Amherst Hospitality, LLC

Business Plan

September 1, 2014

Architectural Rendering: Aerial View of the Iskalo Hospitality Campus after completion

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As of September 1, 2014

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Business Plan Summary

Amherst Hospitality, LLC (the "Company") is raising up to $10 million of capital from up to 20 EB-5 immigrant investors (each an "Investor" or "Member"), which the Company intends to lend to Iskalo Hospitality Campus, LLC (the "Developer") as described in this comprehensive Business Plan. The Company's $10 million will be a portion of the $39.4 million total investment required for the construction and operation of the "Iskalo Hospitality Campus" (the "Campus"). When completed, the Campus will consist of: the renovated Lord Amherst Hotel and the adjacent restaurant (the "Restaurant") (which are currently undergoing extensive renovation), and a new Hyatt Place Hotel (which is currently under construction). When the Campus development is completed the Developer will operate both of the hotels, and a 3rd party restaurateur will operate the Restaurant.

Figure 0. Image of the Iskalo Hospitality Campus after completed

The Developer is owned by Paul Iskalo ("Iskalo") and David Chiazza ("Chiazza"). Iskalo and Chiazza are successful real estate developers and property managers, each with over 20 years of experience.

The Developer acquired the property in order to develop the Campus as is described in this comprehensive Business Plan. On October 5, 2011 the Developer purchased the site which then included the Lord Amherst Hotel and the attached Restaurant. The Developer operated the Lord Amherst Hotel and a 3rd party restaurateur operated the Restaurant until the Developer closed both in 2014 for the extensive renovation described in this Business Plan. Also on the site, the Developer started construction on the new Hyatt Place Hotel in July of 2013. The extensive renovation of the existing hotel and Restaurant, and the construction of the new hotel are all underway and are expected to be completed in 2015.

Each Investor's $500,000 equity investment in the Company will be deposited into escrow and will be released to the Company after USCIS approves each Investor's I-526 petition. In order to meet its construction and operations timelines, the Developer has secured financing from commercial banks ("Bank" or "3rd Party Lender"), a portion of which will be bridge financing until the Company's EB-5 capital is released from escrow and available to be lent to the Developer. As the Investors' funds are released from escrow, the Company will lend those funds to the Developer. The Company's loan is expected to pay down the bridge financing. The Company's loan will be used for construction and operations, and will have a term ending in approximately 2021.

The Company's loan to the Developer is intended to meet the objectives and requirements of the EB-5 Regional Center Program (the "EB-5 Program"). EB-5 New York State, LLC (the "Regional Center") and the Developer first discussed using EB-5 capital to finance the development and operations of the Campus in April of 2012. Before the Developer started construction in 2013 or finalized the Bank loans in 2014, the Regional Center and the Developer had agreed that EB-5 capital would be a part of the capital stack, and that a portion of the Bank financing would be a bridge to the EB-5 capital.

The Campus is located in a Targeted Employment Area designated by the State of New York. Each Investor will meet the EB-5 Program requirements by making a $500,000 equity investment into the Company.

Economic and Planning Systems, Inc.'s economic analysis (the "Economic Analysis") calculates that 323 new jobs will be created from:

1. The Developer's construction expenditures for the Campus' renovation and new construction, specifically:
    a. Crediting only the indirect and induced construction jobs created by the Developer's construction expenditures, and
    b. <u>Not</u> crediting any direct construction jobs created, and
2. The Developer's operations of the hotels and the Restaurant, specifically:
    a. Crediting only the increased operating jobs created by the Developer's hotel and Restaurant operations and
    b. <u>Not</u> crediting any jobs created by the pre-renovation operations of the Lord Amherst Hotel or Restaurant operations and
    c. <u>Not</u> crediting any jobs created by a future Restaurant tenant.

The Company takes credit for the 323 new jobs created, which is more than 16 jobs per EB-5 investor (or over 60% more than the 200 new jobs which must be created for the Company's 20 Immigrant Investors).

EB-5 NEW YORK STATE, LLC

EB-5 New York State, LLC (the "Regional Center" or "EB5NYS") was formed in 2007 and was designated by United States Citizenship and Immigration Services ("USCIS") as a Regional Center in 2009. Since its inception, EB5NYS has affiliated with several EB-5 development enterprises, a business model that the Regional Center expects to continue, as exemplified by its affiliation with Amherst Hospitality, LLC.

Prior EB-5 Program Investments Affiliated with EB-5 New York State, LLC:

<u>Kaleida Health Gates Vascular Institute in Buffalo, New York</u>. By way of a separate EB-5 Program investment through a different affiliated commercial enterprise, EB5NYS facilitated the loan of Ten Million Dollars ($10,000,000) of EB-5 Investors' capital to Kaleida Health (part of the largest healthcare system in Western NY) to support the development of the new Gates

Vascular Institute. The Gates Vascular Institute opened in March of 2012. All of the EB-5 Investors' I-526 Petitions in that commercial enterprise have been approved by USCIS, the EB-5 capital has been lent pursuant to that business plan and the construction and operations jobs have been created. I-829 petitions filed by a number of immigrant investors in that commercial enterprise have been approved by USCIS, several are pending USCIS approval, and others will be filed in the appropriate timeframe (as a note, no petitions have been denied).

Multi Modal Transportation Structure on the Buffalo Niagara Medical Campus in Buffalo, New York. By way of a separate EB-5 Program investment through a different affiliated commercial enterprise, EB5NYS facilitated the investment of Five Million Dollars ($5,000,000) of EB-5 Investors' capital to support the development of the Multi-Modal Transportation Structure on the Buffalo Niagara Medical Campus. All of the EB-5 Investors' I-526 Petitions in that commercial enterprise have been approved by USCIS, the EB-5 capital has been lent per that business plan and the construction and operations jobs have been created.

Health Sciences Charter School in Buffalo, New York. By way of a separate EB-5 Program investment through a different affiliated commercial enterprise, EB5NYS is facilitated the investment of Four Million Dollars ($4,000,000) of EB-5 Investors' capital to support the Health Sciences Charter School, a New York State charter school in Buffalo, NY. All of the EB-5 Investors' I-526 Petitions in that commercial enterprise have been approved by USCIS, the EB-5 capital has been lent per that business plan and the construction and operations jobs have been created.

Park Point New Paltz at the State University of New York at New Paltz in New Paltz, New York. By way of a separate EB-5 Program investment through a different affiliated commercial enterprise, EB5NYS is affiliated with a commercial enterprise which is facilitating the investment of up to Thirty Nine Million Dollars ($39,000,000) of EB-5 Investors' capital to support Park Point New Paltz, a student housing development on the campus of the State University of New York at New Paltz in conjunction with the University's Master Plan developments. The company is awaiting USCIS approval of the individual investor I-526 petitions.

Tower at Midtown in Rochester, New York. By way of a separate EB-5 Program investment through a different affiliated commercial enterprise, EB5NYS is affiliated a new commercial enterprise which is facilitating the investment of up to Sixteen Million Dollars ($16,000,000) of EB-5 Investors' capital to support the development of the Tower at Midtown, which is the centerpiece of the City of Rochester's master plan redevelopment in Rochester, NY.

Current EB-5 Program Investment Affiliated with EB-5 New York State:

Iskalo Hospitality Campus in Amherst, New York. Amherst Hospitality, LLC (the "Company) was created on December 30, 2013. The Company executed an Affiliation Agreement with EB5NYS and is managed by JOBSNY, LLC (the "Manager"). William Gresser, President of EB5NYS, is also the President of the Manager. The Company will raise up to $10 million of

EB-5 capital from up to 20 EB-5 immigrant investors. The Company will then lend that capital to the Developer pursuant to this comprehensive Business Plan.

Iskalo Hospitality Campus Overview and Strategic Location

Campus Overview

When completed, the Iskalo Hospitality Campus (the "Campus") will consist of: (1) the fully renovated, 90 room historic Lord Amherst Hotel, (2) the fully renovated Restaurant and banquet facility and (3) the new 137 room Hyatt Place Hotel (together the "Campus"), all on the site which originally contained only the Lord Amherst Hotel and Restaurant. The Project's three elements are harmoniously designed and organized on the property to create a powerful, integrated master planned hospitality campus, which is the only one of its kind in the region. The Campus' two hotels and Restaurant are scheduled to open in 2015 (see the

Figure 2. An overlay showing each element of the Iskalo Hospitality Campus.

Campus Development

Timeline below).

Campus Strategic Location

The Campus is strategically located in Amherst, NY. As the Market Study states: "<u>The subject site is judged to be a very good or excellent one, and will represent a competitive asset to the renovated Lord Amherst and the proposed Hyatt Place.</u>"[1] The Market Study also states that the site "offers unique centrality, versatility and access throughout the market area."[2] As the Market Study concludes, the Campus' location is one of the most desirable hospitality locations in the region and provides the Campus with a competitive advantage.[3]

The Market Study rates the site highly in the four critical hospitality categories: visibility, access, setting and views. The site is situated on Main Street, in full view of the I-290 Expressway and alongside a scenic pond that will provide a serene, restful venue for hotel guests. The site is

[1] See Exhibit 1a - Market Study, p. 14 (emphasis added).
[2] Id. at 2.
[3] Id. at 39.

elevated (it is perched on the Onondaga escarpment) which will provide breathtaking views from the southwest facing guestrooms. The Market Study which states:

> The subject site is located at the interchange between I-290 and Main Street, just west of the Village of Williamsville. It will afford excellent access to each of these roads; and, via I-290, much of the Buffalo MSA. Main Street is a very good surface alternate route to downtown Buffalo, and directly accesses the State University of New York at Buffalo, Daemen College and some of the MSA's finest residential areas. The Hyatt Place should be visible from each direction of travel on I-290; and, eastbound motorists (actually southbound in terms of real direction of travel) should be able to see it before the exit ramp at its planned six story height. Visibility of both hotels will be excellent from Main Street.[4]

Figure 3. Aerial image of the Iskalo Hospitality Campus' strategic location, at the intersection of Main Street and Interstate 290

The site is located within a 10 minute drive to the primary demand drivers for hotel rooms in the area: the Buffalo Niagara International Airport, two regional shopping centers, the State University of New York at Buffalo, and the central business district.

The Campus' location is a competitive advantage, and the Campus is laid out to maximize its frontage on Main Street and the Expressway.

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[4] Id. at 15.

Campus Elements and Developer Profile

Lord Amherst Hotel: History and Renovation Plan

The Lord Amherst Hotel was opened in 1961 as an upscale, two story travel lodge. The Developer is undertaking a comprehensive renovation of the Lord Amherst Hotel[5] which will include:

Figure 4. An artist's rendering of The Lord Amherst Hotel after renovations.

- Updating the finishes and furnishings of all guest rooms and all public spaces,
- Adding and updating amenities including in-room entertainment, WiFi, fitness room, pool and lobby;
- Replacing the building systems (including HVAC, electrical and plumbing),
- Creating a new breakfast dining area and service kitchen off the lobby to enhance the guest experience and
- Updating the hotel exterior with a new architecturally significant shingled roof, new landscaping and repaved parking areas.

Figure 5. Artists rending of the Lord Amherst lobby after renovation is completed.

According to the Market Study, the Lord Amherst Hotel will be a historic, upscale boutique hotel offering accommodations and amenities equal or superior to the finest mid-scale hotel in its competitive set. Based on the amenities, location and competition, the Lord Amherst would support an average daily rate that is highly competitive in the market.[6]

Figure 6. Artist's rendering of the Restaurant after renovation.

[5] For more information on the extensive renovation see the Architectural Drawings, site plan and related at Exhibit 2. Although the document is titled "Proposed Hyatt Place Hotel" the exhibit includes the redevelopment of the Lord Amherst Hotel.
[6] Exhibit 1a - Market Study pp. 24 and 28-35.

Restaurant: History and Renovation Plan

The existing Restaurant on the Campus will also be completely renovated. The Restaurant was most recently operated by one of Western New York's most notable and experienced restaurant and night club operators. The Developer intends to restore the Restaurant to its earlier success by leveraging the Restaurant's prime location and the steady stream of guests staying at the two hotels on the Campus. The developer is conducting a national search for a restaurant operator and expects to select the operator by the end of 2014. The Restaurant will open in conjunction with the rest of the Campus in 2015. As is noted elsewhere, the Company is not taking credit for any jobs which may be created by a 3rd party restaurant operator.

Hyatt Place Hotel: Development Plan

The Campus property has never been fully utilized. Specifically, the northern portion of the site has never been developed. That undeveloped portion is the location of the Campus' future Hyatt Place Hotel.

The new, six-story, 137-room Hyatt Place Hotel will be one of the first of Hyatt Hotel's "second generation" Hyatt Place Hotels in the United States.[7] It will also be the first Hyatt Place Hotel in Western New York, offering the appeal of the Hyatt brand as a desirable alternative to the other brands in the market. Though this Hyatt Place Hotel will remain true to the Hyatt's brand standards, the hotel's exterior finishes will be integrated with those of the Lord Amherst Hotel and the Restaurant in order to create a unified architectural signature to the Campus. As a select-service class of hotel, the Hyatt Place Hotel will complement the renovated Lord Amherst Hotel, and the Campus will offer two fresh and distinct hospitality choices to hotel customers.

Figure 7. An artist's rendering of the future Hyatt Place Hotel

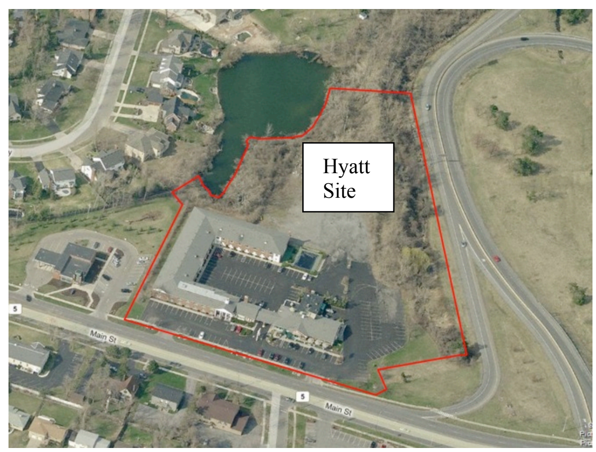


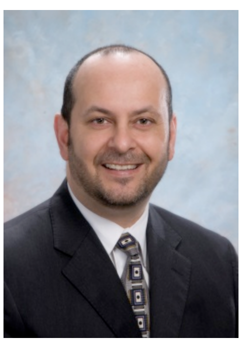
Figure 8. Aerial view of the original Campus layout showing the existing Lord Amherst and Restaurant and the undeveloped portion of the property where the Hyatt Place Hotel is being constructed.

[7] See Exhibit 3 - Executed Franchise Agreement

Developer Profile

Iskalo Hospitality Campus, LLC (the "Developer") is owned by Paul Iskalo and David Chiazza. The Developer is managed by Iskalo Development Corp. ("Iskalo Development") (a related company), which is a full-service commercial real estate development company active in Western New York, and nationally on a client-driven basis.[8] Founded in 1988 by Paul Iskalo, Iskalo Development is an experienced, award-winning real estate developer of both "ground up" and "adaptive re-use" commercial projects including corporate and medical office, light industrial, hospitality, retail and mixed-use developments.[9] According to the company, Iskalo undertakes each project with a strong emphasis on architecturally appropriate, context-sensitive design principles. Whether a project involves new construction or renovation of an existing building, Iskalo has earned an outstanding reputation for design excellence and building quality.

Paul Iskalo



David Chiazza

Iskalo Development owns the properties it develops and undertakes each project with a long-term ownership view defined by timeless design and the selection of building materials and systems based upon life cycle analysis as opposed to initial cost. According to the company, Iskalo Development was one of the first developers in Western New York to elevate the design of the public spaces in its office buildings to convey a high-end hospitality appearance, comfort and feel. This distinction carries through to Iskalo's meticulous maintenance of its properties, in which attention is given to every detail to ensure presentation of the property to drive customer satisfaction. Iskalo has enjoyed over two decades of consistent growth, with its project base increasing in scope and complexity.

Hotel Management

The Developer has contracted with Emerald Hospitality Associates, Inc. ("Emerald") to manage the hotels on behalf of the Developer. Emerald is a full service hotel consultant and hotel management company.[10] Emerald will be paid a fee to manage the hotels and will not be a tenant or owner.

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[8] Iskalo Web Site: www.iskalo.com
[9] Exhibit 4 - Examples of Iskalo Properties: Electric Tower, Buffalo, NY; 6467 Main St., Williamsville, NY; 2410 North Forest, Amherst, NY;
[10] See Exhibit 5 - Emerald Hospitality Associates, Inc. background web pages.

Specifically, the Developer's agreement with Emerald states:

> In the performance of its duties, [Emerald] shall act solely as agent of [Developer]. Nothing herein shall constitute or create a partnership or joint venture between [Developer] and [Emerald]. All debts and obligations to third persons related to the operation of the Hotel incurred by [Emerald] in the ordinary course of business in fulfillment of its management responsibilities hereunder, as governed by an approved Annual Budget, shall be the debts and obligations of [Developer] only . . .
>
> Each employee of the Hotel shall be the employee of [Developer] and not of [Emerald], and every person performing services in connection with this Agreement, including any agent or employee of [Emerald] or any agent or employee of [Developer] hired by [Emerald], shall be acting on behalf of and in the best interests of [Developer].[11]

Market Demand

The Developer purchased the site (which then included only the Lord Amherst Hotel and the Restaurant) in 2011. From the beginning, the Developer's vision was to create a new hospitality Campus which leveraged the site's unique strengths (as identified in this comprehensive Business Plan).

Market Study

The Developer commissioned an independent 3rd party market study of the Campus' two hotels (the "Market Study"). The Market Study is a:

> [M]arket analysis, projections of occupancy and average daily rate and projections of cash flow available for debt service and income taxes for a proposed 134-room Hyatt Place and a complete renovation of the 95-room Lord Amherst Hotel to be located in the Town of Amherst, a suburb of Buffalo, New York."[12]

The Market Study considered the impact of (1) constructing a new Hyatt Place Hotel and (2) the complete renovation of the Lord Amherst Hotel and associated Restaurant on the site. The Market Study, conducted by The Commonwealth Company ("Commonwealth"), analyzed the

[11] See Exhibit 6 - Management Agreement between Developer and Emerald Hospitality Associates, Inc. ("Hotel Management Agreement"), at p. 2. The attached Hotel Management Agreement details the management of the Hyatt Place hotel. The Company is informed that the Developer is also utilizing the services of Emerald for the operations of the Lord Amherst.

[12] Exhibit 1a - Market Study, at p. 1.

current availability of hotel rooms in the market and considered the additional hotel projects that had been announced in the region.[13]

The Market Study also provided expert estimates of the market share for each hotel, and forecasts the occupancy and room rates which are anticipated when the Campus is complete. The occupancy and room rates in the Market Study were used by the Developer when preparing financial forecasts for the Campus.[14] According to the Market Study,

> "At the relatively affordable room rates we have projected, the Lord Amherst should represent a compelling proposition of value. . . . In a crowded field of branded, select-service hotels, the subject's independent retro boutique concept will likely be appealing to those desiring something outside the mainstream."[15]

The report notes that its overall penetration is projected to be 84 percent of fair market share, or 5.78 percent, in fiscal 2017, its first stabilized year of operations.

For the Hyatt Place Hotel, the Market Study concludes:

> "The property will be new, and will offer one of the market's freshest products, sited in a very good location, with an adjacent quality restaurant, other restaurants nearby, and convenient access to numerous demand generators…. Its lifestyle concept will offer a contrast as compared with its direct competitors… The subject location is superior to most, if not all, of the direct competitors; either existing, under construction or proposed."[16]

Its overall penetration is projected to be 97 percent of fair market share, or 9.41 percent, in fiscal 2018, its first stabilized year of operations.

The Market Study identified the following six demand drivers for the Campus' hotel rooms:

1. Buffalo Niagara International Airport Travel
2. Canadian Leisure Travel/Shopping
3. Business/Conference Travel (VBN)
4. University of Buffalo
5. Submarket Demographics and Development Trending
6. Trends in Submarket Hospitality Performance (STR)

Buffalo Niagara International Airport (BNIA) is one of the important drivers for the hotel market in Western New York. The airport was extensively renovated, and most importantly, an

[13] Id., p. 19
[14] The Developer adjusted the assumptions regarding the Lord Amherst renovation that were used as the basis for the Market Study and increased the rates they intend to charge. Commonwealth provided a letter stating that their concurrence with the revision. Exhibit 1b
[15] Exhibit 1a Market Study at p. 33.
[16] Id., p. 39

increasing number of airlines have begun to serve the airport resulting in reduced travel costs. The number of fliers using the airport has increased by 24% in the past decade[17] which has increased hotel demand throughout the Buffalo region.

According to the Market Study, the Canadian Leisure and Travel market is also a demand driver.[18] As an adjunct to the growth in Canadian travelers utilizing the BNIA, Canadians come to the Buffalo Metropolitan area to shop. Visit Buffalo Niagara (VBN) estimates that the area welcomes 3.1 million Canadian visitors annually to shop Buffalo area stores.[19] Leading shopping destinations are the Fashion Outlets in Niagara Falls, Boulevard Mall and Walden Galleria Mall - the Campus is situated between the two malls.

The Market Study also forecasts that the proximity of the Campus to the central business district as well as major suburban office parks will also drive business travelers to choose this venue.[20] The Campus is also a very short distance to the State University of New York at Buffalo which is a growing campus in the State's University system.[21]

Campus Development

Timeline

The Campus development is planned to take approximately 18 months to complete. Construction of the Hyatt Place began in July 2013 with the clearing of the lot and pouring of the foundation,[22] and its construction is expected to be completed in 2015. The Lord Amherst was closed for renovation in April 2014[23] and it is expected to reopen in mid-2015. The Restaurant was also closed in 2014 and is expected to be the last element of the Campus to open in the third quarter of 2015.

Figure 9. The Hyatt Place Hotel under construction in May 2014

The elements of the Campus are being developed in conjunction with each other, and are projected to be completed in 2015,[24] with the following approximate timeline:

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[17] Exhibit 7a - Federal Aviation Administration Statistics for 2003 and Exhibit 7b - Federal Aviation Administration Statistics for 2012 compared to 2013.
[18] Exhibit 1a - Market Study, p.10.
[19] Exhibit 8 - Visit Buffalo Niagara Shopper's Estimates, p. 6. The entire 183 page report is available on request, but only page 6 of the report is included in the Exhibit 8.
[20] Exhibit 1a - Market Study, pp. 13-15.
[21] Id., p. 8.
[22] See Exhibit 9 - Hyatt Place Building Permit.
[23] See Exhibit 10 – Lord Amherst Demolition Permit e-Mail from Town of Amherst.
[24] See Exhibit 11 - Hyatt Place Project Schedule and Exhibit 12 - Lord Amherst Project Schedule

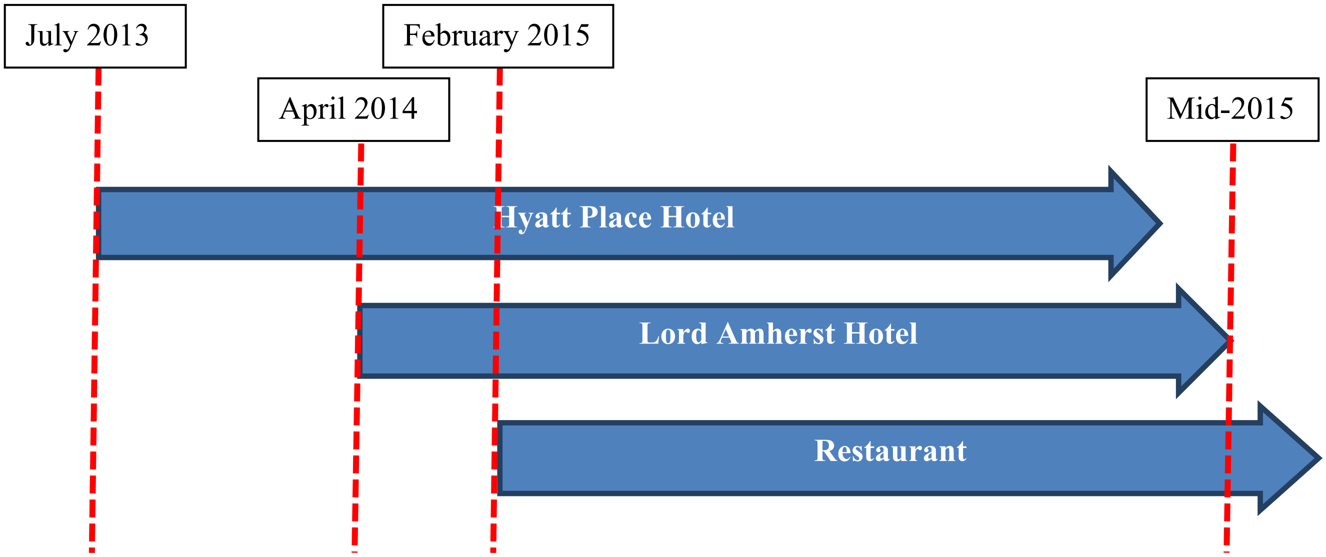

Figure 10: Construction Timeline

Campus Development Costs

The Campus total development costs exceed $39 million. The major categories of costs for the Campus development are: (1) the purchase of the land, (2) the new construction and renovation conducted on the Campus and (3) the furniture and fixtures required for the hotels.

CAMPUS DEVELOPMENT COSTS	
• **Land**	$5,575,000
• **Hard Costs**	$26,861,000
• **Soft Costs**	$2,857,000
• **FF&E**	$4,096,000
TOTAL CAMPUS DEVELOPMENT COSTS	**$39,389,000**

The Campus Budget Detail (attached as Exhibit 13) provides detailed, line item cost projections for the Campus' total development costs. In order to create the economic and job creation analysis, Economic & Planning Systems, Inc. ("EPS") classified each line item in the Campus Budget Detail as either a hard cost, a soft cost or an excluded item for use in its economic analysis of the jobs created (as is described in the Job Creation Analysis below).[25]

Sources of Financing

A total of $39,389,000 of capital is required to develop the Campus. $9,789,000 (25%) of the required capital will come from the Developer as equity and the remaining $29,600,000 (75%)

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[25] See Exhibit 13 - Campus Budget Detail. Third-parties have validated the reasonableness of the cost estimates for the Hyatt Place. In the appraisal for the Hyatt Place, CBRE uses the Marshal Valuation Service to test the costs proposed by the developer and found that the Developer's projected costs were lower than the independent cost estimate. See Exhibit 14 - Appraisal, at p. 62. The Developer bases the Restaurant's construction budget on the Developer's extensive experience, and specifically its previous experience with this Restaurant.

will be debt. The Developer is contributing the equity to the development and has secured the needed debt financing from three commercial banks and the Company's EB-5 financing. Because neither the Company nor any single bank was able to provide all the debt required for the entire Campus development, the Developer allocated the collateral in order to finance the Campus' development among the Banks and the Company.

The three commercial banks, First Niagara Bank,[26] M&T Bank and the Bank of Castile,[27] (together the "Banks") are lending the construction and permanent financing for the Campus. All of these Bank construction loans have been closed. Due to the time required to raise and invest EB-5 capital, First Niagara Bank and M&T Bank have agreed to provide a bridge loan of $10 million until the EB-5 financing is available.

The following is a summary of the capital for the Campus' construction and operations, showing the capital stack both before and when the Company's EB-5 capital is lent to the Developer:

Sources of Financing	**Before EB-5 Loan**		**At Loan of EB-5 Capital**	
	$	%	$	%
Developer Equity	$9,789,000	*25%*	$9,789,000	*25%*
Debt				
Amherst Hospitality, LLC (EB-5 capital)		*0%*	$10,000,000	*25%*
First Niagara Bank	$9,000,000	*23%*	$4,000,000	*10%*
M&T Bank	$9,000,000	*23%*	$4,000,000	*10%*
Bank of Castile	$9,500,000	*24%*	$9,500,000	*24%*
Additional loans[28]	$2,100,000	*5%*	$2,100,000	*5%*
Total Debt	$29,600,000	*75%*	$29,600,000	*75%*
Total Financing	**$39,389,000**	***100%***	**$39,389,000**	***100%***

Documentation of the Loans

Executed Agreements. The following loan and other documents have already been executed:

Exhibit	Document	Description	Status
Exhibit 15b	First Niagara	The agreement that governs the terms of the	Executed

[26] See Exhibit 15a - Executed First Niagara Bank (Lead Bank w/ M&T Bank Participating): Commitment Letter and Exhibit 15b - Loan Documents

[27] See Exhibit 16a - the executed Bank of Castile: Commitment Letter and Exhibit 16b - Loan Documents.

[28] The Developer anticipates it will borrow an additional $2.1 million to finance the Restaurant's construction costs. The Developer will borrow the last $2.1 million of debt after the Developer selects the Restaurant's tenant. The Developer plans to select the Restaurant tenant in late 2014. Based on the Company's discussions with the Developer and the existing Bank lenders, the existing Bank lenders intend to provide the added $2.1 million in debt financing. The Developer and the Banks have also asked the Company it if would provide additional EB-5 capital once the Restaurant tenant is identified. The Company will consider that request after the Restaurant tenant is secured, but the Company would only lend additional EB-5 capital if its additional loan or loans would be in a first position security interest on appropriate collateral, the Company's loan is made in coordination with other Bank financing, and there are sufficient new jobs created to support any additional EB-5 investment.

	Bank Loan Agreement	financing and EB-5 Bridge Loan from First Niagara and M&T Bank to the Developer.	January 31, 2014.
Exhibit 16b	Bank of Castile Loan Agreement	The agreement that governs the terms of the financing from Bank of Castile.	Executed March 26, 2014.
Exhibit 17	Loan Commitment Letter and Tri-Party Agreement	Defines the Company's participation in the financing and requires the Developer and the Banks to complete the EB-5 financing according to the terms of the Company's Commitment Letter and the form documents listed below.	Signed by the Company, First Niagara Bank, and the Developer on January 31, 2014

Form of documents. The following are the "form" documents, agreed to by the Parties, which are to be executed when the Company's EB-5 Loan is funded (as is stipulated in the Tri Party Agreement above):

Exhibit 18	Inter Creditor Agreement	The form of the Company's agreement with the Developer, and First Niagara Bank regarding the inter creditor relationship between the Parties.
Exhibit 19	Amherst Hospitality Loan Agreement	The form of the Company's loan documents the Developer will sign at the closing of the EB-5 Loan.

Loans by the Company

EB-5 New York State, LLC (the "Regional Center") and the Developer first discussed using EB-5 capital for the Campus in April of 2012 and the Developer formally engaged the Regional Center in March of 2013.[29] As noted above, the Developer's earliest construction started in July of 2013, and the Bank financing was completed in early 2014. The Developer engaged the Regional Center to secure EB-5 capital as a part of the Campus' capital stack, and the parties agreed that a portion of the Bank financing would be a bridge to the EB-5 capital loan.[30]

The Company, the Bank and the Developer have agreed to the loan documentation for the Company's loan of $10 million to the Developer. Effective January 31, 2014, the Company, the Bank and the Developer executed an agreement to set the terms and documentation of the closing of the EB-5 loan (the "Tri-Party Agreement").[31] The Company, the Developer and the Bank have agreed to the form of the Company's loan documents for the loan to the Developer. As detailed in the extensive loan documents, the Company's $10 million loan to the Developer will be secured by the mortgage of the Hyatt Place Hotel.[32] The Company's loan is structured so that initially the security for the Company's $10 million loan will be a combination of a first position loan (in the same position as the secured Banks[33]) and a subordinate position (in the

[29] See Exhibit 20 Engagement Letter between Iskalo Development and the Regional Center dated March 5, 2013
[30] See Exhibit 21 Term Sheet between Iskalo Hospitality Campus and EB-5 New York State, LLC, November 22, 2013
[31] See Exhibit 17 Tri-Party Agreement dated January 31, 2014
[32] See Exhibit 22 Amherst Hospitality Commitment Letter dated January 30, 2014.
[33] See Exhibit 18 "Form of" Intercreditor Agreement Between Amherst Hospitality and First Niagara Bank

security position after the Bank's).[34] Specifically, on the day the Company makes its loan to the Developer, 75% ($7.54M) of the Company's $10 million loan will initially share the first position on the mortgage equally with the Bank lenders and the balance (25% or $2.46M) will be subordinate. Over the term of the loan, the portion of the Company's loan in the subordinate position, will move into first position with the Bank loan, and by the end of the term of the loan, the Company's entire $10 million loan will be in a first position (in the same position as the Banks).[35] As a note the CBRE appraisal values the Hyatt Place Hotel as $25,900,000 at stabilization.[36]

The Company's loan will be interest-only, with the entire $10 million principal loan balance due at the end of the Term. The interest rate paid by the Developer on any EB-5 capital lent to the Developer during the Construction period will be equal to the Bank's variable rate construction loan. During the Permanent Period, the Developer will pay 5% interest on the portion of the Company's loan which is in a first position security interest and 6.50% on any balance which is in a subordinate position.[37]

Personal Guarantee of Paul Iskalo. In addition to the Company's mortgage security for the repayment of its loan, as additional security Paul Iskalo will also personally guarantee the repayment of the entire $10M loan to the Company and the performance of certain obligations of the Developer. It is important to note that Paul Iskalo's personal guarantees are only additional security for the repayment of the loan to the Company, and are not a guarantee to repay the EB-5 Investors' investment into the Company.

Company's Projected Financial Statements

The Company's projected financial statements are attached.[38]

The Banks required the Company to agree to the Form of the Intercreditor Agreement as a condition of First Niagara Bank and M&T Bank closing their Construction loan to the Developer. The Company and the Developer will execute the Intercreditor Agreement when the Company funds its loan of EB-5 capital.

[34] The Bank lenders and the Company have agreed that the maximum first mortgage debt secured by the Hyatt Place Hotel will be 60% of its appraised value, and the total debt secured by the Hyatt Place Hotel will be no more than 70% of its appraised value. The as-built appraisal of the Hyatt Place Hotel is $25.9M. As a result, no more than $15.54M will be in first position and no more than $18.13M in total debt will be allowed. See Exhibit 14 - Hyatt Place Hotel "As Built" Appraisal.

[35] As the Developer makes principal payments to First Niagara and M&T Banks, an equal amount of the Company's subordinate position loan equal to each principal payment will be moved into first priority. The Developer has guaranteed that the principal payments made during the term of the loan will be at least $2.46 million. Consequently, at the end of the term of the Company's loan, the Company's entire $10 million loan will be secured in first position on the Hyatt Place Hotel and the total debt (the Bank debt plus EB-5 debt) secured by the Hyatt Place Hotel will be not more than 60% of its appraised value.

[36] See Exhibit 14 CBRE Appraisal at p. 2.

[37] See Exhibit 19 - Amherst Hospitality "Form of" Loan Documents.

[38] See Exhibit 23 - Amherst Hospitality Proforma Income Statement.

Projected Return on Members' Investment

The Company intends to pay the Company's EB-5 investors a return on the balance of the EB-5 capital borrowed by the Developer. This return will be paid if the Company has adequate cash flow, as follows:

1. Pay Company expenses. The Company will first pay its expenses related to the operations of the Company.
2. Return to Members. If the Company has sufficient cash flow from its operations after paying its expenses, the Company will pay the investors a return on the Company's capital which is drawn down by the Developer. If there is sufficient cash flow, the Company will pay the Investors thirty percent (30%) of the cash flow from operations, up to a total annual 1% return on the total Investors' capital drawn down by the Developer.
3. Remaining Cash Flow. If the Company has any remaining cash flow after the payment of expenses and the payment of the return to the Members, the balance of any cash flow will be paid to the Manager, in compensation for its activities as the Manager and for other activities it will and has performed.

The Members' return will be calculated quarterly, paid to the Members annually and is not cumulative. The Manager's compensation will be calculated quarterly, paid quarterly or as otherwise determined by the Manager, and is cumulative on an annual basis but not beyond the individual calendar year. At the end of the loan term, the Developer is obligated to repay the Company's loan. If and when this occurs, the Company projects that it will have sufficient capital to repay the investors' investment into the Company.

Note: Although the Company plans to pay the Members a return while they are invested and to repay the Members' investments after the end of the term of the loan to the Developer, there is no guarantee that market conditions, a *force majeur* or other predictable or unpredictable events will not prevent the Developer from repaying the Company's loan or that the Company will have sufficient cash flow to pay any return to the Members or to repay the Members' investment into the Company. No repayment of any Investor's investment will be made until after the later of: (1) the final adjudication of all Investors' respective I-829 Petitions to Remove Conditions, (2) the Manager's reasonable determination that any remaining investors will not file an I-829 petition, or the time for filing such I-829 petitions has expired, or (3) the Manager's reasonable determination that repayment will not impact the immigration objectives of the EB-5 investors.

Job Creation Analysis

Economic & Planning Systems, Inc. ("EPS") performed an independent analysis of the jobs which will be created by the construction and operations of the Campus as detailed below. EPS forecasts the jobs which will be created using the economic model approved by USCIS when USCIS designated EB5NYS as a Regional Center in 2009.

The Company is taking credit for the jobs created by the following job creating activities:

Construction: The Company is taking credit for the indirect and induced construction jobs associated with the following construction expenditures:

- $10,398,554 for renovations to the existing Lord Amherst Hotel and Restaurant,
- $16,462,348 for new construction of the Hyatt Place Hotel plus
- $2,856,846 of soft costs (which are separately analyzed in the economic analysis).

Timing. The Developer started construction in July of 2013 and plans to complete the construction in 2015. The Developer has received all required permits and has closed on the Bank financing and tax incentives.

NOTE: The Company is NOT taking credit for any direct construction jobs created.

Operations: The Company is taking credit for the operating jobs created by the Developer's increased hotel operations on the Campus. The Developer forecasts $6,200,000 in increased Hotel operating revenue beginning in year 2 of operations.[39] Of this amount, $5,300,000 is generated from the operations of the new Hyatt Place Hotel and $900,000 of incremental revenue is generated by the operations of the Lord Amherst Hotel (Note: the Lord Amherst incremental revenue is the increased revenue above the amount the Lord Amherst Hotel was generating before it was closed for renovations).[40]

Note: The Company is NOT taking credit for any jobs created by "visitor spending" as that concept is defined by USCIS.[41]

The Restaurant (including its banquet facility) is also expected to generate incremental operating revenue in excess of the operating revenue it generated before it was renovated (the "Restaurant Incremental Revenue").[42] The Company may take credit for jobs created by the Incremental Restaurant Revenue generated by the Developer (for the Developer's operations of managing the Restaurant development and leasing operations) in excess of the amount the Developer generated prior to the renovation. However, the Economic Impact Analysis does not currently include any jobs created by the Restaurant Incremental Revenue generated by the Developer at this time.

Note: The Company is NOT taking credit for any Jobs created by any tenant chosen to operate the Restaurant.

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[39] Exhibit 23 - Iskalo Hospitality Campus Proforma Income Statement

[40] See Exhibit 24 - Lord Amherst and Sonoma Grill Combined 2013 Income Statement which reports $914,000 in revenue from room rentals. See also Exhibit 1a Market Study, Exhibits to Market Study (starting at p. 49), which project the income statements of the Lord Amherst Hotel and the Hyatt Place Hotel. See also Exhibit 1b Letter from Commonwealth regarding the reasonableness of the Developer's projected room rates.

[41] See Exhibit 25 - "Questions and Answers: EB-5 Economic Methodologies," published by USCIS on July 3, 2012 which describes "Visitor spending". The Company does not take credit for any potential jobs created by "Visitor spending" as defined by USCIS in the Exhibit.

[42] See Exhibit 24 - Lord Amherst and Sonoma Grill Combined 2013 Income Statement.

Calculation of Jobs Created

The EPS analysis ("Economic Impact Analysis") of the jobs created calculates that more than a sufficient number of new jobs will be created to allow each of the EB-5 Investors to satisfy the job creation requirements of the EB-5 program. The following is a summary of the EPS Economic Impact Analysis of the jobs which will be created:

JOB CREATING ACTIVITIES	JOBS CREATED
• **Construction expenditures (only Secondary & Induced)**	**230**
• **Hotel Operations (Incremental increase)**	**93**
• **Restaurant Operations (Incremental increase)**	
TOTAL	**323**

The Company takes credit for 323 new jobs created, which is more than 16 jobs per EB-5 investor (or over 60% more than the 200 new jobs which must be created for the Company's 20 Immigrant Investors).

Targeted Employment Area

The Campus is located in Census tract 94.02 in Erie County, New York. The State of New York designated Census tract 94.02 in Erie County as a "Targeted Employment Area."[43] Up to 20 EB-5 Investors will each invest Five Hundred Thousand Dollars ($500,000) into the Company, amounting to a total raise of up to $10 million of EB-5 capital by the Company.

THIS BUSINESS PLAN IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT, AND SHOULD NOT UNDER ANY CIRCUMSTANCES BE CONSTRUED AS AN ADVERTISEMENT, AN OFFER OR A SOLICITATION TO SELL OR BUY ANY SECURITIES. THIS BUSINESS PLAN IS A COMPONENT OF, AND IS GOVERNED BY AMHERST HOSPITALITY, LLC'S SUBSCRIPTION AGREEMENT AND PRIVATE PLACEMENT MEMORANDUM. THE INFORMATION AND DESCRIPTIONS CONTAINED IN THIS BUSINESS PLAN ARE FOR THE INFORMATIONAL PURPOSES OF THE READER ONLY AND DO NOT CONSTITUTE ANY EXPRESS OR IMPLIED PROMISES, REPRESENTATIONS OR WARRANTIES OF THE COMPANY, THE MANAGER OR EB5NYS IN EXCESS OF THAT STATED IN THE COMPANY'S SUBSCRIPTION AGREEMENT AND PRIVATE PLACEMENT MEMORANDUM.

COMPANY, MANAGER, EB5NYS AND ANY OF THEIR RESPECTIVE MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, AGENTS, ASSIGNS AND THOSE PARTIES ACTING ON THEIR BEHALF OR PURPORTING TO ACT ON THEIR BEHALF, MAKE NO WARRANTIES OR GUARANTEES THAT AN INVESTOR WILL RECEIVE A RETURN OF HIS OR HER INVESTMENT OR THAT AN INVESTOR WILL OBTAIN PERMANENT RESIDENCE IN THE U.S. AS A RESULT OF AN INVESTMENT IN COMPANY.

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[43] See Exhibit 26 – TEA Letter

NOTWITHSTANDING THE ANALYSIS DESCRIBED IN THIS PLAN, THERE IS NO GUARANTEE THAT INVESTMENT WILL STIMULATE SUFFICIENT BUSINESS ACTIVITY TO CREATE A SUFFICIENT NUMBER OF JOBS NEEDED TO SATISFY THE JOB CREATION REQUIREMENTS OF EB-5 PROGRAM OR SATISFY THE JOB CREATION REQUIREMENTS IMPOSED BY THE USCIS.

Amherst Hospitality, LLC
Business Plan Exhibit List
September 1, 2014

Exhibit 1	a. Market Study b. Commonwealth Revised Projections Review Letter 2012.08.15
Exhibit 2	Architectural Drawings
Exhibit 3	Executed Franchise Agreement
Exhibit 4	Other projects by Developer
Exhibit 5	Emerald Hospitality background web pages
Exhibit 6	Management Agreement between Developer and Emerald Hospitality Associates
Exhibit 7	a. 2003 Commercial Airport Passenger Counts b. 2013 Commercial Airport Passenger Counts
Exhibit 8	Visit Buffalo Niagara Shopper's Estimates
Exhibit 9	Hyatt Place Hotel Building Permit
Exhibit 10	Lord Amherst Hotel Demolition Permit
Exhibit 11	Hyatt Place Hotel Schedule
Exhibit 12	Lord Amherst Hotel Project Schedule
Exhibit 13	Campus Budget Detail
Exhibit 14	Hyatt Place Hotel "As-Built" Appraisal
Exhibit 15	First Niagara Bank a. Bank Commitment Letter b. Bank Loan Documents
Exhibit 16	Bank of Castile a. Bank Commitment Letter b. Bank Loan Documents
Exhibit 17	Tri-Party Agreement
Exhibit 18	Form-of Intercreditor Agreement
Exhibit 19	Form-of Company Loan Agreement
Exhibit 20	Iskalo Signed Engagement Letter
Exhibit 21	Signed Term Sheet
Exhibit 22	Company Commitment Letter
Exhibit 23	Company Proforma Income Statement
Exhibit 24	Lord Amherst and Sonoma Grill 2013 Income Statement
Exhibit 25	USCIS Q&A: EB-5 Economic Methodologies
Exhibit 26	TEA Letter

Exhibit 1a

Market Study

Market Analysis and Financial Projections

Proposed
134-Room Hyatt Place Hotel
Renovated
95-Room Lord Amherst Hotel
Amherst, New York

June 2012

June 8, 2012

Mr. David Chiazza
Executive Vice President
Iskalo Development Corp.
Harbinger Square
5166 Main Street
Williamsville, New York 14221

Dear Mr. Chiazza:

In accordance with the engagement letter dated April 10, 2012, we have prepared a market analysis, projections of occupancy and average daily rate and projections of cash flow available for debt service and income taxes for a proposed 134-room Hyatt Place and a complete renovation of the 95-room Lord Amherst Hotel to be located in the Town of Amherst, a suburb of Buffalo, New York. The following paragraphs summarize our conclusions.

EXECUTIVE SUMMARY

General Market Overview

- The subject site is located in Amherst, New York, a suburban element of the Buffalo-Niagara Falls Metropolitan Statistical Area (MSA)
- Buffalo's economic prominence has declined from its heyday decades ago; in large part due to changes in transportation modes and infrastructure, as well as a national erosion of the manufacturing base.
- Buffalo's modern economy is built in large part on the foundations provided by higher education and medicine. The city is also a regional financial center of note.
- Amherst, and the airport area which adjoins it, is Buffalo's most important suburb in terms of population, commercial concentration (including office and retail development) and affluence.

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- Buffalo in general, and the subject market area in particular, attracts numerous, and often affluent, Canadian visitors. Such travelers are an essential generator of lodging demand. In part, Canadian visitors may have served as a buffer against the Great Recession, which impacted Buffalo less than the nation as a whole.

- In keeping with the consensus projections of economists, a key assumption of this analysis is that there will be no "double dip" second economic downturn, and that the national and regional economies will grow at a slow and steady pace through 2019.

Site and Area Analysis

- The subject site is a very good or excellent one, and should represent a competitive advantage against most of the directly competitive hotels.

- It offers unique centrality, versatility and access throughout the market area.

- The site is located in the northwest quadrant of the interchange between Interstate 290 and Main Street. It should afford good visibility from either direction of travel on the interstate, albeit after the exit ramp in one direction. Access and visibility from Main Street will be excellent.

Lord Amherst Facilities and Services

- The Lord Amherst will be subjected to a comprehensive renovation, and it is a key assumption of this analysis that it will be brought to like-new condition. An elevator will be added.

