) By Price	Representative Developments
Landmark Suites of America 1900 S. Norfolk St. San Mateo, CA 94403	Nick Peterson Exec. VP Fin. & Dev. 415-345-2733	Hotels Developed Last 2 Years: Number of Rooms: 880	1. SE 2. SW 3. HI	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 85 Conv.: 0 Resort: 15	Embassy Suites Resort Embassy Suites-DFW Embassy Suites Embassy Suites Milpitas, CA
Larry Blumberg & Associates P.O. Box 5566 Dothen, AL 36302	Larry Blumberg Pres. 205-793-6855	Hotels Developed Last 2 Years: Number of Rooms: 300	1. SE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 70 Conv.: 15 Resort: 15	Inn South State Hotel Austin, TX
Las Colinas Hotel Corporation 5215 N. O'Connor Irving, TX 75039	Jim Truitt Pres. 214-556-3772	Hotels Developed Last 2 Years: Number of Rooms: 300	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 30 Resort: 20	Four Seasons Hotel
Lees Inns of America, Inc. 130 N. State St. North Vernon, IN 47265	Harry L. Schroeder Sen. VP 812-346-5072	Hotels Developed Last 2 Years: Number of Rooms: 525	1. NCtr 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Lees Inn Lees Inn Lees Inn Lees Inn Lees Inn Muncie, IN Anderson, IN Fort Wayne, IN Indianapolis, IN Shelbyville, IN
Lesley Development Co. 1515 S. Clifton Wichita, KS 67218	Dean Lesley Pres. 316-685-1515	Hotels Developed Last 2 Years: Number of Rooms: 260	1. NCtr 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Residence Inn Marriott Springfield, MO
Liberty Real Estate Corporation Federal Reserve Plaza, 600 Atlantic Boston, MA 02210	Scott Lotde Sen. VP 617-722-6060	Hotels Developed Last 2 Years: Number of Rooms: 240	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 4 Conv.: 50 Resort: 46	Sonesta Sanibel Harbor Fort Meyers, FL
Limited Partnerships, Inc. P.O. Box 1207 Desoto, TX 75115	Richard Machina Pres. 214-230-2400	Hotels Developed Last 2 Years: Number of Rooms: 5,600	1. SW 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 5 Conv.: 25 Resort: 70	
Lincoln Developers of Raleigh 3100 Springforest Rd. Raleigh, NC 27604	Steve Brady VP 919-872-9000	Hotels Developed Last 2 Years: Number of Rooms: 290	1. SE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	The Plaza Hotel Quality Suites Raleigh, NC
Lyndall Hughes Co. & Dry Hole National 32 N. Main St. Chagrin Falls, OH 44022	Lyndall Hughes Pres. 216-247-8911	Hotels Developed Last 2 Years: Number of Rooms: 200	1. NCtr 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Keenington Cleveland, OH
Madison Property Co. 12502 Lake Ridge Dr. Woodbridge, VA 22192	C. Richard Kibbey Sen. VP Operations- Marketing 703-690-3633	Hotels Developed Last 2 Years: Number of Rooms: 2,188	1. NE 2. SE 3. NW	Lux.: 0 Mid.: 34 Econ.: 66 Comm.: 50 Conv.: 5 Resort: 45	Hampton Inn Downtown Comfort Inn Van Dorn Comfort Inn Baltimore Comfort Inn Comfort Inn Richmond, VA Washington, DC Alexandria, VA Baltimore, MD Roanoke Rapids, NC
Mariner Hotel Corporation 15770 Dallas Pkwy. Dallas, TX 75248-3329	Stephanie Nelson VP Real Estate 214-980-2700	Hotels Developed Last 2 Years: Number of Rooms: 2,250	1. SE 2. SW 3. W	Lux.: 37 Mid.: 25 Econ.: 38 Comm.: 100 Conv.: 0 Resort: 0	Marriott Marriott Airport Huntsville Marriott Hampton Inn Airport Miami, FL Long Beach, FL Huntsville, AL Seattle, WA Fort Worth, TX

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
Marshall Development Rt. 2 Box 214 Salisbury, MD 21801	Michael Getzey VP Corp. Dev. 301-749-8464	Hotels Developed Last 2 Years: Number of Rooms: 300	3	1. NCtr 2. NE 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 80 Conv.: 0 Resort: 20	Comfort Inn Comfort Inn Comfort Inn
Martin Companies P.O. Box 1093 Platte City, MO 64079	Gary Martin Designer/Architect 816-431-2717	Hotels Developed Last 2 Years: Number of Rooms: 137	2	1. NCtr 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 60 Conv.: 10 Resort: 30	Comfort Inn Comfort Inn
Mat Associates, Inc. 401 N. Michigan Ave. Chicago, IL 60611	Lester Mehlman Pres. 312-828-0620	Hotels Developed Last 2 Years: Number of Rooms: 1,838	3	1. US 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	Swiss Grand Intercontinental Forum Sofitel
McBride Enterprises 808 High Mountain Rd. Franklin Lake, NJ 07458	Robert J. Bazewicz VP Dev. 201-891-3900	Hotels Developed Last 2 Years: Number of Rooms: 750	3	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: Conv.: Resort:	
McCay Corporation P.O. Box 679 Rtes. 130 & 206 Bordentown, NJ 08505	Bruce A. Mahon Chmn. 609-298-5005	Hotels Developed Last 2 Years: Number of Rooms: 410	2	1. NE 2. SE 3.	Lux.: 62 Mid.: 0 Econ.: 38	Comm.: 30 Conv.: 0 Resort: 70	Hilton Hampton Inn
McDonnell Douglas Realty Co. 18881 Von Karman Irvine, CA 92715	Bill Gollerman Project Dev. Mgr. 714-833-2133	Hotels Developed Last 2 Years: Number of Rooms: 180	1	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Ramada Inn
Melanco, Inc. 120 S. Riverside Plaza Chicago, IL 60606	John C. Melaniphy Pres. 312-454-1212	Hotels Developed Last 2 Years: Number of Rooms: 1,400	4	1. NCtr 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75	Comm.: 80 Conv.: 0 Resort: 20	
Metropolitan Structures 111 E. Wacker Chicago, IL 60601	Michael Tobin VP 312-938-2600	Hotels Developed Last 2 Years: Number of Rooms: 450	1	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	Fairmont Hotel Intercontinental Hotel
MG Associates, Inc. 76 Seattle St. Allston, MA 02134-1245	Alexander Kheruze Pres. 617-254-1007	Hotels Developed Last 2 Years: Number of Rooms: 44	1	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 40 Conv.: 0 Resort: 60	Sandpiper Motor Inn
Midland Properties Inc. 2001 Mission Hills Bank Bldg. Shawnee Mission, KS 66205	Alan L. Atterbury Pres. 913-677-5300	Hotels Developed Last 2 Years: Number of Rooms: 244	2	1. SE 2. NCtr 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 80 Conv.: 0 Resort: 20	Hampton Inn Hampton Inn
Motel Property Development Corporation #2 Park Road-Woodsdale Wheeling, WV 26003	Robert Hitchman VP Marketing & Dev. 304-233-5122	Hotels Developed Last 2 Years: Number of Rooms: 104	1	1. MW 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75	Comm.: 65 Conv.: 0 Resort: 35	Hampton Inn
Motels of America Inc. 10992 San Diego Mission Rd. San Diego, CA 92108	Mark Allphin VP Dev. 619-563-8800	Hotels Developed Last 2 Years: Number of Rooms: 1,002	12	1. US 2. 3.	Lux.: 0 Mid.: 17 Econ.: 83	Comm.: 50 Conv.: 0 Resort: 50	Mission Bay Super 8 Motel Comfort Suites Super 8 Motel Super 8 Motel Super 8 Motel

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Neighborhood Hotel Corporation 8100 E. 22d St. Bldg. 500 Wichita, KS 67226	B. Anthony Isaac Pres. 316-681-5105	Hotels Developed Last 2 Years: Number of Rooms: 1,000	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Neighborhood Suites Hotel Neighborhood Suites Hotel Neighborhood Suites Hotel Neighborhood Suites Hotel Neighborhood Suites Hotel
Nendels Motor Inns Corporation 520 Pike Tower Seattle, WA 98101	John Matlick Exec. VP/Franchising 206-623-4832	Hotels Developed Last 2 Years: Number of Rooms: 220	1. NW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 50 Conv.: 0 Resort: 50	Nendels Nendels Nendels
Nesbitt Partners 924 Westwood Blvd. Los Angeles, CA 90024	Gary Gray VP 213-208-0156	Hotels Developed Last 2 Years: Number of Rooms: 1,180	1. NW 2. W 3. MW	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Embassy Suites Embassy Suites Embassy Suites Embassy Suites Embassy Suites
Nitin Shah 7020 Burnside Dr. San Jose, CA 95120	Nitin N. Shah Pres. 408-268-7506	Hotels Developed Last 2 Years: Number of Rooms: 100	1. SW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 40 Conv.: 40 Resort: 20	Freemont Inn Freemont Inn
Northeast Community Development Group 17 Depot St. Concord, NH 03301	Stephen Duprey Gen. Partner 603-224-3120	Hotels Developed Last 2 Years: Number of Rooms: 100	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 0 Conv.: 0 Resort: 0	Comfort Inn Comfort Inn
Oak Tree Hotels 2434 Main St. Santa Monica, CA 90405	Joseph Woodard Pres. 231-396-1727	Hotels Developed Last 2 Years: Number of Rooms: 703	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Carmel Valley Ranch La Quinta
Oakleaf Management Group, Inc. 665 Oakleaf La Memphis, TN 38117	Donald N. Buch Pres. 901-761-4535	Hotels Developed Last 2 Years: Number of Rooms: 552	1. SE 2. MW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Residence Inn Residence Inn Residence Inn Residence Inn Residence Inn
Oliver T. Carr 1700 Pennsylvania Ave. NW Washington, DC 20006	Tom Burke VP DOWNTOWN DEV. 202-624-1700	Hotels Developed Last 2 Years: Number of Rooms:	1. SE 2. NE 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Willard Intercontinental Holiday Inn Crowne Plaza Embassy Suites Westin
Olympus Development Corporation 1600 Riverview Tower Knoxville, TN 37902	Tom Jensen Pres. 615-637-7777	Hotels Developed Last 2 Years: Number of Rooms: 580	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 20 Resort: 80	Radisson Inn Radisson Inn
Pacific West Builders, Inc. 835 S. Riverside Ave. Medford, OR 97501	James L. Bennett Pres. 503-776-3211	Hotels Developed Last 2 Years: Number of Rooms: 150	1. SW 2. NW 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 50 Conv.: 0 Resort: 50	Rockland Inn Motel Center Pointe
Paragon Hotels 233 Needham St. Newton, MA 02164	Marvin M. Glick Pres. 617-965-4000	Hotels Developed Last 2 Years: Number of Rooms: 0	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Rockland, CA Center Pointe, OR

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Paragon Hotels 5333 N. 7th St. Phoenix, AZ 85014	Larry Allen VP 602-248-0811	Hotels Developed Last 2 Years: 5 Number of Rooms: 933	1. NW 2. NCTR 3. SW	Lux.: 40 Mid.: 60 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Holiday Inn Embassy Suites Hilton Inn Hampton Inn Ramada Inn	
Patrick M. Nesbit Associates, Inc. 924 Westwood Blvd. Los Angeles, CA 90024	Gary Grey VP 213-208-0156	Hotels Developed Last 2 Years: 11 Number of Rooms: 2,413	1. NW 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 80 Resort: 20	Embassy Suites Embassy Suites Embassy Suites Embassy Suites Homewood Suites	
Paul Underhill Associates, Inc. 600 3rd Ave. New York, NY 10016	Paul T. Underhill Pres. 212-983-4740	Hotels Developed Last 2 Years: 2 Number of Rooms: 274	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Hampton Inn Hampton Inn	
Pebble Beach Investment Group 473 Alvarado St. Monterey, CA 93940	Steve Braselton VP 408-373-3142	Hotels Developed Last 2 Years: 3 Number of Rooms: 200	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Discovery Motor Inn Mariner's Inn Quality Inn	
Penn Mutual Life Insurance Company Independence Square Philadelphia, PA 19172	Ronald M. Pappas VP of Real Estate 215-956-8540	Hotels Developed Last 2 Years: 1 Number of Rooms: 119	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Hazleton Comfort Inn	
Perini Land & Development Rincon Center, 101 Spear St. San Francisco, CA 94105	Alma Tina Hogan Dir. of Project Mgmt. 415-227-0700	Hotels Developed Last 2 Years: 1 Number of Rooms: 814	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 50 Resort: 50	The Resort at Squaw Creek Olympic Valley, CA	
PGC Enterprises, Inc. 3703 Camino Del Rio S. San Diego, CA 92108	W. Gerrity & D. Close Pres. & Exec. VP 619-563-7711	Hotels Developed Last 2 Years: 1 Number of Rooms: 152	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 25 Conv.: 25 Resort: 50	Ramada Inn Old Town San Diego, CA	
Pickett Companies, The 655 Metro Place S. #600 Dublin, OH 43017	R. Scott Spriggs Dir. of Financial Committee 614-889-6500	Hotels Developed Last 2 Years: 9 Number of Rooms: 1,525	1. SE 2. NE 3. NCTR	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel Radisson Orlando	
Potomac Management Corporation 901 N. Washington St. Alexandria, VA 22314	Charles H. Smith CEO 703-549-9000	Hotels Developed Last 2 Years: 2 Number of Rooms: 592	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	BWI Days Inn Old Colony Inn	
Preferred Inns, Inc. 7500 Six Forks Rd. Raleigh, NC 27615	Curtis Waterman Owner	Hotels Developed Last 2 Years: 3 Number of Rooms: 381	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 70 Conv.: 20 Resort: 10	Days Inn Days Inn Comfort Suites	
Prime Motor Inns, Inc. 700 Rt. 46 East Fairfield, NJ 07007	David Barsky VP 201-882-1010	Hotels Developed Last 2 Years: 126 Number of Rooms: 17,710	1. US 2. 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 50 Conv.: 40 Resort: 10	Winston-Salem, NC Savannah, GA Jacksonville, FL	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Prime Rate Motels P.O. Box 1228 St. Cloud, MN 56301	David R. Jongeward Dir. of Fin./Dev./ Operations 612-251-4109	Hotels Developed Last 2 Years: 11 Number of Rooms: 868	1. NW 2. NCr 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Prime Rate Prime Rate Prime Rate Prime Rate
Prudential Insurance Co. Prudential Plaza Newark, NJ 07101	Allen Ostroff Sen. VP 201-877-6000	Hotels Developed Last 2 Years: 5 Number of Rooms: 5,500	1. US 2. 3.	Lux.: 30 Mid.: 50 Econ.: 20 Comm.: 50 Conv.: 30 Resort: 20	Park Hyatt Hilton Hawaiian Village Short Hills Hilton Alhambra Hyatt San Francisco Hilton
Pruss Hotel Investors P.O. Box 967 La Mirada, CA 90637-0967	Don E. Pruss Mgng. Partner 714-739-1484	Hotels Developed Last 2 Years: 2 Number of Rooms: 132	1. SW 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	
Py Development Group, Inc. 135 W. Central Blvd. Orlando, FL 32801	Brian A. Py Exec. VP 407-849-6500	Hotels Developed Last 2 Years: 2 Number of Rooms: 334	1. SE 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 40 Conv.: 40 Resort: 20	Compri Lake Buena Vista Compri Jacksonville Orlando, FL Jacksonville, FL
Quadrangle Development Corporation 2030 M St. NW Washington, DC 20036	Chris Gladstone Sen. VP 202-203-9000	Hotels Developed Last 2 Years: 1 Number of Rooms: 907	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Marriott Grand Hyatt Washington, DC Washington, DC
R.J.S. Hospitality, Inc. 7880 San Felipe Houston, TX 77063	Earnest Lyles Corp. Controller 713-974-7880	Hotels Developed Last 2 Years: 3 Number of Rooms: 861	1. Carib 2. 3.	Lux.: 66 Mid.: 34 Econ.: 0 Comm.: 25 Conv.: 25 Resort: 50	Hilton American Hotel & Casino Cable Beach Inn Bloomington, MN Aruba, NA Nassau, BAHAMAS
Rahn Properties, Inc. 1512 E. Broward Blvd. Ft. Lauderdale, FL 33301	John Anderson Pres. 305-524-5336	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,381	1. SE 2. NE 3. SW	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 25 Conv.: 0 Resort: 75	Pier 66 Hotel & Marina Sonoma Mission Inn & Spa Marriott Harbor Beach Pier House Inn/Beach Club Crystal City Compr Ft. Lauderdale, FL Sonoma, CA Ft. Lauderdale, FL Key West, FL Washington, DC
Ralph Brill Associates P.O. Box 200 Garrison, NY 10524	Ralph Brill VP 914-265-3060	Hotels Developed Last 2 Years: 6 Number of Rooms: 150	1. Carib 2. NE 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 20 Conv.: 0 Resort: 80	
Ramada Inns, Inc. P.O. Box 29004 Phoenix, AZ 85038	Marshall Reynolds Sen. VP Dev. 602-273-4590	Hotels Developed Last 2 Years: 66 Number of Rooms: 14,120	1. US 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0 Comm.: 70 Conv.: 20 Resort: 10	
Ravel Hotels Ltd. 679 South Rd. Poughkeepsie, NY 12601	Murray Weiss Pres. 914-462-4600	Hotels Developed Last 2 Years: 1 Number of Rooms: 218	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Quality Inn Hotel Albany, NY
Real Estate Investment Brokers, Inc. 17070 Collins Ave. Miami Beach, FL 33160	Lowell E. Steigler 305-945-8349	Hotels Developed Last 2 Years: 2 Number of Rooms: 500	1. SE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	
Red Roof Inns, Inc. 4355 Davidson Rd. Hilliard, OH 43026	Jane Davis PR Coord. 614-876-3200	Hotels Developed Last 2 Years: 40 Number of Rooms: 4,360	1. MW 2. SE 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Red Roof Columbus N. Red Roof Downers Grove Red Roof Dearborne Red Roof Hampton Red Roof Airport Columbus, OH Chicago, IL Detroit, MI St. Louis, MO Atlanta, GA

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments		
				Lux.:	Mid.:	Econ.:	Lux.:	Mid.:	Econ.:
Reed Hotel Investors 675 Oakleaf Office La. Memphis, TN 38117	William L. Reed	Hotels Developed Last 2 Years: 3 Number of Rooms: 368	1. US 2. 3.	0 100 0	80 0 20	Residence Inn Residence Inn Residence Inn	Akron, OH Columbia, SC Greensboro, NC		
Registry Hotel Corporation 16250 Dallas Pkwy. Dallas, TX 75248	Jerry R. Thoele Exec. VP 214-248-4300	Hotels Developed Last 2 Years: 8 Number of Rooms: 2,900	1. US 2. 3.	100 0 0	30 40 30	The Registry Resort Don Cesar, A Registry The Registry Hotel The Registry Resort The Registry Hotel	Naples, FL St. Petersburg Beach, FL Denver, CO Scottsdale, AZ Minneapolis, MN		
Relax Hotels & Resorts Ltd. 5940 Macleod Trail South Calgary, Alberta T2H2G4	Peter Sikora VP Dev. 403-255-9667	Hotels Developed Last 2 Years: 22 Number of Rooms: 3,086	1. CAN 2. 3.	1 29 70	0 0 0	Relax Inn Relax Inn Relax Plaza	Burlington, CAN North York, CAN Vancouver Airport, CAN Toronto Airport, CAN Downtown Ottawa, CAN		
Richard Roberts Group, Inc., The 35 Tower Lane Box 716 Avon, CT 06001	Lisa Fleming VP Acquisitions 203-678-9272	Hotels Developed Last 2 Years: 8 Number of Rooms: 1,000	1. SE 2. 3.	0 100 0	50 0 50	Miami Airport Days Inn Luxury Budget Inn Days Inn Luxury Budget Inn	Miami, FL Williams, MD York, PA Syracuse, NY Reading, PA		
Ritz-Carlton Hotel Co. 3414 Peachtree Rd. Atlanta, GA 30326	Julie Atkins Dir. Asset Mgmt. 404-237-5500	Hotels Developed Last 2 Years: 3 Number of Rooms: 650	1. US 2. Int'l 3.	100 0 0	75 0 25	Ritz Carlton Ritz Carlton Ritz Carlton	Dearborn, MI Phoenix, AZ Houston, TX		
Robert B. Sosnowitz Real Estate P.O. Box 17218 West Hartford, CT 06117	Robert Sosnowitz Pres. 203-232-6131	Hotels Developed Last 2 Years: 2 Number of Rooms: 300	1. NE 2. 3.	50 50 0	100 0 0	Embassy Suites Embassy Suites Embassy Suites	Anaheim, CA Burlingame, CA Deerfield Beach, FL Bloomington, NM Kaanapali, Maui, HI		
Robert E. Wooley, Inc. 5215 N. O'Connor Irving, TX 75039	Tom Herskowitz Exec. VP 214-869-8282	Hotels Developed Last 2 Years: 8 Number of Rooms: 2,105	1. US 2. HI 3. Mex	100 0 0	95 0 5	Embassy Suites Embassy Suites Embassy Suites	Anaheim, CA Burlingame, CA Deerfield Beach, FL Bloomington, NM Kaanapali, Maui, HI		
Robert Scott Development Co. 7343 E. Camelback Rd. Scottsdale, AZ 85251	John Gullen Project Coord. 602-947-7800	Hotels Developed Last 2 Years: 2 Number of Rooms: 225	1. SW 2. 3.	50 50 0	50 50 0	Hotel Hawnoa Hotel St. Andrews	Hawnoa, HI SCOTLAND		
Rosewood Hotels, Inc. 500 Crescent Court Dallas, TX 75201	Hal Thannisch Pres. 214-871-5400	Hotels Developed Last 2 Years: 4 Number of Rooms: 450	1. HI 2. Int'l 3.	100 0 0	50 0 50	Hotel Hawnoa Hotel St. Andrews	Hawnoa, HI SCOTLAND		
Rouse & Associates Hospitality Group 1650 Market St. Philadelphia, PA 19103	Thomas Dight Partner 215-665-1650	Hotels Developed Last 2 Years: 2 Number of Rooms: 566	1. NE 2. 3.	100 0 0	100 0 0	Sheraton Society Hall Great Valley Hilton	Philadelphia, PA Malvern, PA		

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Ruff Callaghan & Hemmeter 190 Lasalle St. Chicago, IL 60603	Erik Nylén VP 312-444-1400	Hotels Developed Last 2 Years: 3 Number of Rooms: 2,900	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Westin Westin Hyatt Regency
Russell Development 4 Sawgrass Village Pontevedra, FL 32082	Pete Russel Pres. 904-285-1886	Hotels Developed Last 2 Years: 6 Number of Rooms: 700	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Residence Inn Residence Inn Residence Inn Residence Inn Residence Inn
Sara International Development Corporation 5955 T.G. Lee Blvd. Orlando, FL 32822	Hans Bremstrom Pres. 915-833-9400	Hotels Developed Last 2 Years: 2 Number of Rooms: 820	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Park Suite Hotel The Royal Concordia
Scanticon Corporation 105 College Rd. E. Princeton, NJ 08540	Glen R. Schostak VP Project Dev. 609-452-8300	Hotels Developed Last 2 Years: 3 Number of Rooms: 838	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 100 Resort: 0	Scanticon Scanticon Scanticon
Scotsman Inns 8136 E. Kelllogg Wichita, KS 67207	Robert & Kenneth Peters Partners 316-683-8731	Hotels Developed Last 2 Years: 3 Number of Rooms: 255	1. MW 2. SW 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 65 Conv.: 0 Resort: 35	Scotsman Inn-West Scotsman Inn Scotsman Inn-West Scotsman Inn
Scribner Corporation 1047 St. Gregory St. Cincinnati, OH 45202	Barbara A. Walker Pres. 513-579-8886	Hotels Developed Last 2 Years: 1 Number of Rooms: 160	1. SE 2. SW 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	La Concha
Select Hotel Management, Inc. 301 E. Liberty Ann Arbor, MI 48104	James Winter Exec. VP 313-663-1900	Hotels Developed Last 2 Years: 9 Number of Rooms: 1,500	1. MW 2. 3.	Lux.: 0 Mid.: 75 Econ.: 25 Comm.: 90 Conv.: 0 Resort: 10	Holiday Inn Holiday Inn Clarion Hampton Inn Hampton Inn
Serj Corporation 1138 India St. San Diego, CA 92101	Jack Scull Pres. 619-696-9908	Hotels Developed Last 2 Years: 3 Number of Rooms: 842	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Ramada Inn-Downtown Radisson Harbor View Radisson Inn
Sharondale, Inc. 500 Wilson Pike Circle Brentwood, TN 37027	John Schroer Sen. Partner 615-791-0328	Hotels Developed Last 2 Years: 2 Number of Rooms: N/A	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Milton Suite Holiday Inn
Sheldon L. Pollack Corporation 429 Santa Monica Blvd. Santa Monica, CA 90401	Stan Berman VP 213-394-9800	Hotels Developed Last 2 Years: 3 Number of Rooms: 600	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Las Cruces Hotel
Shell Development Corporation 40 Skokie Blvd. Northbrook, IL 60062	Craig Goldstein CFO 312-564-4600	Hotels Developed Last 2 Years: 3 Number of Rooms: 800	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 100 Resort: 0	Las Cruces Hotel
Shelter Group, Inc. P.O. Box 660 Lewiston, ME 04240	Lee Griswold VP 207-784-0142	Hotels Developed Last 2 Years: 1 Number of Rooms: 0	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Sheraton Quality Inn
					Portsmouth, NH Auburn, ME

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
Snavely Development Co. 2550 Somm Ctr. Rd. Wiloughby Hills, OH 44094	Leif N. Chaffee 216-585-9091	Hotels Developed Last 2 Years: 4 Number of Rooms: 650	1. MW	Lux.: 50	Comm.: 100	Honors Hotels	
			2.	Mid.: 50	Conv.: 0	Honors Hotels	
			3.	Econ.: 0	Resort: 0	Honors Hotels Holiday Inn	
Snyder Darien Corporation 690 Delaware Ave. Buffalo, NY 14209	Mr. Synder Pres. 716-881-6500	Hotels Developed Last 2 Years: 3 Number of Rooms: 930	1. NE	Lux.: 100	Comm.: 70	Hyatt Regency	
			2.	Mid.: 0	Conv.: 30	Hyatt Regency	
			3.	Econ.: 0	Resort: 0	Beaver Hollow Lodge	
Southeastern Builders P.O. Box 3636 Augusta, GA 30904	Mr. Bible Pres. 404-733-6437	Hotels Developed Last 2 Years: 5 Number of Rooms: 452	1. SE	Lux.: 0	Comm.: 50	Queen Ann Hotel	
			2.	Mid.: 0	Conv.: 0	The Calhoun Hotel	
			3.	Econ.: 100	Resort: 50	Poinsett Hotel Franklin Hotel Atlantian Hotel	
Stendig Development Corporation 2500 Riverside Dr. Danville, VA 24540	Joseph Stendig President 804-792-5161	Hotels Developed Last 2 Years: 2 Number of Rooms: 270	1. SE	Lux.: 0	Comm.: 67	Best Western	
			2. NE	Mid.: 100	Conv.: 0	Holiday Inn	
			3.	Econ.: 0	Resort: 33		
Stouffer Hotels & Resorts 29800 Bainbridge Rd. Solon, OH 44139	Tom Stouffer Sen. VP Dev. 216-248-3600	Hotels Developed Last 2 Years: 9 Number of Rooms: 3,600	1. US	Lux.: 100	Comm.: 75	Stouffer Harborplace	
			2.	Mid.: 0	Conv.: 0	Stouffer Indian Wells	
			3.	Econ.: 0	Resort: 25	Stouffer Nashville Stouffer Waverly Hotel Stouffer Chicago Hotel	
Suite Thinking, Inc. 450 Newport Center Dr. Newport Beach, CA 92660	Claudia Tropa VP 714-760-9221	Hotels Developed Last 2 Years: 2 Number of Rooms: 470	1. SW	Lux.: 100	Comm.: 65	Embassy Suites	
			2.	Mid.: 0	Conv.: 15	Embassy Suites	
			3.	Econ.: 0	Resort: 20		
Super 8 Motels, Inc. 1910 8th Ave. E. Aberdeen, SD 57401	Joan Panse Fischer VP 605-225-2272	Hotels Developed Last 2 Years: 182 Number of Rooms: 10,334	1. US	Lux.: 0	Comm.: 65		
			2.	Mid.: 0	Conv.: 0		
			3.	Econ.: 100	Resort: 35		
Surbana Hotels, Inc. 10769 Wellerwoods Dr. Cincinnati, OH 45242	William H. Troutman Pres. 513-247-0600	Hotels Developed Last 2 Years: 3 Number of Rooms: 600	1. NCTr	Lux.: 0	Comm.: 60	Quality Suites	
			2.	Mid.: 34	Conv.: 15	Marriott	
			3.	Econ.: 66	Resort: 25	Sleep Inns Sleep Inns Sleep Inns	
Sverdrup Investment, Inc. 13723 Riverport Dr. Maryland Heights, MO 63043	Bruce R. Smith III VP 314-436-7600	Hotels Developed Last 2 Years: 1 Number of Rooms: 181	1. US	Lux.: 80	Comm.: 30	Compri Hotel	
			2.	Mid.: 20	Conv.: 50		
			3.	Econ.: 0	Resort: 20		
Sweet & Co. 9502 Angola Ct. Indianapolis, IN 46218	Bob Donaldson Exec. VP 317-875-7755	Hotels Developed Last 2 Years: 2 Number of Rooms: 120	1. NCTr	Lux.: 0	Comm.: 0	Country Inn	
			2.	Mid.: 100	Conv.: 30	Hotel Nashville	
			3.	Econ.: 0	Resort: 70		
T.J. Lee 56 Revere Rd. Woburn, MA 01801	Thomas J. Lee Pres. 617-935-0274	Hotels Developed Last 2 Years: 1 Number of Rooms: 129	1. NE	Lux.: 50	Comm.: 100	Suisse Chalet	
			2.	Mid.: 50	Conv.: 0		
			3.	Econ.: 0	Resort: 0		

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Tamar Inns, Inc. 7600 International Dr. Orlando, FL 32819	Harris Rosen Pres. 407-351-1600	Hotels Developed Last 2 Years: Number of Rooms: 2,000	5 1. SE 2. 2. 3.	Lux.: 0 Comm.: 0 Mid.: 10 Conv.: 10 Econ.: 90 Resort: 90	Quality Inn International Comfort Inn International Inn Quality Inn Plaza Clarion Plaza
Terracon Corporation S. Eagle Rd. Newtown, PA 18940	Robert Jones Mktg. Dir. 215-860-7788	Hotels Developed Last 2 Years: Number of Rooms: 175	1 1. NE 2. 2. 3.	Lux.: 100 Comm.: 33 Mid.: 0 Conv.: 34 Econ.: 0 Resort: 33	Royce Hotel Langhorne, PA
The Alan I. Kay Companies 4520 E.W. Hwy. Bethesda, MD 20814	Kevin Keegan 301-652-4288	Hotels Developed Last 2 Years: Number of Rooms: 130	1 1. NE 2. 2. 3.	Lux.: 0 Comm.: 100 Mid.: 0 Conv.: 0 Econ.: 100 Resort: 0	Comfort Inn Mechanic, PA
Tishman Realty Corporation 666 5th Ave. New York, NY 10103	Guy B. Lawrence Exec. VP 212-399-3653	Hotels Developed Last 2 Years: Number of Rooms: 3,500	4 1. US 2. 2. 3.	Lux.: 100 Comm.: 10 Mid.: 0 Conv.: 45 Econ.: 0 Resort: 45	Dolphin Hotel Swan Hotel Sheraton Hotel Nikko Hilton at Disney Village Lake Buena Vista, FL
TMH Hotels, Inc. P.O. Box 2176 Wichita, KS 67201	William Hamrick Pres. 316-262-2841	Hotels Developed Last 2 Years: Number of Rooms: 500	5 1. US 2. SE 3.	Lux.: 0 Comm.: 100 Mid.: 100 Conv.: 0 Econ.: 0 Resort: 0	Residence Inn Residence Inn Residence Inn Residence Inn Residence Inn Binghamton, NY
Transamerican Realty Services 600 Montgomery St. San Francisco, CA 94111	John J. Strain Sen. VP 415-983-5459	Hotels Developed Last 2 Years: Number of Rooms: 350	3 1. SW 2. 2. 3.	Lux.: 33 Comm.: 66 Mid.: 33 Conv.: 0 Econ.: 34 Resort: 34	Holiday Inn Hampton Inn Holiday Inn Holiday Inn Holiday Inn West
Travco 2160 Country Club Rd. Winston Salem, NC 27104	Mark Willisman Dir. of Marketing 919-724-5521	Hotels Developed Last 2 Years: Number of Rooms: N/A	3 1. SE 2. 2. 3.	Lux.: 0 Comm.: 60 Mid.: 75 Conv.: 20 Econ.: 25 Resort: 20	Charlotte, NC Charlotte, NC Winston-Salem, NC Greensboro, NC Winston-Salem, NC
Tri Equity Capital Corporation 3420 Gulf Blvd. Bellaire Beach, FL 34635	Norman L. Baum Owner 813-595-7684	Hotels Developed Last 2 Years: Number of Rooms: 45	2 1. SE 2. 2. 3.	Lux.: 0 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 100 Resort: 100	Nautical Beach Resort Smuggler's
Troast Enterprises 201 Rte. 17 N. Rutherford, NJ 07070	Frank Murphy VP 201-460-7300	Hotels Developed Last 2 Years: Number of Rooms: 450	1 1. NE 2. 2. 3.	Lux.: 100 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	East Rutherford, NJ
Tucker Hotels 150 N. Meridian St. Indianapolis, IN 46204	Dale Scott Pres. 317-236-2500	Hotels Developed Last 2 Years: Number of Rooms: 600	2 1. Nctr 2. 2. 3.	Lux.: 100 Comm.: 50 Mid.: 0 Conv.: 50 Econ.: 0 Resort: 0	Hilton at the Circle Hilton at the Airport Indianapolis, IN Indianapolis, IN

DIRECTORY OF HOTEL DEVELOPERS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Tyler Enterprises 545 N. Woodlawn Wichita, KS 67208	G. Ronald Tyler Pres. 316-686-8800	Hotels Developed Last 2 Years: 50 Number of Rooms: 6,500	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 85 Conv.: 10 Resort: 5	The Residence Inn The Residence Inn The Residence Inn The Residence Inn Denver-Downtown, CO Denver-Tech Ctr., CO	
Urgo, Butts & Co. 2 Wisconsin Circle Chevy Chase, MD 20815	Richard L. Viardo VP 301-657-2130	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,000	1. NE 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Long Island Marriott Park Terrace Hotel	
Valley Forge Investment Corporation 120 S. Warner Rd. King of Prussia, PA 19482	Brian McElwee VP 215-687-2400	Hotels Developed Last 2 Years: 1 Number of Rooms: 120	1. NE 2. 3.	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 75 Conv.: 0 Resort: 25	Holiday Inn Golden Inn	
Vanguard Financial Co. 1330 Carew Towers Cincinnati, OH 45202	C.C. Fletcher Chmn. 513-241-6437	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,200	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn Holiday Inn Holiday Inn	
Vavra Development Corporation 933 N. Mayfair Rd. Milwaukee, WI 53226	Thomas E. Vavra II Pres. 414-258-6600	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,700	1. US 2. 3.	Lux.: 40 Mid.: 60 Econ.: 0	Comm.: 40 Conv.: 40 Resort: 20	Orni Hotel Sheraton Compri Radieson Pier 66	
VMS Realty Partners 8700 W. Bryn Mawr Chicago, IL 60631	Mark Ellert 1st VP Hotel Dev. 312-399-8700	Hotels Developed Last 2 Years: 9 Number of Rooms: 4,025	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 20 Conv.: 0 Resort: 80	Westin Kauai Westin Maui Hyatt Key West City Place Hyatt Hyatt Grand Champions	
Walt Disney World/Development Corporation Guest Letters P.O. Box 10000 Lake Buena Vista, FL 32830	Joe Wood Dir. Hotel Dev. 407-882-0530	Hotels Developed Last 2 Years: 2 Number of Rooms: 3,000	1. SE 2. 3.	Lux.: 30 Mid.: 70 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Grand Floridian Disney's Caribbean Beach	
Walter Uccellini/United Group, Inc. P.O. Box 799 Albany, NY 12201	George Levelle Pres. 518-434-2801	Hotels Developed Last 2 Years: 1 Number of Rooms: 70	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 30	Quality Inn Quality Inn Riverside	
Webb Companies 250 W. Main St. Lexington, KY 40507	Max Sconyers VP Hotel Dev. 606-253-0000	Hotels Developed Last 2 Years: 9 Number of Rooms: 1,890	1. US 2. 3.	Lux.: 0 Mid.: 55 Econ.: 45	Comm.: 56 Conv.: 33 Resort: 11	Hilton Suites Radisson Plaza Lexington Toledo Radisson Quality Suites Days Inn-O'Hare West	
West Indies Co. 3730 Holland Ave. Dallas, TX 75219	Bruce Cunningham Pres. 214-521-9880	Hotels Developed Last 2 Years: 5 Number of Rooms: 0	1. SW 2. Carb 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Holiday Inn Holiday Inn Dorado Sands Luquillo Beach Resort Holiday Inn	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Westcor Hotel Co. 11411 N. Tatum Blvd. Phoenix, AZ 85028	Richard A. Holtzman Gen. Partner 602-996-2870	Hotels Developed Last 2 Years: 3 Number of Rooms: 750	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 50 Resort: 50	The Boulders Resort Westcourt in the Buttes Hotel Westcourt Phoenix, AZ
Western Continental Development Corporation P.O. Box 2629 Grass Valley, CA 95945	Dan Deeter Pres. 916-272-6882	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,000	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 34	Union Station Plaza Gateway Center Giorgio Sheraton Providence, RI Los Angeles, CA Glendale, CO Mustang Island, TX
Western Ventures 1594 Charlton Rd. San Marino, CA 91108	Stephen M. Sherrill Principal 818-796-3987	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,895	1. Int'l 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 10 Conv.: 20 Resort: 70	Costa del Oro Surfside Village St. Thomas Marriott Bahia Beach Plantation Tangaroo Luquillo Beach, PR Port Hueneme, CA VI Loiza-Riogrande, PR BORA BORA
Westgroup Partners 601 W. 5th St. Los Angeles CA 90071	Charles R. Lande Exec. VP 213-488-0111	Hotels Developed Last 2 Years: 5 Number of Rooms: 2,100	1. SW 2. NW 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 25 Conv.: 50 Resort: 25	Edgewater Inn Adolphus Newporter Inn Portifino Seattle, WA Dallas, TX Newport, CA Rodondo Beach, CA
Westin Hotels & Resorts The Westin Building 2001 6th Ave. Seattle, WA 98121	Brian McInnis Dev. Division 206-443-8977	Hotels Developed Last 2 Years: 63 Number of Rooms: 34,525	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 60 Conv.: 16 Resort: 24	The Westin Hotel The Westin St. Francis Century Plaza Hotel The Westin Kauai The Westin Stamford Washington, DC San Francisco, CA Los Angeles, CA Kauai, HI SINGAPORE
Whitbread-Nolan, Inc. 660 Madison Ave. 19th Fl. New York, NY 10021	Arlene Wright 212-750-0400	Hotels Developed Last 2 Years: 1 Number of Rooms: 300	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	
Wilson Hotel Management Co. P.O. Box 30185 Memphis, TN 38130	George Glover Pres. 901-346-8800	Hotels Developed Last 2 Years: 21 Number of Rooms: 4,500	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 69 Conv.: 31 Resort: 0	Wilson World Hotel Holiday Inn, U.C.F. Holiday Inn-Airport Wilson World Hotel Wilson Inn Kissimmee, FL Orlando, FL Birmingham, AL Morgantown, PA Jonesboro, AR
Winchester Land & Development 1105 48th Ave. N. Myrtle Beach, SC 29577	David Stradinger Pres. 803-449-2451	Hotels Developed Last 2 Years: 4 Number of Rooms: 600	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	The Palms Carolina Winds The Patricia Grand The Breakers Tower Myrtle Beach, SC Myrtle Beach, SC Myrtle Beach, SC Myrtle Beach, SC
Woodbine Development Company 1401 Elm St. Dallas, TX 75202	Don McDaniel VP 214-744-6000	Hotels Developed Last 2 Years: 1 Number of Rooms: 1,400	1. SCtr 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Hyatt Regency Dallas, TX
Wyndham Hotels 3200 Trammel Crow Ctr. 2001 Ross A Dallas, TX 75201	Caren Kline VP Dev. 214-978-4419	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,140	1. SE 2. SW 3. NC	Lux.: 62 Mid.: 38 Econ.: 0 Comm.: 57 Conv.: 43 Resort: 0	Wyndham Hotel-Midtown Wyndham Hotel Wyndham Hotel Wyndham Hotel Atlanta, GA Milwaukee, WI Palm Springs, CA Novi, MI Charlotte, NC

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Accor North America 2 Overhill Rd. Scarsdale, NY 10583	Michael J. Flaxman Exec. VP/GM 914-725-5055	Properties: 15 Rooms: 4,314	1. NE 2. SE 3. SW	Lux.: 43 Mid.: 42 Econ.: 15 Comm.: 65 Conv.: 25 Resort: 10	Ma Maison Sofitel Novotel Compri Hotel Hotel Sofitel Miami Novotel Toronto Center Los Angeles, CA New York, NY Princeton, NJ Miami, FL Toronto, CAN
Acquest Capital Management Co. 300 E. Long Lake Rd. Bloomfield Hill, MI 48013	David G. Ong Pres. 313-645-5130	Properties: 1 Rooms: 240	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 70 Conv.: 30 Resort: 0	Hotel St. Regis Detroit, MI
ADI Properties 12707 High Bluff Dr. San Diego, CA 92130	George Codling Pres. 619-481-7777	Properties: 1 Rooms: 300	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 40 Conv.: 30 Resort: 30	Le Meridien San Diego, CA
Adrian Werner & Associates 6 Dogwood Stamford, CT 06903	Adrian Werner Pres. 203-329-0023	Properties: 5 Rooms: 1,950	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	
Alan B. Friedberg Development 488 Madison Ave. New York, NY 10022	Alan B. Friedberg Pres. 212-308-1712	Properties: 3 Rooms: 1,150	1. NE 2. SE 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	
Alan I. Kay Cos. 4520 East West Hwy. Bethesda, MD 20814	Kevin Keegan 301-652-4288	Properties: 4 Rooms: 1,800	1. NE 2. 3.	Lux.: 93 Mid.: 0 Econ.: 7 Comm.: 50 Conv.: 40 Resort: 10	Hyatt Orlando Crowne Plaza Hyatt Regency Comfort Inn Orlando, FL Rockville, MD Bethesda, MD Mechanicsburg, PA
Alborn, DiRenzo & Associates 10751 Falls Rd. Lutherville, MD 21093	William R. Alborn Pres. 301-296-7736	Properties: 5 Rooms: 700+	1. NE 2. SE 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	
Alexandria Management Corp. 901 N. Washington St. Alexandria, VA 22314	Dave Jefferson Controller 703-549-9000	Properties: 6 Rooms: 1,284	1. NE 2. SE 3.	Lux.: 26 Mid.: 64 Econ.: 10 Comm.: 50 Conv.: 25 Resort: 25	Old Colony Inn Ramada Hotel Old Town Holiday Inn Holiday Inn Days Inn BWI Airport Alexandria, VA Alexandria, VA Annapolis, MD Springfield, VA BWI Airport, MD
Allen & O'Hara, Inc. 3385 Airways Blvd. Memphis, TN 38116	Bill Harris Sen. VP 901-345-7620	Properties: 8 Rooms: 1,427	1. NE 2. MW 3.	Lux.: 18 Mid.: 82 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Holiday Inn Holiday Inn Holiday Inn Hampton Inn Residence Inn Philadelphia, PA Providence, RI Jackson, MI Albany, NY Brookfield, WI
Altman Properties Ltd. 115 New St. Glenside, PA 19038	Berel Altman Pres. 215-884-8590	Properties: 1 Rooms: 100	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Ocean Key House Key West, FL
American Trading Real Estate P. O. Box 238 Blaustein Bldg. Baltimore, MD 21203	Laurence S. Lennon Corp. Arch./Constr. 301-347-7254	Properties: 1 Rooms: 266	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 85 Conv.: 0 Resort: 15	Christiana Hilton Inn Stanton/Newark, DE
Arko Investments 2 N. Riverside Plaza Chicago, IL 60606	Allan R. Koretz Dir. of Acq. 312-707-8700	Properties: 4 Rooms: 1,200	1. CA 2. SW 3.	Lux.: 25 Mid.: 75 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
Armen Yousoufian, Inc. P.O. Box 950 Vashon, WA 98070	Armen Yousoufian Pres. 206-463-5020	Properties: 1 Rooms: 135	1. NW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	University Plaza Hotel Seattle, WA	
Aronov-Blumberg Motel Properties P.O. Box 5566 Dothan, AL 36302	Barry Kraselsky Dir. of Operations 205-277-1000	Properties: 5 Rooms: 800	1. SE 2. 3.	Lux.: 0 Mid.: 80 Econ.: 20	Comm.: 80 Conv.: 0 Resort: 20	Sheraton Holiday Inn Holiday Inn Inn South Statehouse Inn Dothan, AL Crest View, FL Ozark, AL Montgomery, AL Montgomery, AL	
Atlantic Inns Management, Inc. 1960 Liverpool Ave. Egg Harbor, NJ 08215	Bill Calhoun Pres. 609-645-1818	Properties: 3 Rooms: 440	1. NC 2. SC 3.	Lux.: 30 Mid.: 70 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Comfort Inn Sheraton Elliot House Inn Atlantic City, NJ New Bern, NC Charleston, SC	
Atlas Hotels, Inc. 500 Hotel Circle N. San Diego, CA 92108	Donald H. Warfield VP 619-291-2232	Properties: 10 Rooms: 3,000 +	1. SW 2. 3.	Lux.: 20 Mid.: 80 Econ.: 0	Comm.: 40 Conv.: 30 Resort: 30	Town & Country Hanalei Hotel The Inn At Semiahmoo Hotel Palmyra Sunburst Hotel San Diego, CA San Diego, CA Blaine, WA Cabo San Lucas, MEX Scottsdale, AZ	
Avala Hotels 340 Stockton St. San Francisco, CA 90017	John D. Wilkinson Dir. of Dev. 415-956-3773	Properties: 2 Rooms: 316	1. NW 2. SW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Campton Place Hotel Checkers Hotel San Francisco, CA Los Angeles, CA	
Azar's Inc. 1010 N. Coliseum Blvd. Fort Wayne, IN 46805	George Azar COO 219-424-1972	Properties: 3 Rooms: 843	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 55 Conv.: 38 Resort: 7	Marriott Marriott Marriott Fort Wayne IN Grand Rapids, MI Wichita, KS	
B.F. Saul Co. 8401 Connecticut Ave. Chevy Chase, MD 20815	Malcolm Marshall VP 301-986-6381	Properties: 12 Rooms: 4,200	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Tyson's Corner Holiday Inn Holiday Inn Airport Holiday Inn Crystal City Howard Johnson Sharonville Hilton Inn McLean, VA Gaithersburg, MD Rochester, NY Arlington, VA Cincinnati, OH	
Bank Atlantic Financial Corp. 1320 S. Dixie Hwy. Coral Gables, FL 33146	Al DiBenedetto Sen. VP 305-665-8100	Properties: 1 Rooms: 211	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn Lebanon, MO Vicksburg, MS West Memphis, TN Memphis, TN Memphis, TN	
Bas Development Co., Inc. 3606 Auston Peay Hwy. Memphis, TN 38128	Boyce Bradford Pres. 901-388-5245	Properties: 5 Rooms: 396	1. SE 2. MW 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 80 Conv.: 0 Resort: 20	Super 8 Motel Super 8 Motel Super 8 Motel Super 8 Motel Comfort Suite	
Base Co., Inc. 3025 Pace Lake Ct. Atlanta, GA 30339	David N. Thomas Pres. 404-239-9191	Properties: 1 Rooms: 250	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Bayberry Hotel Great Neck, NY	
Bayberry Hotel Corp. 75 N. Station Plaza Great Neck, NY 11021	Agatha Nache GM 516-482-2900	Properties: 1 Rooms: 63	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20		

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
BCA Investments 4029 Via Laguna Santa Barbara, CA 93110	Eric Bruckner Pres. 805-682-3281	Properties: 5 Rooms: 500	1. SE 2. SW 3. MW	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 40 Conv.: 0 Resort: 60		
Beacon Hotel Corp. 30 Rosewharf Boston, MA 02110	Michael O'Brien Sen. VP Dev. 617-330-1440	Properties: 14 Rooms: 3,000+	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Guest Quarters Suites	
Beck Co. 11841 Canon Blvd. Newport News, VA 23606	Robert G. Beck Pres. 804-873-0400	Properties: 7 Rooms: 700	1. SE 2. 3.	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 100 Conv.: 0 Resort: 0		
Begg International, Inc. 2121 Wisconsin Ave. Washington, DC 20007	Walter Burns VP 202-944-8400	Properties: 5 Rooms: 2,100	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100		
Belz Hotels 5118 Park Ave. Memphis, TN 38117	Heimut Knipp Pres. 901-762-5400	Properties: 14 Rooms: 4,000	1. NE 2. SE 3.	Lux.: 40 Mid.: 52 Econ.: 8	Comm.: 60 Conv.: 40 Resort: 0	The Peabody The Peabody Hilton Crown Plaza Ridgeway Inn Memphis, TN Orlando, FL Greenville, SC Natick, MA Memphis, TN	
Berkshire Group P.O. Box 4190 Manchester, NH 03108	Joe Simone Owner 603-669-8551	Properties: 5 Rooms: 602	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Woburn, MA Danvers, MA Lowell, MA Tinton Falls, NJ Merrimack, NH	
Boykin Management Co. 700 Terminal Tower Cleveland, OH 44113	Robert Boykin Pres. 216-241-6375	Properties: 8 Rooms: 2,400	1. NE 2. SE 3. SW	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 50 Conv.: 45 Resort: 5	Buffalo Marriott Beachwood Marriott Berkeley Marriott Columbus N. Marriott Airport Marriott Buffalo, NY Beachwood, OH Berkeley, CA Columbus, OH Cleveland, OH	
Bresler & Reiner, Inc. 401-M Street, SW Washington, DC 20024	Edwin Horowitz Sec./Dir. 202-488-8800	Properties: 2 Rooms: 275	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn-Andrews AFB Inn at the Colonnade Camp Springs, MD Baltimore, MD	
Brewran Corp. 50 Glen St. Glen Cove, NY 11542	A. Alexander Lari Pres. 516-674-4500	Properties: 1 Rooms: 75	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 0 Resort: 30	Roslyn Inn Roslyn, NY	
Brown Motel Investments 2660 Townsgate Rd. Westlake Village, CA 91361	Jane Gorney Office Mgr. 818-991-8076	Properties: 8 Rooms: 775	1. NW 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 90 Conv.: 10 Resort: 0	Inn of Lancaster Embassy Suites Skyways Rodeway Inn Country Club Motel Lancaster, CA Lompoc, CA Los Angeles, CA McGallen, TX Chicago, IL	
Budgetel Inns 212 W. Wisconsin Ave. Milwaukee, WI 53203	Thad Grouchot VP 414-272-6020	Properties: 53 Rooms: 5,580	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 80 Conv.: 0 Resort: 20	Budgetel Inn Budgetel Inn Budgetel Inn Budgetel Inn Budgetel Inn Tampa, FL Milwaukee, WI Atlanta, GA Nashville, TN Chicago, IL	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent)			Representative Hotels Owned	
				By Price				
				Lux.:	Mid.:	Econ.:		
C.F. Vatterott Hotels, Inc. 10449 St. Charles Rock Rd. St. Ann, MO 63074	Linda Vlahon Dir. 314-427-4000	Properties: 3 Rooms: 402	1. MW 2. MO 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 90 Conv.: 10 Resort: 0	Hampton Inn hampton Inn Best Western Midway	St. Charles, MO Maryland Heights, MO Maryland Heights, MO	
C.A.P. Investments 300 Montgomery St. San Francisco, CA 94104	Arthur Juhl Chmn. of Bd. 415-398-0904	Properties: 1 Rooms: 92	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50			
C.R.I., Inc. 11200 Rockville Pike Rockville, MD 20852	Ronald W. Thompson Sen. VP 301-468-9200	Properties: 23 Rooms: 6,400	1. US 2. 3.	Lux.: 40 Mid.: 40 Econ.: 20	Comm.: 60 Conv.: 20 Resort: 20	La Quinta Hotel Nassau Bay Hilton Arlington Hilton Bethesda Hyatt Orlando Hyatt	La Quinta, CA Houston, TX Arlington, TX Bethesda, MD Orlando, FL	
California Innkeepers 400 Primrose Rd. Burlingame, CA 94010	Brandon Foster Dir. Advertising & Promotion 415-348-7400	Properties: 9 Rooms: 2,100	1. SW 2. 3.	Lux.: 0 Mid.: 80 Econ.: 20	Comm.: 80 Conv.: 10 Resort: 10	Sheraton Hotel International Hotel Monterey Resort Best Western Inn Roadway Inn	Concord, CA Palm Springs, CA Monterey, CA Bakersfield, CA Reno, NV	
Carlin Organization, Inc. 140 Huguenot St. New Rochelle, NY 10801	Morry Heller VP 914-632-7400	Properties: 1 Rooms: 305	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Royce Carlin Hotel	Melville, NY	
Caroline Management Corp. 1707 Hillsborough St. Raleigh, NC 27605	Oliver Banks CEO 919-755-0821	Properties: 5 Rooms: 1,036	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Brownstone Ramada Ramada Ramada Sheraton	Raleigh, NC Greensboro, NC Winston-Salem, NC Memphis, TN Memphis, TN	
Cedarwood Construction Co. 1765 Merriman Rd. Akron, OH 44313	Anthony A. Petrarca 216-836-9971	Properties: 3 Rooms: 602	1. SE 2. 3.	Lux.: 33 Mid.: 33 Econ.: 34	Comm.: 33 Conv.: 0 Resort: 67	Quality Suite Hotel Comfort Suite Hotel Radisson Suite Resort Hotel	Meibourne, FL W. Palm Beach, FL Clearwater, FL	
Centrum Properties 566 W. Adams Chicago, IL 60606	Arthur Slaven Pres. 312-559-0980	Properties: 0 Rooms: 0	1. 0 2. 0 3. 0	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0			
Centurion Investment Corp. 575 Anton Blvd., 3d floor Costa Mesa, CA 92626	J. Gordon Griffith Pres. 714-432-6575	Properties: 2 Rooms: 173	1. SW 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50			
Chalet Suisse International Chalet Dr. Wilton, NH 03086	Mary Burke 603-654-2000	Properties: 37 Rooms: 2,800	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 0 Conv.: 80 Resort: 20	Chalet Suisse Chalet Suisse Chalet Suisse Chalet Suisse	Spring Valley, NY Baltimore, MD Salem, MA Burlington, VT Portsmouth, NH	
Charles B. Owens Investments 1710 InterFirst Plaza San Antonio, TX 78205	Charles Owens Pres. 512-222-9915	Properties: 1 Rooms: 110	1. SW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Travelers Hotel	San Antonio, TX	