- The existing Sonoma Grille restaurant includes function space, and will be an important asset to both subject hotels. Another key assumption is that this facility will be renovated, its concept freshened, and that food quality will be at least as high as it is at present.

- The 95-room property will offer a quality, a boutique/lifestyle product at rates below those of all of its direct competitors, thus offering a compelling price-value proposition. This will be vital, in that the hotel will remain unaffiliated.

- The Lord Amherst does not have an indoor pool. This disadvantage will in part be overcome by offering some form of use of the Hyatt Place's pool. Thus, guests will have both an outdoor and an indoor pool option. The property will continue to offer a complimentary continental breakfast.

Hyatt Place Facilities and Services

- The proposed 134-room Hyatt Place Hotel will offer more function space than the prototype calls for, an indoor pool and a complimentary breakfast.

- Hyatt Place is a select-service brand with a lifestyle flair offered by Hyatt Hotels, who are best known for their well-regarded, upper-upscale Hyatt Regency full-service hotels, a constituent of which is located in downtown Buffalo.

- Many of the direct competitors carry some of the strongest brands in the lodging industry. While Hyatt Place is currently not as powerful as brands such as these, Hyatt is aggressively attempting to expand it, and it is likely on an upward trajectory. The franchise should be an asset to the Hyatt Place, and an indirect one to the Lord Amherst as well, assuming they are managed in common.

- The property's lifestyle concept will offer a striking contrast to the market's relatively staid lodging supply.

Supply and Demand

- The Amherst/Airport lodging market is unusually strong. This in large part reflects the impact of Canadian travelers.

- The majority of the directly competitive supply's constituents achieve occupancies in excess of 80 percent – this at a time when many of the nation's hotels are still in recovery from the Great Recession. Again, this at least in part reflects the fact that Canadian travelers were less impacted by this country's economic woes.

- The market has therefore attracted extensive interest from hotel developers, and supply increases are likely to reduce Revenue Per Available Room (RevPAR).

- The directly competitive supply will increase markedly as new hotels are added. Indirectly competitive rooms outside the competitive supply will also be built. Examples of each are already under construction, with more proposed. Our assumptions as to supply increases are detailed herein, and have been analytically factored into the analysis. These are key assumptions.

- The market is somewhat seasonal, particularly as it is positively impacted by summer visitors to Niagara Falls.

- We project moderate growth in demand, pending the various assumptions detailed herein.

Estimated Levels of Utilization

Projected occupancy, ADR and revenue per available room (RevPAR) are presented below:

ESTIMATED OCCUPANCY, AVERAGE DAILY RATE, REVPAR AND CASH FLOW
RENOVATED 95-ROOM LORD AMHERST HOTEL
FISCAL 2014 THROUGH 2018

Fiscal Year	Occupancy	Average Daily Rate Constant 2011 Dollars	Average Daily Rate Inflated Dollars*	RevPAR (Inflated $)	Cash Flow (Inflated)**
2014	57%	$78.00	$83.25	$ 47.45	$398,000
2015	60	81.00	89.25	53.55	536,000
2016	61	83.00	94.00	57.34	610,000
2017	62	83.00	97.00	60.14	654,000
2018	62	83.00	99.75	61.85	668,000

* Inflated at 3.0 percent per annum, including an additional 9.75 percent increase to adjust for the conversion from calendar years to fiscal years commencing April 1.

**Cash Flow available for debt service and income taxes.

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

**ESTIMATED OCCUPANCY, AVERAGE DAILY RATE, REVPAR AND CASH FLOW
PROPOSED 134-ROOM HYATT PLACE HOTEL
FISCAL 2015 THROUGH 2019**

		Average Daily Rate			
Fiscal Year	**Occupancy**	**Constant 2011 Dollars**	**Inflated Dollars***	**RevPAR (Inflated $)**	**Cash Flow (Inflated)****
2015	68%	$120.00	$132.00	$ 89.76	$1,416,000
2016	70	125.00	141.75	99.23	1,645,000
2017	72	125.00	146.00	105.12	1,719,000
2018	73	125.00	150.50	109.87	1,826,000
2019	73	125.00	155.00	113.15	1,880,000

* Inflated at 3.0 percent per annum, including an additional 9.75 percent increase to adjust for the conversion from calendar years to fiscal years commencing April 1.

**Cash Flow available for debt service and income taxes.

GENERAL MARKET ANALYSIS

Amherst is the largest suburban town or city in the Buffalo-Niagara Falls MSA. The facing page depicts Buffalo's regional location.

Based in large part on its prominence as a Great Lakes and Erie Barge Canal port, Buffalo became a major center for grain milling, manufacturing and railway traffic. As such, it grew to be one of the nation's most important cities.

Several factors conspired to undermine Buffalo’s fortunes:

- Use of the Erie Canal sharply diminished.
- Grain milling centers west of Buffalo, such as Minneapolis, grew more important, in part due to their proximity to crops.
- The St. Lawrence Seaway opened and changed many Great Lakes shipping routes.
- Manufacturing was relocated to America’s Sunbelt and to other countries.

Today, Buffalo remains New York State’s second-largest city, and has relied on its higher education and medical industries to forge a more modern economy. Just as its waterfront geography once dictated its fortunes, geography of another kind is again buoying Buffalo’s economy. The city’s proximity to Canada, most notably that country’s most important city of Toronto, as well as other cities lying between Toronto and London, Ontario, has made it a popular destination for Canadian visitors. The city is also a regional financial center of some note.

Amherst is Buffalo’s largest and most prominent suburb. The town, and several others which surround it, comprise the most important locus for economic activity, affluence, transportation, education and visitation in the MSA outside of downtown Buffalo.

Education

As has been the case in many reclamations of former Rustbelt cities, education is the cornerstone of Buffalo's. The University at Buffalo (UB) is a unit of the State University of New York (SUNY). Its two primary campuses essentially bookend the portion of Amherst in which the subject site is located. These two campuses are the South Campus, which is the original one; and North Campus, which is the newer and larger of the two. UB is the largest of the four comprehensive university centers within the SUNY system, and is the largest public university in the Northeast.

UB 2020 is an ongoing 15-year plan, which entails increasing enrollment by 10,000, faculty by 750 and staff by 600. UB's regional impact on Western New York has been estimated at $1.7 billion; its annual budget is $1.4 billion; and, its 2009 research budget was $394.4 million. Over 28,000 students matriculate at UB, and the school employs 7,106 full-time equivalents.

UB is essential in fostering high-technology and medicine in the Buffalo area, and its graduate workforce is an inducement for economic development.

Two colleges are also proximate to the site: Daemen College (which is just down the street), and Medaille College, whose graduate campus is nearby.

Medicine/Healthcare/Health Sciences

Buffalo is a regional medical center. However due to several factors, it is an international one as well, with Canadian patients regularly seeking treatment in Buffalo. It is also a center for medical research, including that related to the human genome and bioinformatics. Two of the MSA's top 10 employers are engaged in medicine.

The Buffalo Niagara Medical Campus is located near downtown Buffalo, and is the cornerstone of Buffalo's medical industry. Its primary elements include: UB, Roswell Park Cancer Institute, Buffalo Hearing and Speech Center, Buffalo Medical Group Foundation, Hauptman-Woodward Medical Research Institute, Kaleida Health, Olmsted Center for the Visually Impaired, Cleveland Biolabs and Upstate New York Transplant Services.

The Amherst area also has a meaningful healthcare component, including the headquarters of Independent Health Corporation, and the largest operation for Univera, both of which are HMO's.

Banking and Finance

M&T Bank and First Niagara Bank are headquartered in Buffalo, and respectively rank 28^{th} and 38^{th} among the nation's bank holding companies. HSBC, Bank of America and Citibank also maintain a large local presence, with the latter two having significant back office operations in Amherst.

Employment

The following table lists the MSA's largest employers:

DEMOGRAPHIC CHARACTERISTICS
UNITED STATES, NEW YORK, BUFFALO-NIAGARA FALLS MSA AND ERIE COUNTY

UNITED STATES	2006	2011	CAG 2006-2011	2016	CAG 2011-2016	2020	CAG 2011-2020
Population (000s)	298,380	312,308	0.9%	328,039	1.0%	341,070	1.0%
Median Age	36.4	37.2		37.5		37.9	
Income Per Capita	$37,726	$42,702	2.5%	$51,316	3.7%	$61,607	4.2%
Wealth Index	100.0	100.0		100.0		100.0	
Employment Segmentation:							
Services	41.0%	43.2%		44.4%		45.4%	
Manufacturing	8.3%	7.1%		6.5%		6.0%	
Government	13.6%	13.5%		13.1%		12.7%	
Retail & Wholesale Trade	14.4%	13.7%		13.7%		13.6%	
Other	22.6%	22.5%		22.4%		22.3%	
Total Employed (000s)	176,125	173,401	-0.3%	185,402	1.3%	195,598	1.3%
NEW YORK							
Population (000s)	19,105	19,460	0.4%	19,861	0.4%	20,210	0.4%
Median Age	37.3	38.0		38.1		38.6	
Income Per Capita	$44,567	$50,972	2.7%	$61,318	3.8%	$73,595	4.2%
Wealth Index	113.3	114.7		114.7		114.7	
Employment Segmentation:							
Services	46.1%	48.0%		49.0%		49.9%	
Manufacturing	5.5%	4.5%		4.0%		3.6%	
Government	13.9%	13.3%		12.9%		12.7%	
Retail & Wholesale Trade	13.3%	12.7%		12.5%		12.3%	
Other	21.2%	21.6%		21.6%		21.6%	
Total Employed (000s)	10,788	10,849	0.1%	11,428	1.0%	11,883	1.0%
BUFFALO-NIAGARA FALLS MSA							
Population (000s)	1,142	1,135	-0.1%	1,140	0.1%	1,145	0.1%
Median Age	39.8	40.8		41.0		41.0	
Income Per Capita	$33,402	$40,396	3.9%	$49,164	4.0%	$59,330	4.4%
Wealth Index	86.3	92.3		93.2		93.6	
Employment Segmentation:							
Services	41.4%	44.4%		45.5%		46.4%	
Manufacturing	10.0%	7.8%		6.9%		6.2%	
Government	14.3%	13.8%		13.6%		13.4%	
Retail & Wholesale Trade	15.6%	15.0%		14.8%		14.6%	
Other	18.6%	19.1%		19.3%		19.3%	
Total Employed (000s)	643	639	-0.1%	661	0.7%	678	0.7%
ERIE COUNTY							
Population (000s)	926	918	-0.2%	920	0.0%	923	0.1%
Median Age	39.6	40.5		40.6		40.6	
Income Per Capita	$34,284	$41,449	3.9%	$50,237	3.9%	$60,442	4.3%
Wealth Index	88.6	94.7		95.3		95.4	
Employment Segmentation:							
Services	41.9%	44.9%		46.3%		47.5%	
Manufacturing	9.5%	7.5%		6.6%		6.0%	
Government	13.8%	13.4%		13.1%		12.8%	
Retail & Wholesale Trade	15.6%	14.7%		14.3%		14.0%	
Other	19.1%	19.5%		19.6%		19.7%	
Total Employed (000s)	552	552	0.0%	567	0.6%	580	0.5%

Source: Woods & Poole Economics, Inc. - 2012 CEDDS

LARGEST EMPLOYERS
BUFFALO-NIAGARA FALLS MSA

Employer	Number of Employees
State of New York	27,955
University at Buffalo	10,898
Kaleida Health	10,000
Federal Government	10,000
Catholic Health System	6,230
Employer Services Corp	6,089
Buffalo City School District	5,200
Tops Markets	5,103
HSBC Bank USA	5,000
M&T Bank	4,611

Source: City of Buffalo

As of April, respective unemployment for Erie County, the MSA, New York State and the nation was 8.1, 8.3, 8.1 and 8.1 percent.

The facing page depicts selected economic and demographic data. Macro-economic projections are beyond the scope of this analysis, or the ability of its practitioners, and it is a key assumption that the consensus opinion of economists prevails; namely, that no second economic downturn occurs, and that the nation and region experience slow, steady growth throughout the projection period.

Canadian Visitation

For many reasons, not the least of which are Buffalo's advantages in terms of taxes, currency exchange rates, medical and retail excellence and access, air service and overall ease of vehicular access, Buffalo is frequently visited by Canadian residents. These visitors use the airport, visit malls and other retail venues, receive medical attention, attend sporting events, participate in cultural activities, patronize food and beverage establishments and stay in hotels. The subject site is within one of two focal points for this activity, the other being downtown Buffalo.

Canadian visitors often skew towards affluence, and are frequently bent on spending money when they visit. The marked improvement in the value of the Canadian Dollar versus U.S. currency has further propelled this visitation in recent years. The lodging market in Buffalo, and especially in the subject market area, could not exist in its present state without Canadian visitation. Key assumptions of this analysis are that the exchange rate remains the same (or improves for Canadians), that the Canadian economy remains strong and that moderate levels of growth in Canadian visitation and spending occur during the project period. Increases in Canadian spending are likely to be stimulated because the duty free allowance for trips in excess of 48 hours was just doubled from $400 to $800, effective June 1.

Niagara Falls

Niagara Falls is one of the most notable natural attractions in North America. Seeing the falls is on many peoples' list of things they must do in their lives. Because Buffalo is convenient to the falls, many opt to daytrip from Buffalo area hotels so as to save money as compared to high season hotel rates on site; to avail themselves of the cosmopolitan amenities already discussed; and/or because hotels in Niagara Falls are sold out. Regardless of the reason, visitors to the falls cause a decided increase in lodging demand, and in average daily rates, in the subject market area.

Amherst/Airport Area

The subject site is located in the Town of Amherst, whose population of approximately 122,000 predominantly affluent residents makes it Buffalo's largest and wealthiest suburb. Amherst and neighboring Cheektowaga, along with portions of communities bordering them, are home to the MSA's most important retail concentrations and to Buffalo-Niagara International Airport. As discussed, higher education is also a dominant economic factor in the community.

Buffalo-Niagara International Airport (BNIA) is a modern facility which is convenient to the subject site. As discussed, it is widely utilized by Canadian travelers; however, it is also used by residents of Rochester, New York and Erie, Pennsylvania. Many of these travelers from outside the MSA stay in hotels to stage early flights, or following a late arrival. Others simply choose to combine flights with shopping, dining or other cosmopolitan activities, regardless of their flight schedules.

Most of the top destinations from BNIA are hub airports. In part, this reflects the airline industry as it is today. However, it also is indicative of the many Canadians who utilize U.S. airports as a jumping off point for long trips, many of them overseas. Regardless of the trip length, it is generally far cheaper to fly out of BNIA than it is Toronto. In 2009, Buffalo Business First reported that the slump in passenger activity at BNIA was significantly less pronounced than for the nation as a whole; and, that 35 percent of the passengers using the facility were Canadians, while 13 percent hailed from Rochester. The airport ranks fifth in the nation as an inexpensive place from which to fly.

BNIA offers approximately 110 daily flights, with non-stop service to 23 destinations. A $406 million expansion plan has been announced, which will prepare the facility for the much larger passenger volume which is expected by 2030. MapQuest estimates that the airport is 4.89 miles from the subject site, resulting in a seven-minute drive.

The following table depicts enplanement history for BNIA:

HISTORICAL ENPLANEMENTS
BUFFALO-NIAGARA INTERNATIONAL AIRPORT
FISCAL 2007-FISCAL 2012

Fiscal Year	Passengers Enplaned	Percent Increase
2007	2,563,788	-
2008	2,705,048	5.5%
2009	2,724,489	0.7
2010	2,652,750	(2.6)
2011	2,608,179	(1.7)
2012	2,592,237	(0.6)

Source: BNIA

Retail: The subject is essentially equidistant, and quite convenient, to the two primary retail concentrations in the Buffalo area. The most important is anchored by the 1.6 million-square foot Walden Galleria Mall, which is easily accessed 4.4 miles south of the subject site via Interstate 290 (I-290) and Interstate 90 (I-90). The other retail sector is anchored by the 902,000-square foot Boulevard Mall, 4.4 miles northwest of the subject site, which is also partially accessed via I-290. Not only will the subject hotels be close to these malls, the site's location directly on I-290 make them all the more convenient.

Just east of the Lord Amherst is Williamsville Village which is encompassed by the Town of Amherst. Retail here is anchored by the Walker Center, and features boutique and upscale branded shopping. Williamsville also affords a pedestrian environment, with walking access to dining and other amenities.

Office Space: The subject area is the MSA's most important office location outside of the CBD, with nearly three million square feet of space according to CB Richard Ellis.

One important concentration lies between the subject and the airport, with a key confluence at Wehrle Drive and Youngs Road. Approximately one million square feet of office and flex space here includes the headquarters of Ingram Micro. East of the subject is the Centerpointe area, with approximately 500,000 square feet, including the headquarters of Independent Health Corporation. Another key office area encompasses approximately 500,000 square feet near UB's North Campus, much of it arrayed along Audubon Parkway.

The subject site is conveniently situated relative to each of the aforementioned clusters.

Summary

While the economic prominence of Buffalo relative to the nation as a whole has declined due to the erosion of its shipping and manufacturing base, the city has moved forward with education and medicine as the foundation for its new economy.

Amherst and the airport area is the most important suburb in Buffalo in terms of affluence, population and commercial concentration. The area's airport and retail development are vital to attracting the extensive lodging demand which emanates from Canada.

Should the economic assumptions described herein bear out, we anticipate a moderate level of economic growth to prevail throughout the projection period.

SITE AND AREA ANALYSIS

The subject site is judged to be a very good or excellent one, and will represent a competitive asset to the renovated Lord Amherst and the proposed Hyatt Place.

Centrality

The subject market area is compact, and the following points describe the site's centrality within it:

- Of course, the dedicated airport hotels (most of which are on Genesee Street) are more convenient to the terminal. Nevertheless, the subject site is quite convenient to BNIA, and will serve airport customers well.

- Much the same can be said for UB North. While three direct competitors are somewhat closer to the campus, guests of the subject hotels will find the campus to be a short commute, directly up I-290. The subject is, however, the closest among the defined competitive supply to UB South and Daemen College.

- The Lord Amherst and Hyatt Place will also be convenient to each of the key aforementioned office concentrations, as well as to major retail and healthcare facilities.

Neighborhood/Access and Visibility

The subject site is located at the interchange between I-290 and Main Street, just west of the Village of Williamsville. It will afford excellent access to each of these roads; and, via I-290, much of the Buffalo MSA. Main Street is a very good surface alternate route to downtown Buffalo, and directly accesses UB South, Daemen College and some of the MSA's finest residential areas. The Hyatt Place should be visible from each direction of travel on I-290; and, eastbound motorists (actually southbound in terms of real direction of travel) should be able to see it before the exit ramp at its planned six-story height. Visibility of both hotels will be excellent from Main Street.

The western edge of the Village of Williamsville is just a few blocks east of the subject, near the Walker Center and the site for the new Wyndham Garden Inn now under construction. The Hampton Inn-Buffalo Williamsville (which is nearer to the heart of the Village) is approximately six blocks further to the east.

The Village offers historical buildings, a park with a notable waterfall, and a walking environment accessing restaurants, bars and retail. A wide array of healthcare facilities are also situated here. While the Wyndham Garden will to some extent have a peripheral Village location, the Hampton Inn clearly enjoys the pedestrian access for which the Village is known, and this is an advantage for some lodging guests. The subject site will benefit from its proximity to the Village; and, because of its prominent access to I-290, it has a superior location overall, at least as compared to the Wyndham Garden Inn.

The Village is an excellent location from which to serve corporate transients and upscale leisure travelers. As discussed, it affords convenient, walking access to freestanding food and beverage establishments for both of these segments; as well as proximity to key office concentrations for the former, and convenience to boutique shopping for the latter. Because of its location, the Hampton Inn is required to discount its rates less than properties near the airport or UB North.

Summary

The subject site is an inherently good one; however, it is much stronger competitively when its convenient centrality and market-wide access are considered. It is judged to be superior to the locations of each of the direct competitors (either existing or proposed), with the possible exception of the unique siting of the Hampton Inn-Buffalo Williamsville.

SUPPLY AND DEMAND ANALYSIS

Existing Properties: There are currently nine lodging facilities with a total of 919 guest rooms which would compete most directly with the proposed hotels. From a product standpoint, the proposed Hyatt Place will be most similar to the Hilton Garden Inn or the two Courtyards, while the Lord Amherst will be most like the Salvatore's Grand. Locationally, the subject site is most comparable to the Hampton Inn-Williamsville. Although additional facilities are located within the market area, they are not considered to be directly competitive due to disparities in terms of markets served, quality of facilities, rate structure and/or location. Accordingly, a guest who patronizes one of the competitive properties (when available) is not likely to be the same type of traveler who would choose these other facilities. While the subject property currently exists as the 95-room Lord Amherst, it is not directly competitive with these nine hotels, and therefore it been analytically treated as a supply addition.

The tables on the following page present operating data for each of the competitive properties while the map facing them depicts their respective locations. Other pertinent information follows:

- The **Hampton Inn-Buffalo Williamsville** is unique within the competitive supply by virtue of its true Village location. It is also unique among Hampton Inns in that it was originally developed as an independent, and therefore has a richer feel in terms of finish materials as compared to the prototype. It also offers an upgraded complimentary breakfast. It is owned and operated by Buffalo Lodging (BL), a highly professional regional company (east of the Mississippi), whose parent company is headquartered in Buffalo. BL generally maintains higher standards than their franchise brands require, hires superior management and offers strong central staff support. In the Buffalo area, their many hotels work together to the extent that is possible. The Hampton Inn's performance also benefits from its dominant brand and small number of units.

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SUMMARY OF COMPETITIVE PROPERTIES
AMHERST/AIRPORT

Name of Property	Number of Units	Year Opened	Estimated 2011 Percent Occupancy	Estimated 2011 Average Daily Rate	Estimated 2011 RevPAR[1]	Estimated 2011 Market Segmentation Commercial	Group	Leisure	Amenities
Hampton Inn-Williamsville	80	2002	80-84%	$130-134	$105-109	60%	20%	20%	C-E-F
Homewood Suites-Amherst	93	2005	85-89	125-129	105-109	55	10	35	C-E-F
Courtyard-Amherst	108	1999	70-74	115-119	80-84	65	12	23	A-B-C-E
Hotel Indigo	187	1987	75-79	85-89	65-69	50	30	20	A-B-C-E
Salvatore's Grand	77	2008	90-94	105-109	100-104	70	8	22	A-B-C-F
Hilton Garden Inn-Airport	158	2005	85-89	125-129	110-114	70	5	25	A-B-C-E
Courtyard-Airport	139	2011	50-54	135-139	65-69	70	5	25	A-B-C-E
Homewood Suites-Airport	77	1997	85-89	125-129	105-109	65	5	30	D-E-F
Totals	919		78.9%	$117.50	$92.75	62%	13%	25%	

Name of Property	Fair Market Share	Estimated 2011 Market Share Percentage[2] Total	Commercial	Group	Leisure	Estimated 2011 Market Penetration as a Percentage of Fair Market Share[3] Total	Commercial	Group	Leisure	RevPAR Penetration[4]
Hampton Inn-Williamsville	9.55%	9.92%	9.61%	14.71%	8.07%	104%	101%	154%	85%	116%
Homewood Suites-Amherst	11.10	11.98	10.64	8.88	17.06	108	96	80	154	118
Courtyard-Amherst	12.89	11.43	12.00	10.17	10.70	89	93	79	83	88
Hotel Indigo	22.32	21.10	17.03	46.93	17.16	95	76	210	77	72
Salvatore's Grand	9.19	10.83	12.24	6.42	9.69	118	133	70	105	109
Hilton Garden Inn-Airport	18.85	20.43	23.09	7.57	20.77	108	122	40	110	119
Courtyard-Airport	6.92	4.46	5.04	1.65	4.53	64	73	24	65	74
Homewood Suites-Airport	9.19	9.85	10.34	3.65	12.02	107	113	40	131	118

Notes:

[1] Occupancy x average daily rate.
[2] Property's accommodated demand + total demand accommodated in market.
[3] Market share percentage + fair market share.
[4] Property's RevPAR + market RevPAR

Amenities Key

A = Restaurant(s)
B = Lounge(s)
C = Indoor Swimming Pool
D = Outdoor Swimming Pool
E = Exercise Room
F = Complementary Breakfast

Source: Properties concerned and The Commonwealth Company

- The **Homewood Suites in Amherst** is also a BL property. Its site on I-290 allows it to capture demand from throughout the market area; however, its location is specifically oriented to UB North.

- The **Courtyard by Marriott-Amherst** is a prototypical hotel located near UB North.

- Also located near UB North is the **Hotel Indigo**. For most of its life, this asset was a Hampton Inn. It was converted to IHG's lifestyle/boutique brand in 2007. Shortly after our fieldwork was completed, it was converted to a Doubletree Hotel. This will likely enhance its competitive position. At the same time, it will make it a less direct competitor.

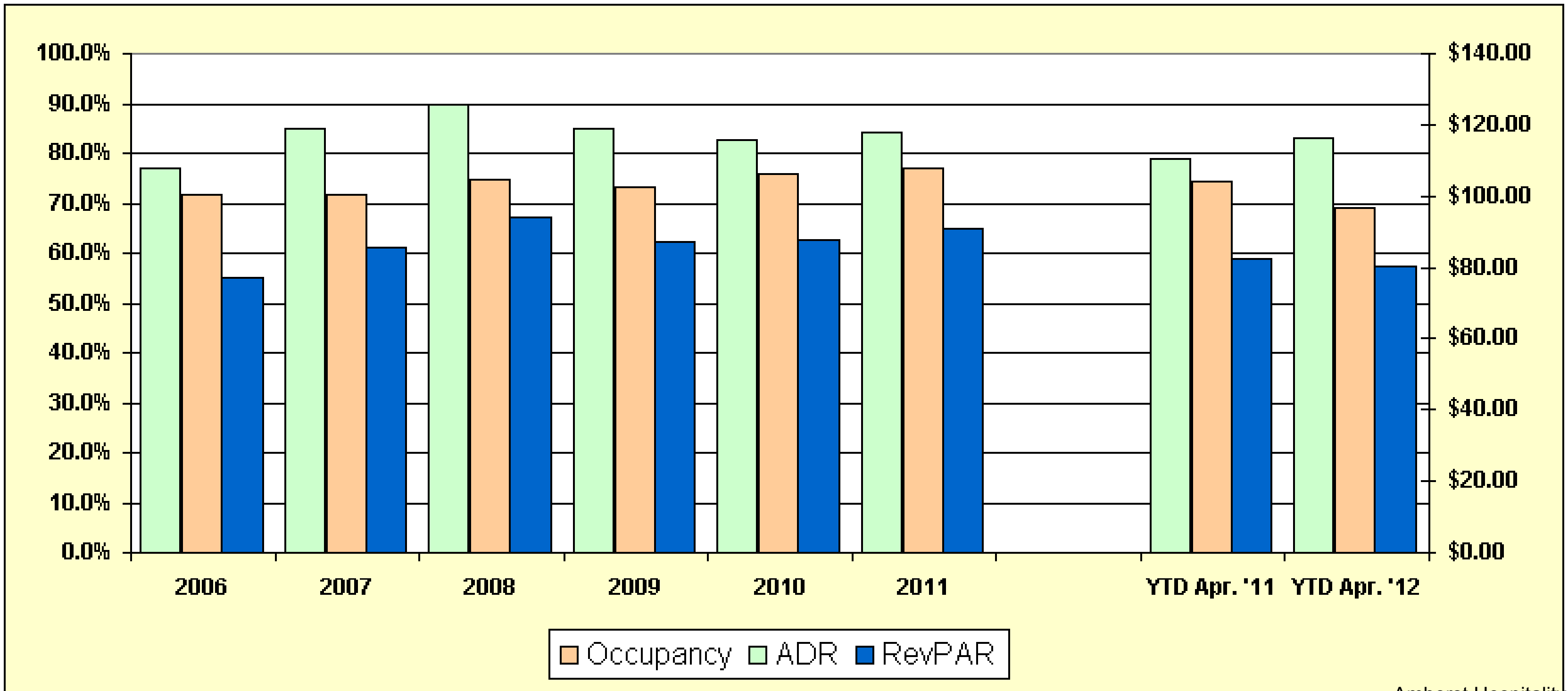
- **Salvatore's Grand Hotel** is located on the eastern periphery of the market on Transit Road, along an aesthetically uninteresting stretch of strip development. It is owned and operated by a local restaurateur of strong repute, and it incorporates an upscale steakhouse and lounge which is one of the finest in the MSA. Its complimentary breakfast also far exceeds those offered by most chain select-service hotels. Many people choose the hotel so as to avail themselves of the steakhouse without having to drive back to another hotel. While it offers no pool, the hotel is far more upscale than its pricing might suggest, and its guest rooms are superior to those which most of the competitors offer. It is the most unique hotel in the competitive supply; and it points to what a quality hotel, incorporating a popular restaurant (such as the renovated Lord Amherst) can achieve within the marketplace. A 20-room expansion is proposed.

- The **Hilton Garden Inn-Airport** is a BL property, the performance of which is perhaps a bit impaired by its large unit count. It is sited in a classic airport location across Genesee Street from the BNIA Terminal.

- The **Courtyard by Marriott-Airport** is a nearly new hotel, which is located near the Hilton Garden Inn, and is also owned and operated by BL. Its 2011 performance was not indicative of its probable occupancy and average daily rate once it is established.

MARKET AREA SUPPLY, DEMAND, OCCUPANCY, ADR AND REVPAR
SMITH TRAVEL RESEARCH SET
AMHERST/AIRPORT

Year	Annual Supply	Percent Change	Accommodated Demand	Percent Change	Occupancy	Percent Change	ADR	Percent Change	RevPAR	Percent Change
2006	256,595	-	183,908	-	71.7%	-	$107.87	-	$77.31	-
2007	256,595	0.0%	184,306	0.2%	71.8%	0.2%	$118.87	10.2%	$85.38	10.4%
2008	256,595	0.0%	191,461	3.9%	74.6%	3.9%	$125.98	6.0%	$94.00	10.1%
2009	256,595	0.0%	187,742	-1.9%	73.2%	-1.9%	$118.97	-5.6%	$87.05	-7.4%
2010	256,595	0.0%	194,512	3.6%	75.8%	3.6%	$115.55	-2.9%	$87.59	0.6%
2011	277,862	8.3%	213,826	9.9%	77.0%	1.5%	$117.99	2.1%	$90.80	3.7%
YTD Apr. '11	84,360	-	62,745	-	74.4%	-	$110.58	-	$82.25	-
YTD Apr. '12	101,040	19.8%	69,734	11.1%	69.0%	-7.2%	$116.02	4.9%	$80.07	-2.6%
Compound Annual Growth 2006-2011		0.0%		1.4%		1.4%		1.7%		3.2%



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- The **Homewood Suites-Airport** is the oldest BL property within the competitive supply as defined. It is located slightly south of Genesee, and its extended-stay concept might not be ideal for a pure airport location. It is the only direct competitor with an outdoor pool.

We ordered a Smith Travel Research (STR) Report for the competitive supply, minus Salvatore's Grand which does not report to STR. Therefore, the sample size and aggregate operating results will be somewhat different when the STR sample is presented as opposed to the competitive supply as a whole.

As was the case throughout much of the nation, supply increases and the economic downturn caused a drop in 2009 average daily rate (ADR), and therefore RevPAR, for the STR sample. However, the market has fared far better than the nation as a whole. For the year-to-date through April 2012, RevPAR for the STR sample has decreased 2.6 percent. It is thought that this in part reflects the impact of the opening of the Courtyard-Airport in August of last year. It should be noted that select properties, such as the Hampton Inn-Williamsville and the Homewood Suites-Amherst, have defied this trend, and have experienced increased RevPAR (in the case of the two properties named, markedly so) for the year-to-date.

The table and graph on the facing page depict trends in occupancy, ADR and RevPAR for the STR set since 2006.

The most notable aspect has been the market's performance in the face of the Great Recession, which hit many of the nation's hotels in 2008, a year in which the STR set's RevPAR increased 10.1 percent. A comparatively subdued reduction of 7.4 percent in 2009 is the only year in which RevPAR declined during the period covered by the STR report. This in part reflects the contribution of Canadians to the market, and has attracted numerous proposed supply additions.

Supply Additions

There are a number of supply increases which are either under construction or proposed:

- The aforementioned 120-room **Wyndham Garden Inn** is under construction in Williamsville Village. We have assumed that its first full year of operations will be 2014.

- A 93-room **Hampton Inn & Suites** is proposed on Genesee Street. We have assumed that this property will reach fruition, also with a first full year of operations in 2014.

- **Salvatore's Grand** plans a 20-room expansion which we have also assumed will open for its first full year of operations in 2014.

- The subject 95-room renovated **Lord Amherst** is scheduled to re-open April 1, 2013. While these rooms will not be added to the area's overall inventory (and thus will have somewhat less impact on the competitive supply, as defined), they are nevertheless being considered an addition to the competitive supply considered in this analysis.

- The subject 134-room **Hyatt Place** is scheduled to open April 1, 2014.

- A Hampton Inn & Suites has been proposed on Maple Road near UB North by BL. Based on our discussions with BL and others, we have assumed that this hotel will not open during the analysis period.

- An aloft hotel was proposed near Genesee Street prior to the Great Recession. Based on our interviews, we have assumed that it will not be added to the market during the projection period.

- The same developer who is building the Wyndham Garden Inn is rumored to be considering a new hotel on Sweet Home Road near UB North.

Based on our interviews, as well as the site's marginal quality level, we have assumed that the project will not reach fruition.

- Several supply additions are proposed outside of the directly competitive supply: a 125-unit Towne Place Suites by BL is under construction near Genesee Street; a 94-room Spring Hill Suites by Marriott is proposed by Scott Enterprises on Transit Road near Wehrle; and a 108-room Home2 Suites by Hilton is proposed near the Walden Galleria Mall. We have assumed that each of these hotels will open with a first full year of operations in 2014, but that they will only compete indirectly with the subject properties.

There is always a risk that hotel projects will proceed even if we have assumed they will not, especially in a market as strong as this one. It is a key assumption of this analysis that no other rooms of any kind reach fruition during the projection period in Amherst, Cheektowaga, Williamsville or anywhere else within seven miles of the subject; beyond the five direct competitors, and three indirect competitors, mentioned above. Should any other rooms be developed other than the eight projects discussed herein, our projections might be subject to material revision.

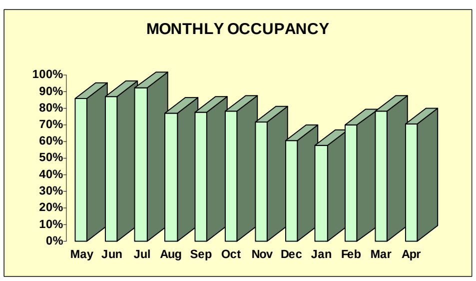
Principal Sources of Demand

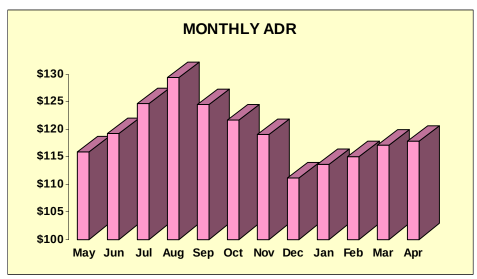
The principal sources of demand for transient lodging accommodations in the market are the commercial, leisure and group segments. From our analysis of the operating performance of the directly competitive supply, it is estimated that the total demand accommodated by these properties in 2011 was segmented as follows:

SEASONALITY TRENDS
STR REPORT SAMPLE
AMHERST/AIRPORT
MAY 2011 THOUGH APRIL 2012

Month	Occupancy	Average Daily Rate
May	85.6%	$115.92
June	86.9	119.26
July	92.5	124.66
August	77.1	129.46
September	77.4	124.44
October	78.0	121.72
November	71.8	119.09
December	60.4	111.22
January	57.5	113.59
February	69.9	114.96
March	78.1	117.14
April	70.7	117.78

Source: Smith Travel Research





ESTIMATED ACCOMMODATED DEMAND SEGMENTATION
DEFINED COMPETITIVE SUPPLY
AMHERST/AIRPORT
2011

Demand Segment	Annual Accommodated Room-Nights	Percent of Total Demand
Commercial	149,500	62%
Leisure	59,300	25
Group	32,600	13
Total	241,400	100%

Seasonality of Demand

The market is somewhat seasonal, and is impacted by summer vacation activity, especially in connection with visitation to Niagara Falls. For the STR sample, the highest RevPAR was historically achieved in July, August and June. December produced the second-lowest RevPAR, while January was the lowest by far.

The table and graphs on the facing page profile the seasonality for the STR sample for the period from May 2011 through April 2012.

During certain peak periods, such as summer and special events, demand is turned away from the market due to capacity constraints. It is estimated that the defined competitive supply reaches capacity on 160 nights per year, and unaccommodated demand approximates 15 percent of inventory on fill-days. Therefore, approximately 20,100 room-nights of unaccommodated demand were included in our analysis. (the Courtyard-Airport only accounted for 56 rooms in 2011 due to its partial year of operations.)

The following table depicts occupancy and ADR by day of week for the three-year period ended April 2012:

OCCUPANCY AND ADR BY DAY OF THE WEEK
STR REPORT SAMPLE
AMHERST/AIRPORT

Day of the Week	Occupancy	ADR
Sunday	55.8%	$111.83
Monday	75.8	120.45
Tuesday	85.0	124.19
Wednesday	84.3	124.65
Thursday	75.6	120.36
Friday	71.9	114.90
Saturday	76.6	116.65
Three Year Average	75.5%	$117.16

Source: Smith Travel Research

For 2011, the respective occupancy, ADR and RevPAR estimated for the competitive supply as defined was 78.9 percent, $117.50 and $92.75.

Future Demand

Future room-night demand for the commercial, leisure and group demand segments was estimated based upon an analysis of key economic and demographic indicators. For each demand segment, relevant factors were identified and weighted according to their relative impact on demand. The annual growth rates estimated for each segment are discussed in the following paragraphs.

Commercial Demand: This segment consists of demand generated by vendors, service representatives, lawyers, litigants, academicians, corporate executives and other visitors to area businesses and institutions. Some of the larger demand generators include Ingram Micro, Independent Health Corporation, United Healthcare, UB, First Niagara and Buffalo Filter. Commercial demand accruing to the subject hotels will be generated in part by the corporations and institutions located in the area (and, to a lesser degree, the CBD), and will to some extent be limited to those individuals who are less price-sensitive in the case of the Hyatt Place. Commercial travelers on a per diem tend to choose lower-priced facilities offering a good price/value relationship, while business people on an expense account consider the brand and/or quality of the accommodations to be more important. The former should find the Lord Amherst to be an attractive value. Contract or negotiated demand can fall into both of these categories. It should be noted that a meaningful portion of the area's commercial demand was negotiated last year, some of which were aircrews accommodated in large part by the Hotel Indigo.

Stronger hotels, such as the proposed Hyatt Place, tend to minimize lower rated corporate contracts and air crews (or youth sports groups), except in periods of very low demand. The Lord Amherst may participate more in this rate segment, as some hotels on Genesse Street already do (particularly with respect to sports groups).

In projecting commercial demand growth, we have examined employment trends for the Buffalo MSA and Erie County. Forecasts by Woods & Poole Economics anticipate compound annual growth in employment for the MSA of 0.7 percent from 2011 through 2016, and again from 2011 through 2020. Thus, overall levels of commercial demand growth are anticipated to be modest, augmented by whatever growth occurs through macroeconomic recovery.

Leisure Demand: The leisure demand segment consists of tourists, Canadians shopping or traveling, visitors to friends and family residing in the area, youth sports and leisure-related demand associated with institutions. Sources of leisure demand include attractions, sporting events, festivals, college events, urban/cosmopolitan/ cultural enthusiasts and attendees of events such as weddings and reunions. The leisure segment is projected to grow at a moderate pace, to some extent correlating with population levels. Growth for affordable vacation destinations tends to increase during economic adversity. Drive-to destinations such as Niagara Falls and Buffalo should continue to benefit from this pattern for the foreseeable future.

Group Demand: A significant portion of the group demand accruing to hotels in the Amherst/Airport area are related to corporations. This demand is supplemented by SMERF (social, military, educational, religious and fraternal) and institutional groups. Given that the group segment has elements of both commercial and leisure demand, and is impacted by the same economic fortunes, its growth has been based upon the factors influencing those segments.

Supply-Driven Demand: We have assumed that a total of 462 guest rooms will be added to be the market between now and 2014. The total impact of this supply addition should not, however, be fully visited on the defined competitive supply, as the subject will add a new and meaningful brand which is currently not available in Buffalo. Further, this latent demand should be supplemented by the retention of what is now overflow to other markets. The resulting "supply-driven" demand has been taken into account in our projected growth rates. To an even greater extent, the conversion of the Hotel Indigo into a Doubletree Hotel (a mainstream full-service product) will make it less of a direct competitor. Many guests who are interested in a select service product will not even consider a brand such as Doubletree. Lastly, while the Lord Amherst is being added to the competitive supply because of its upgrade, it nevertheless currently exists, and should therefore have somewhat less impact than new rooms would.

Overall Demand: Other than a burst of supply-driven demand, overall demand growth is projected to be moderate, in keeping with the consensus forecast of economists. It should be noted that a material portion of this demand will occur during evenings on which the market is full; thus, it will be unaccommodated.

Estimated Relationship of Supply to Demand

Based on the foregoing discussion of growth in demand for transient lodging facilities in the subject market, together with our analysis of existing and foreseeable supply characteristics, the following table indicates resulting market occupancy levels estimated for the defined competitive supply from 2011 through fiscal 2019. It is assumed that the Lord Amherst and Hyatt Place will re-open/open on April 1 of 2013 and 2014, respectively. Thus, the projections have been prepared in fiscal years 2014 through 2019, with each fiscal year commencing April 1 of the preceding calendar year.

It should be noted that while the Towne Place Suites, Spring Hill Suites and Home2 Suites will not be direct competitors, their opening is likely to indirectly impact the market.

The market is projected to experience markedly lower occupancy in the initial years following the large supply increases previously discussed. It is likely to gradually recover; however, we do not anticipate a resurgence to the 2011 levels during the projection period.

ESTIMATED RELATIONSHIP OF SUPPLY TO DEMAND
DEFINED COMPETITIVE SUPPLY
AMHERST/AIRPORT
2011 THROUGH FISCAL 2018

Year	Estimated Rooms Supply Daily	Estimated Rooms Supply Annual	Estimated Annual Accommodated Demand in Room-Nights	Estimated Market Area Occupancy[1]
2011[5]	919[2]	335,435	264,658	78.9%
2012	919	335,435	261,600	78.0
2013	919	335,435	265,000	79.0
2014[6]	1,072[3]	391,280	277,800	71.0
2015	1,381[4]	504,065	332,700	66.0
2016	1,381	504,065	352,800	70.0
2017	1,381	504,065	373,000	74.0
2018	1,381	504,065	378,000	75.0
2019	1,381	504,065	378,000	75.0

[1]Based on estimated levels of accommodated demand in the market area. Rounded to the nearest whole percentage point.

[2]Existing competitive supply.

[3]First year of operation for the subject 95-room Lord Amherst, and first partial year of operations for the 120-room Wyndham Garden Inn, the 93-room Hampton Inn & Suites and the 20-room addition to the Salvatore's Grand.

[5]Calendar year.

[6]Fiscal year, commencing April 1, 2013. Each subsequent year is also fiscal.

SUBJECT RENOVATED LORD AMHERST HOTEL

Background and Restaurant

The 95-room Lord Amherst Hotel opened in the 1960's, and is a rundown property, whose present condition does not allow it to perform to its potential. In fact, because of its current state, its historical operating performance is not considered relevant to this study.

An important factor in our analysis for both subject properties is the fact that the Lord Amherst includes Sonoma Grille restaurant, which is leased to Michael Millitello, a local restaurateur of some note. The bistro-style facility consists of a dining room, a bar with dining tables and two function rooms. We are told the overall capacity of the facility is 300 seats.

As the hotel was allowed to languish, the restaurant's fortunes were diminished by association. Therefore, it is also in need of renovation and a conceptual freshening, although not nearly to the extent the hotel is. It continues to serve good food.

Mr. Millitello is reportedly enthused about the two hotel projects; is negotiating with two potential new partners; and plans to upgrade the operation, with a particular emphasis on its function space. The existing physical plant and cuisine should serve it in good stead toward this purpose.

Sonoma Grille's restaurant, along with its function space and catering capability, should represent an important amenity and demand generator for both subject hotels. The Amherst/Airport market is heavily developed with select-service hotels, and it is about to become more so. With the facilities of Sonoma Grille, augmented by the heightened allotment of function space at the Hyatt Place (along with its food and beverage outlet), the two subject hotels will comprise a hospitality campus that serves many of the purposes that a full service hotel does. This will broaden the market for the subject assets, and differentiate them from most of the other constituents of the competitive supply. Further, even though it has only minimal function space, Salvatore's Grand demonstrates the desirability of an unaffiliated hotel, offering affordable lodging coupled with quality dining. Over and above the Grand's concept, the subject campus will be able to accommodate more group business then any of its direct competitors, thus broadening the market available to it.

A key assumption of this analysis is that Sonoma Grille is renovated, its concept rejuvenated, and its current levels of food and service either maintained or improved.

Facilities and Services: The Lord Amherst will continue to offer an outdoor pool, and a few rooms with both exterior- and interior-corridor access. The former is a disadvantage. The latter would normally also be considered a competitive detriment were it not for the small number of units entailed. Given this, and the fact that there are still some travelers who seek affordable lodging where they can park their car outside their door, it may be a neutral, or even slightly positive, attribute if the inventory is judiciously assigned to guests. The Hyatt Place's pool can be used to provide an indoor option as discussed later.

The hotel will serve a complimentary breakfast in its lobby, which we assume will be at least equal in quality to that offered by its direct competitors who provide such a service.

The hospitality campus in total should offer a shuttle service. We do not recommend a comprehensive, full-fledged airport shuttle service. Rather, a van, and staff to drive it who can perhaps perform other tasks as well, should be made available to guests when requested. A good model for this can be found at the Homewood Suites in Amherst.

Renovations: It is our understanding, and a key assumption of this analysis, that the Lord Amherst will be renovated to a like-new condition, and that guests will be made to feel as comfortable and secure as they would in one of the direct competitors. The renovation is to include the installation of an elevator; and the property will have a boutique concept. It is our understanding that it will remain an independent. Instead of the expense of marketing the property through a franchise, it will offer a like-new product at below-market rates.

Marketing: We have allowed for a marketing budget in our financial projections; however, given the hotel's lack of affiliation, it will also be essential to retain a General Manager and a Director of Sales who effectively, aggressively and successfully practice direct sales techniques. This, along with carefully placed advertising, will be essential toward exposing the property's excellent value proposition to potential guests.

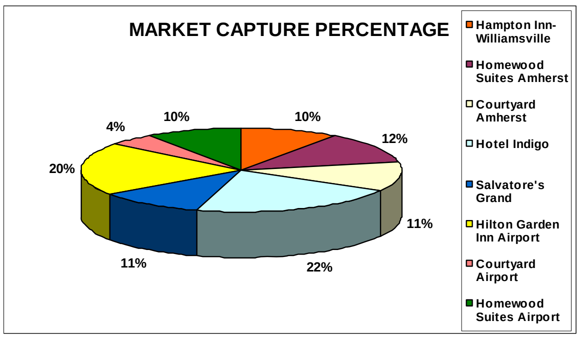
Summary: It is essential that the Lord Amherst offer like-new product, and the Sonoma Grille and its function space be a viable, popular, and high-quality facility which is patronized and recommended by the local community.

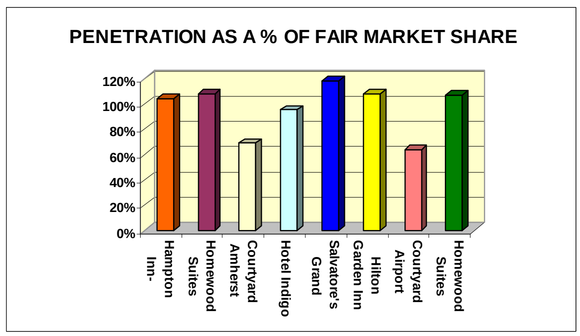
Estimated Levels of Utilization

Prospective levels of utilization, market mix and average daily rate for the renovated Lord Amherst hotel were determined through our evaluation of the property's competitive position, future supply and demand, and fair share penetration rates.

Estimated Occupancy and Market Segmentation: Prospective levels of utilization for the Lord Amherst have been analyzed for its first five full years of operation, fiscal 2014 through 2018. Fiscal year 2014 commences April 1, 2013, so as to correspond to the scheduled re-opening date. Our quantitative analysis anticipated the hotel's ability to capture future market area demand in terms of its "fair share" percentage of the competitive room supply. Fair market share is based on the ratio of the hotel's available guest rooms to the total market supply.

As discussed previously, there are 919 rooms in the competitive market. This number will increase to 1,381 by fiscal 2015 with the opening of the various supply increases discussed herein. Accordingly, the subject's fair market share will be 6.88 percent (95 ÷ 1,381). This fair market share is expected to remain constant throughout the balance of the projection period based on our assumption that no further supply additions will occur. The existing competitive properties' estimated 2011 penetration as a percentage of fair market share and market capture percentage are depicted by the following graphs.





The Lord Amherst is anticipated to achieve a market penetration in excess of its fair market share in the group and leisure segments, and below its fair market share in the commercial segment. Its overall penetration is projected to be 84 percent of fair market share, or 5.78 percent, in fiscal 2017, its first stabilized year of operations. This penetration level is based on the following factors.

- The property will be like-new, and will therefore offer some of the market's fresher product; sited in a very good location, with an adjacent quality restaurant, other restaurants nearby, and convenient access to numerous demand generators.

- The subject will have a relatively low room count. This will make the property easier to fill by ameliorating weekday/weekday demand disparities and seasonality. Further, it should serve to support ADR, by allowing less use of discounting, and more selective use of contract, or "negotiated" demand.

- o Its hospitality campus setting will allow it to accommodate group meeting demand not available to most of its direct competitors.

- o At the relatively affordable room rates we have projected, the Lord Amherst should represent a compelling proposition of value.

- o In a crowded field of branded, select-service hotels, the subject's independent retro boutique concept will likely be appealing to those desiring something outside the mainstream.

- o The below-market occupancies we have projected reflect the hotel's lack of affiliation, and the fact that a meaningful percentage of travelers, particularly those who have little or no local knowledge, are unwilling to stray beyond the brands they know.

Estimated Average Daily Rate: Average daily rate is first projected in constant 2011 dollars. This corresponds to the year in which the competitive supply's performance is presented, thus providing a key comparative benchmark for the subject's potential. The competitive supply's ADRs are evaluated within the context of each constituent's size (number of rooms) and competitive attributes versus those of the subject. The impact of possible future events such as supply increases and changes in market demand on the competitors' ADRs is also considered. The subject's constant dollar ADR is then projected, and introductory discounts are made in its early years of operation, if appropriate. Projecting ambient macroeconomic rates of inflation (or deflation) is beyond the scope of this analysis, or the ability of its practitioners. These rates therefore (in this case three percent per annum) are taken from the general consensus of experts and economists, and simply multiplied by the projected constant dollar levels. It is the resultant inflated ADRs which are typically considered by developers, investors, lenders and/or underwriters. RevPAR is simply a function of occupancy multiplied by ADR. It therefore measures overall utilization.

The estimates of future average daily rates for the renovated Lord Amherst are based on the competitive advantages and disadvantages outlined previously; and its anticipated rate structure relative to the competitive lodging supply. ADR levels for each of the competitive properties are presented in the following table:

ESTIMATED 2011 AVERAGE DAILY RATES
DEFINED COMPETITIVE SUPPLY
AMHERST/AIRPORT

Property	**Average Daily Rate**
Hampton Inn-Williamsville	$130.00-134.00
Homewood Suites-Amherst	125.00-129.00
Courtyard-Amherst	115.00-119.00
Hotel Indigo	85.00- 89.00
Salvatore's Grand	105.00-109.00
Hilton Garden Inn-Airport	125.00-129.00
Courtyard-Airport	135.00-139.00
Homewood Suites-Airport	125.00-129.00
Market Average	$117.43

The subject's ADR projection has been positioned well below that of any of the direct competitors, including even the apparently troubled and oversized Hotel Indigo. This reflects the following circumstances:

- Given its lack of affiliation, and attractive, yet dated exterior façade, the subject will need to present an excellent price/value proposition. If properly marketed and operated, and if the renovations result in a like-new property, the rates we have projected should serve to entice demand away from the direct competitors, as well as from the area's more affordable properties outside the competitive supply.

- As discussed, this analysis assumes that the presumably ongoing economic recovery will continue. The Great Recession placed heavy downward pressure on rates, and a rebound has already begun. National forecasters such as PKF Consulting opine that this process will accelerate.

- Conversely, the large supply increases as detailed herein should place pressure on the market's ADR performance despite economic recovery.

- As discussed, the subject's somewhat small key count should allow for less discounting than is required to fill a larger hotel.

Based on the foregoing, the following table depicts projected utilization for the renovated Lord Amherst Hotel:

ESTIMATED OCCUPANCY, AVERAGE DAILY RATE AND REVPAR
RENOVATED 95-ROOM LORD AMHERST HOTEL
FISCAL 2014 THROUGH 2018

		Average Daily Rate		
Fiscal Year	**Occupancy**	**Constant 2011 Dollars**	**Inflated Dollars**	**RevPAR (Inflated $)**
2014	57%	$78.00	$83.25	$47.45
2015	60	81.00	89.25	53.55
2016	61	83.00	94.00	57.34
2017	62	83.00	97.00	60.14
2018	62	83.00	99.75	61.85

*Inflated at 3.0 percent per annum, including an additional 0.75 percent increase to adjust for the conversion from calendar years to fiscal years commencing April 1.

In fiscal 2017, the subject's first anticipated stabilized year of operation, its market mix is projected to be 48 percent commercial, 22 percent group and 30 percent leisure.

SUBJECT PROPOSED HYATT PLACE HOTEL

Hyatt Place Brand

Hyatt Place is a select-service brand operated and franchised by Hyatt Hotels. At its core is Hyatt's acquisition and conversion of most of the former AmeriSuites chain. This conversion gave Hyatt Place a significant head start toward achieving critical mass in terms of distribution as compared to rivals such as aloft and Cambria Suites.

The brand is primarily targeted against the dominant Courtyard by Marriott and Hilton Garden brands, in that it offers an upscale, select-service hotel with a food and beverage outlet (albeit a scaled-down one as compared to that found in most full-service hotels). The subject will be an example of the new 2.0 prototype.

Hyatt Place achieves a significantly lower system-wide ADR than do Courtyard and Hilton Garden Inn. Hyatt officials feel that this gap will narrow as more purpose-built Hyatt Place properties (as opposed to AmeriSuites conversions) are developed. This process should be aided by the fact that the Hyatt Place product is superior overall as compared with its two dominant competitors. Hyatt is aggressively prosecuting expansion efforts now. The brand benefits from the Hyatt moniker at its root. Hyatt is especially known for their Hyatt Regency hotels, an upper-upscale full-service chain, with an emphasis on striking architecture and quality food and beverage.

Unlike Courtyard and Hilton Garden Inn, Hyatt Place offers a complimentary breakfast. The Gallery (the lobby and food and beverage outlet) serves lunch, dinner, snacks and a full bar. Guest rooms are arranged into sleeping and sitting/work areas. Hyatt Place's overall concept is a somewhat toned-down rendition of a lifestyle hotel; less extreme in this regard than aloft, but more so as compared to the latest Courtyard prototype. Lifestyle hotels, which evoke elements of their boutique full-service cousins, are becoming more popular, especially among younger and/or more cosmopolitan travelers.

The Hyatt Place will benefit from the fact that there has long been a Hyatt Regency in downtown Buffalo. Conversely, the subject should also benefit from the fact that there should be only two hotels in the MSA participating in the company's reservation system and frequent traveler program. This is in sharp contrast to the many properties sharing either the Hilton or Marriott brand families.

Overall, it is our conclusion that the subject will benefit from its affiliation with Hyatt Place. The Lord Amherst should benefit indirectly as well, provided it is managed in common with the Hyatt Place.

Recommended Facilities and Services

We recommend, and our projections assume, the inclusion of the following facilities and services:

- 134 guest units, with 35 percent being double-queen units and 15 percent being studios. Your plans call for three suites, an amount with which we concur. Most, if not all, of the units should have sleeper sofas.

- 3,000 square feet of dedicated function space. This amount is above the minimum standard for such a hotel, and also above the amount typically provided; however, in conjunction with Sonoma Grille's catering capability, this should help the subject hospitality campus to be much more of a force in the capture of group meeting demand than most of its direct competitors.

- An indoor pool and fitness center. We recommend that you make the pool somewhat larger and allow Lord Amherst guests (perhaps as part of a weekend package at a higher rate), to use it during inclement seasons.

- All standards and specifications required by the brand with no waivers.

- The hospitality campus should offer a shuttle service as discussed previously.

Summary

The Hyatt Place brand will represent a meaningful competitive attribute for the subject property; and, it will likely carry an indirect benefit for the Lord Amherst, provided they are managed in common.

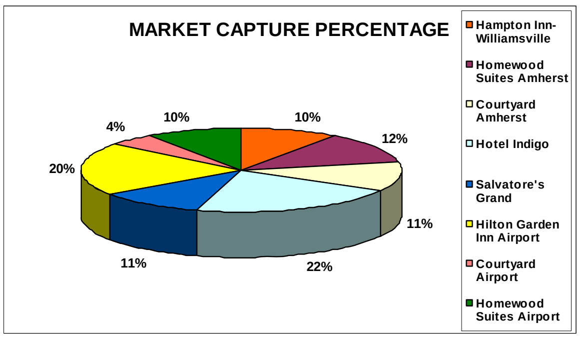
Its lifestyle-oriented concept conforms with current industry trends, and will offer a product which is different from its competitors, particularly since the Hotel Indigo will soon be converted to a mainstream, full-service brand.

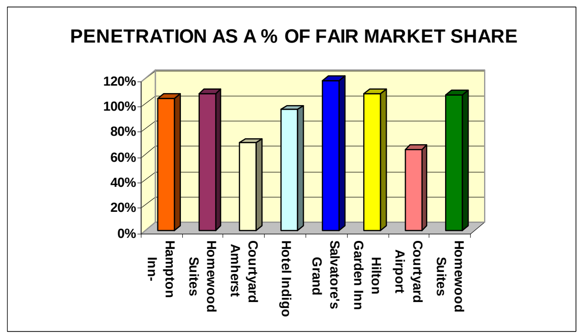
Estimated Levels of Utilization

Prospective levels of utilization, market mix and average daily rate for the proposed hotel were determined through our evaluation of the property's competitive position, future supply and demand, and fair share penetration rates.

Estimated Occupancy and Market Segmentation: Prospective levels of utilization for the subject hotel have been analyzed for its first five full years of operation, fiscal 2015 through 2019. Fiscal year 2015 commences April 1, 2014, so as to correspond to the scheduled opening date. Our quantitative analysis anticipated the hotel's ability to capture future market area demand in terms of its "fair share" percentage of the competitive room supply. Fair market share is based on the ratio of the hotel's available guest rooms to the total market supply.

As discussed previously, there are 919 rooms in the competitive market. This number will increase to 1,381 by fiscal 2015 with the opening of the various supply increases discussed herein. Accordingly, the subject's fair market share will be 9.70 percent (134 ÷ 1,381). This fair market share is expected to remain constant throughout the balance of the projection period based on our assumption that no further supply additions will occur. The existing competitive properties' estimated 2011 penetration as a percentage of fair market share and market capture percentage are depicted by the following graphs.





The subject Hyatt Place Hotel is anticipated to achieve a market penetration in excess of its fair market share in the group segment, and below its fair market share in the commercial and leisure segments. Its overall penetration is projected to be 97 percent of fair market share, or 9.41 percent, in fiscal 2018, its first stabilized year of operations. This penetration level is based on the following factors.

- The property will be competing with many hotels with dominant or very strong brands. Only the Doubletree, Lord Amherst, Wyndham Garden Inn and Salvatore's Grand are likely to be inferior to the Hyatt Place in this regard.

- The foregoing notwithstanding, Hyatt Place is a brand with an upward trajectory in all probability. Disparity with the industry's strongest brands should lessen as the projection period progresses.

- The property will be new, and will offer one of the market's freshest products, sited in a very good location, with an adjacent quality restaurant, other restaurants nearby, and convenient access to numerous demand generators.

- Its lifestyle concept will offer a contrast as compared with its direct competitors.

- o Hyatt is best known for its Hyatt Regency brand, one which connotes upper-upscale ambience, and commands high rates in many instances, particularly for individual transient travelers booking at rack rates. It is our opinion that this reputation will reflect well on the subject.

- o The catering capability of the hospitality campus will provide an advantage in capturing group meeting demand as compared with most of its direct competitors.

- o The subject location is superior to most, if not all, of the direct competitors; either existing, under construction or proposed.

Estimated Average Daily Rate

Average daily rate is first projected in constant 2011 dollars. This corresponds to the year in which the competitive supply's performance is presented, thus providing a key comparative benchmark for the subject's potential. The competitive supply's ADRs are evaluated within the context of each constituent's size (number of rooms) and competitive attributes versus those of the subject. The impact of possible future events such as supply increases and changes in market demand on the competitors' ADRs is also considered. The subject's constant dollar ADR is then projected, and introductory discounts are made in its early years of operation, if appropriate. Projecting ambient macroeconomic rates of inflation (or deflation) is beyond the scope of this analysis, or the ability of its practitioners. These rates therefore (in this case three percent per annum) are taken from the general consensus of experts and economists, and simply multiplied by the projected constant dollar levels. It is the resultant inflated ADRs which are typically considered by developers, investors, lenders and/or underwriters. RevPAR is simply a function of occupancy multiplied by ADR. It therefore measures overall utilization.

The estimates of future average daily rates for the proposed Hyatt Place are based on the competitive advantages and disadvantages outlined previously; and its anticipated rate structure relative to the competitive lodging supply. ADR levels for each of the competitive properties are presented in the following table:

ESTIMATED 2011 AVERAGE DAILY RATES
DEFINED COMPETITIVE SUPPLY
AMHERST/AIRPORT

Property	Average Daily Rate
Hampton Inn-Williamsville	$130.00-134.00
Homewood Suites-Amherst	125.00-129.00
Courtyard-Amherst	115.00-119.00
Hotel Indigo	85.00- 89.00
Salvatore's Grand	105.00-109.00
Hilton Garden Inn-Airport	125.00-129.00
Courtyard-Airport	135.00-139.00
Homewood Suites-Airport	125.00-129.00
Market Average	$117.43

The subject's ADR projection has been positioned somewhat below that of most of the direct competitors. This reflects the following circumstances:

- Overall, market-wide rates as expressed in constant 2011 dollars are likely to be pressured by supply increases.

- Hyatt Place's system-wide ADR is significantly less than that for brands such as Courtyard by Marriott, Hilton Garden Inn and Homewood Suites by Hilton. However, its product is perhaps superior, and Hyatt is aggressively franchising its new prototype. These measures are likely to address this disparity in whole or in part; and while the former is certainly possible, it is analytically more prudent to assume the latter.

- With respect to the preceding statement, it is quite possible that the strong location and synergies enjoyed by the hospitality campus, along with the lifestyle concept of the Hyatt Place, may make the subject extremely popular. While our analysis accounts for these factors, it also defers to the brand strength presently available to many of the direct competitors. Thus, the Hyatt Place may well exceed our projections; however we have elected to temper this upside potential.

- As discussed, this analysis assumes that the presumably ongoing economic recovery will continue. The Great Recession placed heavy downward pressure on rates, and a rebound has already begun. National forecasters such as PKF Consulting opine that this process will accelerate.

- Conversely, the massive supply increases as detailed herein should place pressure on the market's ADR performance despite economic recovery.

Based on the foregoing, the following table depicts projected utilization for the proposed Hyatt Place Hotel:

ESTIMATED OCCUPANCY, AVERAGE DAILY RATE AND REVPAR
PROPOSED 134-ROOM HYATT PLACE HOTEL
FISCAL 2015 THROUGH 2019

Fiscal Year	Occupancy	Average Daily Rate: Constant 2011 Dollars	Average Daily Rate: Inflated Dollars	RevPAR (Inflated $)
2015	68%	$120.00	132.00	$89.76
2016	70	125.00	141.75	99.23
2017	72	125.00	146.00	105.12
2018	73	125.00	150.50	109.87
2019	73	125.00	155.00	113.15

*Inflated at 3.0 percent per annum, including an additional 0.75 percent increase to adjust for the conversion from calendar years to fiscal years commencing April 1.

In fiscal 2018, the subject's first anticipated stabilized year of operations, its market mix is projected to be 59 percent commercial, 18 percent group and 23 percent leisure.

FINANCIAL PROJECTIONS – LORD AMHERST HOTEL

Estimates of cash flow before debt service and income taxes have been prepared for the property's first five fiscal years of operation ended March 31, 2014 through 2018. All projections and calculations were based on an analysis of the recommended facilities, operating data for comparable hotels, the experience of the consultants and industry statistics for similar type properties. Property taxes were based on the assessments of other properties located in Amherst.

In preparing the financial projections, stabilized year amounts were projected first on the bases presented in the following table. The fixed and variable components of each line item were then estimated and the projections for the years prior to stabilization were prepared. The fixed and variable components presented in the table were based on industry standards and the consultants' experience.

BASES OF PROJECTIONS AND FIXED AND VARIABLE COMPONENT PERCENTAGES
CONSTANT 2011 DOLLARS

Line Item	Basis	Fixed	Variable
Restaurant Rent Income	$100,000 annually	100%	0%
Rentals & Other Income (Net)	($0.10)/occupied room	5	95
Rooms Payroll	$15.50/occupied room	70	30
Rooms Other Expense	$7.50/occupied room	35	65
Administrative & General	$1,750/available room	75	25
Management Fees	3.0% of total revenues	0	100
Marketing	$1,400/available room	75	25
Utility Costs	$5.50/occupied room	65	35
Property Operation & Maintenance	$1,250/available room	75	25
Property Taxes*	$124,000 annually	100	0
Insurance	$250/available room	100	0
Replacement Reserve	4.0% of total revenue	0	100

*It may be possible to obtain tax abatements for the project, so this estimate might decrease for up to 10 years.

Each line item was evaluated on the most appropriate basis for that particular revenue or expense. For example, rooms department payroll was projected on a "per occupied room" basis versus a percentage basis since increases in average daily rate do not result in corresponding increases in payroll.

Prospective revenues and expenses were first prepared and expressed in constant 2011 dollars. These amounts were then inflated at 3.0 percent annually and rounded to the nearest thousand dollars. The 3.0 percent inflation rate was selected based upon the results of recent investor surveys and forecasts by the U.S. Congressional Budget Office. Statements were then prepared in inflated dollars (see Exhibit I). If higher or lower inflation rates are experienced, these statements would thus be affected and a revision would be appropriate. All account classifications generally conform to the definitions prescribed by the American Hotel and Motel Association in the Uniform System of Accounts for the Lodging Industry.

FINANCIAL PROJECTIONS – HYATT PLACE HOTEL

Estimates of cash flow before debt service and income taxes have been prepared for the property's first five fiscal years of operation ended March 31, 2015 through 2019. All projections and calculations were based on an analysis of the recommended facilities, operating data for comparable hotels, the experience of the consultants and industry statistics for similar type properties. Property taxes were based on the assessments of other properties located in Amherst.

In preparing the financial projections, stabilized year amounts were projected first on the bases presented in the following table. The fixed and variable components of each line item were then estimated and the projections for the years prior to stabilization were prepared. The fixed and variable components presented in the table were based on industry standards and the consultants' experience.

BASES OF PROJECTIONS AND FIXED AND VARIABLE COMPONENT PERCENTAGES
CONSTANT 2011 DOLLARS

Line Item	Basis	Fixed	Variable
Food Revenue	$3.50/occupied room	20%	75%
Beverage Revenue	$1.25/occupied room	20	75
F&B Other Revenue	$0.65/occupied room	20	75
Rentals & Other Income (Net)	($0.10)/occupied room	5	95
Rooms Payroll	$18.00/occupied room	70	30
Rooms Other Expense	$10.50/occupied room	35	65
Food Cost	38% of food revenue	10	90
Beverage Cost	25% of beverage revenue	5	95
F&B Payroll	45% of F&B revenue	70	30
F&B Other Expenses	11% of F&B revenue	35	65
Administrative & General	$3,000/available room	75	25
Management Fees	3.0% of total revenues	0	100
Chain Fees	8.5% of guest room revenues	0	100
Marketing	$1,150/available room	75	25
Utility Costs	$6.25/occupied room	65	35
Property Operation & Maintenance	$1,650/available room	75	25
Property Taxes*	$214,000 annually	100	0
Insurance	$250/available room	100	0
Replacement Reserve	2.0% to 4.0% of total revenue	0	100

*It may be possible to obtain tax abatements for the project, so this estimate might decrease for up to 10 years.

Each line item was evaluated on the most appropriate basis for that particular revenue or expense. For example, rooms department payroll was projected on a "per occupied room" basis versus a percentage basis since increases in average daily rate do not result in corresponding increases in payroll.

Prospective revenues and expenses were first prepared and expressed in constant 2011 dollars. These amounts were then inflated at 3.0 percent annually and rounded to the nearest thousand dollars. The 3.0 percent inflation rate was selected based upon the results of recent investor surveys and forecasts by the U.S. Congressional Budget Office. Statements were then prepared in inflated dollars (see Exhibit II). If higher or lower inflation rates are experienced, these statements would thus be affected and a revision would be appropriate. All account classifications generally conform to the definitions prescribed by the American Hotel and Motel Association in the Uniform System of Accounts for the Lodging Industry.

TERMS AND CONDITIONS

The estimated occupancies and average daily rates presented in this report are based on estimates, assumptions and other information developed from research of the market, knowledge of the industry and other factors including certain information provided by you. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis may vary from the estimates and these variations may be material.

The Commonwealth Company will make no representations or warranty as to the accuracy or completeness of the information contained within this report, including any estimates, and shall have no liability for any representations (expressed or implied) contained herein. Our findings constitute only one of several factors that investors should consider in their decision making process. The ultimate decision to move forward with the project rests solely with the developer and investors. This report is intended for your internal information only; however, a complete copy may be submitted as a supplement to a loan application or to attract equity investors. Otherwise, neither our report, nor any reference to our firm, may be included in any offering circular or registration statement, prospectus, sales brochure or appraisal. Further, the performance estimates assume the hotel will be professionally and effectively managed. Any liability for which the firm might be judged responsible will be limited to the amount of our fee.

We appreciate the opportunity to have conducted this assignment and thank for your continued consideration of The Commonwealth Company for professional consulting services.

Sincerely,

The Commonwealth Company

THE COMMONWEALTH COMPANY

EXHIBIT I

AMHERST, NEW YORK
PROJECTED CASH FLOW FROM OPERATIONS BEFORE
DEBT SERVICE AND INCOME TAXES
EXPRESSED IN THOUSANDS OF INFLATED DOLLARS
FISCAL YEARS ENDING MARCH 31, 2014 THROUGH 2018

	2014		2015		2016		2017		2018	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenues:										
Rooms	$1,645	94.4%	$1,857	95.0%	$1,988	95.3%	$2,085	95.5%	$2,144	95.7%
Restaurant Lease	100	5.7	100	5.1	100	4.8	100	4.6	100	4.5
Telephone	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Rentals and Other Income (Net)	(2)	-0.1	(2)	-0.1	(2)	-0.1	(3)	-0.1	(3)	-0.1
	1,743	100.0	1,955	100.0	2,086	100.0	2,183	100.0	2,242	100.0
Departmental Expenses:										
Rooms	511	31.0	537	28.9	557	28.0	578	27.7	595	27.7
Food and Beverage	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Telephone	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Rooms	511	29.3	537	27.5	557	26.7	578	26.5	595	26.5
Gross Operating Income	1,232	70.7	1,417	72.5	1,529	73.3	1,605	73.5	1,647	73.5
Undistributed Operating Expenses:										
Administrative and General	172	9.9	181	9.2	188	9.0	194	8.9	200	8.9
Management Fees	52	3.0	59	3.0	63	3.0	65	3.0	67	3.0
Franchise Fees	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Marketing	138	7.9	144	7.4	150	7.2	155	7.1	160	7.1
Utility Costs	123	7.0	129	6.6	133	6.4	138	6.3	142	6.3
Property Operation and Maintenance	123	7.0	129	6.6	134	6.4	139	6.4	143	6.4
	608	34.8	641	32.8	668	32.0	692	31.7	712	31.8
Cash Flow From Operations Before Fixed Charges	625	35.8	776	39.7	861	41.3	914	41.8	935	41.7
Fixed Charges:										
Rent	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Property Taxes	132	7.6	136	7.0	140	6.7	144	6.6	149	6.6
Insurance	25	1.5	26	1.3	27	1.3	28	1.3	29	1.3
	157	9.0	162	8.3	167	8.0	172	7.9	177	7.9
Cash Flow From Operations Before Reserve For Replacement of Fixed Assets	468	26.8	614	31.4	694	33.3	742	34.0	758	33.8
Reserve For Replacement of Fixed Assets	70	4.0	78	4.0	83	4.0	87	4.0	90	4.0
Cash Flow From Operations Before Debt Service and Income Taxes	$398	22.8%	$536	27.4%	$610	29.3%	$654	30.0%	$668	29.8%
Statistics:										
Number of Rooms	95		95		95		95		95	
Percentage of Occupancy		57%		60%		61%		62%		62%
Average Daily Rate	$83.25		$89.25		$94.00		$97.00		$99.75	

Notes:
- Percentages of departmental expenses are to departmental revenue; all other percentages are to total revenue.
- Totals may not add due to rounding.

EXHIBIT I-A

95-UNIT LORD AMHERST HOTEL
AMHERST, NEW YORK
PROJECTED ROOMS AND
EXPRESSED IN THOUSANDS OF INFLATED DOLLARS
FISCAL YEARS ENDING MARCH 31, 2014 THROUGH 2018

	2014		2015		2016		2017		2018	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Rooms Department:										
Room Revenue	$1,645	100.0%	$1,857	100.0%	$1,988	100.0%	$2,085	100.0%	$2,144	100.0%
Payroll and Related Expenses	348	21.1	363	19.6	376	18.9	389	18.7	401	18.7
Other Expenses	163	9.9	174	9.4	181	9.1	188	9.0	194	9.0
Departmental Income	$1,135	69.0%	$1,320	71.1%	$1,431	72.0%	$1,508	72.3%	$1,550	72.3%

Notes:
- Percentages of departmental expenses are to departmental revenue.
- Totals may not add due to rounding.

EXHIBIT II

PROPOSED 134-UNIT HYATT PLACE
AMHERST, NEW YORK
PROJECTED CASH FLOW FROM OPERATIONS BEFORE
DEBT SERVICE AND INCOME TAXES
EXPRESSED IN THOUSANDS OF INFLATED DOLLARS
FISCAL YEARS ENDING MARCH 31, 2015 THROUGH 2019

	2015		2016		2017		2018		2019	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenues:										
Rooms	$4,390	95.7%	$4,853	95.9%	$5,141	95.9%	$5,373	95.9%	$5,534	95.9%
Food and Beverage	201	4.4	212	4.2	223	4.2	232	4.1	239	4.1
Telephone	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Rentals and Other Income (Net)	(4)	-0.1	(4)	-0.1	(4)	-0.1	(4)	-0.1	(4)	-0.1
	4,588	100.0	5,061	100.0	5,360	100.0	5,601	100.0	5,769	100.0
Departmental Expenses:										
Rooms	1,087	24.8	1,134	23.4	1,182	23.0	1,224	22.8	1,261	22.8
Food and Beverage	178	88.5	186	87.6	193	86.8	200	86.4	206	86.4
Telephone	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	1,265	27.6	1,319	26.1	1,375	25.7	1,425	25.4	1,467	25.4
Gross Operating Income	3,322	72.4	3,742	73.9	3,985	74.3	4,177	74.6	4,301	74.6
Undistributed Operating Expenses:										
Administrative and General	431	9.4	451	8.9	468	8.7	484	8.6	498	8.6
Management Fees	138	3.0	152	3.0	161	3.0	168	3.0	173	3.0
Franchise Fees	373	8.1	413	8.2	437	8.2	457	8.2	470	8.2
Marketing	165	3.6	173	3.4	179	3.3	185	3.3	191	3.3
Utility Costs	240	5.2	249	4.9	259	4.8	268	4.8	277	4.8
Property Operation and Maintenance	195	4.2	226	4.5	257	4.8	266	4.7	274	4.7
	1,542	33.6	1,664	32.9	1,762	32.9	1,828	32.6	1,883	32.6
Cash Flow From Operations Before Fixed Charges	1,781	38.8	2,078	41.1	2,223	41.5	2,348	41.9	2,418	41.9
Fixed Charges:										
Rent	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Property Taxes	236	5.1	243	4.8	250	4.7	258	4.6	266	4.6
Insurance	37	0.8	38	0.8	39	0.7	40	0.7	42	0.7
	273	5.9	281	5.6	290	5.4	298	5.3	307	5.3
Cash Flow From Operations Before Reserve For Replacement of Fixed Assets	1,508	32.9	1,797	35.5	1,934	36.1	2,050	36.6	2,111	36.6
Reserve For Replacement of Fixed Assets	92	2.0	152	3.0	214	4.0	224	4.0	231	4.0
Cash Flow From Operations Before Debt Service and Income Taxes	$1,416	30.9%	$1,645	32.5%	$1,719	32.1%	$1,826	32.6%	$1,880	32.6%
Statistics:										
Number of Rooms	134		134		134		134		134	
Percentage of Occupancy		68%		70%		72%		73%		73%
Average Daily Rate	$132.00		$141.75		$146.00		$150.50		$155.00	

Notes:
- Percentages of departmental expenses are to departmental revenue; all other percentages are to total revenue.
- Totals may not add due to rounding.

EXHIBIT II-A

PROPOSED 134-UNIT HYATT PLACE
AMHERST, NEW YORK
PROJECTED ROOMS AND
FOOD AND BEVERAGE DEPARTMENTAL INCOME
EXPRESSED IN THOUSANDS OF INFLATED DOLLARS
FISCAL YEARS ENDING MARCH 31, 2015 THROUGH 2019

	2015		2016		2017		2018		2019	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Rooms Department:										
Room Revenue	$4,390	100.0%	$4,853	100.0%	$5,141	100.0%	$5,373	100.0%	$5,534	100.0%
Payroll and Related Expenses	693	15.8	720	14.8	748	14.5	773	14.4	796	14.4
Other Expenses	394	9.0	414	8.5	434	8.4	451	8.4	465	8.4
Departmental Income	$3,303	75.2%	$3,720	76.6%	$3,960	77.0%	$4,149	77.2%	$4,273	77.2%
Food and Beverage Department:										
Revenues:										
Food	$130	64.6%	$137	64.7%	$144	64.8%	$150	64.8%	$155	64.8%
Beverage	47	23.4	49	23.3	52	23.2	54	23.1	55	23.1
Other	24	12.0	25	12.0	27	12.0	28	12.0	29	12.0
	201	100.0	212	100.0	223	100.0	232	100.0	239	100.0
Cost of Food Sales	50	38.2	52	38.1	55	38.0	57	38.0	59	38.0
Cost of Beverage Sales	12	25.1	12	25.0	13	25.0	13	25.0	14	25.0
Total Gross Profit	140	69.4	147	69.5	155	69.6	161	69.6	166	69.6
Payroll and Related Expenses	94	46.7	97	46.0	101	45.3	104	45.0	108	45.0
Other Expenses	23	11.2	24	11.1	25	11.0	26	11.0	26	11.0
Departmental Income	$23	11.5%	$26	12.4%	$29	13.2%	$32	13.6%	$32	13.6%

Notes:
- Percentages of departmental expenses are to departmental revenue.
- Totals may not add due to rounding.

Exhibit 1b

Commonwealth Revised Projections Review Letter, August 15, 2012

August 15, 2012

Mr. David Chiazza
Executive Vice President
Iskalo Development Corp.
Harbinger Square
5166 Main Street
Williamsville, New York 14221

Dear Mr Chiazza:

We have informally reviewed your financial projections for the Lord Amherst/Hyatt Place project on Main Street in Amherst. These were prepared in conjunction with your operator. While we have not re-analyzed the project, it would seem that your projections may be reasonable. In fact, we would have incorporated your projections for several expense categories had the data you used been made available to us at the time of our conduct of the engagement. Further, your operator appears to have extensive first-hand experience with the Lord Amherst, as well as branded hotels in the region. Thus, their take on certain expense items may be more relevant than our somewhat more generic approach.

This letter should not be construed as the work product of the Firm.

Sincerely,

The Commonwealth Company

The Commonwealth Company

3399 Peachtree Road, NE. Suite 400 • Atlanta, Georgia 30326
Phone: 404-601-2867 • Fax: 404-601-2868

Exhibit 2

Architectural Drawings

Proposed Hyatt Place Hotel

Planning Board Submission

5000 - 5010 Main Street, Amherst, New York

Iskalo Project No.: 11-595

Town of Amherst
APPROVED PLAN
☐ Major Site Plan
☐ Minor Site Plan/Adjustment
☐ Coordinated Sign Plan
☐

PLANNING DIRECTOR DATE

FILE NUMBER CHECKED BY

▪ ISKALO DEVELOPMENT CORP. ▪ 5166 MAIN STREET ▪ WILLIAMSVILLE, NY 14221 ▪ 716.633.2096 ▪

CIVIL DRAWINGS

C0.01	SITE SIGNAGE
C1.01	SITE PLAN
C1.02	PLAN: SANITARY AND WATER-SOUTH
C1.03	PLAN: SANITARY AND WATER-NORTH
C1.04	PLAN: SANITARY-NORTH (2)
C1.05	PLAN: SANITARY-NORTH (3)
C1.06	PROFILE: SANITARY SEWER
C1.07	DETAILS: SANITARY SEWER
C1.08	DETAILS: WATER
C1.09	PLAN: PAVING AND DRAINAGE-SOUTH
C1.10	PLAN: PAVING AND DRAINAGE-NORTH
C1.11	DETAILS: PAVING AND MISC.
C1.11A	DETAILS: BIORETENTION
C1.12	DETAILS: DRAINAGE STRUCTURES
C1.13	DETAILS: DRAINAGE TREATMENT CHAMBERS
C1.14	DETAILS: STORMTECH CHAMBERS-SOUTH
C1.15	DETAILS: STORMTECH CHAMBERS-NORTH
C1.16	PLAN: GRADING-SOUTH
C1.17	PLAN: GRADING-NORTH
C1.18	PLAN: SED. AND EROSION CONTROL-SOUTH
C1.19	PLAN: SED. AND EROSION CONTROL-NORTH
C1.20	PLAN: SED. AND EROSION CONTROL-NORTH (2)
C1.21	PLAN: SED. AND EROSION CONTROL-NORTH (3)
C1.22	DETAILS: SED. AND EROSION CONTROL

LANDSCAPE DRAWINGS

L401	SITE PLANTING PLAN
L402	SITE PLANTING DETAILS

ARCHITECTURAL DRAWINGS

A1.01	FLOOR PLAN - GROUND FLOOR
A1.02	FLOOR PLAN - SECOND FLOOR
A1.03	FLOOR PLAN - THIRD FLOOR
A1.04	FLOOR PLAN - FOURTH - SIXTH FLOOR
A3.01	EXTERIOR ELEVATIONS
A3.02	EXTERIOR ELEVATIONS
A100	1ST FLOOR PLAN
A300	PROPOSED ELEVATIONS
A301	PROPOSED ELEVATIONS

ELECTRICAL DRAWINGS

E1.01	SITE LIGHTING PLAN
E1.02	PHOTOMETRIC PLAN

PROJECT CONSULTANTS

ARCHITECTS
Iskalo Development Corp.

CIVIL ENGINEER
GPI

LANDSCAPE ARCHITECT
Wendel

LIGHTING DESIGNERS
Lighting Design Innovations

REGISTERED ARCHITECT
STATE OF NEW YORK

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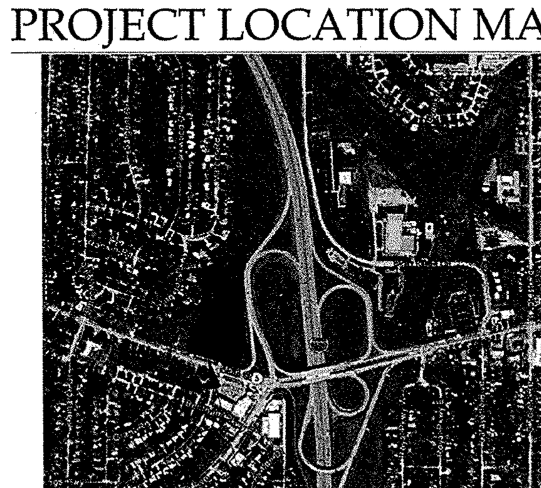
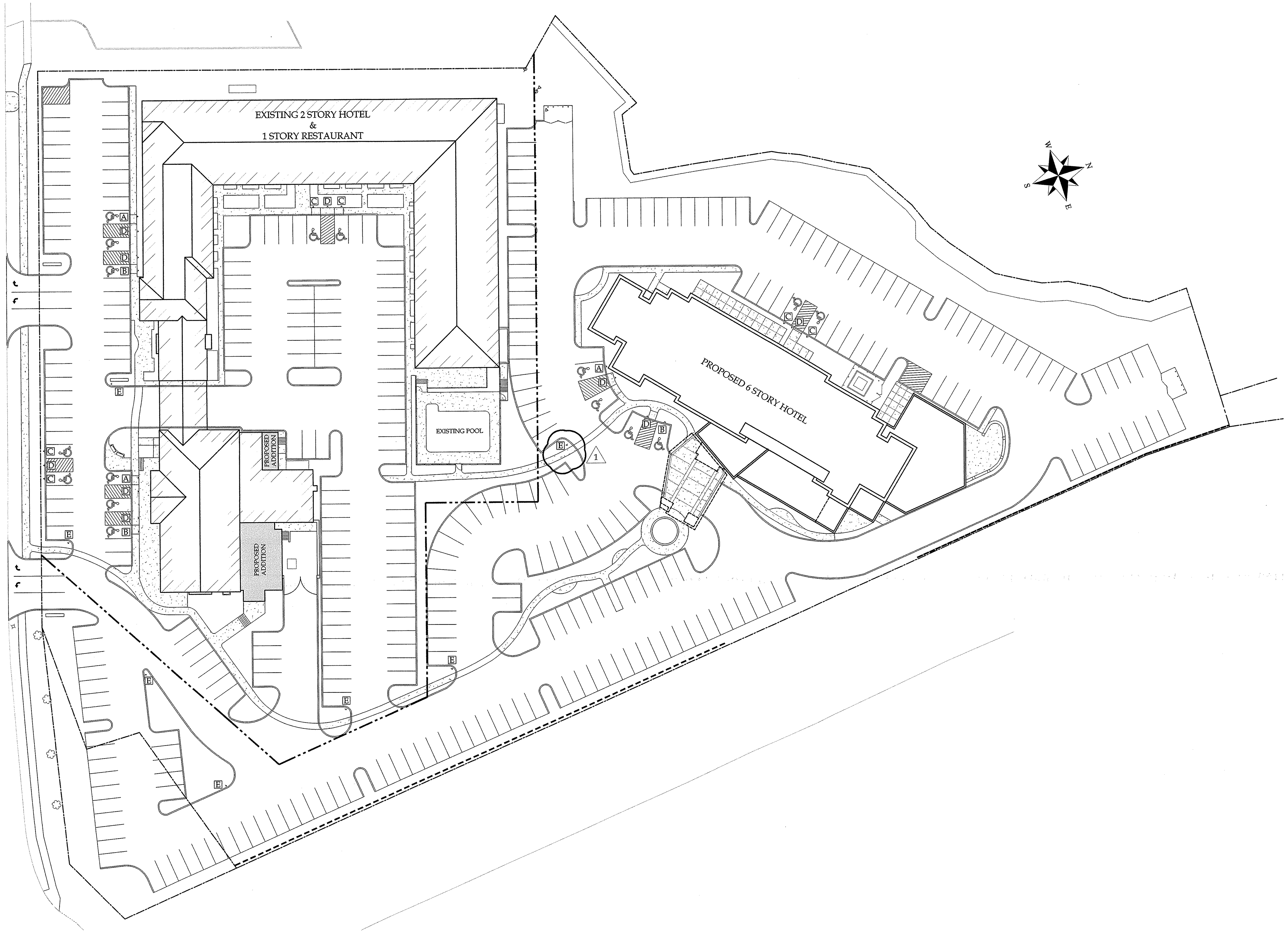
TOWN OF AMHERST
PLANNING DEPT

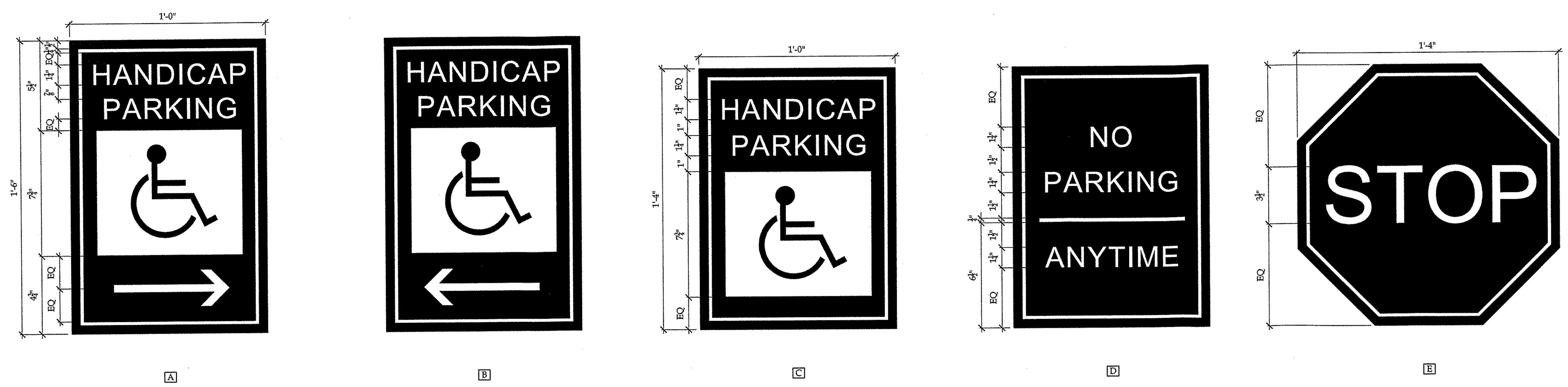
PROJECT LOCATION MAP



ISKALO
DEVELOPMENT CORP.



1 SITE SIGNAGE PLAN
C0.01 Scale: 1"=30'-0"



A B C D E

NOTES FOR ALUMINUM SIGNS:

- SIGNS SUPPORTED BY BLACK ALUMINUM 2x2 SQUARE TUBE
- ALL TEXT AND GRAPHICS TO BE CENTERED HORIZONTALLY
- SIGNS MADE OF ⅛" ALUMINUM WITH BLACK BACKGROUND
- VINYL LETTERING, COLOR: WHITE, FONT: ARIAL
- SIGNS A FONT HEIGHT 1 ¼" STROKE SIZE ⅛" (SEE DETAIL)
- ¼" TRIM ½" OFFSET FROM SIGN EDGE
- ALL SIGNS TO BE 5'-0" FROM GRADE TO THE UNDERSIDE OF THE SIGN
- HANDICAP SIGNS MUST MEET APPLICABLE CODES

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR DATE
FILE NUMBER CHECKED BY

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TOWN OF AMHERST PLANNING DEPT.