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
Charles Luria Co., Inc. 1235 Jefferson Davis Hwy. Arlington, VA 22202	Charles Luria Pres. 703-892-4600	Properties: 2 Rooms: 140	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 0 Conv.: 0 Resort: 0	Spring Hill Motor Lodge English Inn	Falls Church, VA Charlottesville, VA
Clement Chen & Associates 820 Montgomery St. San Francisco, CA 94133	Clement Chen III Pres. 415-392-8260	Properties: 6 Rooms: 2,600	1. SW 2. China 3. NE	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 66 Conv.: 0 Resort: 34	Holiday Inn Holiday Inn Holiday Inn Hilton Hotel Jianguo Hotel	Palo Alto, CA Pasadena, CA Laguna Hills, CA Buffalo, NY Beijing, CHINA
CLFS Securities & Affiliates 1215 Superior Ave. NE Cleveland, OH 44114	Jeffrey Smythe Chmn. 216-696-6050	Properties: 7 Rooms: 2,515	1. 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0		
Clover Ridge 1 Clover Ridge Rd. Panora, IA 50216	Jay Gerlich Pres. 515-755-2080	Properties: 1 Rooms: 140	1. 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 75 Resort: 25		
Coachman Inc. 301 NW 63rd Oklahoma City, OK 73116	Dennis Bradford Pres. 405-840-4667	Properties: 8 Rooms: 892	1. SW 2. MW 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 70 Conv.: 30 Resort: 0	Coachman Inn Coachman Inn Coachman Inn Coachman Inn Coachman Inn	Phoenix, AZ Tucson, AZ San Antonio, TX Midwest City, OK Oklahoma City, OK
Cohen Investments 126 DeSoto Clarksdale, MS 38614	Elliott D. Cohen VP 601-627-7311	Properties: 2 Rooms: 235	1. SE 2. MW 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 65 Conv.: 0 Resort: 35	Hampton Inn Hampton Inn	Pascagoula, MS Grand Rapids, MI
Colorado Hotel Management P.O. Box 4240 San Clemente, CA 92672	Robert A. Alter Pres. 714-361-3900	Properties: 6 Rooms: 714	1. SW 2. 3.	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 70 Conv.: 0 Resort: 30	Hampton Inn Hampton Inn Hampton Inn Hampton Inn Holiday Inn	Mesa, AZ Aurora, CO Denver SE, CO Pueblo, CO Steamboat Springs, CO
Com-Spec Properties, Inc. 800 Quintana Rd. Morro Bay, CA 93442	Gerald E. Hempenius Pres. 805-772-3631	Properties: 5 Rooms: 250	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 30 Conv.: 0 Resort: 70	Fireside Inn The Villager The Sands Motel Sunset Travel Lodge Ventura Travel Lodge	Morro Bay, CA Morro Bay, CA San Simeon, CA Morro Bay, CA Ventura, CA
Comfort Inn West 3956 Colonial Dr. Orlando, FL 32808	Anil I. Valbh Mging. Partner 407-299-6710	Properties: 22 Rooms: 1,650	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Comfort Inn Comfort Inn Days Inn Best Western Main Sail	Ft. Pierce, FL Gainesville, FL Orlando, FL Orlando, FL Orman Beach, FL
Commercial Development Group 50 Music Sq. Nashville, TN 37203	Christopher R.B. Carge VP 615-327-0815	Properties: 4 Rooms: 560	1. NE 2. SE 3.	Lux.: 20 Mid.: 40 Econ.: 40	Comm.: 60 Conv.: 0 Resort: 40	Hampton Inn Shoney's Inn Quality Inn Villas By The Sea	West Atlantic City, NJ Richmond, VA Anderson, SC Jekyll Island, GA

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Concord Hotels, Inc. 1215 Superior Ave. Cleveland, OH 44114-3226	Mark Laport Pres. 216-589-0441	Properties: 13 Rooms: 1,749	1. NE 2. MW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 85 Conv.: 15 Resort: 0	Clarion Hotel Cleveland E. Holiday Inn-Beachwood Holiday Inn-Mayfield Days Inn Meadowlands Hampton Inn Islip
Cornwall Securities Inc. 185 Great Neck Rd. Great Neck, NY 11021-9872	Barry J. Berman Pres. 516-829-8000	Properties: 1 Rooms: 350	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	
Cricket Inns 200 Brookstown Ave. Winston-Salem, NC 27101	Wayne Rockmore Pres. Hotel Div. 919-722-2262	Properties: 17 Rooms: 2,200	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 50 Conv.: 10 Resort: 40	
Crown America Corp. Pasquerilla Plaza Johnstown, PA 15907	Michael Horgan VP Operations 814-535-9450	Properties: 19 Rooms: 2,865	1. SE 2. NE 3.	Lux.: 0 Mid.: 78 Econ.: 22 Comm.: 60 Conv.: 15 Resort: 25	Harrisburg/Hershey, PA Bucks County, PA Raleigh/Durham, NC Charlotte, NC Newport News, VA
Demars Development, Inc. 1919 N. Meridian Indianapolis, IN 46202	David E. Carley Pres. 317-924-9192	Properties: 1 Rooms: 222	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 20 Conv.: 40 Resort: 40	Costatton Viscount Omni Indianapolis, IN
Dillon Inns 900 E. 79th St. Minneapolis, MN 55420	Marc Nelson Dir. of Real Estate 612-854-2885	Properties: 18 Rooms: 2,250	1. MW 2. SW 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 80 Conv.: 0 Resort: 20	Dillon Inn Dillon Inn Dillon Inn Dillon Inn Dillon Inn
Diversified Equities 34555 Chagrin Blvd. Moreland Hills, OH 44022	James A. Schoff Gen. Partner 216-247-2977	Properties: 1 Rooms: 213	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Toledo Hilton Hotel Toledo, OH
Donahoe Co. 2101 Wisconsin Ave. Washington, DC 20037	Michael M. Dickens Pres. 202-333-0880	Properties: 5 Rooms: 1,524	1. NE 2. 3.	Lux.: 15 Mid.: 85 Econ.: 0 Comm.: 70 Conv.: 10 Resort: 20	Holiday Inn-Capital Holiday Inn-Georgetown Holiday Inn-Arlington Embassy Suites Chevy Chase
Doral Hotels & Resorts Management 600 Madison Ave. New York, NY 10022	Bruce Blum COO 212-752-5700	Properties: 8 Rooms: 2,700	1. E 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 30 Resort: 10	Doral Inn Doral Tuscan Arrowwood Doral Resort & Country Club Doral Plaza Corp. Suites
Douglas Development Co. 2201 Martin St. Irvine, CA 92715	Bill Golterman 714-833-2133	Properties: 1 Rooms: 180	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Ramada Inn Cypress, CA
Drake Oakbrook 2301 York Rd. Oakbrook, IL 60521	Dave Flando GM 312-574-5700	Properties: 1 Rooms: 172	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 35 Conv.: 60 Resort: 5	Drake Oakbrook Oakbrook, IL

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Drury Inns, Inc. 10801 Peartree La. St. Ann, MO 63074	Charles Drury Jr. Pres. 314-429-2255	Properties: 41 Rooms: 4,251	1. MW 2. SW 3.	Lux.: 0 Mid.: 70 Econ.: 30 Comm.: 70 Conv.: 0 Resort: 30	Drury Inn Drury Inn Drury Inn Drury Inn Drury Inn Newport News, VA
E G F Realty Corp. 880 Third Ave. New York, NY 10022	George Post Mging Dir. 212-888-1088	Properties: 1 Rooms: 125	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 90 Conv.: 10 Resort: 0	Days Inn At Oyster Pt.
E.R. Keller Properties, Inc. 344 Nassau St. Princeton, NJ 08540	Eric Keller VP 609-924-4552	Properties: 2 Rooms: 85	1. 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 45 Conv.: 0 Resort: 55	
Edward J. De Bartolo Corp. 7620 Market St. Youngstown, OH 44512	David Handel VP Land Dev. 216-758-7292	Properties: 4 Rooms: 918	1. SE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 60 Conv.: 5 Resort: 35	Mayfair House Orlando Crowne Plaza Holiday Inn-Boardman Maxim's
Embassy Suites, Inc. 222 Las Colinas Blvd. Irving, TX 75039	Steven T. Schultz VP of Dev. 214-556-1133	Properties: 94 Rooms: 23,050	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 80 Conv.: 10 Resort: 10	Embassy Suites Embassy Suites Embassy Suites Embassy Suites Embassy Suites-LAX
Encore Development Corp. 5220 Spring Valley Dallas, TX 75240	Bud Reed VP Hotel Dev. 214-934-3000	Properties: 1 Rooms: 400	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Radisson
Enfield Co. 6065 Mission George San Diego, CA 92120	William Gerrity Pres. 619-541-1757	Properties: 1 Rooms: 152	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 40 Conv.: 20 Resort: 40	Ramada Inn-Old Town
Estes Co. 1010 N. Finance Ct. Tucson, AZ 85731	Joseph Baldino 602-886-2581	Properties: 3 Rooms: 610	1. SW 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 30 Conv.: 0 Resort: 70	Loews Ventana Canyon Days Inn Ventana Canyon Resort
Etkin Equities 29100 Northwestern Hwy. Southfield, MI 48034	Douglas Etkin Pres. 313-358-0800	Properties: 1 Rooms: 347	1. MW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 0 Resort: 25	Holiday Inn
Eyemark, Inc. 1829 Riverside Dr. Titusville, FL 32780	Kenneth Field VP Dev. 904-238-3600	Properties: 4 Rooms: 512	1. SE 2. MW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 70 Conv.: 0 Resort: 30	Howard Johnson Howard Johnson Howard Johnson Hilton-Kennedy Space Ctr.
Executive Management Inns 2520 Commerce Tower Bldg. Kansas City, MO 64105	Steve Glassman Gen. Counsel 816-221-2700	Properties: 10 Rooms: 2,000	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 70 Conv.: 30 Resort: 0	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Types of Hotels (percent) By Market	Representative Hotels Owned
Fairmont Hotels Atop Nob Hill San Francisco, CA 94106	Melvin Swig Chmn. 415-772-5000	Properties: 5 Rooms: 0	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 33 Conv.: 33 Resort: 34	Fairmont Hotel Fairmont Hotel Fairmont Hotel Fairmont Hotel Fairmont Hotel
Financial Group, Ltd. 105 W. Adams Chicago, IL 60603	Michael Bloom Dir. of Acquisitions 312-782-0300	Properties: 10 Rooms: 0	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	
Finley Commercial Realtors 3605 Glenwood Ave. Raleigh, NC 27612	Earl Finley VP 919-781-0700	Properties: 1 Rooms: 123	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Sundown Inns North Raleigh, NC
Florida East Coast Properties 444 Brickell Ave. Miami, FL 33131	Tibor Hollo Pres./Chmn. 305-358-7710	Properties: 4 Rooms: 750	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 35 Conv.: 35 Resort: 30	Eden Roc Hotel 100 Lincoln Road Hotel Grand Prix Hotel Hotel de Ville Miami Beach, FL Miami Beach, FL Miami, FL Miami, FL
Folklane Hotels Associates 4175 Veterans Memorial Hwy. Ronkonkoma, NY 11779	William Mullaney Gen. Partner 516-981-9600	Properties: 1 Rooms: 216	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Sheraton Smithtown Smithtown, NY
Ford Motor Land Development 1 Park La. Dearborn, MI 48126	Raymond Schiech Dir. of Property Mgmt. 313-337-1596	Properties: 3 Rooms: 1,300	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 75 Conv.: 25 Resort: 0	Ritz Carlton Hyatt Regency Dearborn Inn Dearborn, MI Dearborn, MI Dearborn, MI
Four Seasons Hotels Ltd. 1165 Leslie St. Don Mills, Ont. CANADA M3C2K8	Tricia Wakelan Sec. 416-449-1750	Properties: 22 Rooms: 7,500	1. US 2. Int'l 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 25 Conv.: 0 Resort: 75	The Pierre Ritz Carlton Chicago Minaki Lodge Le Quatre Saisons Inn on the Park New York, NY Chicago, IL Minaki, CAN Montreal, CAN London, CAN
Friend Group 1101 The Embarcadero San Francisco, CA 94111	Peter Friend VP 415-981-2202	Properties: 7 Rooms: 1,300	1. SW 2. 3.	Lux.: 25 Mid.: 25 Econ.: 50	Comm.: 75 Conv.: 25 Resort: 0	
FTP Investment Co. 1940 Fillmore St. San Francisco, CA 94115	Mr. Bart Sen. VP 415-921-5604	Properties: 3 Rooms: 0	1. SW 2. NW 3.	Lux.: 50 Mid.: 0 Econ.: 50	Comm.: 0 Conv.: 0 Resort: 0	Airport Plaza Hotel Stanyan Park Hotel Pioneer Square Hotel
G.P. Hospitality, Inc. 125 S. 9th St. Philadelphia, PA 19107	Gie Liem Mging. Partner 215-925-4540	Properties: 1 Rooms: 185	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 75 Conv.: 0 Resort: 25	Comfort Inn Philadelphia, PA
Garrett A. Balke, Inc. 800 St. Louis Union Station St. Louis, MO 63103	Gary Balke Pres. 314-621-1414	Properties: 1 Rooms: 32	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	7 Gables Inn Clayton, MO
Gary Schneider Real Estate 1715 Ashley Rd. Hoffman Estates, IL 60195	Gary Schneider CEO 312-882-4414	Properties: 4 Rooms: 200+	1. SE 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
General Inns Corp. 215 Keo, P.O. Box 1536 Des Moines, IA 50306	John Nagle Dir. of Operations 515-281-9113	Properties: 2 Rooms: 350	1. MW 2. NE 3.	Lux.: 65 Mid.: 35 Econ.: 0	Comm.: 60 Conv.: 40 Resort: 0	Holiday Inn-East Towne Holiday Inn-Scranton E.	Madison, WI Dunmore, PA
Gimaro Associates Ltd. 18 Sentry Pkwy. Blue Bell, PA 19422	Joe Gimaro Sr. Pres./Owner 215-540-2220	Properties: 5 Rooms: 560	1. NE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 100 Conv.: 0 Resort: 0		Teaneck, NJ
Glenpointe Associates P.O. Box 487 Hackensack, NJ 07606-0487	Steve Mavrides CFO 201-342-2777	Properties: 1 Rooms: 345	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Loews Glenpointe Hotel	
Globe Mortgage Co. 110 Main St. Hackensack, NJ 07602	M. L. Beer Pres. 201-489-6120	Properties: 7 Rooms: 1,431	1. NE 2. 3.	Lux.: 0 Mid.: 70 Econ.: 30	Comm.: 100 Conv.: 0 Resort: 0		
Greater Missouri Builders, Inc. 1550 Wall St. St. Charles, MO 63303	Scott Campbell Pres. 314-946-1341	Properties: 2 Rooms: 240	1. MW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 70 Conv.: 0 Resort: 30	St. Louis Airport Inn Radisson Country Inn	St. Louis, MO St. Charles, MO
Hall & Woodbury Associates 8801 Alhambra Prairie Village, KS 66207	Allan E. Hall 913-649-3588	Properties: 2 Rooms: 125	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Best Western Best Western	Kansas City, MO Arkansas City, KS
Hall Financial Group, Inc. 10100 N. Central Expwy. Dallas, TX 75231	Bill Weatherford VP Hospitality Mgmt. 214-373-4822	Properties: 3 Rooms: 610	1. SW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 40 Conv.: 0 Resort: 60	Lexington Suites Econo Lodge Lexington Suites	San Antonio, TX Dallas, TX Mesa, AZ
Hallmark Ventures, Inc. 3345 Santa Rosa Ave. Santa Rosa, CA 95407	Bryan S. Hall Exec. VP 707-527-6117	Properties: 3 Rooms: 610	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 67 Conv.: 33 Resort: 0	Phoenix Airport Hilton Marriott's Tenaya Lodge Holiday Inn	Phoenix, AZ Yosemite National Park, CA Sonoma County, CA
Hampton Inns 6799 Great Oaks Rd. #100 Memphis, TN 38138	Don Dempsey 901-756-2811	Properties: 27 Rooms: 3,300	1. SE 2. SW 3.	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 65 Conv.: 0 Resort: 35	Hampton Inn Hampton Inn Hampton Inn Hampton Inn Hampton Inn	Birmingham, AL Little Rock, AR Atlanta, GA Memphis, TN Dallas, TX
Harley Hotels, Inc. 1310 Terminal Tower Cleveland, OH 44113	Jim Kuczynski VP 216-623-3904	Properties: 17 Rooms: 3,000	1. SE 2. MW 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0	Harley Hotel Harley Hotel Harley Hotel Harley Hotel Harley Hotel	St. Louis, MO Atlanta, GA Cleveland, OH Columbus, OH Lexington, KY
Hawthorn Realty Group 10275 W. Higgins Rd. Rosemont, IL 60018	Joseph S. Beale Pres. 312-390-8500	Properties: 2 Rooms: 500	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Plaza Hotel Holiday Inn-Airport	Honolulu, HI Honolulu, HI
Hayman Co. 28588 N. Western Hwy. Southfield, MI 48034	Stephen Hayman Pres. 313-356-5555	Properties: 2 Rooms: 600	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 70 Conv.: 30 Resort: 0	Lennox House Townhouse	Chicago, IL Detroit, MI

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Helmsley Hotels, Inc. 455 Madison Ave. New York, NY 10022	Leona Helmsley 212-888-7000	Properties: 23 Rooms: 5,000	1. US 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Helmsley Palace Helmsley Park Lane New York Helmsley Helmsley Windsor Helmsley Middletown New York, NY New York, NY New York, NY New York, NY New York, NY
Hensslo Realty, Inc. 2835 Monroe Ave. Rochester, NY 14618	Nelson Lopatin VP 716-442-9220	Properties: 1 Rooms: 70	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 70 Conv.: 0 Resort: 30	King James Motel Rochester, NY
Hilton Hotels Corp. 9336 Civic Center Dr. Beverly Hills, CA 90209	Salvatore F. Guarino Sen. VP 213-205-4402	Properties: 28 Rooms: 13,850	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 25 Resort: 25	Waldorf-Astoria Chicago Hilton & Towers Hilton Hawaiian Village Capitol Hilton Beverly Hilton New York, NY Chicago, IL Honolulu, HI Washington, DC Beverly Hills, CA
Holiday Inn, Warren 210 Ludlow St. Warren, PA 16365	John MacGraw 814-726-3000	Properties: 2 Rooms: 192	1. NE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 70 Conv.: 10 Resort: 20	Holiday Inn Holiday Inn Warren, PA Warren, PA
Home Suite Home Hotels, Inc. 6120 SW 37th Way Gainesville, FL 32608	William Cash Pres. 904-372-9550	Properties: 1 Rooms: 414	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Quality All Suite Kissimmee, FL
Horizon Hotels Ltd. 270 West 45th St. New York, NY 10036	Stanley Cox Chmn. 212-221-5966	Properties: 2 Rooms: 425	1. NE 2. MW 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 77 Conv.: 14 Resort: 9	Ramada Inn Arrowwood Lafayette, IN Rye Brook, NY
Hornes' Lodging Properties 2750 N. University Ave. Provo, UT 84604	Doug Horne Pres. 801-373-4510	Properties: 5 Rooms: 690	1. SW 2. 3.	Lux.: 20 Mid.: 40 Econ.: 40 Comm.: 80 Conv.: 0 Resort: 20	Landmark Inn Howard Johnson Howard Johnson East Bay Inn Royal Inn Park City, UT Salt Lake City, UT Albuquerque, NM Provo, UT Provo, UT
Hospitality Group 1 Atwood Dr. North Hampton, MA 01060	Gary Avigne Pres. 413-586-6701	Properties: 9 Rooms: 600+	1. NE 2. 3.	Lux.: 25 Mid.: 60 Econ.: 15 Comm.: 80 Conv.: 10 Resort: 10	Quality Inn Hilton Quality Suites Sheraton Tugboat Inn Bristol CT North Hampton MA Portland ME Jensen Beach FL Booth Bay Harbor ME
Hostmark 1125 17th St. Denver, CO 80202	Mike Hampton Exec. VP Dev. 303-293-9900	Properties: 4 Rooms: 550	1. NW 2. SW 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 80 Conv.: 10 Resort: 10	Days Inn Holiday Inn Holiday Inn Comfort Inn Gillette, WY Gillette, WY Alamosa, CO Denver, CO
Hotel Development & Management Penn Center West, Bldg. 4 Pittsburgh, PA 15276	Gregory G. de Marrais Pres. 412-788-0455	Properties: 1 Rooms: 146	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 30 Conv.: 0 Resort: 70	Best Western-Aurora Aurora, OH
Hotel Partners Ltd. Partnership 355 S. Woodward Ave. Birmingham, MI 48009	Kathleen M. Dempsey VP 313-540-1700	Properties: 1 Rooms: 236	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 57 Conv.: 23 Resort: 20	Novi Hilton Novi, MI

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
HSL Properties 88 E. Broadway Tucson, AZ 85701	Bert Lopez Pres. 602-620-0550	Properties: 3 Rooms: 639	1. SW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 50 Conv.: 50 Resort: 0	Days Inn Holiday Inn-Broadway Days Inn-Downtown Yuma, AZ Tucson, AZ Tucson, AZ	
Hudson Hotels Corp. 1 Airport Way Rochester, NY 14624	Loren G. Anstey Pres. 716-436-1700	Properties: 9 Rooms: 850	1. NE 2. 3.	Lux.: 20 Mid.: 40 Econ.: 40	Comm.: 70 Conv.: 15 Resort: 15	Brookwood Inn Genesee Inn Comfort Inn Comfort Inn Econo Lodge Pittsford, NY Genesee, NY Jamestown, NY Rochester, NY Canandaigua, NY	
Inn America Corp. 50 Braitree Hill Park Braitree, MA 02184	Arthur L. Duggan Pres. 617-848-9266	Properties: 10 Rooms: 2,246	1. NE 2. MW 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 70 Conv.: 15 Resort: 15	Sheraton-Lancaster Sheraton-Sturbridge Holiday Inn-Harrisburg Holiday Inn-Downtown Sheraton Inn-Airport Lancaster, PA Sturbridge, MA Harrisburg, PA South Bend, IN Rochester, NY	
Innsuite International Inns & Resorts 7204 N. 16th St. Phoenix, AZ 85020	Larry Williams Pres. 602-944-1500	Properties: 5 Rooms: 752	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 52 Conv.: 5 Resort: 43	Scottsdale Inn Suites Airport Inn Suites Tucson Inn Suites Yuma Inn Suites Phoenix Northern Inn Suites Scottsdale, AZ Phoenix, AZ Tucson, AZ Yuma, AZ Phoenix, AZ	
Integrated Resources, Inc. 10 Union Square E. New York, NY 10003	Thomas R. Saltsman Pres. of Hotel Mgmt. Div. 212-551-6000	Properties: 35 Rooms: 5,701	1. SE 2. SW 3. NE	Lux.: 30 Mid.: 20 Econ.: 50	Comm.: 60 Conv.: 20 Resort: 20	Brown Palace Hotel Governors Inn Hilton Lodge Sheraton Inn DFW Airport Hilton Denver, CO Research Triangle Park, NC Lake Arrowhead, CA Philadelphia, PA Dallas/Ft. Worth, TX	
Interequity Group, Inc. 3000 Marcus Ave. Lake Success, NY 11042	Alan Wolpert Pres. 516-488-4880	Properties: 9 Rooms: 900	1. SE 2. NE 3.	Lux.: 0 Mid.: 66 Econ.: 34	Comm.: 100 Conv.: 0 Resort: 0	Punta Gorda, FL Mansfield, LA Millington, TN Bridgeport, CT Bentonville, AR	
International Management Services 226 Commonwealth Ave. Boston, MA 02116	Kingston L. Howard Pres. 617-267-2546	Properties: 2 Rooms: 361	1. NE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 100 Conv.: 0 Resort: 0	Best Western Best Western Best Western Days Inn Best Western	
Interstate Hotels Corp. Foster Plaza #10, 680 Andersen Pittsburgh, PA 15220	Tom Parrington Exec. VP 412-937-0600	Properties: 29 Rooms: 10,320	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Marriott Marriott Marriott Marriott Charles Hotel Key West, FL Albany, NY San Diego, CA Sawgrass, FL Cambridge, MA	
Isaac Brassner & Associates 14755 Ventura Blvd. Sherman Oaks, CA 91403	Isaac Brassner Owner 818-986-2560	Properties: 1 Rooms: 210	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	New Grand Hotel Los Angeles, CA	
J.T. Loo & Co. 777 Martinique Redwood City, CA 94065	J.T. Loo Owner 415-592-5901	Properties: 1 Rooms: 39	1. NW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Arrow Motel Modesto, CA	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent)			Representative Hotels Owned
				By Price	By Market	By Price	
Jack Parker Corp. 104-70 Queens Blvd. Forest Hills, NY 11375	Adam Glick Pres. 718-275-3600	Properties: 1 Rooms: 900	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Parker Meridien	New York, NY
Jackson Motel Management Co. One Office Pk. Circle Birmingham, AL 35223	Cory G. Jackson Sr. Pres. 205-879-1241	Properties: 6 Rooms: 1,100	1. SE 2. 3.	Lux.: 50 Mid.: 0 Econ.: 50	Comm.: 100 Conv.: 0 Resort: 0	Days Inn-Airport Sheraton Perimeter Pk Cricket Inn Galleria Pickwick Hotel Sheraton Capstone Inn	Huntsville, AL Birmingham, AL Birmingham, AL Birmingham, AL Tuscaloosa, AL
Jade East Ventures, Ltd. 2039 E. Irlow Bronson Memorial Kissimmee, FL 34744	Vicky Timonera Owner 407-846-7814	Properties: 1 Rooms: 186	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 100 Resort: 0	Park Inn International	Kissimmee, FL
James H. Davis 101 N. Wilmot #485 Tucson, AZ 85711	James H. Davis Owner 602-748-2574	Properties: 1 Rooms: 155	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 65 Conv.: 35 Resort: 0	Smuggler's Inn	Tucson, AZ
John B. Coleman & Co. 3050 K St. NW Washington, DC 10019	John B. Coleman Owner/Chmn. 212-980-1234	Properties: 4 Rooms: 900	1. NE 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Ritz Carlton Ritz Carlton Whitehall Hotel Tremont Hotel	New York, NY Washington, DC Chicago, IL Chicago, IL
John Buck Co. 200 S. Wacker Dr. Chicago, IL 60606	John O'Donnell Principal 312-993-9800	Properties: 5 Rooms: 2,100	1. MW 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0	Quality Inn Sheraton Quality Inn Sheraton Marriott	Chicago, IL Ann Arbor, MI Columbus, OH Canton, OH Chicago, IL
John Q. Hammons Co. 300 John Q. Hammons Pkwy. Springfield, MO 65806	Terrance J. Bichsel Sen. VP Operations 417-864-4300	Properties: 32 Rooms: 8,000	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 55 Conv.: 30 Resort: 15	Holiday Inn-Pyramid Holiday Inn-Capitol Plaza Holiday Inn-Bay Bridge Embassy Suites Holiday Inn	Albuquerque, NM Sacramento, CA Emmeryville, CA Columbia, SC West Des Moines, IA
Johnson Properties Box 96, 25th Floor, First Am. Ctr. Nashville, TN 37238	Samuel L. Johnson Pres. 615-244-3039	Properties: 3 Rooms: 516	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Ramada Inn Ramada Inn Holiday Inn	Nashville, TN Atlanta, GA Cambridge, OH
Joseph C. Canizaro Interests 400 Poydraf New Orleans, LA 70130	Joseph Canizaro Pres. 504-581-6007	Properties: 1 Rooms: 441	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Holiday Inn Crowne Plaza	New Orleans, LA
KBH Development Corp. 1345 N. Palm Canyon Dr. Palm Springs, CA 92262	Katrina B. Heinrich Pres. 619-323-5619	Properties: 1 Rooms: 500	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Sun Canyon Resort	Palm Springs, CA
Kemmons Wilson Cos. 1629 Winchester Rd. Memphis, TN 38116	Paul K. McClure VP Fin. 901-346-8800	Properties: 16 Rooms: 2,949	1. SW 2. SE 3.	Lux.: 60 Mid.: 10 Econ.: 30	Comm.: 70 Conv.: 0 Resort: 30	Wilson World Maingate Holiday Inn-University Holiday Inn-Airport Holiday Inn-I-10 Wilson World Hotel	Kissimmee, FL Orlando, FL Birmingham, AL Mobile, AL Memphis, TN

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
Kensico Properties 11 E. 44th St. New York, NY 10017	Fouad Chartouni Gen. Partner 212-687-3500	Properties: 1 Rooms: 130	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 35 Conv.: 0 Resort: 65	Lowell Hotel New York, NY	
Kerr-Vaughn Investments 2119 N. Brookhaven Dr. Edmond, OK 73034	Ray Vaughn Gen. Partner 405-478-4818	Properties: 1 Rooms: 22	1. NW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Aspen Manor Lodge Aspen, CO	
KG Land California 10 Twin Dolphin Dr. Redwood City, CA 94065	Michael F. Roach VP Real Estate Dev. 415-591-4100	Properties: 1 Rooms: 800	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Hyatt Regency-Airport Burlingame, CA	
Konover Hotel Corp. 334 Ella Grasso Tpk. Windsor Locks, CT 06096	Granville Gargiulo Pres. 203-292-6079	Properties: 12 Rooms: 1,670	1. NE 2. 3.	Lux.: 15 Mid.: 85 Econ.: 0	Comm.: 75 Conv.: 15 Resort: 10	Sheraton Sheraton Sheraton Holiday Inn Ramada Inn West Springfield, MA Bradley International Airport, CT Norwich, CT Plainville, CT North Haven, CT	
Lambros Realty 1001 S. Higgins Missoula, MT 59801	George Lambros GM for Partner 406-543-6663	Properties: 2 Rooms: 445	1. NW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 20 Resort: 30	Outlaw Inn Village Motor Inn Kalispel, MT Missoula, MT	
Landmark Hotel Corp. 3802 South Topeka Blvd. Topeka, KS 66609	Craig Sweeney VP Fin. 913-266-6252	Properties: 22 Rooms: 4,550	1. MW 2. SW 3. SE	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 70 Conv.: 30 Resort: 0	Holiday Inn-Montgomery Field Holiday Inn-DFW Airport Holiday Inn-Conf. Plaza Holiday Inn-Russelville Holiday Inn San Diego, CA Dallas/Ft. Worth, TX Atlanta, GA Russelville, AK Peoria/Brandywine, IL	
Las Cruces Hotel Associates 429 Santa Monica Blvd. Santa Monica, CA 90401	Eileen Erickson Owner's Representative 213-394-9800	Properties: 1 Rooms: 207	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 66 Conv.: 24 Resort: 10	Las Cruces Hilton Hotel Las Cruces, NM	
LBH Associates Ltd. Partner 200 Girard St. Gaithersburg, MD 20877	Kay Perlmutter Owner 301-921-8700	Properties: 1 Rooms: 440	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Lord Baltimore Hotel Baltimore, MD	
Lees Inns of America, Inc. 130 N. State St. North Vernon, IN 47265	Don Lee Pres. 812-346-5072	Properties: 13 Rooms: 760	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Lees Inn Lees Inn Lees Inn Lees Inn Lees Inn Greensburg, IN Muncie, IN Greenfield, IN Indianapolis, IN Fort Wayne, IN	
Lessley Development Co. 1515 S. Clifton Wichita, KS 67218	Dean R. Lessley Pres./Owner 316-685-1515	Properties: 2 Rooms: 260	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Residence Inn Springfield, MO	
Lexington Group, Inc. P.O. Box 221214 Charlotte, NC 28222	John M. Parker Pres. 704-372-1111	Properties: 5 Rooms: 383	1. SE 2. 3.	Lux.: 70 Mid.: 0 Econ.: 30	Comm.: 50 Conv.: 50 Resort: 0	511 Queens The Whitney The Meeting Street Inn The Planters Inn 411 Meeting Street Charlotte, NC Columbia, SC Charleston, SC Charleston, SC Charleston, SC	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Liberty Real Estate Corp. 600 Atlantic Ave., 23d floor Boston, MA 02210	Lori Raleigh/Jack Cout VP Hotel Operations/ Dir. of Acq. 617-722-6060	Properties: 11 Rooms: 1,328	1. SW 2. US 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Residence Inn Residence Inn Residence Inn Residence Inn Overland Park, KS Manhattan Beach, CA Mountain View, CA San Jose, CA
Limited Partnerships, Inc. P.O. Box 1207 DeSoto, TX 75115	Richard Machina Pres. 214-230-2400	Properties: 2 Rooms: 5,600	1. SW 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 5 Conv.: 25 Resort: 70	The Plaza Hotel Quality Suites Raleigh, NC Raleigh, NC
Lincoln Developers of Raleigh 3100 Spring Forest Raleigh, NC 27604	Steve Brady VP 919-872-9000	Properties: 2 Rooms: 290	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn—Westwood Plaza Holiday Inn Holiday Inn Holiday Inn—Bristol Plaza Holiday Inn Los Angeles, CA Kansas City/Lenexa, KS Anaheim, CA Costa Mesa, CA Tuscaloosa, AL
Linquist & Craig Hotels/Resorts P.O. Box 688 1611 St. Andrews Lawrence, KS 66044	Steven J. Craig Pres. 913-841-3100	Properties: 12 Rooms: 2,560	1. NW 2. SW 3. MW	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 65 Conv.: 0 Resort: 35	Holiday Inn—Westwood Plaza Holiday Inn Holiday Inn Holiday Inn—Bristol Plaza Holiday Inn Sun Valley, ID Little America Travel Ctr. Little America Hotel West Gate Hotel Little America Travel Ctr.
Little America Hotels 500 S. Main St. Salt Lake City, UT 84101	Ken Knight Pres. 801-363-5100	Properties: 6 Rooms: 2,200	1. SW 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 40 Conv.: 20 Resort: 40	Regency Hotel Loews Summit Loews—Le Concorde Loews—Monte Carlo Howard Johnson New York, NY New York, NY Quebec City, CAN Monte Carlo, MONACO New York, NY
Loews Hotels 667 Madison Ave. New York, NY 10021	Helaine Aronson Sen. Fin. Analyst 212-545-2000	Properties: 6 Rooms: 2,600	1. US 2. INT'L 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 75 Conv.: 10 Resort: 15	Holiday Inn—Riverfront Holiday Inn—W. Airport Days Inn—Airport Park Inn Howard Johnson St. Louis, MO St. Louis, MO St. Louis, MO Jefferson City, MO Springfield, IL Old Saybrook, CT
Love Real Estate Co., Inc. 515 Olive St. St. Louis, MO 63101	Michael W. Karr Sen. VP 314-621-1200	Properties: 6 Rooms: 1,250	1. MW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn—Riverfront Holiday Inn—W. Airport Days Inn—Airport Park Inn Howard Johnson Sandpiper Motor Inn Old Saybrook, CT
M.G. Hospitality, Inc. 76 Seattle St. Arliston, MA 02134-1245	Alex Kheruze Pres. 617-254-1007	Properties: 1 Rooms: 44	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Embassy Suites O'Hare Embassy Suites Omni Orington The Ambassador West Radisson Rosemont, IL Southfield, MI Evanston, IL Chicago, IL Minnetonka, MN
Management Group, Inc. 1300 N. State Pkwy. Chicago, IL 60610	Charles Gavzer Sen. VP 312-787-2235	Properties: 12 Rooms: 3,115	1. MW 2. SW 3. NW	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Embassy Suites O'Hare Embassy Suites Omni Orington The Ambassador West Radisson Rosemont, IL Southfield, MI Evanston, IL Chicago, IL Minnetonka, MN
Mardeck Ltd. 1700 Rockville Pike 300 Rockville, MD 20852	Alan Margolius Sen. VP 301-468-0707	Properties: 13 Rooms: 2,000 +	1. NE 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 80 Conv.: 0 Resort: 20	Holiday Inn Hawthorne Suites Holiday Inn—Hampton Best Western—Center City Holiday Inn—Elyria Alexandria, VA Baileys Crossroads, VA Hampton, VA Washington, DC Elyria, OH

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent)				Representative Hotels Owned			
				By Price							
				Lux.:	Mid.:	Econ.:	Resort:				
Marshall Management, Inc. Rte. 2 Box 214 Salisbury, MD 21801	Michael Getzey VP Corp. Dev. 301-749-8464	Properties: 10 Rooms: 1,400+	1. SE 2. NE 3. MW	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 70 Conv.: 20 Resort: 10	Quality Inn Comfort Inn Quality Inn Holiday Inn Safari Resort Inn	Chicago, IL Salisbury, MD Columbus, OH Little Rock, AR Tampa, FL				
Metric Partners 950 Tower La. Foster City, CA 94404	W. Michael Murphy Sen. VP 415-378-7330	Properties: 56 Rooms: 11,537	1. US 2. 3.	Lux.: 59 Mid.: 19 Econ.: 22	Comm.: 90 Conv.: 10 Resort: 0	Park Hyatt Somerset Marriott Residence Inn San Antonio Marriott Hampton Inn-Poplar	Chicago, IL Somerset County, NJ Orlando, FL San Antonio, TX Memphis, TN				
Morgenstern Cos. 100 Merrick Rd. Rockville Center, NY 11570	Hannah Klien Mgr. 516-536-3030	Properties: 5 Rooms: 300+	1. NE 2. SE 3. MW	Lux.: 30 Mid.: 60 Econ.: 10	Comm.: 100 Conv.: 0 Resort: 0	Sheraton Americas Sunrise Executive Hotel Edison Country Hotel Hampshire House Hotel Sharon Motor Inn	Miami, FL Lynbrook, NY Edison, NJ Cincinnati, OH Maple Shade, NJ				
Motel Development Finance, Inc. 510 King St. Alexandria, VA 22314	Thomas G. Devine Pres. 703-684-3570	Properties: 2 Rooms: 225	1. SE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Radisson Radisson	Boca Raton, FL Clearwater, FL				
Motels of America Inc. 10992 San Diego Mission Rd. San Diego, CA 92108	Guy Hatfield CEO/Chmn. 619-563-8800	Properties: 104 Rooms: 8,136	1. US 2. 3.	Lux.: 0 Mid.: 17 Econ.: 83	Comm.: 50 Conv.: 0 Resort: 50	Super 8 Motel Comfort Suites Super 8 Motel Super 8 Motel Super 8 Motel	San Diego/Mission Bay, CA San Diego/Mission Village, CA Louisville, KY Nashville, TN Spokane, WA				
Multiplex Investment Properties 18832 Arbor Blvd Grayslake, IL 60030	Ronald E. Weiss Pres. 312-223-2844	Properties: 0 Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0						
Murlock Hotel Corp. 575 S. Charles St. Baltimore, MD 21201	Kurt W. Schneider Pres. 301-837-0520	Properties: 3 Rooms: 700	1. NE 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 45 Conv.: 30 Resort: 25	Harbor Court Hay Adams Cornhusker	Baltimore, MD Washington, DC Lincoln, NE				
Mutual Benefit Financial Products 520 Broad St. Newark, NJ 07102	John F. Poblacki Pres. 201-481-8000	Properties: 5 Rooms: 2,400	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0	San Francisco Airport Marriott Richmond Marriott Oklahoma City Marriott Marriott Suite Hotel-O'Hare Radisson Downtown	San Francisco, CA Richmond, VA Oklahoma City, OK Chicago, IL Atlanta, GA				
Nelson & Co. 3 Corporate Plaza Newport Beach, CA 92660	Kenneth E. Nelson 714-759-0284	Properties: 5 Rooms: 780	1. US 2. 3.	Lux.: 0 Mid.: 85 Econ.: 15	Comm.: 80 Conv.: 0 Resort: 20	Residence Inn Residence Inn Residence Inn Radisson Resort Hampton Inn	Eden Prairie, MN Nashville, TN Ontario, CAN Hilton Head, SC Eden Prairie, MN				
Newport Hotels 303 S. Broadway Tarrytown, NY 10591	George Schumaker Pres. 914-332-0466	Properties: 2 Rooms: 515	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Somerset Hilton Columbia Hilton	Somerset, NJ Columbia, MD				

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Nitin Shah 7020 Burnside Dr. San Jose, CA 95120	Nitin N. Shah Pres. 408-268-7506	Properties: 1 Rooms: 100	1. SW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 80 Conv.: 20 Resort: 0	Freemont Inn Freemont, CA
Nordbro Hotels, Inc. 1011 Arlington Blvd. Arlington, VA 22209	Gary Nordheimer Chmn. 703-276-8010	Properties: 4 Rooms: 896	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 30 Conv.: 35 Resort: 35	Deerfield Beach Hilton Charlottesville Omni The Yarrow Omni Deerfield Beach, FL Charlottesville, VA Park City, UT Georgetown, DC
Northeast Community Development 17 Depot St. Concord, NH 03301	Stephen Duprey Gen. Partner 603-224-3120	Properties: 1 Rooms: 100	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Comfort Inn Concord, NH
Northwest Equity Investment 105 S. 3d St. Yakima, WA 98901	Tom LaBissoniere Pres. 509-575-7788	Properties: 5 Rooms: 350	1. NW 2. 3.	Lux.: 0 Mid.: 40 Econ.: 60 Comm.: 100 Conv.: 0 Resort: 0	Nendel's Suites Nendel's Suites Nendel's Value Inn Nendel's Value Inn Nendel's Inn Bremerton, WA Vancouver, WA Wilsonville, OR Albany, OR Sunnyside, WA
Oak Tree Hotels 100 Clock Tower Pl. Carmel, CA 93923	Joseph Woodard Pres. 408-625-4060	Properties: 5 Rooms: 1,100	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 5 Conv.: 35 Resort: 60	Carmel Valley Ranch Resort Kiawah Island Inn Mission Hills Resort Condo Palm Beach Resort Condo The Waterford Hotel Carmel, CA Kiawah, GA Rancho Mirage, CA West Palm Beach, FL Oklahoma City, OK
Oakleaf Hotel Group 665 Oakleaf La. Memphis, TN 38117	Donald N. Buch Pres. 901-761-4535	Properties: 5 Rooms: 552	1. NE 2. MW 3. SE	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Residence Inn Residence Inn Residence Inn Residence Inn Residence Inn Spartanburg, SC Greensboro, NC Akron, OH Columbia, SC Little Rock, AR
Olympus Development Corp. 1600 Riverview Tower Knoxville, TN 37902	Tom Jensen Pres. 615-637-7777	Properties: 1 Rooms: 580	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 20 Resort: 80	Radisson Inn Maingate Kissimmee, FL
Omaha Landmark Lodging Associates 11222 Davenport St. Omaha, NB 68154	Irvin Gendler Gen. Partner 402-330-2656	Properties: 1 Rooms: 124	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Days Inn Omaha, NB
Omni Development Co., Inc. 415 Madison Ave. 14th floor New York, NY 10017	David Swawite Exec. VP Partner 212-888-2266	Properties: 3 Rooms: 802	1. NE 2. SE 3.	Lux.: 34 Mid.: 66 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Albany Hilton Howard Johnson Universal Studios, FL Orlando, FL Albany, NY Orlando/Universal Studios, FL Orlando, FL
Omni Hotels 515 Madison Ave. New York, NY 10022	Roger S. Cline Sen. VP Dev. 212-308-4700	Properties: 7 Rooms: 3,348	1. US 2. Mex 3. Asia	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Omni The Hong Kong Omni Parker House Omni Ambassador East Omni Royal Orleans Omni Marco Polo Hong Kong, CHINA Boston, MA Chicago, IL New Orleans, LA SINGAPORE

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
Paragon Hotels 5333 N. 7th St. Phoenix, AZ 85014	Larry Allen VP 602-248-0811	Properties: 6 Rooms: 800	1. SW 2. MW 3.	Lux.: 30 Mid.: 70 Econ.: 0	Comm.: 30 Conv.: 0 Resort: 70	Ramada Inn Ramada Inn Best Western Best Western Independent Flagstaff, AZ Goodyear, AZ Pratt, KS Deming, NM Phoenix, AZ	
Patrick M. Nesbitt Associates 924 Westwood Blvd. Los Angeles, CA 90024	Gary Gray VP 213-208-0156	Properties: 11 Rooms: 2,413	1. NW 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0	Embassy Suites Embassy Suites Embassy Suites Embassy Suites Homewood Suites (5) Portland, OR Colorado Springs, CO Cincinnati, OH Detroit, MI Greater Los Angeles Area, CA	
Pearshall Operating Co. 513 Keen St. Rocky Mount, NC 27802	Dick Tharrington Pres. 800-334-5009	Properties: 4 Rooms: 400	1. MW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 50 Conv.: 0 Resort: 50	Howard Johnson Howard Johnson Howard Johnson Gold Rock, NC Roanoke Rapids, NC Lumberton, NC Dunn, NC	
Pebble Beach Investment Group 473 Alvarado St. Monterey, CA 93940	Steve Braselton VP 408-373-3142	Properties: 10 Rooms: 600	1. NW 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 35 Conv.: 0 Resort: 65	Pier Point Inn Fireside Inn Best Western—Lincoln Sand Quality Inn Northwoods Inn Florence, OR Cambrie, CA Lincoln City, OR Hemet, CA Crescent City, CA	
Peckham Boston Advisory Co. 4 Longfellow Pl. Boston, MA 02114	John M. Peckham III Pres. 617-523-4440	Properties: 42 Rooms: 5,082	1. US 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0	Comm.: 80 Conv.: 15 Resort: 5	Latham Hotel Ramada Inn North Philadelphia, PA Tallahassee, FL	
Penn Mutual Life Insurance Co. Independence Sq. Philadelphia, PA 19172	Michael Baron Investment Officer 215-956-8540	Properties: 2 Rooms: 339	1. NE 2. 3.	Lux.: 45 Mid.: 55 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel Cincinnati, OH	
Pickett Cos. 655 Metro Pl. S. Dublin, OH 43017	Francis Kercheval Pres. 614-889-6500	Properties: 11 Rooms: 1,801	1. SE 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 82 Conv.: 0 Resort: 18	Durham, NC Columbus, OH Tampa, FL Orlando, FL Cincinnati, OH	
Plaza Group, Inc. 801 Second Ave., 11th floor New York, NY 10017	Leo Schwartz Pres. 212-490-6666	Properties: 7 Rooms: 1,500	1. SE 2. NE 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Howard Johnson Comfort Inn Radisson Ocean City, MD Washington, DC Price, UT	
Potomac Capital Group 4340 EW Hwy. Bethesda, MD 20814	Karen Fontanilla Admin. Ass't 301-951-4480	Properties: 3 Rooms: 300+	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 30 Conv.: 40 Resort: 30	Howard Johnson Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel	
Prime Holding Corp. 9515 N. Lamar Austin, TX 78753	Paul Robshaw Pres. 512-339-9963	Properties: 0 Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	President Inn President Suites Grand Rapids, MI Grand Rapids, MI	
Properties Corp. of America 169 Monroe NW Grand Rapids, MI 49503	Carlos Hidalgo CEO 616-451-2333	Properties: 2 Rooms: 265	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	President Inn President Suites Grand Rapids, MI Grand Rapids, MI	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Property Capital Associates One Post Office Sq. 21st floor Boston, MA 02109	John A. Cervieri Jr. Chmn. 617-451-2400	Properties: 6 Rooms: 1,755	1. US 2. 3.	Lux.: 50 Mid.: 40 Econ.: 10 Comm.: 75 Conv.: 0 Resort: 25	Cincinnati Marriott Holiday Inn City Ctr. Cincinnati, OH Chicago, IL
Prudential Property Co. 4 Prudential Plaza Newark, NJ 07101	Jonathan D. Kurmit VP 201-802-6168	Properties: 85 Rooms: 30,000	1. US 2. 3.	Lux.: 42 Mid.: 43 Econ.: 15 Comm.: 51 Conv.: 39 Resort: 10	Hilton Hawaiian Village Hyatt Regency Marriott Linden Shire Sheraton Ritz Carlton Waikiki, HI San Francisco, CA Chicago, IL Boston, MA Laguna Nigel, CA
Py Development Group 135 W. Central Blvd. Orlando, FL 32801	Ken Rodges VP Dev. 407-849-6500	Properties: 2 Rooms: 600	1. US 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Compri Hotel Compri Hotel at Lake Buena Vista Jacksonville, FL Orlando, FL
Py-Vavra Development Corp. 933 N. Mayfair Rd. Milwaukee, WI 53226	Tom Vavra Sen. VP 414-258-6600	Properties: 3 Rooms: 900	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 50 Conv.: 25 Resort: 25	Omni Hotel Omni Hotel Sheraton Inn San Diego, CA Orlando, FL Milwaukee, WI
Quadrangle Development Corp. 2030 M St. NW Washington, DC 20036	Chris Gladstone Sen. VP 202-293-9000	Properties: 2 Rooms: 1,500	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Grand Hyatt J.W. Marriott Washington, DC Washington, DC
R.J.T. Associates 1722-H. S. Memorial Dr. New Castle, IN 47362	Ralph E. Loveless Gen. Partner 317-529-5520	Properties: 1 Rooms: 42	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 75 Conv.: 0 Resort: 25	Sheraton Best Western Midway Metropol Hyannis, MA Queens, NY Flushing, NY
Rabco Development, Inc. 3333 New Hyde Park Rd. North Hills, NY 11040	Doug Eligort Controller 516-365-4355	Properties: 3 Rooms: 500	1. NE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 50 Conv.: 25 Resort: 25	Sheraton Best Western Midway Metropol Hyannis, MA Queens, NY Flushing, NY
Rahn Properties, Inc. 1512 E. Broward Blvd. Ft. Lauderdale, FL 33301	John Anderson Principal 305-524-5336	Properties: 8 Rooms: 3,500	1. SE 2. NE 3. SW	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 25 Conv.: 0 Resort: 75	Marriott Harbor Beach Resort Pier 66 Hotel & Marina Sonoma Mission Inn & Spa Holiday Inn Beach Side Alexandria Compri Ft. Lauderdale, FL Ft. Lauderdale, FL Sonoma, CA Key West, FL Alexandria, VA
Ralph Brill Associates P.O. Box 200 Garrison, NY 10524	Ralph Brill Pres. 914-265-3060	Properties: 3 Rooms: 375	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 20 Conv.: 0 Resort: 80	Stuyveston Carib Longo Coastal Upstate NY St. Thomas, VI Eastern Shore VA
Red Lion Hotels & Inns 4001 Main St. Vancouver, WA 98666	Dennis Schultheisz VP Dev. 206-696-0001	Properties: 39 Rooms: 8,400	1. NW 2. SW 3.	Lux.: 57 Mid.: 32 Econ.: 11 Comm.: 58 Conv.: 27 Resort: 15	Fess Parker's Red Lion Red Lion/Seatac Red Lion/Airport Red Lion Lloyd Center Red Lion San Jose Santa Barbara, CA Seattle, WA Costa Mesa, CA Portland, OR San Jose, CA
Red Roof Inns, Inc. 4355 Davidson Rd. Hilliard, OH 43026	David Wible VP Mktg. & PR 614-876-3322	Properties: 200 Rooms: 22,103	1. NE 2. SE 3. MW	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Red Roof Inn Red Roof Inn Red Roof Inn Red Roof Inn Red Roof Inn Chicago, IL Atlanta, GA Detroit, MI Dallas, TX Columbus, OH

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent)			Representative Hotels Owned
				By Price	By Market	By Market	
Reed Hotel Investors 675 Oakleaf Office La. Memphis, TN 38117	William L. Reed Pres. 901-761-4157	Properties: 0 Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0			
Registry Hotel Corp. 16250 Dallas Pkwy. Dallas, TX 75248	Jerry R. Thoele Exec. VP 214-248-4300	Properties: 5 Rooms: 1,400	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 30 Conv.: 40 Resort: 30	The Registry Hotel The Registry Hotel The Registry Hotel The Registry Hotel	Charlotte, NC Scottsdale, AZ Naples, FL Minneapolis, MN
Relax Hotels & Resorts, Ltd. 5940 Macleod Trail S., 5th fl. Calgary, Alta. CANADA T2H2G4	Linda Hamelton Nat'l Dir. of Mktg. 403-255-9667	Properties: 20 Rooms: 3,000	1. CAN 2. 3.	Lux.: 40 Mid.: 60 Econ.: 0	Comm.: 40 Conv.: 1 Resort: 59	Vancouver Relax Plaza Hotel Banff Rocky Mountain Resort Winnipeg Relax Plaza Toronto Relax Plaza Ottawa Relax Plaza	Vancouver, BC Banff, CAN Winnipeg, MA Toronto, CAN Ottawa, CAN
Richard Kellam Associates, Inc. 225 87th St. Virginia Beach, VA 23451	Richard B. Kellam Jr. Pres. 804-422-4455	Properties: 2 Rooms: 104	1. SE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 0 Conv.: 0 Resort: 100	Thunderbird Motor Lodge Econo Lodge	Virginia Beach, VA Virginia Beach, VA
Richard Roberts Group, Inc. 35 Tower La. Avon, CT 06001	Lisa Fleming 203-678-9272	Properties: 18 Rooms: 2,088	1. NE 2. SE 3.	Lux.: 0 Mid.: 35 Econ.: 65	Comm.: 25 Conv.: 0 Resort: 75	Days Inn Surf Miami Airport Days Inn Days Inn Days Inn Days Inn	Ft. Lauderdale, FL Miami, FL Christiansburg, VA Williamsport, MD Syracuse, NY
Ritz-Carlton Hotel Co. 3414 Peachtree Rd. Atlanta, GA 30326	Julie Atkins Dir. Asset Mgmt. 404-237-5500	Properties: 8 Rooms: 2,534	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Ritz Carlton Ritz Carlton Ritz Carlton Ritz Carlton Ritz Carlton	Boston, MA Buckhead, GA Naples, FL Laguna Beach, CA Dearborn, MI
Riverview 19 NW 4th St. Evansville, IN 47708	Jack Rogers Pres. 812-422-5656	Properties: 3 Rooms: 600	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Riverview Hotel Riverview Hotel Riverview Hotel	Evansville, IN Nashville, TN Memphis, TN
Robert B. Sosnowitz, R.E. P.O. Box 17218 West Hartford, CT 06117	Robert B. Sosnowitz Pres. 203-292-6131	Properties: 1 Rooms: 140	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0		
Rose Real Estate P.O. Box 1973 Lubbock, TX 79408	Rose Hardy Pres. 806-745-1868	Properties: 2 Rooms: 180	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0		
Rosewood Hotel Group 500 Crescent Court Dallas, TX 75201	Alef Mankarios Pres. 214-871-5400	Properties: 3 Rooms: 350	1. SW 2. HI 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Mansion on Turtle Creek Hotel Crescent Court Hotel Hana-Maui	Dallas, TX Dallas, TX Maui, HI
Rosco Holdings, Inc. P.O. Box 10539 Beverly Hills, CA 90213	Gary Pickett VP 213-274-1986	Properties: 3 Rooms: 648	1. SW 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0	Comm.: 40 Conv.: 40 Resort: 20	University Hotel/Conv. Ctr. Killeen Holiday Inn Bryan Inn	College Station, TX Killeen, TX Bryan, TX
Rouse & Associates 1650 Market St. Philadelphia, PA 19103	Thomas E. Dight 215-851-9436	Properties: 3 Rooms: 856	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Sheraton Society Hill Great Valley Hilton Ritz Carlton	Philadelphia, PA Malvern, PA Philadelphia, PA

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
Rymland Development Group 610 Cathedral St. Baltimore, MD 21201	Richard S. Rymland Pres. 301-837-7535	Properties: 2 Rooms: 228	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	Inn at the Colonnade Peabody Court Inn	Baltimore, MD Baltimore, MD
Safeco Properties P.O. Box 21545 Seattle, WA 98111	Darryl Haskins VP 206-223-4500	Properties: 2 Rooms: 220	1. NW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Bellevue Hilton Pear Tree Truck Ctr. Motel	Bellevue, WA Medford, OR
SARA HOTELS/Park Suites 5955 T.G. Lee Blvd. Orlando, FL 32822	Jerry Detwiler Dir. of Dev. 407-240-5050	Properties: 6 Rooms: 1,920	1. SW 2. SE 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 70 Conv.: 10 Resort: 20	Park Suite Hotel Park Suite Hotel Park Suite Hotel Park Suite Hotel Park Suite Hotel	Nashville, TN Dallas, TX Jacksonville, FL Orlando, FL Altamero Springs, FL
Scotsman Inns 8136 E. Kellogg Wichita, KS 67207	Robert E. Peters Owner/Dev. 316-683-8731	Properties: 6 Rooms: 441	1. MW 2. SW 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 65 Conv.: 0 Resort: 35	Scotsman Inns-East Scotsman Inn Scotsman Inn Mark 8 Lodge Mark 8 Inn	Wichita, KS San Antonio, TX Hutchison, KS Wichita, KS Wichita, KS
Scribner Corp. 1047 St. Gregory St. Cincinnati, OH 45202	Barbara A. Walker Pres. 513-579-8886	Properties: 1 Rooms: 160	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Laconcha	Key West, FL
Select Hotel Management, Inc. 301 E. Liberty Ann Arbor, MI 48104	William Gudenau Pres. 313-663-1900	Properties: 7 Rooms: 1,123	1. MW 2. 3.	Lux.: 0 Mid.: 60 Econ.: 40	Comm.: 86 Conv.: 0 Resort: 14	Holiday Inn Holiday Inn West Holiday Inn Hampton Inn Hampton Inn	East Lansing, MI Ann Arbor, MI Auburn Hills, MI Traverse City, MI Ann Arbor, MI
Serj Corp. 1138 India St. San Diego, CA 92101	Jack Scull Pres. 619-696-9908	Properties: 3 Rooms: 842	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Ramada Inn-Downtown Radisson Harbor View Radisson Inn National City	San Diego, CA San Diego, CA San Diego, CA
Sheldon Bittner 3004 Ave. L Brooklyn, NY 11210	Joseph Sciarillo Dir. of Acq. 718-252-3111	Properties: 5 Rooms: 2,000	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50		
Shelter Group, Inc. P.O. Box 660 Lewiston, ME 04240	Lee Griswold VP 207-784-0142	Properties: 1 Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0		
Sheraton Corp. 60 State St. Boston, MA 02109	Evanthea Vlahakis Mgr. Press Relation 617-367-3600	Properties: 8 Rooms: 4,200	1. Int'l 2. 3.	Lux.: 67 Mid.: 33 Econ.: 0	Comm.: 55 Conv.: 33 Resort: 12	Sheraton Cariton Maria Isabel Sheraton Brussels Sheraton Rio Sheraton Sheraton San Cristobal	Washington, DC Mexico City, MEX Brussels, BELGIUM Rio de Janeiro, BRAZIL Santiago, CHILE
Signature Inns, Inc. 8335 Allison Pointe Trail Indianapolis, IN 46250	Robert H. Goodwell VP, Admin. Treas. 317-577-1111	Properties: 27 Rooms: 3,318	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Signature Inn-Castleton Signature Inn Signature Inn Signature Inn-Detroit Signature Inn	Indianapolis, IN Lexington, KY Dayton, OH Romulus (Detroit), MI Peoria, IL

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
Snavely Building Co. 2550 Som Center Rd. Willoughby Hill, OH 44094	Peter Snavely VP 216-585-9091	Properties: 4 Rooms: 400	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn Pierre Radisson Inn Pierre Radisson Inn Quality Hotel West Lake, OH Beachwood, OH Akron, OH Beachwood, OH	
Snyder Corp. 690 Delaware Ave. Buffalo, NY 14209	Paul Snyder Jr. Pres. 716-881-6200	Properties: 2 Rooms: 580	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 30 Resort: 0	Hyatt Regency Beaver Hollow Lodge Buffalo, NY Java Center, NY	
Sojourner Inn 605 Gold Star Hwy. Groton, CT 06340	Carmine DeStefano Pres. 203-445-1986	Properties: 1 Rooms: 46	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 90 Conv.: 0 Resort: 10	Sojourner Inn Groton, CT	
Sonnenbick-Goldman Corp. of California 1901 Ave. of the Stars Century City, CA 90067	Robert E. Sonnenbick Pres. 213-277-0600	Properties: 3 Rooms: 800	1. SW 2. NE 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25		
Stendig Development Co. 2500 Riverside Dr. Danville, VA 24540	Joseph Stendig Pres. 804-792-5161	Properties: 2 Rooms: 270	1. SE 2. NE 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 66 Conv.: 0 Resort: 34	Best Western Holiday Inn Augusta, ME Danville, VA	
Stouffer Hotel Co. 29800 Bainbridge Rd. Solon, OH 44139	Mona Mesereau PR 216-248-3600	Properties: 23 Rooms: 3,000 +	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Stouffer Concourse Hotel Stouffer Austin Hotel Stouffer Greenway Plaza Stouffer Harborplace Stouffer Hotel Los Angeles, CA Austin, TX Houston, TX Baltimore, MD Buford, GA	
Sunway Hotel Group 800 W. 47th St. Kansas City, MO 64112	Don Culbertson Pres. 816-531-4884	Properties: 13 Rooms: 1,390	1. SE 2. SW 3. MW	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 65 Conv.: 0 Resort: 35	Miami, FL Melbourne, FL Kissimmee, FL Fort Wayne, IN Arlington, TX Days Inn Days Inn Howard Johnson Days Inn Days Inn	
Super 8 Motels, Inc. 1910 8th Ave. Aberdeen, SD 57401	Joan Ganje-Fisher VP Corp. Relations 605-225-2272	Properties: 37 Rooms: 2,590	1. US 2. Can 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 65 Conv.: 0 Resort: 35	Super 8 Motel Super 8 Motel Super 8 Motel Super 8 Motel Super 8 Motel Las Vegas, NV Anchorage, AK Phoenix, AZ Jacksonville, FL San Diego, CA	
Surbana Properties Corp. 10769 Wellerwoods Dr. Cincinnati, OH 45242	William H. Troutman Pres. 513-247-0600	Properties: 4 Rooms: 500	1. MW 2. 3.	Lux.: 0 Mid.: 34 Econ.: 66	Comm.: 40 Conv.: 20 Resort: 40	Quality Suites Sleep Inn (3) Cincinnati, OH Cincinnati, OH	
Sverdrup Investment, Inc. 13723 Riverport Dr. Maryland Height, MO 63043	Bruce R. Smith III VP 314-436-7600	Properties: 2 Rooms: 799	1. MW 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 30 Conv.: 50 Resort: 20	Compri Hotel Sheraton St. Louis, MO St. Louis, MO	
Sybedon Corp. 560 Lexington Ave. New York, NY 10022	Mitchell Davis Sen. VP 212-319-4770	Properties: 3 Rooms: 1,376	1. US 2. 3.	Lux.: 67 Mid.: 33 Econ.: 0	Comm.: 40 Conv.: 60 Resort: 0	U.S. Grant Jefferson Sheraton Clarian San Diego, CA Richmond, VA New Orleans, LA	

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price	Representative Hotels Owned
Teak Associates Investments 5727 Lewis Tulsa, OK 74105	William B. Smith Pres. 918-744-1051	Properties: 8 Rooms: 861	1. MW 2. 3.	Lux.: 60 Mid.: 0 Econ.: 40 Comm.: 80 Conv.: 0 Resort: 20	Brighton Place Super 8 Super 8 Troy Budget Inn South County Super 8
Terracon Corp. South Eagle Rd. Newtown, PA 18940	Robert Jones Mktg. Dir. 215-860-7788	Properties: 1 Rooms: 175	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 33 Conv.: 34 Resort: 33	Royce Hotel
Tishman Realty Corp. 1200 EPCOT Resort Blvd. Lake Buena Vista, FL 32830	John A. Griswold First VP Hotel 407-934-4400	Properties: 4 Rooms: 3,506	1. SE 2. Nctr 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 25 Conv.: 25 Resort: 50	Walt Disney World Swan Walt Disney World Dolphin Hilton at Walt Disney World Hotel Nikko Chicago
TMH Hotels, Inc. P.O. Box 2176 Wichita, KS 67201	William Hamrick Pres. 316-262-2841	Properties: 5 Rooms: 500	1. SE 2. NE 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Residence Inn Residence Inn Residence Inn Residence Inn Residence Inn
Transamerica Realty Services 600 Montgomery St. San Francisco, CA 94111	Robert W. Cramer Sen. VP 415-983-5447	Properties: 2 Rooms: 220	1. SW 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Ventana Inn Compri Hotel
Tucker Hotels 150 N. Meridian Indianapolis, IN 46204	Dale Scott Pres. 317-236-2500	Properties: 3 Rooms: 757	1. 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 60 Conv.: 40 Resort: 0	Canterbury Hilton at the Circle Hilton at the Airport
Urgo, Butts & Co. 2 Wisconsin Circle Chevy Chase, MD 20815	Richard L. Vilaro VP 301-657-2130	Properties: 2 Rooms: 630	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Long Island Marriott Park Terrace Hotel
Valle Realty & Management Co. 13499 Biscayne Blvd. N. Miami, FL 33181	Andrew J. Del Valle Pres. 305-947-1668	Properties: 3 Rooms: 1,200 +	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Indian Creek Lodge
Valley Forge Investment Corp. P.O. Box 837 Valley Forge, PA 19482	Brian McElwee VP 215-687-2400	Properties: 3 Rooms: 700	1. NE 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0 Comm.: 75 Conv.: 0 Resort: 25	Holiday Inn Holiday Inn Golden Holiday Inn
Vesper Properties, Inc. One Post Office Sq. Boston, MA 02109	Paul Guaraldi Partner 617-423-0550	Properties: 2 Rooms: 0	1. NE 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	
Virginia Beach Hotel Corp. 1900 Pavillion Dr. Virginia Beach, VA 23451	Michael Gallardi Owner 804-422-8900	Properties: 1 Rooms: 282	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Radisson Hotel
Walter Uccellini/Riverside Associates P.O. Box 799 Albany, NY 12201	Al Sorrentino VP 518-434-2801	Properties: 1 Rooms: 70	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Quality Inn-Riverside

DIRECTORY OF HOTEL OWNERS AND INVESTORS

Company Name and Address	Contact	Currently Owned Hotels	Primary Location	Types of Hotels (percent) By Price			Representative Hotels Owned
				Lux.:	Mid.:	Econ.:	
				Comm.:	Conv.:	Resort:	
Westbrooke Hospitality Corp. 2901 W. Airport Freeway Irving, TX 75062	Philip J. Brookes Pres. 214-258-0900	Properties: 12 Rooms: 1,603	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0		Green Bay, WI Spokane, WA San Antonio, TX Temple, TX Abilene, TX
WestCor Resorts 11811 N. Tatum Blvd. Phoenix, AZ 85028	Milton Ericksen Dir. of PR 602-953-6400	Properties: 3 Rooms: 720	1. SW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 69 Resort: 31		Carefree, AZ Phoenix, AZ Tempe, AZ
Wilson Hotel Management Co. P.O. Box 30185 Memphis, TN 38130	George Glover Pres. 901-346-8800	Properties: 21 Rooms: 4,500	1. SE 2. MW 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 69 Conv.: 8 Resort: 31		Birmingham, AL Houston, TX Charleston, SC Jackson, MI Baton Rouge, LA
Woodbine Development Co. 1401 Elm St. Dallas, TX 75202	Don McDaniel VP 214-744-6000	Properties: 3 Rooms: 3,000	1. MW 2. SW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0		Dallas, TX Fort Worth, TX Dallas/Ft. Worth, TX
Wyndam Hotel Co. 3200 Trammel Crow Center Dallas, TX 75201-2997	James Carreker Pres. 214-978-4440	Properties: 21 Rooms: 6,935	1. NE 2. SW 3. Sctr	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 19 Conv.: 57 Resort: 24		Washington, DC Philadelphia, PA Houston, TX Palms Springs, CA Scottsdale, AZ
Zaitek Corp. 3566 Harding Ave. Honolulu, HI 96817	Dan Morikawa Pres. 808-533-2600	Properties: 1 Rooms: 125	1. HI 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100		Honolulu, HI

DIRECTORY OF HOTEL LENDERS

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
1st Indiana Bank, Federal Savings Bank 1st Indiana Plaza Indianapolis, IN 46204	Sarah Backer Ass't VP 317-269-1200	Properties: 6 Rooms: 750	1. IN 2. MW 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: n	Variable	Signature Inn Hampton Inn Holiday Inn Holiday Inn
Aetna Realty Investors Inc. 242 Trumbull St. Hartford, CT 06156	Tom O'Day 203-275-3154	Properties: 15 Rooms: 3,000	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: n	Fixed	
American Savings and Loan 17801 NW 2nd Ave. Miami, FL 33169	Eric Webber Comm'l Loan Officer 305-654-2028	Properties: 3 Rooms:	1. FL 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: n	Variable	Sheraton Orlando, FL
American Security Bank 730 15th Street NW, A-5 Washington, DC 20013	Bill Tyson VP 202-624-4694	Properties: 8 Rooms: 1,000	1. DC 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: n	Variable	
Anaheim Home Loans 1665 S. Brookhurst St. Anaheim, CA 92804	Eugene McMaster Pres. 714-774-0601	Properties: 3 Rooms: 450	1. CA 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: Take Out	Variable	Roadway Inn Costa Mesa, CA
Aramco Corporation 11430 N. Kendall Dr. Miami, FL 33176	Jim Efthimiou Pres. 305-596-3322	Properties: 15 Rooms: 2,500	1. US 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other: n	Both	Marriott Clarion Resort Holiday Inn Holiday Inn
Bank of Hawaii P.O. Box 2900 Honolulu, HI 96846	Alton Kuiuoka Sen VP Comm'l Real Estate 808-537-8768	Properties: 7 Rooms: 6,000	1. HI 2. 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: n Other: Renovation	Variable	
Bank of New England Corp. 28 State St.-s24LSG Boston, MA 02109	George Herbolschieme VP 617-573-9000	Properties: 175 Rooms: 25,000	1. US 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other: n	Both	

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Barclays Bank PLC 75 Wall St. New York, NY 10265	Nick Anderson VP Real Estate Group 212-412-3464	Properties: 5 Rooms: 2,000	1. US 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other: n	Variable	
Barclays Business Credit, Inc. P.O. Box 118 Hartford, CT 06141	John Grisenon Sen. VP 203-528-4831	Properties: 2 Rooms: 300	1. US 2. 3.	Construction: n Permanent: n Mini-Perm: y Joint Venture: n Other: Take Out	Variable	
Buckeye Federal 36 East Gay St. Columbus, OH 43215	Phil Florence Ass't VP 614-225-2212	Properties: 6 Rooms: 600	1. OH 2. MI 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	
Casco Northern Bank, NA P.O. Box 678 Portland, ME 04104	Robert Blackwood Jr. Sen. VP 207-774-8221	Properties: 40 Rooms:	1. ME 2. NH 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: Leases	Both	
Chrysler First Business Credit 2502 Rocky Point Rd. Tampa, FL 33607	Mac McAllister VP 813-886-1975	Properties: 25 Rooms: 2,500	1. FL 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: Take Out	Both	
CIGNA 900 Cottage Grove Rd. Bloomfield, CT 06002	David Johnson VP 203-726-6119	Properties: 13 Rooms: 3,250	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Fixed	
Citizens and Southern Northlake Pkwy. Tucker, GA 30084	Michael R. Buchanan Mgr. Real Estate Div. 404-491-4770	Properties: 7 Rooms: 2,500	1. GA 2. SE 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: n Other:	Variable	
Crestmont Federal Savings and Loan 1889 Springfield Ave. Maplewood, NJ 07040	Jim Hamilton Comm'l Loan Officer 201-287-3838	Properties: 3 Rooms: 500	1. NE 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other:	Fixed	

DIRECTORY OF HOTEL LENDERS

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Dollar DryDook Bank 50 Main St. White Plains, NY 10606	Robert Rothschild 1st VP 914-397-2126	Properties: 10 Rooms: 2,000	1. NE 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other:	Variable	Princeton (Compri) St. Moritz Comfort Inn Comfort Inn Marriott Courtyard
Dominion Corporation 11355 W. Olympic Blvd. Los Angeles, CA 90064	Keith Olson Sen. Loan Officer 213-477-3041	Properties: 8 Rooms: 700	1. CA 2. AZ 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other:	Variable	Travelodge Dana Point Inn Parkview Terrace Parkview Terrace
Dwinni-Shaffer & Co. 55 W. Monroe St. Chicago, IL 60603	Phyllis Gottlieb Sen. VP 312-346-9191	Properties: 5 Rooms: 1,500	1. US 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: Combinations	Both	Days Inn Independent Independent Independent Independent
Emigrant Savings Bank 5 E. 42nd St. New York, NY 10017	Jansen Noyes III VP 212-445-4500	Properties: 1 Rooms:	1. NY 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: Syndication	Fixed	Ritz Carleton
Equitable Life Insurance 3414 Peachtree Rd. NE Atlanta, GA 30326	Tommy Clinton 404-239-5043	Properties: 0 Rooms: 0	1. US 2. 3.	Construction: n Permanent: n Mini-Perm: n Joint Venture: y Other: Outright	Fixed	
Espy Company 100 Northcreek, 3715 Northside Pkwy. Atlanta, GA 30327	William W. Espy Mging Partner 404-233-8171	Properties: 3 Rooms: 950	1. GA 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other:	Fixed	Hilton Marriott Atlanta, GA Atlanta, GA
First Chicago Corp. One First National Plaza Chicago, IL 60670	Jerry Robinson VP 312-732-5370	Properties: 30 Rooms: 12,000	1. US 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other:	Both	Spanish Bay Red Lion Hyatt-Airport Hyatt-Airport Embassy Suites
First Financial Center, The 1 DuPont Center, 390 N. Orange Ave. Orlando, FL 32802	David McGregor VP 407-841-3430	Properties: 5 Rooms:	1. FL 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	Orlando, FL Fern Park, FL Orlando, FL Jacksonville, FL Orlando, FL

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
First Hawaiian Bank P.O. Box 3200, 165 S. King St. Honolulu, HI 96847	John Landgraf Sen. V.P. Const. 808-525-6296	Properties: 8 Rooms: 6,400	1. HI 2. 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Variable	Hyatt Regency Westin Westin Westin Grand Hyatt
First Home Federal Savings & Loan Association P.O. Box 26400 Greensboro, NC 27420	Stephen B. Heffner VP 919-373-5284	Properties: 15 Rooms: 1,500	1. NC 2. SC 3. VA	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Variable	
First Interstate Bank of Denver 633 17th St. Denver, CO 80270	Heidi Heidrich Ass't VP 303-293-2211	Properties: 1 Rooms: 150	1. MW 2. 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Floating	
First Interstate Bank of Oregon P.O. Box 3131 Commercial Real Estate Division 17 Portland, OR 97208	Wayne Lau Comm'l Loan Officer 503-225-3217	Properties: 16 Rooms: 2,000	1. W 2. 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Both	
First Interstate Mortgage Co. 500 Northridge Rd. Atlanta, GA 30350	Michael Grant VP 404-993-9303	Properties: 6 Rooms: 769	1. US 2. 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other: Standby	Both	Sheraton Best Western Holiday Inn Chicago, IL Atlanta, GA Chicago, IL
First Interstate Mortgage Co. 245 S. Los Robles Ave. Pasadena, CA 91109	Alan Griffith VP 818-356-7600	Properties: 2 Rooms: 400	1. US 2. 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Variable	Embassy Suites Days Inn San Luis Obispo, CA Portland, OR
First Interstate Mortgage Co. 8000 Maryland St. Louis, MO 63105	Terry Dunaway Sen. VP 314-721-7600	Properties: 3 Rooms: 300	1. MW 2. 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Fixed	Drury Inn Drury Inn-Airport Drury Inn St. Louis, MO St. Louis, MO Indianapolis, IN
First National Bank of Louisville P.O. Box 36000 Louisville, KY 40233	Paul Best Sen. VP 502-581-7855	Properties: 2 Rooms: 300	1. FL 2. LA 3.	Construction: Permanent: Mini-Perm: Joint Venture: Other:	Variable	Days Inn Days Inn Bradenton, FL New Orleans, LA

DIRECTORY OF HOTEL LENDERS

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Fortune Savings Bank 2120 U.S. Highway 19S Clearwater, FL 34624	Bruce Griffin VP 813-538-1000	Properties: 6 Rooms: 1,200	1. SE 2. FL 3.	Construction: y Permanent: Mini-Perm: Joint Venture: Other: Rehabs	Variable	
General American Life Insurance Co. 700 Market Street St Louis, MO 63101	Jim Dunbar Dir. of Real Estate 314-444-0429	Properties: 5 Rooms:	1. SE 2. MW 3. SW	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Fixed	Relax Inn Holiday Inn Denver, CO Chicago, IL
Gold Coast Capital 3550 Biscayne Blvd. Miami, FL 33137	William Gold Pres. 305-576-2012	Properties: 7 Rooms:	1. FL 2. 3.	Construction: n Permanent: n Mini-Perm: y Joint Venture: n Other:	Fixed	Holiday Inn Holiday Inn Dutch Inn Dutch Inn Homestead, FL Miami, FL Orlando, FL Hendersonville, NC
Goldome Realty Credit Corp. 3903 Genesee St. Buffalo, NY 14225	William A. Haring Regional Mgr. 716-635-7238	Properties: 5 Rooms: 750	1. NE 2. MW 3.	Construction: n Permanent: y Mini-Perm: y Joint Venture: n Other:	Both	Comfort Inn Holiday Inn Burlington, NC Tampa/St. Petersburg, FL
Great American Bank 600 B St. San Diego, CA 92183	Anthony Scholl 1st VP 619-231-6555	Properties: 5 Rooms: 750	1. W 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	
Great American Bank, AZ 3200 N. Central Ave. Phoenix, AZ 85012	Mike Whalen Sen. VP 602-222-5662	Properties: 3 Rooms:	1. AZ 2. CA 3. WA	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	
Greyhound Financial Corp. Greyhound Tower Phoenix, AZ 85077	Dave Philips Ass't VP 602-248-2805	Properties: 4 Rooms: 700	1. MW 2. S 3. W	Construction: n Permanent: n Mini-Perm: y Joint Venture: n Other: Refinancing	Variable	
Heller Financial 200 N. LaSalle St., 9th fl. Chicago, IL 60601	Steve Schmit 312-521-6740	Properties: 7 Rooms:	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Home Federal Savings 4700 Poplar Ave. Memphis, TN 38117	Jerry Clarkson VP 901-684-4620	Properties: 3 Rooms: 301	1. TN 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other:	Variable	Residence Inn Residence Inn Best Western
Honolulu Federal P. O. Box 539 Honolulu, HI 96809	Cliff Fujiwara Ass't VP 808-546-2200	Properties: 8 Rooms: 0	1. HI 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other: Take Outs	Variable	
INB Mortgage Co. 151 N. Delaware St. Indianapolis, IN 46266-6910	Charles Reed Sen. VP 317-266-5013	Properties: 8 Rooms: 1,100	1. IN 2. MW 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: n Other:	Variable	Red Roof Inn Signature Inn
Jecco Company, Inc. Perring Plaza 971 E. Joppa Rd. Baltimore, MD 21234	James E. Cumbest Jr. Pres. 301-661-4394	Properties: 3 Rooms: 465	1. E 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: y Other:	Both	Econolodge Econolodge Sheraton Sheraton Ramada
John Hancock Mutual Life Insurance Co. 200 Claredon St. Boston, MA 02117	Michael Mannix Sen. Mktg. Inv. Office 617-572-9882	Properties: 5 Rooms: 2,000	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: y Other:	Fixed	
Long-Term Credit Bank of Japan, Ltd. 165 Broadway New York, NY 10006	Mr. Izumi Nishizaki VP 212-335-4583	Properties: 15 Rooms: 10,000	1. INT'L 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other:	Both	Disney's Swan Hotel Plaza Hotel Sands Hotel & Casino Sands Hotel & Casino San Francisco, CA
Marine Midland Realty Credit Corp. 824 Market St. Mall Wilmington, DE 19801	Mike Wallace VP 302-573-4323	Properties: 8 Rooms: 2,000	1. US 2. 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: n Other:	Variable	Days Inn (Compri) Westin Westin
Maryland National Bank 10 Light Street Baltimore, MD 21202	Joe Waters Sen. VP 301-244-6122	Properties: 6 Rooms: 1,000	1. E 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other:	Fixed	Sheraton-Inner-Harbor Sheraton Baltimore, MD Townson, MD

DIRECTORY OF HOTEL LENDERS

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Massachusetts Mutual Life Insurance 1295 State St. Springfield, MA 01111	Bruce Fraser VP/Ming Partner 413-730-6022	Properties: 7 Rooms: 2,400	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: y Joint Venture: y Other:	Fixed	Marriott Marriott Sheraton Sheraton Pittsburg, PA Memphis, TN Raleigh, NC Los Angeles, CA
Mellon Financial Services 2 Mellon Center Pittsburgh, PA 15259	John Kalb 412-234-6413	Properties: 6 Rooms: 0	1. US 2. 3.	Construction: y Permanent: Mini-Perm: Joint Venture: Other:	Variable	
Metmor Financial, Inc. 8555 N. River Rd. Indianapolis, IN 46240	John Miller VP Mgr. 317-844-6900	Properties: 1 Rooms: 138	1. MW 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other: Rehab	Both	Pickett Suites Indianapolis, IN
Money Store Investment Corp. 3301 C St. Sacramento, CA 95816	Larry Wodarski Exec. VP 916-446-1829	Properties: 12 Rooms: 360	1. SW 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	
Mony Real Estate Investment Management 1740 Broadway New York, NY 10019	Jim Logan Ass't VP 212-370-5030	Properties: 20 Rooms:	1. US 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other: Floating	Both	Holiday Inn-Old Town Holiday Inn Days Inn Days Inn Sheraton Alexandria, VA Virginia Beach, VA Tampa, FL Orlando, FL Knoxville, TN
National Realty Advisors 15770 Dallas Pkwy. Dallas, TX 75248	David Corley VP 214-233-0100	Properties: 10 Rooms: 3,000	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: Gap Loans	Variable	LAX Hotel Los Angeles, CA
NCNB National Bank 101 N. Tryon Charlotte, NC 28255	Lawrence Vogler Exec. VP 704-374-5017	Properties: 20 Rooms: 3,500	1. SE 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other:	Variable	
New York Urban Servicing Co., Inc. 119 E. 38th St. New York, NY 10016	Steve Shapiro VP 212-685-6880	Properties: 1 Rooms: 150	1. NE 2. 3.	Construction: n Permanent: n Mini-Perm: y Joint Venture: n Other:	Fixed	Doral Hotel New York, NY

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Novus Corp. P.O. Box 5627 #18 2d Ave. San Mateo, CA 94401	John Kelsch Pres. 415-349-7304	Properties: 15 Rooms: 1,500	1. US 2. INT'L 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other:	Both	
Oxford Mortgage Corp. P.O. Box 12698-1600 Hillsborough Raleigh, NC 27605	Peter Van Graafeiland Pres. 919-828-8000	Properties: 1 Rooms: 350	1. NC 2. SC 3. VA	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other:	Fixed	
Pacific First Federal 811 SW Sixth Ave. Portland, OR 97204	Stuart Davis VP 503-222-9525	Properties: 2 Rooms:	1. W 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other:	Both	
Pearce Mayer & Greer 6400 Powers Ferry Rd. Atlanta, GA 30339	Dick Armstrong VP 404-953-2121	Properties: 30 Rooms: 6,000	1. US 2. 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other: Standby	Both	
Property Investors Corp. 4444 Westgrove Dallas, TX 75248	Larry Ethner Pres. 214-931-2101	Properties: 2 Rooms: 500	1. US 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture:	Fixed	
Prudential Insurance Co. of America 4 Prudential Plaza Newark, NJ 07101	Jonathan D. Kurmit Dir. of Hotel Inv. 201-802-2012	Properties: 15 Rooms: 7,500	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: y Other:	Fixed	Pebble Beach Resort Embassy Suites Marriott Marriott Marriott
Reliance Federal Savings Bank 585 Stewart Ave. Garden City, NY 11530	Randy Nielson Pres. 516-222-9300	Properties: 2 Rooms: 500	1. NE 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: y Other:	Variable	Queens, NY Queens, NY Hyannis, MA
San Diego Trust & Savings Bank 950 Sixth Ave. San Diego, CA 92101	Jeff Reed VP 619-238-4843	Properties: 2 Rooms: 300	1. CA 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other:	Both	Clarion Hotel Inn by the Sea San Diego, CA San Diego, CA

DIRECTORY OF HOTEL LENDERS

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
San Francisco Federal Savings and Loan 101 North First Avenue 88 Kearly St. San Francisco, CA 94108	Joe Torrano Officer 415-955-5858	Properties: 1 Rooms: 200	1. CA 2. W 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other: n	Variable	Alistar Inn Hayward, CA
Security Pacific Bank Arizona 101 North First Avenue Phoenix, AZ 85003	Dennis Pack VP 602-262-2726	Properties: 6 Rooms: 1,600	1. AZ 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other: n	Variable	Princess Holiday Inn Super 8 Motel Super 8 Motel Super 8 Motel Mesa, AZ
Security Pacific Business Credit 9918 Herbert St. San Diego, CA 92131	John Gleason Dir. of Loan Division 619-530-8000	Properties: 20 Rooms:	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: Acquisition	Variable	Hilton Hotel Days Inn Travelers Inn Travelers Inn Ramada Philadelphia, PA Tampa, FL San Antonio, TX Tucson, AZ Jacksonville, FL
Society for Savings P.O. Box 2200 Hartford, CT 06145	Peter Lenkoski VP Credit Dep't 203-727-5296	Properties: 1 Rooms: 300	1. NE 2. 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: n Other:	Both	
Sonnenblich-Goldman Corp. 445 Park Avenue New York, NY 10022	Jack Shaffer 212 980-7600	Properties: 26 Rooms:	1. US 2. Int'l 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: y Other:	Both	Plaza Adam's Mark Westin Properties Westin Properties Boston, MA Quebec City, CAN
Sun Bank, N.A. 200 S. Orange Ave. Orlando, FL 32801	Thomas Scott Sen. VP 407-237-4390	Properties: 2 Rooms: 1,000	1. FL 2. 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: n Other:	Variable	
The Bank of Baltimore 120 E. Baltimore St. Baltimore, MD 21202	Larry Lindenmeyer VP Comm'l Real Estate 301-244-3344	Properties: 10 Rooms: 2,000	1. SE 2. MD 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other:	Both	Tremont Plaza Dean's Manor Carisel Carisel Hilton-Acadine Beach Baltimore, MD Ocean City, MD Ocean City, MD Cape Canaveral, FL Myrtle Beach, SC
The Philippsborn Co. 115 S. LaSalle St. Chicago, IL 60603	McKirm N. Barnes VP 312-781-8800	Properties: 3 Rooms: 500	1. MW 2. 3.	Construction: y Permanent: n Mini-Perm: n Joint Venture: Interim Other:	Both	

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Trans Ohio Savings Bank One E. Gay St. Columbus, OH 43215	T. Thomas Twynham, Jr. Regional Mgr. 614-228-6851	Properties: 5 Rooms: 500	1. MW 2. E 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: n	Variable	Red Roof Inns Knights Inns
Transamerica Commercial, Inc. 13902 N. Dale Mabry Tampa, FL 33618	Tony Persaud VP 813-969-1906	Properties: 3 Rooms: 500	1. FL 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: n	Both	Best Western Days Inn Tampa, FL Miami, FL
U.S. National Bank of Oregon 309 SW 6th Portland, OR 97204	David Castricano VP Sen. Loan Officer 503-275-5947	Properties: 15 Rooms: 3,000	1. OR 2. W 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other: n	Both	Pomona Shilo San Jose Red Lion San Jose, CA Bodega Bay Motel Bodega Bay Motel Santa Barbara, CA Modesto, CA
Union Bank 530 B St. San Diego, CA 92112-4134	David Walters VP Mgr. Constr. Dep't 619-230-4402	Properties: 2 Rooms: 364	1. CA 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other: n	Variable	Marriott Travel Lodge San Diego, CA Santa Nella, CA
Vanguard Financial Services 1330 Carew Tower Cincinnati, OH 45202	C. C. Fletcher Chmn. 513-241-6437	Properties: 3 Rooms: 1,000	1. US 2. 3.	Construction: n Permanent: y Mini-Perm: n Joint Venture: n Other: n	Fixed	Holiday Inn Holiday Inn Holiday Inn Des Moines, IA Cincinnati, OH Cheyenne, WY
Wachovia Bank and Trust P.O. Box 31608 Charlotte, NC 28231	Jim Watson VP 704-378-5120	Properties: 3 Rooms: 460	1. NC 2. SC 3.	Construction: y Permanent: y Mini-Perm: y Joint Venture: n Other: Take Out	Variable	
Walker & Dunlop, Inc. 1156 15th Street, NW Washington, DC 20005	Merrill Yavinsky 202-872-5541	Properties: 3 Rooms:	1. MD 2. 3.	Construction: n Permanent: n Mini-Perm: y Joint Venture: n Other:	Fixed	
Washington Federal Savings Bank 5101 Wisconsin Ave., NW Washington, DC 20016	Jane Ingaham VP 202-537-8200	Properties: 2 Rooms:	1. DC 2. 3.	Construction: y Permanent: y Mini-Perm: n Joint Venture: n Other:	Variable	

DIRECTORY OF HOTEL LENDERS

Company Name and Address	Contact	Loans Made in Past 2 Years	Primary Location	Types of Loans	Interest Rates Offered	Representative Hotels
Westinghouse Credit Corp. One Oxford Centre, Grant St. Pittsburgh, PA 15219	Richard H. Bogert VP Div. Dir. 413-393-3314	Properties: 87 Rooms: 11,450	1. US 2. 3.	Construction: y Permanent: n Mini-Perm: y Joint Venture: n Other: n	Variable	

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent)			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Accor North America Corp. 2 Overhill Rd. Scarsdale, NY 10583	Michael Flaxmen Exec. VP Dev. 914-725-5055	Properties: 15 Rooms: 4,314 Tier: 2d	1. E 2. CAN 3.	Lux.: 43 Mid.: 42 Econ.: 15	Comm.: 70 Conv.: 25 Resort: 5	Hotel Ma Maison Sofitel Novotel Compri Hotel Hotel Sofitel Miami Novotel Toronto Ctr.	Beverly Ctr., CA New York, NY Princeton, NJ Miami, FL Toronto, CAN
AIRCOA Hospitality Services 3400 S. Ulster Denver, CO 80237	Michael Hardisty Sen. VP Business Dev. 303-220-2053	Properties: 56 Rooms: 16,000 Tier: 1st	1. US 2. 3.	Lux.: 23 Mid.: 61 Econ.: 16	Comm.: 54 Conv.: 10 Resort: 36	Clarton Ontario Airport Kona Village Sheraton Newport Wynfield Inn Westwood Clarton Hotel	Ontario, CAN Kaupulehu-Kona, HI Newport Beach, CA Orlando, FL New Orleans, LA
Allen & O'Hara, Inc. 3385 Airways Blvd. Memphis, TN 38116	Paul O. Bower Sen. VP 901-345-7620	Properties: 9 Rooms: 1,652 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20	Comm.: 60 Conv.: 40 Resort: 0	Holiday Inn Holiday Inn Downtown Residence Inn Velvet Cloak Inn Hampton Inn	Philadelphia, PA Providence, RI Glendale/Milwaukee, WI Raleigh, NC Albany, NY
America's Best Inns, Inc. P.O. Box 1719 Marion, IL 62959	Lynn Brewer Dir. of Franchising 618-997-5454	Properties: 21 Rooms: 1,936 Tier: 1st	1. MW 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 80 Conv.: 5 Resort: 15	America's Best Inn America's Best Inn America's Best Inn America's Best Inn America's Best Inn	Atlanta, GA Dalton, GA Fort Wayne, IN South Bend, IN Jacksonville, FL
American General Hospitality 3860 Winn Hwy, Dallas, TX 75220	Steven D. Jorns Pres. 214-352-3330	Properties: 29 Rooms: 4,200 Tier: 2d	1. SW 2. 3.	Lux.: 10 Mid.: 70 Econ.: 20	Comm.: 65 Conv.: 15 Resort: 20	Embassy Suites Hotel Embassy Suites Hotel Holiday Inn S. Arlington Hampton Inn Radisson Legacy Hotel	Dallas, TX Abilene, TX Arlington, TX Lewisville, AZ Little Rock, AR
American Hospitality Services 16901 Dallas Pkwy. Dallas, TX 75248	Don West Pres. 214-733-0194	Properties: 21 Rooms: 1,485 Tier: 2d	1. S 2. 3.	Lux.: 15 Mid.: 35 Econ.: 50	Comm.: 80 Conv.: 0 Resort: 20	Captain Barlett Inn Econolodge Ramada Inn Best Value Inn Hotel Faust	Fairbanks, AK San Antonio, TX Corpus Christi, TX Dallas, TX New Braunfels, TX
American Inns Management 5151 E. Broadway Tucson, AZ 85711	Terri Whitehead VP Mktg. 602-747-4112	Properties: 7 Rooms: 475 Tier: 2d	1. SW 2. US 3.	Lux.: 23 Mid.: 77 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Rodeway Inn Rodeway Inn Hacienda del Sol St. Tropez Resort Super 8	Flagstaff, AZ Kingman, AZ Tucson, AZ Las Vegas, NV Tucson, AZ
American Liberty Hotel Management 908 Town & Country Houston, TX 77024	Nick Massad, Jr. Pres. 713-468-2838	Properties: 14 Rooms: 1,700 Tier: 2d	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 90 Conv.: 10 Resort: 0	Seven Oaks Hotel Ramada Hotel Astrodome Homeplace Inns Homeplace Inns Homeplace Inns	San Antonio, TX Houston, TX Angleton, TX Freeport, TX San Marcos, TX

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties		
				Lux.:	Mid.:	Econ.:	Comm.:	Conv.:	Resort:
Amfac Resorts 5200 E. Courtland Flagstaff, AZ 86004	John Hyatt Sen. VP Admin. 602-527-2100	Properties: 6 Rooms: 2,400 Tier: 2d	1. HI 2. SW 3.	Lux.: 17 Mid.: 83 Econ.: 0	Comm.: 10 Conv.: 0 Resort: 90	Silverado Country Club Grand Canyon National Furnace Creek Inn Albuquerque Amfac King Kamehameha	Napa, CA Grand Canyon, AZ Death Valley, CA Albuquerque, NM Kailua-Kona, HI		
Aspen Club Property Management 730 E. Durant Aspen, CO 81611	Doug Carlson Pres. 303-925-6760	Properties: 1 Rooms: 92 Tier: 2d	1. CO 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Aspen Club Lodge	Aspen, CO		
Associated Hotels 29 S. LaSalle St. Chicago, IL 60603	John Poulos Dir. of Operations 312-782-6008	Properties: 8 Rooms: 1,871 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 90 Conv.: 10 Resort: 0	Holiday Inn Holiday Inn International Holiday Inn & Conf. Ctr. Radisson Hotel Holiday Inn	Rhineland, WI Minneapolis, MN St. Joseph, MO Duluth, MN Appleton, WI		
Aston Hotels & Resorts 2255 Kuhio Ave., 18 Honolulu, HI 96815	JW Ellsworth Sen. VP 808-923-0745	Properties: 40 Rooms: 6,500 Tier: 2d	1. HI 2. W 3. Mex	Lux.: 16 Mid.: 70 Econ.: 14	Comm.: 0 Conv.: 100 Resort: 100	Aston Kauai Resort Aston Shore Kaanapali Aston Shores at Waikoloa Aston Waikiki Beach Tower Regis Hotel	Kauai, HI Maui, HI Hawaii, HI Oahu, HI San Francisco, CA		
Astor Hotel Associates 1121 New Hampshire Ave. Washington, DC 20037	Klaus J. Henck Pres. 202-775-0419	Properties: 5 Rooms: 1,091 Tier: 2d	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	New Hampshire Suites Days Inn Congressional Henry VIII Hotel Mountain Chalet Park Inn Capital Plaza	Washington, DC Rockville, MD St. Louis, MO Snow Mass, CO Des Moines, IO		
Beacon Hotel Corp. 30 Rosewharf Boston, MA 02110	Dennis Meikelham Sen. VP Dev. 617-330-1440	Properties: 32 Rooms: 8,658 Tier: 2d	1. US 2. 3.	Lux.: 82 Mid.: 18 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	Boston Harbor Hotel Holiday Inn Bucks County Holiday Inn Bradley Days Inn Philadelphia Guest Quarters	Boston, MA Bucks County, PA Bradley, CT Philadelphia, PA Santa Monica, CA		
Bed & Breakfast Hotels 4155 NW 24th St. Miami, FL 33142	Charles Grentner Chmn. 305-883-4700	Properties: 3 Rooms: 400 Tier: 2d	1. FL 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 33 Conv.: 33 Resort: 33	Inn on the Bay Miami Airways Hotel Self Serve Inn	Miami, FL Miami, FL Cocoa Beach, FL		
Belz Hotels 113 Terrace Hall Ave. Burlington, MA 01803	David Shamoian Exec. VP 617-273-1783	Properties: 14 Rooms: 3,919 Tier: 2d	1. NE 2. SE 3.	Lux.: 35 Mid.: 65 Econ.: 0	Comm.: 72 Conv.: 14 Resort: 14	The Peabody Sheraton Santa Barbara Randolph Holiday The Peabody Framingham Days Inn	Memphis, TN Santa Barbara, CA Randolph, MA Orlando, FL Framingham, MA		
Benchmark Management Co. 2170 Buckthorne Pl. The Woodlands, TX 77380	Burt Cabanas Pres. 713-367-5757	Properties: 7 Rooms: 1,232 Tier: 2d	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Woodlands Inn & Conf. Ctr. The San Luis Hotel Forsgate Country Club Cottages at Shipyard Charminade	Woodlands, TX Galveston Island, TX Jamesburg, NJ Hilton Head, SC Santa Cruz, CA		

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
BON Innkeeping, Inc. 2660 Townsgate Rd. Westlake Village, CA 91361	Chuck Nester CEO 818-991-8076	Properties: 6 Rooms: 672 Tier: 2d	1. W 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Skyway Hotel Embassy Suites Inn of Lompoc Rodeway Inn El Escorial Suite Hotel Los Angeles, CA Lompoc, CA Lompoc, CA McAllen, TX Santa Barbara, CA	
Boykin Management Co. 700 Terminal Tower Cleveland, OH 44113	Robert Boykin Pres. 216-241-6375	Properties: 11 Rooms: 2,988 Tier: 2d	1. NE 2. SE 3. SW	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Berkeley Marina Buffalo Marriott Marriott Airport Radisson Hilton Berkeley, CA Amherst, NY Cleveland, OH Fort Myers, FL Toledo, OH	
Boyle Hotels 540 North Ave. Union, NJ 07083	William A. Boyle Pres. 201-289-7700	Properties: 6 Rooms: 465 Tier: 2d	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 85 Conv.: 15 Resort: 0	Westfield Inn Morristown Inn The Mansion Hotel The Murray Inn The Palmer Inn Westfield, NJ Morristown, NJ Fanwood, NJ New Providence, NJ Princeton, NJ	
Breckenridge Hotel Corp. 900 S. Hwy. Dr. Fenton, MO 63026	Donald Breckenridge Pres. 314-349-5255	Properties: 1 Rooms: 300 Tier: 1st	1. MW 2. 3.	Lux.: Mid.: 100 Econ.: 0	Comm.: 100 Conv.: Resort:	Breckenridge Lambert St. Louis, MO	
Brewer Management Co. P.O. Box 1719 RR Marion, IL 62959	Bob Brewer Pres. 618-997-5454	Properties: 19 Rooms: 2,400 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Best Inns Best Inns Best Inns Best Inns Marietta, GA Dalton, GA Waukegon, IL Southbend, IN Fort Wayne, IN	
Broadmoor Management Co. P.O. Box 1439 Colorado Springs, CO 80901	William B. Tutt Pres. 719-634-7711	Properties: 1 Rooms: 400 Tier: 2d	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 15 Conv.: 50 Resort: 35	The Antlers Colorado Springs, CO	
Brookshire Hotels, Inc. 9705 Patuxent Woods Dr. Columbia, MD 21046	Henry Lieberman Mgmt. Dir. 301-290-9600	Properties: 18 Rooms: 3,100 Tier: 2d	1. US 2. 3.	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 40 Conv.: 40 Resort: 20	St. Michaels Harbor Inn Carousel Hotel St. Michaels, MD Ocean City, MD	
Buena Vista Hospitality Group 1902 Buena Vista Dr. Lake Buena Vista, FL 32830	Darryl Fluhrath VP 407-827-3777	Properties: 6 Rooms: 1,800 Tier: 2d	1. SE 2. 3.	Lux.: 66 Mid.: 33 Econ.: 0	Comm.: 15 Conv.: 0 Resort: 85	Orlando, FL Marco Island, FL St. Petersburg, FL Ponte Vedre, FL Orlando, FL	
Calvert Management Co. 12656 Lake Ridge Dr. Woodbridge, VA 22192	Scott T. Huth VP Operations 703-490-1510	Properties: 19 Rooms: 2,368 Tier: 2d	1. NE 2. E 3.	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 75 Conv.: 5 Resort: 20	Nashville, TN Manassas, VA Newark, NJ Key Largo, FL Woodbridge, VA	
Canyon Ranch Resorts 8600 E. Rockliff Rd. Tucson, AZ 85715	Julie A. Wallach 602-749-9655	Properties: 2 Rooms: 300 Tier: 1st	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Canyon Ranch Resort Canyon Ranch/Berkshires Tucson, AZ Lenox, MA	

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	By Market	Representative Managed Properties
Capitol Hotel Group 11200 Rockville Pike Rockville, MD 20852	R. Brent Christie Sen. VP 301-468-9200	Properties: 8 Rooms: 2,000 Tier: 2d	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 60 Conv.: 10 Resort: 30	Houston, TX Nassau Bay Hilton Burnsville Holiday Inn Holiday Inn Metrodome Arlington Hilton Detroit Days Inn
Cardinal Lodging Group 2255 Kimberley Pkwy. E. Columbus, OH 43232	Paul Coesfeld Pres. 614-755-6230	Properties: 225 Rooms: 23,900 Tier: 2d	1. NE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 60 Conv.: 0 Resort: 40	Atlanta, GA Detroit, MI Arbogate Inn Knights Inn Arbogate Inn Knights Inn
Carriage House Inns 20 S. Battery Charleston, SC 29401	Rebecca Gay Pres. 803-724-8000	Properties: 3 Rooms: 100 Tier: 1st	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 20 Conv.: 0 Resort: 80	Battery Carriage House Elisa Thompson Middleton
CDG Management Services 50 Music Square W. Nashville, TN 37203	Christopher R. B. Carg Pres. 615-327-0815	Properties: 4 Rooms: 596 Tier: 2d	1. E 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75	Comm.: 50 Conv.: 25 Resort: 25	Hampton Inn Shoney's Inn Quality Inn Villas by the Sea Resort
Charter Lodging Management 210 Airport St. Bainbridge, GA	John R. Beers Pres. 912-243-0168	Properties: 3 Rooms: 306 Tier: 1st	1. SE 2. 3.	Lux.: 0 Mid.: 30 Econ.: 70	Comm.: 60 Conv.: 25 Resort: 15	Charter House Inn Charter House Inn Charter House Inn
Charter One Management, Inc. 4000 S. Taimiami Trail Sarasota, FL 34231	Jim Popielinski Pres. 813-923-2662	Properties: 8 Rooms: 528 Tier: 2d	1. FL 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0	Comm.: 30 Conv.: 0 Resort: 70	Best Western Sand Bar Hampton Inn Sarasota Coquina on the Beach Trade Winds Resort Midtown Motor Inn
Chatmar, Inc. 2610 Sand Dunes Dr. Monterey, CA 93940	Charles West Dir. of Operations 408-394-0434	Properties: 4 Rooms: 725 Tier: 2d	1. CA 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 33 Conv.: 33 Resort: 33	Carmel Mission Inn Concord Holiday Inn Monterey Beach Hotel Santa Cruz Holiday Inn
Chayton Management 3433 Broadway St. Minneapolis, MN 55413	Fred Chute, Jr. Pres. 612-378-2563	Properties: 1 Rooms: 67 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 40 Conv.: 10 Resort: 50	Emerald Inn of Maplewood Maplewood, MN
Coakley & Williams, Inc. 7500 Greenway Center Greenbelt, MD 20770	Gary S. Williams Exec. VP 301-345-9739	Properties: 12 Rooms: 2,216 Tier: 2d	1. S 2. 3.	Lux.: 0 Mid.: 60 Econ.: 40	Comm.: 100 Conv.: 0 Resort: 0	Days Inn Rockville Dulles Airport Days Inns Springfield Hilton Holiday Inn Horsham Days Inn
Colony Hotels & Resorts 15250 Ventura Blvd. Sherman Oaks, CA 91403	John Russell Pres. 818-988-0530	Properties: 32 Rooms: 6,440 Tier: 2d	1. US 2. Mex 3. Carib	Lux.: 30 Mid.: 50 Econ.: 20	Comm.: 20 Conv.: Resort: 80	Kaluikui Hotel & Golf Shore Cliff Lodge & Inn Pacific Monarch Stratton Mountain Inn & Lodge Eagle Mountain House

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Representative Managed Properties
Compri Hotel Systems 6225 N. 24th St. Phoenix, AZ 85016	Kevin Holt VP Dev. 602-955-6666	Properties: 9 Rooms: 1,609 Tier: 1st	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 85 Conv.: 0 Resort: 15	Compri Hotel Lakewood, CO Compri Hotel Santa Ana, CA Compri Hotel Ontario, CAN Compri Hotel Pleasanton, CA Compri Hotel Rancho Bernardo, CA
Continental Company 3250 Mary St. Miami, FL 33133	Thomas F. Hewitt Pres. 305-445-2493	Properties: 50 Rooms: 16,000 Tier: 2d	1. US 2. CARIB 3. CAN	Lux.: 33 Mid.: 33 Econ.: 33 Comm.: 40 Conv.: 40 Resort: 20	Grand Bay New York, NY Sheraton Design Ctr. Ft. Lauderdale, FL The Pier House Key West, FL Sheraton River House Miami, FL Peachtree Executive Conf. Peach Tree, GA
Continental Hotel Management Corp. 13873 Park Center Rd. Herndon, VA 22071	Gary F. Gillis Pres. 703-478-3010	Properties: 3 Rooms: 700 Tier: 2d	1. E 2. 3.	Lux.: 45 Mid.: 45 Econ.: 10 Comm.: 100 Conv.: 0 Resort: 0	Airport Hilton Norfolk, VA Quality Inn Center City Philadelphia, PA Comfort Inn Shady Grove Gatersburg, MD
Cooper Cos. 1407 Union Ave. Memphis, TN 38104	Irby Cooper Pres. 901-725-9631	Properties: 16 Rooms: 2,644 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 65 Conv.: 15 Resort: 20	Holiday Inn Ft. Myers Ft. Myers, FL Holiday Inn Kingston, NY Holiday Inn Gatlinburg, TN Garden Plaza Hotel Memphis, TN Knoxville Airport Hilton Knoxville, TN
Cox Hotels, Inc. 5700 Brainerd Road, 6100 Bldg. Chattanooga, TN 37411	Robert G. Cox Pres. 615-892-7582	Properties: 13 Rooms: 2,000 Tier: 2d	1. SE 2. TX 3. PA	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 60 Conv.: 10 Resort: 30	Best Western Inn College Station, TX Century Plaza Inn West Mifflin, PA Best Western Campus Knoxville, TN Days Inn South Mobile, AL Best Western Dutchman Huntingburg, IN
CPS Hotel Management Services 260 West Schick Rd. Bloomington, IL 60108	Robert L. Banks Pres. 312-893-1386	Properties: 3 Rooms: 957 Tier: 2d	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 5 Conv.: 75 Resort: 20	Indian Lakes Resort Bloomington, IL & Country Club Itasca, IL Nordic Hill Resort & Country Club Oakbrook Hills Hotel Oakbrook, IL & Country Club
D'Amico & Partners International Market Sq. 205 Minneapolis, MN 55405	John J. Waters, Jr. VP Research & Dev. 612-375-9797	Properties: 1 Rooms: 206 Tier: 2d	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	The Essex & Sussex Spring Lake, NJ
DePalma Hotel Corp. 1231 Greenway Dr. Irving, TX 75038	Joseph N. DePalma Pres. 214-550-0800	Properties: 14 Rooms: 2,326 Tier: 2d	1. SW 2. MW 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Ramada Renaissance Richardson, TX Days Inn Las Vegas, NV Stockyards Hotel Fort Worth, TX Ramada Hotel Detroit, MI Hilton Inn Lake Jackson, TX
Doral Hotels & Resorts 600 Madison Ave. New York, NY 10022	Mary Dillon Dir. of Mktg. 212-486-6800	Properties: 8 Rooms: 3,000 Tier: 1st	1. E 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 20 Conv.: 0 Resort: 80	Doral Resort Miami, FL Doral Saturna Int'l Miami, FL Doral Hotel Ocean Beach Miami Beach, FL The Doral Inn New York, NY The Doral Court New York, NY

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Representative Managed Properties
Doubletree Hotels 410 N. 44th St. Phoenix, AZ 85008	David A. Sherf VP Dev. 602-220-6666	Properties: 34 Rooms: 11,500 Tier: 1st	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Doubletree Hotel Atlanta, GA Doubletree Hotel Santa Clara, CA Doubletree Hotel Dallas, TX Doubletree Hotel Miami, FL Doubletree Hotel St. Louis, MO
Drury Inn 10801 Pear Tree La. St. Ann, MO 63074	Chuck Drury CEO & Pres. 314-429-2255	Properties: 55 Rooms: 5,935 Tier: 1st	1. MW 2. 3.	Lux.: 0 Mid.: 70 Econ.: 30	Drury Inn at Union Station St. Louis, MO Drury Inn at Collins Collinsville, FL Drury Inn at Indianapolis Indianapolis, IN Drury Inn at Austin Austin, TX Drury Inn at San Antonio San Antonio, TX
Ellis Management 1244 Westchester Pike Westchester, PA 19382	Dave Ellis VP 215-692-6701	Properties: 5 Rooms: 663 Tier: 2d	1. NE 2. E 3.	Lux.: 0 Mid.: 50 Econ.: 50	Quality Inn Lancaster, PA Comfort Inn Bethlehem, PA Comfort Inn Ben Salem, PA Comfort Inn Hazleton, PA Comfort Inn Bartonsville, PA
Emerald Management Co. 2552 Kalakaua Ave. Honolulu, HI 96815	Nikolaus O. Klot Pres. 808-922-6611	Properties: 4 Rooms: 2,635 Tier: 1st	1. HI 2. SW 3.	Lux.: 65 Mid.: 35 Econ.: 0	Hawaiian Regent Honolulu, HI Mauna Lani Bay Kohala Coast, HI Emerald of Anaheim Anaheim, CA Emerald of San Diego San Diego, CA
Equity Hotel Corp. 2875 N. Milwaukee Ave. Northbrook, IL 60062	Steve J. Belmonte Pres. & Chmn. 312-298-5606	Properties: 20 Rooms: 3,370 Tier: 2d	1. US 2. HI 3.	Lux.: 20 Mid.: 40 Econ.: 40	Days Inn Galesburg Galesburg, IL Ramada Inn Columbus, OH Days Inn Stapleton Airport Commerce City, CO Best Western Prentiss Natchez, MI Budgetel Inn Columbia, MO
Executive Management 12725 SW 66th Ave. Portland, OR 97223	Mike Lockhart Pres. 503-639-9000	Properties: 9 Rooms: 1,100 Tier: 2d	1. NW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Execulodge Portland, OR Execulodge Salem, OR Execulodge Thedales, OR Execulodge Portland, OR Execulodge Airport Portland, OR Execulodge Conv. Ctr. Portland, OR
Exel Inns of America 4706 E. Washington Madison, WI 53704	Dean Grosskopf Dir. of Operations 608-241-5271	Properties: 28 Rooms: 3,233 Tier: 1st	1. MW 2. TX 3.	Lux.: 0 Mid.: 0 Econ.: 100	Exel Inn Minneapolis, MO Exel Inn Milwaukee, WI Exel Inn Dallas, TX Exel Inn Chicago, IL Exel Inn Grand Rapids, MI
First Hospitality Group 2980 River Rd. Des Plaines, IL 60018	Stephen L. Schwartz Pres. 312-824-2980	Properties: 7 Rooms: 1,275 Tier: 2d	1. MW 2. 3.	Lux.: 15 Mid.: 70 Econ.: 15	Hampton Inn Bloomington, IN Hampton Inn Naperville, IL Ramada Columbia, MO Holiday Inn Cleveland, OH Hampton Inn O'Hare Chicago, IL
Fisher Hotels Group 4 E. 79th St. New York, NY 10021	Frank X. Fisher Pres. 212-765-4546	Properties: 10 Rooms: 2,118 Tier: 2d	1. US 2. Carib 3.	Lux.: 75 Mid.: 25 Econ.: 0	Bostonian Hotel Boston, MA Cincinnati Cincinnati, OH Tarrytown House Conf. Ctr. Tarrytown, NY Annapolis Hotel Annapolis, MD Mystic Hilton Mystic, CT