ISKALO DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

PLANNING SUBMISSION

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

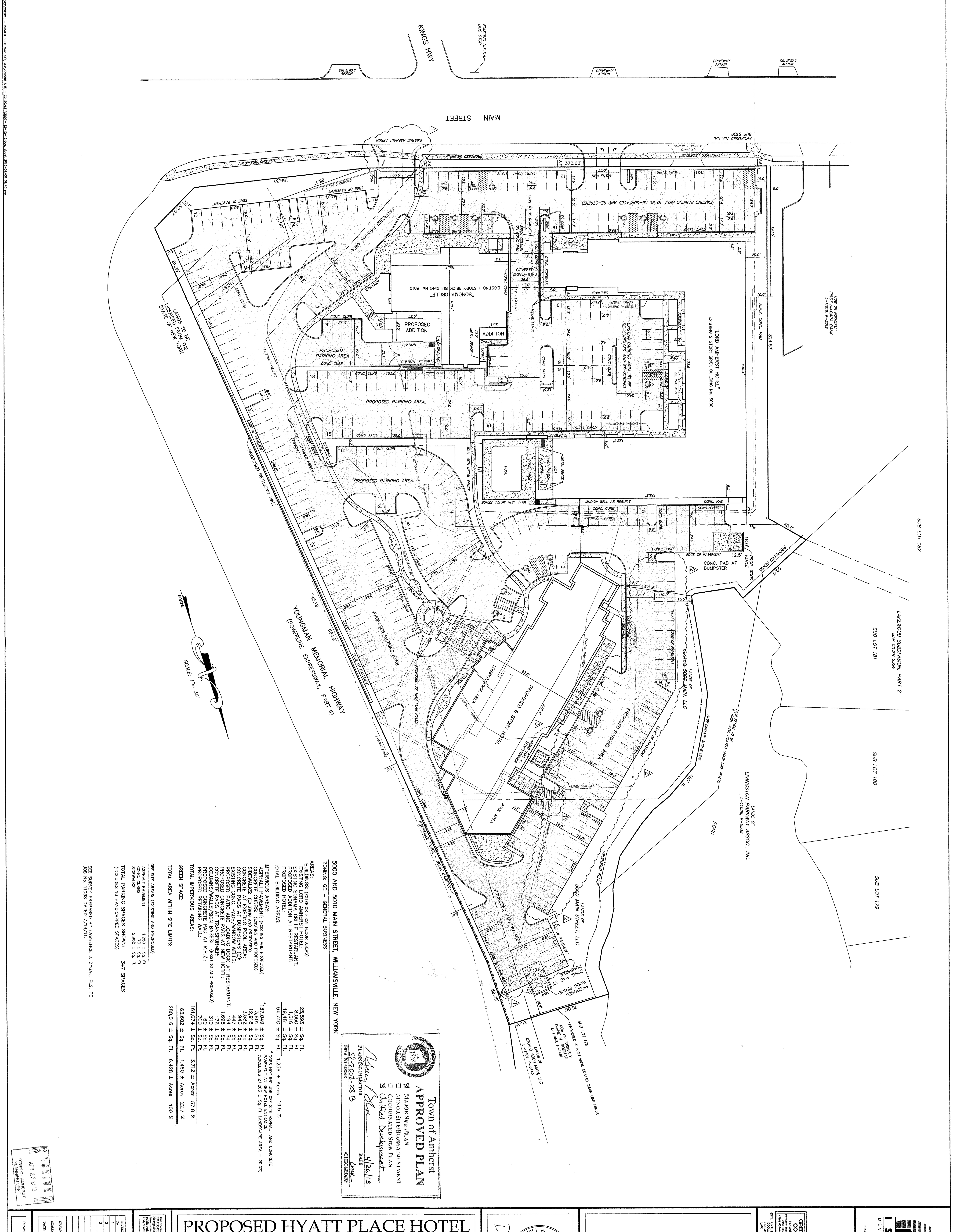
SITE SIGNAGE

REVISIONS: No.	DATE	DESCRIPTION
1	2/20/13	Revised sign location

DRAWN BY: CHECKED BY:
SCALE: AS NOTED PROJECT No.: 11-095
DATE: 01.14.2013

DRAWING NO.: C0.01

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org



ISKALO DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221
TEL: 716.633.2096, FAX: 633.5776

GPI

GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
ENGINEERING • SURVEYING • PLANNING
SURVEYING SERVICES PERFORMED BY GPI ENGINEERING AND SURVEYING LLP
4950 GENESEE STREET SUITE 165 BUFFALO, NY 14225
(716) 633-4844 FAX (716) 633-4940

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PLANNING SUBMISSION

STATE OF NEW YORK
LICENSED PROFESSIONAL ENGINEER

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

SITE PLAN

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REVISIONS: No.	DATE	DESCRIPTION
1	2/20/13	VARIOUS LABELING
2	3/18/13	LANE WIDTH/PARKING
3	3/27/13	REMOVED PADS

DRAWN BY: RAH CHECKED BY: DFP
SCALE: 1"=30' PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: C1.01

REVISIONS:		
No.	DATE	DESCRIPTION
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2	3/27/13	MISC.

DRAWN BY: SWS
CHECKED BY: DFP
SCALE: 1"=20'
PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: C1.02

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street

Amherst, New York 14226

PLAN: SANITARY AND WATER - SOUTH

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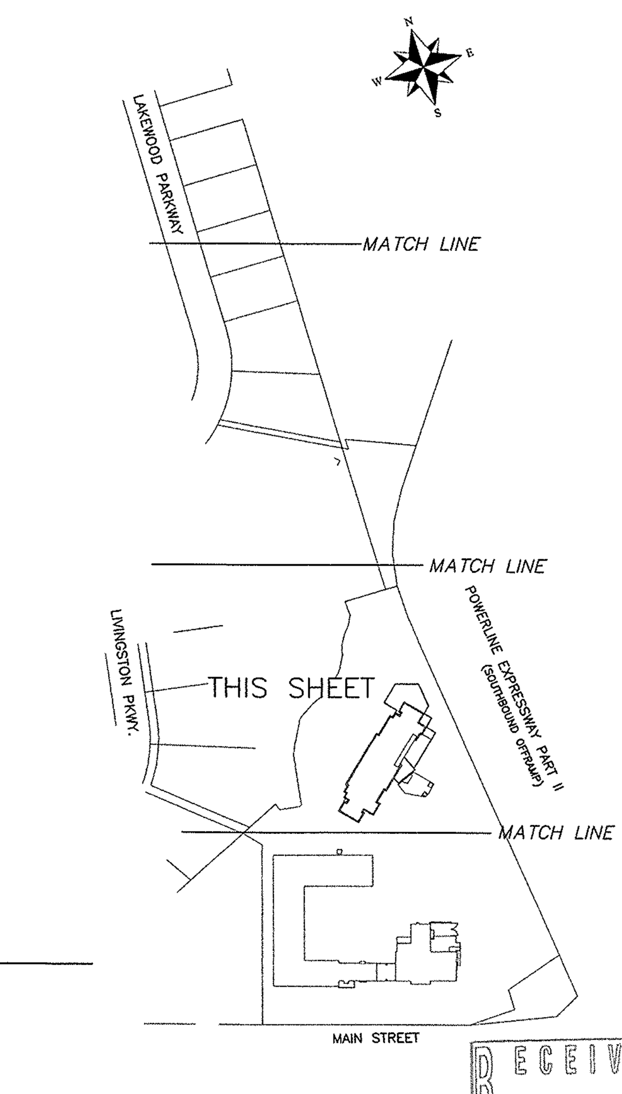
5166 MAIN STREET WILLIAMSVILLE, NY 14221
TEL: 716.633.2096, FAX: 633.5776

NOTES:

1. ALL CONSTRUCTION SHALL CONFORM WITH TOWN OF AMHERST CONSTRUCTION SPECIFICATIONS AND DETAILS.
2. ALL WATERLINE SHALL BE INSTALLED IN ACCORDANCE WITH ERIE COUNTY WATER AUTHORITY SPECIFICATIONS AND DETAILS.
3. ////// CONTRACTOR TO BACKFILL PROPOSED UTILITIES WITH MECHANICALLY TAMPED SELECT MATERIAL IN MAXIMUM SIX (6) INCH LIFTS.
4. P.V.C. (POLYVINYL CHLORIDE) PIPE SANITARY SEWER SHALL CONFORM TO A.S.T.M. SDR-35 OR APPROVED EQUAL.
5. P.V.C. (POLYVINYL CHLORIDE) PIPE WATERLINE SHALL CONFORM TO AWWA C-900 OR AN APPROVED EQUAL.
6. D.I.P. (DUCTILE IRON) PIPE WATERLINE SHALL CONFORM TO ANSI.AWWA C151/A.21.51 SPECS. (CLASS 52) OR AN APPROVED EQUAL.
7. CONTRACTOR SHALL VERIFY EXACT DEPTH AND LOCATION OF ALL EXISTING UTILITIES PRIOR TO CONSTRUCTION.
8. WATERLINE SHALL BE INSTALLED WITH A MINIMUM COVER OF 5' FROM PROPOSED GRADE.
9. WHERE PROPOSED WATERLINE CROSSES PROPOSED SEWERS, AN 18" VERTICAL SEPARATION WILL BE MAINTAINED.

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY



KEY MAP
NOT TO SCALE

RECEIVED APR 22 2013 TOWN OF AMHERST PLANNING DEPT.

ISKALO DEVELOPMENT CORP.
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PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

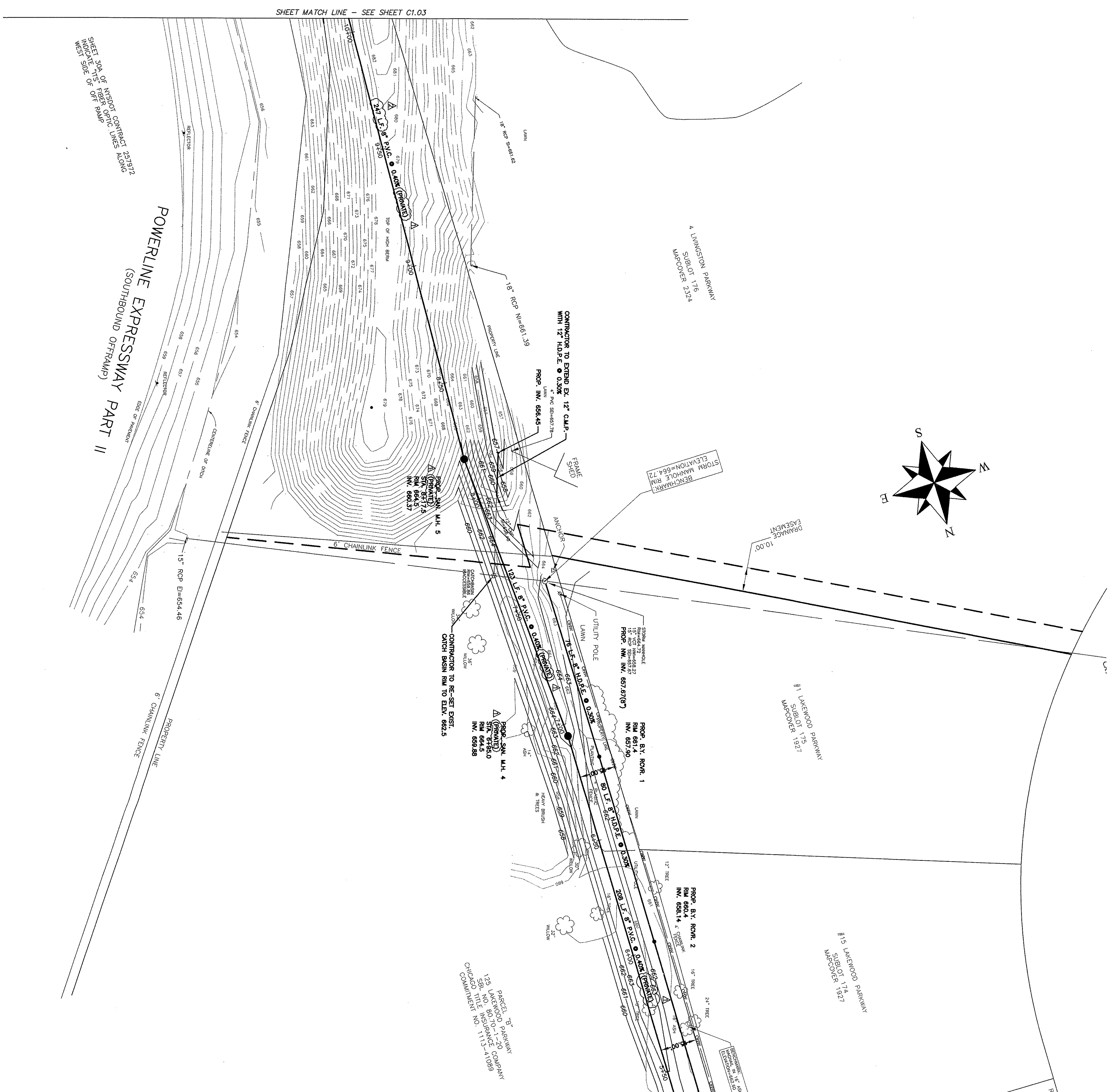
PLAN: SANITARY AND WATER - NORTH

REVISIONS:

No.	DATE	DESCRIPTION
1	3/20/13	MBC
2	3/27/13	MBC

DRAWN BY: SWS CHECKED BY: DFP
SCALE: 1"=30' PROJECT No.: 11.095
DATE: 01.14.2013

DRAWING NO.: C1.03



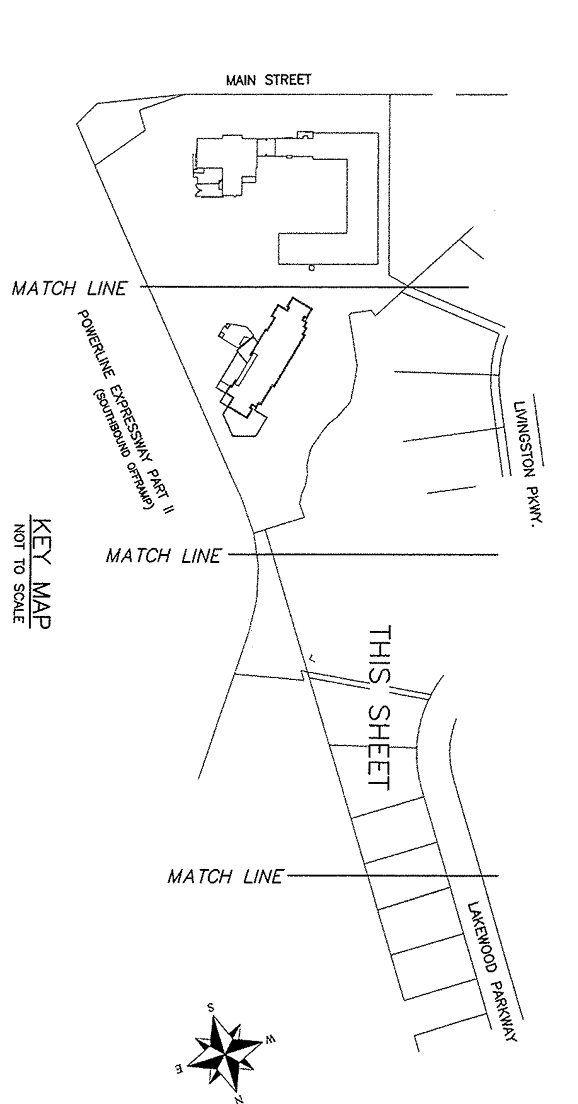
NOTES:

1. ALL CONSTRUCTION SHALL CONFORM WITH TOWN OF AMHERST CONSTRUCTION SPECIFICATIONS AND DETAILS.
2. P.V.C. (POLYVINYL CHLORIDE) PIPE SANITARY SEWER SHALL CONFORM TO A.S.T.M. SDR-35 OR APPROVED EQUAL.
3. HIGH DENSITY POLYETHYLENE PIPE (H.D.P.E.) SHALL MEET AASHTO M294 SPECIFICATIONS OR AN APPROVED EQUAL.
4. CONTRACTOR SHALL VERIFY EXACT DEPTH AND LOCATION OF ALL EXISTING UTILITIES PRIOR TO CONSTRUCTION.
5. WHERE PROPOSED WATERLINE CROSSES PROPOSED SEWERS, AN 18" VERTICAL SEPARATION WILL BE MAINTAINED.

LEGEND:

— 667 — INDICATES EXISTING CONTOUR

— 663 — INDICATES PROPOSED CONTOUR



Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
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PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

PLAN: SANITARY - NORTH (2)

STATE OF NEW YORK
GREENMAN PEDERSEN, INC.
LICENSED PROFESSIONAL ENGINEER

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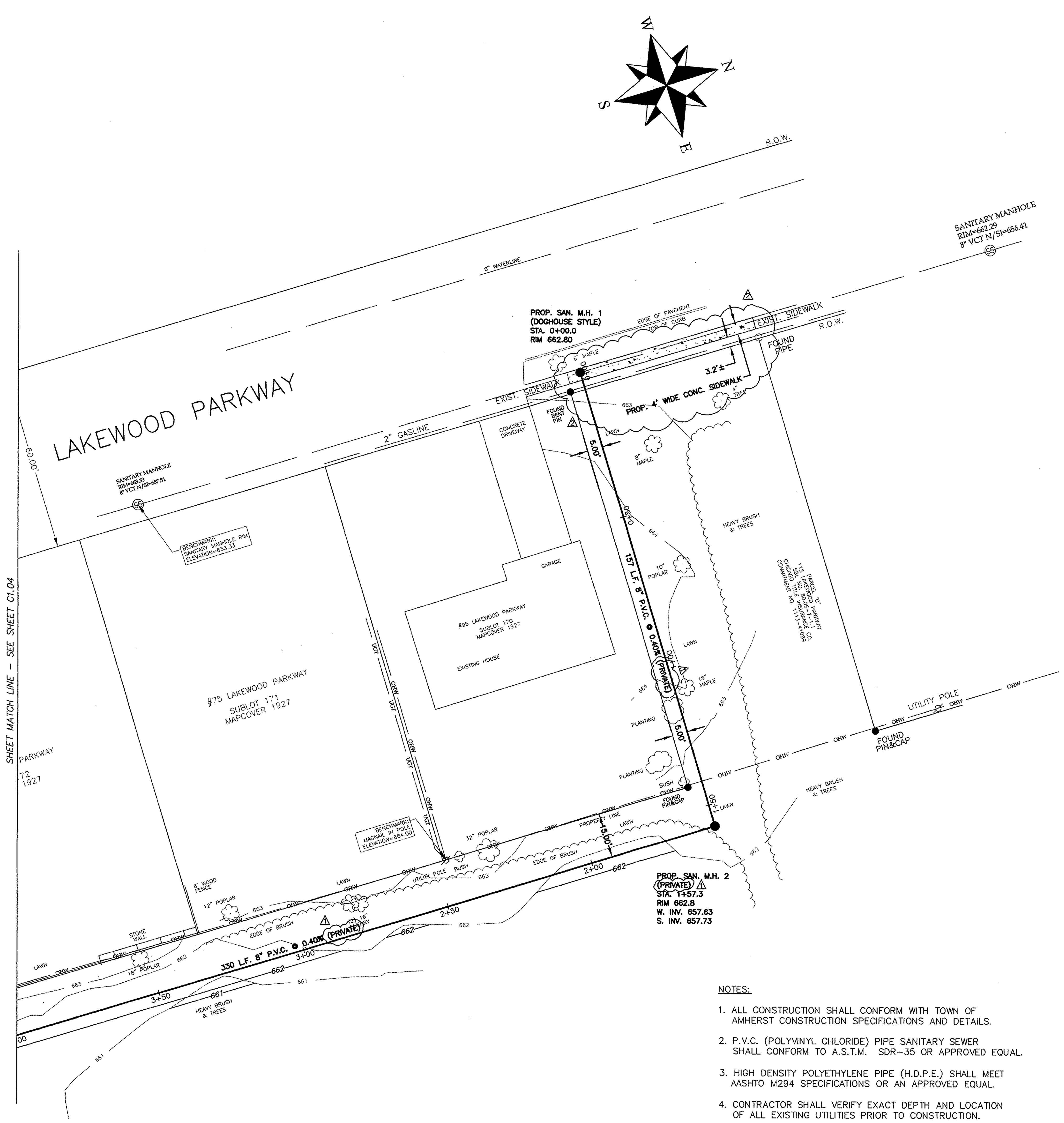

NOTES:

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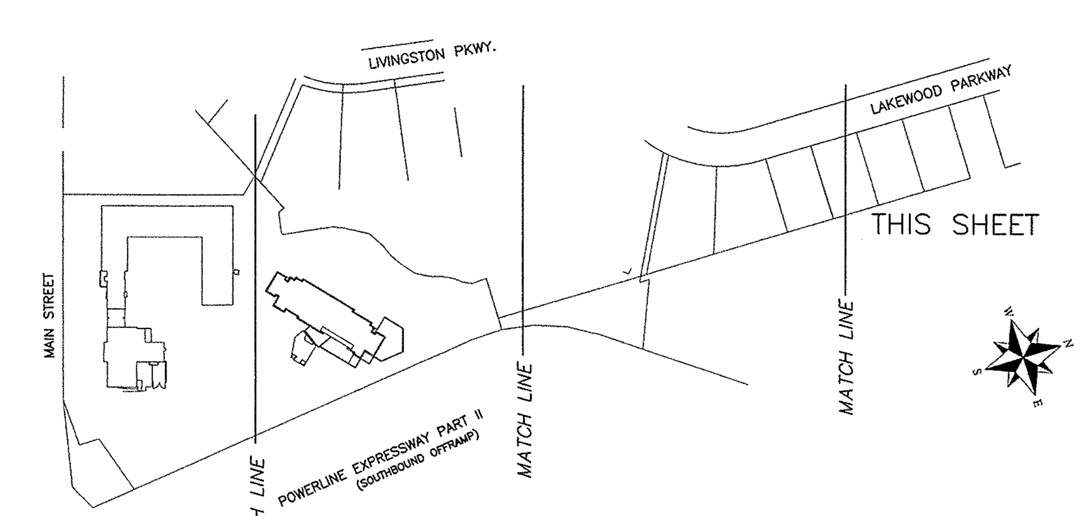
2. P.V.C. (POLYVINYL CHLORIDE) PIPE SANITARY SEWER SHALL CONFORM TO A.S.T.M. SDR–35 OR APPROVED EQUAL.
3. HIGH DENSITY POLYETHYLENE PIPE (H.D.P.E.) SHALL MEET AASHTO M294 SPECIFICATIONS OR AN APPROVED EQUAL.
4. CONTRACTOR SHALL VERIFY EXACT DEPTH AND LOCATION OF ALL EXISTING UTILITIES PRIOR TO CONSTRUCTION.
5. WHERE PROPOSED WATERLINE CROSSES PROPOSED SEWERS, AN 18" VERTICAL SEPARATION WILL BE MAINTAINED.

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐
PLANNING DIRECTOR
DATE
FILE NUMBER
CHECKED BY



KEY MAP
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LICENSED PROFESSIONAL ENGINEER
No. 131

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

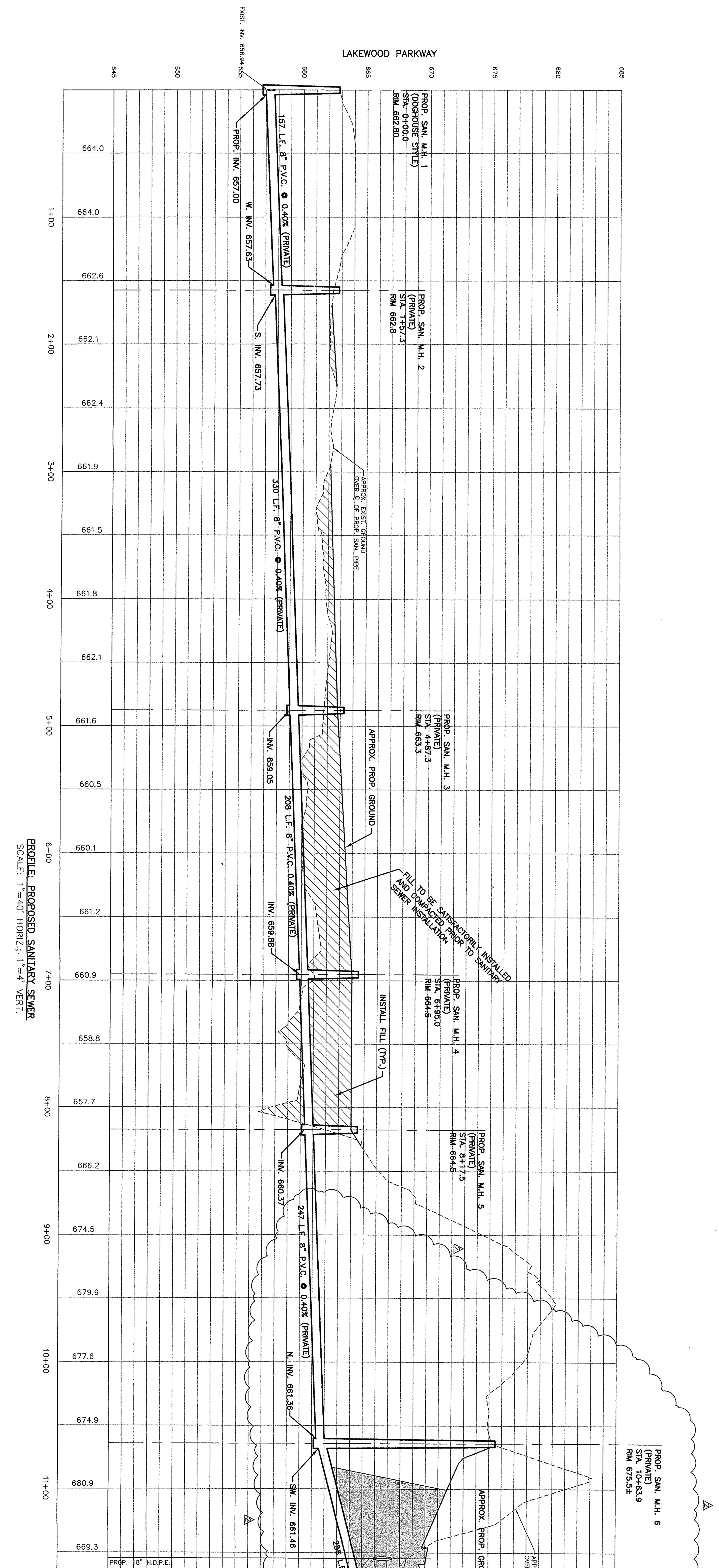
PLAN: SANITARY - NORTH (3)

REVISIONS No.	DATE	DESCRIPTION
1	2/20/13	MISC

DRAWN BY: SWS
CHECKED BY: DPP
SCALE: 1"=20'
PROJECT No.: 11-995
DATE: 01.14.2013

DRAWING NO.: C1.05

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org



Town of Amherst
APPROVED PLAN

- ☐ MAJOR SITE PLAN
- ☐ MINOR SITE PLAN/ADJUSTMENT
- ☐ COORDINATED SIGN PLAN

PLANNING DIRECTOR	DATE
FILE NUMBER	CHECKED BY

RECEIVED
APR 22 2013
TOWN OF AMHERST PLANNING DEPT.

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street

Amherst, New York 14226

PROFILE: SANITARY SEWER

PLANNING SUBMISSION

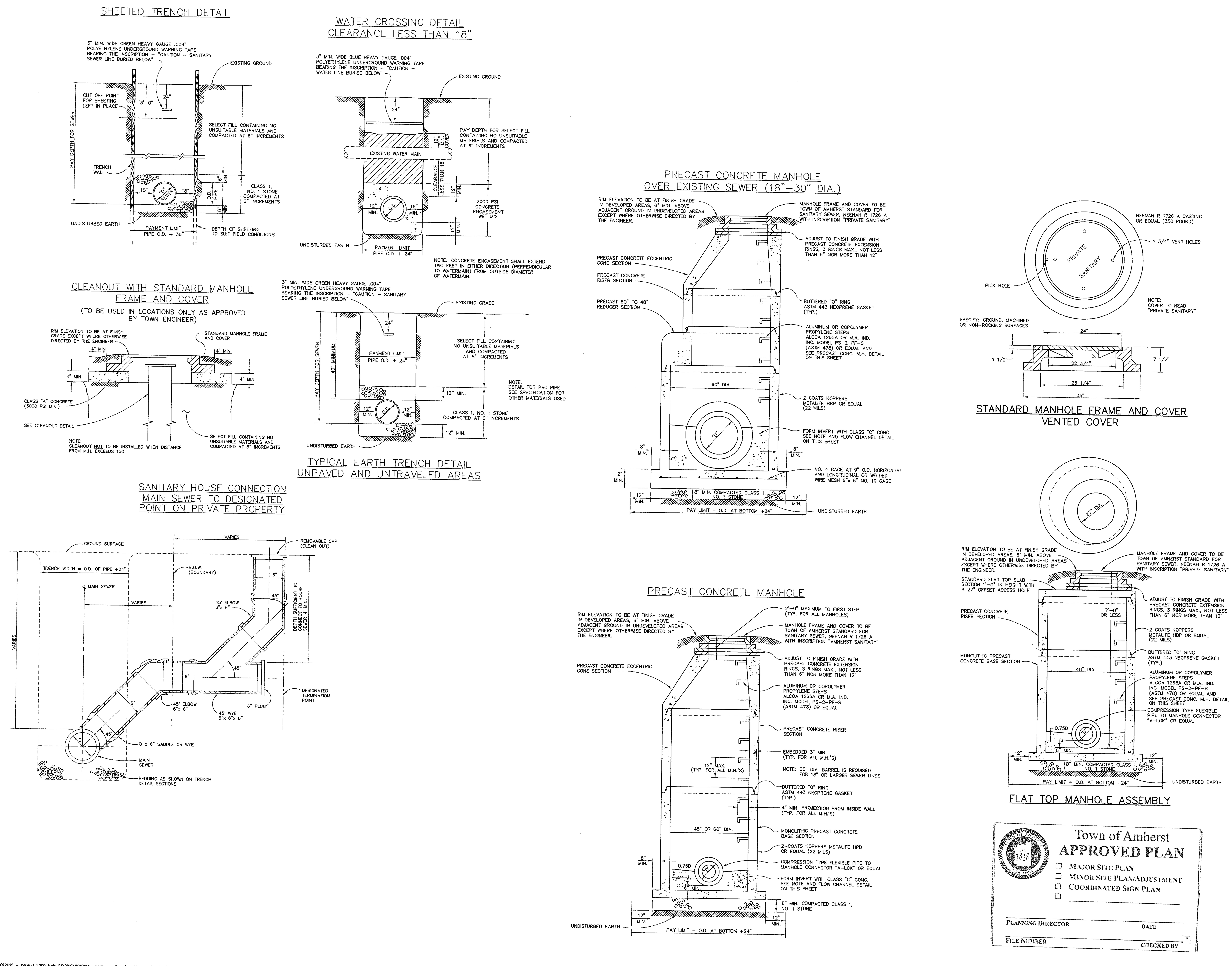
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS

GPI

ISKALO DEVELOPMENT CORP.

DATE: 01.14.2013

DRAWING NO.: C1.06



SANITARY SEWER TESTING METHODS

GENERAL NOTES

(A) LEAKAGE TESTS

01. THE TEST PERIOD WHEREIN THE MEASUREMENTS ARE TAKEN SHALL NOT BE LESS THAN 24 HOURS, REGARDLESS OF THE TEST METHOD USED.

02. THE TOTAL LEAKAGE OF ANY SECTION TESTED BY ANY TEST METHOD SHALL NOT EXCEED THE RATE OF 200 GALLONS PER MILE OF PIPE PER 24 HOURS PER INCH OF NOMINAL PIPE DIAMETER.

03. MANHOLES SHALL BE CONSIDERED AS SECTIONS OF 48" DIAMETER PIPE AND THE EQUIVALENT LEAKAGE ALLOWANCE SHALL BE COMPUTED PER NOTE 02 USING THE SUBMERGED HEIGHT OF MANHOLE AS THE LENGTH.

04. WHEN MANHOLES ARE TESTED SEPARATELY, ALL PIPE OPENINGS SHALL BE PLUGGED AND THE TEST PROCEDURES AND CRITERIA SHALL BE APPLIED IN THE SAME MANNER AS FOR TESTS INVOLVING ONLY THE PIPE OR A COMBINATION OF PIPE AND MANHOLES.

(B) INFILTRATION TEST CRITERIA FOR USE

01. THIS TEST METHOD MAY ONLY BE USED WHEN GROUND WATER LEVELS ARE AT LEAST TWO (2) FEET ABOVE THE TOP OF THE PIPE FOR THE ENTIRE LENGTH OF THE SECTION TO BE TESTED DURING THE ENTIRE PERIOD OF THE TESTS.

02. GROUND WATER LEVELS MAY BE MEASURED IN AN OPEN TRENCH OR IN STANDPIPES PREVIOUSLY PLACED IN BACKFILLED TRENCHES DURING BACKFILLING.

03. THE NUMBER OF STANDPIPES REQUIRED AND LOCATION OF THE SAME ARE TO BE AS ORDERED BY THE ENGINEER. STANDPIPES MAY BE OF ANY PIPE MATERIAL BUT MUST BE OF SUCH DIAMETER (2-1/2" MINIMUM) AS TO PERMIT THE INSERTION OF A RULE OR LEVEL ROD. CRUSHED STONE SHALL BE PLACED AROUND THE LOWER OPEN ENDS OF THE STANDPIPES.

04. STANDPIPES ARE TO BE REMOVED AT THE SATISFACTORY COMPLETION OF THE TESTS.

05. IF IN LIEU OF STANDPIPES, THE TRENCH IS TO BE LEFT OPEN FOR GROUND WATER OBSERVATION, THE LENGTH OF UNBACKFILLED TRENCH AT ANY ONE TIME MAY HAVE TO BE LIMITED FOR REASONS OF SAFETY.

(C) EXFILTRATION TEST CRITERIA FOR USE

01. THIS TEST CONSISTS OF FILLING THE PIPE WITH WATER TO PROVIDE A HEAD OF AT LEAST TWO (2) FEET ABOVE THE TOP OF THE PIPE OR ABOVE GROUND WATER WHICHEVER IS HIGHER AT THE HIGHEST POINT OF THE PIPE LINE UNDER TEST, AND THEN MEASURING THE LOSS OF WATER TO MAINTAIN THE ORIGINAL LEVEL.

02. IN THIS TEST THE PIPE LINE MUST BE FILLED WITH WATER AND ALLOWED TO REMAIN SO FILLED FOR AT LEAST 24 HOURS PRIOR TO TAKING MEASUREMENTS.

03. REGARDING GROUND WATER MEASUREMENTS: SEE NOTES 02 THROUGH 05 ABOVE.

04. REGARDING THE TEST STANDPIPE: THERE MUST BE SOME POSITIVE METHOD OF RELEASING ENTRAPPED AIR IN THE SEWER PRIOR TO TAKING MEASUREMENTS.

(D) DEFLECTION TEST FOR PVC SEWER PIPE

01. DEFLECTION TESTS SHALL BE PERFORMED ON ALL FLEXIBLE GRAVITY SEWER PIPE. TESTS SHALL BE CONDUCTED AFTER THE FINAL BACKFILL HAS BEEN IN PLACE FOR AT LEAST 30 DAYS.

02. NO PIPE SHALL EXCEED DEFLECTION OF 5%. DEFLECTION GAGE MAY BE BORROWED FROM THE TOWN ENGINEER FOR 8" AND 10" PIPE. THE DEFLECTION TEST MUST BE EXECUTED AFTER 30 DAYS OF PLACEMENT OF FINAL BACKFILL. THE TEST WILL ALSO BE DONE WITHOUT MECHANICAL PULLING DEVICES.

GENERAL NOTES:

01. THE CONTRACTOR SHALL COMPLY WITH THE TOWN OF AMHERST STANDARD DRAWINGS AND SPECIFICATIONS.

02. THE CONTRACTOR SHALL IMMEDIATELY NOTIFY THE PROJECT ENGINEER AND THE TOWN OF AMHERST ENG. DEPT. OF ANY HAZARDOUS SUBSTANCE ENCOUNTERED DURING THE CONSTRUCTION OF THE WORK. HE SHALL AT HIS EXPENSE, CONFORM TO ALL LAWS, RULES, REGULATIONS AND DIRECTIONS AS PROMULGATED BY THE UNITED STATES DEPARTMENT OF LABOR, OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, THE NEW YORK STATE DEPARTMENT OF HEALTH AND ANY SUCH LOCAL RULES, ORDINANCES AND LAWS WHEN ENCOUNTERING OR WORKING WITH ANY SUCH HAZARDOUS SUBSTANCE.

03. THE CONTRACTOR SHALL COMPLY IN ALL RESPECTS TO THE INDUSTRIAL CODE PART (RULE NO.) 53 RELATING TO CONSTRUCTION, EXCAVATION AND DEMOLITION OPERATIONS AT OR NEAR UNDERGROUND FACILITIES, AS ISSUED BY THE STATE OF NEW YORK DEPARTMENT OF LABOR, BOARD OF STANDARD AND APPEALS.

04. SINCE THE ERIE COUNTY WATER AUTHORITY OPERATES AND MAINTAINS THE EXISTING WATER LINES, THEY ARE TO BE NOTIFIED AT LEAST 48 HOURS IN ADVANCE OF THE START OF CONSTRUCTION. ALL EXISTING VALVES ARE TO BE OPERATED BY THE ERIE COUNTY WATER AUTHORITY PERSONNEL.

05. THE CONTRACTOR SHALL EXPOSE EXISTING UTILITIES AHEAD OF THE PIPE LAYING OPERATION, SO THAT, IF MINOR ADJUSTMENTS MUST BE MADE IN ELEVATION AND/OR ALIGNMENT DUE TO INTERFERENCE FROM THESE UTILITIES, SAID CHANGES CAN BE MADE IN ADVANCE OF THE WORK.

06. WHERE SUCH FACILITIES ARE UNDER THE SUPERVISION OF A PROFESSIONAL ENGINEER, HE SHALL CERTIFY TO THE ENGINEERING DEPARTMENT OF THE TOWN OF AMHERST THAT SAID FACILITIES AS CONSTRUCTED WERE SUPERVISED BY HIMSELF (HERSELF) AND THAT THE WORKS HAVE BEEN FULLY COMPLETED IN ACCORDANCE WITH THE APPROVED ENGINEERING REPORTS, PLANS, SPECIFICATIONS, CONTRACT DOCUMENTS AND ANY AND ALL ADDENDA TO SAME.

07. THE CONSTRUCTION OF THE FACILITIES SHALL BE UNDER THE SUPERVISION OF A PERSON OR FIRM QUALIFIED TO PRACTICE PROFESSIONAL ENGINEERING IN NEW YORK STATE UNDER THE EDUCATION LAW OF THE STATE, WHENEVER ENGINEERING SERVICES ARE REQUIRED BY SUCH LAW FOR SUCH PURPOSES.

08. A WRITTEN CERTIFICATE OF CONSTRUCTION COMPLIANCE, INCLUDING THE RESULTS OF HYDROSTATIC LEAKAGE TESTS, MADE BY THE PROFESSIONAL ENGINEER SUPERVISING THE CONSTRUCTION, SHALL BE SUBMITTED TO THE ERIE COUNTY DEPART. OF ENVIRONMENT PLANNING AND NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION WITHIN THIRTY (30) DAYS AFTER CONSTRUCTION COMPLETION.

09. UNSUITABLE MATERIALS SUCH AS FROZEN ORGANIC AND/OR VEGETABLE MATERIAL, DEBRIS, TREES, LUMBER, LARGE STONES OR CLODS (6.0" OR LARGER), MUCK, PEAT, ORGANIC SILT WILL NOT BE ACCEPTABLE FILL AND CERTAIN MAN-MADE DEPOSITS OF INDUSTRIAL WASTE, SLUDGE OR LANDFILL MAY ALSO BE DETERMINED AS UNSUITABLE HAZARDOUS MATERIAL.

10. THE COMPACTION OF ALL MATERIALS WILL OCCUR AT 6" INCREMENTS.

11. VERIFICATION OF ALL EXISTING EASEMENTS IS THE RESPONSIBILITY OF THE DESIGN ENGINEER AND THEY MUST BE SHOWN ALONG WITH ALL PROPOSED EASEMENTS ON PLAN DRAWINGS.

12. SHOULD A FLUID CONDITION BE ENCOUNTERED AT THE TRENCH BOTTOM, THE CONTRACTOR IS TO INSTALL ADDITIONAL STONE CRADLE AS ORDERED BY THE ENGINEER.

13. ALL PIPE CROSSING UNDER PAVED AREAS ARE TO BE BACKFILLED TO SUBGRADE WITH COMPACTED SELECT MATERIAL TO FIVE (5) FEET OUTSIDE THE PAVEMENT EDGES.

14. THE CONTRACTOR SHALL RETAIN THE SERVICES OF A QUALIFIED TREE EXPERT TO REMOVE, WHERE NECESSARY, BRANCHES WHICH INTERFERE WITH THE CONSTRUCTION OPERATION, OR REPAIR TREES HAVING SUFFERED DAMAGE BY CONSTRUCTION ACTIVITIES. THE COST INVOLVED IN THE ABOVE IS TO BE INCLUDED IN THE VARIOUS ITEMS OF THE CONTRACT.

15. SEWERS SHALL BE LAID AT LEAST TEN (10) FEET HORIZONTALLY FROM ANY EXISTING OR PROPOSED WATERMAIN. THE DISTANCE SHALL BE MEASURED EDGE TO EDGE. IN CASES WHERE IT IS NOT PRACTICAL TO MAINTAIN A TEN FOOT SEPARATION, THE APPROPRIATE REVIEWING AGENCY MAY ALLOW DEVIATION ON A CASE-BY-CASE BASIS, IF SUPPORTED BY DATA FROM THE DESIGN ENGINEER. SUCH DEVIATION MAY ALLOW INSTALLATION OF THE SEWER CLOSER TO A WATERMAIN, PROVIDED THAT THE WATERMAIN IS IN A SEPARATE TRENCH OR ON AN UNDISTURBED EARTH SHELF LOCATED ON ONE SIDE OF THE SEWER AND AT AN ELEVATION SO THE BOTTOM OF THE WATERMAIN IS AT LEAST 18" (46CM) ABOVE THE TOP OF THE SEWER.

16. SEWERS CROSSING WATERMAINS SHALL BE LAID TO PROVIDE MINIMUM VERTICAL DISTANCE OF 18" (46CM) BETWEEN THE OUTSIDE OF A WATERMAIN AND THE OUTSIDE OF THE SEWER. THIS SHALL BE THE CASE WHERE THE WATERMAIN IS EITHER ABOVE OR BELOW THE SEWER. THE CROSSING SHALL BE ARRANGED SO THAT THE SEWER JOINTS WILL BE EQUIDISTANT AND AS FAR AS POSSIBLE FROM THE WATERMAIN JOINTS. WHERE A WATERMAIN CROSSES UNDER A SEWER, ADEQUATE STRUCTURAL SUPPORT SHALL BE PROVIDED FOR THE SEWER, TO PREVENT DAMAGE TO THE WATERMAIN.

17. WHEN IT IS IMPOSSIBLE TO OBTAIN PROPER HORIZONTAL AND VERTICAL SEPARATION AS STIPULATED ABOVE, THE SEWER SHALL BE DESIGNED AND CONSTRUCTED EQUAL TO WATER PIPE AND SHALL BE PRESSURE TESTED AS TO ASSURE WATERTIGHTNESS PRIOR TO BACKFILLING.

18. THE PIPE SHALL BE P.V.C. SEWER PIPE CONFORMING TO THE LATEST REVISIONS OF ASTM DESIGNATION D-3034, SDR-35, INSTALLED IN ACCORDANCE WITH ASTM.

19. THE MANHOLE COVERS ARE TO BEAR THE INSCRIPTION "PRIVATE SANITARY".

NOTE:
CONSTRUCTION SHALL BE IN ACCORDANCE WITH TOWN OF AMHERST CONSTRUCTION SPECIFICATIONS WHERE APPLICABLE AND/OR SUBJECT TO LATEST REVISION BY TOWN ENGINEER.

RECEIVED
APR 22 2013
TOWN OF AMHERST PLANNING DEPT.

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY

ISKALO
DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS

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PLANNING SUBMISSION

STATE OF NEW YORK
LICENSED PROFESSIONAL ENGINEER

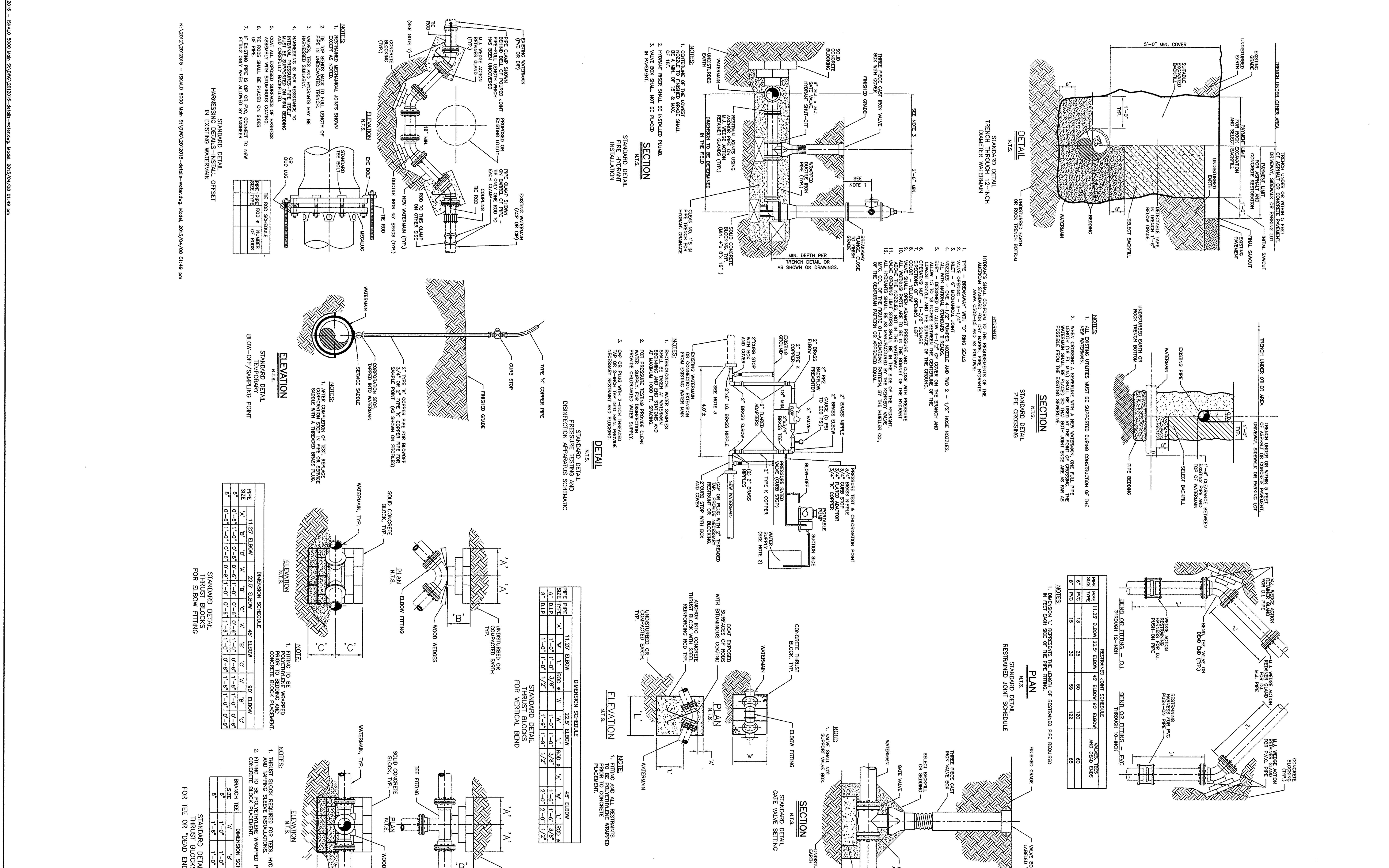
PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: SANITARY SEWER

REVISIONS
No. | DATE | DESCRIPTION

DRAWN BY: SNS | CHECKED BY: DFP
SCALE: NONE | PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: C1.07



Town of Amherst
APPROVED PLAN
MAJOR SITE PLAN
MINOR SITE PLAN/ADJUSTMENT
COORDINATED SIGN PLAN

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY

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PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: WATER

PLANNING SUBMISSION

GPI

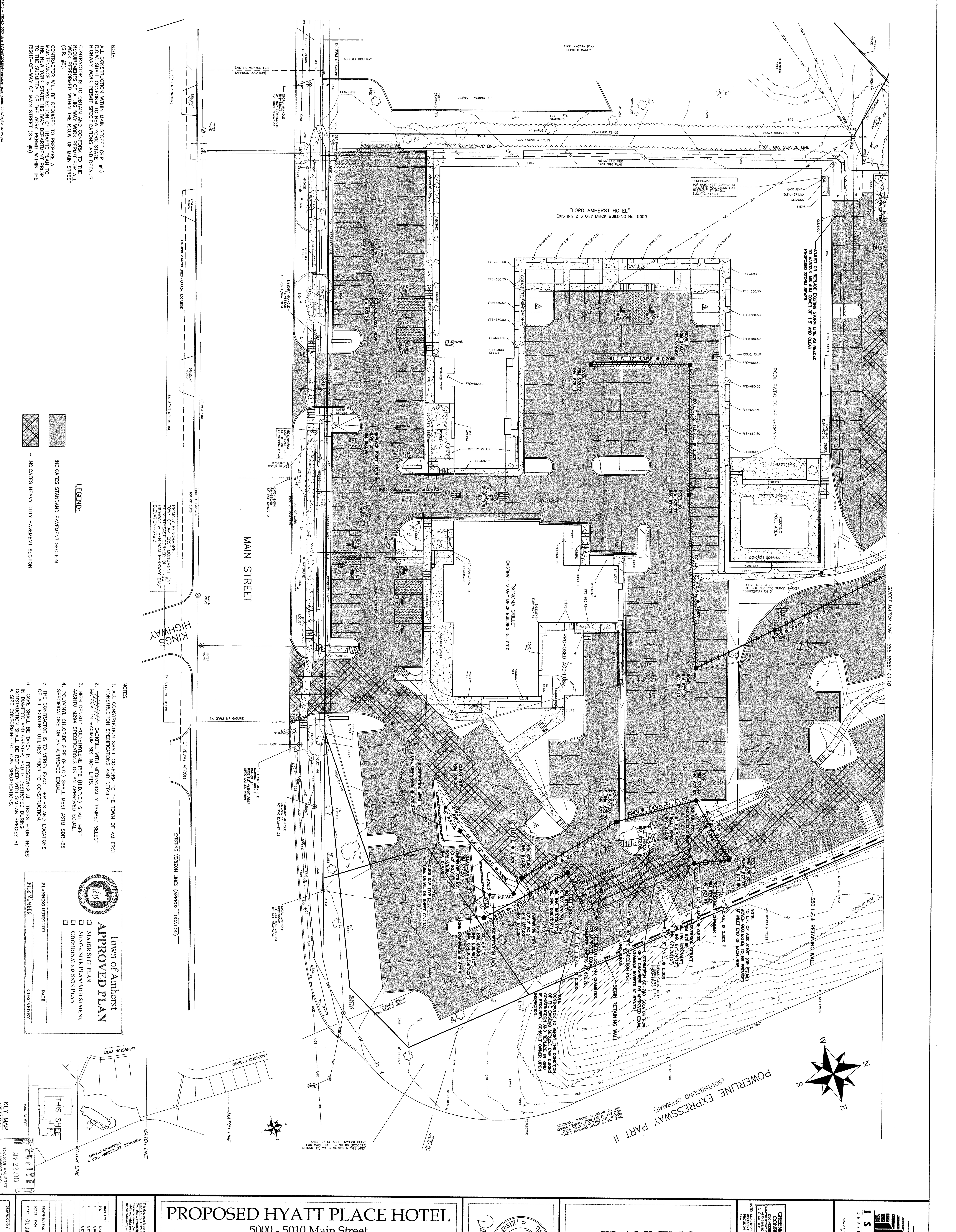
GREENMAN-PEDERSEN, INC.