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Types of Hotels (percent) By Market	Representative Managed Properties
Fluitt Properties, Inc. 1755 Lynnfield Rd. Memphis, TN 38119	Denny Woodruff VP Mktg. 901-761-4664	Properties: 16 Rooms: 3,174 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25	Fairfax, VA Holiday Inn Fair Oaks Atlanta, GA Holiday Inn Roswell Raleigh, NC Holiday Inn Durham Augusta, GA Holiday Inn Washington Columbia, SC Holiday Inn Northeast
Franklin Equities, Inc. PO Box 1064 Statesboro, GA 30458	H. Lehman Franklin Pres. 912-764-9616	Properties: 7 Rooms: 518 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 75 Econ.: 25	Comm.: 40 Conv.: 10 Resort: 50	Savannah, GA Howard Johnson Knoxville, TN Quality Inn Dillon, SC Howard Johnson Statesboro, GA Pine Trace Inn Savannah, GA Budget Inn
Friend Group 1101 Embarcadero San Francisco, CA 94111	Peter Friend VP 415-981-2202	Properties: 7 Rooms: 1,300 Tier: 2d	1. SW 2. 3.	Lux.: 25 Mid.: 25 Econ.: 50	Comm.: 75 Conv.: 25 Resort: 0	Embassy Suite Denver, CO Best Western Cherry Tree Knoxville, TN Best Western Inn Abilene, TX Embassy Suites Englewood, CO
Gaelic Management, Inc. 2024 N. Woodlawn Wichita, KS 67208	Lynn Bock VP Dev. 316-683-5150	Properties: 4 Rooms: 700 Tier: 2d	1. SE 2. CO 3.	Lux.: 50 Mid.: 0 Econ.: 50	Comm.: 80 Conv.: 0 Resort: 20	Hotel Washington Washington, DC Menger Hotel San Antonio, TX Mt. Lake Resort Mt. Lake, VA South Shore Harbor League City, TX Holiday Inn Houston, TX
Gal-Tex Corp. PO Box 159 Galveston, TX 77553	Mike Riley VP 409-763-8536	Properties: 17 Rooms: 3,000 Tier: 2d	1. SW 2. SE 3.	Lux.: 20 Mid.: 80 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25	Quality Inn Clearwater, FL Econolodge Plant City, FL Red Carpet Ormond Beach, FL Red Carpet Disney Area Davenport, FL
GAP Management, Inc. 3260 Pointe Pkwy. Norcross, GA 30092	David Akridge VP 404-448-0001	Properties: 4 Rooms: 591 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	Safari Inn Chanute, KS Best Western Airport Lincoln, NE Taney Motel Branson, MO Downtown Inn Laramie, WY* Best Western Inn Beatrice, NE
Gil Grady & Associates, Inc. 201 W. O St. Lincoln, NE 68528	Gil Grady Pres. 402-475-8888	Properties: 18 Rooms: 800 Tier: 2d	1. NC 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	La Costa Hotel & Spa Carlsbad, CA Grenelefe Resort & Conf. Grenelefe, FL
Global Hospitality Corp. 9171 Towne Centre Dr. San Diego, CA 92122	Robert G. Harp Dir of Dev. 619-546-0848	Properties: 2 Rooms: 1,467 Tier: 2d	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 5 Conv.: 60 Resort: 35	Golden Tulip Barbizon New York, NY Golden Tulip Palao Amsterdam, HOLLAND Golden Tulip Bar Paris, FRANCE Golden Tulip Hafria Palma de Majorica, SPAIN Golden Tulip Barbizon Amsterdam, HOLLAND
Golden Tulip World-Wide 140 E. 63rd St. New York, NY 10021	Mr. Vander Werf VP Franchising 212-838-5022	Properties: 17 Rooms: 4,126 Tier: 1st	1. Int'l 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 75 Conv.: 10 Resort: 15	Ramada Overland Park, KS Holiday Inn Olathe, KS Waters Edge Condominiums Lake Ozark, MO Days Inn Blue Spring, MO Hampton Inn Des Moines, IA
Grand American Hotel Corp. 8801 Ballentine Overland Park, KS 66214	Joe F. Ross Pres. 913-541-1100	Properties: 16 Rooms: 2,400 Tier: 2d	1. MW 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75	Comm.: 0 Conv.: 0 Resort: 100	

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Guild Hotel Management 12165 W. Center Omaha, NE 68144	Mark Guilds Pres. 402-334-1887	Properties: 18 Rooms: 3,400 Tier: 2d	1. MW 2. SW 3.	Lux.: 0 Mid.: 70 Econ.: 30	Comm.: 40 Conv.: 40 Resort: 20	Radisson Inn at Airport Salt Lake City, UT Ramaada Inn at Airport Austin, TX Tanglewood on the Lake Pottsboro, TX Quality Inn Hammond, IN Sheraton Inn SW Omaha, NE	
Harborage, Inc. 11520 N. Central Expressway Dallas, TX 75243	Sandra Wommack Dir of Mktg. 214-503-2000	Properties: 4 Rooms: 900 Tier: 2d	1. SW 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 30 Conv.: 30 Resort: 40	Sheraton Center Park Arlington, TX Sheraton South Padre South Padre Island, TX Sheraton Texarkana Texarkana, TX Sheraton Sherman Sherman, TX	
Harold Greene Cos. One S. Front St. Wilmington, SC 28401	Harold Greene Pres. 919-762-0366	Properties: 5 Rooms: 670 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0	Holiday Inn Norfolk, VA Ramada Inn Norfolk, VA Ramada Inn Augusta, GA Ramada Inn Wilmington, NC Greentree Wilmington, NC	
Heller-White Hotels Co. 800 S. Hwy. Dr. Fenton, MO 63026	Kent White VP Operations 314-343-4300	Properties: 4 Rooms: 2,350 Tier: 2d	1. US 2. 3.	Lux.: 40 Mid.: 60 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Stratford House Hotel Fenton, MO Rodeway Inn-Airport St. Louis, MO Berkeley Airport Inn Berkeley, CA Iiaki Hotel Honolulu, HI	
Hemisphere Hotel Management, Inc. 120 Wood Ave. S Iselin, NJ 08830	John J. Caitabian Exec. VP 201-494-6677	Properties: 4 Rooms: 1,000 Tier: 2d	1. NE 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 50 Conv.: 40 Resort: 10	Woodbridge Hotel Woodbridge, NJ Ramada Clark, NJ East Windsor Clarion East Windsor, NJ Williamsburg Hilton Williamsburg, VA	
Herring Group 19210 Huebner Rd. San Antonio, TX 78258	Tom F. Herring, Sr. Pres. 512-490-3135	Properties: 1 Rooms: 274 Tier: 2d	1. TX 2. SW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	La Posada Hotel Laredo, TX	
HLC Associates, Inc. 7080 Abercorn St. Savannah, GA 31406	J. Roger Hammond Pres. 912-352-4493	Properties: 18 Rooms: 2,000 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 61 Econ.: 39	Comm.: 90 Conv.: 10 Resort: 0	Holiday Inn Midtown Savannah, GA Holiday Inn Dixon, TN Master Economy Inn Augusta, GA Master Economy Inn Charleston, SC Master Economy Inn Birmingham, AL	
HLF Managers, Inc. 1213 Park Pl. Center Memphis, TN 38119	Thomas L. Ricketts Sen. VP 901-767-9110	Properties: 9 Rooms: 1,359 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn Clayton Plaza St. Louis, MO Holiday Inn Southwest Louisville, KY Holiday Inn Coliseum Columbia, SC Holiday Inn Franklin, TN Executive Inn Tupelo, MS	
Horizon Hotels PO Box 3277 West End, NJ 07740	Robert Sacco VP/CFO 201-229-2288	Properties: 22 Rooms: 5,600 Tier: 2d	1. NE 2. SE 3. Carib	Lux.: 57 Mid.: 29 Econ.: 14	Comm.: 50 Conv.: 30 Resort: 20	Arrowood of Westchester Ryebrook, NY Brazilian Court Hotel W. Palm Beach, FL Colony Square Hotel Atlanta, GA Dawn Beach Hotel & Resort St. Martin, VI Maggie Valley Resort Maggie Valley, NC	

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties					
				Lux.:	Mid.:	Econ.:	Comm.:	Conv.:	Resort:			
Hospitality Consultants 4699 N. Federal Pompano Beach, FL 33064	Robert Goldstein Pres. 305-782-7000	Properties: 12 Rooms: 4,000 Tier: 2d	1. US 2. 3.	Lux.: 25 Mid.: 60 Econ.: 15	Comm.: 75 Conv.: 10 Resort: 15	Quality Suite Comfort Inn Sheraton Comfort Inn Ramada	Ft. Lauderdale, FL Chicago, IL Meadowlands, NJ Birmingham, AL Ft. Lauderdale, FL					
Hospitality Management Corp. 16250 Dallas Pkwy. Dallas, TX 75248	Mr. Jerry Thoele Exec. VP 214-248-4300	Properties: 16 Rooms: 5,500 Tier: 2d	1. US 2. 3.	Lux.: 30 Mid.: 60 Econ.: 10	Comm.: 40 Conv.: 50 Resort: 10	Del Lago Resort & Country Club Ramada Hotel Ft. Lauderdale Airport Hilton Las Palmas Hotel Grande Butte Hotel	Lake Conroe/Houston, TX Tyler, TX Ft. Lauderdale, FL Orlando, FL Crested Butte, CO					
Hospitality Ventures, Inc. 4510 Holland Office Park Virginia Beach, VA 23452	Sandee Williams Dir. Operations 800-446-4605	Properties: 9 Rooms: 702 Tier: 2d	1. E 2. US 3.	Lux.: 0 Mid.: 25 Econ.: 75	Comm.: 60 Conv.: 10 Resort: 30	Econolodge Econolodge Econolodge Econolodge Howard Johnson	Kenston, NC Washington, DC Ft. Walton Beach, FL Goldsboro, NC Kill Devil Hills, NC					
Host Management 18 W. First St. Dayton, OH 45402	George J. Daoud Pres. 513-228-6656	Properties: 8 Rooms: 1,659 Tier: 2d	1. US 2. 3.	Lux.: 70 Mid.: 20 Econ.: 10	Comm.: 40 Conv.: 20 Resort: 40	The Palace Radisson Inn La Quinta Enclave Parc Corniche	Myrtle Beach, SC Dayton, OH Dayton, OH Dayton, OH Atlantic City, NJ Orlando, FL					
Hostmark 1860 Lincoln St. Denver, CO 80202	Stephen R. Narans Chmn./CEO 303-293-9900	Properties: 25 Rooms: 4,400 Tier: 2d	1. US 2. Carib 3.	Lux.: 30 Mid.: 60 Econ.: 10	Comm.: 70 Conv.: 30 Resort: 0	Holiday Inn Hilton North Shore Island Reef Resort Ramada Conf. Ctr. Days Inn	Alamosa, CO Skokie, IL Grand Turk, VI Denver, CO Gillette, WY					
Hotel Development & Management Corp. Penn Center W., Bldg. 4 Pittsburgh, PA 15276	Gregory G. de Marrais Pres. 412-788-0455	Properties: 8 Rooms: 1,140 Tier: 2nd	1. US 2. MW 3. NE	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 70 Conv.: 15 Resort: 15	Holiday Inn Best Western Aurora Ramada Inn at Bigelow Lafayette Hotel Lorain Renaissance Inn	Boardman, OH Aurora, OH Pittsburgh, PA Marietta, OH Lorain, OH					
Hotel Group Inc. 121 Fifth Ave. N. Edmonds, WA 98020	Edmond Lee Pres. 206-771-1788	Properties: 13 Rooms: 1,583 Tier: 2d	1. US 2. 3.	Lux.: 15 Mid.: 45 Econ.: 40	Comm.: 60 Conv.: 20 Resort: 20	Santa Maria Hilton Hampton Inn Hampton Inn Hampton Inn Chumaree Hotel	Santa Maria, CA Valencia, CA Phoenix, AZ Wichita Falls, TX Salem, OR					
Hotel Investors Corp. 3625 Ruffin Rd. San Diego, CA 92123	Ronald A. Young Pres. 619-279-5005	Properties: 45 Rooms: 7,200 Tier: 2d	1. US 2. 3.	Lux.: 18 Mid.: 69 Econ.: 13	Comm.: 60 Conv.: 20 Resort: 20	Bay Valley Hotel & Resort Embassy Suites Camelhead Residence Inn Meany Tower Hotel Ramada Inn	Bay City, MI Camelhead, AZ Tysons Corner, VA Seattle, WA Indian Well, CA					

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Types of Hotels (percent) By Market	Representative Managed Properties
Hotel Management Services 1395 Marietta Pkwy. Marietta, GA 30067	Ken Vincent Pres. 404-425-3334	Properties: 23 Rooms: 3,350 Tier: 2d	1. SE 2. SW 3. NE	Lux.: 23 Mid.: 55 Econ.: 22	Comm.: 79 Conv.: 8 Resort: 13	Sheraton Mission Palms Omni Indianapolis North Blennerhassett Hotel Radisson Suite Hotel Hampton Inn
Hotels of Distinction, Inc. 380 S. County Rd. W. Palm Beach, FL 33480	Alan Tremain Pres. 407-835-9000	Properties: 4 Rooms: 1,716 Tier: 2d	1. US 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 40 Conv.: 40 Resort: 20	Albuquerque, NM Tucson, AZ Montreal, CAN Boston, MA
Hudson Hotels Corp. One Airport Way Rochester, NY 14624	Loren G. Ansley Pres. 716-436-1700	Properties: 9 Rooms: 9,111 Tier: 2d	1. NE 2. FL 3.	Lux.: 10 Mid.: 10 Econ.: 80	Comm.: 80 Conv.: 5 Resort: 15	Rochester, NY Jamestown, NY New Columbia, PA Rochester, NY Delray Beach, FL
Inn America Corp. 25 Braintree Hill Braintree, MA 02184	Arthur L. Duggan Pres. 617-848-9266	Properties: 18 Rooms: 3,829 Tier: 2d	1. E 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 70 Conv.: 15 Resort: 15	Smithtown, NY Oklahoma City, OK South Bend, IN Lancaster, PA Sturbridge, MA
Inn Development & Management 1DM Bldg., 17100 S. Halstead Harvey, IL 60426	H. Chris Carlstead Pres. 312-333-3120	Properties: 33 Rooms: 5,860 Tier: 2d	1. E 2. MW 3.	Lux.: 25 Mid.: 40 Econ.: 35	Comm.: 50 Conv.: 15 Resort: 35	Lake Buena Vista, FL Harvey, IL Myrtle Beach, SC Springfield, IL Andover, MA
Inn Management Services, Inc. 260 Brook Farms Rd. Lancaster, PA 17601	Drew G. Anthon Pres. 717-299-0002	Properties: 10 Rooms: 1,225 Tier: 2d	1. MW 2. 3.	Lux.: 20 Mid.: 80 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	Lancaster, PA Utica, NY Grantville, PA Pottsville, PA Madison, WI
Innco Hospitality, Inc. 7101 College Blvd. Overland Park, KS 66210	Pat D'Amico Dir. of Mktg. 913-451-1300	Properties: 6 Rooms: 1,119 Tier: 2d	1. MW 2. SW 3.	Lux.: 62 Mid.: 38 Econ.: 0	Comm.: 60 Conv.: 40 Resort:	Wichita, KS Kansas City, MO Peoria, IL Kansas City, MO Wichita, KS
Innkeeper Associates 185 Berry St. San Francisco, CA 94107	Norm Rosenblatt 415-543-1266	Properties: 3 Rooms: 106 Tier: 2d	1. CA 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	San Francisco, CA San Francisco, CA Palo Alto, CA
Innsuites International 7204 N. 16th St. Phoenix, AZ 85020	Jerry Bacon VP Advertising PR 602-944-1500	Properties: 6 Rooms: 930 Tier:	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Phoenix, AZ Tucson, AZ Yuma, AZ Phoenix, AZ Scottsdale, AZ

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Representative Managed Properties
International Hospitality Management 2000 W. Glades Rd. Boca Raton, FL 33431	Sal V. Spano Principal 407-395-0506	Properties: 50 Rooms: 764 Tier: 2d	1. US 2. Int'l 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 60 Conv.: 0 Resort: 40	St. Augustine, FL Somerset Bay, NJ Atlantic City, NJ Ocean City, NJ Columbus, GA Holiday Inn Pier Four Radisson Flagship Resort Port O' Call Resort Sheraton Airport Inn
Inter-Continental Hotel Corp. 100 Paragon Dr. Montvale, NJ 07645	Emment J. Gossen, Jr. Exec. VP Dev. & Operations 201-307-3300	Properties: 63 Rooms: 22,000 Tier: 1st	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 80 Conv.: 10 Resort: 10	Washington, DC Willard Intercontinental Inter-Continental Inter-Continental Rio de Janeiro, BRAZIL Athens, GREECE
International Innkeepers 3 Monarch Bay Plaza S. Laguna, CA 92677	Joe Roach VP Dev. 714-661-8333	Properties: 3 Rooms: 400 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 50 Conv.: 20 Resort: 30	Washington, DC Highland Hotel Best Western Willow Tree Le Jardin Hotel
International Management Services 226 Commonwealth Ave. Boston, MA 02116	Kingston L. Howard Pres., Chmn. 617-267-2546	Properties: 4 Rooms: 447 Tier: 2d	1. NE 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75 Comm.: 70 Conv.: 2 Resort: 28	Albany, NY Days Inn Plattsburgh, NY Howard Johnson Springfield, VM Fall River, MA Best Western
Interstate Hotel Corp. 680 Anderson Dr. Pittsburgh, PA 15220	Donald R. Trice Pres. 412-937-0600	Properties: 29 Rooms: 10,314 Tier: 2d	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 60 Conv.: 30 Resort: 10	Key West, FL Boca Raton, FL Marriott's Casa Marina Boca Raton Marriott Memphis Marriott Memphis Marriott Marriott Mission Valley Airport Marriott
Jackson Motel Management Co. #1 Office Park Circle Birmingham, AL 35223	Cory G. Jackson, Sr. Pres. 205-879-1241	Properties: 7 Rooms: 1,034 Tier: 2d	1. SE 2. 3.	Lux.: 35 Mid.: 65 Econ.: 0 Comm.: 90 Conv.: 0 Resort: 10	Birmingham, AL Sheraton Perimeter Sheraton Capstone Inn Huntsville, AL Cricket Inn Galleria Birmingham, AL Pickwick Hotel
Kahler Corporation 20 Second Ave. SW Rochester, MN 55902	Mike Hinkley Sen. VP Mktg. 507-282-2581	Properties: 11 Rooms: 2,500 Tier: 2d	1. SE 2. NW 3. SW	Lux.: 10 Mid.: 50 Econ.: 40 Comm.: 15 Conv.: 70 Resort: 15	Rochester, MN Kahler Hotel Sheraton San Marcos Conf. University Park Salt Lake City Hilton Lakeview Resort & Conf.
Laks Enterprises 2195 S. Green Rd. Cleveland, OH 44121	Larry Laks Partner 216-381-9825	Properties: 4 Rooms: 700 Tier: 2d	1. MW 2. 3.	Lux.: 40 Mid.: 0 Econ.: 60 Comm.: 75 Conv.: 22 Resort: 3	Cincinnati, OH Sheraton Springdale Indianapolis, IN Budget Inn of America Lafayette, IN Budget Inn of America Brookpark, OH
Landcom Hospitality Management 9250 Baymeadows Rd. Jacksonville, FL 32256	Charles R. Johnson VP 904-733-3700	Properties: 8 Rooms: 1,438 Tier: 2d	1. SE 2. MW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Orange Park, FL Holiday Inn Jacksonville, FL Holiday Inn Palatka, FL Holiday Inn Ocala, FL Holiday Inn New Port Richey, FL

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Representative Managed Properties
Landmark Hotel Corp. 3802 S. Topeka Blvd. Topeka, KS 66609	Gary Keller Pres. 913-266-6252	Properties: 27 Rooms: 5,450 Tier: 1st	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 75 Conv.: Resort: 25	Holiday Inn Holiday Inn Decatur Holiday Inn Holiday Inn South San Diego, CA Decatur, GA La Crosse, WI Petoskey, MI Dallas, TX
Laral Group, Inc. PO Box 1368 San Luis Obispo, CA 93441	Paul Hoover CFO 805-546-8771	Properties: 5 Rooms: 800 Tier: 2d	1. CA 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 25 Resort: 25	San Luis Bay Inn Quality Inn Holiday Inn Airport Hilton Inn Holiday Inn West Holiday Inn Holiday Inn Oceanside La Mancha Houston, TX Oklahoma City, OK Plattsburg, NY Vero Beach, FL Phoenix, AZ
Larken, Inc. 3330 Southgate Ct. Cedar Rapids, IA 52404	Larry Cahill Pres. 319-366-8201	Properties: 79 Rooms: 14,500 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 50 Conv.: 25 Resort: 25	Houston, TX Oklahoma City, OK Plattsburg, NY Vero Beach, FL Phoenix, AZ
LDI Hospitality 404 N. Freeway Tucson, AZ 85745	Arthur D. Dooley Pres. 602-624-3020	Properties: 4 Rooms: 685 Tier: 2d	1. SW 2. NW 3.	Lux.: 15 Mid.: 85 Econ.: 0 Comm.: 35 Conv.: 35 Resort: 30	Tucson, AZ Newport, OR Sedona, AZ W. Dundee, IL
Lexington Hotel Management Corp. 3501 N. MacArthur Blvd. Irving, TX 75062	Ric Wilkins Pres. 214-659-0220	Properties: 21 Rooms: 3,500 Tier: 1st	1. S 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 75 Conv.: 0 Resort: 25	Palm Springs, CA Tucson, AZ Dallas, TX Memphis, TN Nashville, TN
Lingquist & Craig Hotels & Resorts 1611 St. Andrew's Dr. Lawrence, KS 66047	Stephen J. Craig Pres. 913-841-3100	Properties: 14 Rooms: 2,228 Tier: 2d	1. US 2. 3.	Lux.: 33 Mid.: 50 Econ.: 17 Comm.: 80 Conv.: 5 Resort: 15	Ventura, CA Los Angeles, CA Anaheim, CA Memphis, TN Kansas City, KS
Lodging Unlimited, Inc. 39 W. Gay St. West Chester, PA 19380	Morris E. Lasky Pres. 215-436-8400	Properties: 12 Rooms: 2,500 Tier: 2d	1. US 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33 Comm.: 33 Conv.: 33 Resort: 33	Valley Forge, PA Sioux City, IA Williamsburg, PA Taunton, MA Atlanta, GA
Lodging, Inc. 3550 N. Central Ave. Phoenix, AZ 85012	Allen M. Sanders Pres. 602-277-6200	Properties: 9 Rooms: 1,100 Tier: 2d	1. W 2. MW 3.	Lux.: 63 Mid.: 37 Econ.: 0 Comm.: 20 Conv.: 10 Resort: 70	Diamond Bar, CA Camp Verde, AZ Cottonwood, AZ Tucson, AZ Kerney Mesa, CA
Loews Hotels 667 Madison Ave. New York, NY 10021	Jonathan Tisch Pres. 212-545-2000	Properties: 14 Rooms: 6,650 Tier: 1st	1. US 2. Can 3. Eur	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 10 Resort: 15	New York, NY Teaneck, NJ Tucson, AZ Santa Monica, CA Dallas, TX

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Lore Hotel Management Co. 4th & Pine St. Louis, MO 63102	Robert O'Loughlin Pres. 314-436-8000	Properties: 12 Rooms: 2,250 Tier: 2d	1. MW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 100 Conv.: 0 Resort: 0	Holiday Inn Riverfront Holiday Inn W. Airport Days Inn Airport Park Inn Howard Johnson	
Manadyne, Inc. 1 Sunwood Dr. St. Cloud, MN 56301	Rick Duffey VP 612-255-0366	Properties: 23 Rooms: 2,500 Tier: 2d	1. NW 2. 3.	Lux.: 0 Mid.: 10 Econ.: 90	Comm.: 90 Conv.: 5 Resort: 5	Sun Wood Inn Quality Inn Quality Inn Days Inn Rodeway Inn	
Management Group 1300 N. State Chicago, IL 60610	Charles Gavzer Sen. VP 312-787-2235	Properties: 12 Rooms: 3,115 Tier: 2d	1. US 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	The Ambassador West Embassy Suites O'Hare Embassy Suite Omni Orrington Hotel Radisson	
Mardeck, Ltd. 1700 Rockville Pike Rockville, MD 20852	Malcolm Lingwood VP 301-468-0707	Properties: 11 Rooms: 2,237 Tier: 2d	1. E 2. 3.	Lux.: 20 Mid.: 73 Econ.: 73	Comm.: 93 Conv.: 7 Resort: 0	Holiday Inn Crowne Plaza Holiday Inn Hampton Holiday Inn-Bethesda Hampton Inn Holiday Inn-Old Town	
Mariner Hotel Corp. 15770 Dallas Pkwy. Dallas, TX 75248-3329	Stephanie Nelson VP & Real Estate 214-980-2700	Properties: 25 Rooms: 5,000 Tier: 2d	1. US 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33	Comm.: 100 Conv.: 0 Resort: 0	Airport Marriott Hotel Sheraton Century Center Hampton Inn Days Inn Hobby Airport Miami Dadeland Marriott	
Marquis Hotels & Resorts 13391 McGregor Blvd. Ft. Myers, FL 33919	Michael B. Peceri Pres. 813-481-5600	Properties: 5 Rooms: 1,200 Tier: 2d	1. SW 2. FL 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 30 Conv.: 0 Resort: 70	Captiva Island, FL Sanibel Island, FL Sanibel Island, FL Sanibel Island, FL Sanibel Island, FL	
Marriott Hotel Corp. 1 Marriott Dr. Washington, DC 20058	Paul Novak VP Dev. 800-638-6707	Properties: 500 Rooms: Tier: 1st	1. Int'l 2. 3.	Lux.: 45 Mid.: 53 Econ.: 2	Comm.: 33 Conv.: 33 Resort: 33	Larkspur, CA Detroit, MI Atlanta, GA Boston, MA Herndon, VA	
Medallion Hotel Corp. 2 Wisconsin Circle Chevy Chase, MD 20815	Paul O'Neil Pres. 301-656-0801	Properties: 3 Rooms: 800 Tier: 2d	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Americana Sheraton Suites Marriott Residence Inn	
Meridian Hotels, Inc. 1350 Ave. of the Americas New York, NY 10019	Andre Martinez Pres./CEO N. America 212-956-3501	Properties: 55 Rooms: 18,920 Tier: 1st	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 5 Resort: 15	San Diego, CA New York, NY Boston, MA Bahamasncis, CA Newport Beach, CA	

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels By Price	Types of Hotels (percent) By Market	Representative Managed Properties
Meta Management, Inc. 1250 Superior Ave. Cleveland, OH 44114	Gary L. Korte VP Hotel Operations 216-574-4949	Properties: 1 Rooms: 200 Tier: 2d	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 42 Conv.: 33 Resort: 25	Holiday Inn Wickliffe Wickliffe, OH
Metro Hotels 8080 N. Central Expwy. Dallas, TX 75206-1819	Patrick Bajdek Exec. VP 214-891-8881	Properties: 27 Rooms: 5,541 Tier: 2d	1. US 2. 3.	Lux.: 50 Mid.: 45 Econ.: 5	Comm.: 55 Conv.: 25 Resort: 20	DFW Hilton South Padre Radisson Radisson Suite Hotel NW Hampton Inn Ramada Inn Dallas, TX South Padre Island, TX Miami, FL Houston, TX Lawton, OK
MHM, Inc. 14651 Dallas Pkwy. Dallas, TX 75240	Joe Leisung VP Mktg. 214-960-8990	Properties: 78 Rooms: 17,600 Tier: 2d	1. US 2. 3.	Lux.: 40 Mid.: 50 Econ.: 10	Comm.: 65 Conv.: 20 Resort: 15	Radisson Inn Radisson Jekyll Island Hilton Holiday Inn Holiday Inn Ypsilanti, MI Jekyll Island, GA Newark, DE Virginia Beach, VA San Diego, CA
Midway Hospitality Corp. 1025 S. Moorland Rd. Brookfield, WI 53005	Harold J. Serpe Pres./CEO 414-782-7411	Properties: 11 Rooms: 1,650 Tier: 1st	1. MW 2. US 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 92 Conv.: 8 Resort: 0	Midway Motor Lodge Midway Motor Lodge Midway Motor Lodge Midway Motor Lodge Midway Motor Lodge Brookfield, WI Lansing, MI Elk Grove, IL Greenbay, WI La Crosse, WI
Mississippi Mgmt., Inc. 4780 I-55 N. Frontage Rd. Jackson, MS 39211	Gaines Sturdivant Pres. 601-982-7713	Properties: 21 Rooms: 4,200 Tier: 2d	1. SE 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0	Comm.: 79 Conv.: 5 Resort: 16	Holiday Inn Airport Cabot Lodge Embassy Suites King & Prince Beach Resort Ramada Inn Airport Jacksonville, FL Jackson, MI Orlando, FL St. Simons Island, GA New Orleans, LA
Motel Property Development Corp. #2 Park Rd. Woodsdale Wheeling, WV 26003	Robert Hitchman VP Mktg./Dev. 304-233-5122	Properties: 2 Rooms: 200 Tier: 2d	1. MW 2. 3.	Lux.: 0 Mid.: 66 Econ.: 33	Comm.: 100 Conv.: 0 Resort: 0	Hampton Inn Fort Henry Motor Lodge Wheeling, WV Wheeling, WV
National Lodging Management Co. 199 Coon Rapids Blvd. Minneapolis, MN 55433	H. R. "Bill" Bell Pres. 612-784-3655	Properties: 7 Rooms: 684 Tier: 2d	1. MW 2. 3.	Lux.: 50 Mid.: 0 Econ.: 50	Comm.: 70 Conv.: 8 Resort: 22	Country Hospitality Suites Travel Host Motel Travel Host Motel Travel Host Motel Travel Host Motel Minneapolis, MN Souk Center, MN Fergus Falls, MN Wahpeton, ND Thief River, MN
Newport Hotels, Inc. 303 S. Broadway Tarrytown, NY 10591	George Schumaker Pres. 914-332-0466	Properties: 7 Rooms: 1,386 Tier: 2d	1. NE 2. 3.	Lux.: 57 Mid.: 0 Econ.: 43	Comm.: 35 Conv.: 35 Resort: 30	Somerset Hilton Tinton Falls Hilton Holiday Inn Arena Columbia Hilton Holiday Inn Somerset, NJ Tinton Falls, NJ Binghamton, NY Columbia, MD Aberdeen, MD
North Central Management, Inc. 6502 Grand Teton Plaza #3 Madison, WI 53719	Steve Austin VP 608-833-7888	Properties: 12 Rooms: 1,172 Tier: 2d	1. WI 2. 3.	Lux.: 20 Mid.: 0 Econ.: 80	Comm.: 80 Conv.: 5 Resort: 15	Hampton Inn Hampton Inn Madison East Super 8 Motel Super 8 Motel Hampton Inn Brookfield Milwaukee, WI Madison, WI Appleton, WI Racine, WI Waukesha, WI

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Types of Hotels (percent) By Market	Representative Managed Properties
NR & Associates, Inc. 309 Plazaview Rd. Richmond, VA 23224	Cornelius T. Rogers Pres. 804-233-4581	Properties: 14 Rooms: 1,480 Tier: 2d	1. E 2. 3.	Lux.: 50 Mid.: 0 Econ.: 50	Comm.: 40 Conv.: 40 Resort: 20	Boar's Head Inn Sheraton Beach Inn & Country Club The Berkeley Hotel Bernard's Landing Resort Best Western Howard House South Boston, VA
Oak Tree Hotels 100 Clock Tower Plaza Carmel, CA 93923	Joseph Woodard Pres. 408-625-4060	Properties: 6 Rooms: 1,565 Tier: 2d	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 10 Conv.: 0 Resort: 90	Carmel Valley Ranch Resort La Quinta Hotel & Golf The Waterford Hotel Palm Beach Polo Club Mission Hills Resort
Oakleaf Management Group 665 Oakleaf Lane Memphis, TN 38117	Donald N. Buch Pres. 901-761-4535	Properties: 5 Rooms: 580 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Residence Inn Residence Inn Ramada Inn Residence Inn
Ocean's Eleven Resorts, Inc. 2025 S. Atlantic Daytona Beach Shore, FL 32018	Ruel L. Bradley, Jr. Sen. VP 904-257-1950	Properties: 7 Rooms: 1,053 Tier: 2d	1. FL 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 2 Conv.: 3 Resort: 95	Ormond Beach FL Daytona Beach Shore, FL Daytona Beach, FL Daytona Beach, FL Daytona Beach, FL
Olaf Lambert & Associates 420 Dauphine St. New Orleans, LA 70112	Olaf C. Lambert Pres. 504-581-4707	Properties: 3 Rooms: 440 Tier: 2d	1. LA 2. 3.	Lux.: 30 Mid.: 70 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Rodeway Inn Dauphine Orleans Grenoble House
Omni Hotels Corp. 515 Madison Ave. New York, NY 10022	Roger S. Cline Sen. VP Dev. 212-308-4700	Properties: 29 Rooms: 12,768 Tier: 1st	1. US 2. Mex 3. Int'l	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 40 Resort: 10	Omni Berkshire Place Omni Jacksonville Hotel Omni San Diego Hotel Omni St. Louis Omni Marco Polo Hotel
Outrigger Hotels Hawaii 2375 Kuhio Ave. Honolulu, HI 96815	Dr. Richard Kelley Chmn. & CEO 808-922-0811	Properties: 20 Rooms: 7,045 Tier: 1st	1. HI 2. 3.	Lux.: 30 Mid.: 45 Econ.: 25	Comm.: 5 Conv.: 5 Resort: 90	Honolulu, HI Honolulu, HI Honolulu, HI Honolulu, HI Honolulu, HI
P&S Management 9755 W. Farragut Rosemont, IL 60018	James L. Schwart Exec. VP 312-992-2170	Properties: 5 Rooms: 1,056 Tier: 2d	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Evansville, IN Evanston, IL Elk Grove, IL Rosemont, IL
Pace Management Service Corp. 950 3rd Ave. New York, NY 10022	Paul Kreindler Sen. VP 212-832-2441	Properties: 7 Rooms: 1,000 Tier: 2d	1. E 2. 3.	Lux.: 0 Mid.: 80 Econ.: 20	Comm.: 90 Conv.: 0 Resort: 10	Sheraton North Country Inn Inn at Medford Best Western Holiday Inn Holiday Inn

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Paragon Hotels 5333 N. 7th St. Phoenix, AZ 85014	Jim O. Rhead Pres. 602-248-0811	Properties: 17 Rooms: 2,700 Tier: 2d	1. MW 2. 3.	Lux.: 20 Mid.: 40 Econ.: 40	Comm.: 70 Conv.: 20 Resort: 10	Hilton Hotel Embassy Suites Los Abrigados Resort Holiday Inn	El Paso, TX Tucson, AZ Milwaukee, WI Sedona, AZ Casa Grande, AZ
Parke Hotel Management Corp. 4645 Executive Dr. Columbus, OH 43229	John Morton Pres. 614-442-7788	Properties: 6 Rooms: 1,200 Tier: 1st	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 30 Resort: 10	Ramada North Parke Hotel Parke University Ramada South Parke Hotel	Columbus, OH Columbus, OH Columbus, OH Indianapolis, IN Canton, OH
Partnership Management Corp. 4033 Maple Rd. Amherst, NY 14226	Terrence P. Cain Pres. 716-835-4901	Properties: 5 Rooms: 650 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 33 Econ.: 66	Comm.: 50 Conv.: 0 Resort: 50	Thousand Islands Resort Days Inn-Berkshires Salmon River Days Inn Hotel Lenox Days Inn Riverfront Center	Alexandria Bay, NY North Adams, MA Pulaski, NY Buffalo, NY Elmira, NY
Pearson Enterprises Management Corp. 660 SW Temple Salt Lake City, UT 84101	Rikard Pearson Pres. 801-532-1010	Properties: 3 Rooms: 700 Tier: 2d	1. MW 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 60 Conv.: 40 Resort: 0	Ogden Hotel Best Western Parklane	Ogden, UT Midland, TX Salt Lake City, UT
Pickett Hotel Co. 655 Metro Place S. Dublin, OH 43017	John Darst VP 614-889-6500	Properties: 12 Rooms: 1,952 Tier: 1st	1. SE 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 71 Conv.: 0 Resort: 29	Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel	Atlanta, GA Orlando, FL Columbus, OH Indianapolis, IN Nashville, TN
Ploss Hotels Corp. 836 N. Highland Ave. Orlando, FL 32803	Peter Ploss Pres. 407-582-2800	Properties: 3 Rooms: 1,100 Tier: 2d	1. SE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 33 Conv.: 33 Resort: 33	Stanford Inn Iena Inn Ocean Grand	Atlanta, GA Chapel Hill, NC Palm Beach, FL
Pratt Hotel Corp. Indiana Ave. Brighton Pk. Atlantic City, NJ 8401	William P. Weidner Pres. 609-441-4345	Properties: 9 Rooms: 3,500 Tier: 2d	1. US 2. 3.	Lux.: 60 Mid.: 30 Econ.: 10	Comm.: 25 Conv.: 25 Resort: 50	Sands Hotel & Casino Sands Hotel & Casino Ramada Resort Crown Plaza Holiday Inn DFW North	San Juan, PR Atlantic City, NJ Orlando, FL Dallas, TX Dallas, TX
Premier Hospitality 100 W. Michigan Ave. Kalamazoo, MI 49007	Scott Carter Pres. 616-381-2130	Properties: 11 Rooms: 2,000 Tier: 2d	1. US 2. 3.	Lux.: 30 Mid.: 50 Econ.: 20	Comm.: 60 Conv.: 15 Resort: 35	Kalamazoo Hilton Inn Econolodge Airport Comfort Inn Airport Best Western Quality Inn	Kalamazoo, MI Detroit, MI Detroit, MI Lansing, MI Lincoln Park, MI
Premier Hotel Corp. 75 Arlington St., Coolidge Bank Boston, MA 02116	Jed C. Heller Pres. 617-426-3605	Properties: 2 Rooms: 277 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: Conv.: Resort:	Ramada Inn Best Western	Rome, GA Clarksville, TN

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties					
				Lux.:	Mid.:	Econ.:	Comm.:	Conv.:	Resort:			
Prime Motor Inns, Inc. 700 Rte. 46 E. Fairfield, NJ 07007	David A. Simon Pres. 201-882-1010	Properties: 130 Rooms: 18,300 Tier: 2d	1. NE 2. W 3. FL	5	90	5	70	10	5	Sheraton Hilton Inn Howard Johnson Ramada Marriott	Fairfield, NJ Elizabeth, NJ Culver City, CA Clifton, NJ Baltimore, MD	
Profit Funds Enterprises 790 NY Ave. Huntington, NY 11743	Frank A. Spina CEO 516-293-3666	Properties: 4 Rooms: 653 Tier: 2d	1. MW 2. SE 3. NE	50	50	0	50	20	30	Best Western Best Western Days Inn Ramada Inn	Birmingham, AL Savannah, GA St. Louis, MO Binghamton, NY	
Prom Motor Hotel, Inc. 3928 Rainbow Blvd. Kansas City, KS 66103	C. Phillip Griffin Pres. 913-432-8831	Properties: 8 Rooms: 683 Tier: 2d	1. KS 2. MW 3.	30	70	0	60	40	0	Rodeway Inn Best Western Hallmark Inn Best Western Hallmark Inn Best Western Hallmark Inn Best Western Hallmark Inn	Overland Park, KS Joplin, MO Olathe, KS Lawrence, KS Kansas City, MO	
Radelow/Gittins Property Management Corp. 1927 5th Ave. San Diego, CA 92101	Larry Gittins Pres. 619-231-2727	Properties: 19 Rooms: 1,100 Tier: 2d	1. CA 2. 3.	21	63	16	20	15	65	Sanderling Place Inn Stratford Inn Pacific Terrace Empress Hotel Sands Hotel	Encinitas, CA Del Mar, CA Pacific Beach, CA La Jolla, CA Clairmont, CA	
Radisson Hotel Corp. Carlson Parkway, PO Box 59159 Minneapolis, MN 55459-8204	Peter Blyth Exec. VP Dev. 612-540-8185	Properties: 54 Rooms: 13,769 Tier: 1st	1. US 2. 3.	86	14	0	79	14	7	Radisson Inn Maingate Radisson Plaza Hotel Radisson Mark Plaza Hotel Radisson Suite Hotel Radisson Hotel South	Kissimmee, FL Southfield, MI Alexandria, VA New Orleans, LA Minneapolis, MN	
Ramada Inns, Inc. 3838 E. Van Buren Phoenix, AZ 85008	Robert Wilson Dir. Franchising 602-273-4600	Properties: 67 Rooms: 19,144 Tier: 1st	1. US 2. INT'L 3.	43	57	0	40	35	25	Ramada Hotel Ramada Renaissance Ramada Inn Ramada Resort Hotel Ramada Renaissance	Beverly Hills, CA Springfield, IL Detroit, MI Karins, AUS Vancouver, CAN	
Raphael Hotel Group 401 Ward Pkwy. Kansas City, MO 64112	Phillip Pistilli Pres. 816-421-6100	Properties: 4 Rooms: 1,000 Tier: 1st	1. US 2. 3.	100	0	0	50	25	25	Raphael Hotel Raphael Hotel Raphael Hotel Alice Plaza Hotel	San Francisco, CA Chicago, IL Kansas City, MO Kansas City, MO	
Registry Corp. 16250 Dallas Pkwy. Dallas, TX 75248	Jerry R. Thoele Exec. VP 214-248-4300	Properties: 16 Rooms: 5,550 Tier:	1. US 2. 3.	75	25	0	30	40	30	The Registry Hotel The Registry Hotel The Registry Hotel The Registry Hotel	Charlotte, NC Los Angeles, CA Minneapolis, MN Scottsdale, AZ Naples, FL	
Resort Management & Marketing PO Box 9486 Panama City, FL 32407	Pedro Mandoki 904-785-0339	Properties: 4 Rooms: 645 Tier: 2d	1. SE 2. 3.	0	100	0	10	15	75	Comfort Inn Gulf Shores Plantation Royal Gulf Beach The Resort Conf. Ctr.	Panama City, FL Gulf Shores, AL Gulf Shores, AL Gulf Shores, AL	

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Revel Co. 101 W. Ohio St. Indianapolis, IN 46204	Ken Schraudner Property Mgr. 317-684-3333	Properties: 2 Rooms: 391 Tier: 2d	1. IN 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 50 Conv.: 50 Resort: 0	American Inn North Econo Lodge Indianapolis, IN Indianapolis, IN	
Rosewood Hotels, Inc. 500 Crescent Ct. Dallas, TX 75201	Atef Mankarios Pres. 214-871-5400	Properties: 4 Rooms: 450 Tier:	1. SW 2. W 3. HI	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Hotel Hana-Maui Hotel Bel Air Hotel Crescent The Mansion on Turtle Maui, HI Los Angeles, CA Dallas, TX Dallas, TX	
Safari Management Co. 200 Front St., PO Box 261 Natchitoches, LA 71458	Sam Friedman Pres. 318-357-0232	Properties: 10 Rooms: 2,000 Tier: 2d	1. SW 2. LA 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	Holiday Inn Holiday Inn Northwest Holiday Inn North Holiday Inn Holiday Inn Civic Ctr. Boulder, CO San Antonio, TX Dallas, TX Morgan City, LA Monroe, LA	
Sage Hotels & Lodges 1260 Boylston St. Boston, MA 02215	Robert Sage Pres. 617-262-1745	Properties: 12 Rooms: 1,687 Tier: 2d	1. NE 2. Can 3. Int'l	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 25 Conv.: 25 Resort: 50	Howard Johnson Lodge Howard Johnson Hotel Howard Johnson Hotel Howard Johnson Hotel Howard Johnson Hotel Waterville, ME Boston, MA Cambridge, MA St. John, CAN Oakville, CAN	
Sam S. Schahet & Co. 9333 N. Meridian St. Indianapolis, IN 46260	Gary N. Schahet Pres. 317-848-9000	Properties: 7 Rooms: 1,094 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 65 Econ.: 35	Comm.: 55 Conv.: 20 Resort: 25	Holiday Inn Holiday Inn Holiday Inn Holiday Inn Holidayome Hampton Inn E. Schenectady, NY Riverside, CA Oshkosh, WI Holyoke, MA Indianapolis, IN	
Santa Fe Management Group 2247 San Diego Ave. San Diego, CA 92110	Jack Giacomini Pres. 619-260-0811	Properties: 8 Rooms: 1,189 Tier: 2d	1. SW 2. Mex 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Residence Inn All Season's Inn All Season's Inn All Season's Inn All Season's Inn Sacramento, CA Vallejo, CA Antioch, CA Modesto, CA Chula Vista, CA	
Sara Hotel Management Corp. 5955 T.G. Lee Blvd. Orlando, FL 32822	Hans Bremstrom Pres. 407-240-5050	Properties: 40 Rooms: Tier: 2d	1. Int'l 2. 3.	Lux.: 33 Mid.: 66 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Royal Concordia Park Suite Golden Flower Hotel Reisen Gothia New York, NY Orlando, FL Xian, CHINA Stockholm, SWEDEN Gothenberg, SWEDEN	
Saunders Hotels Co., Inc. 64 Arlington St. Boston, MA 02117	Peter Van Kleeck Pres. 617-426-2000	Properties: 4 Rooms: 1,400 Tier: 2d	1. NE 2. 3.	Lux.: 0 Mid.: 90 Econ.: 10	Comm.: 60 Conv.: 20 Resort: 20	The Boston Park Plaza The Lenox Hotel The Copley Square Econo Lodge Boston, MA Boston, MA Boston, MA Windsor Locks, CT	
Savoy Resorts & Management Services 301 Commerce St. Fort Worth, TX 76102	Michael Proffitt Pres. 817-877-1744	Properties: 4 Rooms: 908 Tier: 2d	1. Carib 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 5 Resort: 95	Eden II Club American The Royal Antigua Resort Winding Bay Ocho Rios, JAMAICA Ocho Rios, JAMAICA St. Johns, ANTIGUA Eleuthera, BAHAMAS	

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Select Hotel Management Corp. 301 E. Liberty Ann Arbor, MI 48104	William Gudenu Pres. 313-663-1900	Properties: 9 Rooms: 1,332 Tier: 2d	1. MI 2. 3.	Lux.: 0 Mid.: 66 Econ.: 34	Comm.: 90 Conv.: 0 Resort: 10	Hampton Inn Holiday Inn West Holiday Inn East Holiday Inn Hampton Inn South Royce Hotel Troy Hilton Albany Hilton Royce La Guardia Airport Holiday Inn	
Servico Management Corp. 1601 Belvedere Rd. W. Palm Beach, FL 33406	Howard Feiertag Sen. VP 407-689-9970	Properties: 54 Rooms: 12,500 Tier: 2d	1. US 2. 3.	Lux.: 5 Mid.: 95 Econ.: 0	Comm.: 60 Conv.: 25 Resort: 15	W. Palm Beach, CA Troy, MI Albany, NY New York, NY Hilton Head, SC	
Shell Hospitality Group 40 Skokie Blvd. Northbrook, IL 60062	Steve Hicks Pres. 312-564-4600	Properties: 3 Rooms: 807 Tier: 2d	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50		
Sheraton Corp. 60 State St. Boston, MA 02109	William Scullion Exec. VP 617-367-3600	Properties: 151 Rooms: 61,000 Tier:	1. Int'l 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Baltimore, MD Nashville, TN Philadelphia, PA Stamford, CT Los Angeles, CA	
Shilo Inns 11600 SW Barnes Portland, OR 97225	Rodger Forni 503-641-6565	Properties: 40 Rooms: 3,870 Tier: 1st	1. W 2. MW 3.	Lux.: 27 Mid.: 43 Econ.: 30	Comm.: 40 Conv.: 20 Resort: 40	Salt Lake City, UT Diamond Bar/Pamona, CA Palm Springs, CA Seaside, CA Boise, ID	
Signet Hotel Corp. 15851 Dallas Pkwy. Dallas, TX 75248	William Balsiger Pres. 214-450-5800	Properties: 10 Rooms: 2,000 Tier: 2d	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	St. Louis, MO Washington, DC San Diego, CA Breckenridge, CO Galveston, TX	
Sonesta International Hotels Corp. 200 Clarendon St. Boston, MA 02116	Paul J. Sonnabend VP/Gen. Counsel 617-421-5400	Properties: 6 Rooms: 1,963 Tier: 1st	1. US 2. Carib 3. Int'l	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 25 Conv.: 0 Resort: 75	Key Biscayne, FL Orlando, FL Bermuda Aruba Sonestas Hotel, Cairo, EGYPT	
Southeastern Associates 223 Riverview Dr. Danville, VA 24541	Ed Coleman Pres. 804-791-8200	Properties: 10 Rooms: 1,200 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 70 Econ.: 30	Comm.: 60 Conv.: 10 Resort: 40	Danville, VA Henderson, NC Lexington, VA Columbus, MS Richmond, VA	
Southern Host Hotels 3260 Pointe Pkwy. Norcross, GA 30092	W. Kirk Smith Pres. 404-448-0001	Properties: 11 Rooms: 2,000 Tier: 2d	1. S 2. SE 3. MW	Lux.: 20 Mid.: 60 Econ.: 20	Comm.: 60 Conv.: 20 Resort: 20	Myrtle Beach, SC Dayton, OH Suwanee, GA Savannah, GA Savannah, GA	

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties								
				Lux.:	Mid.:	Econ.:	Comm.:	Conv.:	Resort:						
Sovereign Hotels 5 Lakeside Office Wakefield, MA 01880	Henry Tawil VP Operations 617-246-2525	Properties: 8 Rooms: 1,060 Tier: 2d	1. NE 2. NY 3.	0	100	0	65	10	25	Ramada Inn Ramada Inn Ramada Inn Ramada Inn Ramada Inn	Albany, NY Keene, NH Chicopee, MA East Windsor, CT Mystic, CT				
Spectrum Hotels, Inc. 303 E. 17th Ave. Denver, CO 80203	Irving Ash Pres. 303-831-6060	Properties: 5 Rooms: 1,278 Tier: 2d	1. MW 2. UT 3. NV	0	82	18	40	60	0	Radisson Denver Super 8 Radisson Country Inn Radisson Country Inn Super 8	Denver, CO Provo, UT Fort Knox, KY St. Charles, MO St. George, UT				
Spruce Development Co. 100 W. Long Lake Rd. Bloomfield, MI 48013	Paul Nine Pres. 313-644-5631	Properties: 1 Rooms: 750 Tier: 2d	1. US 2. 3.	100	0	0	0	65	35	Grand Traverse Resort	Traverse City, MI				
Stafford Hotels & Management PO Box 229 Hebron, IN 46341	Hansjoerg H. Ende Sen. VP 219-996-6027	Properties: 3 Rooms: 465 Tier: 2d	1. US 2. MW 3.	0	70	30	80	20	0	Stafford Emory Inn Ramada Inn Stafford Inn	Atlanta, GA Lansing, MI Jackson, MI				
Stephen Brenner Associates 420 Lexington Ave. New York, NY 10170	Frank Lively VP 212-689-6800	Properties: 5 Rooms: 1,000 Tier: 2d	1. US 2. 3.	80	20	0	80	0	20	Lafayette Hilton Driskill Hotel Riverview Inn Santa Barbara Inn Hilton Inn	Lafayette, LA Austin, TX Toledo, OH Santa Barbara, CA Colorado Springs, CO				
Sterling Group, Inc. 25 Century Blvd. Nashville, TN 37214	John Calloway Pres. 615-885-2220	Properties: 14 Rooms: 2,000 Tier: 2d	1. SE 2. 3.	25	25	50	50	0	50	Amerisuite Amerisuite Travelodge Amerisuite Days Inn	Nashville, TN Birmingham, AL Orlando, FL Memphis, TN Williamsburg, VA				
Stouffer Hotels & Resorts 29800 Bainbridge Rd. Solon, OH 44139	William N. Hulett Pres. 216-248-3600	Properties: 32 Rooms: 13,061 Tier: 1st	1. US 2. Carib 3. Can	100	0	0	60	0	40	Stouffer Grand Beach Stouffer Concourse Hotel Stouffer Harbour The Mayflower, Stouffer Stouffer Wailea Beach	St. Thomas, VI Los Angeles, CA Baltimore, MD Washington, DC Maui, HI				
Suitemark, Inc. 313 E. Anderson Austin, TX 78752	Mark Harris Pres. 512-451-5743	Properties: 7 Rooms: 1,120 Tier: 1st	1. TX 2. 3.	0	100	0	80	5	15	Amerisuites Hotel Amerisuites Hotel Amerisuites Hotel Amerisuites Hotel Amerisuites Hotel	Amarillo, TX El Paso, TX Irving, TX San Antonio, TX San Antonio, TX				
Summit Hotel Management 325 5th Ave. Melbourne, FL 32903	Larry Koonin Chmn. of the Bd. 407-725-7500	Properties: 49 Rooms: 7,200 Tier: 2d	1. US 2. 3.	10	70	20	60	20	20	Sheraton Charleston Sheraton Savannah Inn Cocoa Beach Hotel Holiday Inn Phoenix Airport Holiday Inn Lauderdale	Charleston, SC Savannah, GA Cocoa Beach, FL Phoenix, AZ Ft. Lauderdale, FL				