ISKALO DEVELOPMENT CORP

C1.08

DATE: 01.14.2013

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org



ISKALO
DEVELOPMENT CORP.
5166 MAIN STREET, WILLIAMSVILLE, NY 14221
TEL: 716.633.2096, FAX: 633.3076

GPI

GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
ENGINEERING · SURVEYING · PLANNING
SURVEYING SERVICES PERFORMED BY GREENMAN-PEDERSEN, INC.
4950 GENESEE STREET SUITE 165 BUFFALO, NY 14225
(716) 633-4844 FAX (716) 633-4940

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PLANNING SUBMISSION

STATE OF NEW YORK · GREENMAN PEDERSEN INC. · No. 131 · LICENSED PROFESSIONAL ENGINEER

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street

Amherst, New York 14226

PLAN: PAVING AND DRAINAGE - SOUTH

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REVISIONS: No.	DATE	DESCRIPTION
1	2/20/13	MISC.
2	3/27/13	MISC.
3	3/27/13	REMOVED BIO. PLANTERS

DRAWN BY: SNS CHECKED BY: DPP

SCALE: 1"=20' PROJECT No.: 11.695

DATE: 01.14.2013

DRAWING NO.: C1.09

LEGEND:

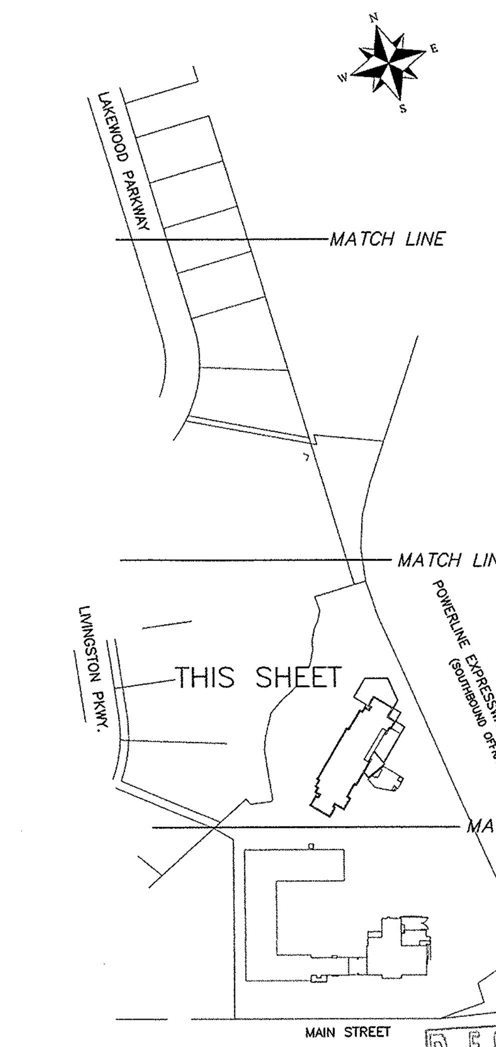
- INDICATES STANDAND PAVEMENT SECTION
- INDICATES HEAVY DUTY PAVEMENT SECTION

NOTES:

1. ALL CONSTRUCTION SHALL CONFORM TO THE TOWN OF AMHERST CONSTRUCTION SPECIFICATIONS AND DETAILS.
2. ////////// BACKFILL WITH MECHANICALLY TAMPED SELECT MATERIAL IN MAXIMUM SIX INCH LIFTS.
3. HIGH DENSITY POLYETHYLENE PIPE (H.D.P.E.) SHALL MEET AASHTO M294 SPECIFICATIONS OR AN APPROVED EQUAL.
4. POLYVINYL CHLORIDE PIPE (P.V.C.) SHALL MEET ASTM SDR-35 SPECIFICATIONS OR AN APPROVED EQUAL.
5. THE CONTRACTOR IS TO VERIFY EXACT DEPTHS AND LOCATIONS OF ALL EXISTING UTILITIES PRIOR TO CONSTRUCTION.
6. CARE SHALL BE TAKEN IN PRESERVING ALL TREES FOUR INCHES IN DIAMETER AND GREATER, AND IF DESTROYED DURING CONSTRUCTION SHALL BE REPLACED WITH SIMILAR SPECIES AT A SIZE CONFORMING TO TOWN SPECIFICATIONS.

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY



KEY MAP
NOT TO SCALE

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TOWN OF AMHERST PLANNING DEPT.

ISKALO DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

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PLANNING SUBMISSION

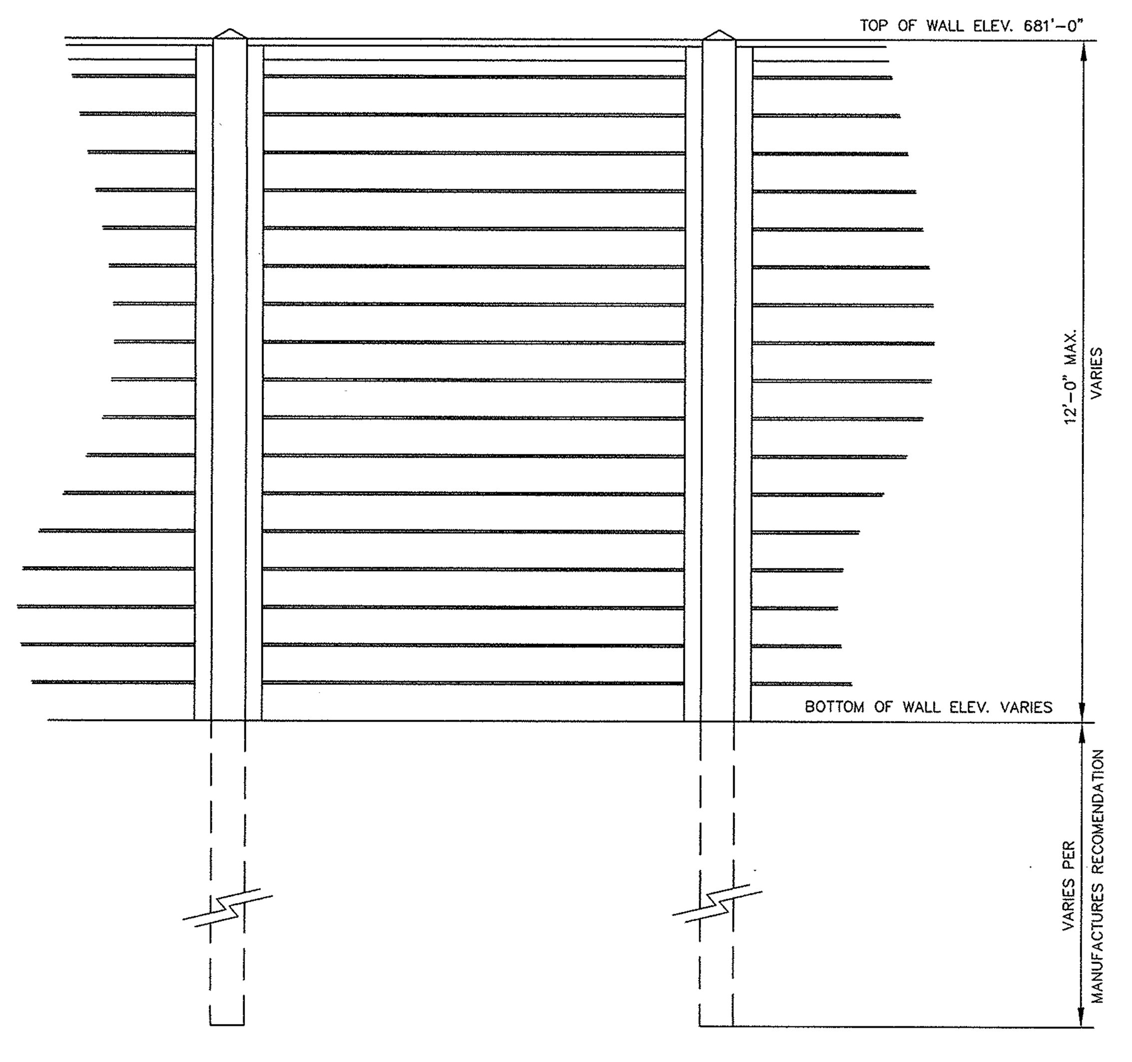
PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

PLAN: PAVING AND DRAINAGE - NORTH

REVISIONS No.	DATE	DESCRIPTION
1	2/20/13	MISC.
2	3/27/13	MISC.

DRAWN BY: DMS CHECKED BY: DFP
SCALE: 1"=20' PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: C1.10



PARTIAL ELEVATION

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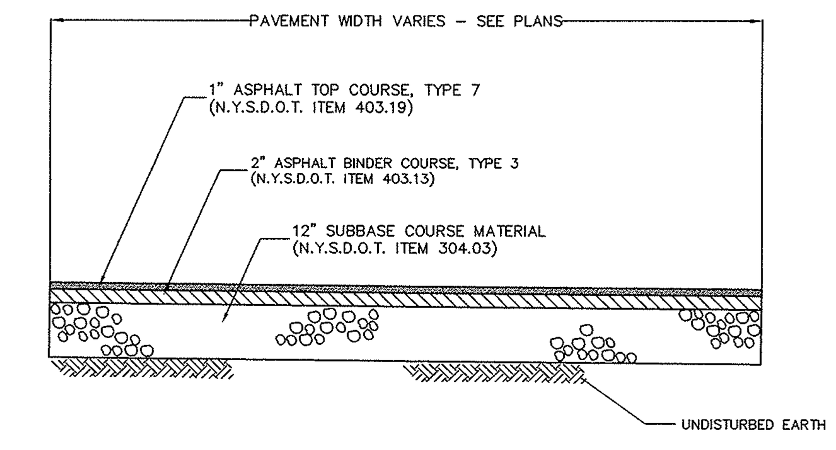

STANDAND PAVING SECTION

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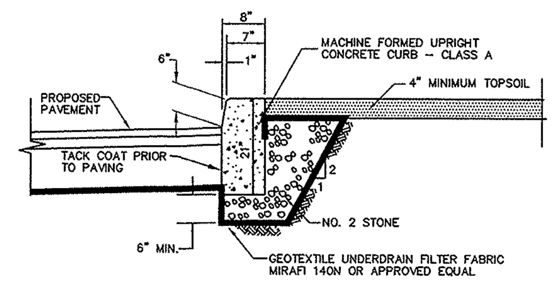
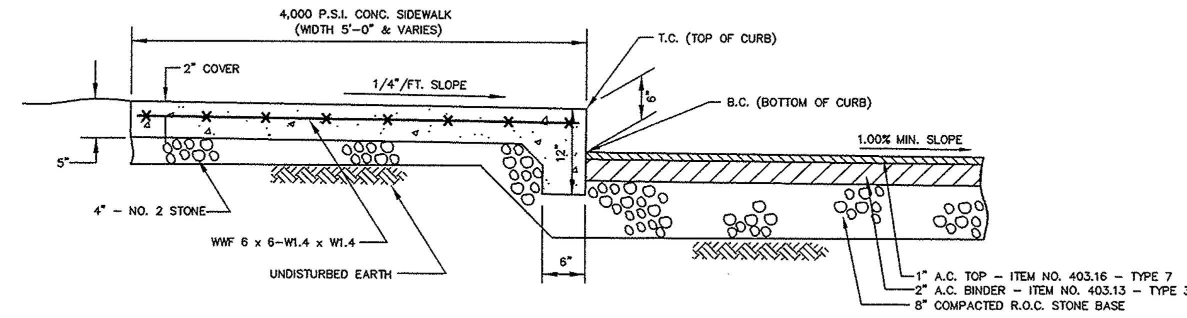
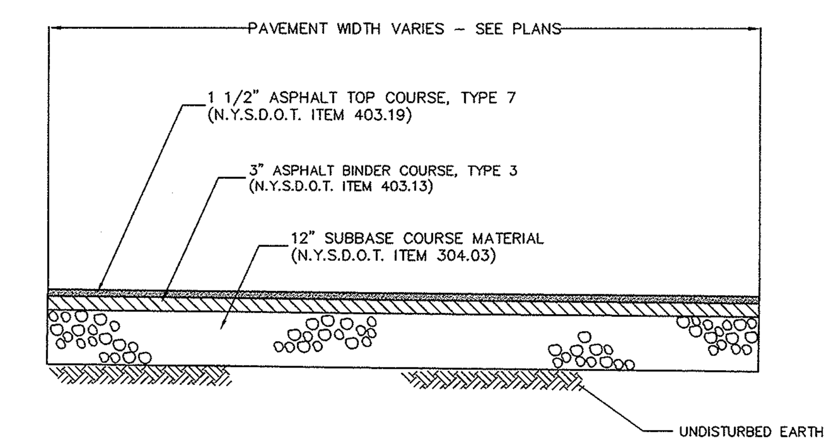


MACHINE FORMED
UPRIGHT CONCRETE CURB DETAIL



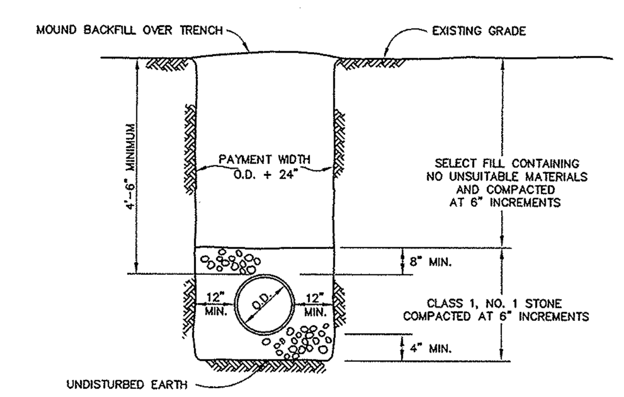
SIDEWALK TO PAVEMENT DETAIL

N.T.S.



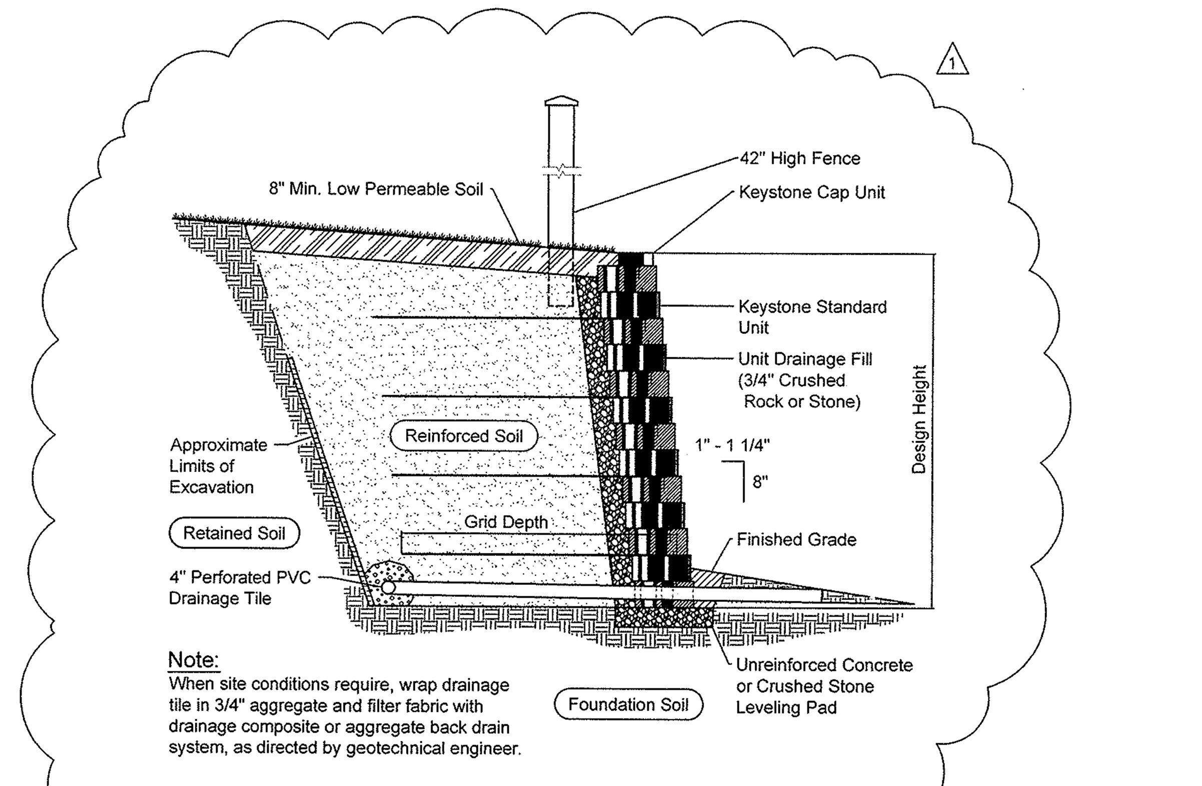
HEAVY DUTY PAVING SECTION

N.T.S.



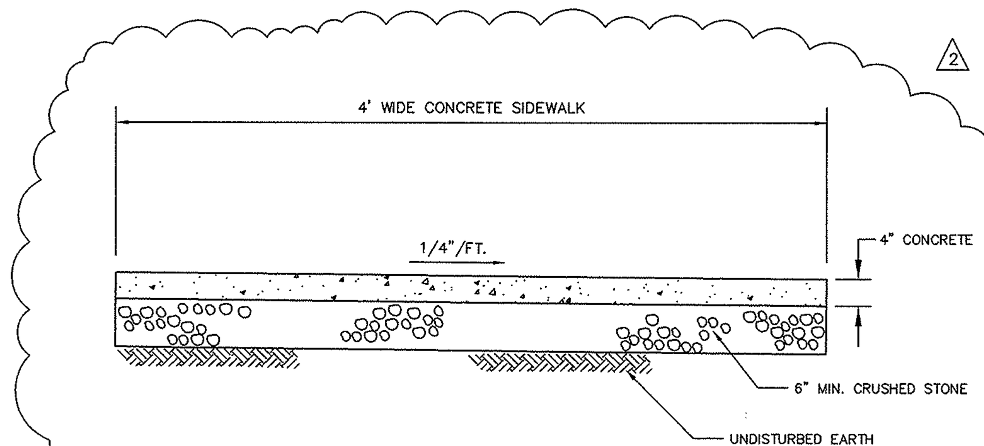
P.V.C. OR H.D.P.E. PIPE
STORM SEWER TRENCH DETAILS

N.T.S.



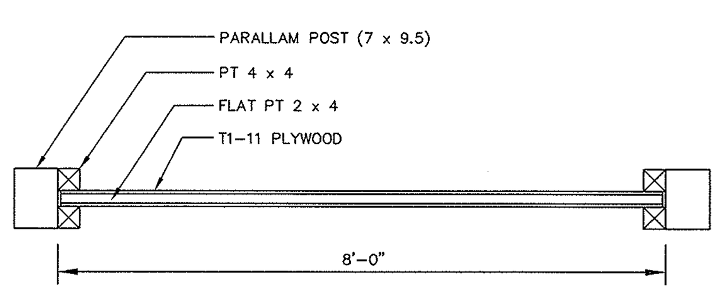
Proposed Retaining Wall Section

N.T.S.



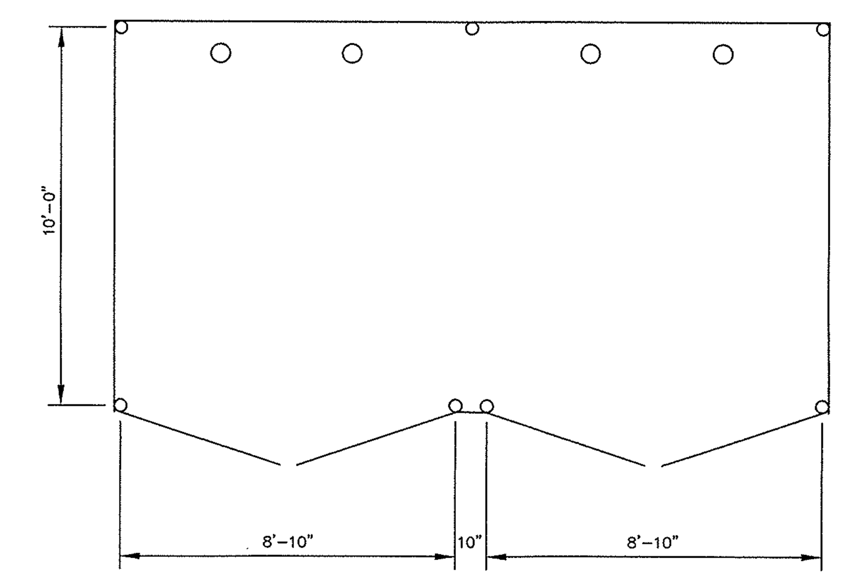
SIDEWALK SECTION

N.T.S.



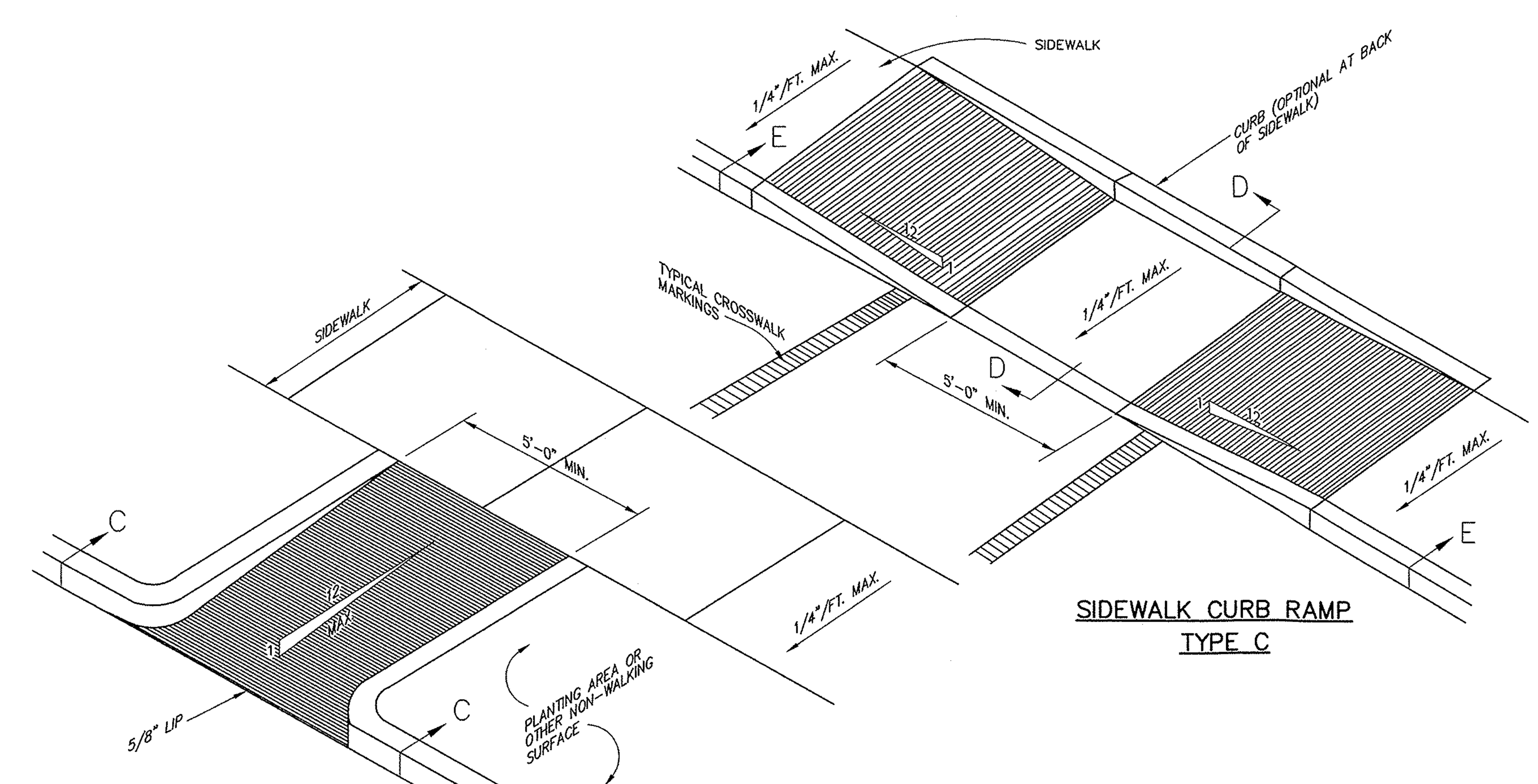
PARTIAL PLAN

NOISE BARRIER DETAILS
(PLYWALL OR APPROVED EQUAL)



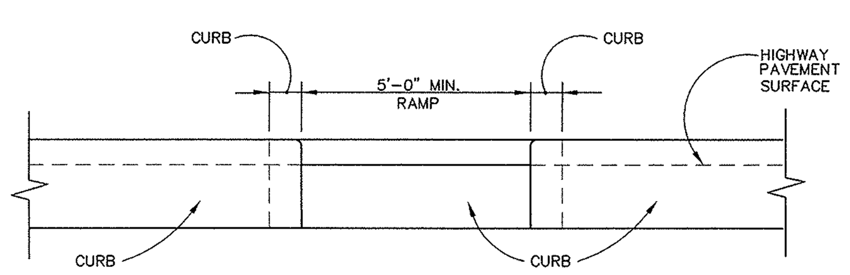
PLAN VIEW
DUMPSTER ENCLOSURE & BOARD-ON-BOARD FENCE DETAIL

NTS

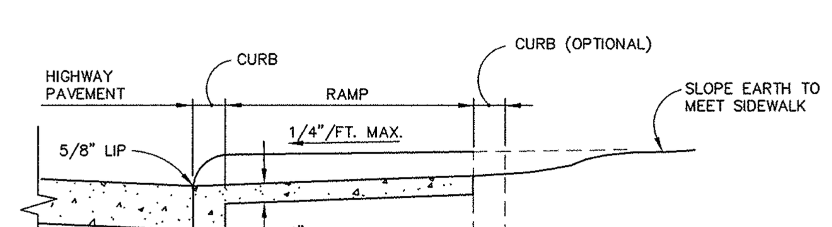


SIDEWALK CURB RAMP
TYPE B

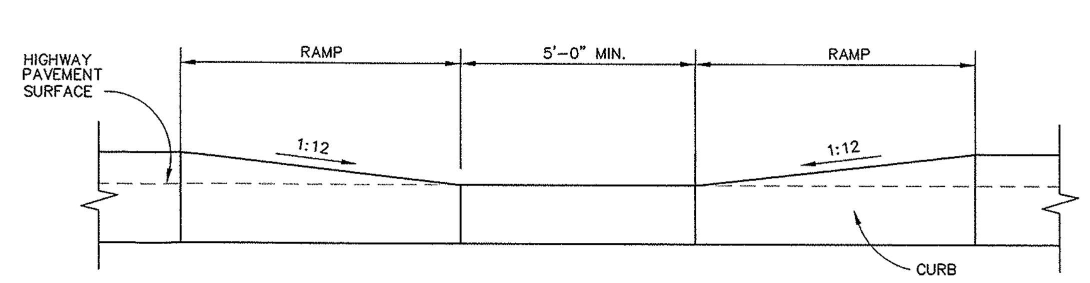
SIDEWALK CURB RAMP
TYPE C



SECTION C–C



SECTION D–D



SECTION E–E

NOTES

GENERAL

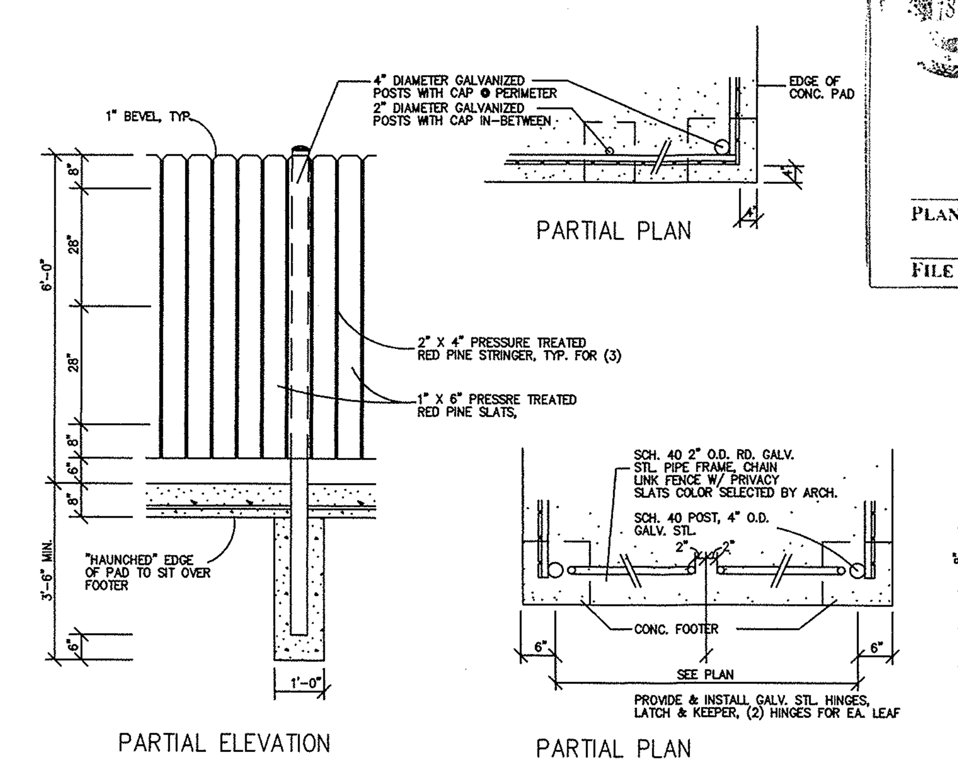
1. SIDEWALK CURB RAMP TYPE AND LOCATION ARE AS SHOWN ON THE PLANS OR AS DIRECTED.
2. ALL SIDEWALK CURB RAMP TYPES MAY BE USED IN STRAIGHT OR CURVED CURBED SECTIONS.
3. SIDEWALK CURB RAMP TYPES MAY BE DIFFERENT AT EACH LOCATION WITHIN AN INTERSECTION.

SIDEWALK CURB RAMP CRITERIA

4. THE MAXIMUM SLOPE OF A SIDEWALK CURB RAMP IN NEW CONSTRUCTION SHALL BE 1:12.IF SPACE LIMITATIONS ON EXISTING SITES PROHIBIT THE USE OF 1:12, THE FOLLOWING SLOPES AND RISES MAY BE USED:
   A) STEEPER THAN 1:12 (8.33%) BUT NO STEEPER THAN 1:10 (10%) 6" MAXIMUM RISE, 5 FT. MAXIMUM RUN
   B) STEEPER THAN 1:10 (10%) BUT NO STEEPER THAN 1:8 (12.5%) 3" MAXIMUM RISE, 2 FT. MAXIMUM RUN
   C) A SLOPE STEEPER THAN 1:8 (12.5%) NOT ALLOWED.
5. THE MINIMUM WIDTH OF A SIDEWALK CURB RAMP SHALL BE FIVE FEET, EXCLUSIVE OF FLARED SIDES.
6. ALL SIDEWALK CURB RAMPS SHALL HAVE FLUSH, SMOOTH TRANSITIONS TO THE ADJACENT STREET OR HIGHWAY SURFACE.

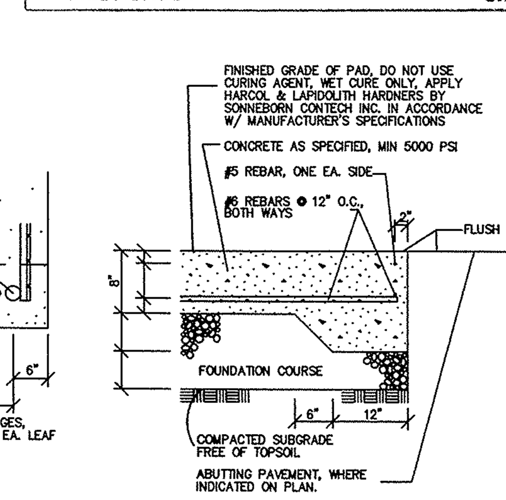
SURFACE FINISH

7. THE SURFACE OF ALL SIDEWALK CURB RAMPS SHALL BE STABLE, FIRM, AND SLIP RESISTANT. (E.G., A COARSE BROOM FINISH PERPENDICULAR TO THE RAMP SLOPE IS ACCEPTABLE ON CEMENT CONCRETE CURB RAMPS.)



ELEVATION / SECTION
DUMPSTER ENCLOSURE & BOARD-ON-BOARD FENCE DETAIL

NTS



DUMPSTER PAD

NTS

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐ ______

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY

RECEIVED
APR 22 2013
TOWN OF AMHERST PLANNING DEPT.

ISKALO
DEVELOPMENT CORP.

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GREENMAN-PEDERSEN, INC.
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PLANNING
SUBMISSION

STATE OF NEW YORK
LICENSED PROFESSIONAL ENGINEER

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

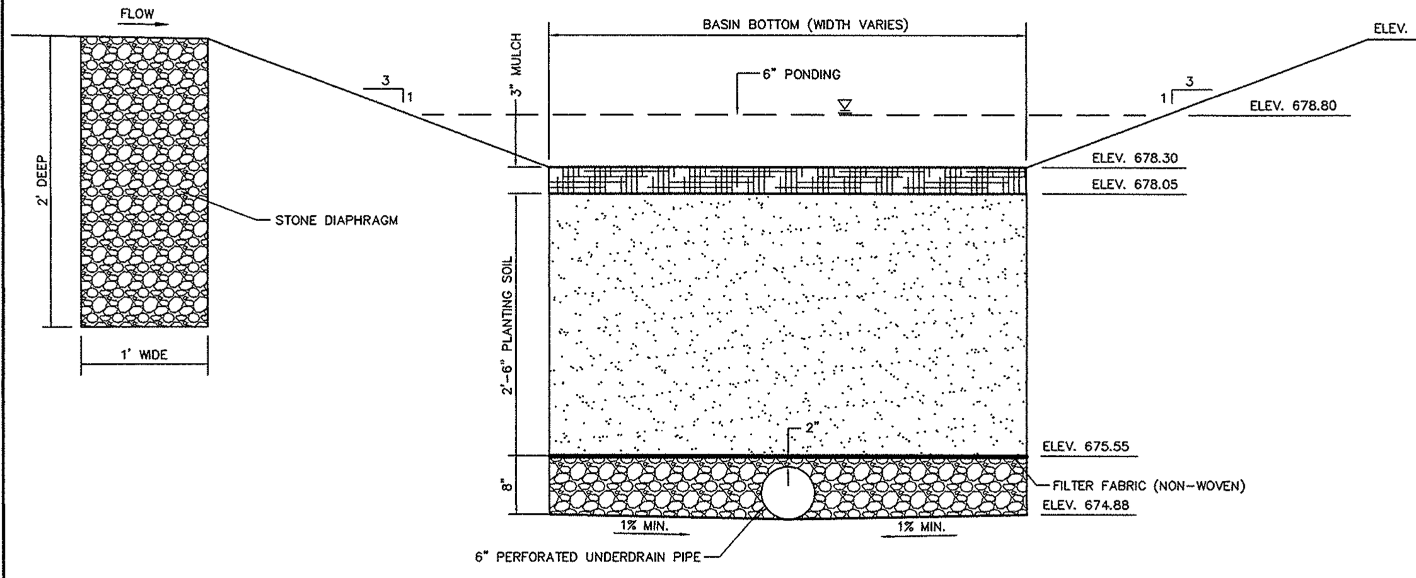
DETAILS: PAVING AND MISC.

REVISIONS:

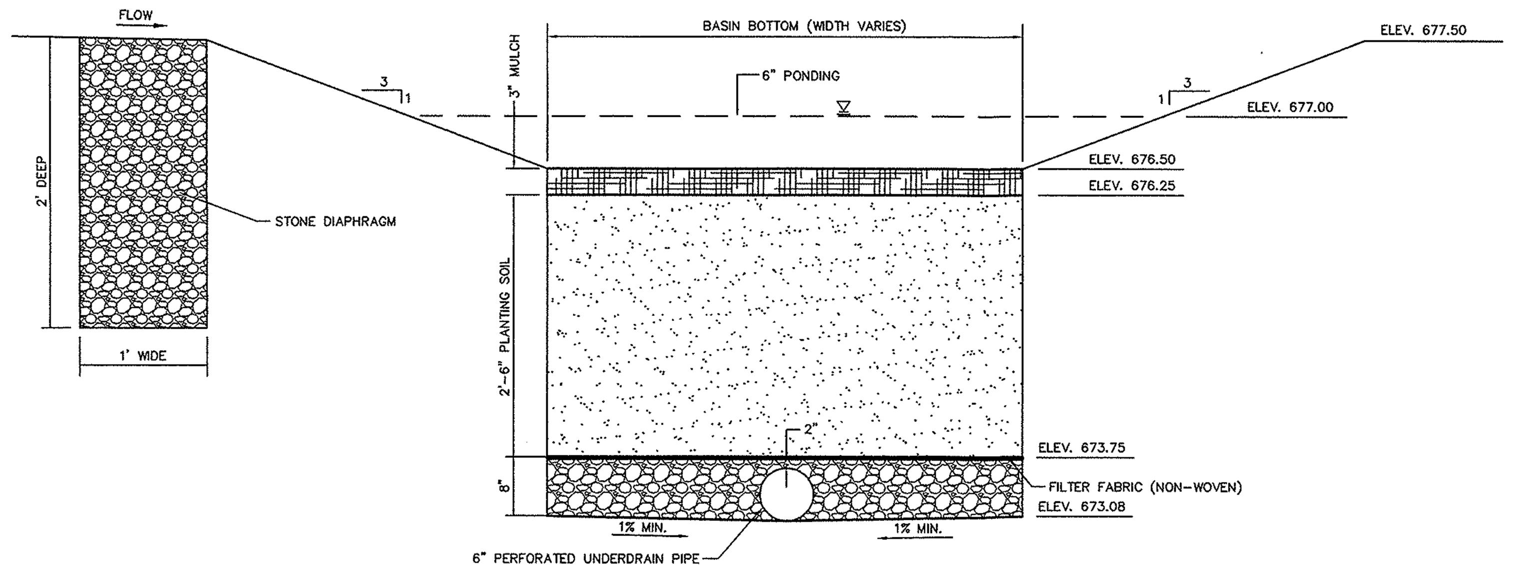
No.	DATE	DESCRIPTION
1	03/08/13	ADDED WALL DETAIL
2	03/27/13	MISC.

DRAWN BY: SWS | CHECKED BY: DFP
SCALE: NONE | PROJECT No.: 11-595
DATE: 01.14.2013

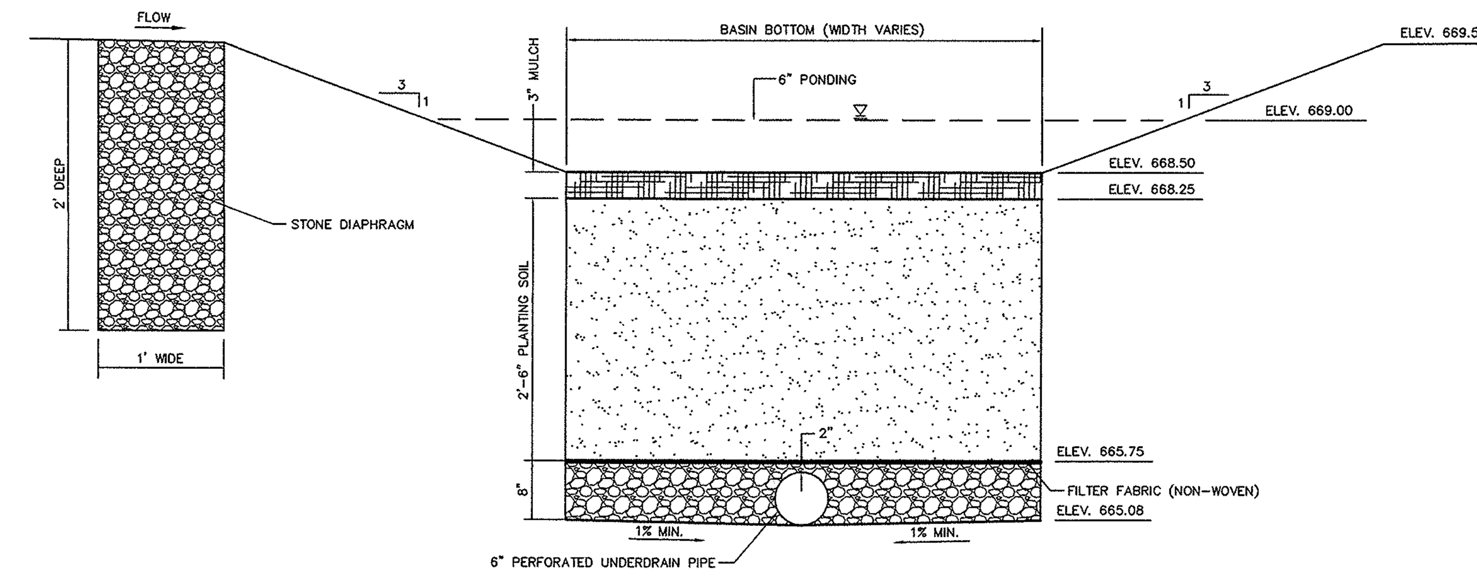
DRAWING NO.: C1.11



BIORETENTION AREA 1 SECTION
N.T.S.



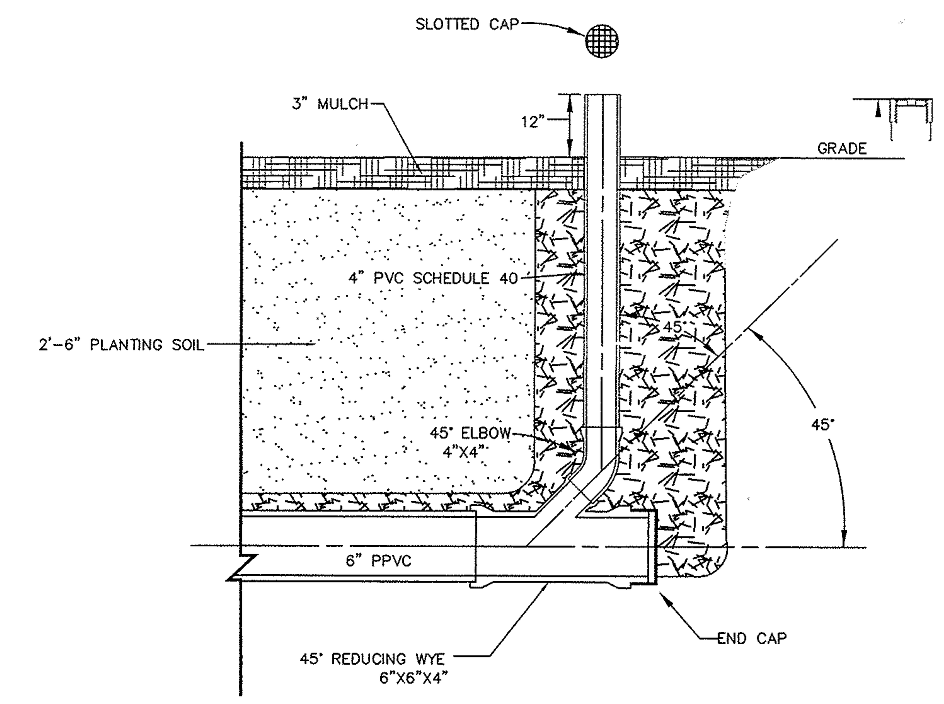
BIORETENTION AREA 2 SECTION
N.T.S.



BIORETENTION AREA 3 SECTION
N.T.S.

NOTE:

BIORETENTION AREAS TO BE LANDSCAPED AS DETAILED OUT ON LANDSCAPE PLAN SHEET.



LAMPHOLE DETAIL
END OF LINE CLEANOUT
IN BIORETENTION AREA (TYP.)
NTS

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐ ____________

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY

New York Stormwater Management Design Manual — Appendix C

Table C.2 Materials Specifications for Bioretention

Parameter	Specification	Size	Notes
Planting Soil [2.5"=deep]	sand 35 - 60% silt 30 - 55% clay 10 - 25%	n/a	USDA soil types loamy sand, sandy loam or loam
Mulch	shredded hardwood		aged 6 months, minimum
Geotextile	Class "C" apparent opening size (ASTM-D-4751) grab tensile strength (ASTM-D-4632) burst strength (ASTM-D-4833)	n/a	for use as necessary beneath underdrains only
underdrain gravel	AASHTO M-43. No. 67.	0.25" to 0.75"	
underdrain piping	ASTM D 1785 or AASHTO M-278	6" rigid schedule 40 PVC	3/8" perf. @ 6" on center, 4 holes per row; minimum of 3" of gravel over pipes; not necessary underneath pipes
pea gravel diaphragm	pea gravel: ASTM D 448	pea gravel: No. 6	–

New York Stormwater Management Design Manual — Appendix C

Specifications for Bioretention

Material Specifications

The allowable materials to be used in bioretention area are detailed in Table G.2.

Planting Soil

The soil shall be a uniform mix, free of stones, stumps, roots or other similar objects larger than two inches. No other materials or substances shall be mixed or dumped within the bioretention area that may be harmful to plant growth, or prove a hindrance to the planting or maintenance operations. The planting soil shall be free of noxious weeds.

The planting soil shall be tested and shall meet the following criteria:

pH range	5.2 - 7.0
organic matter	1.5 - 4%
magnesium	35 lb./ac
phosphorus P_2O_5	75 lb./ac
potassium K_2O	85 lb./ac
soluble salts	not to exceed 500 ppm

All bioretention areas shall have a minimum of one test. Each test shall consist of both the standard soil test for pH, phosphorus, and potassium and additional tests of organic matter, and soluble salts. A textural analysis is required from the site stockpiled topsoil. If topsoil is imported, then a texture analysis shall be performed for each location where the top soil was excavated.

Since different labs calibrate their testing equipment differently, all testing results shall come from the same testing facility.

Should the pH fall out of the acceptable range, it may be modified (higher) with lime or (lower) with iron sulfate plus sulfur.

Compaction

It is very important to minimize compaction of both the base of the bioretention area and the required backfill. When possible, use excavation hoes to remove original soil. If bioretention areas are excavated using a loader, the contractor should use wide track or marsh track equipment, or light equipment with turf type tires. Use of equipment with narrow tracks or narrow tires, rubber tires with large lugs, or high pressure tires will cause excessive compaction resulting in reduced infiltration rates and storage volumes and is not acceptable. Compaction will significantly contribute to design failure.

Compaction can be alleviated at the base of the bioretention facility by using a primary tilling operation such as a chisel plow, ripper, or subsoiler. These tilling operations are to refracture the soil profile through the 12 inch compaction zone. Substitute methods must be approved by the engineer. Rototillers typically do not till deep enough to reduce the effects of compaction from heavy equipment.

Rototill 2 to 3 inches of sand into the base of the bioretention facility before back filling the required sand layer. Pump any ponded water before preparing (rototilling) base.

C-8

New York Stormwater Management Design Manual — Appendix C

When back filling the topsoil over the sand layer, first place 3 to 4 inches of topsoil over the sand, then rototill the sand/topsoil to create a gradation zone. Backfill the remainder of the topsoil to final grade.

When back filling the bioretention facility, place soil in lifts 12" or greater. Do not use heavy equipment within the bioretention basin. Heavy equipment can be used around the perimeter of the basin to supply soils and sand. Grade bioretention materials by hand or with light equipment such as a compact loader or a dozer/loader with marsh tracks.

Plant Installation

Mulch around individual plants only. Shredded hardwood mulch is the only accepted mulch. Pine mulch and wood chips will float and move to the perimeter of the bioretention area during a storm event and are not acceptable. Shredded mulch must be well aged (6 to 12 months) for acceptance.

The plant root ball should be planted so 1/8th of the ball is above final grade surface.

Root stock of the plant material shall be kept moist during transport and on-site storage. The diameter of the planting pit shall be at least six inches larger than the diameter of the planting ball. Set and maintain the plant straight during the entire planting process. Thoroughly water ground bed cover after installation.

Trees shall be braced using 2" X 2" stakes only as necessary and for the first growing season only. Stakes are to be equally spaced on the outside of the tree ball.

Grasses and legume seed shall be tilled into the soil to a depth of at least one inch. Grass and legume plugs shall be planted following the non-grass ground cover planting specifications.

The topsoil specifications provide enough organic material to adequately supply nutrients from natural cycling. The primary function of the bioretention structure is to improve water quality. Adding fertilizers defeats, or at a minimum, impedes this goal. Only add fertilizer if wood chips or mulch is used to amend the soil. Rototill urea fertilizer at a rate of 2 pounds per 1000 square feet.

Underdrains

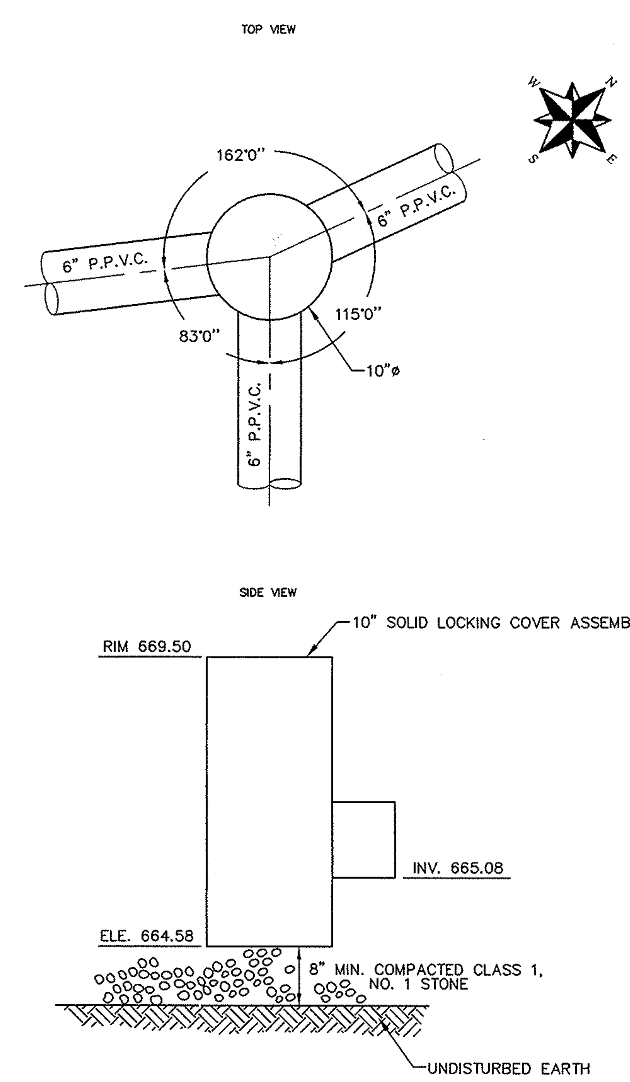
Under drains to be placed on a 3'-0" wide section of filter cloth. Pipe is placed next, followed by the gravel bedding. The ends of under drain pipes not terminating in an observation well shall be capped.

The main collector pipe for underdrain systems shall be constructed at a minimum slope of 0.5%. Observation wells and/or clean-out pipes must be provided (one minimum per every 1000 square feet of surface area).

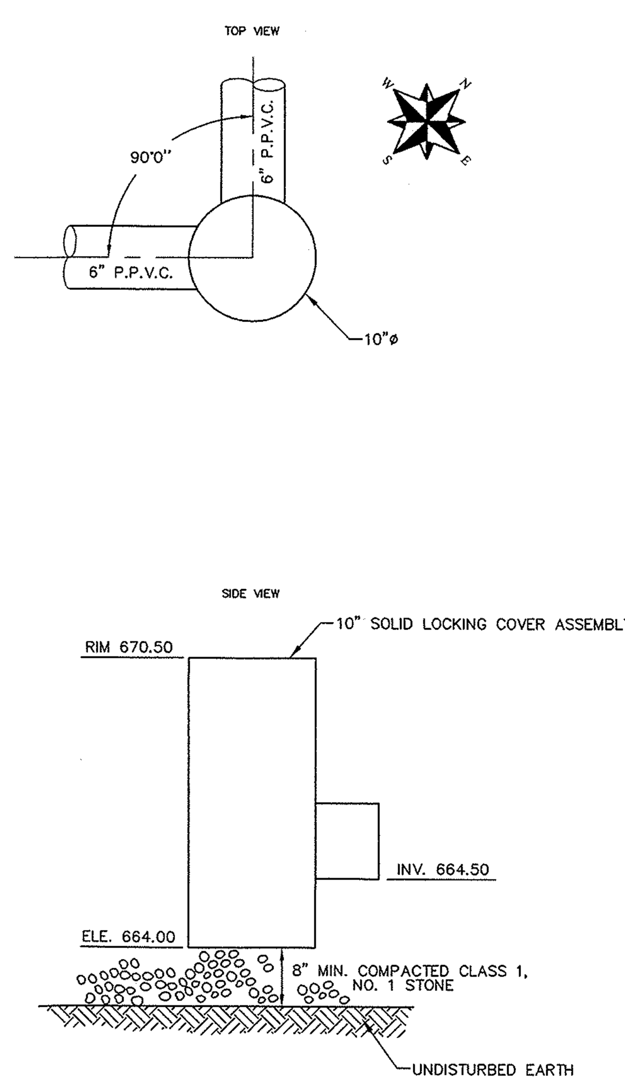
Miscellaneous

The bioretention facility may not be constructed until all contributing drainage area has been stabilized.

C-9



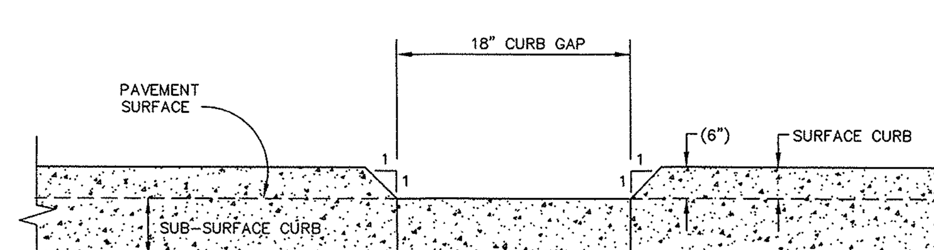
NYLOPLAST 10" DRAIN BASIN 1
IN BIORETENTION AREA 3
NTS



NYLOPLAST 10" DRAIN BASIN 2
IN BIORETENTION AREA 3
NTS

NOTE:

STRUCTURES TO BE NYLOPLAST DRAINAGE STRUCTURE OR APPROVED EQUAL.



CURB GAP DETAIL – ELEVATION
(SEE PLANS FOR LOCATIONS)

RECEIVED APR 22 2013 TOWN OF AMHERST PLANNING DEPT.

ISKALO DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
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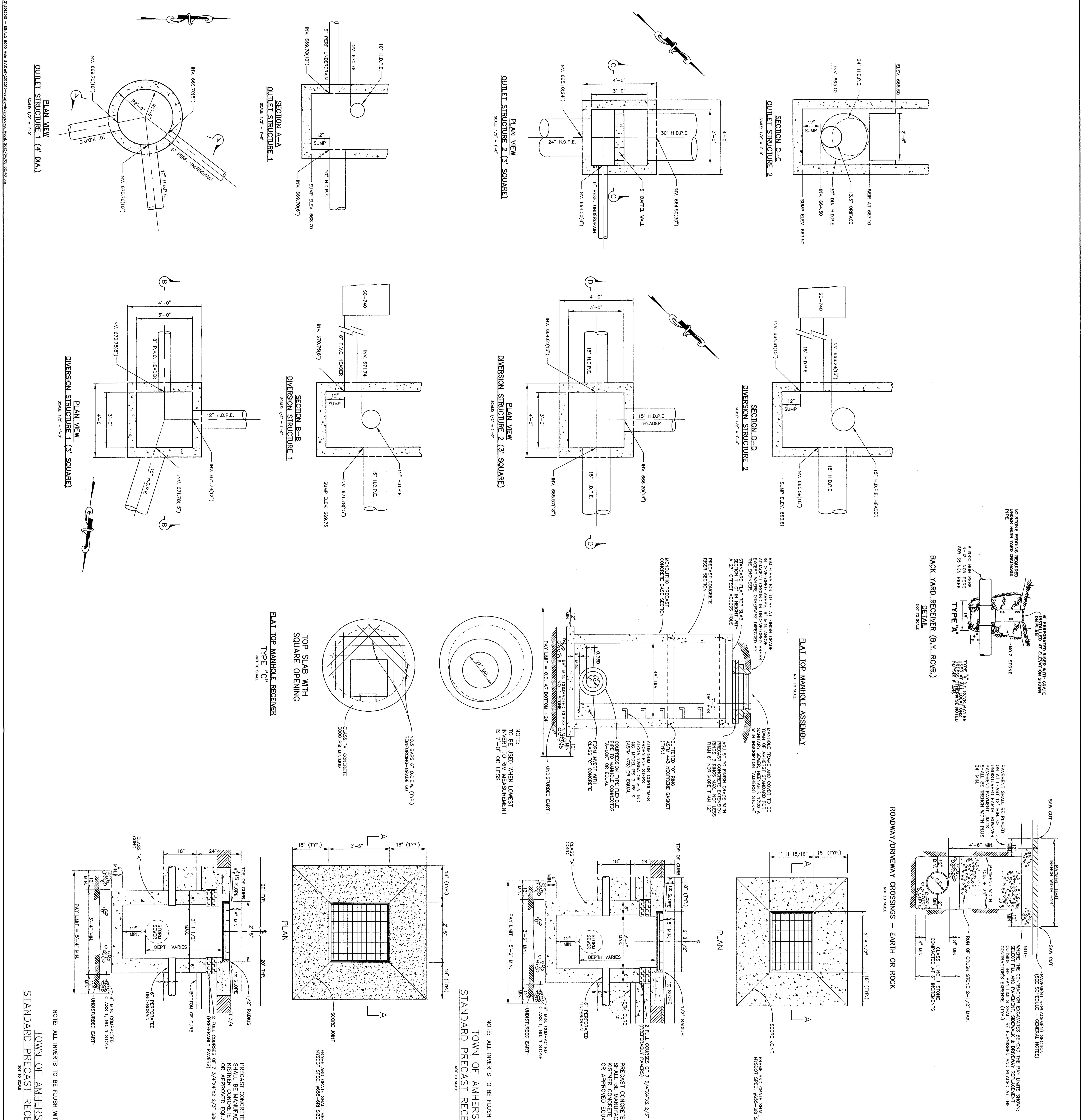
PLANNING SUBMISSION

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: BIORETENTION

DRAWN BY: SHS | CHECKED BY: DFP
SCALE: AS NOTED | PROJECT No.: 11-595
DATE: 03.26.2013

DRAWING NO. C1.11A



PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: DRAINAGE STRUCTURES

PLANNING SUBMISSION

GPI

GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS

ISKALO
DEVELOPMENT CORP.

DATE: 01.14.2013

SCALE: AS NOTED

C1.12

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

STORMWATER TREATMENT CHAMBER WORKSHEET

STRUCTURE NO. 1

DESIGN STORM HYDROLOGY

return interval, yrs. 10 — A=area, acres 1.00 — C=runoff coefficient
intensity, in/hr 5.12 — % impervious 89.0% — .90
CA 0.90
peak runoff, cfs 4.61 — % pervious 11.0% — .15

REQUIRED TREATMENT BEFORE BYPASSING (RTBB)

Design Storm : 90% Rainfall Event
Rainfall 0.85 inches
Water Quality Volume (WQv) 0.0603 ac-ft
Runoff 0.72 inches
RTBB 0.87 cfs

INLET PIPE 1
pipe material HDPE
pipe dia., in. 15
pipe length, ft. 14
pipe slope, % 0.50

TREATMENT CHAMBER
1
rim 675.47
inlet invert 671.81
outlet invert 671.81

INLET PIPE 1 VELOCITY
area, sf 1.23
flow, cfs 4.62
velocity, fps 4.58

OUTLET PIPE
pipe material HDPE
pipe dia., in. 15
pipe length, ft. 7
pipe slope, % 0.50
downstream inv. 671.85

UPSTREAM
RCVR 7
rim 675.13
outlet invert 671.88
outlet diam., in. 15

DOWNSTREAM
Top Of Bank ELEV. 673.20
Outlet Type Headwall
interval, yrs. 10
WSE 671.69

STORMWATER TREATMENT CHAMBER WORKSHEET

STRUCTURE NO. 2

DESIGN STORM HYDROLOGY

return interval, yrs. 10 — A=area, acres 3.09 — C=runoff coefficient
intensity, in/hr 4.54 — % impervious 97.0% — .90
CA 2.71
peak runoff, cfs 12.31 — % pervious 3.0% — .15

REQUIRED TREATMENT BEFORE BYPASSING (RTBB)

Design Storm : 90% Rainfall Event
Rainfall 0.85 inches
Water Quality Volume (WQv) 0.1805 ac-ft
Runoff 0.70 inches
RTBB 2.36 cfs

INLET PIPE 1
pipe material HDPE
pipe dia., in. 18
pipe length, ft. 8
pipe slope, % 1.20

TREATMENT CHAMBER
2
rim 670.25
inlet invert 665.71
outlet invert 665.71

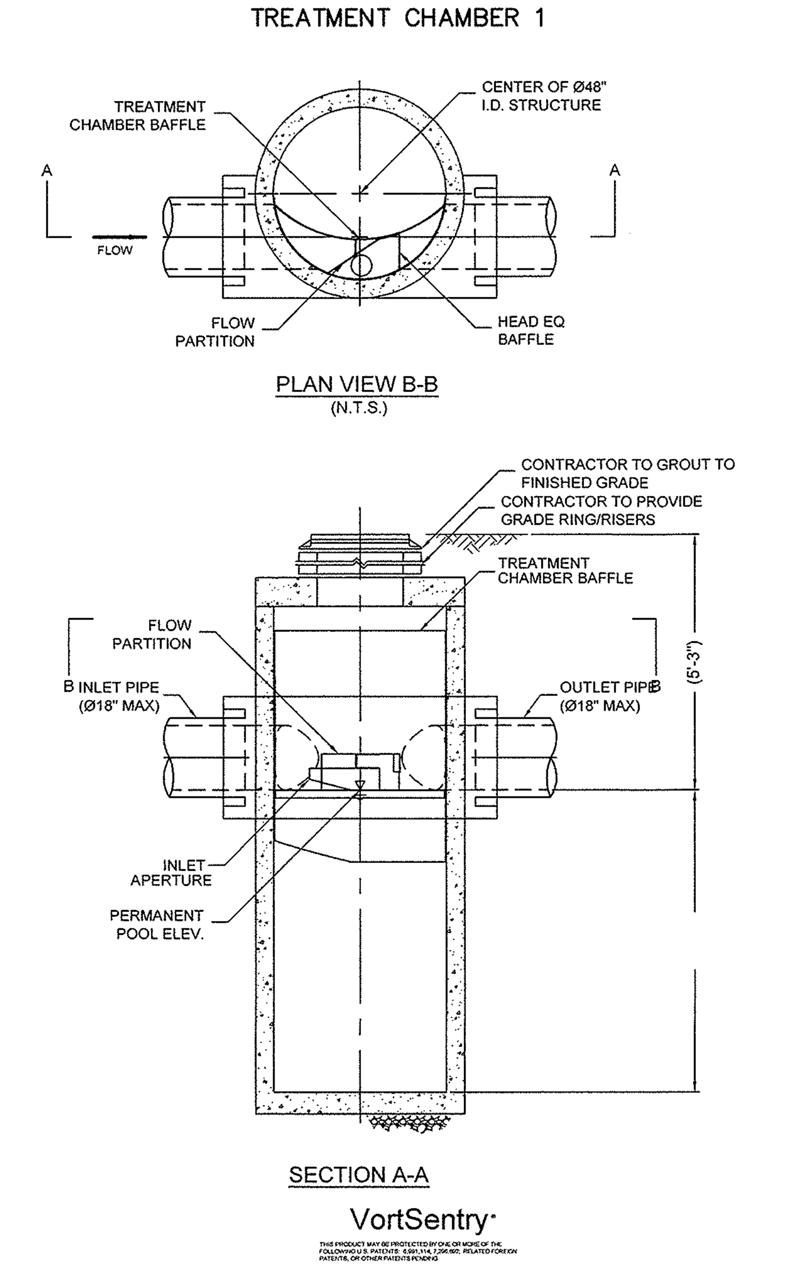
INLET PIPE 1 VELOCITY
area, sf 1.77
flow, cfs 12.32
velocity, fps 8.04

OUTLET PIPE
pipe material HDPE
pipe dia., in. 18
pipe length, ft. 12
pipe slope, % 1.20
downstream inv. 665.57

UPSTREAM
RCVR 21
rim 669.46
outlet invert 665.81
outlet diam., in. 18

DOWNSTREAM
Top Of Bank ELEV. 668.00
Outlet Type Headwall
interval, yrs. 10
WSE 667.06

TREATMENT CHAMBER 1

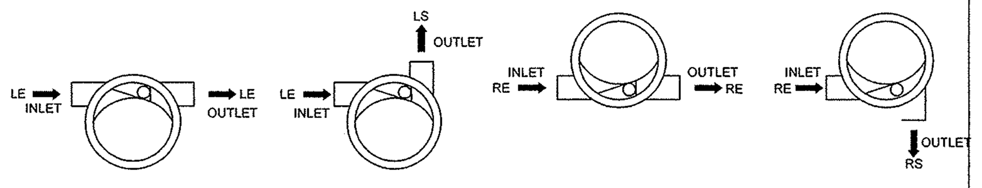


VS40 DESIGN NOTES

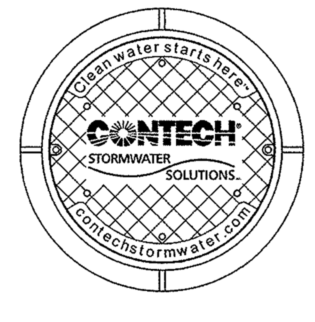
VS40 RATED TREATMENT CAPACITY IS 0.58 CFS, OR PER LOCAL REGULATIONS.

THE STANDARD SOLID COVER RE/RE CONFIGURATION IS SHOWN. ALTERNATE CONFIGURATIONS ARE AVAILABLE AND ARE LISTED BELOW.

ORIENTATION	CONFIGURATION DESCRIPTION
LE/LE	LEFT END INLET AND OUTLET
LE/LS	LEFT END INLET AND LEFT SIDE OUTLET
RE/RE	RIGHT END INLET AND OUTLET
RE/RS	RIGHT END INLET AND RIGHT SIDE OUTLET



PIPE ORIENTATION OPTIONS



FRAME AND COVER
(DIAMETER VARIES)
N.T.S.

SITE SPECIFIC DATA REQUIREMENTS

STRUCTURE ID			1
WATER QUALITY FLOW RATE (CFS)			0.87
PEAK FLOW RATE (CFS)			4.61
RETURN PERIOD OF PEAK FLOW (YRS)			10
PIPE DATA:	I.E.	MATERIAL	DIAMETER
INLET PIPE 1	671.81	HDPE	15"
OUTLET PIPE	671.81	HDPE	15"
RIM ELEVATION			675.47
ANTI-FLOTATION BALLAST		WIDTH	HEIGHT
		NA	NA
NOTES/SPECIAL REQUIREMENTS:			
* PER ENGINEER OF RECORD			

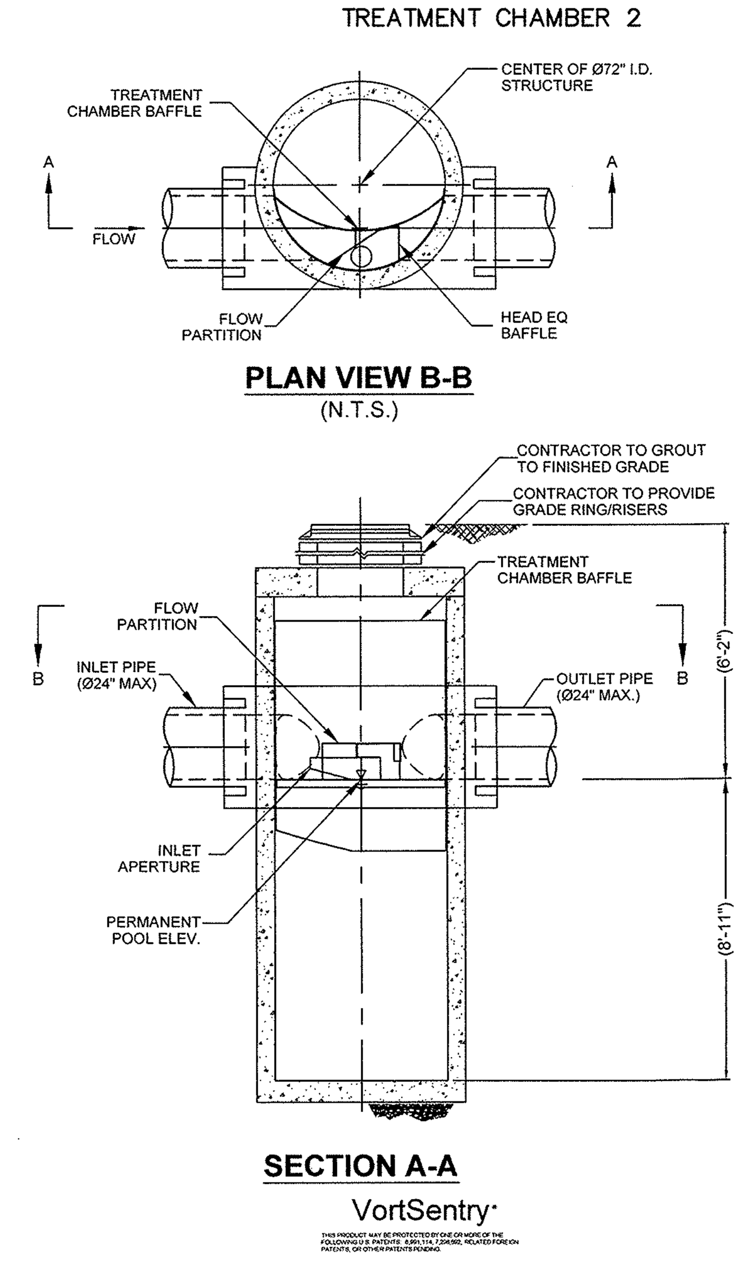
GENERAL NOTES
1. CONTECH TO PROVIDE ALL MATERIALS UNLESS NOTED OTHERWISE.
2. DIMENSIONS MARKED WITH ( ) ARE REFERENCE DIMENSIONS. ACTUAL DIMENSIONS MAY VARY.
3. FOR FABRICATION DRAWINGS WITH DETAILED STRUCTURE DIMENSIONS AND WEIGHT, PLEASE CONTACT YOUR CONTECH CONSTRUCTION PRODUCTS REPRESENTATIVE. www.contech-cpi.com
4. VORTSENTRY WATER QUALITY STRUCTURE SHALL BE IN ACCORDANCE WITH ALL DESIGN DATA AND INFORMATION CONTAINED IN THIS DRAWING.
5. STRUCTURE SHALL MEET AASHTO HS20 AND CASTINGS SHALL MEET AASHTO M306 LOAD RATING, ASSUMING GROUNDWATER ELEVATION AT, OR BELOW, THE OUTLET PIPE INVERT ELEVATION. ENGINEER OF RECORD TO CONFIRM ACTUAL GROUNDWATER ELEVATION.

INSTALLATION NOTES
1. ANY SUB-BASE, BACKFILL DEPTH, AND/OR ANTI-FLOTATION PROVISIONS ARE SITE-SPECIFIC DESIGN CONSIDERATIONS AND SHALL BE SPECIFIED BY ENGINEER OF RECORD.
2. CONTRACTOR TO PROVIDE EQUIPMENT WITH SUFFICIENT LIFTING AND REACH CAPACITY TO LIFT AND SET THE VORTSENTRY MANHOLE STRUCTURE (LIFTING CLUTCHES PROVIDED).
3. CONTRACTOR TO INSTALL JOINT SEALANT BETWEEN ALL STRUCTURE SECTIONS AND ASSEMBLE STRUCTURE.
4. CONTRACTOR TO PROVIDE, INSTALL, AND GROUT PIPES. MATCH PIPE INVERTS WITH ELEVATIONS SHOWN.
5. CONTRACTOR TO TAKE APPROPRIATE MEASURES TO ASSURE UNIT IS WATER TIGHT, HOLDING WATER TO FLOWLINE INVERT MINIMUM. IT IS SUGGESTED THAT ALL JOINTS BELOW PIPE INVERTS ARE GROUTED.

CONTECH CONSTRUCTION PRODUCTS INC. www.contech-cpi.com
9025 Centre Pointe Dr., Suite 400, West Chester, OH 45069
800-338-1122 513-645-7000 513-645-7993 FAX

VS40
VORTSENTRY
STANDARD DETAIL

TREATMENT CHAMBER 2

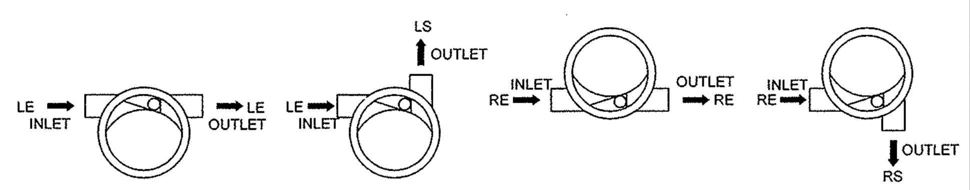


VS60 DESIGN NOTES

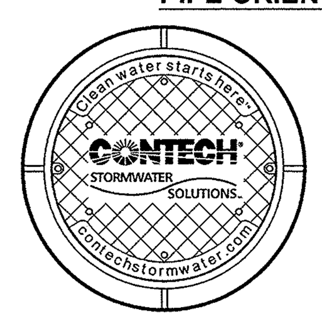
VS60 RATED TREATMENT CAPACITY IS 2.7 CFS, OR PER LOCAL REGULATIONS.

THE STANDARD SOLID COVER RE/RE CONFIGURATION IS SHOWN. ALTERNATE CONFIGURATIONS ARE AVAILABLE AND ARE LISTED BELOW.

ORIENTATION	CONFIGURATION DESCRIPTION
LE/LE	LEFT END INLET AND OUTLET
LE/LS	LEFT END INLET AND LEFT SIDE OUTLET
RE/RE	RIGHT END INLET AND OUTLET
RE/RS	RIGHT END INLET AND RIGHT SIDE OUTLET



PIPE ORIENTATION OPTIONS



FRAME AND COVER
(DIAMETER VARIES)
N.T.S.

SITE SPECIFIC DATA REQUIREMENTS

STRUCTURE ID			S.C.2
WATER QUALITY FLOW RATE (CFS)			2.36
PEAK FLOW RATE (CFS)			12.31
RETURN PERIOD OF PEAK FLOW (YRS)			10
PIPE DATA:	I.E.	MATERIAL	DIAMETER
INLET PIPE 1	665.71	HDPE	18"
OUTLET PIPE	665.71	HDPE	18"
RIM ELEVATION			670.25
ANTI-FLOTATION BALLAST		WIDTH	HEIGHT
		NA	NA
NOTES/SPECIAL REQUIREMENTS:			
* PER ENGINEER OF RECORD			

GENERAL NOTES
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2. DIMENSIONS MARKED WITH ( ) ARE REFERENCE DIMENSIONS. ACTUAL DIMENSIONS MAY VARY.
3. FOR FABRICATION DRAWINGS WITH DETAILED STRUCTURE DIMENSIONS AND WEIGHT, PLEASE CONTACT YOUR CONTECH CONSTRUCTION PRODUCTS REPRESENTATIVE. www.contech-cpi.com
4. VORTSENTRY WATER QUALITY STRUCTURE SHALL BE IN ACCORDANCE WITH ALL DESIGN DATA AND INFORMATION CONTAINED IN THIS DRAWING.
5. STRUCTURE SHALL MEET AASHTO HS20 AND CASTINGS SHALL MEET AASHTO M306 LOAD RATING, ASSUMING GROUNDWATER ELEVATION AT, OR BELOW, THE OUTLET PIPE INVERT ELEVATION. ENGINEER OF RECORD TO CONFIRM ACTUAL GROUNDWATER ELEVATION.

INSTALLATION NOTES
1. ANY SUB-BASE, BACKFILL DEPTH, AND/OR ANTI-FLOTATION PROVISIONS ARE SITE-SPECIFIC DESIGN CONSIDERATIONS AND SHALL BE SPECIFIED BY ENGINEER OF RECORD.
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CONTECH CONSTRUCTION PRODUCTS INC. www.contech-cpi.com
9025 Centre Pointe Dr., Suite 400, West Chester, OH 45069
800-338-1122 513-645-7000 513-645-7993 FAX

VS60
VORTSENTRY
STANDARD DETAIL

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐
PLANNING DIRECTOR — DATE
FILE NUMBER — CHECKED BY

The stormwater treatment chambers shall be the VortSentry units specified by Contech Stormwater Solutions or equal. The unit size shall be verified by the manufacturer and shall provide the following functions:

TREATMENT CHAMBER SPECIFICATIONS:

A. The unit shall be capable of removing 80% of a sample having an average partical size of between 50 microns and 240 microns for flows up to the units rated treatment capacity.
B. The stormwater treatment chamber shall be capable of treating the water quality flow rate specified before by-pass.
C. The stormwater treatment chamber shall be capable of passing the 10 year storm design flow rate.
D. The stormwater treatment chamber shall provide the capture of oil and floating debris.
E. The stormwater treatment chamber shall not re-suspend trapped sediments nor allow for re-entrainment of floating containments at flow rates up to and including the specified design treatment capacity.
F. Stormwater treatment chamber shall be fabricated in accordance with ASTM standards for H-20 loading and NYSDOT Standard specifications, Section 604 (Drainage Structures).
G. Stormwater treatment chamber frames and covers shall be standard cast iron for H-20 loading and must be compatible with NYSDOT Standard Specification Section 655 (Frames, Grates and Covers).
H. Manhole design specifications shall conform to ASTM C478 Specification for precast reinforced concrete manhole sections and NYSDOT Standard Specifications Section 604.
I. Shop drawings shall be submitted to the Engineer for review and approval.

TREATMENT CHAMBER MAINTENANCE:

1. The contractor shall check the chambers bi-weekly during construction and remove sediment and debris as needed, and thoroughly cleaned upon completion of construction.

2. Inspect semi-annually for the accumulation of sediment and debris, and clean in accordance with manufacturer's recommendation, but no longer than once every five years.

RECEIVED
APR 22 2013
TOWN OF AMHERST
PLANNING DEPT.

ISKALO
DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
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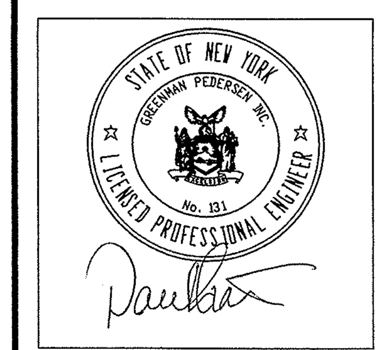
PLANNING
SUBMISSION



PROPOSED HYATT PLACE HOTEL

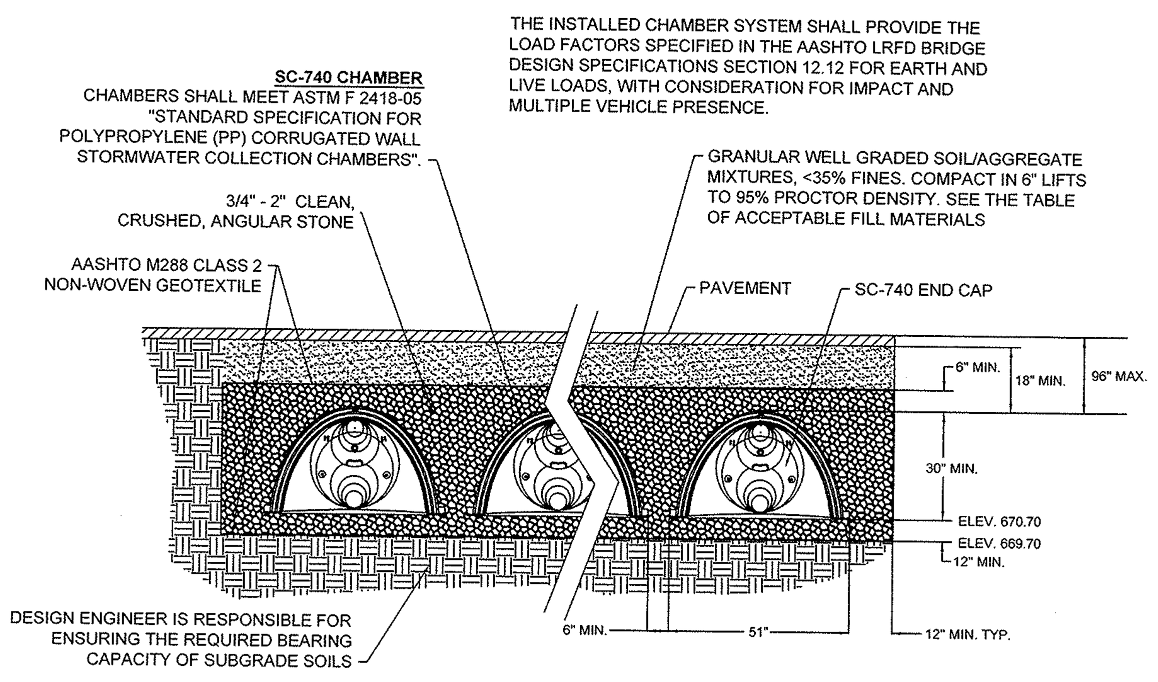
5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: DRAINAGE TREATMENT CHAMBERS

REVISIONS: No.	DATE	DESCRIPTION

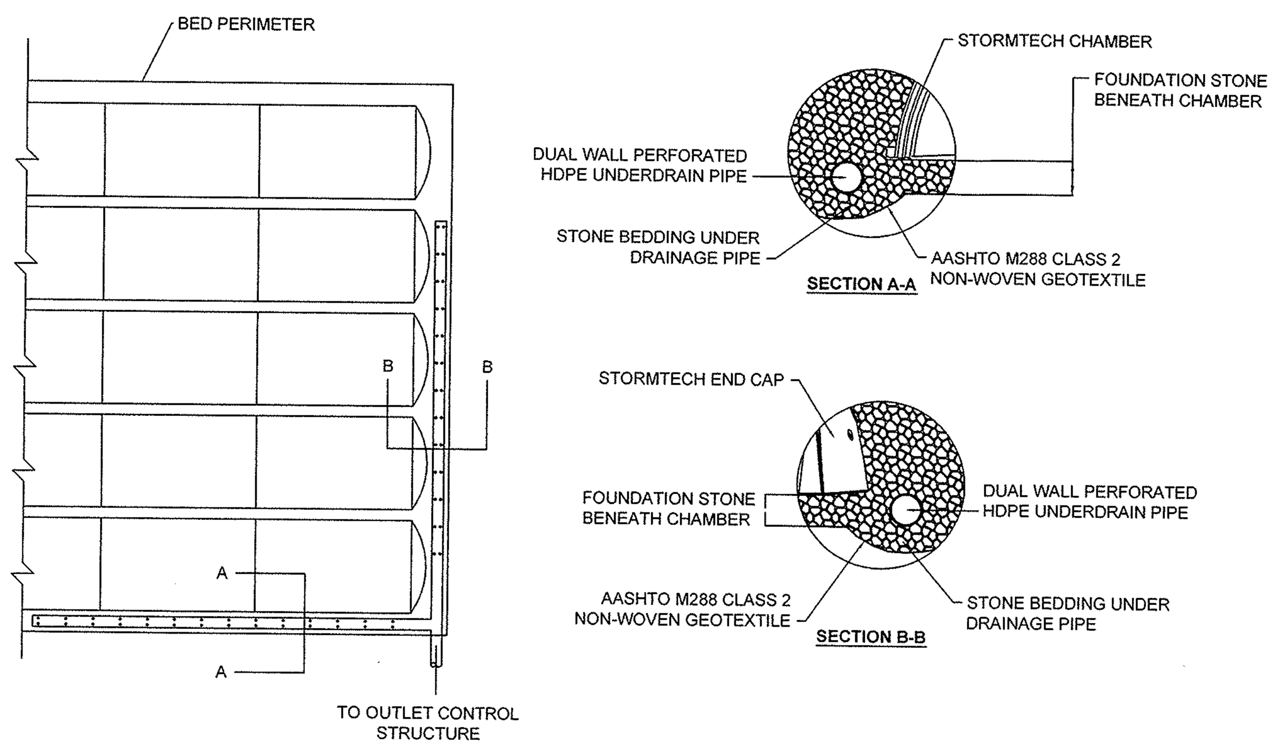
DRAWN BY: SWS — CHECKED BY: DFP
SCALE: NONE — PROJECT No.: 11.095
DATE: 01.14.2013

DRAWING NO.: C1.13

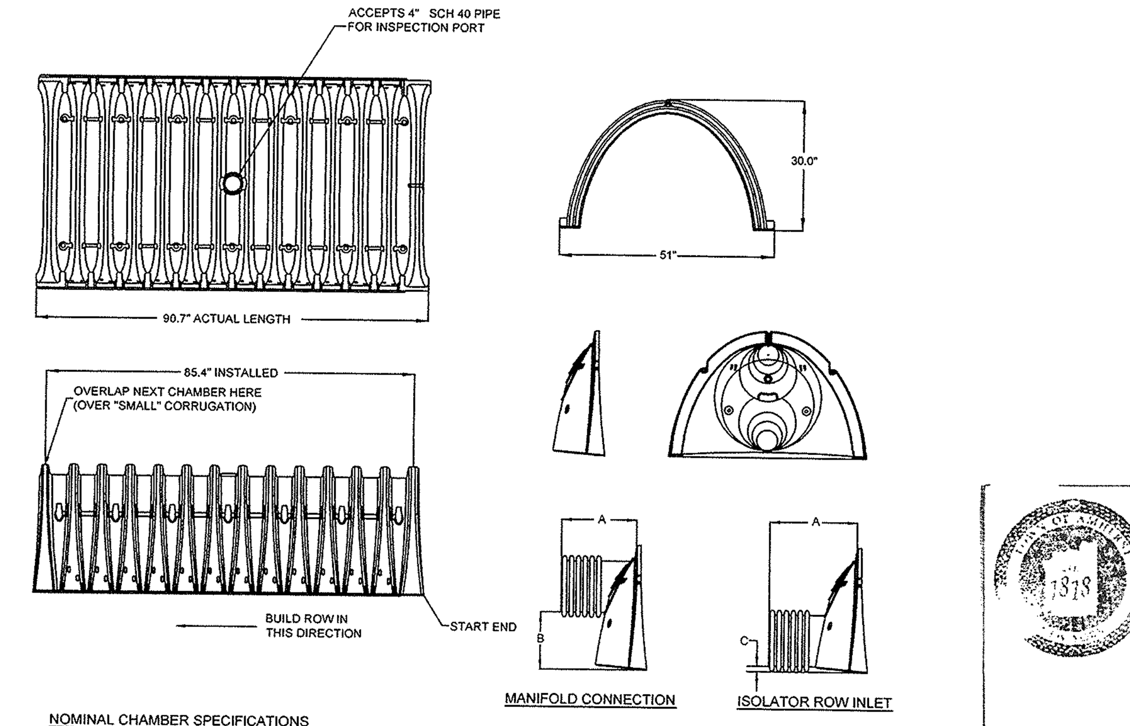


THIS CROSS SECTION DETAILS THE REQUIREMENTS NECESSARY TO SATISFY THE LOAD FACTORS SPECIFIED IN THE AASHTO LRFD BRIDGE DESIGN SPECIFICATIONS SECTION 12.12 FOR EARTH AND LIVE LOADS USING STORMTECH CHAMBERS

SC-740 STANDARD CROSS SECTION



SC-740 UNDERDRAIN



NOMINAL CHAMBER SPECIFICATIONS
SIZE (W x H x INSTALLED LENGTH) - 51.0" x 30.0" x 85.4"
CHAMBER STORAGE - 45.9 CUBIC FEET
MINIMUM INSTALLED STORAGE - 74.9 CUBIC FEET
WEIGHT - 75 lbs.

STUBS AT TOP OF END CAP FOR PART NUMBERS ENDING WITH "T"

STUBS AT BOTTOM OF END CAP FOR PART NUMBERS ENDING WITH "B"

PART #	CHAMBER	PIPE SIZE	A	B	C
SC740EPE06T	SC-740	6 in	10.90 in	18.50 in	N/A
SC740EPE06B	SC-740	6 in	10.90 in	N/A	0.50 in
SC740EPE08T	SC-740	8 in	12.20 in	16.50 in	N/A
SC740EPE08B	SC-740	8 in	12.20 in	N/A	0.60 in
SC740EPE10T	SC-740	10 in	13.40 in	14.50 in	N/A
SC740EPE10B	SC-740	10 in	13.40 in	N/A	0.70 in
SC740EPE12T	SC-740	12 in	14.70 in	12.50 in	N/A
SC740EPE12B	SC-740	12 in	14.70 in	N/A	1.20 in
SC740EPE15T	SC-740	15 in	18.40 in	9.00 in	N/A
SC740EPE15B	SC-740	15 in	18.40 in	N/A	1.30 in
SC740EPE18T	SC-740	18 in	19.70 in	5.00 in	N/A
SC740EPE18B	SC-740	18 in	19.70 in	N/A	1.60 in
SC740EPE24B	SC-740	24 in	18.50 in	N/A	0.10 in

*NOTE: ALL DIMENSIONS ARE NOMINAL

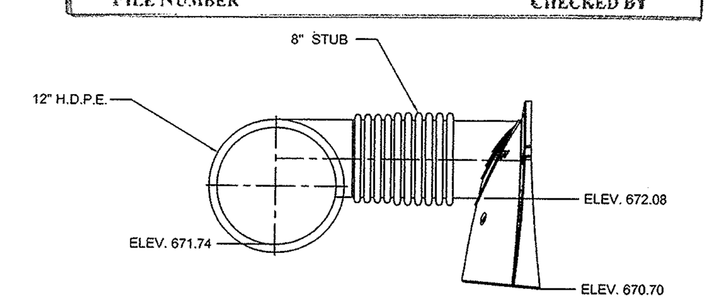
ALL STUBS, EXCEPT FOR THE SC740EPE24B ARE PLACED AT BOTTOM OF END CAP SUCH THAT THE OUTSIDE DIAMETER OF THE STUB IS FLUSH WITH THE BOTTOM OF THE END CAP. FOR ADDITIONAL INFORMATION CONTACT STORMTECH AT 1-888-892-2694.