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties
				Lux.:	Mid.:	Econ.:	
Swissotel 440 Park Ave. New York, NY 10022	Jaques Hamburger VP 212-421-0900	Properties: 14 Rooms: 4,170 Tier: 2d	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 30 Conv.: 10 Resort: 60	Drake Hotel Montreux Palace Swiss Grand Hotel Ascot Hotel Swiss Grand Hotel New York, NY Montreux, SWITZERLAND Seoul, S. KOREA Amsterdam, HOLLAND Chicago, IL	
Taj International Hotels 13-15 16th St. NW Washington, DC 20036	Leo Fernandes VP 202-462-7104	Properties: 5 Rooms: 670 Tier: 2d	1. SE 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 85 Conv.: 15 Resort: 0	Canterbury Hotel The Hampshire Hotel Georgetown Marbe Ramada Inn Central Quality Hotel Downtown Washington, DC Washington, DC Washington, DC Washington, DC Washington, DC	
Tarbuton Associates, Inc. 1072 Laskin Rd. Virginia Beach, VA 23451	Kenton T. Tarbut Exec. VP 804-422-2020	Properties: 4 Rooms: 216 Tier: 2d	1. NE 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75	Comm.: 70 Conv.: 0 Resort: 30	Econo Lodge Econo Lodge Econo Lodge Seashore Inn Norfolk, VA Richmond Hill, GA Easton, MD Virginia Beach, VA	
Travco 2160 Country Club Winston-Salem, NC 27104	Frank J. Schilagi Pres. 919-724-5521	Properties: 14 Rooms: 2,760 Tier: 2d	1. SE 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0	Comm.: 65 Conv.: 15 Resort: 20	Holiday Inn North Holiday Inn Airport Holiday Inn Wood Hampton Inn Executive Holiday Inn Winston-Salem, NC Greensboro, NC Charlotte, NC Charlotte, NC Wyehtville, VA	
Treadway Inns Corp. 50 Kenney Pl. Saddle Brook, NJ 07410	Jonathan Denn Pres. 201-845-6200	Properties: 1 Rooms: 70 Tier:	1. E 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20		
Tri Mark Hospitality 4425 W. Airport Freeway Irving, TX 75062	Robert L. Brock Pres. 214-258-6368	Properties: 10 Rooms: 1,500 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20	Comm.: 35 Conv.: 30 Resort: 35	Hilton Hotel Pallais Suites Grand Continental Park Inn International Park Inn International Bradenton, FL Dallas, TX Alexandria, LA Oklahoma City, OK Benton, AR Bradenton, FL	
Trigild Corporation 12760 High Buff Dr. San Diego, CA 92130	William J. Hoffman Pres. 619-481-6767	Properties: 6 Rooms: 473 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 40 Econ.: 40	Comm.: 50 Conv.: 0 Resort: 50	Colonial Inn Overland Junction Colony Inn Best Inns Archbishops Mansion La Jolla, CA Barstow, CA Redding, CA Reno, NV San Francisco, CA	
Trusthouse Forte Hotels, Inc. 1973 Friendship Dr. El Cajon, CA 92020	Christopher Cullen Mktg. Comm. 619-448-1884	Properties: 5 Rooms: 1,242 Tier: 1st	1. US 2. Can 3.	Lux.: 60 Mid.: 40 Econ.: 06	Comm.: 40 Conv.: 30 Resort: 30	Toronto Travelodge Manhattan Viscount Hotel The Park Travelodge Sports Arena Travelodge King Edward Exclusive Toronto, CAN New York, NY Anaheim, CA San Diego, CA Toronto, CAN	
Turnpike Properties 200 Brookstown Ave. Winston-Salem, NC 27101	J. Wayne Roquemore Pres. Hotel Div. 919-722-2262	Properties: 19 Rooms: 2,400 Tier: 2d	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 50 Conv.: 10 Resort: 40	Cricket Inn Cricket Inn Cricket Inn Cricket Lodge Ramada Inn Richmond, VA Virginia Beach, VA Wilmington, NC Thomasville, NC Winston-Salem, NC	

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price	Representative Managed Properties
TW Recreational Services N. LaSalle St. Chicago, IL 60601	Richard C. Carlson Pres. 312-701-2275	Properties: 15 Rooms: 3,900 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 0 Conv.: 20 Resort: 80	Yellowstone National Park, WY Bryce Canyon Park, UT Saratoga Springs, NY Mount Sterling, OH Everglades, FL Old Faithful Inn Bryce Canyon Lodge Gideon Putnam Hotel Deer Creek Lodge Flamingo Lodge
United Inns, Inc. 5100 Poplar Ave. Memphis, TN 38137	Don Cockroft Pres. 901-767-2881	Properties: 34 Rooms: 8,841 Tier: 2d	1. SE 2. SW 3.	Lux.: 0 Mid.: 91 Econ.: 9 Comm.: 88 Conv.: 6 Resort: 6	Dallas, TX Atlanta, GA Houston, TX Richardson Holiday Inn Holiday Inn Holiday Inn Richardson Hilton & Towers Holiday Inn Jackson Downtown Jackson, MI
US Hotel Properties 6320 Canoga Ave. Woodland Hills, CA 91367	Wallace G. Smith Pres. 213-826-6252	Properties: 5 Rooms: 1,500 Tier: 2d	1. W 2. 3.	Lux.: 30 Mid.: 60 Econ.: 10 Comm.: 70 Conv.: 20 Resort: 30	Miami, FL Palm Bay Hotel Park Place Suite Hotel Radisson Plaza Hotel Warner Center Hilton Holiday Inn Sports Complex
Victor Management Co. 11832 Rock Landing Newport News, VA 23606	George H. Ritko Dir. Dev. 804-873-1000	Properties: 32 Rooms: 5,467 Tier: 2d	1. E 2. 3.	Lux.: 9 Mid.: 63 Econ.: 28 Comm.: 50 Conv.: 30 Resort: 20	Hampton, VA Nags Head, NC Williamsburg, VA Huntington, WV Port Smith, VA
Village Property Management PO Box 5550 Snowmass, CO 81615	William Burwell Pres. 800-525-9402	Properties: 3 Rooms: 170 Tier: 2d	1. CO 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Silvertree Hotel Woodbridge Condominiums Aspen Mine Co.
Vista Host 1900 York Town Houston, TX 77056	Michael V. Harrel Pres. 713-871-0106	Properties: 20 Rooms: 4,000 Tier: 2d	1. SE 2. US 3.	Lux.: 15 Mid.: 70 Econ.: 15 Comm.: 90 Conv.: 10 Resort: 0	Hilton Hilton Holiday Inn Hampton Inn Baltimore Howard Johnson
WDT Associates, Inc. PO Box 94376 Las Vegas, NV 89193-4376	Timothy M. Dougall Pres. 702-739-1500	Properties: 1 Rooms: 310 Tier: 2d	1. NV 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Reno Radisson Reno, NV
WEBB Hotels & Resorts, Inc. Lexington Financial Center Lexington, KY 40507	Steve Micks Sen. VP Operations 606-281-0000	Properties: 12 Rooms: 1,559 Tier: 2d	1. SW 2. MW 3.	Lux.: 20 Mid.: 30 Econ.: 50 Comm.: 58 Conv.: 25 Resort: 17	Comfort Inn Jamestown Resort & Marina Radisson Hotel Hilton Suites Days Inn
Westbrook Hospitality Corp. 2901 W. Airport Freeway Irving, TX 75062	Peter Girard Exec. VP 214-258-0900	Properties: 38 Rooms: 6,200 Tier: 2d	1. US 2. 3.	Lux.: 20 Mid.: 70 Econ.: 10 Comm.: 73 Conv.: 12 Resort: 15	Dallas, TX Bangor, ME Battle Creek, MI Schaumburg, IL High Point, NC

DIRECTORY OF HOTEL MANAGEMENT COMPANIES

Company Name and Address	Contact	Current Management	Primary Location	Types of Hotels (percent) By Price			Representative Managed Properties		
				Lux.:	Mid.:	Econ.:	Lux.:	Mid.:	Econ.:
Westin Hotels & Resorts Westin Bldg, 2001 6th Ave. Seattle, WA 98121	Brian McInnis Dev. Division 206-443-8977	Properties: 65 Rooms: 34,000 Tier: 1st	1. Int'l 2. US 3. Mex	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 16 Resort: 24	The Westin Hotel The Westin St. Francis Century Plaza The Westin Kauai The Westin Stamford	Washington, DC San Francisco, CA Los Angeles, CA Kauai, HI SINGAPORE		
Westmark Hotels 880 H St. Anchorage, AK 99501	Al Parrish Pres. 907-274-6631	Properties: 18 Rooms: 2,295 Tier: 1st	1. AK 2. 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 40 Conv.: 6 Resort: 54	Westmark Anchorage Westmark Fairbanks The Baranof Westmark Inn Beaver Creek Westmark Kodiak	Anchorage, AK Fairbanks, AK Juno, AK Beaver Creek, CAN Kodiak, AK		
Wilson Hotel Management Co. 1629 Winchester Rd. Memphis, TN 38116	Paul K. McClure VP Fin. 901-346-8803	Properties: 23 Rooms: 3,800 Tier: 1st	1. SE 2. 3.	Lux.: 0 Mid.: 70 Econ.: 30	Comm.: 60 Conv.: 10 Resort: 30	Wilson World Hotel Holiday Inn Airport Holiday Inn I-10 Wilson World Hotel Wilson World Hotel	Kissimmee, FL Birmingham, AL Mobile, AL Memphis, TN Morgantown, PA		
Windham Company 627 E. Government St. Pensacola, FL 32573	Lajuan B. Redman Exec. VP 904-433-4693	Properties: 11 Rooms: 1,125 Tier: 2d	1. SE 2. 3.	Lux.: 55 Mid.: 0 Econ.: 45	Comm.: 0 Conv.: 0 Resort: 0	Econo Lodge Pensacola Hilton Royal d'Iberville Econo Lodge Gulf Hills Resort	Bowling Green, KY Pensacola, FL Biloxi, MS Hardeeville, SC Ocean Springs, MS		
Wright Investment Properties, Inc. 1908 Exeter Rd. #1 Germantown, TN 38138	Larry Wright Pres. 901-755-9501	Properties: 5 Rooms: 774 Tier: 2d	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 50 Conv.: 30 Resort: 20	Holiday Inn Days Inn Sheraton Airport Days Inn Sheraton	Baytown, TX Biloxi, MS Memphis, TN Norman, OK Norman, OK		
Wyndham Hotels & Resorts 3200 Trammell Crow Center 2001 Ross Dallas, TX 75201	William Russo VP Mktg. 214-978-4500	Properties: 21 Rooms: 6,935 Tier: 1st	1. US 2. Jam 3. Bah	Lux.: 82 Mid.: 18 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Wyndham Paradise Valley Wyndham Palm Springs Wyndham Franklin Wyndham Greenpoint Wyndham Las Colinas	Scottsdale, AZ Palm Springs, CA Philadelphia, PA Houston, TX Dallas, TX		
York Hannover Hotels, Ltd. 5090 Explorer Dr. Mississauga, Ont. CANADA L4W 4J6	A. Douglas Birrell Dir. Operations 416-238-3199	Properties: 7 Rooms: 2,986 Tier:	1. Can 2. Int'l 3.	Lux.: 25 Mid.: 70 Econ.: 5	Comm.: 40 Conv.: 30 Resort: 30	Skyline Airport Tower Skyline Triumph Maple Leaf Villa Skyline Hotel Skyline Plaza Hotel	Toronto, CAN Toronto, CAN Niagara Falls, CAN Ottawa, CAN Calgary, CAN		

DIRECTORY OF HOTEL FRANCHISE COMPANIES

Company Name and Address	Contact	Currently Held Franchises	Primary Location	Types of Hotels (percent)		
				By Price	By Market	
ADMIRAL BEMBOW INNS Admiral Benbow Inns of America 2160 Kingston Ct. Marietta, GA 30067	T.J. Hurt Pres. 404-952-9145	Properties: 15 Rooms: 1,400	1. SE 2. US 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25	
ARBORGATE INN Cardinal Industries 2255 Kimberley Pkwy. E. Columbus, OH 43232	Tom Lounds Dir. Franchise Admin. 614-755-7908	Properties: 11 Rooms: 900	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 60 Conv.: 0 Resort: 40	
BEST INNS OF AMERICA America's Best Inns P.O. Box 1719 Marion, IL 62959-7719	Lynn Brewer Franchise Dev. 618-997-5454	Properties: 10 Rooms: 1,107	1. MW 2. W 3.	Lux.: 0 Mid.: 10 Econ.: 90	Comm.: 80 Conv.: 5 Resort: 15	
BEST WESTERN INNS Best Western International 6201 N. 24th Pkwy. Phoenix, AZ 85016-2023	Laurie Phearson Publicity Coord. 602-957-4200	Properties: 3,303 Rooms: 256,272	1. Int'l 2. 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 43 Conv.: 0 Resort: 57	
BUDGET HOST Budget Host Inns 2601 Jacksboro Highway-Caravan Ft. Worth, TX 76114	Ray Sawyer Pres. 817-626-7064	Properties: 218 Rooms: 8,700	1. US 2. Can 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 60 Conv.: 0 Resort: 40	
BUDGETEL Marcus Hotel Corp. 212 W. Wisconsin Ave. Milwaukee, WI 53203	Thad Gruchot VP Franchise & Dev. 414-272-6020	Properties: 12 Rooms: 1,237	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 60 Conv.: 0 Resort: 40	
CLARION HOTELS AND RESORTS Quality International 10750 Columbia Pike Silver Spring, MD 20901	Frederick W. Mosser Sen. VP Franchise Dev. 301-236-5080	Properties: 54 Rooms: 12,077	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	
COMFORT INNS Quality International 10750 Columbia Pike Silver Spring, MD 20901	Frederick W. Mosser Sen. VP Franchise Dev. 301-216-5080	Properties: 659 Rooms: 59,171	1. Int'l 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 0 Conv.: 0 Resort: 0	
COMFORT SUITES Quality International 10750 Columbia Pike Silver Spring, MD 20901	Frederick W. Mosser Sen. VP Franchise Dev. 301-236-5080	Properties: 30 Rooms: 3,793	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	
COMPRI HOTEL Doubletree Hotel Corp. 410 N. 44th St. Phoenix, AZ 85016	Kevin Holt VP Dev. 602-220-6783	Properties: 30 Rooms: 5,800	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 90 Conv.: 0 Resort: 10	

Company Name and Address	Contact	Currently Held Franchises	Primary Location	Types of Hotels (percent)		
				By Price	By Market	
COUNTRY HOSPITALITY Country Hospitality Inns 7800 Metro Pkwy. Minneapolis, MN 55425	Gary Carlson Dir. Franchise Dev. 612-854-3587	Properties: 10 Rooms: 1,053	1. US 2. CAN 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 60 Conv.: 0 Resort: 40	
CRESTHIL BY HILTON Hilton Hotels Corp. 9336 Civic Center Dr. Beverly, CA 90209	Hugh Densmore Dir. Franchise Operation 213-278-4321	Properties: 1 Rooms: 156	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	
CRICKET INNS Turnpike Properties, Inc. 200 Brookstown Ave. Winston-Salem, NC 27101	Wayne Rockmore Pres. Hotel Div. 919-722-2262	Properties: 3 Rooms: 300	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 100 Conv.: 0 Resort: 0	
DAYS INN Days Inn of America Franchising, Inc. 2751 Buford Hwy, N. Atlanta, GA 30324	Greg Casserly VP Franchise Sales & Dev. 404-728-4118	Properties: 853 Rooms: 112,713	1. US 2. Can 3.	Lux.: 0 Mid.: 80 Econ.: 20	Comm.: 55 Conv.: 0 Resort: 45	
DOWNTOWNER INNS Downtown/Passport International 454 Moss Trail Goodlettsville, TN 37072	Craig Ellis PR Consultant 800-238-6161	Properties: 14 Rooms: 1,600	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	
ECONOLOGGE Econolodges of America 6135 Park Rd. Charlotte, NC 28210	Jeff Williams Sen. VP Franchising 704-554-0088	Properties: 526 Rooms: 42,443	1. SE 2. US 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 35 Conv.: 0 Resort: 65	
EMBASSY SUITES Embassy Suites, Inc. 222 Las Colinas Blvd. Irving, TX 75039	Stephen Bollenbach VP 214-556-1133	Properties: 32 Rooms: 7,250	1. US 2. 3.	Lux.: 65 Mid.: 10 Econ.: 15	Comm.: 0 Conv.: 0 Resort: 0	
FRIENDSHIP INN Friendship Inns International, Inc. 2627 Paterson Plank Rd. North Bergen, NJ 07047	Michael O'Neill VP 201-863-3443	Properties: 120 Rooms: 7,500	1. US 2. Can 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 60 Conv.: 0 Resort: 40	
HAMPTON INNS Hampton Inn Hotel Division 6799 Great Oaks Rd. Memphis, TN 38138	Raymond Schultz Pres. & CEO 901-756-2811	Properties: 190 Rooms: 31,000	1. US 2. MW 3. Ectr	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 60 Conv.: 0 Resort: 40	
HAWTHORN SUITES HOTEL Hawthorn Suites Associates 131 State St. Boston, MA 02109	Joseph A. McInerney Pres. 617-367-5880	Properties: 9 Rooms: 1,140	1. SW 2. MW 3. SE	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 90 Conv.: 0 Resort: 10	

DIRECTORY OF HOTEL FRANCHISE COMPANIES

Company Name and Address	Contact	Currently Held Franchises	Primary Location	Types of Hotels (percent) By Market		
				By Price	By Market	By Market
HILTON INNS Hilton Hotels Corp. 9336 Civic Center Dr. Beverly Hills, CA 90209	Hugh Densmore Dir. Franchise Operation 213-278-4321	Properties: 219 Rooms: 53,430	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 48 Conv.: 27 Resort: 25	
HOLIDAY INNS Holiday Inns, Inc. 3796 Lamar Ave. Memphis, TN 38195	Les Willingham Sen. VP 901-362-4001	Properties: 1,420 Rooms: 265,598	1. US 2. Int'l 3.	Lux.: 10 Mid.: 90 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 20	
INNSUITES Innsuites International 7204 N. 16th St. Phoenix, AZ 85020	Gery Bacon Franchise Coord. 602-944-1500	Properties: 3 Rooms: 220	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 45 Conv.: 5 Resort: 50	
INTER-CONTINENTAL Inter-Continental Hotels Corp. 100 Paragon Dr. Montvale, NJ 07645	Emment J. Gossen, Jr. Exec. VP Dev. & Operations 201-307-3300	Properties: 18 Rooms: 9,200	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	
LA CORTE INNS La Corte Inns, Inc. 10340 Viking Dr. Eden Prairie, MN 55344	Bob Powers VP/Dir. of Franchising 612-944-8770	Properties: 20 Rooms: 0	1. MW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 70 Conv.: 0 Resort: 30	
LEE'S INNS Lee's Inns of America, Inc. 130 N. State St. North Vernon, IN 47265	H.E. Marsolais VP Sys. Dev. 812-346-5072	Properties: 13 Rooms: 1,100	1. NE 2. RB 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 35	
MARRIOTT Marriott Hotel Corp. 1 Marriott Pl. Washington, DC 20058	Robert Parsons 301-897-1589	Properties: 53 Rooms: 17,579	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	
MASTER HOSTS INNS Hospitality International 1152 Spring St. Atlanta, GA 30309	Jim Bloodworth Dir. of Franchising 404-873-5924	Properties: 31 Rooms: 3,016	1. SE 2. NE 3. SW	Lux.: 90 Mid.: 10 Econ.: 0	Comm.: 20 Conv.: 20 Resort: 60	
MICROTEL Microtel One Airport Way Rochester, NY 14624	Loren Anisley Pres. 716-436-6000	Properties: 10 Rooms: 1,000	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 75 Conv.: 0 Resort: 25	
NATIONAL NINE INNS National Nine Inns 9010 Soquel Dr. Aptos, CA 95003	Rod Jensen Pres. 801-374-6800	Properties: 97 Rooms: 5,000	1. US 2. W 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 40 Conv.: 0 Resort: 60	

Company Name and Address	Contact	Currently Held Franchises	Primary Location	Types of Hotels (percent)		
				By Price	By Market	By Market
NENEELS INNS & VALUE INNS Nendels Corp. 520 Pike Tower 12th floor Seattle, WA 98101	John Matlick Exec. VP of Franchising 206-623-4832	Properties: 45 Rooms: 4,600	1. W 2. 3.	Lux.: 0 Mid.: 70 Econ.: 30	Comm.: 45 Conv.: 2 Resort: 53	
OMNI HOTELS Omni Hotels Corp. 515 Madison Ave. New York, NY 10022	Roger S. Cline VP Dev. 212-308-4700	Properties: 16 Rooms: 4,490	1. US 2. Mex 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	
PARK INNS INTERNATIONAL Park Inns International, Inc. 4425 W. Airport Freeway Irving, TX 75062	Cyndee Brock Sen. VP 214-258-1919	Properties: 70 Rooms: 12,000	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	
PASSPORT INNS Downtown/Passport International 454 Moss Trail Goodlettsville, TN 37072	Craig Ellis PR Consultant 800-238-6161	Properties: 34 Rooms: 3,682	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 50 Conv.: 0 Resort: 50	
PRIME RATE Prime Rate Motels P.O. Box 1228 St. Cloud, MN 56302	David Jongeward 612-251-4109	Properties: 5 Rooms: 381	1. Nctr 2. NW 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 50 Conv.: 10 Resort: 35	
QUALITY INNS Quality International 10750 Columbia Pike Silver Spring, MD 20901	Frederick W. Mosser Sen. VP Franchise Dev. 301-236-5080	Properties: 477 Rooms: 60,814	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	
QUALITY SUITES Quality International 10750 Columbia Pike Silver Spring, MD 20901	Frederick W. Mosser Sen. VP Franchise Dev. 301-236-5080	Properties: 29 Rooms: 4,094	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	
RADISSON HOTELS/COLONY HOTELS & RESORTS Radisson Hotel Corp. Carlson Pkwy., P.O. Box 59159 Minneapolis, MN 55459-8204	Peter Blyth Exec. VP Dev. 612-540-5526	Properties: 148 Rooms: 34,936	1. US 2. Int'l 3.	Lux.: 77 Mid.: 23 Econ.: 0	Comm.: 88 Conv.: 3 Resort: 9	
RAINTREE INNS Raintree Inns 410 17th St. Denver, CO 80202	David B. Storm CEO 303-892-0903	Properties: 11 Rooms: 1,450	1. W 2. MW 3.	Lux.: 5 Mid.: 90 Econ.: 5	Comm.: 70 Conv.: 0 Resort: 10	
RAMADA HOTEL Ramada Inc. 3838 E. Van Buren Phoenix, AZ 85008	Robert Wilson Dir. Franchise Admin. 602-273-4600	Properties: 97 Rooms: 26,900	1. US 2. Int'l 3.	Lux.: 20 Mid.: 80 Econ.: 0	Comm.: 80 Conv.: 15 Resort: 5	

DIRECTORY OF HOTEL FRANCHISE COMPANIES

Company Name and Address	Contact	Currently Held Franchises	Primary Location	Types of Hotels (percent)		
				By Price	By Market	By Market
RAMADA INNS Ramada Inc. 3838 E. Van Buren Phoenix, AZ 85008	Robert Wilson Dir. Franchise Admin. 602-273-4600	Properties: 459 Rooms: 68,822	1. US 2. Int'l 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 20 Conv.: 20 Resort: 60	
RAMADA RENAISSANCE Ramada Inc. 3838 E. Van Buren Phoenix, AZ 85008	Robert Wilson Dir. Franchise Admin. 602-273-4600	Properties: 42 Rooms: 15,432	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 40 Conv.: 40 Resort: 20	
RAMADA RESORTS Ramada Inc. 3838 E. Van Buren Phoenix, AZ 85008	Robert Wilson Dir. Franchise Admin. 602-273-4600	Properties: 30 Rooms: 8,127	1. US 2. Int'l 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 0 Conv.: 20 Resort: 80	
RAMADA SUITES Ramada Inc. 3838 E. Van Buren Phoenix, AZ 85008	Robert Wilson Dir. Franchise Admin. 602-273-4600	Properties: 4 Rooms: 1,000	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	
RED CARPET INNS Hospitality International 1152 Spring St. Atlanta, GA 30309	Richard Rogers Pres. 404-873-5924	Properties: 140 Rooms: 12,400	1. SE 2. NE 3. SW	Lux.: 15 Mid.: 85 Econ.: 0	Comm.: 40 Conv.: 10 Resort: 0	
RESIDENCE INNS BY MARRIOTT Marriott Hotel Corp. 1 Marriott Dr. Washington, DC 20058	Joe Okon 800-638-6707	Properties: 99 Rooms: 11,854	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	
ROYCE HOTELS & RESORTS Royce Hotels International 1601 Belvedere Rd. West Palm Beach, FL 33406	Stephen L. Selka CEO 407-686-4888	Properties: 82 Rooms: 2,000	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 70 Conv.: 0 Resort: 30	
SCOTTISH INNS Hospitality International 1152 Spring St. Atlanta, GA 30309	Richard Rogers Pres. 404-873-5924	Properties: 134 Rooms: 7,750	1. SE 2. NE 3. SW	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 35 Conv.: 0 Resort: 0	
SHERATON HOTELS AND INNS Sheraton Corp. 60 State St. Boston, MA 02109	Michael Bloomer Sen. VP/Dir. Franchising 617-367-5152	Properties: 305 Rooms: 72,000	1. Int'l 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	
SHONEY'S INNS Shoney's Lodging Inc. 1727 Elm Hill Pike Nashville, TN 37210	James Grout VP 615-391-9260	Properties: 51 Rooms: 6,200	1. SE 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 70 Conv.: 0 Resort: 30	

Company Name and Address	Contact	Currently Held Franchises	Primary Location	Types of Hotels (percent)		
				By Price	By Market	By Market
SLEEP INNS Quality International 10750 Columbia Pike Silver Spring, MD 20901	Frederick W. Mosser Sen. VP Franchise Dev. 301-236-5080	Properties: 24 Rooms: 2,080	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 0 Conv.: 0 Resort: 0	
SONESTA HOTELS Sonesta Hotels 200 Clarendon St. Boston, MA 02116	Peter Somabend VP Sec. & Gen. Counsel 617-421-5420	Properties: 4 Rooms: 936	1. Int'l 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 25 Conv.: 25 Resort: 50	
SUPER 8 MOTELS Super 8 Motels, Inc. 1910 Eighth Ave. NE Aberdeen, SD 57401	Dale E. Aasen VP Franchise Sales 605-225-2272	Properties: 597 Rooms: 41,500	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 100	Comm.: 65 Conv.: 0 Resort: 35	
TRAVELODGE Trust House Forte 1973 Friendship Dr. El Cajon, CA 92020	Jere M. Hooper Sen. VP Franchising 619-448-1884	Properties: 236 Rooms: 19,337	1. US 2. Can 3. Mex	Lux.: 0 Mid.: 60 Econ.: 40	Comm.: 75 Conv.: 25 Resort: 0	
WILSON WORLD HOTELS Wilson Hotel Management Co. 1629 Winchester Rd. Memphis, TN 38116	George E. Glover Pres. 901-346-8800	Properties: 21 Rooms: 4,500	1. SW 2. Sctr 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 80 Conv.: 10 Resort: 10	
WOODFIN SUITES Woodfin Suites Inc. 110 S. Main Wichita, KS 67202	Samuel A. Hardage Owner 316-262-0601	Properties: 1 Rooms: 124	1. CA 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 60 Conv.: 20 Resort: 10	

DIRECTORY OF HOTEL DEVELOPMENT TEAMS Architects

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Ahearn & Schopfer 312 Dartmouth St. Boston, MA 02116	Douglas Dixon Dir. of Mktg. 617-266-1710	Hotels Developed Last 2 Years: 12 Number of Rooms: 1,800	1. NE 2. SE 3.	Lux.: 60 Mid.: 20 Econ.: 20 Comm.: 80 Conv.: 20 Resort: 0	Marriott Suites Hotel Pearl River Hilton Copley Plaza Hotel Omni Parker House Sheraton White Mountain
Alan Lapidus 2112 Broadway New York, NY 10023	Alan Lapidus Pres. 212-787-3434	Hotels Developed Last 2 Years: 6 Number of Rooms: 3,325	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 25 Conv.: 50 Resort: 25	Walt Disney Swan Crown Plaza Hotel Sheraton Caesar's Palace Sardi's Hotel and Casino
Allen & Philip Architects, Inc. 4109 N. 44th St. Phoenix, AZ 85018	Kenneth L. Allen Pres. 602-840-4343	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,800	1. SW 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 20 Conv.: 20 Resort: 60	Scottsdale Princess Resort The Boulders Resort Doubletree Suite Hotel Emerald River Casino The Wigwam Resort
Arthur A. Bernardon & Associates 148 W. State St. Kennett Square, PA 19348	Arthur A. Bernardon Pres. 215-444-2900	Hotels Developed Last 2 Years: 3 Number of Rooms: 450	1. NE 2. 3.	Lux.: 35 Mid.: 65 Econ.: 0 Comm.: 30 Conv.: 40 Resort: 30	Willow Valley Inn and Conf. Longwood Inn Sandy Cove Retreat/Conf.
Barada-Fuetsch Architects 50 W. Liberty Reno, NV 89501	Ted Fuetsch Partner 702-329-7624	Hotels Developed Last 2 Years: 2 Number of Rooms: 400	1. NW 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Eldorado Storkman's Casino Plantation Island
Barris Owen, Inc. 419 Occidental Ave. S. Seattle, WA 98104	Mr. Dethlefs Pres. 206-622-3265	Hotels Developed Last 2 Years: 2 Number of Rooms: 415	1. US 2. Int'l 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 95 Conv.: 0 Resort: 0	Tacoma Sheraton Hyatt Hyatt Regency Oak Harbor Best Western Sheraton
Baumeister Mankin, Inc. 2200 Classen Blvd. Oklahoma City, OK 73106	Terry Baumeister Pres. 405-525-8451	Hotels Developed Last 2 Years: 8 Number of Rooms: 1,377	1. MW 2. SW 3.	Lux.: 20 Mid.: 50 Econ.: 30 Comm.: 40 Conv.: 20 Resort: 40	Waterwood Sheraton Lincoln Plaza Conf. PGA West Sheraton Eagle's Crest Comfort Inn Fountain Hotels Prototype
Bay Design Group 110 E. Liberty St. Ann Arbor, MI 48104	Susan Bay Bus. Dev. 313-996-0707	Hotels Developed Last 2 Years: 40 Number of Rooms: 8,000	1. MW 2. 3.	Lux.: 30 Mid.: 45 Econ.: 25 Comm.: 40 Conv.: 40 Resort: 20	Harrington Bell Tower Clarion Mission Point Hotel Campus Inn
Brennan Beer Gorman/Architects 515 Madison Ave. New York, NY 10022	Peter Gorman Principal 212-888-7663	Hotels Developed Last 2 Years: 14 Number of Rooms: 4,525	1. US 2. 3.	Lux.: 50 Mid.: 40 Econ.: 10 Comm.: 70 Conv.: 20 Resort: 10	Essex House Buena Vista Palace Sheraton Suite Hotel Sheraton Suite Hotel Hampton Inn

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Brown, Raymond, Boulton & Szabo 814 Morena Blvd. #306 San Diego, CA 92110	George T. Szabo Principal 619-692-9942	Hotels Developed Last 2 Years: 12 Number of Rooms: 1,500	1. NW 2. SW 3.	Lux.: 34 Comm.: 50 Mid.: 33 Conv.: 0 Econ.: 33 Resort: 50	Old Town Hacienda Quality Suites Travelodge Rancho Bernardo Howard Johnson
Carole Korn Interiors, Inc. 825 S. Bayside Dr., Tower 3 Miami, FL 33131	Carole Korn Pres. 305-375-8080	Hotels Developed Last 2 Years: 15 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 70 Comm.: 75 Mid.: 30 Conv.: 0 Econ.: 0 Resort: 25	Sheraton Towers NJ Hallandale, FL Newport News, VA Fort Lauderdale, FL Sunrise, FL
Cerna Raba & Partners 8930 Wurzbach Dr. San Antonio, TX 78240	Laurence Raba Pres. 512-691-1333	Hotels Developed Last 2 Years: 2 Number of Rooms: 750	1. SW 2. 3.	Lux.: 65 Comm.: 50 Mid.: 35 Conv.: 50 Econ.: 0 Resort: 0	Hilton Palacio Del Rio The Fiesta Plaza Ramada
CMSS Architects 5041 Corporate Woods Dr. Virginia Beach, VA 23462	David May, AIA Partner 804-497-5060	Hotels Developed Last 2 Years: 2 Number of Rooms: 385	1. SE 2. 3.	Lux.: 50 Comm.: 33 Mid.: 50 Conv.: 33 Econ.: 0 Resort: 34	Omni Newport News Econo Lodge
David Jacobson Associates 5217 Wellington Ave. Ventnor, NJ 08406	Dorrie Jacobson Dir. of Mktg. 609-823-4567	Hotels Developed Last 2 Years: 18 Number of Rooms: 4,500	1. NE 2. US 3. Int'l	Lux.: 70 Comm.: 30 Mid.: 25 Conv.: 0 Econ.: 5 Resort: 70	Trump Castle Trump Plaza Circus Circus Hotel Ibus Lake Placid Hilton
De Marsillac Plunkett Associates, Inc. 38 E. 57th St. New York, NY 10022	Edward C. Plunkett VP 212-750-6145	Hotels Developed Last 2 Years: 3 Number of Rooms: 1,800	1. Int'l. 2. 3.	Lux.: 75 Comm.: 60 Mid.: 25 Conv.: 0 Econ.: 0 Resort: 40	Sheraton Intercontinental Melia Times Square Hotel
Di Leonardo International, Inc. 2346 Post Rd. Warwick, RI 02886	Robert B. Brazil Dir. of Mktg. 401-732-2900	Hotels Developed Last 2 Years: 15 Number of Rooms: 3,500	1. US 2. Int'l 3.	Lux.: 50 Comm.: 60 Mid.: 50 Conv.: 20 Econ.: 0 Resort: 20	Penta International Hotel Caesar's Boardwalk Casino Evergreen Resort/Conf. Ctr. Ramada Renaissance Riviera Resort and Casino
Ellerbe Becket, Inc. 30 E. Seventh St. St. Paul, MN 55101	Robert Nasraway VP 612-853-2226	Hotels Developed Last 2 Years: 10 Number of Rooms: 1,775	1. US 2. Int'l 3.	Lux.: 85 Comm.: 33 Mid.: 15 Conv.: 34 Econ.: 0 Resort: 33	Tropicana Hotel and Casino Hawaii Prince Dai-ichi San Diego Marriott Hotel Hyatt at Capitol Ctr.
FGM, Inc. 1301 W. 22nd St. Oakbrook, IL 60521	Edward Rosenberger Pres. 312-574-8300	Hotels Developed Last 2 Years: 30 Number of Rooms: 5,000	1. NE 2. SE 3. MW	Lux.: 0 Comm.: 90 Mid.: 90 Conv.: 5 Econ.: 10 Resort: 5	Courtyard by Marriott Ramada Conv. Ctr. Days Inn Courtyard by Marriott Eagle Creek
G. "Skip" Downing Architects, Inc. 607 19th Ave. East Seattle, WA 98112	G. "Skip" Downing Pres. 206-323-8500	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,400	1. NW 2. 3.	Lux.: 0 Comm.: 100 Mid.: 75 Conv.: 0 Econ.: 25 Resort: 0	The Ridpath Hotel Nendels Holiday Inn

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Gabor J. Mertl & Associates 26 Sixth St. Stamford, CT 06905	Gabor Mertl 203-324-9500	Hotels Developed Last 2 Years: 3 Number of Rooms: 200	1. NE 2. SE 3.	Lux.: 20 Comm.: 80 Mid.: 80 Conv.: 0 Econ.: 0 Resort: 20	Holiday Inn Tropicana (Associate) Holiday Inn Holiday Inn Holiday Inn
Geilick Foran Associates, Ltd. 180 N. Wabash St. Chicago, IL 60601	Susan Horten 312-606-0646	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Comm.: 0 Mid.: 0 Conv.: 50 Econ.: 0 Resort: 0	
Graham Gund Architects, Inc. 47 Thorndike St. Cambridge, MA 02141	Graham Gund, FAIA 617-577-9600	Hotels Developed Last 2 Years: 2 Number of Rooms: 440	1. NE 2. 3.	Lux.: 50 Comm.: 50 Mid.: 50 Conv.: 0 Econ.: 0 Resort: 50	Lewis Wharf Golden Eagle Lodge
Gruzen Sampton & Steinglass 11 W. 42nd St. New York, NY 10036	Ralph Steinglass Partner 212-840-7133	Hotels Developed Last 2 Years: 4 Number of Rooms: 2,000	1. NE 2. 3.	Lux.: 100 Comm.: 75 Mid.: 0 Conv.: 25 Econ.: 0 Resort: 0	Embassy Suites The Royalton Hotel The Hyatt Regency
Hammel Green & Abrahamson, Inc. 1201 Harmon Pl. Minneapolis, MN 55403	Daniel L. Avchen VP 612-332-3944	Hotels Developed Last 2 Years: 12 Number of Rooms: 3,000	1. MW 2. 3.	Lux.: 33 Comm.: 80 Mid.: 67 Conv.: 0 Econ.: 0 Resort: 20	Minneapolis Hilton Hotel Embassy Suites Radisson Plaza VII St. Paul Hotel Center Place Hotel
Harper Design Co. Div. Harper Resources 29800 Bainbridge Rd. Solon, OH 44139	David M. Kolajczik Pres. 216-248-3600	Hotels Developed Last 2 Years: 20 Number of Rooms: 3,500	1. US 2. 3.	Lux.: 100 Comm.: 50 Mid.: 0 Conv.: 10 Econ.: 0 Resort: 40	Stouffer Concourse Hotel Harper Place Hotel Stouffer Beach Resort Stouffer Wainlea Resort Stouffer Tower City Plaza
Hendrick and Mock Architects 3901 Adams Ave. San Diego, CA 92116	John Mockwitt Pres. 619-280-6282	Hotels Developed Last 2 Years: 10 Number of Rooms: 0	1. SW 2. 3.	Lux.: 10 Comm.: 25 Mid.: 90 Conv.: 0 Econ.: 0 Resort: 75	Inn Suites of Coronado Best Western Columbia Lawrence Welk Resort Balboa Park Hotel Howard Johnson
Hok Interiors Group, The 1831 Chestnut St. St. Louis, MO 63103	Gyo Obata CEO 314-421-2000	Hotels Developed Last 2 Years: 8 Number of Rooms: 3,901	1. US 2. Int'l 3.	Lux.: 95 Comm.: 0 Mid.: 5 Conv.: 90 Econ.: 0 Resort: 10	Fairmont Hotel Fairmont Hotel Hotel Nikko Radisson All-Suites Hotel Plaza Indonesia/Grand Hyatt
Hornburger, Worstell, & Associates, Inc. 170 Maiden Lane San Francisco, CA 94108	Mark R. Hornburger Pres. 415-391-1080	Hotels Developed Last 2 Years: 12 Number of Rooms: 4,000	1. W 2. MW 3.	Lux.: 100 Comm.: 0 Mid.: 0 Conv.: 40 Econ.: 0 Resort: 60	Hyatt Regency Hyatt Regency San Francisco Airport Stouffer Esmeralda Resort Hyatt Regency Hilton Int. Resort Hotel

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
J.B. Rosenthal Hotel Planning Consultants 10590 Wishire Blvd. Los Angeles, CA 90024	Joseph Rosenthal Consultant 213-474-0121	Hotels Developed Last 2 Years: 8 Number of Rooms: 7,500	1. US 2. Int'l 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Waldorf Astoria Hilton Hawaiian Village New York Hilton Chicago Hilton San Francisco Hilton
John Carl Warnecke Co. 300 Broadway St. San Francisco, CA 94133	Fred Warnecke Sen. VP 415-397-4200	Hotels Developed Last 2 Years: 7 Number of Rooms: 1,000	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Hilton Hotel and Casino Aloha Tower Hotel Plaza Athenee Westbury Hotel Wellington Hotel
Jung/Brannen Associates Inc. 177 Milk St. Boston, MA 02109	Jill Weber Dir. Dev. 617-482-2299	Hotels Developed Last 2 Years: 5 Number of Rooms: 900	1. NE 2. SE 3.	Lux.: 40 Mid.: 60 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Canyon Ranch Berkshires Doral Saturnia International Spa Hotel Meridien Sheraton Monarch Plaza Troy Guest Quarters Suite
Keava J. Kekst Architects, Inc. 1468 W.9th St. Cleveland, OH 44113	Eugene J. Monroe VP 216-781-9144	Hotels Developed Last 2 Years: 10 Number of Rooms: 1,100	1. 2. 3.	Lux.: 25 Mid.: 25 Econ.: 50 Comm.: 75 Conv.: 25 Resort: 0	Hampton Inn Hampton Inn Hampton Inn Hilton Hotel Embassy Suites
Kellman & Associates 612 N. Park St. Columbus, OH 43215	Rick Myers 614-463-1900	Hotels Developed Last 2 Years: 2 Number of Rooms: 700	1. SE 2. SW 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 40 Conv.: 20 Resort: 40	Columbus Sheraton Plaza Radisson Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel
Lawrence Warfel & Associates Architects 75-19 Vleigh Pl. Flushing, NY 11367	Lawrence Werfel Principal 718-263-6575	Hotels Developed Last 2 Years: 21 Number of Rooms: 4,000	1. NE 2. 3.	Lux.: 0 Mid.: 80 Econ.: 20 Comm.: 70 Conv.: 30 Resort: 0	Madison Towers Marriott Hotel, La Guardia Governors Inn Sheraton Northeast Holiday Inn
Leo A. Daley 8600 Indian Hills Dr. Omaha, NB 68114	Michael J. Riordan Associate 402-391-8111	Hotels Developed Last 2 Years: 13 Number of Rooms: 2,819	1. US 2. 3.	Lux.: 38 Mid.: 50 Econ.: 12 Comm.: 34 Conv.: 10 Resort: 56	Harbor Court Westin Hotel Gold Coast Hotel & Casino Hay Adams Hotel Ilikai Hotel
Lynn Wilson Associates, Inc. 11 Majorca Ave. Coral Gables, FL 33134	Danette Brockhouse Mktg. & Dev. 305-442-4041	Hotels Developed Last 2 Years: 21 Number of Rooms: 4,200	1. US 2. Int'l 3.	Lux.: 90 Mid.: 10 Econ.: 0 Comm.: 0 Conv.: 55 Resort: 45	The Rittenhouse Harrah's Casino Marriott Fuerteventura Palace The Hemmeter Resort

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Milton Pate & Associates 2200 Century Pkwy. NE Atlanta, GA 30345	Milton Pate, Jr. 404-633-4586	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. NE 2. SE 3.	Lux.: 50 Comm.: 30 Mid.: 50 Conv.: 30 Econ.: 0 Resort: 40	Ritz-Carlton Napier, IL Marriott Hotel Vero Beach, IL Crab Lounge Atlanta, GA
Mitchell Carlson & Associates, Inc. 3221 W. Alabama Houston, TX 77098	Keith Carlson Pres. 713-522-1054	Hotels Developed Last 2 Years: 12 Number of Rooms: 3,600	1. US 2. 3.	Lux.: 20 Comm.: 60 Mid.: 80 Conv.: 30 Econ.: 0 Resort: 10	Hobby Airport Hilton Houston, TX College Station Hilton College Station, TX Milwaukee Windham Hotel Milwaukee, WI Baldwin Park Hotel Baldwin Park, CA Sheraton Grand Hotel Paradise Island, BAHAMAS
Opus Corporation 9900 Bren Rd. East, P.O. Box 150 Minneapolis, MN 55440	Michele Foster Dir. of Dev. 612-936-4527	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,019	1. NW 2. SW 3.	Lux.: 50 Comm.: 100 Mid.: 50 Conv.: 0 Econ.: 0 Resort: 0	Minnetonka Marriott Minnetonka, MN Ramada Bloomington, MN Compri Hotel Eagan, MN Minneapolis Airport Hilton Bloomington, MN Holiday Inn St. Paul-East St. Paul, MN
R.H. Penner Hotel Planning Cornell University, Statler Hall Ithaca, NY 14853	Prof. Richard Penner 607-255-8301	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,200	1. NE 2. 3.	Lux.: 75 Comm.: 50 Mid.: 25 Conv.: 50 Econ.: 0 Resort: 0	Statler Hotel Ithaca, NY
Rafael Vinoly Architects 65 Bleecker St. New York, NY 10012	Lisa Glover 212-505-8860	Hotels Developed Last 2 Years: 10 Number of Rooms: 0	1. NY 2. 3.	Lux.: 0 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	The Manhattan Tower New York, NY Prada New York, NY John Jay College New York, NY Gramercy Park New York, NY
Richard Bos Partners 414 W. 5th St. Royal Oak, MI 48067	Barbara Bos Partner 313-398-0735	Hotels Developed Last 2 Years: 5 Number of Rooms: 500	1. MW 2. US 3.	Lux.: 85 Comm.: 15 Mid.: 15 Conv.: 0 Econ.: 0 Resort: 85	Grand Hotel Mackinac Island, MI Iroquois Hotel Mackinac Island, MI Murray Hotel Mackinac Island, MI Chateau Beaumont Mackinac Island, MI Woodland Creek Rentals Grand Rapids, MI
RTKL Associates, Inc. 400 E. Pratt St. Baltimore, MD 21202	Thom McKay Mktg. Mgr. 301-528-8600	Hotels Developed Last 2 Years: 50 Number of Rooms: 4,500	1. US 2. Int'l 3.	Lux.: 60 Comm.: 60 Mid.: 40 Conv.: 30 Econ.: 0 Resort: 10	Grand Hyatt Washington, DC Grand Hyatt Grand Cayman Princeton Marriott Princeton, NJ San Antonio Marriott San Antonio, TX
Russel Gibson Von Dohlen, P.C. 10 New King St. White Plains, NY 10604	Greg Dissel 914-949-7424	Hotels Developed Last 2 Years: 7 Number of Rooms: 1,300	1. NE 2. SE 3.	Lux.: 50 Comm.: 75 Mid.: 50 Conv.: 0 Econ.: 0 Resort: 25	Danbury Hilton Danbury, CT Hartford Marriott Farmington, CT Yorktown Hotel Yorktown Heights, NY Embassy Suites Hotel Brookfield, WI
Sikes, Jennings, Kelly & Brewer 2500 Citywest Blvd. Houston, TX 77042	Richard W. Jennings Principal 713-781-8600	Hotels Developed Last 2 Years: 10 Number of Rooms: 3,107	1. US 2. 3.	Lux.: 10 Comm.: 80 Mid.: 90 Conv.: 10 Econ.: 0 Resort: 10	Radisson Plaza Southfield, MI Red Lion Inn San Diego, CA West Covina Marriott West Covina, CA Marriott All Suites Downers Grove, IL Marriott at the Capital Austin, TX
Skidmore, Owings & Merrill 33 W. Monroe St. Chicago, IL 60603	Adrian Smith 312-641-5959	Hotels Developed Last 2 Years: 9 Number of Rooms: 2,500	1. US 2. Int'l 3.	Lux.: 80 Comm.: 0 Mid.: 20 Conv.: 0 Econ.: 0 Resort: 100	Boston Harbor Hotel Boston, MA Mandarin Oriental San Francisco, CA Marina Beach Hotel Marina Del Rey, CA Sheraton Palace Hotel San Francisco, CA The Regent of Jakarta Jakarta, INDONESIA

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Smallwood, Reynolds, Stewart, Stewart One Piedmont Center Atlanta, GA 30305	Phillip L. Smallwood, AIA VP 404-233-5453	Hotels Developed Last 2 Years: 50 Number of Rooms: 4,000	1. NE 2. SE 3.	Lux.: 30 Mid.: 60 Econ.: 10 Comm.: 90 Conv.: 0 Resort: 10	Ritz Carlton Westin Lenox Hilton Peachtree Corners Auburn University Hotel Omni Durham Hotel
Steege Crimm Architects 707 Filbert St. Philadelphia, PA 19106	Walter Crimm, AIA Pres. 215-928-0920	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Steel Partnership, The* 919 N. Dixie Hwy. W. Palm Beach, FL 33401	Philip S. Steel Pres. 407-833-7445	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,400	1. SE 2. Int'l 3. Carib	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 34	Royce Hotel Holiday Inn Holiday Inn Holiday Inn Casa De Campo
Steven W. Miller, AIA 1133 Broadway New York, NY 10010	Steven W. Miller Owner 212-661-5420	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,600	1. NW 2. SE 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 60 Conv.: 12 Resort: 28	The Radisson Plaza Oceanside California Suite Valencia Hills Radisson Suites
Stubbins Associates, Inc., The 1033 Massachusetts Ave. Cambridge, MA 02138	Marie Vinless Dir. Dev. 617-491-6450	Hotels Developed Last 2 Years: 6 Number of Rooms: 2,400	1. NE 2. SW 3. Asia	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Guest Quarters Suite Copley Place Marriott Ramada Renaissance Hotel Doubletree Hotel Harrah's Marina Hotel
The Architects Collaborative 46 Brattle Street Cambridge, MA 02138	David Sheffield, AIA Principal 617-868-4200	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,000	1. NE 2. Int'l 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 20 Conv.: 50 Resort: 30	The Statler Inn Wentworth by the Sea Vista International Hotel New Seabury Inn New England Ctr.
The Getty's Group 401 E. Illinois Chicago, IL 60611	Roger G. Hill II Pres. 312-836-4222	Hotels Developed Last 2 Years: 3 Number of Rooms: 322	1. WI 2. IL 3.	Lux.: 66 Mid.: 0 Econ.: 33 Comm.: 67 Conv.: 0 Resort: 33	Knickerbocker Hotel Auduron Franchise Motel
Thomas Hamilton & Associates 11000 Staples Mill Rd. Glen Allen, VA 23060	Elissa Shoolroy Dir. Design 804-798-4339	Hotels Developed Last 2 Years: 15 Number of Rooms: 1,000	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 25 Conv.: 50 Resort: 25	The Berkeley Hotel Sheraton Hotel The Manor Inn Comfort Inn Holiday Inn
TRA Inc. 215 Columbia St. Seattle, WA 98104	Gary Schaefer 206-682-1133	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Tucker, Sadler & Associates 2411 2nd Ave. San Diego, CA 92101	Michael Matalon Principal 619-236-1662	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,215	1. SW 2. 3.	Lux.: 25 Mid.: 65 Econ.: 10 Comm.: 50 Conv.: 10 Resort: 40	U.S. Grant Embassy Suites Rancho Bernardo Inn Compri Hotel Hotel del Coronado
					San Diego, CA San Diego, CA Rancho Bernardo, CA Rancho Bernardo, CA Coronado, CA

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.	Mid.	Econ.	
Urban West Associates 714 S. Dearborn, Penthouse Chicago, IL 60605	Keith E. Talbert Pres. 312-427-WEST	Hotels Developed Last 2 Years: 19 Number of Rooms: 5,000	1. US 2. 3.	Lux.: 70 Mid.: 20 Econ.: 10	Comm.: 30 Conv.: 40 Resort: 30	Sheraton Hilton Regency Waikiki Hyatt Regency Maui Hyatt Regency Woodfield McDonald's Lodge	Santa Barbara, CA Honolulu, HI Lahaina, HI Schaumburg, IL Oakbrook, IL
Vickery/Ovresat/Awsumb, Inc. 435 N. Michigan Ave. Chicago, IL 60611	Michael A. Toolis Pres. 312-644-3464	Hotels Developed Last 2 Years: 9 Number of Rooms: 3,100	1. IL 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 10 Conv.: 40 Resort: 50	Peabody Marriott Suites Sheraton Hawthorn Suites Beach Club	Orlando, FL Rosemont, IL Orlando, FL Naperville, IL Orlando, FL
Vlastmil Koubek 1625 Massachusetts Ave. NW Washington, DC 20036	Vlastmil Koubek Owner 202-667-4600	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,100	1. NE 2. SE 3.	Lux.: 90 Mid.: 10 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Willard Hotel Mayflower Westin Hotel Jefferson Hotel Miami Intercontinental	Washington, DC Washington, DC Washington, DC Richmond, VA Miami, FL
Whately & Partners, Inc. 3475 Lenox Rd. NE Atlanta, GA 30326	John Gerondelis Principal 404-266-8770	Hotels Developed Last 2 Years: 8 Number of Rooms: 144	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 85 Conv.: 0 Resort: 15	Sheraton Compri Hotel Ramada Renaissance Knoxville Hilton Days Hotel	Marietta, GA Atlanta, GA Atlanta, GA Knoxville, TN Atlanta, GA
William B. Tabler Architects 333 7th Ave. New York, NY 10001	William B. Tabler, Sr. Pres. 212-563-6960	Hotels Developed Last 2 Years: 20 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Brooklyn Renaissance Hilton Ocean Place Hilton Stouffer's Hotel Bailey's Meridian Hotel	Brooklyn, NY Long Branch, NJ Chicago, IL Atlantic City, NJ Heliopolis-Cairo
Wimberly, Allison, Tong & Goo 2222 Kalakaua Ave., Penthouse Honolulu, HI 96815	Howard J. Wolff VP 808-922-1253	Hotels Developed Last 2 Years: 40 Number of Rooms: 14,200	1. Int'l 2. Carib 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 10 Conv.: 50 Resort: 40	Hilton Hawaiian Village Ritz-Carlton Laguna Grand Floridian Resort Regent of Bangkok Ramada Reef Resort	Honolulu, HI Laguna Beach, CA Orlando, FL Bangkok, THAILAND Cairns
Wudtke Watson Associates, Inc. 200 Green St. San Francisco, CA 94111	Donald E. Wudtke Chmn. 415-398-0200	Hotels Developed Last 2 Years: 6 Number of Rooms: 900	1. SW 2. MW 3. US	Lux.: 65 Mid.: 35 Econ.: 0	Comm.: 35 Conv.: 0 Resort: 65	Northland Inn and Conf. Ctr. Cheyenne Mountain Inn Cactus Pete's Hotel and Casino Cherrington	Minneapolis, MN Colorado Springs, CO Jackpot, NV Pittsburgh, PA
WZMH Architects, Inc. 2566 Overland Ave. Los Angeles, CA 90064	Mr. Housden Chmn. 213-839-2291	Hotels Developed Last 2 Years: 10 Number of Rooms: 4,000	1. CA 2. US 3. Int'l	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 25 Conv.: 25 Resort: 50	Four Seasons Hilton Marriott Hyatt	Boston, MA Melbourne, FL Dallas, TX Denver, CO Garden Grove, CA

Computer Systems and Consultants

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Cellular Control Systems Corp. 6275 Variel Ave. Woodland Hills, CA 91367	Howard Wilkinson Pres. 818-888-2991	Hotels Served Last 2 Years: 7 Number of Rooms: 850	1. US 2. 3.	Lux.: 33 Comm.: 50 Mid.: 34 Conv.: 30 Econ.: 33 Resort: 20	Traveller's Inn Holiday Inn Sleep Inn Homewood Suites Sleep Inn
Chervenak Keane & Co. 307 E. 44th St. New York, NY 10017	Larry Chervenak Pres. 212-986-8230	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 15 Comm.: 60 Mid.: 35 Conv.: 20 Econ.: 50 Resort: 20	La Costa Budgetel Hotel El San Juan
Computerized Lodging Systems 4800 Airport Plaza Dr. Long Beach, CA 90815	Shareen Winter Mktg. Mgr. 213-421-2191	Hotels Served Last 2 Years: 175 Number of Rooms: 0	1. NE 2. SE 3. Int'l	Lux.: 40 Comm.: 30 Mid.: 30 Conv.: 20 Econ.: 30 Resort: 50	New York Penta Barbizon Clarion Harvest House Sheraton Newport Beach Lodge at Peeble Beach
Eloquent Systems Corp. P.O. Box 6235 Manchester, NH 03108-6235	James Adelson Dir. Mktg. 603-627-9494	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. NE 2. 3.	Lux.: 50 Comm.: 35 Mid.: 50 Conv.: 20 Econ.: 0 Resort: 45	Balsam Grand Hotel Royal Cinesta Vistana Resort
Encore Systems, Inc. 2839 E. Paces Ferry Rd. Atlanta, GA 30339	Mike Otten VP 404-434-3500	Hotels Served Last 2 Years: 300 Number of Rooms: 100,000	1. US 2. Int'l 3.	Lux.: 40 Comm.: 75 Mid.: 40 Conv.: 15 Econ.: 20 Resort: 10	Hyatt Regency Ritz Carlton Hotel Bel Air Golden Nugget Travelodge
First Micro Group 112 Water Street Boston, MA 02109	Todd Riedell Pres. 617-227-1185	Hotels Served Last 2 Years: 250 Number of Rooms: 43,000	1. NE 2. 3.	Lux.: 30 Comm.: 60 Mid.: 40 Conv.: 20 Econ.: 30 Resort: 20	Sheraton Guest Quarters Sonesta Hotel Forte Hotel International Omni Hotel
Flair Systems, Inc. 1718 Crest Ridge Dr. Dallas, TX 75228	Jim Miller Pres. 800-468-1246	Hotels Served Last 2 Years: 20 Number of Rooms: 0	1. US 2. 3.	Lux.: 100 Comm.: 90 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 10	Caprice Hotel Caprice Hotel Compri River Point Compri Compri Cumberland
General Automation 6 Century Dr. Parsippany, NJ 07470	Robert Kramer VP 201-540-9700	Hotels Served Last 2 Years: 20 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 60 Comm.: 40 Mid.: 30 Conv.: 40 Econ.: 10 Resort: 20	
Honeywell Honeywell Plaza, MN27-7246 Minneapolis, MN 55408	Virgil Smeltzer Sales Dir. 612-870-5371	Hotels Served Last 2 Years: 20 Number of Rooms: 4,000	1. US 2. 3.	Lux.: 70 Comm.: 50 Mid.: 30 Conv.: 40 Econ.: 0 Resort: 10	Phoenician Resort Luxeford Hotel Sofitel St. James Club Sheraton Mission Palms

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Information Solutions, Inc. 15311 Vantage Pkwy. West Houston, TX 77032	Richard C. DeYoung Sales Engineer 713-977-3515	Hotels Served Last 2 Years: 4 Number of Rooms: 700	1. US 2. 3.	Lux.: 50 Mid.: 25 Econ.: 25 Comm.: 100 Conv.: 0 Resort: 0	Portsmouth, NH Lancaster, PA Orlando, FL Lancaster, PA Cherry Hill, NJ
Integrated Data Servs. 2300 Lincoln Hwy. East Lancaster, PA 17602	Robert Hynicka Mgr. 717-295-5120	Hotels Served Last 2 Years: 12 Number of Rooms: 0	1. NE 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33 Comm.: 33 Conv.: 33 Resort: 33	Sheraton Eden Resort Grosvenor Resort Your Place Country Inn Residence Inn
International, Inc. 83 Halls Rd., P.O. Box 966 Old Lyme, CT 06371	Duane W. Buckingham Pres. 800-543-1999	Hotels Served Last 2 Years: 16 Number of Rooms: 1,200	1. NE 2. NW 3.	Lux.: 65 Mid.: 15 Econ.: 20 Comm.: 80 Conv.: 0 Resort: 20	New Haven, CT Colony Inn Baltimore, MD La Jolla, CA Sanderling Quality Inn Sheraton Poste
Knox Data 28170 Avenue Crocker Valencia, CA 91355	805-257-8081	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Lodgistix, Inc. 1938 N. Woodlawn Wichita, KS 67208	Cheryl Keimig Mktg. Coord. 316-685-2216	Hotels Served Last 2 Years: 1,300 Number of Rooms: 347,000	1. US 2. Can 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 50 Conv.: 10 Resort: 40	Holiday Inns Marriott Quality Inns Best Western CP Hotels
Mycros System 12000 Baltimore Ave. Beltsville, MD 20705	Read Kirkpatrick 301-490-2000	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Remanco Systems Inc. 300 Rosewood Dr. Danvers, MA 01923	Sharon Horen Associate 508-777-4100	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Resort Data Processing 1650 E. Vail Valley Dr. Vail, CO 81657	Kirk Hansen VP 303-476-9244	Hotels Served Last 2 Years: 450 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 50 Mid.: 25 Econ.: 25 Comm.: 25 Conv.: 0 Resort: 75	Honolulu, HI Melbourne, FL Cincinnati, OH Burlington, CO Kona, HI
Robin & Dackerman, Inc. 8484 Wilshire Blvd. Beverly Hills, CA 90211	Jerry Dackerman Pres. 213-655-2000	Hotels Served Last 2 Years: 125 Number of Rooms: 60,000	1. US 2. Int'l 3.	Lux.: 60 Mid.: 30 Econ.: 10 Comm.: 60 Conv.: 10 Resort: 30	Waikiki, HI Chicago, IL Aston Hotels Caesar's Hotel del Coronado
Softserv Computer Servs. 6514 Greenvale Lane Houston, TX 77066	R. Edward Carr Partner 713-580-3096	Hotels Served Last 2 Years: 75 Number of Rooms: 0	1. US 2. 3.	Lux.: 5 Mid.: 45 Econ.: 50 Comm.: 70 Conv.: 10 Resort: 20	South Holly, MI South Holly, MI Manteo, NC Slidell, LA Redondo Beach, CA

Construction Companies

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
A-J Contracting of California 725 S. Figueroa St. Los Angeles, CA 90017	Fred J. Kelly VP Mktg. 213-489-7717	Hotels Developed Last 2 Years: 1 Number of Rooms: 400	1. US 2. 3.	Lux.: 100 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 100	
Algernon Blair Group P.O. Box 749 Montgomery, AL 36192	Robert A. Woods, Jr. VP 205-279-7300	Hotels Developed Last 2 Years: 3 Number of Rooms: 0	1. SE 2. US 3. Int'l	Lux.: 33 Comm.: 100 Mid.: 33 Conv.: 0 Econ.: 33 Resort: 0	Clarion Jefferson Hotel Lagniappe Hotel
Blaine-Hays Construction Co. P.O. Box 10147 Knoxville, TN 37939	W. Colby Reeves, Jr. VP 615-675-3900	Hotels Developed Last 2 Years: 13 Number of Rooms: 4,000	1. SE 2. 3.	Lux.: 10 Comm.: 75 Mid.: 70 Conv.: 20 Econ.: 20 Resort: 5	Holiday Inn Hilton Holiday Inn Bradbury Suite Edgewater Inn
Bor-Son Construction Cos., Inc. P.O. Box 1611 Minneapolis, MN 55440	Gary Krocak Proj. Mgr. 612-854-8444	Hotels Developed Last 2 Years: 2 Number of Rooms: 0	1. MN 2. US 3.	Lux.: 50 Comm.: 50 Mid.: 50 Conv.: 50 Econ.: 0 Resort: 0	Radisson Holiday Inn
Charles E. Smith Co. 2345 Crystal Dr. Arlington, VA 22202	Michael Shehadi VP 703-769-1153	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,000	1. NE 2. 3.	Lux.: 100 Comm.: 50 Mid.: 0 Conv.: 50 Econ.: 0 Resort: 0	Crystal City Marriott Crystal Gateway Marriott Bethesda Marriott Suites Washington Dulles Marriott Herndon, VA
Charles Pankow Builders Ltd. One Nob Circle San Francisco, CA 94108	Michael Steel Mktg. Dir. 415-397-3030	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,500	1. NW 2. SW 3. HI	Lux.: 45 Comm.: 50 Mid.: 35 Conv.: 25 Econ.: 20 Resort: 25	Sofitel Sheraton Squaw Creek Inn Sheraton Royal
Coakley Williams Construction Co. 7500 Greenway Center Dr. Greenbelt, MD 20770	George Kreis Dir. Dev. 301-345-9749	Hotels Developed Last 2 Years: 12 Number of Rooms: 3,600	1. NE 2. SE 3.	Lux.: 10 Comm.: 90 Mid.: 45 Conv.: 10 Econ.: 45 Resort: 0	Holiday Inn Days Inn Courtyard by Marriott Days Inn Hilton Hotel
Creative Contractors, Inc. 620 Drew St. Clearwater, FL 34615	Alan Bomstein Pres. 813-461-5522	Hotels Developed Last 2 Years: 1 Number of Rooms: 160	1. SE 2. 3.	Lux.: 100 Comm.: 0 Mid.: 0 Conv.: 100 Econ.: 0 Resort: 0	Belleview Blitmore Resort Clearwater, FL
Hardin Construction Group, Inc. 1380 W. Paces Ferry Rd. Atlanta, GA 30327-2472	Susan Hardy Bus. Dev. Admin. 404-264-2151	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,600	1. SE 2. 3.	Lux.: 50 Comm.: 0 Mid.: 50 Conv.: 0 Econ.: 0 Resort: 0	Kingston Plantation Radisson Myrtle Beach, SC Bayport Plaza Hyatt Hotel Tampa, FL
Hoar Construction, Inc. Box 360900 Birmingham, AL 35236-0900	Robert Wilson VP Dev. 205-969-1900	Hotels Developed Last 2 Years: 2 Number of Rooms: 0	1. SE 2. 3.	Lux.: 100 Comm.: 100 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	Radisson Airport Hilton Richmond, VA Norfolk, VA

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Ira H. Hardin Co. 1380 W. Paces Ferry Rd. Atlanta, GA 30327	Dave Wheeler VP 404-262-3700	Hotels Developed Last 2 Years: 6 Number of Rooms: 500	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 34	West Shore-Tampa, FL Hyatt Regency Fort Lauderdale, FL Atlanta Hilton Atlanta Airport Hilton Stone Mountain Evergreen Conf. Ctr. Park, GA
Jim W. Miller Construction Co. P.O. Box 1228 St. Cloud, MN 56302	David Jongeward Dir. Dev. 612-251-4109	Hotels Developed Last 2 Years: 6 Number of Rooms: 600	1. NW 2. NE 3.	Lux.: 0 Mid.: 10 Econ.: 90 Comm.: 50 Conv.: 10 Resort: 35	Prime Rate Burnsville, MN Gillette, WV Prime Rate Rochester, MN Rodeway St. Cloud, MN Budgetel Mankato, MN
Lodging Interiors Group Ltd., The 2070 Peachtree Industrial Ct. Atlanta, GA 30341	Christopher A. Fox Pres. 404-455-7578	Hotels Developed Last 2 Years: 20 Number of Rooms: 2,500	1. NE 2. SE 3. NW	Lux.: 25 Mid.: 50 Econ.: 25 Comm.: 50 Conv.: 0 Resort: 50	Lodging Unlimited King of Prussia, PA Beachside Resort Nantucket, MA Wellington Hotel Newport, RI Hampton Inn Reading, PA Padre Island Resort Padre Island, TX
Marshall Contractors, Inc. 75 Newman Ave. Rumford, RI 02916	S. James Busam VP 401-438-3500	Hotels Developed Last 2 Years: 3 Number of Rooms: 425	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Resident's Inn Princeton, NJ Resident's Inn Danvers, MA Marriott Trumbull, CT Marriott Burlington, MA
McDevitt & Street Co. P.O. Box 32755 Charlotte, NC 28232	John R. Nicolay VP 704-525-8110	Hotels Developed Last 2 Years: 50 Number of Rooms: 9,848	1. SE 2. NE 3. SW	Lux.: 14 Mid.: 54 Econ.: 32 Comm.: 76 Conv.: 8 Resort: 16	Skylight Inn Fort Lauderdale, FL Hilton Hotel Ocala, FL Embassy Suite Hotel Atlanta, GA Ritz Carlton Arlington, VA Comfort Inn Morehead City, NC
Montgomery Enterprises 1948 George Washington Memorial Hwy. Tabb, VA 23602	Dwight S. Montgomery VP 804-595-0925	Hotels Developed Last 2 Years: 20 Number of Rooms: 500	1. NE 2. SE 3. MW	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 30 Conv.: 60 Resort: 10	Radisson Hampton, VA Radisson Huntington, WV Holiday Inn Charlottesville, VA Holiday Inn Gainesville, FL
Opus Corp. 9900 Bren Rd. East, P.O. Box 150 Minneapolis, MN 55440	Michele Foster Dir. of Dev. 612-936-4527	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,019	1. NW 2. SW 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Minnetonka Marriott Minnetonka, MN Ramada Bloomington, MN Compri Hotel Eagan, MN Minnesota Airport Hilton Bloomington, MN Holiday Inn St. Paul-East St. Paul, MN
Pickens-Bond Co., The 400 Atkins Bldg., 105 W. Capital Ave. Little Rock, AR 72201	Joseph Fox Mgr. Dev. 501-666-6200	Hotels Developed Last 2 Years: 8 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Hilton Suite Chicago, IL Embassy Suite Blue Ash, OH Embassy Suite Atlanta, GA Embassy Suite Jacksonville, FL Seatac Seattle, WA
Plumer, Inc. 1160 Steelwood Rd. Columbus, OH 43212	Dan Crooks VP 614-488-3141	Hotels Developed Last 2 Years: 30 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 25 Mid.: 60 Econ.: 15 Comm.: 60 Conv.: 30 Resort: 10	Pickett Hotel Wilmington, DE Pickett Hotel-Disney World Orlando, FL Pickett Inn Indianapolis, IN Pickett Inn Dayton, OH Pickett Inn Nashville, TN

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Snavely Building 2550 Somn Center Rd. Willoughby Hills, OH 44094	Peter Snavely VP 216-951-3363	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,100	1. OH 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 25 Conv.: 25 Resort: 50	Holiday Inn Pierre Radisson Inn Pierre Radisson Inn Quality Hotel Sandusky, OH Westlake, OH Cleveland, OH
Snavely Co., Inc. 38119 Stevens Blvd. Willoughby Hills, OH 44094	Tim Snavely Proj. Mgr. 216-951-3363	Hotels Developed Last 2 Years: 3 Number of Rooms: 550	1. OH 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 25 Conv.: 25 Resort: 50	Radisson Harbour Inn Hampton Inn Clintec Inn Hotel Sandusky, OH Westlake, OH Cleveland, OH
Steel Partnership, The 919 N. Dixie Hwy. West Palm Beach, FL 33401	Phillip S. Steel Pres. 407-833-7445	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,400	1. SE 2. Int'l 3. Carib	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 34	Royce Hotel Holiday Inn Holiday Inn Holiday Inn Holiday Inn Casa De Campo Jupiter, FL Bradington, FL Boca Raton, FL Boynton, FL Dominican Republic
Sundt Corp. 4101 E. Irvington Rd. Tucson, AZ 85714	Pat Lynch Dir. Mktg. 602-748-7555	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,200	1. SW 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 30 Conv.: 0 Resort: 70	Harvey's Hotel & Casino Hyatt Vintona Canyon Resort Carmel Island Resort Hyatt Regency Lake Tahoe, NV Phoenix, AZ Tucson, AZ San Diego, CA Scottsdale, AZ
W.E. O'Neil Construction Co. 2751 N. Ciybourn Ave. Chicago, IL 60614	Conrad Ott VP 312-327-1611	Hotels Developed Last 2 Years: 6 Number of Rooms: 600	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Sheraton Morton Hotel Sheraton Marriott Marriott Chicago, IL Chicago, IL Tucson, AZ Phoenix, AZ Los Angeles, CA

Designers

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
ADC Architects, Inc. 8214 Westchester Dr. Dallas, TX 75225	Charles S. Ingalls CFO 214-744-6644	Hotels Developed Last 2 Years: 2 Number of Rooms: 330	1. 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Capitol Hotel Tutwiler Hotel Lincoln Hotel Regent Hotel Sheraton Hotel	
ABV & Associates 1605 C. Stemmons Freeway Dallas, TX 75207	Barbara Vessels Pres. 214-744-4040	Hotels Developed Last 2 Years: 3 Number of Rooms: 600	1. SE 2. SW 3. US	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Little Rock, AR Birmingham, AL Dallas, TX Dallas, TX Clarksville, IN	
Ahearn & Schopfer 312 Dartmouth St. Boston, MA 02116	Douglas Dixon Dir. of Mktg. 617-266-1710	Hotels Developed Last 2 Years: 12 Number of Rooms: 1,800	1. NE 2. SE 3.	Lux.: 60 Mid.: 20 Econ.: 20	Comm.: 80 Conv.: 20 Resort: 0	Atlanta, GA Orangetown, NY Boston, MA Boston, MA N. Conway, NH	
Aiello Associates, Inc. 1441 Wazee St. Denver, CO 80202	Louis P. Aiello VP 800-638-4224	Hotels Developed Last 2 Years: 10 Number of Rooms: 10,000	1. US 2. 3.	Lux.: 40 Mid.: 40 Econ.: 20	Comm.: 34 Conv.: 33 Resort: 33	Salt Lake City, UT Vail, CO Aspen, CO Snowmass, CO London, England	
Aircoa Hospitality Services 4600 S. Ulster Denver, CO 80237	Jill Roff 303-220-2299	Hotels Developed Last 2 Years: 24 Number of Rooms: 5,800	1. US 2. 3.	Lux.: 15 Mid.: 65 Econ.: 20	Comm.: 65 Conv.: 20 Resort: 15	Cincinnati, OH Kissimmee, FL Santa Fe, NM Anchorage, AK Hilton Head, SC	
Albitz Design, Inc. 1800 Girard Ave. S. Minneapolis, MN 55403	Paul D. Albitz Pres./Principal Des. 612-377-2165	Hotels Developed Last 2 Years: 12 Number of Rooms: 4,000	1. MW 2. 3.	Lux.: 40 Mid.: 55 Econ.: 5	Comm.: 80 Conv.: 0 Resort: 20	Rochester, MN Amana, IA Bloomington, MN Brooklyn Center, MN Bismark, ND	
Allen & Philip Architects, Inc. 4109 N. 44th St. Phoenix, AZ 85018	Kenneth L. Allen Pres. 602-840-4343	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,800	1. SW 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 20 Conv.: 20 Resort: 60	Scottsdale, AZ Carefree, AZ Phoenix, AZ Laughlin, NE Litchfield Park, AZ	
Almasian Associates, Inc. 167 Washington St. Sherborn, MA 01770	Joseph Almasian Pres. 508-655-2840	Hotels Developed Last 2 Years: 15 Number of Rooms: 3,000	1. US 2. Int'l 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 90 Conv.: 0 Resort: 10	Orlando, FL Sanibel Island, FL Northampton, MA Aruba New Orleans, LA	
Arthur A. Bernardon & Associates 148 W. State St. Kennett Square, PA 19348	Arthur A. Bernardon Pres. 215-444-2900	Hotels Developed Last 2 Years: 3 Number of Rooms: 450	1. NE 2. 3.	Lux.: 35 Mid.: 65 Econ.: 0	Comm.: 30 Conv.: 40 Resort: 30	Lancaster, PA Kennett Square, PA Northeast MD	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Associates III, Inc. 1516 Blake St. Denver, CO 80202	Kari Foster 303-534-4444	Hotels Developed Last 2 Years: 4 Number of Rooms: 547	1. NW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Park Plaza Hyatt Regency Hyatt Arrowhead Resort
Barbara Elliott Interiors 1038-1 Shary Circle Concord, CA 94518	Barbara Elliott 415-798-8550	Hotels Developed Last 2 Years: 8 Number of Rooms: 2,000	1. US 2. Int'l 3.	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 20 Conv.: 20 Resort: 60	Eldorado Hotel Claremont Resort Inn at McCormack Ranch Pacific Islands Club Pacific Islands Club Saipan
Barris Owen, Inc. 419 Occidental Ave. S. Seattle, WA 98104	Mr. Dethlets Pres. 206-622-3265	Hotels Developed Last 2 Years: 2 Number of Rooms: 415	1. US 2. Int'l 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 95 Conv.: 0 Resort: 0	Tacoma Sheraton Hyatt Seattle Hyatt Regency Monterey Oak Harbor Best Western Sheraton Anchorage
Barry Design Associates 1333 Westwood Blvd. Los Angeles, CA 90024	Ad Manager 213-478-6081	Hotels Developed Last 2 Years: 60 Number of Rooms: 25,000	1. SW 2. Japan 3. HI	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 33 Resort: 33	Hyatt Regency Grand Hyatt Loews Marina Beach Hotel Westin Crown Center
Bay Design Group 110 E. Liberty St. Ann Arbor, MI 48104	Susan Bay Bus. Dev. 313-996-0707	Hotels Developed Last 2 Years: 40 Number of Rooms: 8,000	1. MW 2. 3.	Lux.: 30 Mid.: 45 Econ.: 25 Comm.: 40 Conv.: 40 Resort: 20	Holiday Inn West Bell Tower Clarion Mission Point Hotel Indian River Plantation
Belmuth Design Group Ltd. 5217 Wellington Ave. Ventnor, NJ 08406	Lester R. Belmuth Pres./CEO 609-487-0077	Hotels Developed Last 2 Years: 25 Number of Rooms: 12,500	1. US 2. Int'l 3.	Lux.: 65 Mid.: 20 Econ.: 15 Comm.: 50 Conv.: 20 Resort: 30	Trump Plaza Harrah's The Vinoy Park Hotel Sheraton Lincoln Sheraton Heathrow
Benjamin Brothers, Inc. 162 N. Franklin St. Chicago, IL 60606	Alan Benjamin VP 312-263-2626	Hotels Developed Last 2 Years: 65 Number of Rooms: 10,000	1. US 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33 Comm.: 60 Conv.: 20 Resort: 20	Embassy Suite O'Hare Beaver Run Resort Saddlebrook Resort El San Juan Cresthill by Hilton
Bonsignore Brignatti & Mazzotta 275 Seventh Ave. New York, NY 10001	Amy Monticciolo Dir. Mktg. 212-633-1400	Hotels Developed Last 2 Years: 3 Number of Rooms: 2,500	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	The Plaza Hotel Tarrytown Hilton Bellevue Stratford
Bordelon Design Two Shell Plaza Houston, TX 77098	Michael Pinto Pres. 716-236-8426	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
The Braemar Group Ltd. 225 Peachtree St., NE Atlanta, GA 30303	Warner L. Smith Partner 404-659-8500	Hotels Developed Last 2 Years: 15 Number of Rooms: 3,945	1. US 2. 3.	Lux.: 50 Mid.: 30 Econ.: 20 Comm.: 50 Conv.: 35 Resort: 15	

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Braselle Design Co. 423 Thirty-First St. Newport Beach, CA 92663	Meriam Braselle Principal 714-673-6522	Hotels Developed Last 2 Years: 3 Number of Rooms: 600	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Sheraton-Newport Beach Embassy Suites	
Brennan Beer Gorman Monk/Interiors 515 Madison Ave. New York, NY 10022	Peter Gorman Principal 212-888-7663	Hotels Developed Last 2 Years: 2 Number of Rooms: 635	1. US 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 70 Conv.: 20 Resort: 10	St. Regis Hotel Albany Hilton Sheraton Suite Hotel Buena Vista Palace Ashley Plaza	
Brown, Raymond, Boulton & Szabo 814 Morena Blvd. #306 San Diego, CA 92110	George T. Szabo Principal 619-692-9942	Hotels Developed Last 2 Years: 12 Number of Rooms: 1,500	1. NW 2. SW 3.	Lux.: 34 Mid.: 33 Econ.: 33	Comm.: 50 Conv.: 0 Resort: 50	Old Town Hacienda Quality Suites Travelodge Rancho Bernardo Howard Johnson	
Carole Korn Interiors, Inc. 825 S. Bayshore Dr., Tower 3 Miami, FL 33131	Carole Korn Pres. 305-375-8080	Hotels Developed Last 2 Years: 15 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Sheraton Towers Hallsdale, FL Newport News, VA Ft. Lauderdale, FL Sunrise, FL	
Carolyn Henry & Associates 14850 Quorum Dr. Dallas, TX 75240	Joan McCallum Office Mgr. 214-788-0155	Hotels Developed Last 2 Years: 10 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 30 Mid.: 60 Econ.: 10	Comm.: 50 Conv.: 50 Resort: 0	Beverly Heritage Hotel Dallas Parkway Hilton Anberley Suite Hotel Anberley Suite Hotel Anberley Suite Hotel	
Cerna Raba & Partners 8930 Wurzbach Dr. San Antonio, TX 78240	Laurence Raba Pres. 512-691-1333	Hotels Developed Last 2 Years: 2 Number of Rooms: 750	1. SW 2. 3.	Lux.: 65 Mid.: 35 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	Hilton Palacio Del Rio The Fiesta Plaza Ramada	
Chase Design 1400 E. Genesee St. Skaneateles, NY 13152	Eric Rogers 315-685-1000	Hotels Developed Last 2 Years: 1 Number of Rooms: 300	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Sheraton Inn Syracuse, NY	
Cole Martinez Curtis & Associates 308 Washington St. Marina Del Rey, CA 90292	Jill Cole Principal 619-431-9565	Hotels Developed Last 2 Years: 8 Number of Rooms: 1,746	1. NW 2. SW 3. HI	Lux.: 25 Mid.: 75 Econ.: 0	Comm.: 25 Conv.: 15 Resort: 60	Beverly Hilton Hotel The Lodge at Pebble Beach The Wigwam Resort & Club Radisson Palm Springs Luxury Suite Hotel	
Copeland Krieger Associates, Inc. 2715 M St. NW Washington, DC 20007	Brenda Krieger Pres. 202-337-0500	Hotels Developed Last 2 Years: 10 Number of Rooms: 1,000	1. US 2. Int'l 3.	Lux.: 40 Mid.: 60 Econ.: 0	Comm.: 45 Conv.: 40 Resort: 15	Aruba Washington, DC Arlington, VA Minneapolis, MN One Washington Circle Hotel Washington, DC	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels By Price	Types of Hotels (percent) By Market	Representative Developments
Crandall & Associates 7002 First Ave. Scottsdale, AZ 85251	Jeanne Crandall Pres. 602-945-3056	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,200	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 33 Conv.: 33 Resort: 34	Sheraton Inn The Ramada Hotel Hyatt Regency Phoenix Lajolla Village Inn Ramada Renaissance
D'Amico & Partners, Inc. 275 Market St. Minneapolis, MN 55405	John J. Waters, Jr. VP Real Estate & Dev. 612-375-9797	Hotels Developed Last 2 Years: 2 Number of Rooms: 206	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	The Essex & Sussex Snowbird
Daroff Design 2300 Ionic St. Philadelphia, PA 19103	Karen Daroff Pres. 215-636-9900	Hotels Developed Last 2 Years: 18 Number of Rooms: 4,500	1. NE 2. US 3. Int'l	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 10 Conv.: 60 Resort: 30	Trump Castle The Biltmore The Dickenson Inn The Scanticon Conf. Ctr.
De Marsillac Plunkett Associates, Inc. 38 E. 57th St. New York, NY 10022	Edward C. Plunkett VP 212-750-6145	Hotels Developed Last 2 Years: 3 Number of Rooms: 1,800	1. Int'l 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 60 Conv.: 0 Resort: 40	Sheraton Intercontinental Melia Times Square Hotel
Design Continuum, Inc. 1801 Peachtree Rd. Atlanta, GA 30309	Hugh Latta, FASID Pres. 404-350-2400	Hotels Developed Last 2 Years: 40 Number of Rooms: 8,000	1. US 2. Can 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 30 Conv.: 30 Resort: 40	Inter-Continental Inter-Continental Westin Westin Grove Park Inn
Design Interpretation, Inc. 6806 Vista Del Mar La. Playa Del Rey, CA 90293	Ms. Jeffri McAllister Pres. 213-821-0369	Hotels Developed Last 2 Years: 15 Number of Rooms: 2,000	1. US 2. Japan 3.	Lux.: 10 Mid.: 50 Econ.: 40	Comm.: 90 Conv.: 0 Resort: 10	Embassy Embassy Hilton Hotel Radisson Days Inn Century
Design Resources, Inc. 315 Second Ave. S. Seattle, WA 98104	Gerry Clare 206-624-3010	Hotels Developed Last 2 Years: 10 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Sahara MGM
Design Solutions, Inc. 2727 Paces Ferry Rd. Atlanta, GA 30339	H. Linden McDowell Pres. 404-434-5400	Hotels Developed Last 2 Years: 24 Number of Rooms: 2,200	1. US 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 50 Conv.: 10 Resort: 40	Huron Shores Radisson PGA Radisson Suite Hotel Northlake Hilton Casa Del Mar Beach Resort Jekyll Island Radisson
Design Works, Inc. 815 Garfield Ave. Oak Park, IL 60304	David Jungel 312-366-3010	Hotels Developed Last 2 Years: 8 Number of Rooms: 0	1. US 2. 3.	Lux.: 20 Mid.: 50 Econ.: 30	Comm.: 40 Conv.: 0 Resort: 60	Comfort Inn Holiday Inn Viscount Sheraton Inn Ramada Renaissance

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Design1 Interiors 2049 Century Park E. Los Angeles, CA 90067-3204	Dennis Cagan Sen. VP 213-553-5032	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,500	1. US 2. Can 3.	Lux.: 40 Mid.: 45 Econ.: 15 Comm.: 45 Conv.: 30 Resort: 25	Hilton Raffles Wentworth-by-the-Sea Hamilton House Marriott Desert Villas Tucson, AZ Livermore, CA Newcastle, NH Plantation, FL Palm Desert, CA
Designers II 3690 N. Peachtree Rd. Atlanta, GA 30341	Janet Garner Pres. 404-458-9111	Hotels Developed Last 2 Years: 25 Number of Rooms: 5,000	1. NE 2. SE 3.	Lux.: 50 Mid.: 35 Econ.: 15 Comm.: 24 Conv.: 16 Resort: 60	The Marco Island Hilton St. Petersburg Hilton Sheraton Lancaster Resort The Raleigh Holiday Inn The Innsbrook Hilton Marco Island, FL St. Petersburg, FL Lancaster, PA Raleigh-Durham, NC Richmond, VA
DesignTex Enterprises 3030 LBJ Freeway Dallas, TX 75234	Robert Algieri Pres. 214-243-3555	Hotels Developed Last 2 Years: 20 Number of Rooms: 4,250	1. US 2. Carib 3.	Lux.: 10 Mid.: 60 Econ.: 30 Comm.: 60 Conv.: 30 Resort: 10	Sheraton Hotel & Towers Hotel San Diego Ramada Hotel Pontchartrain Hotel Grotto Bay Hotel New Orleans, LA San Diego, CA Tucson, AZ New Orleans, LA Hamilton, BER
Di Leonardo International, Inc. 2346 Post Rd. Warwick, RI 02886	Robert B. Brazil Dir. of Mktg. 401-732-2900	Hotels Developed Last 2 Years: 15 Number of Rooms: 3,500	1. US 2. Int'l 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Penta International Hotel Caesars Boardwalk Casino Evergreen Resort/Conf. Ctr. Ramada Renaissance Riviera Resort and Casino Orlando, FL Atlantic City, NJ DeKalb County, GA New York, NY Las Vegas, NV
Dimensional Interiors, Inc. 23715 Mercantile Rd. Beachwood, OH 44122	Allan Amster Pres. 216-831-5231	Hotels Developed Last 2 Years: 75 Number of Rooms: 7,500	1. US 2. 3.	Lux.: 15 Mid.: 75 Econ.: 10 Comm.: 70 Conv.: 20 Resort: 10	Radisson Harbour Residence Inn Holiday Inn South West Sheraton Crossgates Holiday Inn-Boardman Sandusky, OH Cleveland, OH Toledo, OH Wilkes-Barre, PA Boardman, OH
DiNapoli/Berger Architects, Inc. 2991 College Ave. Berkeley, CA 94705	415-848-3500	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,200	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Monterey Plaza Hotel Westward Look Resort Club Domatello Stallion Springs Palm Bay Hotel Monterey, CA Tucson, AZ San Francisco, CA Tehachabe, CA Miami, FL
Dorothy Draper Co. 60 E. 56th St. New York, NY 10022	Susan Van Berg Exec. Dir. 212-758-2810	Hotels Developed Last 2 Years: 35 Number of Rooms: 10,000	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 25 Resort: 75	The Greenbrier The Grand Hotel Brazilian Court Hotel Waldorf Towers Dromoland Castle Hotel White Sulphur Springs, WV Mackinac Island, MI Palm Beach, FL New York, NY Ireland
Dow/Fletcher 10801 Main St. Bellevue, WA 98004	Gary E. Fletcher Pres. 206-454-0029	Hotels Developed Last 2 Years: 14 Number of Rooms: 2,500	1. NW 2. SW 3.	Lux.: 35 Mid.: 55 Econ.: 10 Comm.: 50 Conv.: 10 Resort: 40	Edgewater Inn Caesars Palace Quality Inn Wauwinet Lodge Portofino Inn Seattle, WA Las Vegas, NV Spokane, WA Nantucket Island, MA Redondo Beach, CA
Earl Swenson Associates, Inc. 2100 West End Ave. Nashville, TN 37203	Kathy Benson 615-329-9445	Hotels Developed Last 2 Years: 3 Number of Rooms: 1,200	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Opryland Hotel Hilton Suite Hotel Whittaker's Mill Nashville, TN Brentwood, TN Williamsburg, VA

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Electronic Display Systems 2809 E. Hwy. 30 Grand Island, NB 68801	Shelly Hagerbauer 308-384-6860	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Eilber Becket, Inc. 30 E. Seventh St. St. Paul, MN 55101	Robert Nasraway VP 612-853-2226	Hotels Developed Last 2 Years: 10 Number of Rooms: 1,775	1. US 2. Int'l 3.	Lux.: 85 Mid.: 15 Econ.: 0 Comm.: 33 Conv.: 34 Resort: 33	Tropicana Hotel & Casino Hawaii Prince Tokyo, Japan San Diego Marriott Hotel Hyatt at Capitol Center Atlantic City, NJ Honolulu, HI San Diego, CA Sacramento, CA
FGM, Inc. 1301 W. 22nd St. Oakbrook, IL 60521	Edward Rosenberger Pres. 312-574-8300	Hotels Developed Last 2 Years: 30 Number of Rooms: 5,000	1. NE 2. SE 3. MW	Lux.: 0 Mid.: 90 Econ.: 10 Comm.: 90 Conv.: 5 Resort: 5	Courtyard by Marriott Ramada Conv. Ctr. Days Inn Courtyard by Marriott Eagle Creek Williamsburg, VA Mt. Vernon, IL Woodbridge, VA Waukegan, IL Shelbyville, IL
The Folsom Group 330 S. Pineapple Ave. Sarasota, FL 34236	Frank F. Smith 813-365-7336	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. SE 2. NW 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Radisson Sarasota, FL
Frank M. Seidon Co. 390 NE 67th St. Miami, FL 33138	Charles Borenstein VP 305-751-7513	Hotels Developed Last 2 Years: 50 Number of Rooms: 7,200	1. SE 2. Carib 3.	Lux.: 0 Mid.: 70 Econ.: 30 Comm.: 33 Conv.: 33 Resort: 33	Perici Hotel Lehigh Resorts Holiday Inn Miami International Hotel Paradora Vistamar Cabarajo, PR Lehigh Acres, FL Osprey, FL Miami, FL Quebredilla, PR
Frank N. Giampietro Associates 425 Broadhollow Rd. Melville, NY 11747-4775	Jeffrey D'Italia Pres. 516-293-4595	Hotels Developed Last 2 Years: 1 Number of Rooms: 400	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Garden City Hotel Philadelphia Country Club Garden City, NY Gladwyne, PA
Fred Schmidt Associates 11259 W. Olympic Blvd. Los Angeles, CA 90064	Richard Clarke VP 213-479-2279	Hotels Developed Last 2 Years: 7 Number of Rooms: 750	1. SE 2. SW 3.	Lux.: 25 Mid.: 50 Econ.: 25 Comm.: 50 Conv.: 25 Resort: 25	Fleming Hilton Las Vegas Hilton Cabot Lodge Cabot Lodge Cabot Lodge Las Vegas, NV Las Vegas, NV Nashville, TN Gainesville, FL Jackson, MS
G. "Skip" Downing Architects, Inc. 607 19th Ave. E. Seattle, WA 98112	G. "Skip" Downing Pres. 206-323-8500	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,400	1. NW 2. 3.	Lux.: 0 Mid.: 75 Econ.: 25 Comm.: 100 Conv.: 0 Resort: 0	The Ridpath Hotel Nendels Holiday Inn Spokane, WA Bellingham, WA Yakima, WA
Gabor J. Merti & Associates 26 Sixth St. Stamford, CT 06905	Gabor Merti 203-324-9500	Hotels Developed Last 2 Years: 3 Number of Rooms: 200	1. NE 2. SE 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Holiday Inn Tropicana (Associate) Holiday Inn Holiday Inn Holiday Inn Staten Island, NY Atlantic City, NJ Westbury, NY Riverhead, NY Queens, NY
Gelick Foran Associates Ltd. 180 N. Wabash St. Chicago, IL 60601	Susan Horten 312-606-0646	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 50 Resort: 0	

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
George Conte Design Consultants, Inc. 619 E. Pittsburgh St. Greensburg, PA 15601	George Conte 412-832-7055	Hotels Developed Last 2 Years: 8 Number of Rooms: 2,000	1. NE 2. US 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 75 Conv.: 10 Resort: 15	Radisson Sutons Inn Hidden Valley Sheraton Inn Compri Hotel Atlantic City, NJ Longport, NJ Pittsburgh, PA Frederick, MD Durham, NC
Gina Ward Associates Ltd. 9461 Dielman Rock Island St. Louis, MO 63132	Sharon Garcia Mktg. 314-432-4122	Hotels Developed Last 2 Years: 124 Number of Rooms: 17,500	1. US 2. 3.	Lux.: 45 Mid.: 50 Econ.: 5 Comm.: 45 Conv.: 45 Resort: 10	Sheraton Orlando North Radisson High Point Sheraton Maitland The Danielle Hilton The Falls Sheraton Inn Orlando, FL High Point, NC Orlando, FL St. Louis, MO Akron, OH
Gordon & Greenberg, Inc. 5707 Seminary Rd. Bailey's Crossroads, VA 22041	Rodney Shirley 703-845-0900	Hotels Developed Last 2 Years: 25 Number of Rooms: 5,000	1. NE 2. SE 3.	Lux.: 40 Mid.: 30 Econ.: 30 Comm.: 60 Conv.: 20 Resort: 20	Baltimore International Marriott Long Wharf Marriott Fairview Park Marriott Harrisons Pier Five Sheraton Lithic, MD Newport, RI Falls Church, VA Baltimore, MD Richmond, VA
Graham Gund Architects, Inc. 47 Thorndike St. Cambridge, MA 02141	Graham Gund, FAIA 617-577-9600	Hotels Developed Last 2 Years: 2 Number of Rooms: 440	1. NE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Lewis Wharf Golden Eagle Lodge Boston, MA Waterville Valley, NH
Gruwell Pheasant Design 311 Forest Ave. Pacific Grove, CA 93950	Michelle Pheasant Co-Principal 408-372-1688	Hotels Developed Last 2 Years: 12 Number of Rooms: 1,500	1. NW 2. SW 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 30 Resort: 50	Intercontinental Hotel Huntington Hotel Sorrento Cascade Ranch Resort Huntington Ritz Carlton Maui, HI San Francisco, CA Seattle, WA Half Moon Bay, CA Pasadena, CA
Gruzen Sampton & Steinglass 11 W. 42nd St. New York, NY 10036	Ralph Steinglass Partner 212-840-7133	Hotels Developed Last 2 Years: 4 Number of Rooms: 2,000	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Embassy Suites The Royalton Hotel The Hyatt Regency Newark, NJ New York, NY Rochester, NY
The H. Chambers Co. 1010 N. Charles St. Baltimore, MD 21201	J.H.L. Chambers Pres. 301-727-4535	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,250	1. NE 2. Carib 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 40 Conv.: 0 Resort: 60	The Tides Inn The Tides Lodge Reef's The Imperial Inn The Paradise Grand Irvington, VA Irvington, VA Bermuda Chestertown, MD Paradise Island, Bahamas
Hamill & McKinney Architects/ Engineers, Inc. 2670 Wilhite Dr. Lexington, KY 40503	Amita Smith 606-278-3215	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Hammel Green & Abrahamson, Inc. 1201 Harmon Pl. Minneapolis, MN 55403	Daniel L. Avchen VP 612-332-3944	Hotels Developed Last 2 Years: 12 Number of Rooms: 3,000	1. MW 2. 3.	Lux.: 33 Mid.: 67 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Minneapolis Hilton Hotel Embassy Suites Radisson Plaza VII St. Paul Hotel Center Place Hotel Minneapolis, MN Philadelphia, PA Minneapolis, MN St. Paul, MN Rochester, MN

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Harper Design Co., Div. Harper Research 29800 Bainbridge Rd. Solon, OH 44139	David Mikolajczik Pres. 216-248-3600	Hotels Developed Last 2 Years: 20 Number of Rooms: 3,500	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 10 Resort: 40	Stouffer Concourse Hotel Harper Place Hotel Stouffer Beach Resort Stouffer Wailea Resort Stouffer Tower City Plaza
Hendrick & Mook Architects 3901 Adams Ave. San Diego, CA 92116	John Mockwlett Pres. 619-280-6282	Hotels Developed Last 2 Years: 10 Number of Rooms: 0	1. SW 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0 Comm.: 25 Conv.: 0 Resort: 75	Inn Suites of Coronado Best Western Columbia Lawrence Weik Resort Baiboa Park Hotel Howard Johnson
Hirsch/Bedner & Associates 3216 Nebraska Ave. Santa Monica, CA 90404	Mktg. Admin. 213-829-9087	Hotels Developed Last 2 Years: 22 Number of Rooms: 8,500	1. US 2. Asia 3. Eur	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 40 Conv.: 20 Resort: 40	Chicago Hilton & Tower Inn & Links-Spanish Bay Maxim's de Paris Hyatt on Collins Jing An Hilton
Hochheiser Elias Design Group, Inc. 322 E. 86th St. New York, NY 10028	Brad Elias 212-535-7437	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,000	1. NE 2. SE 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 60 Conv.: 40 Resort: 0	Sheraton Sheraton Carlton Sheraton Jefferson Richmond Airport Hilton Virginia Beach Hilton
Hoffer & Associates 3769 NW 90th Pl. Polk City, IA 50226	Steven L. Hofer 515-964-8872	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,500	1. NW 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 0	Hotel Fort Des Moines Holiday Inn/Gateway Ctr. Best Western/The Inn Sheraton-Midway Best Western/Clayton House
The Hok Interiors Group 1831 Chestnut St. St. Louis, MO 63103	Gyo Obata CEO 314-421-2000	Hotels Developed Last 2 Years: 8 Number of Rooms: 3,901	1. US 2. Int'l 3.	Lux.: 95 Mid.: 5 Econ.: 0 Comm.: 0 Conv.: 90 Resort: 10	Fairmont Hotel Fairmont Hotel San Jose Hotel Nikko Radisson All-Suites Hotel Plaza Indonesia/Grand Hyatt
Hornburger, Worstell, & Associates, Inc. 170 Maiden La. San Francisco, CA 94108	Mark R. Hornburger Pres. 415-391-1080	Hotels Developed Last 2 Years: 12 Number of Rooms: 4,000	1. W 2. MW 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 40 Resort: 60	Hyatt Regency Scottsdale Hyatt Regency San Francisco Airport Stouffer Esmeralda Resort Hyatt Regency Hilton International Resort Hotel
Hugh W. Dear & Associates, Inc. 1300 Garrison Dr. Williamsburg, VA 23185	Hugh W. Dear, ASID Pres. 804-220-1300	Hotels Developed Last 2 Years: 30 Number of Rooms: 4,500	1. NE 2. SE 3.	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 50 Conv.: 10 Resort: 40	Radisson Hotel Radisson Hotel Quality Suites Royce Hotel Sheraton Hotel
					Costa Del Sol, Spain Hampton, VA Huntington, VA Williamsburg, VA Williamsburg, VA Charleston, SC

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Hughes Design Associates 1745 N St. NW Washington, DC 20036	Pamela Hughes Pres. 202-887-6100	Hotels Developed Last 2 Years: 35 Number of Rooms: 7,500	1. US 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 40 Conv.: 60 Resort: 0	Capitol Hilton Hotel Washington Loews L'Enfant Plaza Georgetown Holiday Inn Fairfax Hilton & Towers Washington, DC Washington, DC Washington, DC Washington, DC Oakton, VA
Index, The Design Firm 5701 Woodway Houston, TX 77057	Doyle R. Wayman Pres. 713-977-2594	Hotels Developed Last 2 Years: 65 Number of Rooms: 12,000	1. US 2. 3.	Lux.: 10 Mid.: 75 Econ.: 15 Comm.: 50 Conv.: 15 Resort: 25	Hyatt Regency Renovation Marriott Kingsmill Conf. Ctr. Hyatt Copper Mountain Compri Hotel San Antonio, TX Huntsville, AL Williamsburg, VA Copper Mountain, CO
Integrated Services Corp. 30 W. 56th St. New York, NY 10019	Mel Silver VP 212-246-3051	Hotels Developed Last 2 Years: 20 Number of Rooms: 1,500	1. NE 2. SE 3. Nctr	Lux.: 25 Mid.: 50 Econ.: 15 Comm.: 60 Conv.: 20 Resort: 10	Sheraton Hotel Radisson Hotel Ormi Hotel Saybrook Point Inn Lexington Hotel Bossier, LA Cleveland, OH Newport News, VA Saybrook, CT New York, NY
Intradesign, Inc. 910 N. La Cienega Blvd. Los Angeles, CA 90069	Richard Callen Principal 213-652-6114	Hotels Developed Last 2 Years: 12 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 65 Conv.: 15 Resort: 25	The Four Seasons Hotel Vista Marquette Le Meridien Coronado Scottsdale Princess Hyatt Regency Los Angeles, CA Minneapolis, MN San Diego, CA Phoenix, AZ Bellevue, WA
J. Kattman Associates 1660 Wynkoop St. Denver, CO 80202	James J. Kattman Pres. 303-573-7447	Hotels Developed Last 2 Years: 12 Number of Rooms: 800	1. SW 2. MW 3.	Lux.: 10 Mid.: 80 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Oxford Hotel Sands Hotel and Casino Doubletree Hotel East Sussex Golf and Hotel Silvertree Hotel Denver, CO Las Vegas, NV Salt Lake City, UT East Sussex, England Snowmass, CO
J.B. Grosenthal Hotel Planning Consultants 10590 Wishire Blvd. Los Angeles, CA 90024	Joseph Rosenthal Consultant 213-474-0121	Hotels Developed Last 2 Years: 8 Number of Rooms: 7,500	1. US 2. Int'l 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Waldorf Astoria Hilton Hawaiian Village New York Hilton Chicago Hilton San Francisco Hilton New York, NY Honolulu, HI New York, NY Chicago, IL San Francisco, CA
John Carl Warnecke Co. 300 Broadway St. San Francisco, CA 94133	Fred Warnecke Sen. VP 415-397-4200	Hotels Developed Last 2 Years: 7 Number of Rooms: 1,000	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Hilton Hotel & Casino Aloha Tower Hotel Plaza Attlaenee Westbury Hotel Wellington Hotel Atlantic City, NJ Honolulu, HI New York, NY New York, NY Newport, RI
Jung Design Associates 3726 Grand Ave. Oakland, CA 94610	Tom Jung 415-444-3500	Hotels Developed Last 2 Years: 8 Number of Rooms: 1,000	1. US 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 0 Conv.: 0 Resort: 100	Best West Inn Ponderosa Inn The Botel The Ridge Tahoe The Inn by the Lake Eureka, CA Sacramento, CA Oakland, CA Nevada City, NV South Lake Tahoe, NV

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Jung Brannen Associates Inc. 177 Milk St. Boston, MA 02109	Jill Weber Dir. Dev. 617-482-2299	Hotels Developed Last 2 Years: 5 Number of Rooms: 900	1. NE 2. SE 3.	Lux.: 40 Mid.: 60 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Canyon Ranch Berkshires Doral Saturnia International Spa Hotel Meridien Sheraton Monarch Plaza Troy Guest Quarters Suite
Keeva J. Kekst Architects, Inc. 1468 W. 9th St. Cleveland, OH 44113	Eugene J. Monroe VP 216-781-9144	Hotels Developed Last 2 Years: 10 Number of Rooms: 1,100	1. 2. 3.	Lux.: 25 Mid.: 25 Econ.: 50 Comm.: 75 Conv.: 25 Resort: 0	Hampton Inn Hampton Inn Hampton Inn Hilton Hotel Embassy Suites
Kellman & Associates 612 N. Park St. Columbus, OH 43215	Rick Myers 614-463-1900	Hotels Developed Last 2 Years: 2 Number of Rooms: 700	1. SE 2. SW 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 40 Conv.: 20 Resort: 40	Columbus Sheraton Plaza Radisson Pickett Suite Hotel Pickett Suite Hotel Pickett Suite Hotel
Kenneth E. Hurd & Associates 205 Portland St. Boston, MA 02114	Kenneth E. Hurd 617-523-7334	Hotels Developed Last 2 Years: 6 Number of Rooms: 0	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Waldorf Astoria New York Hilton Short Hills Hilton Caesar's Palace Crystal Gateway Marriott
Kovacs & Associates, Inc. 4425 Riverside Dr. Toluca Lake, CA 91505	Zoltan Kovacs Pres. 818-846-7834	Hotels Developed Last 2 Years: 45 Number of Rooms: 0	1. US 2. 3.	Lux.: 50 Mid.: 30 Econ.: 20 Comm.: 60 Conv.: 30 Resort: 10	San Francisco Hilton Las Vegas Hilton Trump's Castle Casino Sheraton Stamford Sun Valley Resort
L.E. Sietz Associates, Inc. 395 Alhambra Circle Coral Gables, FL 33134-5003	Ms. Lee Adams Exec. Dir. 305-445-2200	Hotels Developed Last 2 Years: 25 Number of Rooms: 5,800	1. Eur 2. Carib 3. W	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 25 Conv.: 10 Resort: 50	Sands Hotel & Casino Country Court Hotel Plantation Bay Resort Indian River Plantation Grosvenor Hotel
Lawrence Warfel & Associates Architects 75-19 Vleigh Pl. Flushing, NY 11367	Lawrence Warfel Principal 718-263-6575	Hotels Developed Last 2 Years: 21 Number of Rooms: 4,000	1. NE 2. 3.	Lux.: 0 Mid.: 80 Econ.: 20 Comm.: 70 Conv.: 30 Resort: 0	Madison Towers Marriott Hotel, Laguardia Governors Inn NC Philadelphia, PA Jersey City, NJ
Leo A. Daley 8600 Indian Hills Dr. Omaha, NB 68114	Michael J. Riordan Associate 402-391-8111	Hotels Developed Last 2 Years: 13 Number of Rooms: 2,819	1. US 2. 3.	Lux.: 38 Mid.: 50 Econ.: 12 Comm.: 34 Conv.: 10 Resort: 56	Harbor Court Westin Hotel Gold Coast Hotel & Casino Hay Adams Hotel Ilikai Hotel

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
The Lodging Interiors Group Ltd. 2070 Peachtree Industrial Ct. Atlanta, GA 30341	Christopher A. Fox Pres. 404-455-7578	Hotels Developed Last 2 Years: 20 Number of Rooms: 2,500	1. NE 2. SE 3. NW	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 50 Conv.: 0 Resort: 50	Lodging Unlimited Beachside Resort Wellington Hotel Hampton Inn Padre Island Resort	King of Prussia, PA Nantucket, MA Newport, RI Reading, PA Padre Island, TX
Lynn Wilson Associates, Inc. 11 Majorca Ave. Coral Gables, FL 33134	Danette Brockhouse Mktg. & Dev. 305-442-4041	Hotels Developed Last 2 Years: 21 Number of Rooms: 4,200	1. US 2. Int'l 3.	Lux.: 90 Mid.: 10 Econ.: 0	Comm.: 0 Conv.: 55 Resort: 45	The Rittenhouse Harrah's Casino Marriott Fuerteventura Palace The Hemmeter Resort	Philadelphia, PA Atlantic City, NJ Cozumel, Mexico Canary Islands St. Maarten, VI
Maggiore Design Group 10830 Westheimer Houston, TX 77042	Tony Maggiore Pres. 713-772-2722	Hotels Developed Last 2 Years: 20 Number of Rooms: 800	1. SW 2. 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 20 Conv.: 60 Resort: 20	Howard Johnson Hotel/Conv. Ctr. Hyatt Regency Hyatt Regency Stoneleigh Hotel Summit Hotel	Lawton, NY Ft. Worth, TX Dallas, TX Dallas, TX Dallas, TX
Marguerite Baldwin Interiors 330 S. Mansfield Ave. Los Angeles, CA 90036	Marguerite C. Baldwin Owner 213-936-7203	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0		
Media Five Ltd. 345 Queen St. Honolulu, HI 96813	Evan D. Cruithers Pres. 808-524-2040	Hotels Developed Last 2 Years: 15 Number of Rooms: 5,000	1. HI 2. Japan 3. Pac	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 30 Conv.: 0 Resort: 60	Hotel Hana-Maui Palaui Pacific Resort Palace on the Hill Ala Moana Hotel Sheraton Fiji	Hana, HI Arakabesan Island Naha, Okinawa, Japan Honolulu, HI Nadi, Fiji
Meyers & D'Aleo, Inc. 1106 N. Charles St. Baltimore, MD 21201	William Meyers II CEO 301-752-7848	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,800	1. NE 2. SE 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Forest Dunes Shoney's Hotel Embassy Suites Brookshire Hotel	Myrtle Beach, SC Baltimore, MD Hunt Valley, MD Baltimore, MD
Michael Wirtz Designer, Inc. 345 W. Palmetto Park Rd. Boca Raton, FL 33432	Michael Wirtz Pres. 305-428-6688	Hotels Developed Last 2 Years: 9 Number of Rooms: 1,580	1. NE 2. SE 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 80 Conv.: 0 Resort: 10	Sheraton of Boca Raton Holiday Inn West Holiday Inn-Cutler Ridge Key Resort & Marina Club Aruba Caribbean Hotel	Boca Raton, FL Ft. Lauderdale, FL Miami, FL Key West, FL Aruba
Michele Lessirard Designs, Inc. 4850 W. Prospect Rd. Ft. Lauderdale, FL 33309	Michele Lessirard 305-739-9484	Hotels Developed Last 2 Years: 3 Number of Rooms: 500	1. SE 2. Int'l 3.	Lux.: 10 Mid.: 90 Econ.: 0	Comm.: 45 Conv.: 45 Resort: 10	Hilton Hotel, Walt Disney Holiday Inn Crowne Plaza Xanadu Beach & Marina Resort	Orlando, FL Plantation, FL Ft. Lauderdale, FL Freeport, Bahamas
Mid America Motel Furnishing, Inc. 3874 Viscount St. Memphis, TN 38118	Charles Shaw Pres. 901-365-9660	Hotels Developed Last 2 Years: 200 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 5 Mid.: 50 Econ.: 45	Comm.: 80 Conv.: 5 Resort: 10	Westin Paso Del Norte Best Western Hampton Inn Shoney's Inn Thrift Inn	El Paso, TX Conway, AZ Greenville, SC Searcy, AZ Warrendale, PA