* FOR THE SC740EPE24B THE 24" STUB LIES BELOW THE BOTTOM OF THE END CAP APPROXIMATELY 1.75". BACKFILL MATERIAL SHOULD BE REMOVED FROM BELOW THE N-12 STUB SO THAT THE FITTING SETS LEVEL.

SC-740 TECHNICAL SPECIFICATIONS

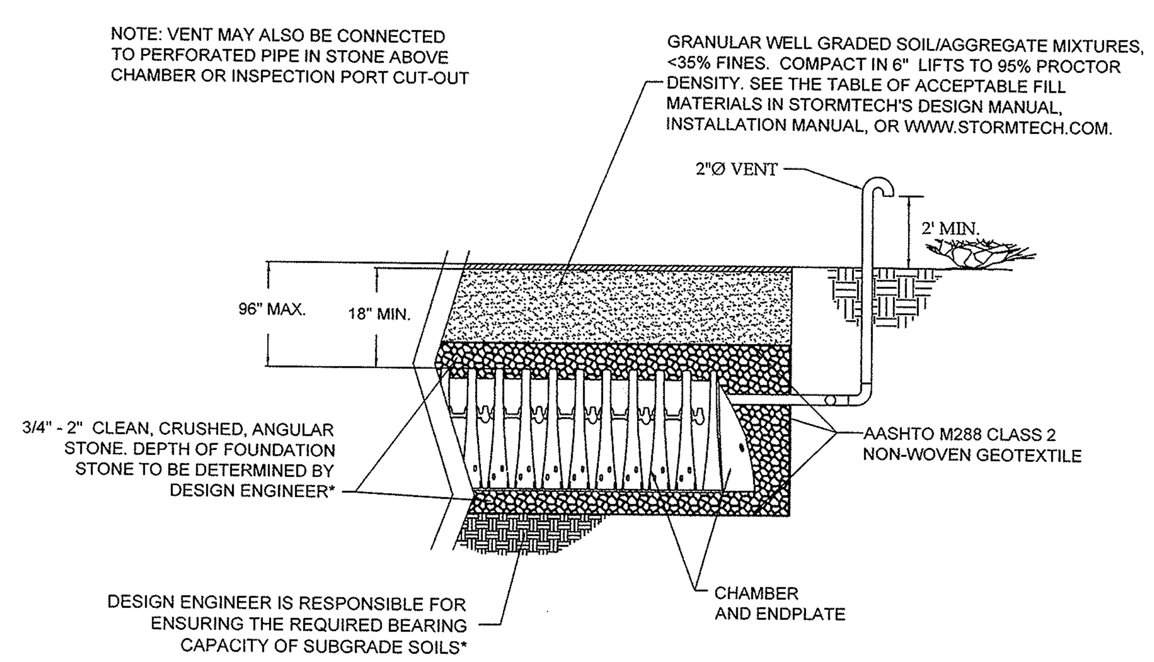
Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR — DATE
FILE NUMBER — CHECKED BY

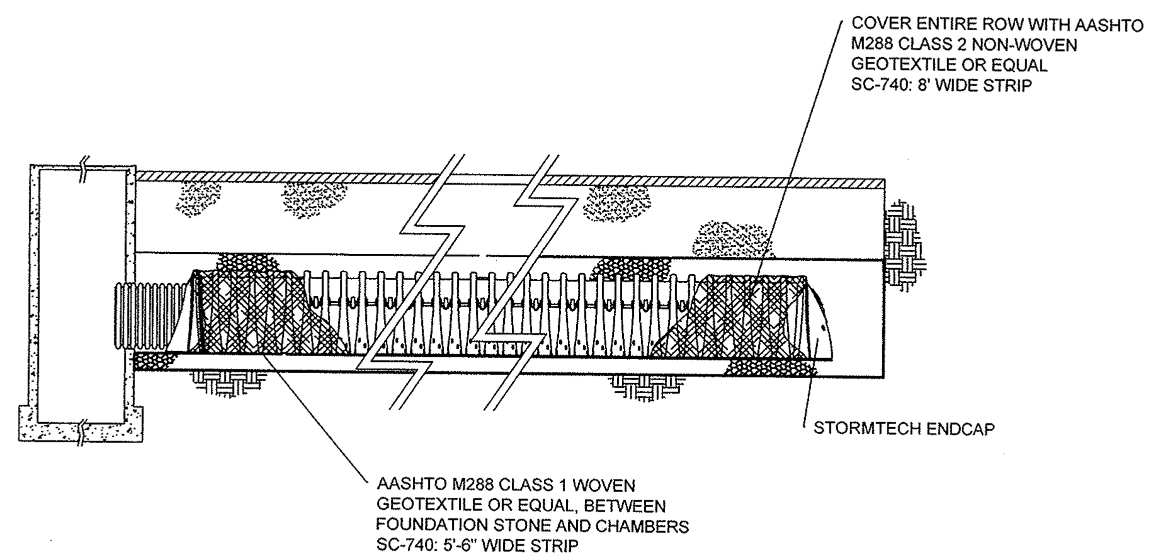


MANIFOLDS ARE DESIGNED TO BE COUPLED TO STORMTECH PREFABRICATED END CAPS. WHEN USING STANDARD END CAPS, CORRUGATED PIPE UP TO 10 INCHES CAN BE INSERTED DIRECTLY INTO THE END CAP. FOR 12" INLET PIPES, A CORRUGATED TO SMOOTH PIPE ADAPTER IS REQUIRED.

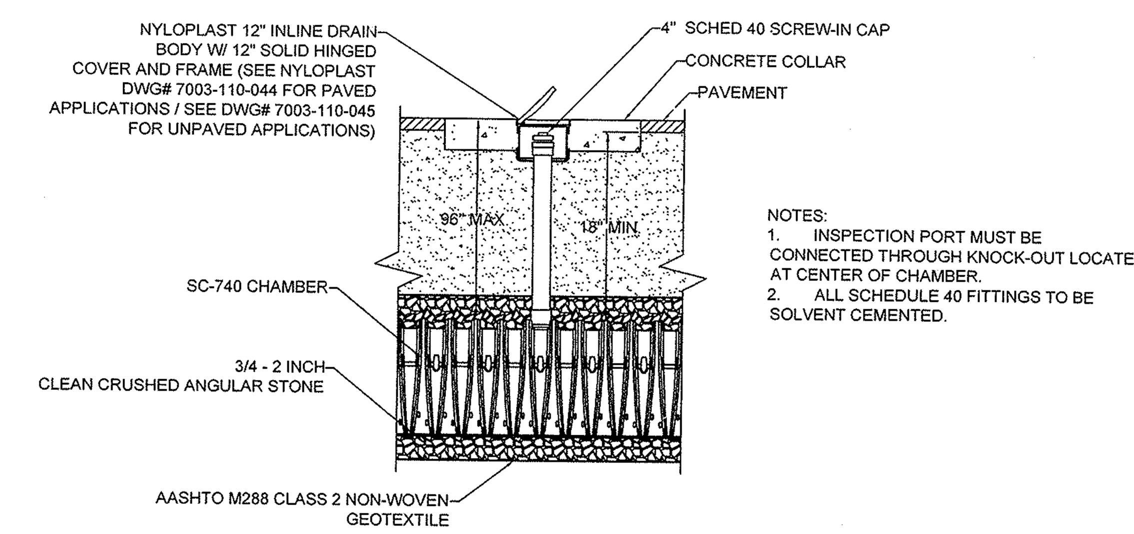
MANIFOLD SECTION



VENT DIAGRAM - OPTION A

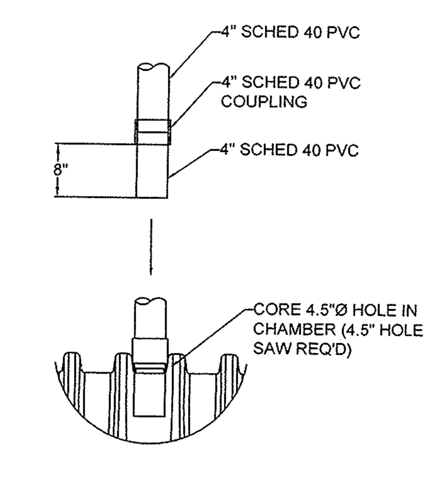


SC-740 ISOLATOR ROW



NOTES:
1. INSPECTION PORT MUST BE CONNECTED THROUGH KNOCK-OUT LOCATED AT CENTER OF CHAMBER.
2. ALL SCHEDULE 40 FITTINGS TO BE SOLVENT CEMENTED.

USC-740 INSPECTION PORT DETAIL



CONNECTION DETAIL
NTS

STORMTECH PRODUCT SPECIFICATIONS

1.0 GENERAL
1.1 STORMTECH CHAMBERS ARE DESIGNED TO CONTROL STORMWATER RUNOFF. AS A SUBSURFACE RETENTION SYSTEM, STORMTECH CHAMBERS RETAIN AND ALLOW EFFECTIVE INFILTRATION OF WATER INTO THE SOIL. AS A SUBSURFACE DETENTION SYSTEM, STORMTECH CHAMBERS DETAIN AND ALLOW FOR THE METERED FLOW OF WATER TO AN OUTFALL.

2.0 CHAMBER PARAMETERS
2.1 THE CHAMBER SHALL BE INJECTION MOLDED OF POLYPROPYLENE RESIN TO BE INHERENTLY RESISTANT TO ENVIRONMENTAL STRESS CRACKING (ESCR), AND TO MAINTAIN ADEQUATE STIFFNESS THROUGH HIGHER TEMPERATURES EXPERIENCED DURING INSTALLATION AND SERVICE.

2.2 THE NOMINAL CHAMBER DIMENSIONS OF THE STORMTECH SC-740 SHALL BE 30.0 INCHES TALL, 51.0 INCHES WIDE AND 90.7 INCHES LONG. THE NOMINAL CHAMBER DIMENSIONS OF THE STORMTECH SC-310 SHALL BE 16.0 INCHES TALL, 34.0 INCHES WIDE AND 90.7 INCHES LONG. THE INSTALLED LENGTH OF A JOINED CHAMBER SHALL BE 85.4 INCHES.

2.3 THE CHAMBER SHALL HAVE A CONTINUOUSLY CURVED SECTION PROFILE.

2.4 THE CHAMBER SHALL BE OPEN-BOTTOMED.

2.5 THE CHAMBER SHALL INCORPORATE AN OVERLAPPING CORRUGATION JOINT SYSTEM TO ALLOW CHAMBER ROWS OF ALMOST ANY LENGTH TO BE CREATED. THE OVERLAPPING CORRUGATION JOINT SYSTEM SHALL BE EFFECTIVE WHILE ALLOWING A CHAMBER TO BE TRIMMED TO SHORTEN ITS OVERALL LENGTH.

2.6 THE NOMINAL STORAGE VOLUME OF A JOINED STORMTECH SC-740 CHAMBER SHALL BE 74.9 CUBIC FEET PER CHAMBER WHEN INSTALLED PER STORMTECH'S TYPICAL DETAILS (INCLUDES THE VOLUME OF CRUSHED ANGULAR STONE WITH AN ASSUMED 40% POROSITY). THIS EQUATES TO 2.2 CUBIC FEET OF STORAGE/SQUARE FOOT OF BED. THE NOMINAL STORAGE VOLUME OF AN INSTALLED STORMTECH SC-310 CHAMBER SHALL BE 31.0 CUBIC FEET PER CHAMBER WHEN INSTALLED PER STORMTECH'S TYPICAL DETAILS (INCLUDES THE VOLUME OF CRUSHED ANGULAR STONE WITH AN ASSUMED 40% POROSITY). THIS EQUATES TO 1.3 CUBIC FEET OF STORAGE/SQUARE FOOT OF BED.

2.7 THE CHAMBER SHALL HAVE FORTY-EIGHT ORIFICES PENETRATING THE SIDEWALLS TO ALLOW FOR LATERAL CONVEYANCE OF WATER.

2.8 THE CHAMBER SHALL HAVE TWO ORIFICES NEAR ITS TOP TO ALLOW FOR EQUALIZATION OF AIR PRESSURE BETWEEN ITS INTERIOR AND EXTERIOR.

2.9 THE CHAMBER SHALL HAVE BOTH OF ITS ENDS OPEN TO ALLOW FOR UNIMPEDED HYDRAULIC FLOWS AND VISUAL INSPECTIONS DOWN A ROW'S ENTIRE LENGTH.

2.10 THE CHAMBER SHALL HAVE 14 CORRUGATIONS.

2.11 THE CHAMBER SHALL HAVE A CIRCULAR, INDENTED, FLAT SURFACE ON THE TOP OF THE CHAMBER FOR AN OPTIONAL 4-INCH INSPECTION PORT.

2.12 THE CHAMBER SHALL BE ANALYZED AND DESIGNED USING AASHTO METHODS FOR THERMOPLASTIC CULVERTS CONTAINED IN THE LRFD BRIDGE DESIGN SPECIFICATIONS, 2ND EDITION, INCLUDING INTERIM SPECIFICATIONS THROUGH 2001. DESIGN LIVE LOAD SHALL BE THE AASHTO HS20 TRUCK. DESIGN SHALL CONSIDER EARTH AND LIVE LOADS AS APPROPRIATE FOR THE MINIMUM TO MAXIMUM SPECIFIED DEPTH OF FILL.

2.13 THE CHAMBER SHALL BE MANUFACTURED IN AN ISO 9001:2000 CERTIFIED FACILITY.

3.0 END CAP PARAMETERS
3.1 END CAPS WITH PREFABRICATED PIPE CONNECTIONS SHALL BE INJECTION MOLDED FROM POLYETHYLENE RESIN.

3.2 THE END CAP SHALL BE DESIGNED TO FIT INTO ANY CORRUGATION OF A CHAMBER, WHICH ALLOWS: CAPPING A CHAMBER THAT HAS ITS LENGTH TRIMMED; SEGMENTING ROWS INTO STORAGE BASINS OF VARIOUS LENGTHS.

3.3 THE END CAP SHALL HAVE SAW GUIDES TO ALLOW EASY CUTTING FOR VARIOUS DIAMETERS OF PIPE THAT MAY BE USED TO INLET THE SYSTEM.

3.4 THE END CAP SHALL HAVE EXCESS STRUCTURAL ADEQUACIES TO ALLOW CUTTING AN ORIFICE OF ANY SIZE AT ANY INVERT ELEVATION.

3.5 THE PRIMARY FACE OF AN END CAP SHALL BE CURVED OUTWARD TO RESIST HORIZONTAL LOADS GENERATED NEAR THE EDGES OF BEDS.

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STORMWATER CHAMBER SPECIFICATIONS

1. CHAMBERS SHALL BE STORMTECH SC-740 OR APPROVED EQUAL.

2. CHAMBERS SHALL CONFORM TO THE REQUIREMENTS OF ASTM F2418-05, "STANDARD SPECIFICATION FOR POLYPROPYLENE (PP) CORRUGATED WALL STORMWATER COLLECTION CHAMBERS".

3. CHAMBER ROWS SHALL PROVIDE CONTINUOUS, UNOBSTRUCTED INTERNAL SPACE WITH NO INTERNAL SUPPORT PANELS.

4. THE STRUCTURAL DESIGN OF THE CHAMBERS, THE STRUCTURAL BACKFILL AND THE INSTALLATION REQUIREMENTS SHALL ENSURE THAT THE LOAD FACTORS SPECIFIED IN THE AASHTO LRFD BRIDGE DESIGN SPECIFICATIONS, SECTION 12.12 ARE MET FOR: 1) LONG-DURATION DEAD LOADS AND 2) SHORT-DURATION LIVE LOADS, BASED ON THE AASHTO DESIGN TRUCK WITH CONSIDERATION FOR IMPACT AND MULTIPLE VEHICLE PRESENCE.

5. ONLY CHAMBERS THAT ARE APPROVED BY THE ENGINEER WILL BE ALLOWED. THE CONTRACTOR SHALL SUBMIT (3 SETS) OF THE FOLLOWING TO THE ENGINEER FOR APPROVAL BEFORE DELIVERING CHAMBERS TO THE PROJECT SITE:

a. A STRUCTURAL EVALUATION BY A REGISTERED STRUCTURAL ENGINEER THAT DEMONSTRATES THAT THE LOAD FACTORS SPECIFIED IN THE AASHTO LRFD BRIDGE DESIGN SPECIFICATIONS, SECTION 12.12 ARE MET. THE 50-YEAR CREEP MODULUS DATA SPECIFIED IN ASTM F2418-05 MUST BE USED AS A PART OF THE AASHTO STRUCTURAL EVALUATION TO VERIFY LONG-TERM PERFORMANCE.

b. A CERTIFICATION BY THE MANUFACTURER THAT THE CHAMBERS ARE IN ACCORDANCE WITH ASTM F2418-05.

6. CHAMBERS SHALL BE PRODUCED AT AN ISO 9001 CERTIFIED MANUFACTURING FACILITY.

7. ALL DESIGN SPECIFICATIONS FOR CHAMBERS SHALL BE IN ACCORDANCE WITH THE MANUFACTURER'S LATEST DESIGN MANUAL.

8. THE INSTALLATION OF CHAMBERS SHALL BE IN ACCORDANCE WITH THE MANUFACTURER'S LATEST INSTALLATION INSTRUCTIONS.

STORMTECH GENERAL NOTES

1. STORMTECH REQUIRES INSTALLING CONTRACTORS TO USE AND UNDERSTAND STORMTECH'S LATEST INSTALLATION INSTRUCTIONS PRIOR TO BEGINNING SYSTEM INSTALLATION.

2. OUR TECHNICAL SERVICES DEPARTMENT OFFERS INSTALLATION CONSULTATIONS TO INSTALLING CONTRACTORS. CONTACT OUR TECHNICAL SERVICES REPRESENTATIVE AT LEAST 30 DAYS PRIOR TO SYSTEM INSTALLATION TO ARRANGE A PRE-INSTALLATION CONSULTATION. OUR REPRESENTATIVES CAN THEN ANSWER QUESTIONS OR ADDRESS COMMENTS ON THE STORMTECH CHAMBER SYSTEM AND INFORM THE INSTALLING CONTRACTOR OF THE MINIMUM INSTALLATION REQUIREMENTS BEFORE BEGINNING THE SYSTEM'S CONSTRUCTION. CALL **1-888-892-2694** TO SPEAK TO A TECHNICAL SERVICES REPRESENTATIVE OR VISIT **WWW. STORMTECH.COM** TO RECEIVE A COPY OF OUR INSTALLATION INSTRUCTIONS.

3. STORMTECH'S REQUIREMENTS FOR SYSTEMS WITH PAVEMENT DESIGN (ASPHALT, CONCRETE PAVERS, ETC.):MINIMUM COVER IS 18" NOT INCLUDING PAVEMENT; MAXIMUM COVER IS 96" INCLUDING PAVEMENT. FOR INSTALLATIONS THAT DO NOT INCLUDE PAVEMENT, WHERE RUTTING FROM VEHICLES MAY OCCUR, MINIMUM REQUIRED COVER IS 24", MAXIMUM COVER IS 96".

4. THE CONTRACTOR MUST REPORT ANY DISCREPANCIES WITH CHAMBER FOUNDATION MATERIALS BEARING CAPACITIES TO THE DESIGN ENGINEER.

5. AASHTO M288 CLASS 2 NON-WOVEN GEOTEXTILE (FILTER FABRIC) MUST BE USED AS INDICATED IN THE PROJECT PLANS.

6. STONE PLACEMENT BETWEEN CHAMBERS ROWS AND AROUND PERIMETER MUST FOLLOW INSTRUCTIONS AS INDICATED IN THE MOST CURRENT VERSION OF STORMTECH'S INSTALLATION INSTRUCTIONS.

7. BACKFILLING OVER THE CHAMBERS MUST FOLLOW REQUIREMENTS AS INDICATED IN THE MOST CURRENT VERSION OF STORMTECH'S INSTALLATION INSTRUCTIONS.

8. THE CONTRACTOR MUST REFER TO STORMTECH'S INSTALLATION INSTRUCTIONS FOR A TABLE OF ACCEPTABLE VEHICLE LOADS AT VARIOUS DEPTHS OF COVER. THIS INFORMATION IS ALSO AVAILABLE AT STORMTECH'S WEBSITE: **WWW.STORMTECH.COM**. THE CONTRACTOR IS RESPONSIBLE FOR PREVENTING VEHICLES THAT EXCEED STORMTECH'S REQUIREMENTS FROM TRAVELING ACROSS OR PARKING OVER THE STORMWATER SYSTEM. TEMPORARY FENCING, WARNING TAPE AND APPROPRIATELY LOCATED SIGNS ARE COMMONLY USED TO PREVENT UNAUTHORIZED VEHICLES FROM ENTERING SENSITIVE CONSTRUCTION AREAS.

9. THE CONTRACTOR MUST APPLY EROSION AND SEDIMENT CONTROL MEASURES TO PROTECT THE STORMWATER SYSTEM DURING ALL PHASES OF SITE CONSTRUCTION PER LOCAL CODES AND DESIGN ENGINEER'S SPECIFICATIONS.

10. STORMTECH PRODUCT WARRANTY IS LIMITED. SEE CURRENT PRODUCT WARRANTY FOR DETAILS. TO ACQUIRE A COPY CALL STORMTECH AT **1-888-892-2694** OR VISIT **WWW.STORMTECH.COM**

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TOWN OF AMHERST PLANNING DEPT.

SOUTH AREA CHAMBERS

STORMTECH STANDARD DETAIL DISCLAIMER

STORMTECH STANDARD DETAILS DEMONSTRATE RECOMMENDATIONS FOR INSTALLATION AND/OR STANDARD DIMENSIONS OF STORMTECH PRODUCTS. STORMTECH DETAILS DO NOT SUPERSEDE ANY STATE OR LOCAL REGULATORY SPECIFICATIONS. IT IS THE RESPONSIBILITY OF THE CONSULTING ENGINEER TO ENSURE COMPLIANCE WITH ALL REGULATORY SPECIFICATIONS. STORMTECH HAS NOT AUTHORIZED, AND IS NOT RESPONSIBLE FOR ANY ALTERATIONS BY OTHERS TO STORMTECH STANDARD DETAILS.

StormTech
Detention • Retention • Recharge
Subsurface Stormwater Management
20 Beaver Road, Suite 104
Wethersfield, CT 06109
Phone: 888-892-2694
Fax: 866-328-8401
www.stormtech.com

Amherst Hospitality, LLC
#025 Michael Gibson

I S K A L O
DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221
TEL: 716.633.2096, FAX: 633.5776

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
ENGINEERING • SURVEYING • PLANNING
SURVEYING SERVICES PERFORMED BY GPI ENGINEERING AND SURVEYING LLP
4950 GENESEE STREET SUITE 165 BUFFALO, NY 14225
(716) 633-4844 FAX (716) 633-4940

NOTE: UNAUTHORIZED ALTERATION OR ADDITION TO THIS DOCUMENT IS A VIOLATION OF SECTION 7209 PROVISION 2 OF THE NEW YORK STATE EDUCATION LAW.

PLANNING SUBMISSION

STATE OF NEW YORK
GREENMAN-PEDERSEN INC.
LICENSED PROFESSIONAL ENGINEER

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: STORMTECH CHAMBERS - SOUTH

REVISIONS No.	DATE	DESCRIPTION

DRAWN BY: SNS — CHECKED BY: DFP
SCALE: NONE — PROJECT No.: 11-095
DATE: 01.14.2013

DRAWING NO.: C1.14

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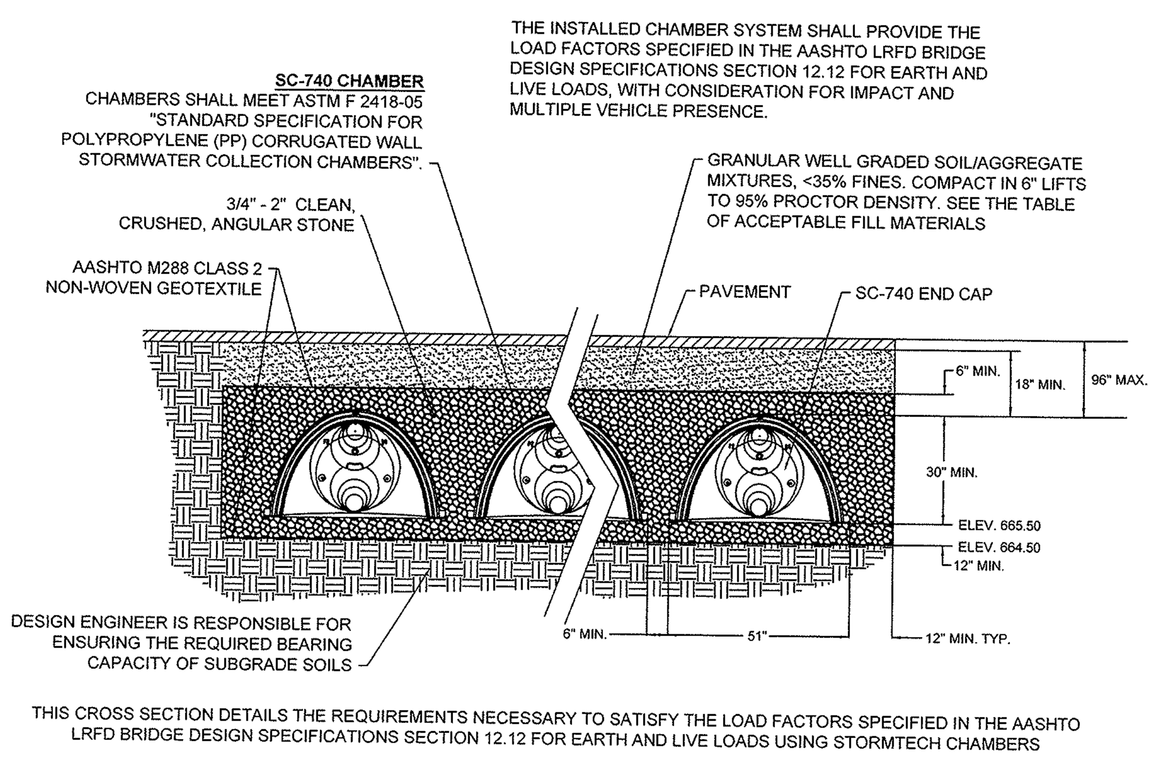
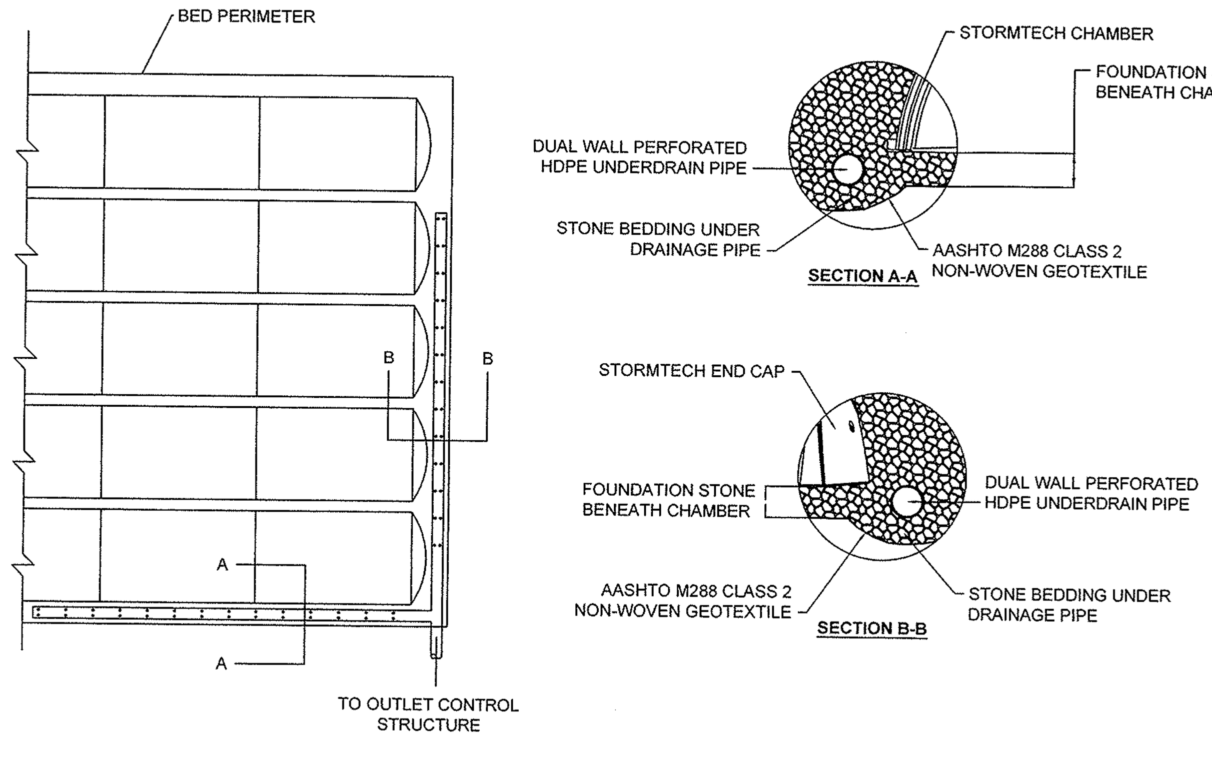
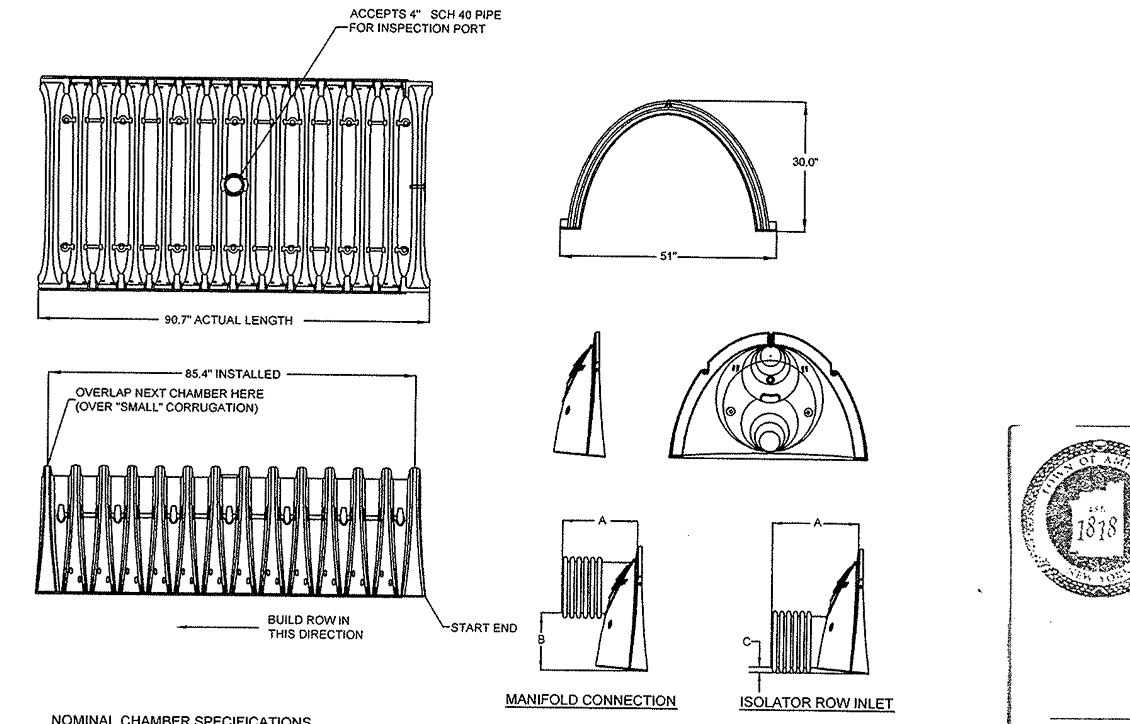


THIS CROSS SECTION DETAILS THE REQUIREMENTS NECESSARY TO SATISFY THE LOAD FACTORS SPECIFIED IN THE AASHTO LRFD BRIDGE DESIGN SPECIFICATIONS SECTION 12.12 FOR EARTH AND LIVE LOADS USING STORMTECH CHAMBERS

SC-740 STANDARD CROSS SECTION



SC-740 UNDERDRAIN



NOMINAL CHAMBER SPECIFICATIONS
SIZE (W x H x INSTALLED LENGTH) - 51.0" x 30.0" x 85.4"
CHAMBER STORAGE - 45.9 CUBIC FEET
MINIMUM INSTALLED STORAGE - 74.9 CUBIC FEET
WEIGHT - 75 lbs.

STUBS AT TOP OF END CAP FOR PART NUMBERS ENDING WITH "T"

STUBS AT BOTTOM OF END CAP FOR PART NUMBERS ENDING WITH "B"

PART #	CHAMBER	PIPE SIZE	A	B	C
SC740EPE06T	SC-740	6 in	10.90 in	18.50 in	N/A
SC740EPE06B	SC-740	6 in	10.90 in	N/A	0.50 in
SC740EPE08T	SC-740	8 in	12.20 in	16.50 in	N/A
SC740EPE08B	SC-740	8 in	12.20 in	N/A	0.60 in
SC740EPE10T	SC-740	10 in	13.40 in	14.50 in	N/A
SC740EPE10B	SC-740	10 in	13.40 in	N/A	0.70 in
SC740EPE12T	SC-740	12 in	14.70 in	12.50 in	N/A
SC740EPE12B	SC-740	12 in	14.70 in	N/A	1.20 in
SC740EPE15T	SC-740	15 in	18.40 in	9.00 in	N/A
SC740EPE15B	SC-740	15 in	18.40 in	N/A	1.30 in
SC740EPE18T	SC-740	18 in	19.70 in	5.00 in	N/A
SC740EPE18B	SC-740	18 in	19.70 in	N/A	1.60 in
SC740EPE24B	SC-740	24 in	18.50 in	N/A	0.10 in

*NOTE: ALL DIMENSIONS ARE NOMINAL

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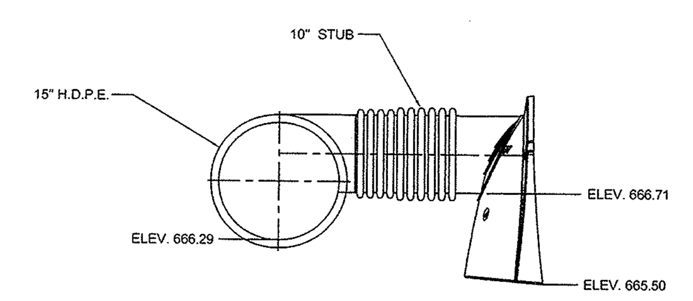
SC-740 TECHNICAL SPECIFICATIONS

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR DATE

FILE NUMBER CHECKED BY



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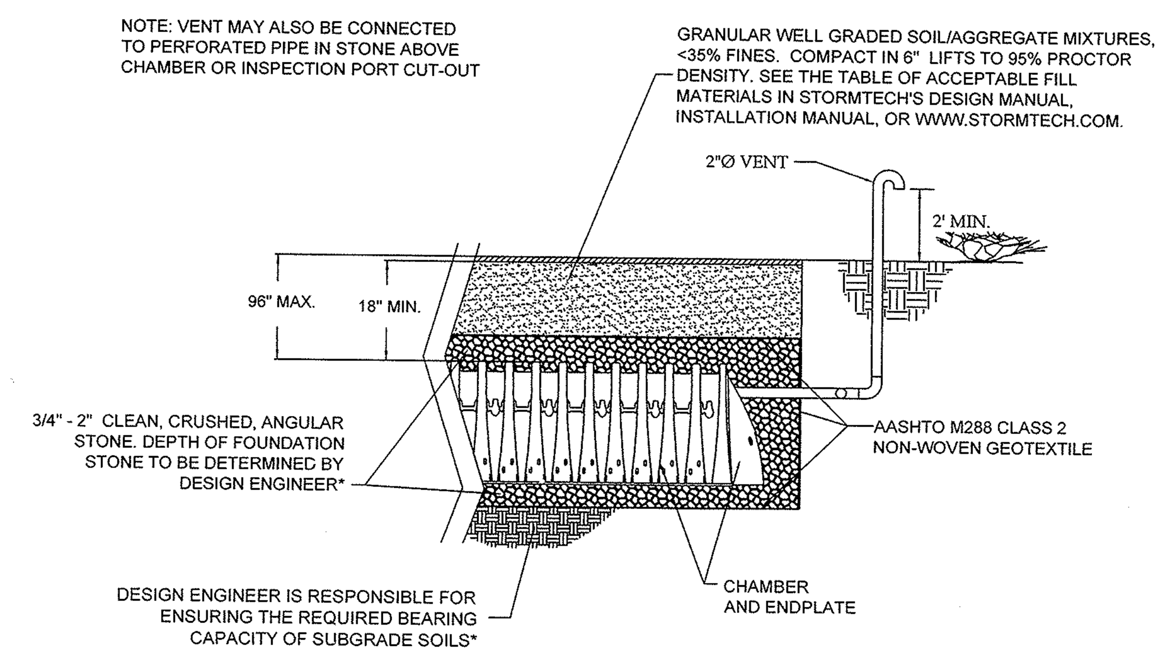
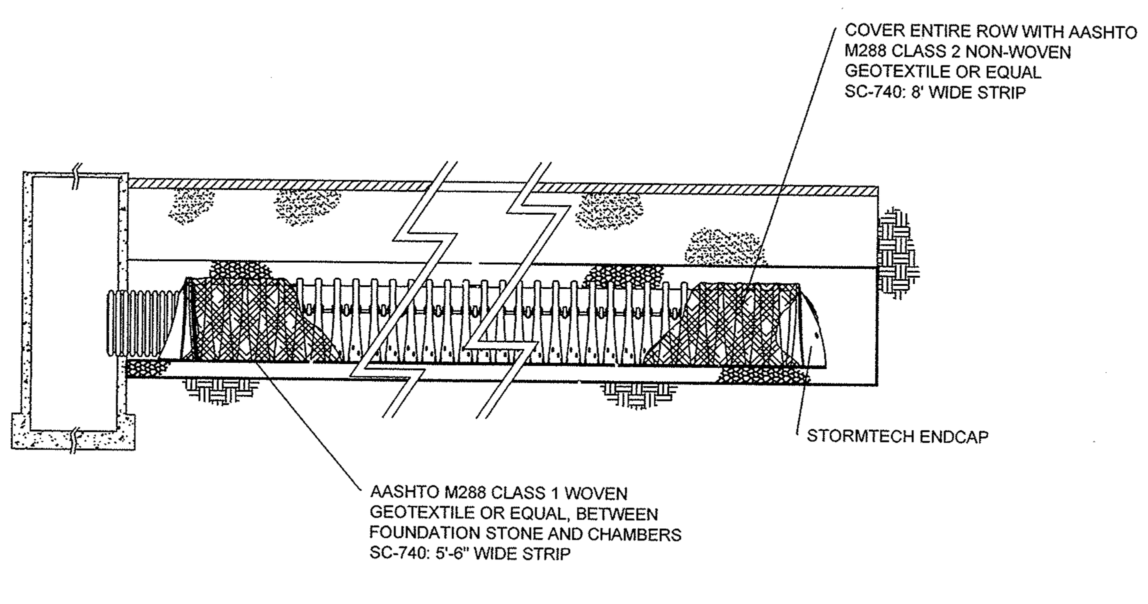
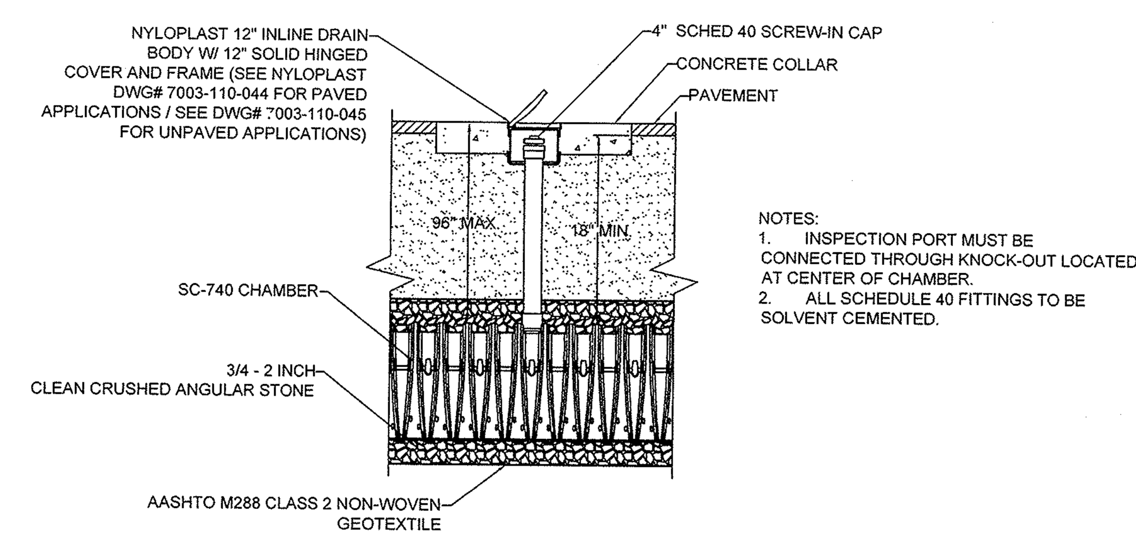
MANIFOLD SECTION



VENT DIAGRAM - OPTION A



SC-740 ISOLATOR ROW



NOTES:
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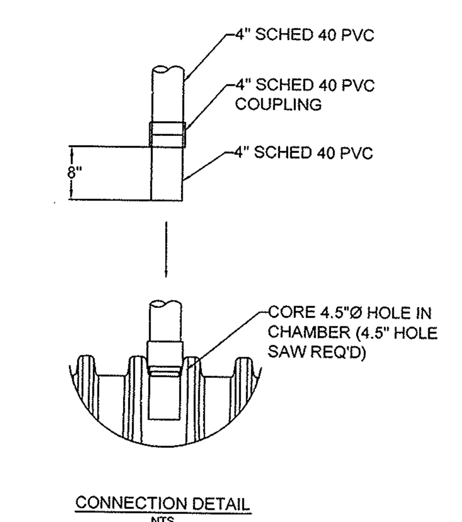

CONNECTION DETAIL
NTS

USC-740 INSPECTION PORT DETAIL

STORMTECH PRODUCT SPECIFICATIONS

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1.1 STORMTECH CHAMBERS ARE DESIGNED TO CONTROL STORMWATER RUNOFF. AS A SUBSURFACE RETENTION SYSTEM, STORMTECH CHAMBERS RETAIN AND ALLOW EFFECTIVE INFILTRATION OF WATER INTO THE SOIL. AS A SUBSURFACE DETENTION SYSTEM, STORMTECH CHAMBERS DETAIN AND ALLOW FOR THE METERED FLOW OF WATER TO AN OUTFALL.

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2.4 THE CHAMBER SHALL BE OPEN-BOTTOMED.

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STORMWATER CHAMBER SPECIFICATIONS

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2. CHAMBERS SHALL CONFORM TO THE REQUIREMENTS OF ASTM F2418-05, "STANDARD SPECIFICATION FOR POLYPROPYLENE (PP) CORRUGATED WALL STORMWATER COLLECTION CHAMBERS".

3. CHAMBER ROWS SHALL PROVIDE CONTINUOUS, UNOBSTRUCTED INTERNAL SPACE WITH NO INTERNAL SUPPORT PANELS.

4. THE STRUCTURAL DESIGN OF THE CHAMBERS, THE STRUCTURAL BACKFILL AND THE INSTALLATION REQUIREMENTS SHALL ENSURE THAT THE LOAD FACTORS SPECIFIED IN THE AASHTO LRFD BRIDGE DESIGN SPECIFICATIONS, SECTION 12.12 ARE MET FOR: 1) LONG-DURATION DEAD LOADS AND 2) SHORT-DURATION LIVE LOADS, BASED ON THE AASHTO DESIGN TRUCK WITH CONSIDERATION FOR IMPACT AND MULTIPLE VEHICLE PRESENCE.

5. ONLY CHAMBERS THAT ARE APPROVED BY THE ENGINEER WILL BE ALLOWED. THE CONTRACTOR SHALL SUBMIT (3 SETS) OF THE FOLLOWING TO THE ENGINEER FOR APPROVAL BEFORE DELIVERING CHAMBERS TO THE PROJECT SITE:

a. A STRUCTURAL EVALUATION BY A REGISTERED STRUCTURAL ENGINEER THAT DEMONSTRATES THAT THE LOAD FACTORS SPECIFIED IN THE AASHTO LRFD BRIDGE DESIGN SPECIFICATIONS, SECTION 12.12 ARE MET. THE 50-YEAR CREEP MODULUS DATA SPECIFIED IN ASTM F2418-05 MUST BE USED AS A PART OF THE AASHTO STRUCTURAL EVALUATION TO VERIFY LONG-TERM PERFORMANCE.

b. A CERTIFICATION BY THE MANUFACTURER THAT THE CHAMBERS ARE IN ACCORDANCE WITH ASTM F2418-05.

6. CHAMBERS SHALL BE PRODUCED AT AN ISO 9001 CERTIFIED MANUFACTURING FACILITY.

7. ALL DESIGN SPECIFICATIONS FOR CHAMBERS SHALL BE IN ACCORDANCE WITH THE MANUFACTURER'S LATEST DESIGN MANUAL.

8. THE INSTALLATION OF CHAMBERS SHALL BE IN ACCORDANCE WITH THE MANUFACTURER'S LATEST INSTALLATION INSTRUCTIONS.

STORMTECH GENERAL NOTES

1. STORMTECH REQUIRES INSTALLING CONTRACTORS TO USE AND UNDERSTAND STORMTECH'S LATEST INSTALLATION INSTRUCTIONS PRIOR TO BEGINNING SYSTEM INSTALLATION.