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Milton Pate & Associates 2200 Century Pkwy. NE Atlanta, GA 30345	Milton Pate, Jr. 404-633-4586	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. NE 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 30 Conv.: 30 Resort: 40	Ritz-Carlton Marriott Hotel Crab Lounge Napier, IL Vero Beach, IL Atlanta, GA
Mitchell & Mitchell 100 Cherokee Blvd. Chattanooga, TN 37405	Susan J. Mitchell Pres. 615-266-1067	Hotels Developed Last 2 Years: 40 Number of Rooms: 7,500	1. US 2. 3.	Lux.: 52 Mid.: 38 Econ.: 10 Comm.: 55 Conv.: 15 Resort: 30	Crowne Plaza Hotel Crowne Plaza Hotel Villa Auraus Resort Holiday Inn Carter Plaza Hilton Inn Chattanooga, TN Memphis, TN
Mitchell Carlson & Associates, Inc. 3221 W. Alabama Houston, TX 77098	Keith Carlson Pres. 713-522-1054	Hotels Developed Last 2 Years: 12 Number of Rooms: 3,600	1. US 2. 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 60 Conv.: 30 Resort: 10	Hobby Airport Hilton College Station Hilton Milwaukee Windham Hotel Baldwin Park Hotel Sheraton Grand Hotel Houston, TX College Station, TX Milwaukee, WI Baldwin Park, CA Paradise Island, Bahamas
Monolith Interiors Ltd. 443 Park Ave. S. New York, NY 10016	Jo Ann Sicoli 212-683-5490	Hotels Developed Last 2 Years: 20 Number of Rooms: 600	1. NE 2. NY 3. NJ	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	San Carlos Hotel Bedford Hotel Wellington Hotel Edison Hotel Quality Inn New York, NY New York, NY New York, NY New York, NY Newark, NJ
Morris Nathanson Design, Inc. 163 Exchange St. Pawtucket, RI 02860	Morris Nathanson Pres. 401-723-3800	Hotels Developed Last 2 Years: 12 Number of Rooms: 600	1. US 2. Int'l 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 50 Conv.: 20 Resort: 30	The Canterbury Hotel Southampton Princess Appleton Inns The Caravanserai Hotel Bergstrom Indianapolis, IN Bermuda Bradford, NH St. Maarten, VI W. Germany
O'Hara & Associates 369 Forest Trail Dr. Oak Brook, IL 60521	Gerald F. O'Hara Pres. 312-834-6680	Hotels Developed Last 2 Years: 4 Number of Rooms: 600	1. US 2. Int'l 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	The Marc Plaza Hotel The Pfister Hotel Abbey on Lake Geneva Interlaken Dallas Hotel Milwaukee, WI Milwaukee, WI Lake Geneva, WI Dallas, TX
Olivia Neece Planning & Design 18200 Rosita St. Tarzana, CA 91356	Olivia Neece Principal 818-705-7753	Hotels Developed Last 2 Years: 4 Number of Rooms: 800	1. NE 2. NW 3. SW	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 34	Inn at the Crossings Russell Street Inn Holiday Inn-Foster City Holiday Inn-Union City Independent Bed and Breakfasts Warwick, RI Orangeburg, SC Foster City, CA Union City, CA San Diego, CA
One Design Center, Inc. 2828 Lawndale Dr. Greensboro, NC 27408	Betty Foy Mktg. Dir. 919-288-0134	Hotels Developed Last 2 Years: 25 Number of Rooms: 2,500	1. NE 2. SE 3. MW	Lux.: 15 Mid.: 75 Econ.: 10 Comm.: 60 Conv.: 30 Resort: 10	Embassy Suites Inverary Club Resort Durham Hilton Hotel Sheraton Imperial Hotel Holiday Inn Piedmont Ctr. Kansas City, MO Lauderhill, FL Durham, NC Durham, NC Hickory, NC
Opus Corporation 9900 Bren Rd. E., P.O. Box 150 Minneapolis, MN 55440	Michele Foster Dir. of Dev. 612-936-4527	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,019	1. NW 2. SW 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Minnetonka Marriott Ramada Compro Hotel Minneapolis Airport Hilton Holiday Inn St. Paul-East St. Paul, MN Minnetonka, MN Bloomington, MN Eagan, MN Bloomington, MN St. Paul, MN

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Planned Expansion Group 30 Glenn St. White Plains, NY 10603	Matthew Kroin Pres. 914-949-6505	Hotels Developed Last 2 Years: 2 Number of Rooms: 400	1. NE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	Ramada Renaissance Sheraton Ramada Hotel Ramada Hotel Clarion Harvest House Park Suite Hotel Park Suite Hotel	
Plantation Enterprises, Inc. 752 E. Brookhaven Circle Memphis, TN 38117	Carol Larocca 901-682-0860	Hotels Developed Last 2 Years: 30 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 10 Mid.: 60 Econ.: 30	Comm.: 85 Conv.: 0 Resort: 15	Alexandria, VA Edison, NJ Boulder, CO Dallas, TX Orlando, FL	
Plumer, Inc. 1160 Steelwood Rd. Columbus, OH 43212	Dan Crooks VP 614-488-3141	Hotels Developed Last 2 Years: 30 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 25 Mid.: 60 Econ.: 15	Comm.: 60 Conv.: 30 Resort: 10	Pickett Hotel Pickett Hotel, Disney World Pickett Inn Pickett Inn Pickett Inn	
Professional Interiors Ltd. 9467 Dielman Rock Island Rd. St. Louis, MO 63132	Donald E. Schmitzhe Pres. 314-432-1375	Hotels Developed Last 2 Years: 20 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 10 Mid.: 60 Econ.: 30	Comm.: 60 Conv.: 20 Resort: 20	Majestic Hotel Embassy Suites Sheraton South Holiday Inn Howard Johnson	
R.H. Penner Hotel Planning Cornell University, Statter Hall Ithaca, NY 14853	Prof. Richard Penner 607-255-8301	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,200	1. NE 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 50 Conv.: 50 Resort: 0	Statter Hotel Ithaca, NY	
Rafael Vinoly Architects 65 Bleeker St. New York, NY 10012	Lisa Glover 212-505-8860	Hotels Developed Last 2 Years: 10 Number of Rooms: 0	1. NY 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	The Manhattan Tower Prada John Jay College Gramercy Park	
The Refinishing Touch Inc. P.O. Box 639 Roswell, GA 30077	R. Mario Insenga Pres. 800-523-9448	Hotels Developed Last 2 Years: 50 Number of Rooms: 12,000	1. US 2. 3.	Lux.: 35 Mid.: 60 Econ.: 5	Comm.: 30 Conv.: 30 Resort: 40	New York Penta Hotel Woodcliff Lake Hilton Stouffers Pineowl Resort Guest Quarters Sheraton Terra Hotel	
Resort Design 55 Carleton Ave. E. Islip, NY 11730	Larry Cain 516-277-0053	Hotels Developed Last 2 Years: 15 Number of Rooms: 1,200	1. US 2. Carib 3. SE	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 0 Conv.: 10 Resort: 90	Samoset Resort La Renaissance Golden Eagle Lodge Snowy Owl Inn Sea Palace	
The Resort Design Group Inc. 6036 Central Ave. St. Petersburg, FL 33707	Lynn M. Hawthorne VP 813-345-1242	Hotels Developed Last 2 Years: 7 Number of Rooms: 527	1. US 2. 3.	Lux.: 25 Mid.: 65 Econ.: 10	Comm.: 25 Conv.: 25 Resort: 50	Clearwater Beach Hotel Ocean Keyhouse Resort & Marina Vistana Vacation Villas Long Boat Bay Club Trapp Family Guest Houses	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Richard Crowell Associates 1860 Ala Moana Blvd. Honolulu, HI 96815	Richard L. Crowell Pres. 808-946-4868	Hotels Developed Last 2 Years: 6 Number of Rooms: 2,500	1. W 2. Int'l 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 20 Conv.: 0 Resort: 80	Emerald of Anaheim Mauna Lani Resort Hotel Hawaiian Regent Sheraton Royal Waikoloa Penang Mutiara Resort
Rita St. Clair Associates, Inc. 1009 N. Charles St. Baltimore, MD 21201	Ted Pearson, ASID Dir. 301-752-1313	Hotels Developed Last 2 Years: 4 Number of Rooms: 800	1. US 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Netherland Plaza Miami Intercontinental Peabody Court Palmer House Holiday Inn
Robert Woodfin Jones, Inc. 104 E. 81 St. New York, NY 10028	Robert A. W. Jones Pres. 212-439-9077	Hotels Developed Last 2 Years: 3 Number of Rooms: 600	1. NE 2. SE 3.	Lux.: 34 Mid.: 66 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Omni Miami, FL Omni Baltimore, MD Chicago, IL Chevy Chase, MD
Rothzeid Kaiserman Thomson & Bee 134 Charles St. New York, NY 10014	Bernard Rothzeid Pres. 212-645-4600	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Atlanta, GA Miami, FL New York, NY
RTKL Associates, Inc. 400 E. Pratt St. Baltimore, MD 21202	Thom McKay Mktg. Mgr. 301-528-8600	Hotels Developed Last 2 Years: 50 Number of Rooms: 4,500	1. US 2. Int'l 3.	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 60 Conv.: 30 Resort: 10	Washington, DC Grand Hyatt Grand Hyatt Princeton Marriott San Antonio Marriott
Russel Gibson Von Dohlen, P.C. 10 New King St. White Plains, NY 10604	Greg Dissel 914-949-7424	Hotels Developed Last 2 Years: 7 Number of Rooms: 1,300	1. NE 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 75 Conv.: 0 Resort: 25	Danbury Hilton Farmington, CT Hartford Marriott Yorktown Hotel Embassy Suites Hotel
Rykoff-Sexton, Inc. 140 Morgan Dr. Norwood, MA 02062	David Penn Mgr. 617-762-9200	Hotels Developed Last 2 Years: 12 Number of Rooms: 6,000	1. NE 2. SE 3. US	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 40 Conv.: 20 Resort: 40	Sheraton Tower Parsippany, NJ Danvers, MA N. Conway, NH Warwick, RI Conway, NH
Saville Design 8900 Melrose Ave. Los Angeles, CA 90067	Brent Saville Principal 213-658-6991	Hotels Developed Last 2 Years: 5 Number of Rooms: 1,500	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 33	Desert Inn Beverly Hills, CA Los Angeles, CA Beverly Hills, CA Marina Del Rey, CA
Security Design Services, Div. NW Co. 2212 Onyx St. Eugene, OR 97403	S. Riley 503-485-4348	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Sikes, Jennings, Kelly & Brewer 2500 Citywest Blvd. Houston, TX 77042	Richard W. Jennings Principal 713-781-8600	Hotels Developed Last 2 Years: 10 Number of Rooms: 3,107	1. US 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0 Comm.: 80 Conv.: 10 Resort: 10	Radisson Plaza Red Lion Inn West Covina Marriott Marriott All Suites Marriott at the Capital Southfield, MI San Diego, CA West Covina, CA Downers Grove, IL Austin, TX

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Skidmore, Owings & Merrill 33 W. Monroe St. Chicago, IL 60603	Adrian Smith 312-641-5959	Hotels Developed Last 2 Years: 9 Number of Rooms: 2,500	1. US 2. Int'l 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Boston Harbor Hotel Mandarin Oriental Marina Beach Hotel Sheraton Palace Hotel The Regent of Jakarta
Smallwood, Reynolds, Stewart & Stewart One Piedmont Center Atlanta, GA 30305	Phillip L. Smallwood, AIA VP 404-233-5453	Hotels Developed Last 2 Years: 50 Number of Rooms: 4,000	1. NE 2. SE 3.	Lux.: 30 Mid.: 60 Econ.: 10 Comm.: 90 Conv.: 0 Resort: 10	Omni Durham Auburn University Hotel Fernwood Resort/Country Club
Spectrum Services 710 Terminal Tower Cleveland, OH 44113	Paula Boykin Pres. 216-241-8450	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. US 2. 3.	Lux.: 60 Mid.: 0 Econ.: 40 Comm.: 30 Conv.: 40 Resort: 30	Astin Kaanpali Shores Comfort Suite Grand Ballroom Columbus N. Marriott Buffalo Marriott
The Steel Partnership 919 N. Dixie Hwy. W. Palm Beach, FL 33401	Philip S. Steel Pres. 407-833-7445	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,400	1. SE 2. Int'l 3. Carib	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 34	Royce Hotel Holiday Inn Holiday Inn Holiday Inn Casa de Campo
Steven W. Miller, AIA 1133 Broadway New York, NY 10010	Steven W. Miller Owner 212-661-5420	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,600	1. NW 2. SE 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 60 Conv.: 12 Resort: 28	The Radisson Plaza Oceanside California Suite Valencia Hills Radisson Suites
The Stubbins Associates, Inc. 1033 Massachusetts Ave. Cambridge, MA 02138	Marie Vinless Dir. Dev. 617-491-6450	Hotels Developed Last 2 Years: 6 Number of Rooms: 2,400	1. NE 2. SW 3. Asia	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Guest Quarters Suite Hotel Copley Place Marriott Hotel Ramada Renaissance Hotel Doubletree Hotel Harrah's Marina Hotel & Casino
Tamarind, Inc. 7961 West Third St. Los Angeles, CA 90048	Mel Steinberg Pres. 213-938-5251	Hotels Developed Last 2 Years: 22 Number of Rooms: 11,000	1. SW 2. 3.	Lux.: 90 Mid.: 10 Econ.: 0 Comm.: 10 Conv.: 0 Resort: 0	Caesar's Boardwalk Regency Sands Hotel Caesar's Palace Maxim Hotel Tulsa Excelsior
The Architects Collaborative 46 Brattle Street Cambridge, MA 02138	David Sheffield, AIA Principal 617-868-4200	Hotels Developed Last 2 Years: 6 Number of Rooms: 1,000	1. NE 2. Int'l 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 20 Conv.: 50 Resort: 30	The Statler Inn Wentworth by the Sea Vista International Hotel New Seabury Inn New England Center
The Getty's Group 401 E. Illinois Chicago, IL 60611	Roger G. Hill II Pres. 312-836-4222	Hotels Developed Last 2 Years: 3 Number of Rooms: 322	1. WI 2. IL 3.	Lux.: 66 Mid.: 0 Econ.: 33 Comm.: 67 Conv.: 0 Resort: 33	Knickertbocker Hotel Auduron Franchise Motel

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.	Mid.	Econ.	
Thomas Hamilton & Associates 11000 Staples Mill Rd. Glen Allen, VA 23060	Elissa Shoolroy Dir. Des. 804-798-4339	Hotels Developed Last 2 Years: 15 Number of Rooms: 1,000	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 25 Conv.: 50 Resort: 25	The Berkeley Hotel Sheraton Hotel The Manor Inn Comfort Inn Holiday Inn	Richmond, VA Hampton, VA Pinehurst, NC Richmond, VA Tysons Corner, VA
TRA Inc. 215 Columbia St. Seattle, WA 98104	Gary Schaefer 206-682-1133	Hotels Developed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0		
Tucker, Sadler & Associates 2411 2nd Ave. San Diego, CA 92101	Michael Matalon Principal 619-236-1662	Hotels Developed Last 2 Years: 4 Number of Rooms: 1,215	1. SW 2. 3.	Lux.: 25 Mid.: 65 Econ.: 10	Comm.: 50 Conv.: 10 Resort: 40	U.S. Grant Embassy Suites Rancho Bernardo Inn Compri Hotel Hotel Del Coronado	San Diego, CA San Diego, CA Rancho Bernardo, CA Rancho Bernardo, CA Coronado, CA
Unicorn International P.O. Box 180151 Memphis, TN 38118	Bill Cruthirds, Sr. Pres. 901-526-8448	Hotels Developed Last 2 Years: 80 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 60 Conv.: 20 Resort: 20	Embassy Suites Holiday Inn Sheraton Garden Plaza Hotel Park Suite Hotel	Dallas, TX Dayton/Fairborn, OH Columbia, SC Memphis, TN Oklahoma City, OK
Urban West Associates 714 S. Dearborn, Penthouse Chicago, IL 60605	Keith E. Talbert Pres. 312-427-WEST	Hotels Developed Last 2 Years: 19 Number of Rooms: 5,000	1. US 2. 3.	Lux.: 70 Mid.: 20 Econ.: 10	Comm.: 30 Conv.: 40 Resort: 30	Sheraton Santa Barbara Hyatt Regency Waikiki Hyatt Regency Maui Hyatt Regency Woodfield McDonald's Lodge	Santa Barbara, CA Honolulu, HI Lahaina, HI Schaumburg, IL Oakbrook, IL
Vantress Design Associates, Inc. 8040 Soquel Dr. Aptos, CA 95003	Marion C. Vantress 408-688-6125	Hotels Developed Last 2 Years: 12 Number of Rooms: 600	1. 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 10 Conv.: 0 Resort: 90	Ahwahnee Hotel Esalen Institute Santa Cruz Inn Comfort Inn Yosemite Lodge	Yosemite, CA Big Sur, CA Santa Cruz, CA King City, CA Yosemite, CA
VBI, Inc. P.O. Box 13511 Milwaukee, WI 53226	Robert J. Von Beregny 414-476-8188	Hotels Developed Last 2 Years: 2 Number of Rooms: 500	1. MW 2. SW 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0		
Vickey/Ovresat/Awsumb, Inc. 435 N. Michigan Ave. Chicago, IL 60611	Michael A. Toolis Pres. 312-644-3464	Hotels Developed Last 2 Years: 9 Number of Rooms: 3,100	1. IL 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 10 Conv.: 40 Resort: 50	Peabody Marriott Suites Sheraton Hawthorn Suites Beach Club	Orlando, FL Rosemont, IL Orlando, FL Naperville, IL Orlando, FL
Victor Huff Partnership 2675 S. Abilene Denver, CO 80014	Michael D. Ward Pres. 303-751-7333	Hotels Developed Last 2 Years: 22 Number of Rooms: 7,500	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 50 Conv.: 20 Resort: 30	Hilton Hotel Marriott Resort Marriott Suites Hotel Waldorf Astoria Miami Sheraton Bayside	McLean, VA Daytona Beach, FL San Diego, CA New York, NY Miami, FL

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
Vlastmil Koubek 1625 Massachusetts Ave. NW Washington, DC 20036	Vlastmil Koubek Owner 202-667-4600	Hotels Developed Last 2 Years: 12 Number of Rooms: 2,100	1. NE 2. SE 3.	Lux.: 90 Mid.: 10 Econ.: 0	Comm.: 100 Conv.: 0 Resort: 0	Willard Hotel Mayflower Westin Hotel Jefferson Hotel Miami Intercontinental	Washington, DC Washington, DC Washington, DC Richmond, VA Miami, FL
Voorsanger & Mills Associates 246 W. 38th St. New York, NY 10018	Edward Mills Partner 212-302-6464	Hotels Developed Last 2 Years: 2 Number of Rooms: 200	1. NE 2. SW 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 20 Resort: 80	Los Angeles Hilton Grand Hotel du Cap Ferrat	Los Angeles, CA Cap Ferrat, FRA
Wilson & Associates 3811 Turtlecreek Blvd. Dallas, TX 75219	Connie Campbell Pres. 214-521-6753	Hotels Developed Last 2 Years: 48 Number of Rooms: 17,076	1. US 2. Int'l 3.	Lux.: 41 Mid.: 59 Econ.: 0	Comm.: 55 Conv.: 15 Resort: 30	Disney Caribbean Beach Ritz Carlton Huntington Sonterra Resort Old Course Hotel	Orlando, FL Pasadena, CA Palm Springs, CA St. Andrew's, Scotland Dublin, Ireland
Wimberly, Allison, Tong & Goo 2222 Kalakaua Ave. Penthouse Honolulu, HI 96815	Howard J. Wolff VP 808-922-1253	Hotels Developed Last 2 Years: 40 Number of Rooms: 14,200	1. Int'l 2. Carib 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 10 Conv.: 50 Resort: 40	Conrad International Hilton Hawaiian Village Ritz-Carlton Laguna Grand Floridian Resort Regent of Bangkok Ramada Reef Resort	Honolulu, HI Laguna Beach, CA Orlando, FL Bangkok, Thailand Cairns
Winovich Associates 23 NE 39th St. Miami, FL 33137	Diane Winovich Pres. 305-573-2371	Hotels Developed Last 2 Years: 10 Number of Rooms: 2,500	1. US 2. Int'l 3.	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 25 Conv.: 25 Resort: 50	Doral Beach Hotel Doral Country Club Hotel Oro Verde (Dem) Resorts International Paradise Island Resorts International Ocean Club	Miami Beach, FL Miami, FL Ecuador Paradise Island Paradise Island
Wudtke Watson Associates, Inc. 200 Green St. San Francisco, CA 94111	Donald E. Wudtke Chmn. 415-398-0200	Hotels Developed Last 2 Years: 6 Number of Rooms: 900	1. SW 2. MW 3. US	Lux.: 65 Mid.: 35 Econ.: 0	Comm.: 35 Conv.: 0 Resort: 65	Northland Inn & Conf. Ctr. Cheyenne Mountain Inn Cactus Pete's Hotel/Casino Cherrington	Minneapolis, MN Colorado Springs, CO Jackpot, NV Pittsburgh, PA
Yates-Silverman, Inc. 6330 San Vicente Blvd. Los Angeles, CA 90048	Charles L. Silverman Pres. 213-937-1503	Hotels Developed Last 2 Years: 25 Number of Rooms: 4,000	1. NE 2. SW 3.	Lux.: 50 Mid.: 25 Econ.: 25	Comm.: 0 Conv.: 0 Resort: 100	Trump Plaza Hotel & Casino Caesars Hotel & Casino Taj Mahal Hotel & Casino Colorado Belle Hotel/Casino Circus Circus Hotel/Casino	Atlantic City, NJ Atlantic City, NJ Atlantic City, NJ Laughlin, NV Las Vegas, NV

FF&E Suppliers

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
ABV & Associates 1605 C. Stemons Freeway Dallas, TX 75207	Barbara Vessels Pres. 214-744-4040	Hotels Served Last 2 Years: 3 Number of Rooms: 600	1. SE 2. SW 3. US	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Capitol Hotel Tutwiler Hotel Lincoln Hotel Regent Hotel Sheraton Hotel Little Rock, AR Birmingham, AL Dallas, TX Dallas, TX Clarksville, IN
ADM Associates 960 Piedmont Ave. NE Atlanta, GA 30309	Allison Mehta Pres. 404-892-1975	Hotels Served Last 2 Years: 30 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0 Comm.: 30 Conv.: 20 Resort: 50	Westin Hotel-Lenox Square Intercontinental Hotel The Fairmount Hotel Grove Park Inn Ramada Lodge Atlanta, GA Hilton Head, SC San Antonio, TX Asheville, NC Chandler, AZ
Aircoa Hospitality Services 4600 S. Ulster Denver, CO 80237	Jill Roff 303-220-2299	Hotels Served Last 2 Years: 24 Number of Rooms: 5,800	1. US 2. 3.	Lux.: 15 Mid.: 65 Econ.: 20 Comm.: 65 Conv.: 20 Resort: 15	Tacoma Village Sheraton Lakeside The Eldorado The Clarion Hotel Mariner's Inn Cincinnati, OH Kissimmee, FL Santa Fe, NM Anchorage, AK Hilton Head, SC
American of Martinsville P.O. Box 5071 Martinsville, VA 24115	Michael E. Moore VP 703-632-2061	Hotels Served Last 2 Years: 300 Number of Rooms: 85,000	1. US 2. Int'l 3.	Lux.: 60 Mid.: 30 Econ.: 10 Comm.: 40 Conv.: 40 Resort: 20	Marriott-Times Square Chicago Hilton & Towers Hyatt Maui Omni Hotel Boca Raton Hotel & Resort New York, NY Chicago, IL Maui, HI Jacksonville, FL Boca Raton, FL
Barbara Elliott Interiors 1038-1 Shary Circle Concord, CA 94518	Barbara Elliott 415-798-8550	Hotels Served Last 2 Years: 8 Number of Rooms: 2,000	1. US 2. Int'l 3.	Lux.: 60 Mid.: 40 Econ.: 0 Comm.: 20 Conv.: 20 Resort: 60	Eldorado Hotel Claremont Resort Inn at McCormack Ranch Pacific Islands Club Pacific Islands Club Santa Fe, NM Oakland, CA Scottsdale, AZ Guam Saipan
Bay Design Group 110 E. Liberty St. Ann Arbor, MI 48104	Susan Bay Bus. Dev. 313-996-0707	Hotels Served Last 2 Years: 40 Number of Rooms: 8,000	1. MW 2. 3.	Lux.: 30 Mid.: 45 Econ.: 25 Comm.: 40 Conv.: 40 Resort: 20	Holiday Inn West Bell Tower Clarion Mission Point Hotel Indian River Plantation Ann Arbor, MI Ann Arbor, MI Farmington Hills, MI Mackinaw Island, MI Stewart, FL
Benjamin Bros., Inc. 162 N. Franklin St. Chicago, IL 60606	Alan Benjamin VP 312-263-2626	Hotels Served Last 2 Years: 65 Number of Rooms: 10,000	1. US 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33 Comm.: 60 Conv.: 20 Resort: 20	Embassy Suite-O'Hare Beaver Run Resort Saddlebrook Resort El San Juan Cresthill by Hilton Chicago, IL Brackenridge, CO Tampa, FL San Juan, PR Chicago, IL
Boyd Furniture Co. 6355 Washington Blvd. City of Commerce, CA 90040	Dean Clark Pres. 213-726-6767	Hotels Served Last 2 Years: 120 Number of Rooms: 2,000	1. NW 2. SW 3.	Lux.: 10 Mid.: 80 Econ.: 10 Comm.: 50 Conv.: 0 Resort: 50	Country Inn Quality Inn Hampton Inn Gold Beach Resort Inn Comfort Inn Calabasas, CA Sierra Vista, AZ San Diego, CA Gold Beach, OR Millbrae, CA

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
Broyhill Furniture Industries Broyhill Park Lenoir, NC 28633	Robert W. Armfield, Sr. GM 704-758-3348	Hotels Served Last 2 Years: 35 Number of Rooms: 3,000	1. NE 2. SE 3. US	Lux.: 20 Mid.: 70 Econ.: 10	Comm.: 65 Conv.: 5 Resort: 25	Sheraton Holiday Inn Waikiki Resort Hilton Red Lion	Nashville, TN Raleigh, NC Waikiki, HI College Station, PA Seattle, WA
C.I.W. Designs, Inc. 1010 Oak Ave. Croydon, PA 19020	Craig Weizer Sen. Assoc. 215-788-8539	Hotels Served Last 2 Years: 6 Number of Rooms: 1,500	1. NE 2. SE 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 100	Sheraton The Browns Hotel Resorts International Bally's Taj Mahal	Eatontown, NJ Catskill, NY Atlantic City, NJ Atlantic City, NJ Atlantic City, NJ
Carlisle Purchasing Group 3525 Cedar Springs Rd. Dallas, TX 75219	Liz Edwards 214-522-8955	Hotels Served Last 2 Years: 12 Number of Rooms: 2,500	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Toledo Radisson Dearborn Inn Dallas Plaza Hotel Hyatt Sherburne	Toledo, OH Dearborn, MI Dallas, TX Cancun, Mexico Nantucket, RI
Carole Korn Interiors, Inc. 825 S. Bayshore Dr., Tower 3 Miami, FL 33131	Carole Korn Pres. 305-375-8080	Hotels Served Last 2 Years: 15 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 75 Conv.: 0 Resort: 25	Sheraton Towers Diplomat Ramada Bonaventure Ramada	Hasbrouck Heights, NJ Hallandale, FL Newport News, VA Ft. Lauderdale, FL Sunrise, FL
Carolyn Henry & Associates 14850 Quorum Dr. Dallas, TX 75240	Joan McCallum Office Mgr. 214-788-0155	Hotels Served Last 2 Years: 10 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 30 Mid.: 60 Econ.: 10	Comm.: 50 Conv.: 50 Resort: 0	Beverly Heritage Hotel Dallas Parkway Hilton Anberley Suite Hotel Anberley Suite Hotel Anberley Suite Hotel	Costa Mesa, CA Dallas, TX Arlington, TX Atlanta, GA Huntsville, AL
Centrac Industries Ltd. 2650 St. Clair Ave. W. Toronto, Ont. CANADA M6N1M2	Roy Oldfield Sales Mgr. 416-763-4551	Hotels Served Last 2 Years: 100 Number of Rooms: 30,000	1. US 2. Can 3. Carib	Lux.: 45 Mid.: 40 Econ.: 15	Comm.: 33 Conv.: 33 Resort: 34	The Omni The Sheraton Old English Keller's Ramada Inn Hilton Las Vegas Admiral Hotel	Baltimore, MD Jackson, TN Effingham, IL Las Vegas, NV Toronto, Canada
Coakley Williams Construction Co. 7500 Greenway Center Dr. Greenbelt, MD 20770	George Kreis Dir. Dev. 301-345-9749	Hotels Served Last 2 Years: 12 Number of Rooms: 3,600	1. NE 2. SE 3.	Lux.: 10 Mid.: 45 Econ.: 45	Comm.: 90 Conv.: 10 Resort: 0	Holiday Inn Days Inn Courtyard by Marriott Days Inn Hilton Hotel	Calverton, MD Dulles Airport, VA Silver Spring, CO Laurel, MD Springfield, VA
Conclux, Inc. 29865 Michigan Ave. Inkster, MI 48141	John C. Klesch Pres. 313-326-6460	Hotels Served Last 2 Years: 300 Number of Rooms: 8,000	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 60 Conv.: 10 Resort: 30	Sheraton-Huntington Marriott Hotel Harley Hotel Hyatt Regency Hotel Westmark Hotel	Pasadena, CA Grand Rapids, MI Columbus, OH Dearborn, MI Anchorage, AK

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Continental Design & Supplies 680 Anderson Dr. Forster Plaza, B PA 15220	Norman Hull 412-937-0600	Hotels Served Last 2 Years: 15 Number of Rooms: 5,000	1. NW 2. NE 3. SE	Lux.: 10 Mid.: 90 Econ.: 0 Comm.: 80 Conv.: 10 Resort: 10	Marriott Hotel Pittsburgh, PA Marriott Hotel Memphis, TN Marriott Hotel Key West, FL Marriott Hotel Colorado Springs, CO Marriott Hotel Mission Valley, CA
Designers II 3690 N. Peachtree Rd. Atlanta, GA 30341	Janet Garner Pres. 404-458-9111	Hotels Served Last 2 Years: 25 Number of Rooms: 5,000	1. NE 2. SE 3.	Lux.: 50 Mid.: 35 Econ.: 15 Comm.: 24 Conv.: 16 Resort: 60	The Marco Island Hilton Marco Island, FL St. Petersburg Hilton St. Petersburg, FL Sheraton-Lancaster Resort Lancaster, PA The Raleigh Holiday Inn Raleigh-Durham, NC The Innsbrook Hilton Richmond, VA
Dimensional Interiors, Inc. 23715 Mercantile Rd. Beachwood, OH 44122	Allan Amster Pres. 216-831-5231	Hotels Served Last 2 Years: 75 Number of Rooms: 7,500	1. US 2. 3.	Lux.: 15 Mid.: 75 Econ.: 10 Comm.: 70 Conv.: 20 Resort: 10	Radisson Harbour Sandusky, OH Residence Inn Cleveland, OH Holiday Inn-South West Toledo, OH Sheraton Crossgates Wilkes-Barre, PA Holiday Inn-Boardman Boardman, OH
Dow/Fletcher 10801 Main St. Bellevue, WA 98004	Gary E. Fletcher Pres. 206-454-0029	Hotels Served Last 2 Years: 14 Number of Rooms: 2,500	1. NW 2. SW 3.	Lux.: 35 Mid.: 55 Econ.: 10 Comm.: 50 Conv.: 10 Resort: 40	Edgewater Inn Seattle, WA Caesars Palace Las Vegas, NV Quality Inn Spokane, WA Wauwinet Lodge Nantucket Island, MA Portofino Inn Redondo Beach, CA
Electronic Display Systems 2809 E. Hwy. 30 Grand Island, NB 68801	Clark Reese Nat'l Sales 308-384-6860	Hotels Served Last 2 Years: 30 Number of Rooms: 499	1. US 2. 3.	Lux.: 25 Mid.: 30 Econ.: 40 Comm.: 40 Conv.: 30 Resort: 25	Days Inn Clearwater, FL Ramada Inn Greensboro, NC Budgetel Inn Milwaukee, WI Econolodge Petersburg, VA Flamingo Hilton Las Vegas, NV
General Mica Corp. 1850 NE 144th St. N. Miami, FL 33181	Al Alschuler Dir. PR 305-949-7247	Hotels Served Last 2 Years: 35 Number of Rooms: 2,000	1. NE 2. SE 3. Carib	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 50 Conv.: 20 Resort: 30	Trump Plaza Atlantic City, NJ Hyatt Regency Miami, FL North Shore Hilton Skokie, IL Frenchman's Reef St. Thomas, VI Viscount Lake Buena Vista, FL
The H. Chambers Co. 1010 N. Charles St. Baltimore, MD 21201	J.H.L. Chambers Pres. 301-727-4535	Hotels Served Last 2 Years: 4 Number of Rooms: 1,250	1. NE 2. Carib 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 40 Conv.: 0 Resort: 60	The Tides Inn Irvington, VA The Tides Lodge Bermuda Reef's The Imperial Inn Chestertown, MD The Paradise Grand Paradise Island, Bahamas
Harper Design Co. Div. Harper Resources 29800 Bainbridge Rd. Solon, OH 44139	David Mikolajczik Pres. 216-248-3600	Hotels Served Last 2 Years: 20 Number of Rooms: 3,500	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 10 Resort: 40	Stouffer Concourse Hotel Los Angeles, CA Harper Place Hotel Baltimore, MD Stouffer Beach Resort St. Thomas, VI Stouffer Waialea Resort Maui, HI Stouffer Tower City Plaza Cleveland, OH

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Hilton Equipment Corp. Div. Hilton 9336 Civic Center Dr. Beverly Hills, CA 90209	Mr. Eiseman Sen. VP 213-205-4558	Hotels Served Last 2 Years: 52 Number of Rooms: 0	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Hilton Hotel Waldorf-Astoria Hilton Hotel Hilton Hotel Hilton Hotel
Hochheiser Elias Design Group, Inc. 322 E. 86th St. New York, NY 10028	Brad Elias 212-535-7437	Hotels Served Last 2 Years: 12 Number of Rooms: 2,000	1. NE 2. SE 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 60 Conv.: 40 Resort: 0	Sheraton Washington, DC Washington, DC Richmond, VA Richmond, VA Virginia Beach, VA
Holiday Inns, Inc. 3645 Lamar Ave. Memphis, TN 38195	Gerard Hegner Nat'l. Sales Dir. 800-238-5754	Hotels Served Last 2 Years: 450 Number of Rooms: 67,500	1. US 2. 3.	Lux.: 1 Mid.: 99 Econ.: 0 Comm.: 80 Conv.: 10 Resort: 10	Holiday Inn Milpitas Holiday Inn Crowne Plaza Embassy Suite Harrah's Du Pont Plaza
Hospitality Furnishing, Inc. 1929 Commerce St. Yorktown Heights, NY 10598	Fred Kaplan Pres. 914-962-3651	Hotels Served Last 2 Years: 23 Number of Rooms: 1,400	1. NE 2. 3.	Lux.: 0 Mid.: 65 Econ.: 35 Comm.: 80 Conv.: 0 Resort: 20	Albany Motor Inn Ramada Inn Conf. Ctr. Comfort Inn Super 8 Motel Elmwood Condo Hotel
Imperial Carpet & Textile Co. 5758 N. Lincoln Ave. Chicago, IL 60659	Seymour Grossman Pres. 312-784-1340	Hotels Served Last 2 Years: 20 Number of Rooms: 2,000	1. MW 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 50 Conv.: 50 Resort: 0	Comfort Inn Days Inn Comfort Inn Hilton Hotel Holiday Inn
Integrated Services Corp. 30 W. 56th St. New York, NY 10019	Mel Silver VP 212-246-3051	Hotels Served Last 2 Years: 20 Number of Rooms: 1,500	1. NE 2. SE 3. Nctr	Lux.: 25 Mid.: 50 Econ.: 15 Comm.: 60 Conv.: 20 Resort: 10	Sheraton Hotel Radisson Hotel Omni Hotel Saybrook Point Inn Lexington Hotel
Johnston-Tombigee Furniture Co. P.O. Drawer 2128 Columbus, MS 39704	Reau Berry 601-328-1685	Hotels Served Last 2 Years: 200 Number of Rooms: 15,000	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 0 Resort: 50	Comfort Inn Quality Inn Ramada Inn Howard Johnson Radisson Hotel
KD/Context, Inc. One KD Dr. Belmont, MS 38827	Alan J. Rubin 601-454-3451	Hotels Served Last 2 Years: 100 Number of Rooms: 25,000	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 25 Conv.: 50 Resort: 25	Crown Plaza Hilton Sheraton
The Lodging Interiors Group, Ltd. 2070 Peachtree Industrial Ct. Atlanta, GA 30341	Christopher A. Fox Pres. 404-455-7578	Hotels Served Last 2 Years: 20 Number of Rooms: 2,500	1. NE 2. SE 3. NW	Lux.: 25 Mid.: 50 Econ.: 25 Comm.: 50 Conv.: 0 Resort: 50	Lodging Unlimited Beachside Resort Wellington Hotel Hampton Inn Padre Island Resort

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Louis Auricchio & Associates, Inc. 2450 Fondren Rd. Houston, TX 77063	Louis Auricchio Pres. 713-785-3090	Hotels Served Last 2 Years: 6 Number of Rooms: 2,700	1. US 2. 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 25 Conv.: 25 Resort: 50	The Wyndham Palm Springs Palm Springs, CA The Westin Hotel Indianapolis, IN The Hotel Sofitel Miami, FL The Hotel Sofitel Chicago, IL The Hotel Novotel New York, NY
Marguerite Baldwin Interiors 330 S. Mansfield Ave. Los Angeles, CA 90036	Marguerite C. Baldwin Owner 213-936-7203	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Martin B. Stringfellow Purchasing 5401 Kirkman Rd. Orlando, FL 32819	Martin Stringfellow Pres. 407-352-0606	Hotels Served Last 2 Years: 21 Number of Rooms: 5,000	1. US 2. 3.	Lux.: 25 Mid.: 50 Econ.: 25 Comm.: 25 Conv.: 25 Resort: 25	Hyatt Key West Key West, FL Radisson Plaza Hotel Charlotte, NC Doubletree Coconut Grove Coconut Grove, FL The Wigwam Phoenix, AZ Frenchmen's Reef Resort St. Thomas, VI
Othmar Klem Furniture Co., Inc. 287 Cross St. St. Anthony, IN 47575	Jim Klem Mgr. 812-326-2361	Hotels Served Last 2 Years: 200 Number of Rooms: 30,000	1. US 2. 3.	Lux.: 15 Mid.: 70 Econ.: 15 Comm.: 70 Conv.: 20 Resort: 10	
Plantation Enterprises, Inc. 752 E. Brookhaven Circle Memphis, TN 38117	Carol Larocca 901-682-0860	Hotels Served Last 2 Years: 30 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 10 Mid.: 60 Econ.: 30 Comm.: 85 Conv.: 0 Resort: 15	Ramada Hotel Alexandria, VA Ramada Hotel Edison, NJ Clairon Harvest House Boulder, CO Park Suite Hotel Dallas, TX Park Suite Hotel Orlando, FL
Plumer, Inc. 1160 Steelwood Rd. Columbus, OH 43212	Dan Crooks VP 614-488-3141	Hotels Served Last 2 Years: 30 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 25 Mid.: 60 Econ.: 15 Comm.: 60 Conv.: 30 Resort: 10	Pickett Hotel Wilmington, DE Picket Hotel-Disney World Orlando, FL Pickett Inn Indianapolis, IN Pickett Inn Dayton, OH Pickett Inn Nashville, TN
Professional Interiors, Ltd. 9467 Dieleman Rock Island Rd. St. Louis, MO 63132	Donald E. Schmittzehe Pres. 314-432-1375	Hotels Served Last 2 Years: 20 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 10 Mid.: 60 Econ.: 30 Comm.: 60 Conv.: 20 Resort: 20	Majestic Hotel St. Louis, MO Embassy Suites Charlotte, NC Sheraton South St. Louis, MO Holiday Inn Mount Pleasant, NC Howard Johnson Fayetteville, NC
Purchase Service Ltd. 3214 Nebraska Ave. Santa Monica, CA 90404	Dorrit St. John Pres. 213-829-9911	Hotels Served Last 2 Years: 10 Number of Rooms: 3,000	1. NW 2. SW 3.	Lux.: 90 Mid.: 10 Econ.: 0 Comm.: 0 Conv.: 60 Resort: 40	Mansion on Turtle Creek Dallas, TX The Bel Air Hotel Los Angeles, CA Marriott San Diego, CA Fairmont Hotel New Orleans, LA The Lodge Pebble Beach, CA
The Refinishing Touch Inc. P.O. Box 639 Roswell, GA 30077	R. Mario Insenga Pres. 800-523-9448	Hotels Served Last 2 Years: 50 Number of Rooms: 12,000	1. US 2. 3.	Lux.: 35 Mid.: 60 Econ.: 5 Comm.: 30 Conv.: 30 Resort: 40	New York Penta Hotel New York, NY Woodcliff Lake Hilton Woodcliff Lake, NJ Stouffers Pineowl Resort Lake Leneir, GA Guest Quarters Boston, MA Sheraton Terra Hotel Boston, MA

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent)			Representative Developments
				By Price	By Market	By Market	
Resort Design 55 Carleton Ave. E. Islip, NY 11730	Larry Cain 516-277-0053	Hotels Served Last 2 Years: 15 Number of Rooms: 1,200	1. US 2. Carib 3. SE	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 0 Conv.: 10 Resort: 90	Samoset Resort La Renaissance Golden Eagle Lodge Snowy Owl Inn Sea Palace	Rockport, ME Atlantic City, NJ Waterville Valley, NH Waterville Valley, NH St. Maarten, VI
The Resort Design Group Inc. 6036 Central Ave. St. Petersburg, FL 33707	Lynn M. Hawthorne VP 813-345-1242	Hotels Served Last 2 Years: 7 Number of Rooms: 527	1. US 2. 3.	Lux.: 25 Mid.: 65 Econ.: 10	Comm.: 25 Conv.: 25 Resort: 50	Clearwater Beach Hotel Ocean Keyhouse Resort Vistana Vacation Villas Long Boat Bay Club Trapp Family Guest Houses	Clearwater, FL Key West, FL Lake Buena Vista, FL Long Boat Key, FL Stowe, VT
Rosemont Purchasing 200 W. Madison Chicago, IL 60606	Lowell Goldman VP 312-750-8514	Hotels Served Last 2 Years: 175 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 90 Mid.: 5 Econ.: 5	Comm.: 55 Conv.: 45 Resort: 0	Hyatt Regency Burlingame Grand Hyatt Washington Hyatt Regency-Waikoloa Hyatt Regency Maui Hyatt Regency Waikiki	Burlingame, CA Washington, DC Hawaii, HI Maui, HI Waikiki, HI
Saville Design 8900 Melrose Ave. Los Angeles, CA 90067	Brent Saville Principal 213-658-6991	Hotels Served Last 2 Years: 5 Number of Rooms: 1,500	1. US 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 33 Conv.: 33 Resort: 33	Desert Inn Beverly Hilton/Conf. Ctr. Willshire Courtyard Club Beverly Pavillion Marina City Club	Las Vegas, NV Beverly Hills, CA Los Angeles, CA Beverly Hills, CA Marina Del Rey, CA
Spectrum Services 710 Terminal Tower Cleveland, OH 44113	Paula Jo Boykin Pres. 216-241-8540	Hotels Served Last 2 Years: 12 Number of Rooms: 1,500	1. US 2. 3.	Lux.: 60 Mid.: 30 Econ.: 10	Comm.: 30 Conv.: 30 Resort: 40	Marriott Tenaya Yosemite Waikiki Royal Marriott-Airport Marriott-Beachwood Marriott N./Exec. Suites	Fish Camp, CA Honolulu, HI Cleveland, OH Beachwood, OH Columbus, OH
Spectrum Services 710 Terminal Tower Cleveland, OH 44113	Paula Jo Boykin Pres. 216-241-8540	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. US 2. 3.	Lux.: 60 Mid.: 0 Econ.: 40	Comm.: 30 Conv.: 40 Resort: 30	Astin Kaanapali Shores Comfort Suite Grand Ballroom Airport Marriott Columbus N. Marriott Buffalo Marriott	Maui, HI Kissimmee, FL Cleveland, OH Columbus, OH Buffalo, NY
Stanley Furnishing Co. P.O. Box 30 Stanleytown, VA 24168	John C. Matthews 703-629-7561	Hotels Served Last 2 Years: 750 Number of Rooms: 75,000	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20	Comm.: 60 Conv.: 30 Resort: 10	The Fairmount Stouffers Mountain Shadow Marriott The Anatole Hyatt	Chicago, IL Nashville, TN Scottsdale, AZ Dallas, TX Savannah, GA
Unicorn International P.O. Box 180151 Memphis, TN 38118	Bill Cruthirds, Sr. Pres. 901-526-8448	Hotels Served Last 2 Years: 80 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 60 Conv.: 20 Resort: 20	Embassy Suites Holiday Inn Sheraton Garden Plaza Hotel Park Suite Hotel	Dallas, TX Dayton/Fairborn, OH Columbia, SC Memphis, TN Oklahoma City, OK

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Vantress Design Associates, Inc. 8040 Soquel Dr. Aptos, CA 95003	Marion C. Vantress 408-688-6125	Hotels Served Last 2 Years: 12 Number of Rooms: 600	1. 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 10 Conv.: 0 Resort: 90	Ahwahnee Hotel Esalen Institute Santa Cruz Inn Comfort Inn Yosemite Lodge Yosemite, CA Big Sur, CA Santa Cruz, CA King City, CA Yosemite, CA

Food Facilities Consultants

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Abrams & Tanaka Associates, Inc. 2908 Nebraska Ave. Santa Monica, CA 90404	Stan Abrams Pres. 213-453-8861	Hotels Served Last 2 Years: 25 Number of Rooms: 10,000	1. US 2. Int'l 3.	Lux.: 75 Comm.: 50 Mid.: 25 Conv.: 25 Econ.: 5 Resort: 25	Westin Golden Nugget Hotel Grand Hyatt Grand Cypress Hyatt Sheraton Shoreline
AJM Associates 300 Northern Blvd. Great Neck, NY 11021	Anthony Mazurkiewicz 516-466-2001	Hotels Served Last 2 Years: 4 Number of Rooms: 600	1. NE 2. 3.	Lux.: 0 Comm.: 80 Mid.: 0 Conv.: 20 Econ.: 0 Resort: 0	Hilton Hotel Hilton Hotel Hilton Hotel
Allan King & Friends 1475 B Terminal Way Reno, NV 89502	Allan P. King Jr., FCSI Pres. 702-785-7903	Hotels Served Last 2 Years: 9 Number of Rooms: 1,800	1. NV 2. Carib 3. SW	Lux.: 25 Comm.: 0 Mid.: 75 Conv.: 20 Econ.: 0 Resort: 80	Harrish's West Hotel Casino Holiday Hotel & Casino Virginian Hotel Casino Sundowner Hotel Casino The Comstock Hotel Casino
Barrie Hancock Associates 782 Sugarland Run Dr. Sterling, VA 22170	Barrie C. Hancock 703-444-1885	Hotels Served Last 2 Years: 3 Number of Rooms: 900	1. NE 2. 3.	Lux.: 0 Comm.: 100 Mid.: 100 Conv.: 0 Econ.: 0 Resort: 0	Georgetown Inn Quality Inn Quality Inn
Beer Associates 249 Broadway Lynbrook, NY 11563	Ira B. Beer, FCSI Mng. Dir. 212-496-6688	Hotels Served Last 2 Years: 3 Number of Rooms: 900	1. US 2. 3.	Lux.: 50 Comm.: 70 Mid.: 50 Conv.: 20 Econ.: 0 Resort: 10	Sheraton-Jetport Holiday Inn Westbury Hotel Holiday Inn Holiday Inn
Benjamin Perlstien Associates 6299 W. Sunrise Blvd. Sunrise, FL 33313	Benjamin Perlstien Pres. 305-791-5435	Hotels Served Last 2 Years: 8 Number of Rooms: 0	1. US 2. 3.	Lux.: 95 Comm.: 30 Mid.: 5 Conv.: 30 Econ.: 0 Resort: 40	Hyatt Fontainebleau Hilton-Airport Boca Raton Great Western
Birchfield Foodsystem The Livery, 209 West St. Annapolis, MD 21401	John C. Birchfield Pres. 301-263-5100	Hotels Served Last 2 Years: 3 Number of Rooms: 700	1. NE 2. 3.	Lux.: 10 Comm.: 30 Mid.: 90 Conv.: 0 Econ.: 0 Resort: 70	
Bob Batt Design Associates 710 13th St., Studio 213 San Diego, CA 92101	Robert F. Batt Principal 619-338-0093	Hotels Served Last 2 Years: 3 Number of Rooms: 1,100	1. SW 2. NW 3. SE	Lux.: 50 Comm.: 50 Mid.: 50 Conv.: 0 Econ.: 0 Resort: 50	
Chroust Lawford Associates 3112 Pennsylvania Ave. Santa Monica, CA 90404	Tomas J. Chroust 213-828-7730	Hotels Served Last 2 Years: 20 Number of Rooms: 5,000	1. Pac 2. Eur 3.	Lux.: 50 Comm.: 30 Mid.: 50 Conv.: 40 Econ.: 0 Resort: 30	Mauna Lani Hotel Pontchartrain Phoenician Dorchester Hotel
Cini-Little International, Inc. 11325 Seven Locks Rd. Potomac, MD 20854-3205	Darrell Beal VP Bus. Dev. 301-299-8100	Hotels Served Last 2 Years: 250 Number of Rooms: 100,000	1. US 2. 3.	Lux.: 60 Comm.: 50 Mid.: 35 Conv.: 20 Econ.: 5 Resort: 30	Four Seasons Princess Hotel Rowes Wharf Inn at Spanish Bay Royal York

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Cleaver-Frable Associates 39 Westmorland Ave. White Plains, NY 10606	Foster Frable, Jr. Pres. 914-997-9660	Hotels Served Last 2 Years: 25 Number of Rooms: 8,000	1. US 2. 3.	Lux.: 60 Mid.: 30 Econ.: 10 Comm.: 60 Conv.: 10 Resort: 30	Waldorf Astoria Westin Resort McLean Hilton Guest Quarters Hotel Nikko Hotel New York, NY Ft. Lauderdale, FL McLean, VA Chicago, IL Atlanta, GA
Coachman Associates, Inc. 5545 W. Lincoln Ave. Morton Grove, IL 60053	Ronald M. Coachman Pres. 312-470-1195	Hotels Served Last 2 Years: 1 Number of Rooms: 300	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	The Clocktower Inn Rockford, IL
Crabtree McGrath Associates, Inc. 17 Lakeside Office Park Wakefield, MA 01880	Richard Verrill Sen. Assoc. 617-245-9440	Hotels Served Last 2 Years: 3 Number of Rooms: 800	1. NE 2. SE 3. Int'l	Lux.: 50 Mid.: 0 Econ.: 50 Comm.: 50 Conv.: 50 Resort: 0	Holiday Inn-Georgetown Prospect Inn Sheraton Hotel Guest Quarters Hyatt Washington, DC New Haven, CT Eugene, OR Charlotte, NC Cincinnati, OH
Dietary Design Consultants P.O. Box 18302 Memphis, TN 38118	Ray Thomas Bauman Owner 901-345-2407	Hotels Served Last 2 Years: 15 Number of Rooms: 5,000	1. SE 2. SW 3.	Lux.: 10 Mid.: 70 Econ.: 20 Comm.: 60 Conv.: 30 Resort: 10	Sheraton Best Western Sheraton French Quarter Inn Crown Plaza Atlanta, GA Memphis, TN Jackson, TN Atlanta, GA Memphis, TN
Dow/Fletcher 10801 Main St. Bellevue, WA 98004	Gary E. Fletcher Pres. 206-454-0029	Hotels Served Last 2 Years: 14 Number of Rooms: 2,500	1. NW 2. SW 3.	Lux.: 35 Mid.: 55 Econ.: 10 Comm.: 50 Conv.: 10 Resort: 40	Edgewater Inn Caesars Palace Quality Inn Wauwinet Lodge Portofino Inn Seattle, WA Las Vegas, NV Spokane, WA Nantucket Island, MA Radondino Beach, CA
E.F. Whitney, Inc. 568 Ann St. Birmingham, MI 48009	Ed Whitney, Jr. VP 313-644-0990	Hotels Served Last 2 Years: 5 Number of Rooms: 0	1. NC 2. MI 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 75 Conv.: 0 Resort: 25	Sheraton Oaks The Radisson Inn Westin Hotel Grand Traverse Resort Sommerset Inn Novi, MI Farmington, MI Detroit, MI Acme, MI Troy, MI
Equipment Manufacturing Co. 2160 N. Ashland Ave. Chicago, IL 60614	John Tierney Pres. 312-427-0656	Hotels Served Last 2 Years: 12 Number of Rooms: 300	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 60 Conv.: 20 Resort: 20	Chicago Hilton & Towers Showboat Hotel & Casino Nikko Hotel Royal Hawaiian Palmer House Chicago, IL Atlantic City, NJ Chicago, IL Honolulu, HI Chicago, IL
Foodservice Design Co. 500 S. Ervay Dallas, TX 75201	Norman Ackerman Pres. 214-742-3388	Hotels Served Last 2 Years: 6 Number of Rooms: 1,200	1. US 2. 3.	Lux.: 10 Mid.: 90 Econ.: 0 Comm.: 50 Conv.: 30 Resort: 20	Sheraton Centre Park Hilton Inn Sheraton Bentley Hotel Omni International Arlington, TX Hot Springs, AR Denton, TX Alexandria, LA Miami, FL
Frank N. Giampietro Associates 425 Broadhollow Rd. Melville, NY 11747-4775	Jeffrey D'Italia Pres. 516-293-4595	Hotels Served Last 2 Years: 1 Number of Rooms: 400	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Garden City Hotel Philadelphia Country Club New Orleans, LA
Franklin Clements Associates 10850 Richmond Ave. Houston, TX 77042	Franklin J. Clements Owner 713-784-3212	Hotels Served Last 2 Years: 1 Number of Rooms: 47	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 100	Maison Deville New Orleans, LA

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Fred Schmidt Associates 11259 W. Olympic Blvd. Los Angeles, CA 90064	Richard Clarke VP 213-479-2279	Hotels Served Last 2 Years: 7 Number of Rooms: 750	1. SE 2. SW 3.	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 50 Conv.: 25 Resort: 25	Flamingo Hilton Las Vegas Hilton Cabot Lodge Cabot Lodge	Las Vegas, NV Las Vegas, NV Nashville, TN Gainesville, FL Jackson, MS
G. "Skip" Downing Architects, Inc. 607 19th Ave E. Seattle, WA 98112	G. "Skip" Downing Pres. 206-323-8500	Hotels Served Last 2 Years: 12 Number of Rooms: 2,400	1. NW 2. 3.	Lux.: 0 Mid.: 75 Econ.: 25	Comm.: 100 Conv.: 0 Resort: 0	The Ridpath Hotel Nendels Holiday Inn	Spokane, WA Bellevue, WA Yakima, WA
George M. Matsumoto & Associates, Inc. 3536 Harding Ave. Honolulu, HI 96816	Jason Igawa 808-735-6433	Hotels Served Last 2 Years: 6 Number of Rooms: 3,000	1. HI 2. Int'l 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 50 Conv.: 0 Resort: 50	Sheraton Resort	Oahu, HI
Great American Brokerage 100 E. 42nd St. New York, NY 10017	Paul G. W. Fetscher Pres. 212-557-7272	Hotels Served Last 2 Years: 12 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 33 Mid.: 34 Econ.: 33	Comm.: 95 Conv.: 5 Resort: 0	Nassau Inn Loew's Glenpointe Franklin Motor Inn Inveray Hotel/Conf. Ctr.	Princeton, NJ Teaneck, NJ Parsippany, NJ Ft. Lauderdale, FL
Griffing Associates The Wellington, P.O. Drawer "A" Berryville, VA 22611	Joel Griffing Consultant/Owner 703-955-2077	Hotels Served Last 2 Years: 12 Number of Rooms: 1,000	1. NE 2. SE 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 60 Conv.: 25 Resort: 15	Tower Hotel National Clarion Hidden Valley Four Seasons Hospitality House	Atlanta, GA Arlington, VA Arlington, VA Summerset, PA Washington, DC Williamsburg, VA
Group One, Inc. 21 W. Third St. Boston, MA 02127	Arthur N. Mogel 617-268-7000	Hotels Served Last 2 Years: 12 Number of Rooms: 2,400	1. NE 2. SE 3.	Lux.: 33 Mid.: 33 Econ.: 33	Comm.: 33 Conv.: 33 Resort: 33	Sheraton Bel Air Best Western Gratham Inn Stonehedge Inn	Burlington, MA Erieboro, PA Pittsburgh, PA Gratham, NH Kingsboro, MA
H.G. Rice & Co., Inc. 114 E. Second St. Irving, TX 75060	Donald J. Kohne Principal 214-438-7423	Hotels Served Last 2 Years: 6 Number of Rooms: 1,500	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 67 Conv.: 33 Resort: 0	Harbor Island Capitol Hotel Dearborn Inn Vanderbilt Hotel Anatole Hotel	Tampa, FL Little Rock, AR Dearborn, MI Nashville, TN Dallas, TX
Hale Group, Ltd., The 8 Cherry St. Danvers, MA 01923	William C. Hale Pres. 508-777-9077	Hotels Served Last 2 Years: 80 Number of Rooms: 0	1. US 2. 3.	Lux.: 70 Mid.: 30 Econ.: 0	Comm.: 25 Conv.: 65 Resort: 10	Stouffer Concourse Hotel Harper Place Hotel Stouffer Beach Resort Stouffer Aialea Resort Stouffer Tower City Plaza	Los Angeles, CA Baltimore, MD St. Thomas, VI Maui, HI Cleveland, OH
Harper Design Co., Div. Harper Resources 29800 Bainbridge Rd. Solon, OH 44139	David Mikolajczik Pres. 216-248-3600	Hotels Served Last 2 Years: 20 Number of Rooms: 3,500	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 50 Conv.: 10 Resort: 40	Stouffer Concourse Hotel Harper Place Hotel Stouffer Beach Resort Stouffer Aialea Resort Stouffer Tower City Plaza	Los Angeles, CA Baltimore, MD St. Thomas, VI Maui, HI Cleveland, OH
Hilliker Associates 2300 Peachford Rd. Atlanta, GA 30338	Michael O. Johnson 404-455-1987	Hotels Served Last 2 Years: 40 Number of Rooms: 5,500	1. US 2. Int'l 3.	Lux.: 30 Mid.: 70 Econ.: 0	Comm.: 40 Conv.: 35 Resort: 25	Marriott Hotel Sands Casino Hotel Disney Club Hotels Evergreen Hotel/Conf. Ctr. Ramada Inn	Daytona Beach, FL Atlantic City, NJ Orlando, FL Stone Mountain, GA Seattle, WA

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Hochheiser Elias Design Group, Inc. 322 E. 86th St. New York, NY 10028	Brad Elias 212-535-7437	Hotels Served Last 2 Years: 12 Number of Rooms: 2,000	1. NE 2. SE 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 60 Conv.: 40 Resort: 0	Sheraton Sheraton Carlton Sheraton Jefferson Richmond-Airport Hilton Virginia Beach Hilton Washington, DC Washington, DC Richmond, VA Richmond, VA Virginia Beach, VA
HRI Consultants International, Inc. 7604 Goforth Rd. Dallas, TX 75238	Ray P. Randuk Pres. 214-340-0555	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. US 2. 3.	Lux.: 50 Mid.: 40 Econ.: 10 Comm.: 25 Conv.: 25 Resort: 25	Novi Hilton Amway Grand Plaza Hotel The Brent House Holiday Inn
The Hysen Group 37681 Schoolcraft, P.O. Box 9502 Livonia, MI 48151-1502	Don Brown Sen. Assoc. 313-464-9700	Hotels Served Last 2 Years: 4 Number of Rooms: 800	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Novi, MI Grand Rapids, MI New Orleans, LA Columbus, IN
Integrated Services Corp. 30 W. 56th St. New York, NY 10019	Mel Silver VP 212-246-3051	Hotels Served Last 2 Years: 20 Number of Rooms: 1,500	1. NE 2. SE 3. NCTR	Lux.: 25 Mid.: 50 Econ.: 15 Comm.: 60 Conv.: 20 Resort: 10	Sheraton Hotel Radisson Hotel Omni Hotel Saybrook Point Inn Lexington Hotel
JKM Associates 505 Kerr La. Springfield, PA 19064	James K. Maragos 215-328-9471	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	Bossier, LA Cleveland, OH Newport News, VA Saybrook, CT New York, NY
The Joseph Baum Co., Inc. 186 5th Ave. 6th Floor New York, NY 10010	Michael Whiteman 212-206-7110	Hotels Served Last 2 Years: 4 Number of Rooms: 1,000	1. Int'l 2. US 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Regent of Sydney Sydney, Australia
JSR Consultants 3609 B Shallowford Rd. Atlanta, GA 30340	John M. Eisman 404-451-9350	Hotels Served Last 2 Years: 16 Number of Rooms: 5,000	1. US 2. Int'l 3.	Lux.: 75 Mid.: 25 Econ.: 0 Comm.: 20 Conv.: 20 Resort: 60	Auburn Continuing Ctr. Days Inn Holiday Inn Sheraton Deboieu Inn Auburn, AL Atlanta, GA Brunswick, GA New Port Richey, FL Deboieu, SC
Judy Ford Stokes & Associates, Inc. 1401 W. Paces Ferry Rd. NW Atlanta, GA 30327-2438	Judy Ford Stokes Pres. 404-261-0206	Hotels Served Last 2 Years: 3 Number of Rooms: 1,000	1. SE 2. 3.	Lux.: 0 Mid.: 60 Econ.: 40 Comm.: 0 Conv.: 0 Resort: 100	Bellevue Holiday Inn Sam Bass Motor Inn Multnomah Hotel Camino Real San Salvador Camino Real Puerto Vallarta
Keith H. Bellman Foodservice Consultant 12800 Briar Forest Dr., Unit 131 Houston, TX 77077	Keith H. Bellman Pres. 713-558-5879	Hotels Served Last 2 Years: 11 Number of Rooms: 2,331	1. US 2. Int'l 3.	Lux.: 90 Mid.: 10 Econ.: 0 Comm.: 35 Conv.: 30 Resort: 35	Bellevue, WA Round Rock, TX Portland, OR San Salvador, El Salvador Puerto Vallarta
Kochman Associates, Inc. 9012 N. Waukegan Road Morton Grove, IL 60053	Ronald M. Kochman Pres. 312-470-1195	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. MW 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33 Comm.: 0 Conv.: 0 Resort: 0	Best Western Clocktower I Rockford, IL

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Kruse & Lally Associates 4739 Delhi Rd. Cincinnati, OH 45238	Ronald J. Kruse 513-244-2250	Hotels Served Last 2 Years: 4 Number of Rooms: 600	1. US 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0 Comm.: 75 Conv.: 25 Resort: 0	Seasons Forest Beach Inn The Lodge Reynolds Plant Imperial House Mullet Bay Conv. Ctr.
Lino J. Agosti & Associates 2324 Loussac Dr. Anchorage, AK 99517	Lino J. Agosti Owner 907-248-2525	Hotels Served Last 2 Years: 11 Number of Rooms: 940	1. US 2. 3.	Lux.: 0 Mid.: 17 Econ.: 83 Comm.: 100 Conv.: 0 Resort: 0	Isle Morado Resort
Ludemann & Associates, Inc. 222 S. 56th Terr. Hollywood, FL 33023	Edward T. Ludemann 305-983-4220	Hotels Served Last 2 Years: 2 Number of Rooms: 1,000	1. SE 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 33 Conv.: 33 Resort: 33	Isle Morado Resort
The Marshall Associates, Inc. 675 Mariners Island Blvd. San Mateo, CA 94404	Sue Sample 415-692-4947	Hotels Served Last 2 Years: 25 Number of Rooms: 0	1. US 2. Int'l 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 25 Conv.: 50 Resort: 25	Caesar's Caesar's Harrish's Meridian Nikko Hotel
Martin Hirschberg Design Associates 334 Queen St. E. Toronto, Ont. CANADA M5A1S8	Martin Hirschberg	Hotels Served Last 2 Years: 8 Number of Rooms: 0	1. US 2. 3.	Lux.: 12 Mid.: 76 Econ.: 12 Comm.: 92 Conv.: 8 Resort: 0	Americana Hotels Americana Hotels Sheraton Centre Roehampton Place Hotel Value Inns 401
Max G. Futch & Associates, Inc. P.O. Box 15391, 332 Wilton Dr. Baton Rouge, LA 70895	Max G. Futch 504-275-1816	Hotels Served Last 2 Years: 6 Number of Rooms: 2,500	1. SE 2. NE 3. NW	Lux.: 40 Mid.: 60 Econ.: 0 Comm.: 0 Conv.: 20 Resort: 80	Hilton Embassy Suites Park Suites
Montgomery Associates 735 SW Vesper Topeka, KS 66606	Duane V. Montgomery 913-232-0972	Hotels Served Last 2 Years: 4 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 60 Conv.: 30 Resort: 10	Ramada Denver Park Suite Hotel Dallas Holiday Inn-Airport Park Suite-Hermitage Hotel Holiday Inn
Mulhauser McCleary Associates 5818 Beverly Hill Ln. Houston, TX 77057-6794	Richard C. McCleary Pres. 713-784-0290	Hotels Served Last 2 Years: 6 Number of Rooms: 1,800	1. US 2. 3.	Lux.: 85 Mid.: 15 Econ.: 0 Comm.: 55 Conv.: 20 Resort: 25	Four Seasons Inn at the Park Marriott Mandalay Meridian Hotel Riverchase Galleria Hotel
Nelson Hofer Associates, Inc. 1 Bartley Bull Pkwy. Brampton, Ont. CANADA L6W 3T7	Hofer, Nelson E. 416-459-7263	Hotels Served Last 2 Years: 4 Number of Rooms: 800	1. Can 2. 3.	Lux.: 25 Mid.: 50 Econ.: 25 Comm.: 25 Conv.: 25 Resort: 25	Marriott Delta Skyline Hotel Innsville Hotel Muskoka Sands
R.J.S. Associates P.O. Box 370, 4 High St. Old Lyme, CT 06371	Robert J. Sevieri 203-434-2700	Hotels Served Last 2 Years: 12 Number of Rooms: 1,200	1. CT 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Old Lyme Inn Flag Ship Hotel Bee and Thistle Starlight

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Robert H. Kaiser Associates, Inc. 79 Croton Ave. Ossining, NY 10562	Robert H. Kaiser 914-762-6682	Hotels Served Last 2 Years: 4 Number of Rooms: 600	1. NE 2. SE 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Brynwood Inn Hilton Gateway Center JFK Plaza Westboro Plaza Bluebeard's Castle
Robert Nyikos 9410 Wadsworth Dr. Bethesda, MD 20187	Robert Nyikos 301-907-9447	Hotels Served Last 2 Years: 2 Number of Rooms: 0	1. NE 2. SE 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 100 Resort: 0	Ojai Valley Inn & Club Palm Springs Hilton
Robert Pacifico Associates 6299 W. Sunrise Blvd. Sunrise, FL 33313	Robert E. Pacifico 305-791-2707	Hotels Served Last 2 Years: 83 Number of Rooms: 0	1. 2. 3.	Lux.: 65 Mid.: 25 Econ.: 10 Comm.: 20 Conv.: 30 Resort: 50	Disney Dolphin/Swan Grossinger Hotel Macklowe Grand Bay Hotel Crystal Palace
Roger D. Kruse 256 N. 115 St. Omaha, NE 68154	Roger D. Kruse Pres. 402-330-3138	Hotels Served Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Romano/Gatland 99 W. Hoffman Ave. Lindenhurst, NY 11757	Salvatore N. Romano Principal 516-226-7700	Hotels Served Last 2 Years: 8 Number of Rooms: 0	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Golden Nugget Golden Nugget Resorts International Trump Plaza Harrah's
Ron Isaksen & Associates 1416 Fenwick La. Silver Spring, MD 20910	Ron Isaksen VP 301-565-0631	Hotels Served Last 2 Years: 5 Number of Rooms: 1,500	1. NE 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 25 Conv.: 35 Resort: 40	Quality Inn Englewood Suites
Rykoff-Sexton, Inc. 140 Morgan Dr. Norwood, MA 02062	David Penn Mgr. 617-762-9200	Hotels Served Last 2 Years: 12 Number of Rooms: 6,000	1. NE 2. SE 3. US	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 40 Conv.: 20 Resort: 40	Sheraton Tower Sheraton Tower Red Jacket Inn Sheraton Tower Rox Ridge Resort
Scruggs Design, Inc. P.O. Box 50548 Knoxville, TN 37950-0548	Lee Scruggs 615-637-2525	Hotels Served Last 2 Years: 6 Number of Rooms: 0	1. SE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 50 Conv.: 50 Resort: 0	Hyatt Regency Knoxville Hilton Chattanooga Conv. Ctr. Charlottesville Radisson Vanderbilt Plaza Hotel
Southern Equipment Co. 1527 Jarvis Ave. Elk Grove Village, IL 60007	Fred J. Pruijm Pres. 312-439-7744	Hotels Served Last 2 Years: 20 Number of Rooms: 0	1. MW 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Hyatt Hilton Water Tower Marriott Sheraton
Stephen Bangs Associates, Inc. 26711 N. Western Southfield, MI 48034	Carlos Garcia, FCSI VP 313-357-2830	Hotels Served Last 2 Years: 6 Number of Rooms: 1,200	1. NE 2. N/Ctr 3. SE	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 90 Resort: 10	Hilton Riverplace Inn Bavarian Inn Burrroughs Training Ctr. Zehnders

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments		
				Lux.:	Mid.:	Econ.:	Lux.:	Mid.:	Econ.:
Superior Restaurants 830 Atlantic Ave. Baldwin, NY 11510	Jim Bryceland Pres. 516-623-2200	Hotels Served Last 2 Years: 2 Number of Rooms: 260	1. NE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 0 Conv.: 100 Resort: 0	Plaza Hotel Athene Westbury Sheraton Russell Heimsley Parklane	New York, NY New York, NY New York, NY New York, NY New York, NY		
Thomas H. Banks Associates, Inc. 308 Washington Ave. Nutley, NJ 07110	Thomas H. Banks Pres. 201-661-2020	Hotels Served Last 2 Years: 3 Number of Rooms: 450	1. NE 2. MW 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0	Cincinnati Hotel The Clarion Somerset The Playhouse Square	Cincinnati, OH Nashua, NH Cleveland, OH		
Tricon Hospitality Consultants 12500 Fairfakes Circle Fairfax, VA 22033	Rob R. McLallen Pres. 703-266-1660	Hotels Served Last 2 Years: 5 Number of Rooms: 1,500	1. NE 2. SE 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 80 Conv.: 0 Resort: 20	Raphael Hotel Pickett Suite Hotel Quality Inn Quality Inn	Clayton, MD Wilmington, DE Jacksonville, FL Largo, MD Alexandria, VA		
Van Brunt & Associates, Ltd. 2465 Overland Rd. Boise, ID 83705	Harry D. Van Brunt Pres. 208-345-8716	Hotels Served Last 2 Years: 12 Number of Rooms: 1,625	1. NW 2. 3.	Lux.: 10 Mid.: 80 Econ.: 10	Comm.: 60 Conv.: 20 Resort: 20	Blue Lakes Motor Inn Owyhee Plaza Hotel Littletree Motor Inn Statehouse Motor Inn Redfish Lake Lodge	Twin Falls, ID Boise, ID Idaho Falls, ID Boise, ID Stanley, ID		
Van Hemert & Associates, Inc. 4001 Peridot Path St. Paul, MN 55122	Jan Van Hemert Pres. 612-454-1174	Hotels Served Last 2 Years: 7 Number of Rooms: 2,000	1. Nctr 2. SW 3. US	Lux.: 75 Mid.: 25 Econ.: 0	Comm.: 40 Conv.: 40 Resort: 20	Whitney Hotel Embassy Suites Radisson Hotel Holiday Inn Riviera Hotel	Minneapolis, MN Green Bay, WI Rochester, MN St. Paul, MN Las Vegas, NV		
W. Milt Santee & Associates 301 E. Armour Blvd. Kansas City, MO 64111	W. Milt Santee Owner 816-753-3590	Hotels Served Last 2 Years: 3 Number of Rooms: 450	1. US 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0	Mark Adams Ramada	Kansas City, MO Kansas City, MO		
William S. Ford & Associates 814 N. Broadway St. Louis, MO 63102	William S. Ford Pres. 314-231-8400	Hotels Served Last 2 Years: 12 Number of Rooms: 0	1. MW 2. US 3.	Lux.: 60 Mid.: 40 Econ.: 0	Comm.: 33 Conv.: 33 Resort: 33	Baldwin Park Hilton Hilton Inn Holiday Inn Radisson Inn Lodge	Baldwin Park, CA Greenville, NC Pensacola, FL Clayton, MO Vail, CO		
Zaralban & Associates 145 Middle Rd. Sayville, NY 11782	Albert J. Zaralban Pres. 516-567-1422	Hotels Served Last 2 Years: 2 Number of Rooms: 0	1. NE 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0	Comm.: 75 Conv.: 25 Resort: 0	Hilton Hotel Marriott Hotel	Newark, NJ Burlington Woods, MA		

Hotel Brokers

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Arthur S. Kay & Associates 677 Craig Rd. St. Louis, Mo 63141	Steve Kay Pres. 314-432-1440	Hotels Sold Last 2 Years: 15 Number of Rooms: 1,500	1. MW 2. 3.	Lux.: 2 Mid.: 30 Econ.: 68 Comm.: 96 Conv.: 2 Resort: 2	
Barber & Co. 8800 Rosewell Rd. Atlanta, GA 30350	Kenneth R. Barber, MAI Pres. 404-992-8700	Hotels Sold Last 2 Years: 100 Number of Rooms: 12,000	1. FL 2. SE 3. US	Lux.: 10 Mid.: 60 Econ.: 30 Comm.: 60 Conv.: 10 Resort: 30	Marriott Holiday Inn Holiday Inn Holiday Inn Super 8
Bartram & Cochran, Inc. 1 Civic Center Pl. Hartford, CT 06103	Maynard Bartram 203-549-5000	Hotels Sold Last 2 Years: 8 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 67 Mid.: 0 Econ.: 33 Comm.: 67 Conv.: 0 Resort: 33	Princess Hotel Holiday Inn Marriott Hotel
Bell & Murphy, Ltd. 45 John St. New York, NY 10038	Aron Berlinger Pres. 212-732-5500	Hotels Sold Last 2 Years: 3 Number of Rooms: 690	1. US 2. 3.	Lux.: 0 Mid.: 66 Econ.: 33 Comm.: 100 Conv.: 0 Resort: 0	
Bildner Renton Associates 100 Prospect St. Stamford, CT 06901	David M. Renton Pres. 203-327-4365	Hotels Sold Last 2 Years: 50 Number of Rooms: 15,000	1. US 2. 3.	Lux.: 34 Mid.: 33 Econ.: 33 Comm.: 33 Conv.: 33 Resort: 33	Marriott Hilton La Mansion Holiday Inn Days Inn
The Braemar Group, Ltd. 225 Peachtree St., NE Atlanta, GA 30303	Warner L. Smith Partner 404-659-8500	Hotels Sold Last 2 Years: 15 Number of Rooms: 3,945	1. US 2. 3.	Lux.: 50 Mid.: 30 Econ.: 20 Comm.: 50 Conv.: 35 Resort: 15	
Brash Realty Co., Inc. 2400 E. Devon Des Plaines, IL 60018	Scott D. Brash Pres. 312-296-9700	Hotels Sold Last 2 Years: 25 Number of Rooms: 2,750	1. US 2. 3.	Lux.: 33 Mid.: 34 Econ.: 33 Comm.: 45 Conv.: 50 Resort: 5	Best Western Ranch House Howard Johnson Best Inns of America Days Inn Best Western State House Springfield, IL
Brown Motel Investment, Inc. 2660 Townsgate Rd. Westlake Village, CA 91361	Charles Nester VP 818-991-8072	Hotels Sold Last 2 Years: 35 Number of Rooms: 5,250	1. US 2. 3.	Lux.: 0 Mid.: 25 Econ.: 75 Comm.: 75 Conv.: 25 Resort: 0	Holiday Inn-Airport Holiday Inn Best Western-Datee Best Western Berkeley Hyatt City of Commerce CA
Bruce Cunningham Co. 3730 Holland Ave. Dallas, Tx 75219	Bruce Cunningham 214-521-9880	Hotels Sold Last 2 Years: 5 Number of Rooms: 0	1. SW 2. 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 80 Conv.: 0 Resort: 20	Holiday Inn Holiday Inn Holiday Inn Dorado Sands
					Tyler (South), TX Plano, TX Longview, TX PR

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
C. Joseph Molinaro & Associates 8401 Connecticut Ave. NW Washington, DC 20815	C. Joseph Molinaro 301-822-5556	Hotels Sold Last 2 Years: 17 Number of Rooms: 1,200	1. NE 2. SE 3.	Lux.: 18 Mid.: 47 Econ.: 29	Comm.: 70 Conv.: 0 Resort: 30	Saint Michael's Motor Inn Eastern Manor Motor Inn Ramada Inn Powers Motor Inn Mariner Motor Lodge	
Chapin-Broad & Glennie 46410 Grand River Novi, MI 48050	Barrett J. Broad Pres. 313-348-5420	Hotels Sold Last 2 Years: 15 Number of Rooms: 1,200	1. US 2. 3.	Lux.: 15 Mid.: 40 Econ.: 25	Comm.: 95 Conv.: 0 Resort: 5	Hyatt Regency Holiday Inn Best Western Howard Johnson Ramada Inn	
The Coldwater Group 343 Pioneer Dr. Glendale, CA 91203	Jerome H. Kreeger Pres. 818-409-9105	Hotels Sold Last 2 Years: 60 Number of Rooms: 12,000	1. US 2. 3.	Lux.: 20 Mid.: 70 Econ.: 10	Comm.: 80 Conv.: 10 Resort: 10	Arizona Biltmore Strath Allen Westerner Inn Holiday Inn Days Inn	
Coldwell Banker 65 E. State St. Columbus, OH 43215	Xandra Falenski Sen. Consultant 614-463-1600	Hotels Sold Last 2 Years: 10 Number of Rooms: 1,500	1. OH 2. US 3.	Lux.: 20 Mid.: 80 Econ.: 0	Comm.: 90 Conv.: 10 Resort: 0	Sheraton Downtown Christopher Inn Hampton Inn Residence Inn Hampton Inn	
Collins Macaulay Nicolls, International 800 5th Ave. Seattle, WA 98104	Craig S. Schrafer VP 206-223-1425	Hotels Sold Last 2 Years: 20 Number of Rooms: 4,000	1. NW 2. SW 3. Can	Lux.: 40 Mid.: 40 Econ.: 20	Comm.: 75 Conv.: 20 Resort: 5	La Quinta Quality Inn Holiday Inn Ramada Hotel Ridpath Hotel	
Global Hospitality Resources, Inc. 9171 Towne Centre Dr. San Diego, CA 92122	Robert G. Harp VP Real Estate 619-546-0848	Hotels Sold Last 2 Years: 0 Number of Rooms: 0	1. Int'l 2. US 3.	Lux.: 75 Mid.: 15 Econ.: 10	Comm.: 30 Conv.: 30 Resort: 40		
Great American Brokerage 100 E 42nd St. New York, NY 10017	Paul G.W. Fetscher Pres. 212-557-7272	Hotels Sold Last 2 Years: 12 Number of Rooms: 3,000	1. US 2. 3.	Lux.: 33 Mid.: 34 Econ.: 33	Comm.: 95 Conv.: 5 Resort: 0	Nassau Inn Loew's Glenpointe Franklin Motor Inn Inveray Hotel/Conf. Ctr.	
Helen L. Naugle & Associates 4045 Spencer Las Vegas, NV 89119	Helen Naugle Pres. 702-734-9719	Hotels Sold Last 2 Years: 25 Number of Rooms: 2,250	1. US 2. 3.	Lux.: 30 Mid.: 25 Econ.: 45	Comm.: 95 Conv.: 0 Resort: 5	Best Western-Lake Mead Best Western Motor Inn Las Vegas Inn & Casino Best Western Motor Lodge Budget Inn	
Hodges-Ward Associates, Inc. 120 N. Avenue NW Atlanta, GA 30313	Jack H. Ward Pres. 404-875-6000	Hotels Sold Last 2 Years: 30 Number of Rooms: 6,000	1. SE 2. 3.	Lux.: 40 Mid.: 30 Econ.: 30	Comm.: 60 Conv.: 20 Resort: 20	Residence Inn The Summit Hotel Tallahassee Hilton Days Inn-Stadium Holiday Inn	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Hospitality Consultants, Inc. 550 Fairway Dr. Deerfield Beach, FL 33441	Robert N. Goldstein Pres./CEO 800-Hotels-2	Hotels Sold Last 2 Years: 45 Number of Rooms: 11,000	1. US 2. 3.	Lux.: 10 Mid.: 60 Econ.: 30 Comm.: 75 Conv.: 10 Resort: 15	Ramada Sheraton Towers Ramada Hilton-Arlington Park Hill Residence Inn Kansas City, KS Anchorage, AK Stark, FL Henderson, KY Marietta, GA
Hospitality Investor Services, Inc. 5851 Ridgebend Rd. Memphis, TN 38119	Bryan Nearn Chmn. 901-684-1234	Hotels Sold Last 2 Years: 23 Number of Rooms: 5,000	1. US 2. 3.	Lux.: 20 Mid.: 60 Econ.: 20 Comm.: 90 Conv.: 0 Resort: 10	Marriott Holiday Inn Econolodge Ramada Holiday Inn
Hotel Investors Realty P.O. Box 1185 Marshfield, MA 02050	Alden K. Williams Pres. 617-837-4409	Hotels Sold Last 2 Years: 13 Number of Rooms: 2,152	1. US 2. 3.	Lux.: 55 Mid.: 15 Econ.: 30 Comm.: 90 Conv.: 0 Resort: 10	
Hunter Realty Associates, Inc. One Northside 75 Atlanta, GA 30318	Robert L. Hunter, Jr. Pres. 404-355-0880	Hotels Sold Last 2 Years: 50 Number of Rooms: 7,500	1. SE 2. 3.	Lux.: 25 Mid.: 50 Econ.: 25 Comm.: 80 Conv.: 10 Resort: 10	Holiday Inn, Roper Mountain Atlanta, GA Ramada Inn-Airport Sheraton Jacksonville Beach, FL Hilton Hyatt Riviera Asheville, NC Atlanta, GA
Jones Lang Wootton 101 E. 52nd St. New York, NY 10022	Neil Teplica 212-836-9444	Hotels Sold Last 2 Years: 7 Number of Rooms: 1,750	1. US 2. 3.	Lux.: 100 Mid.: 0 Econ.: 0 Comm.: 70 Conv.: 0 Resort: 30	St. Moritz Hotel Nikko Highlands Inn Tarrytown Conf. Ctr. Saint Anthony San Antonio, TX
Julian Toff & Downey, Inc. 3 First National Plaza Chicago, IL 60602	David A. Downey Principal 312-704-0054	Hotels Sold Last 2 Years: 8 Number of Rooms: 1,200	1. MW 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0 Comm.: 50 Conv.: 25 Resort: 25	Knickerbocker Willowbrook Holiday Inn The Abbey Interlaken Clearwater Beach Hilton Chicago, IL Willowbrook, IL Lake Geneva, WI Lake Geneva, WI Clearwater Beach, FL
Kentucky Hotel/Motel Brokers 165 Brownton Pl. Louisville, KY 40222	Richard C. Haas Mgr. 502-339-1100	Hotels Sold Last 2 Years: 5 Number of Rooms: 1,000	1. KY 2. 3.	Lux.: 20 Mid.: 50 Econ.: 30 Comm.: 70 Conv.: 0 Resort: 30	
Lacy, Ltd. 1620 Eye St. NW Washington, DC 20006	Benjamin B. Lacy VP 202-822-9200	Hotels Sold Last 2 Years: 5 Number of Rooms: 1,000	1. NE 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 75 Conv.: 20 Resort: 5	Days Inn Park Terrace New Hampshire Suites Embassy Row Hotel Carousel Hotel Arlington, VA Washington, DC Washington, DC Washington, DC Ocean City, MD
Lane, Noland, Smith & Co., Inc. 600 Grant St. Pittsburgh, PA 15219	Jim Noland Partner 412-391-3366	Hotels Sold Last 2 Years: 20 Number of Rooms: 6,000	1. US 2. 3.	Lux.: 75 Mid.: 10 Econ.: 15 Comm.: 90 Conv.: 8 Resort: 2	Casa Marina Marriott Trumbull Marriott Hampton Inn Holiday Inn Mission Valley Marriott Key West, FL Trumbull, CT State College, PA Ashland, VA San Diego, CA

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Litwin & Co. 7515 Greenville Ave., #711 Dallas, TX 75231	J. Guram Broker 214-369-4444	Hotels Sold Last 2 Years: 6 Number of Rooms: 2,000	1. SW 2. 3.	Lux.: 33 Mid.: 33 Econ.: 33	Comm.: 50 Conv.: 50 Resort: 0	Ramada Inn Ramada Hotel Days Inn Brazos Inn Ramada Inn San Antonio, TX	
Meillili Cos. 8211 Goodwood Blvd., E-1 Baton Rouge, LA 70806	Jasper Meillili 504-925-8127	Hotels Sold Last 2 Years: 8 Number of Rooms: 800	1. SC 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 95 Conv.: 3 Resort: 2	Best Western Inn Rodeway Inn Scottish Inn Best Western Patio Inn Best Western Inn Baton Rouge, LA Baton Rouge, LA Lafayette, LA New Orleans, LA Waco, TX	
Meredith & Grew, Inc. 160 Federal St. Boston, MA 02110	Stephen Huran VP 617-330-8048	Hotels Sold Last 2 Years: 10 Number of Rooms: 2,500	1. NE 2. 3.	Lux.: 40 Mid.: 40 Econ.: 20	Comm.: 30 Conv.: 40 Resort: 30	Clarion Clarion Sheraton Fishkill, NY Wareham, MA Needham, MA	
Mid-American Mortgage Corporate 2496 Jett Ferry Rd. Dunwoody, GA 30350	Paul L. Dotson Pres. 404-391-0727	Hotels Sold Last 2 Years: 7 Number of Rooms: 200	1. SE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 50 Conv.: 0 Resort: 50	Econolodge Floridian Econolodge Ramada Econolodge Orlando, FL Orlando, FL Greenville, SC Richmond, VA Orlando, FL	
Milmark Realty 9700 W. Bluemound Rd. Milwaukee, WI 53226	Ronald R. McCord Mgr. Operations 414-774-0781	Hotels Sold Last 2 Years: 25 Number of Rooms: 1,200	1. MW 2. 3.	Lux.: 0 Mid.: 20 Econ.: 80	Comm.: 80 Conv.: 0 Resort: 20	Travel Lodge Executive Motel Best Western-Welcome Inn Best Western-Rafters Inn Bay View Motel Madison, WI Fond Du Lac, WI Ripon, WI New Lisbon, WI Green Lake, WI	
Morgan Stanley Realty, Inc. 1251 Ave. of the Americas New York, NY 10020	Peter C. Krause Principal 212-703-2500	Hotels Sold Last 2 Years: 400 Number of Rooms: 120,000	1. US 2. Int'l 3.	Lux.: 50 Mid.: 40 Econ.: 10	Comm.: 50 Conv.: 25 Resort: 25	Hotel Bel-Air Copley Plaza Stanford Court Hotel Hotel Hana-Maui Peninsula Hotel Los Angeles, CA Boston, MA San Francisco, CA Maui, HI New York, NY	
Mumford Co., Inc. P.O. Box 6069 Newport News, VA 23606	David B. Mumford VP 804-594-0032	Hotels Sold Last 2 Years: 50 Number of Rooms: 4,000	1. NE 2. SE 3.	Lux.: 5 Mid.: 45 Econ.: 50	Comm.: 80 Conv.: 10 Resort: 10	Holiday Inn Quality Inn Holiday Inn Governor's Inn Lee Jackson Motor Inn Runnemede, NJ Albany, NY Manassas, VA Savannah, GA Winchester, VA	
National Hotel & Motel Brokers, Inc. P.O. Box 5446 3 37th Ave. San Mateo, CA 94402	Lynda Walker- Backman Pres. 415-349-1234	Hotels Sold Last 2 Years: 300 Number of Rooms: 0	1. NW 2. 3.	Lux.: 10 Mid.: 50 Econ.: 40	Comm.: 50 Conv.: 7 Resort: 40	Holiday Inn Hill House Inn Mariposa Inn Shaw Hotel Hollywood Roosevelt Belmont, CA Mendocino, CA Monterey, CA San Francisco, CA Hollywood, CA	
New England Hotel Realty 500 Market St. Portsmouth, NH 03801	Patrick H. Ford Pres. 603-431-8740	Hotels Sold Last 2 Years: 30 Number of Rooms: 5,000	1. US 2. 3.	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 90 Conv.: 10 Resort: 0	Days Inn-Airport Greenleaf Hotel Sheraton Tobacco Valley Inn Dunfey Hotel Red Carpet Motor Inn Cleveland, OH Dallas, TX Hartford, CT Houston, TX Burlington, VT	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Norman Lindley Co. 815 Throckmorton Ft. Worth, TX 76102	J.C. Burciaga Broker 817-731-3377	Hotels Sold Last 2 Years: 20 Number of Rooms: 5,000	1. US 2. 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 15 Conv.: 75 Resort: 10	The Park Central The Bradford Plaza The Hilton Warner Ctr. The Ritz Plaza Ft. Worth, TX Dallas, TX Los Angeles, CA Miami, FL
Paul B. Larsen & Associates, Inc. P.O. Box 8446 Boise, ID 83707	Rex B. Larsen Pres. 208-343-2300	Hotels Sold Last 2 Years: 20 Number of Rooms: 1,700	1. NW 2. 3.	Lux.: 15 Mid.: 70 Econ.: 15 Comm.: 55 Conv.: 25 Resort: 20	Richland Holiday Inn Red Lion Riverside Holiday Inn Grants Pass Best Western Lakeview Lodge Richland, WA Boise, ID Bozeman, MT Grants Pass, OR Lakeview, OR
Pfeister & Company, Inc. P.O. Box 988 Terre Haute, IN 47808	Paul J. Pfister Pres. 812-232-5083	Hotels Sold Last 2 Years: 6 Number of Rooms: 650	1. MW 2. SW 3.	Lux.: 0 Mid.: 100 Econ.: 0 Comm.: 40 Conv.: 60 Resort: 0	Howard Johnson Howard Johnson Holiday Inn Chicago, IL Dallas, TX El Paso, TX
Philbrook Properties, Inc. 175 Wall St. Princeton, NJ 08540	George L. Wirtz Pres. 609-921-1101	Hotels Sold Last 2 Years: 0 Number of Rooms: 0	1. US 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Scoggin-Blue Associates, Inc. 2110 N. Main Las Cruces, NM 88001	Ted W. Blue Pres. 505-523-7421	Hotels Sold Last 2 Years: 100 Number of Rooms: 8,000	1. SW 2. 3.	Lux.: 10 Mid.: 70 Econ.: 20 Comm.: 60 Conv.: 0 Resort: 40	Ramada Inn, Hobby Airport Best Western Holiday Inn La Quinta Royale Best Western Pueblo West Houston, TX Las Cruces, NM Tucumcari, NM Corpus Cristi, TX Pueblo, CO
Sheets Motel Investments 15 S. Jefferson St. Roanoke, VA 24011	Garland Sheets 703-345-8885	Hotels Sold Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0 Comm.: 0 Conv.: 0 Resort: 0	
Sheldon Greene & Associates, Inc. 1720 79th St. Causeway Miami, FL 33141	Sheldon Greene Pres. 305-865-6932	Hotels Sold Last 2 Years: 42 Number of Rooms: 3,150	1. SE 2. 3.	Lux.: 0 Mid.: 60 Econ.: 40 Comm.: 15 Conv.: 0 Resort: 85	Shelborne Hotel Holiday Inn—University of Miami Holiday Inn—Le Jeune Rd. Holiday Inn—Biscayne Blvd. Howard Johnson Miami Beach, FL Coral Gables, FL Coral Gables, FL Miami, FL Juno Beach, FL
Shor & Associates 900 Ridgefield Dr. Raleigh, NC 27609	Jerry Shor Partner 919-872-7610	Hotels Sold Last 2 Years: 5 Number of Rooms: 1,000	1. US 2. 3.	Lux.: 75 Mid.: 10 Econ.: 15 Comm.: 90 Conv.: 8 Resort: 2	Casa Marina Marriott Trumbull Marriott Hampton Inn Holiday Inn Mission Valley Marriott Key West, FL Trumbull, CT State College, PA Ashland, VA San Diego, CA
Smith Realty Co., Inc. 890 Elm Grove Rd. Elm Grove, WI 53122	Thomas W. Scholl Pres. 414-784-7771	Hotels Sold Last 2 Years: 16 Number of Rooms: 0	1. MW 2. US 3.	Lux.: 10 Mid.: 60 Econ.: 30 Comm.: 40 Conv.: 10 Resort: 50	Holiday Inn Holiday Inn Holiday Inn Best Western Governor Dodge Best Western Point Motel West Bend, WI Appleton, WI Rhinelander, WI Platteville, WI Stevens Point, WI
Stribling Realty Corp. 105 Katherine Dr. Jackson, MS 39208	J.H. Stribling 601-981-2200	Hotels Sold Last 2 Years: 6 Number of Rooms: 0	1. SE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50 Comm.: 100 Conv.: 0 Resort: 0	

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Thomas M. Hamm & Co., Inc. 1515 Summer St. Stamford, CT 06905	Thomas M. Hamm Pres. 203-327-4266	Hotels Sold Last 2 Years: 300 Number of Rooms: 4,000	1. US 2. 3.	Lux.: 10 Mid.: 80 Econ.: 10 Comm.: 80 Conv.: 10 Resort: 10	Holiday Inn-Philadelphia Airport Wellington Marriott Holiday Inn-Arena Sheraton-Airport Essington, PA Washington, DC Trumbull, CT Binghamton, NY Atlanta, GA
Tofias & Co. 1601 Trapelo Rd. Waltham, MA 02154	Linda Johnson 617-890-5511	Hotels Sold Last 2 Years: 8 Number of Rooms: 1,500	1. NE 2. 3.	Lux.: 20 Mid.: 80 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Marriott Hotel Marriott Courtyard Marriott Courtyard Marriott Courtyard Hampton Inn Nashua, NH Andover, MA Foxboro, MA Westborough, MA Marlborough, MA
Vantage Commercial Real Estate 4100 McArthur Blvd. Newport Beach, CA 92660	John Carr Pres. 714-955-1969	Hotels Sold Last 2 Years: 20 Number of Rooms: 3,000	1. CA 2. SW 3.	Lux.: 80 Mid.: 20 Econ.: 0 Comm.: 100 Conv.: 0 Resort: 0	Hampton Inn Residence Inn Residence Inn Residence Inn Woodfin Suites Augora Hills, CA Long Beach, CA Arcadia, CA Irvine, CA Cypress, CA
Varlay & Co., Inc. 1200 18th St. NW Washington, DC 20036	Rene Varlay Principal 202-887-1838	Hotels Sold Last 2 Years: 12 Number of Rooms: 2,000	1. US 2. 3.	Lux.: 40 Mid.: 40 Econ.: 20 Comm.: 33 Conv.: 33 Resort: 33	Hilton Hilton-Airport Howard Johnson Park Plaza Quality Inn-Airport Quality Inn Long Boat Key, FL Minneapolis, MN Washington, DC Philadelphia, PA Pawley's Island, SC
Westgor & Associates, Inc. 7400 Metro Blvd. Minneapolis, MN 55435	Wayne Westgor Pres. 612-835-9575	Hotels Sold Last 2 Years: 7 Number of Rooms: 625	1. N.Ctr 2. 3.	Lux.: 10 Mid.: 60 Econ.: 20 Comm.: 80 Conv.: 10 Resort: 10	Best Western Sheraton Roadway Hamilton Inn King's Inn Cedar Rapids, IA Orlando, FL Minneapolis, MN Hot Springs, AR Alice, TX
The Westminster Group, Inc. 1401 W. Paces Ferry Rd. Atlanta, GA 30327	F. Parker Hudson Pres. 404-261-6500	Hotels Sold Last 2 Years: 1 Number of Rooms: 276	1. SE 2. 3.	Lux.: 30 Mid.: 35 Econ.: 35 Comm.: 70 Conv.: 0 Resort: 30	Comfort Inn Mills House Hotel Days Inn Hotel Seabrook Island Resort Greenville, NC Charleston, SC Charleston, SC Charleston, SC
Wilder Group, Inc. 60 E. 42nd St. New York, NY 10165	Jeffrey S. Wilder Pres. 212-370-9292	Hotels Sold Last 2 Years: 17 Number of Rooms: 1,800	1. NE 2. MW 3. SE	Lux.: 10 Mid.: 60 Econ.: 20 Comm.: 60 Conv.: 10 Resort: 20	Holiday Inn Central Park Suites Pirate's Cove Holiday Inn Howard Johnson Harrisburg, PA New York, NY Daytona, FL Corbin, KY Latham, NY

Mortgage Brokers

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
Adams Holmes Mayer Mortgage 2020 SW Freeway, #206 Houston, TX 77098	Bill Mayer Pres. 713-524-9272	Hotels Financed Last 2 Years: 6 Number of Rooms: 1,500	1. US 2. 3.	Lux.: 67 Mid.: 33 Econ.: 0 Comm.: 50 Conv.: 35 Resort: 15	
Barksdale Mortgage Corp. 1990 Post Oak Blvd. Houston, TX 77056	Howard Barksdale Principal 713-840-1510	Hotels Financed Last 2 Years: 6 Number of Rooms: 1,707	1. NE 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0 Comm.: 20 Conv.: 50 Resort: 30	Statler Inn Westin Copley Place Vista International Hotel New Seabury Inn New England Center Ithaca, NY Boston, MA Pittsburgh, PA Cape Cod, MA Durham, NH
Bidner Renton Associates 100 Prospect St. Stamford, CT 06901	David M. Renton Pres. 203-327-4365	Hotels Financed Last 2 Years: 50 Number of Rooms: 15,000	1. US 2. 3.	Lux.: 34 Mid.: 33 Econ.: 33 Comm.: 33 Conv.: 33 Resort: 33	Marriott Hilton La Mansion Holiday Inn Days Inn Milwaukee, WI Lexington, KY Austin, TX Aberdeen, MD Panama City, FL
The Braemar Group, Ltd. 225 Peachtree St., NE Atlanta GA 30303	Warner L. Smith Partner 404-659-8500	Hotels Financed Last 2 Years: 15 Number of Rooms: 3,945	1. US 2. 3.	Lux.: 50 Mid.: 30 Econ.: 20 Comm.: 50 Conv.: 35 Resort: 15	
Capital Realty Services, Inc. 2 N. LaSalle St. Chicago, IL 60602	Gordon Lee Pollock Principal 312-853-3550	Hotels Financed Last 2 Years: 40 Number of Rooms: 8,000	1. US 2. 3.	Lux.: 25 Mid.: 65 Econ.: 10 Comm.: 80 Conv.: 10 Resort: 10	O'Hare Radisson Suites Inn of Chicago Days Inn West Best Western Inn Hyatt Regency Rosemonts, IL Chicago, IL Orlando, FL Valencia, CA Oak Brook, IL
Chase W. Financial Services 1100 Colorado Blvd. Los Angeles, CA 90041	Kevin Raymond VP 213-255-1552	Hotels Financed Last 2 Years: 35 Number of Rooms: 1,271	1. NW 2. SW 3.	Lux.: 0 Mid.: 0 Econ.: 100 Comm.: 100 Conv.: 0 Resort: 0	Comfort Inn Penny Lodge Saga Motel Crown Lodge Southland Motel El Monte, CA South El Monte, CA Anaheim, CA Oakland, CA Los Angeles, CA
Cooper Horowitz, Inc. 51 E. 42d St. New York, NY 10017	Jeffrey Horowitz VP 212-986-8400	Hotels Financed Last 2 Years: 15 Number of Rooms: 0	1. NE 2. SE 3.	Lux.: 75 Mid.: 20 Econ.: 5 Comm.: 0 Conv.: 0 Resort: 0	
Dorman & Wilson 2200 Rte. 10 Parsippany, NJ 07054	Timothy O'Conner Pres. 201-538-2330	Hotels Financed Last 2 Years: 2 Number of Rooms: 600	1. NE 2. NJ 3.	Lux.: 80 Mid.: 10 Econ.: 10 Comm.: 80 Conv.: 10 Resort: 10	Hyatt Regency Renaissance Princeton, NJ E. Brunswick, NJ
First American Realty Associates, Inc. 700 Rte. 46 E. Fairfield, NJ 07706	Joseph Epstein Pres. 201-575-7547	Hotels Financed Last 2 Years: 175 Number of Rooms: 18,374	1. US 2. 3.	Lux.: 10 Mid.: 40 Econ.: 40 Comm.: 50 Conv.: 0 Resort: 10	Ramada Renaissance Hotel Sheraton Hotel Hilton Inn Frenchman's Reef Howard Johnson Plaza Hotel Saratoga Springs, NY Fairfield, NJ Trevose, PA St. Thomas, VI Lafayette, IN

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Florida Fidelity Financial, Inc. 4770 Biscayne Blvd. Miami, FL 33137	Marjorie J. Weber Pres. 305-573-4531	Hotels Financed Last 2 Years: 2 Number of Rooms: 500	1. SE 2. 3.	Lux.: 60 Mid.: 30 Econ.: 10	Comm.: 40 Conv.: 20 Resort: 40	The Biltmore Hotel Bonaventure Hotel & Spa La Casa Motor Inn La Casa Motor Inn Eden Roc Miami Beach, FL	
Fortune Financial Corp. 40 E. Delaware Pl. Chicago, IL 60631	Steven Weiss 312-642-1660	Hotels Financed Last 2 Years: 5 Number of Rooms: 1,690	1. MW 2. 3.	Lux.: 50 Mid.: 50 Econ.: 0	Comm.: 80 Conv.: 20 Resort: 0		
James P. Ryan & Co., Inc. 1281 E. Main St. Stamford, CT 06902	James P. Ryan 203-356-0030	Hotels Financed Last 2 Years: 4 Number of Rooms: 800	1. SE 2. SW 3. NE	Lux.: 25 Mid.: 50 Econ.: 25	Comm.: 80 Conv.: 20 Resort: 0		
John Hood & Co. 74 Trinity Pl. New York, NY 10006	John Hood 212-979-5794	Hotels Financed Last 2 Years: 0 Number of Rooms: 0	1. 2. 3.	Lux.: 0 Mid.: 0 Econ.: 0	Comm.: 0 Conv.: 0 Resort: 0		
Julian Toff & Downey, Inc. 3 First National Plaza Chicago, IL 60602	David A. Downey Principal 312-704-0054	Hotels Financed Last 2 Years: 8 Number of Rooms: 1,200	1. MW 2. 3.	Lux.: 25 Mid.: 75 Econ.: 0	Comm.: 50 Conv.: 25 Resort: 25	Knickerbocker Willowbrook Holiday Inn The Abbey Interlaken Clearwater Beach Hilton Chicago, IL Willowbrook, IL Lake Geneva, WI Lake Geneva, WI Clearwater Beach, FL	
Koss Financial Corp. 12410 Santa Monica Blvd. Los Angeles, CA 90025	Alan E. Victor VP 213-826-5635	Hotels Financed Last 2 Years: 0 Number of Rooms: 0	1. SW 2. NW 3.	Lux.: 15 Mid.: 60 Econ.: 25	Comm.: 60 Conv.: 25 Resort: 15	Guest Quarters Suite Hotel Ramada Hotel Ramada Inn Holiday Inn Comfort Inn Santa Monica, CA Agoura Hills, CA City of Commerce, CA Los Angeles, CA Monterey, CA	
Lacy, Ltd. 1620 Eye St., NW Washington, DC 20006	Benjamin B. Lacy VP 202-822-9200	Hotels Financed Last 2 Years: 5 Number of Rooms: 1,000	1. NE 2. 3.	Lux.: 80 Mid.: 20 Econ.: 0	Comm.: 75 Conv.: 20 Resort: 5	Days Inn Park Terrace New Hampshire Suites Embassy Row Hotel Carousel Hotel Arlington, VA Washington, DC Washington, DC Washington, DC Ocean City, MD	
Lane, Noland, Smith & Co., Inc. 600 Grant St. Pittsburgh, PA 15219	Jim Noland Partner 412-391-3366	Hotels Financed Last 2 Years: 20 Number of Rooms: 6,000	1. US 2. 3.	Lux.: 75 Mid.: 10 Econ.: 15	Comm.: 90 Conv.: 8 Resort: 2	Casa Marina Marriott Trumbull Marriott Hampton Inn Holiday Inn Mission Valley Marriott Key West, FL Trumbull, CT State College, PA Ashland, VA San Diego, CA	
Mid-American Mortgage Corporate 2496 Jett Ferry Rd. Dunwoody, GA 30350	Paul L. Dotson Pres. 404-391-0727	Hotels Financed Last 2 Years: 7 Number of Rooms: 200	1. SE 2. 3.	Lux.: 0 Mid.: 50 Econ.: 50	Comm.: 50 Conv.: 0 Resort: 50	Econolodge Floridian Econolodge Ramada Econolodge Orlando, FL Orlando, FL Greenville, SC Richmond, VA Orlando, FL	

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price	Representative Developments
The Money Store 2840 Morris Ave. Union, NJ 07083	Newton J. Burkett, Jr. VP 201-686-2000	Hotels Financed Last 2 Years: 10 Number of Rooms: 400	1. NE 2. 3.	Lux.: 0 Comm.: 80 Mid.: 10 Conv.: 0 Econ.: 90 Resort: 20	Hotel Bel-Air Copley Plaza Stanford Court Hotel Hotel Hana-Maui Peninsula Hotel
Morgan Stanley Realty, Inc. 1251 Ave. of the Americas New York, NY 10020	Peter C. Krause Principal 212-703-2500	Hotels Financed Last 2 Years: 400 Number of Rooms: 120,000	1. US 2. Int'l 3.	Lux.: 50 Comm.: 50 Mid.: 40 Conv.: 25 Econ.: 10 Resort: 25	Anaheim 480-Room Hotel Holiday Inn Hilton Madison House
Mortgage & Investment Corp. 1101 Connecticut Ave., NW Washington, DC 20036	David L. Wallerstein Pres. 202-466-7117	Hotels Financed Last 2 Years: 14 Number of Rooms: 0	1. US 2. 3.	Lux.: 33 Comm.: 40 Mid.: 33 Conv.: 40 Econ.: 33 Resort: 20	Holiday Inn Super 8 Ramada Comfort Inn Travel Lodge
Novus Corp. 182nd Ave. #204 San Mateo, CA 94401	John Kelsch Pres. 415-349-7304	Hotels Financed Last 2 Years: 11 Number of Rooms: 300	1. SW 2. NW 3.	Lux.: 10 Comm.: 60 Mid.: 40 Conv.: 20 Econ.: 50 Resort: 20	Econo Lodge Howard Johnson Ramada Ramada
Palmetto Financial & Realty Co. 2439 Chatsworth Rd. Columbia, SC 29223	Dick Daeger Pres. 803-736-1350	Hotels Financed Last 2 Years: 16 Number of Rooms: 1,120	1. SE 2. SC 3. NC	Lux.: 0 Comm.: 50 Mid.: 0 Conv.: 0 Econ.: 100 Resort: 50	Howard Johnson Howard Johnson Ramada Ramada
Pfeister & Co., Inc. P.O. Box 988 Terre Haute, IN 47808	Paul J. Pfister Pres. 812-232-5083	Hotels Financed Last 2 Years: 6 Number of Rooms: 650	1. MW 2. SW 3.	Lux.: 0 Comm.: 40 Mid.: 100 Conv.: 60 Econ.: 0 Resort: 0	Howard Johnson Howard Johnson Holiday Inn
The Phillipson Co. 115 S. Lasalle St. Chicago, IL 60603	Don Trossman VP 312-781-8800	Hotels Financed Last 2 Years: 10 Number of Rooms: 160	1. US 2. 3.	Lux.: 100 Comm.: 100 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	Hyatt Regency Morton Hotel Ramada
Presidio Capital Corp. 2550 5th Ave. San Diego, CA 92103	Jim V. Paffnausen Pres. 619-230-0377	Hotels Financed Last 2 Years: 12 Number of Rooms: 2,400	1. SW 2. 3.	Lux.: 20 Comm.: 60 Mid.: 60 Conv.: 25 Econ.: 20 Resort: 15	Holiday Inn Ramada Inn Best Western Atlas Hotel Atlas Hotel
Robert Faust Mortgage Co. 6060 N. Central Expwy. #620 Dallas, TX 75206	Robert Faust Pres. 214-691-1545	Hotels Financed Last 2 Years: 1 Number of Rooms: 200	1. US 2. 3.	Lux.: 0 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	Hilton Sheraton Holiday Inn
Sands Financial Services 191 Post Rd.W. Westport, CT 06880	Milton K. Sands Pres. 203-261-2611	Hotels Financed Last 2 Years: 10 Number of Rooms: 2,250	1. 2. 3.	Lux.: 0 Comm.: 0 Mid.: 0 Conv.: 0 Econ.: 0 Resort: 0	Hilton Sheraton Holiday Inn
Security Pacific Real Estate Investments 333 S. Hope St., H-39-85 Los Angeles, CA 90071	Thomas P. Napier Pres. 213-345-5319	Hotels Financed Last 2 Years: 50 Number of Rooms: 7,500	1. US 2. 3.	Lux.: 25 Comm.: 80 Mid.: 50 Conv.: 10 Econ.: 25 Resort: 10	Hilton Sheraton Holiday Inn

DIRECTORY OF HOTEL DEVELOPMENT TEAMS

Company Name and Address	Contact	Current Status	Primary Location	Types of Hotels (percent) By Price			Representative Developments
				Lux.:	Mid.:	Econ.:	
Shor & Associates 900 Ridgefield Dr. Raleigh, NC 27609	Jerry Shor Partner 919-872-7610	Hotels Financed Last 2 Years: 5 Number of Rooms: 1,000	1. US	Lux.: 75	Comm.: 90	Casa Marina Marriott	
			2.	Mid.: 10	Conv.: 8	Trumbull Marriott	
			3.	Econ.: 15	Resort: 2	Hampton Inn Holiday Inn Mission Valley Marriott	
Signature Financial Group 1180 W. Swedesford Rd. Berwyn, PA 19312	Michael Connolly Broker 215-640-0800	Hotels Financed Last 2 Years: 0 Number of Rooms: 0	1.	Lux.: 0	Comm.: 0		
			2.	Mid.: 0	Conv.: 0		
			3.	Econ.: 0	Resort: 0		
Sonnenblick-Goldman Corp. 445 Park Ave. New York, NY 10022	Jack Shaffer Pres. 212-980-7600	Hotels Financed Last 2 Years: 30 Number of Rooms: 0	1. US	Lux.: 0	Comm.: 50	Marriott	
			2. Int'l	Mid.: 0	Conv.: 0	Hyatt	
			3.	Econ.: 100	Resort: 50	Boca Raton Spa Four Seasons Ritz Carleton	
Steinberg Financial Corp. 1660 S. Highway 100 Minneapolis, MN 55416	Ben Steinberg Pres. 612-544-0007	Hotels Financed Last 2 Years: 2 Number of Rooms: 260	1. MW	Lux.: 33	Comm.: 33	Hampton Inn	
			2. SW	Mid.: 33	Conv.: 33		
			3.	Econ.: 33	Resort: 33		
Trident Real Estate Services, Inc. 11900 Wayzata Blvd. Minneapolis, MN 55343	Jeff Robinson CEO 612-545-1121	Hotels Financed Last 2 Years: 5 Number of Rooms: 900	1. MW	Lux.: 25	Comm.: 100	Days Inn	
			2. US	Mid.: 25	Conv.: 0	Hampton Inn	
			3.	Econ.: 50	Resort: 0	Embassy Suites Embassy Suites Embassy Suites	
				Lux.: 0	Comm.: 0	Century City, CA	
				Mid.: 0	Conv.: 0	Maui, HI	
				Econ.: 0	Resort: 0	Boca Raton, FL Hawaii, HI Washington, DC	
				Lux.: 0	Comm.: 0	Minneapolis, MN	
				Mid.: 0	Conv.: 0	Valencia, CA	
				Econ.: 0	Resort: 0	Fairfax, VA Alexandria, VA Pleasant Hills, CA	

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The hotel industry directories are provided for users of *Hotel Investments: A Guide for Lenders and Owners* as a reference resource of firms that perform the services and functions described in the book.

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Hotel Industry Directories
Hospitality Valuation Services
372 Willis Avenue
Mineola, NY 11501



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