2. OUR TECHNICAL SERVICES DEPARTMENT OFFERS INSTALLATION CONSULTATIONS TO INSTALLING CONTRACTORS. CONTACT OUR TECHNICAL SERVICES REPRESENTATIVE AT LEAST 30 DAYS PRIOR TO SYSTEM INSTALLATION TO ARRANGE A PRE-INSTALLATION CONSULTATION. OUR REPRESENTATIVES CAN THEN ANSWER QUESTIONS OR ADDRESS COMMENTS ON THE STORMTECH CHAMBER SYSTEM AND INFORM THE INSTALLING CONTRACTOR OF THE MINIMUM INSTALLATION REQUIREMENTS BEFORE BEGINNING THE SYSTEM'S CONSTRUCTION. CALL **1-888-892-2694** TO SPEAK TO A TECHNICAL SERVICES REPRESENTATIVE OR VISIT **WWW. STORMTECH.COM** TO RECEIVE A COPY OF OUR INSTALLATION INSTRUCTIONS.

3. STORMTECH'S REQUIREMENTS FOR SYSTEMS WITH PAVEMENT DESIGN (ASPHALT, CONCRETE PAVERS, ETC.):MINIMUM COVER IS 18" NOT INCLUDING PAVEMENT; MAXIMUM COVER IS 96" INCLUDING PAVEMENT. FOR INSTALLATIONS THAT DO NOT INCLUDE PAVEMENT, WHERE RUTTING FROM VEHICLES MAY OCCUR, MINIMUM REQUIRED COVER IS 24", MAXIMUM COVER IS 96".

4. THE CONTRACTOR MUST REPORT ANY DISCREPANCIES WITH CHAMBER FOUNDATION MATERIALS BEARING CAPACITIES TO THE DESIGN ENGINEER.

5. AASHTO M288 CLASS 2 NON-WOVEN GEOTEXTILE (FILTER FABRIC) MUST BE USED AS INDICATED IN THE PROJECT PLANS.

6. STONE PLACEMENT BETWEEN CHAMBERS ROWS AND AROUND PERIMETER MUST FOLLOW INSTRUCTIONS AS INDICATED IN THE MOST CURRENT VERSION OF STORMTECH'S INSTALLATION INSTRUCTIONS.

7. BACKFILLING OVER THE CHAMBERS MUST FOLLOW REQUIREMENTS AS INDICATED IN THE MOST CURRENT VERSION OF STORMTECH'S INSTALLATION INSTRUCTIONS.

8. THE CONTRACTOR MUST REFER TO STORMTECH'S INSTALLATION INSTRUCTIONS FOR A TABLE OF ACCEPTABLE VEHICLE LOADS AT VARIOUS DEPTHS OF COVER. THIS INFORMATION IS ALSO AVAILABLE AT STORMTECH'S WEBSITE: **WWW.STORMTECH.COM**. THE CONTRACTOR IS RESPONSIBLE FOR PREVENTING VEHICLES THAT EXCEED STORMTECH'S REQUIREMENTS FROM TRAVELING ACROSS OR PARKING OVER THE STORMWATER SYSTEM. TEMPORARY FENCING, WARNING TAPE AND APPROPRIATELY LOCATED SIGNS ARE COMMONLY USED TO PREVENT UNAUTHORIZED VEHICLES FROM ENTERING SENSITIVE CONSTRUCTION AREAS.

9. THE CONTRACTOR MUST APPLY EROSION AND SEDIMENT CONTROL MEASURES TO PROTECT THE STORMWATER SYSTEM DURING ALL PHASES OF SITE CONSTRUCTION PER LOCAL CODES AND DESIGN ENGINEER'S SPECIFICATIONS.

10. STORMTECH PRODUCT WARRANTY IS LIMITED. SEE CURRENT PRODUCT WARRANTY FOR DETAILS. TO ACQUIRE A COPY CALL STORMTECH AT **1-888-892-2694** OR VISIT **WWW.STORMTECH.COM**

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APR 22 2013
TOWN OF AMHERST PLANNING DEPT.

NORTH AREA CHAMBERS

STORMTECH STANDARD DETAIL DISCLAIMER
STORMTECH STANDARD DETAILS DEMONSTRATE RECOMMENDATIONS FOR INSTALLATION AND/OR STANDARD DIMENSIONS OF STORMTECH PRODUCTS. STORMTECH DETAILS DO NOT SUPERSEDE ANY STATE OR LOCAL REGULATORY SPECIFICATIONS. IT IS THE RESPONSIBILITY OF THE CONSULTING ENGINEER TO ENSURE COMPLIANCE WITH ALL REGULATORY SPECIFICATIONS. STORMTECH HAS NOT AUTHORIZED, AND IS NOT RESPONSIBLE FOR ANY ALTERATIONS BY OTHERS TO STORMTECH STANDARD DETAILS.

StormTech
Detention·Retention·Recharge
Subsurface Stormwater Management

Amherst Hospitality, LLC
#025 Michael Gibson

ISKALO
DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

GPI

GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
ENGINEERING • SURVEYING • PLANNING
4950 GENESEE STREET SUITE 165 BUFFALO, NY 14225

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PLANNING SUBMISSION

STATE OF NEW YORK
GREENMAN PEDERSEN INC.
LICENSED PROFESSIONAL ENGINEER

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

DETAILS: STORMTECH CHAMBERS - NORTH

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REVISIONS No.	DATE	DESCRIPTION

DRAWN BY: SWS CHECKED BY: DFP
SCALE: NONE PROJECT No.: 11-095
DATE: 01.14.2013

DRAWING NO.: C1.15

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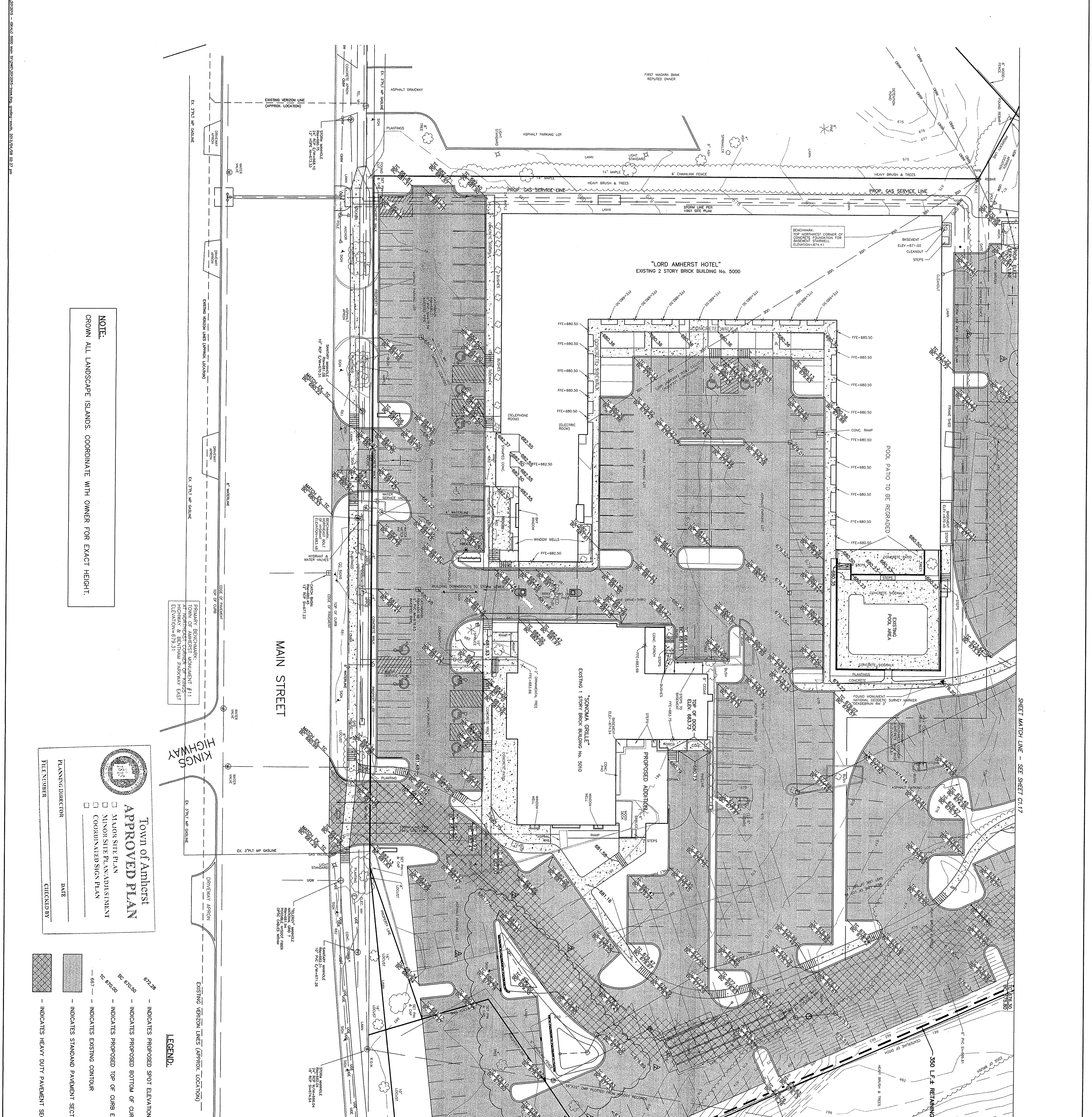


DRAWING NO. C1.16	DATE 01.14.2013	PROPOSED HYATT PLACE HOTEL 5000 - 5010 Main Street Amherst, New York 14226 PLAN: GRADING - SOUTH	LICENSED PROFESSIONAL ENGINEER STATE OF NEW YORK	PLANNING SUBMISSION	GPI GREENMAN-PEDERSEN, INC. CONSULTING ENGINEERS

ISKALO DEVELOPMENT CORP.

Amherst Hospitality, LLC

Town of Amherst
APPROVED PLAN
☐ Major Site Plan
☐ Minor Site Plan/Adjustment
☐ Coordinated Sign Plan

Planning Director ______ Date ______

File Number ______ Checked By ______

RECEIVED
APR 22 2013
TOWN OF AMHERST
PLANNING DEPT.

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

GRADING - NORTH

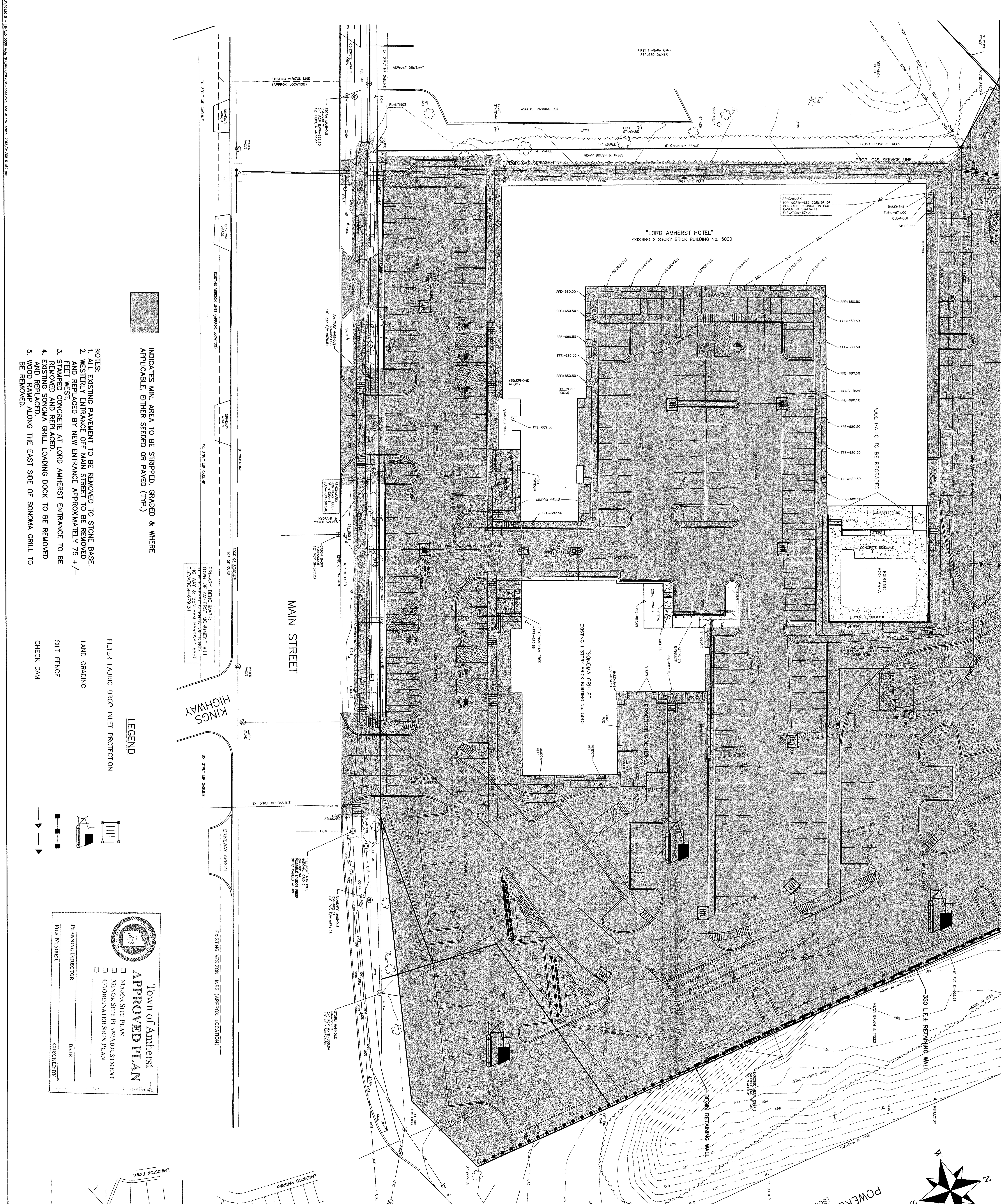
PLANNING SUBMISSION

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS

ISKALO
DEVELOPMENT CORP.

DATE: 01.14.2013

C1.17



C1.18

DATE: 01.14.2013

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street

Amherst, New York 14226

PLAN: SED. AND EROSION CONTROL - SOUTH

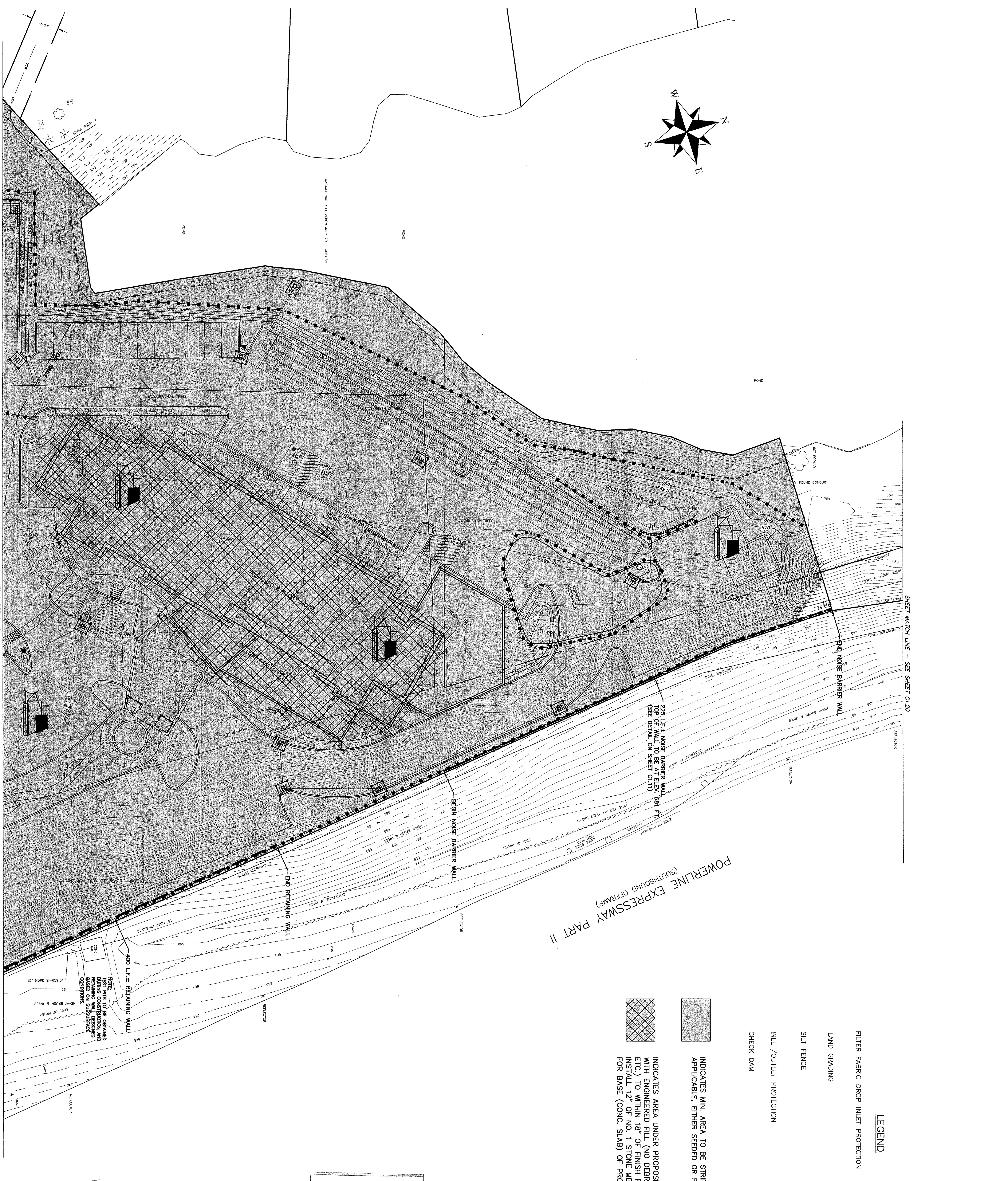
PLANNING SUBMISSION

GPI

GREENMAN-PEDERSEN, INC.

ISKALO DEVELOPMENT CORP.

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org



LEGEND

FILTER FABRIC DROP INLET PROTECTION

LAND GRADING

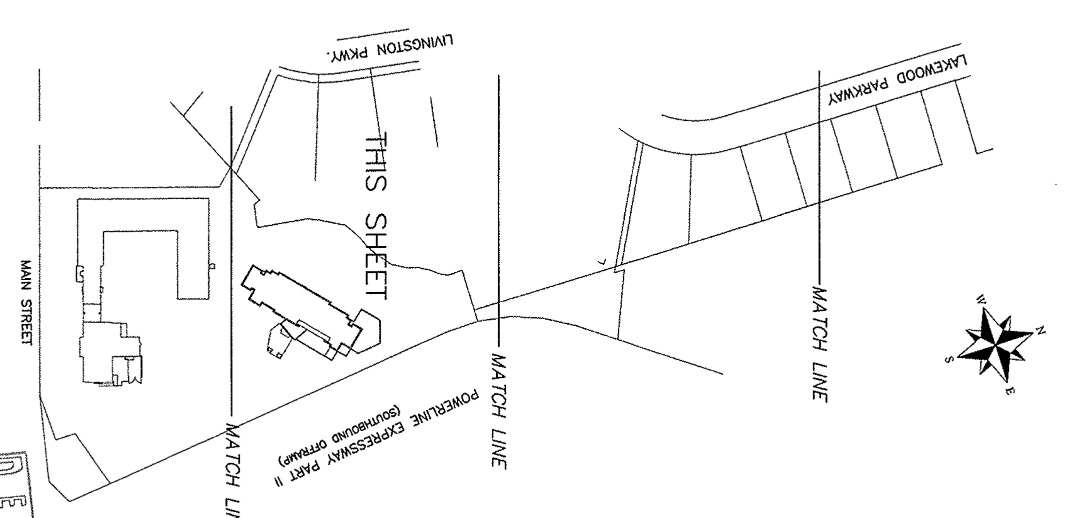
SILT FENCE

INLET/OUTLET PROTECTION

CHECK DAM

INDICATES MIN. AREA TO BE STRIPPED, GRADED & WHERE APPLICABLE, EITHER SEEDED OR PAVED (TYP.)

INDICATES AREA UNDER PROPOSED BUILDING SLAB TO BE FILLED WITH ENGINEERED FILL (NO DEBRIS, TREE STUMPS, FROZEN CLUMPS, ETC.) TO WITHIN 18" OF FINISH FLOOR (673.50). CONTRACTOR TO INSTALL 12" OF NO. 1 STONE MECHANICALLY TAMPED IN 6" LIFTS FOR BASE (CONC. SLAB) OF PROPOSED BUILDING.



KEY MAP
NOT TO SCALE

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TOWN OF AMHERST PLANNING DEPT.

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
PLANNING DIRECTOR
DATE
FILE NUMBER
CHECKED BY

DRAWING NO.: C1.19

REVISIONS: No.	DATE	DESCRIPTION
1	2/20/13	MISC.

DRAWN BY: SWS CHECKED BY: DFP
SCALE: 1"=20'
DATE: 01.14.2013 PROJECT No.: 11-595

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

PLAN: SED. AND EROSION CONTROL - NORTH

STATE OF NEW YORK
GREENMAN PEDERSEN, INC.
No. 131
LICENSED PROFESSIONAL ENGINEER

PLANNING SUBMISSION

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
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4950 GENESEE STREET SUITE 165 BUFFALO, NY 14225
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5166 MAIN STREET WILLIAMSVILLE, NY 14221
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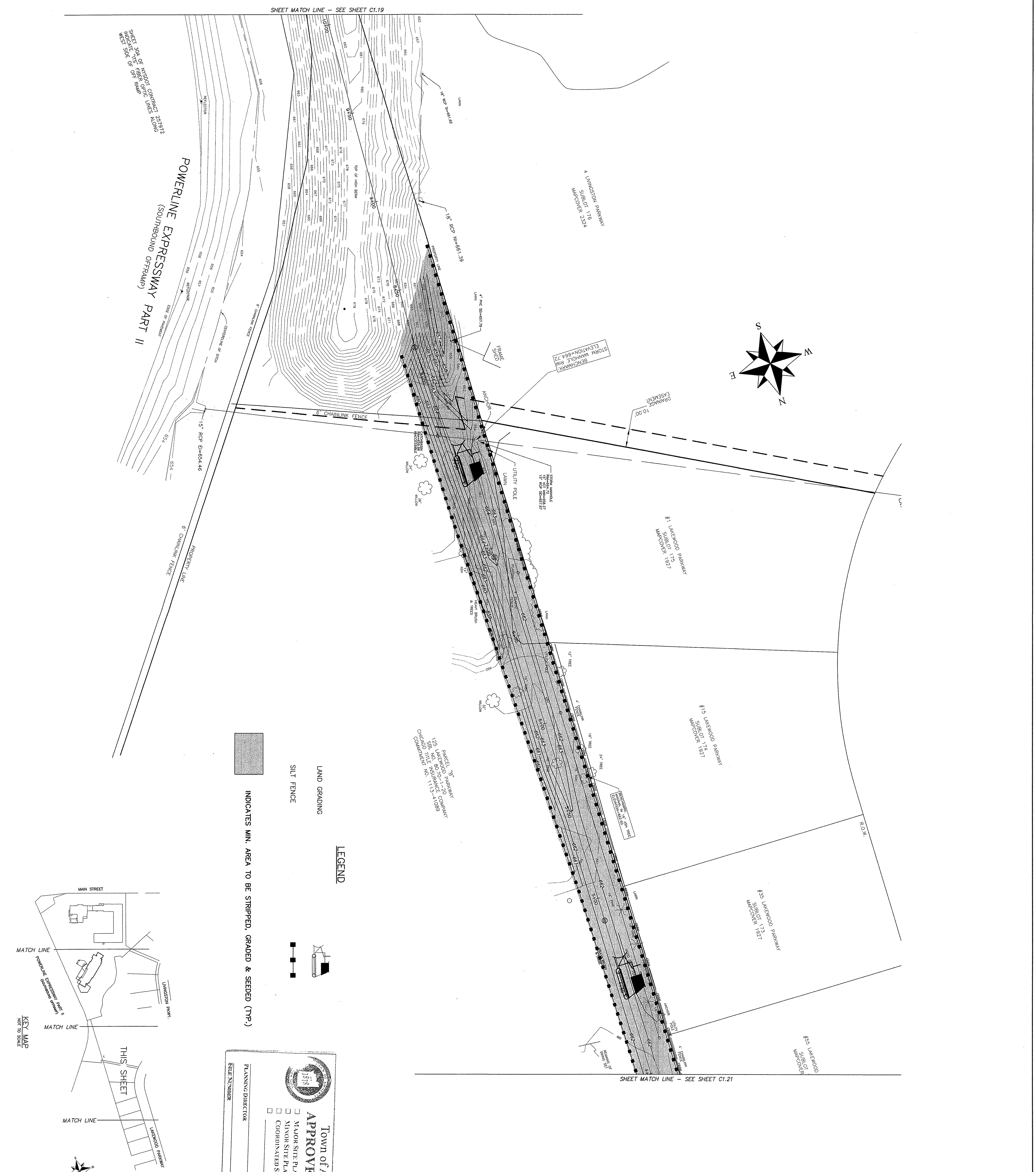

DATE: 01.14.2013

DRAWING NO.: C1.20

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street

Amherst, New York 14226

PLAN: SED. AND EROSION CONTROL - NORTH (2)

PLANNING SUBMISSION

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CONSULTING ENGINEERS

ISKALO
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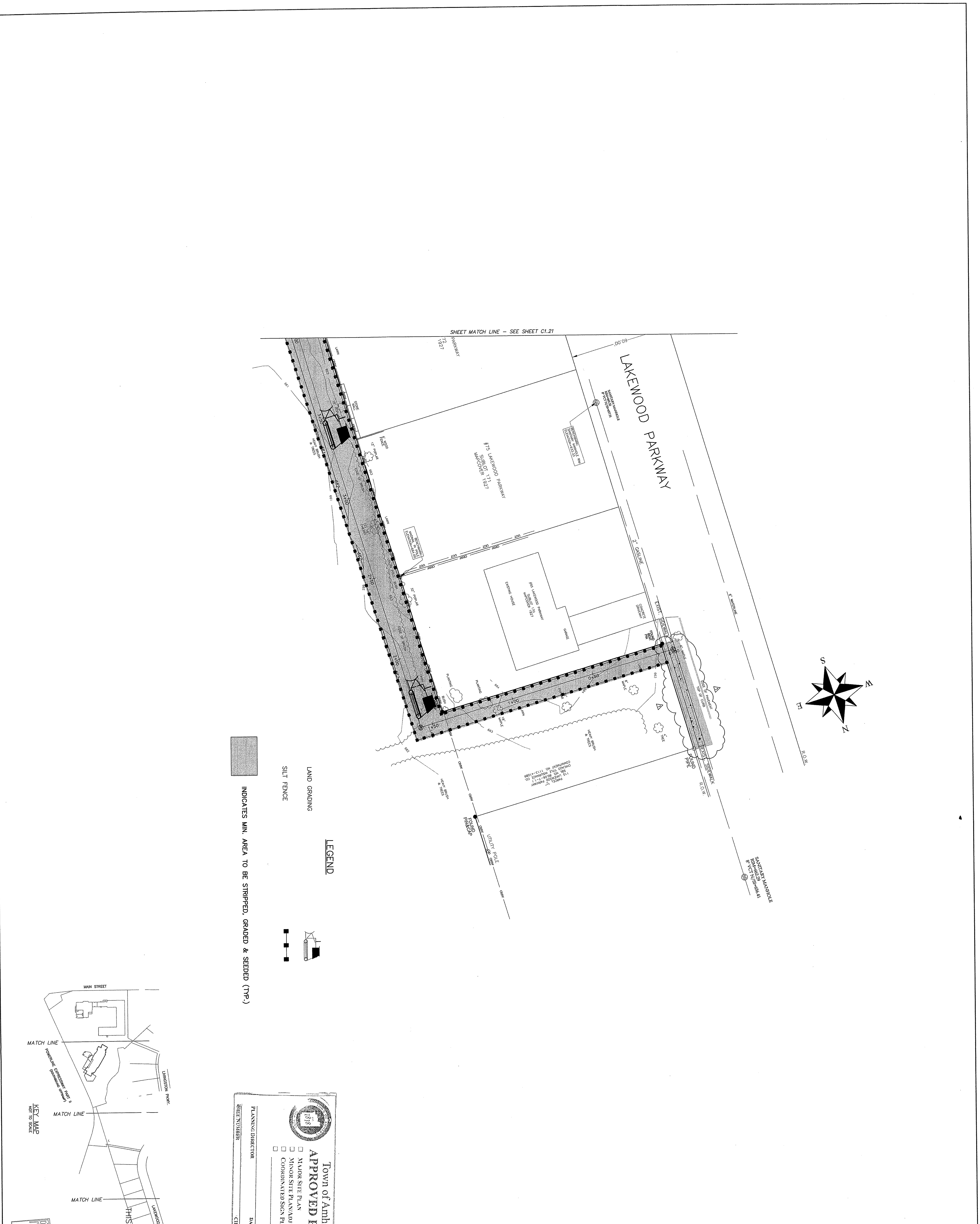

DRAWING NO.: C1.21

REVISIONS No.	DATE	DESCRIPTION
1	03/28/13	SWS

DRAWN BY: SWS — CHECKED BY: DFP
SCALE: 1"=20'
DATE: 01.14.2013 — PROJECT No.: 11-095

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PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

PLAN: SED. AND EROSION CONTROL - NORTH (3)

STATE OF NEW YORK — GREENMAN PEDERSEN INC. — No. 131 — LICENSED PROFESSIONAL ENGINEER

PLANNING SUBMISSION

GPI
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ISKALO DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221
TEL: 716.633.2096, FAX: 633.5776

STANDARD AND SPECIFICATIONS FOR PERMANENT CRITICAL AREA PLANTINGS

Definition

Establishing grasses with other forbs and/or shrubs to provide perennial vegetative cover on disturbed, denuded, slopes subject to erosion.

Purpose

To reduce erosion and sediment transport.

Conditions Where Practice Applies

This practice applies to all disturbed areas void of, or having insufficient, cover to prevent erosion and sediment transport. See additional standards for special situations such as sand dunes and sand and gravel pits.

Criteria

All water control measures will be installed as needed prior to final grading and seedbed preparation. Any severely compacted sections will require chiseling or disking to provide an adequate rooting zone, to a minimum depth of 12". The seedbed must be prepared to allow good soil to seed contact, with the soil not too soft and not too compact. Adequate soil moisture must be present to accomplish this. If surface is powder dry or sticky wet, postpone operations until moisture changes to a favorable condition. If seeding is accomplished within 24 hours of final grading, additional scarification is generally not needed, especially on ditch or stream banks. Remove all stones and other debris from the surface that are greater than 4 inches, or that will interfere with future mowing or maintenance.

Soil amendments should be incorporated into the upper 2 inches of soil when feasible. **The soil should be tested to determine the amounts of amendments needed.** Apply ground agricultural limestone to attain a pH of 6.0 in the upper 2 inches of soil. If soil must be fertilized before results of a soil test can be obtained to determine fertilizer needs, apply commercial fertilizer at 600 lbs. per acre of 5-10-10 or equivalent. If manure is used, apply a quantity to meet the nutrients of the above fertilizer. This requires an appropriate manure analysis prior to applying to the site. Do not use manure on sites to be planted with birdsfoot trefoil or in the path of concentrated water flow.

Seed mixtures may vary depending on location within the state and time of seeding. Generally, warm season grasses should only be seeded during early spring, April to May. These grasses are primarily used for vegetating excessively drained sands and gravels. See Standard and Specification for Sand and Gravel Mine Reclamation. Other grasses may be seeded any time of the year when the soil is not frozen and is workable. When legumes such as birdsfoot trefoil are included, spring seedings are preferred. See Table 3.1 "Permanent Critical Area Planting Mixture Recommendations" for additional seed mixtures.

General Seed Mix:
[1] add inoculant immediately prior to seeding

	Variety	lbs./acre	lbs/1000 sq. ft.
Birdsfoot trefoil[1] OR	Empire/Pardee	8[2]	0.20
Common white clover[1]	Common	8	0.20
PLUS			
Tall fescue	KY-31/Rebel	20	0.45
PLUS			
Redtop OR	Common	2	0.05
Ryegrass (perennial)	Pennfine/Linn	5	0.10

[2] Mix 4 lbs each of Empire and Pardee OR 4 lbs of Birdsfoot and 4 lbs white clover per acre.

Time of Seeding: The optimum timing for the general seed mixture is early spring. Permanent seedings may be made any time of year if properly mulched and adequate moisture is provided. Late June through early August is not a good time to seed, but may facilitate covering the land without additional disturbance if construction is completed. Portions of the seeding may fail due to drought and heat. These areas may need reseeding in late summer/fall or the following spring.

Method of seeding: Broadcasting, drilling, cultipack type seeding, or hydroseeding are acceptable methods. Proper soil to seed contact is key to successful seedings.

Mulching: Mulching is essential to obtain a uniform stand of seeded plants. Optimum benefits of mulching new seedings are obtained with the use of small grain straw applied at a rate of 2 tons per acre, and anchored with a netting or tackifier. See the mulch standard and specification for choices and requirements.

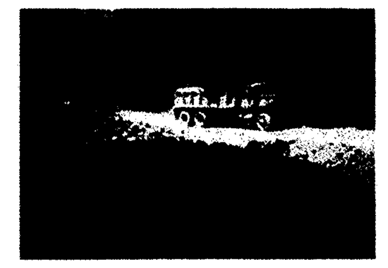
Irrigation: Watering may be essential to establish a new seeding when a drought condition occurs shortly after a new seeding emerges. Irrigation is a specialized practice and care must be taken not to exceed the application rate for the soil or subsoil. When disconnecting irrigation pipe, be sure pipes are drained in a safe manor, not creating an erosion concern.

Table 3.1
Permanent Critical Area Planting Mixture Recommendations

Seed mixture	Variety	Rate in lbs. per acre	Rate in lbs. Per 1000 sq. ft.
Mix #1			
Creeping red fescue	Ensylva, Pennlawn, Boreal	10	.25
Perennial ryegrass	Pennfine, Linn	10	.25
*This mix is used extensively for shaded areas.			
Mix #2			
Switchgrass	Shelter, Pathfinder, Trailblazer, or Blackwell	20	.5
*This rate is in pure live seed, this would be an excellent choice along the upland edge of a wetland to filter runoff and provide wildlife benefits. In areas where erosion may be a problem, a companion seeding of sand lovegrass should be added to provide quick cover at a rate of 2 lbs. per acre (0.05 lbs. per 1000 sq. ft.).			
Mix #3			
Switchgrass	Shelter, Pathfinder, Trailblazer, or Blackwell	4	.1
Big bluestem	Niagara	4	.1
Little bluestem	Aldous or Camper	2	.05
Indiangrass	Rumsey	4	.1
Coastal panicgrass	Atlantic	2	.05
Sideoats grama	El Reno or Trailway	2	.05
Wildflower mix		.5	.01
*This mix has been successful on sand and gravel plantings. It is very difficult to seed without a warm season grass seeder such as a Truax seed drill. Broadcasting this seed is very difficult due to the fluffy nature of some of the seed, such as bluestems and indiangrass.			
Mix #4			
Switchgrass	Shelter, Pathfinder, Trailblazer, or Blackwell	10	.25
Coastal panicgrass	Atlantic	10	.25
*This mix is salt tolerant, a good choice along the upland edge of tidal areas and roadsides.			
Mix #5			
Saltmeadow cordgrass (Spartina patens)—This grass is used for tidal shoreline protection and tidal marsh restoration. It is planted by vegetative stem divisions.			
'Cape' American beachgrass can be planted for sand dune stabilization above the saltmeadow cordgrass zone.			
Mix #6			
Creeping red fescue	Ensylva, Pennlawn, Boreal	20	.45
Tall fescue	KY 31, Rebel	20	.45
Perennial ryegrass	Pennfine, Linn	5	.10
Birdsfoot trefoil	Empire, Pardee	10	.45

*General purpose erosion control mix. Not to be used for a turf planting or play grounds.

STANDARD AND SPECIFICATIONS FOR DUST CONTROL



Definition

The control of dust resulting from land-disturbing activities.

Purpose

To prevent surface and air movement of dust from disturbed soil surfaces that may cause off-site damage, health hazards, and traffic safety problems.

Conditions Where Practice Applies

On construction roads, access points, and other disturbed areas subject to surface dust movement and dust blowing where off-site damage may occur if dust is not controlled.

Design Criteria

Construction operations should be scheduled to minimize the amount of area disturbed at one time. Buffer areas of vegetation should be left where practical. Temporary or permanent stabilization measures shall be installed. No specific design criteria is given; see construction specifications below for common methods of dust control.

Water quality must be considered when materials are selected for dust control. Where there is a potential for the material to wash off to a stream, ingredient information must be provided to the local permitting authority.

Construction Specifications

A. Non-driving Areas – These areas use products and materials applied or placed on soil surfaces to prevent airborne migration of soil particles.

Vegetative Cover – For disturbed areas not subject to traffic, vegetation provides the most practical method of dust control (see Section 3).

Mulch (including gravel mulch) – Mulch offers a fast effective means of controlling dust. This can also include rolled erosion control blankets.

Spray adhesives – These are products generally composed of polymers in a liquid or solid form that are mixed with water to form an emulsion that is sprayed on the soil surface with typical hydroseeding equipment. The mixing ratios and application rates will be in accordance with the manufacturer's recommendations for the specific soils on the site. In no case should the application of these adhesives be made on wet soils or if there is a probability of precipitation within 48 hours of its proposed use. Material Safety Data Sheets will be provided to all applicators and others working with the material.

B. Driving Areas – These areas utilize water, polymer emulsions, and barriers to prevent dust movement from the traffic surface into the air.

Sprinkling – The site may be sprayed with water until the surface is wet. This is especially effective on haul roads and access routes.

Polymer Additives – These polymers are mixed with water and applied to the driving surface by a water truck with a gravity feed drip bar, spray bar or automated distributor truck. The mixing ratios and application rates will be in accordance with the manufacturer's recommendations. Incorporation of the emulsion into the soil will be done to the appropriate depth based on expected traffic. Compaction after incorporation will be by vibratory roller to a minimum of 95%. The prepared surface shall be moist and no application of the polymer will be made if there is a probability of precipitation within 48 hours of its proposed use. Material Safety Data Sheets will be provided to all applicators working with the material.

Barriers – Woven geotextiles can be placed on the driving surface to effectively reduce dust throw and particle migration on haul roads. Stone can also be used for construction roads for effective dust control.

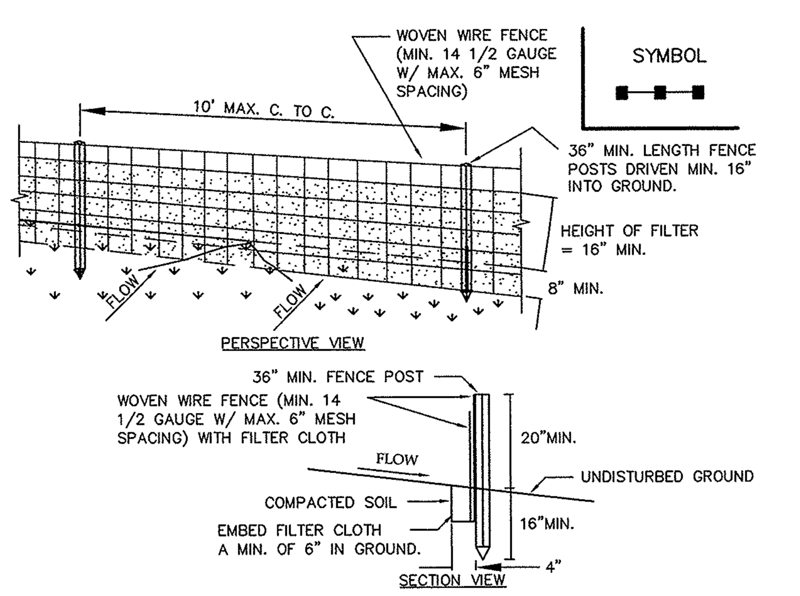
Windbreak – A silt fence or similar barrier can control air currents at intervals equal to ten times the barrier height. Preserve existing wind barrier vegetation as much as practical.

All Stormwater Pollution Prevention Plans must contain the NYS DEC issued "Conditions for Use" and "Application Instructions" for any polymers used on the site. This information can be obtained from the NYS DEC website.

Maintenance

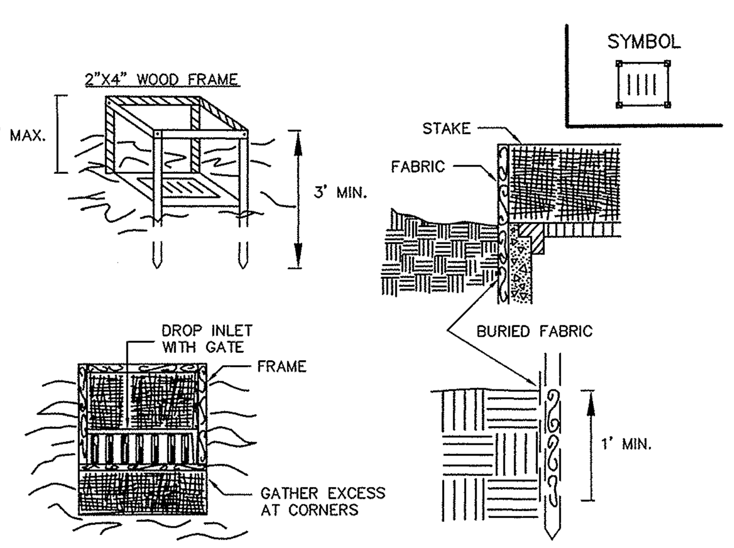
Maintain dust control measures through dry weather periods until all disturbed areas are stabilized.

SILT FENCE



CONSTRUCTION SPECIFICATIONS

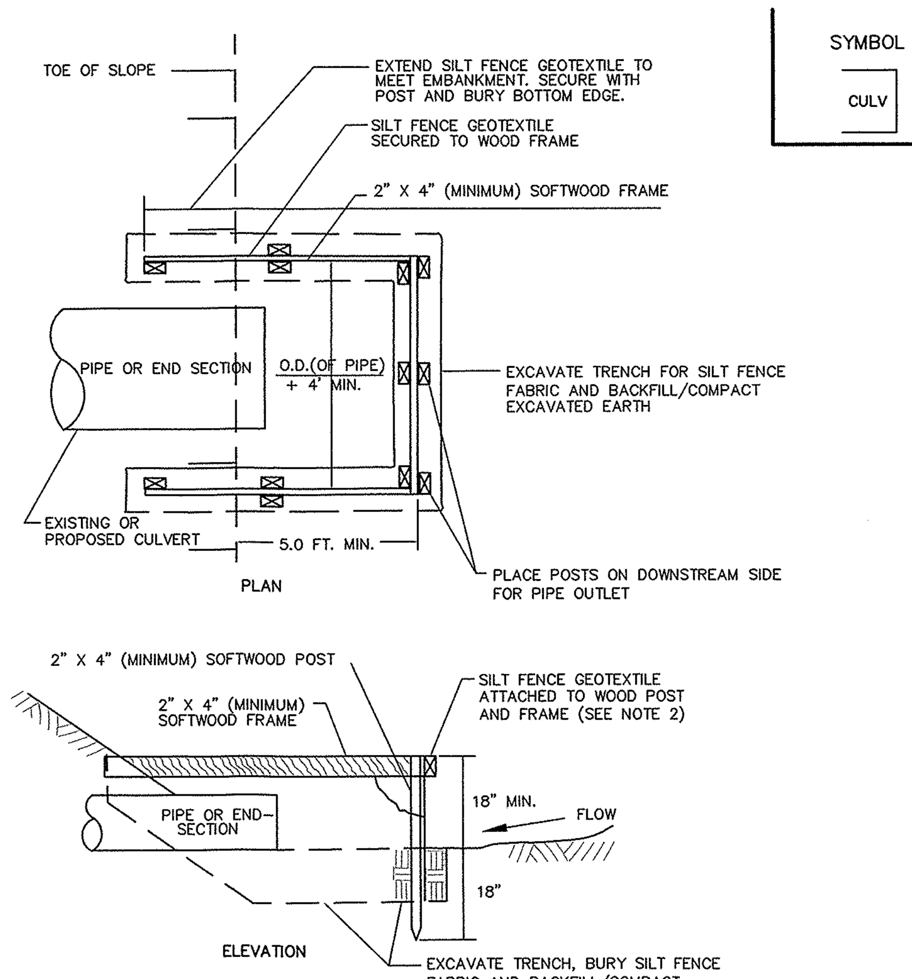
1. WOVEN WIRE FENCE TO BE FASTENED SECURELY TO FENCE POSTS WITH WIRE TIES OR STAPLES. POSTS SHALL BE STEEL EITHER "T" OR "U" TYPE OR HARDWOOD.
2. FILTER CLOTH TO BE TO BE FASTENED SECURELY TO WOVEN WIRE FENCE WITH TIES SPACED EVERY 24" AT TOP AND MID SECTION. FENCE SHALL BE WOVEN WIRE, 12 1/2 GAUGE, 6" MAXIMUM MESH OPENING.
3. WHEN TWO SECTIONS OF FILTER CLOTH ADJOIN EACH OTHER THEY SHALL BE OVER-LAPPED BY SIX INCHES AND FOLDED. FILTER CLOTH SHALL BE EITHER FILTER X, MIRAFI 100X, STABILINKA T140N, OR APPROVED EQUIVALENT.
4. PREFABRICATED UNITS SHALL BE GEOFAB, ENVIROFENCE, OR APPROVED EQUIVALENT.
5. MAINTENANCE SHALL BE PERFORMED AS NEEDED AND MATERIAL REMOVED WHEN "BULGES" DEVELOP IN THE SILT FENCE.



CONSTRUCTION SPECIFICATIONS

1. FILTER FABRIC SHALL HAVE AN EOS OF 40-85. BURLAP MAY BE USED FOR SHORT TERM APPLICATIONS.
2. CUT FABRIC FROM A CONTINUOUS ROLL TO ELIMINATE JOINTS. IF JOINTS ARE NEEDED THEY WILL BE OVERLAPPED TO THE NEXT STAKE.
3. STAKE MATERIALS WILL BE STANDARD 2" x 4" WOOD OR EQUIVALENT. METAL WITH A MINIMUM LENGTH OF 3 FEET.
4. SPACE STAKES EVENLY AROUND INLET 3 FEET APART AND DRIVE A MINIMUM 18 INCHES DEEP. SPANS GREATER THAN 3 FEET MAY BE BRIDGED WITH THE USE OF WIRE MESH BEHIND THE FILTER FABRIC FOR SUPPORT.
5. FABRIC SHALL BE EMBEDDED 1 FOOT MINIMUM BELOW GROUND AND BACKFILLED. IT SHALL BE SECURELY FASTENED TO THE STAKES AND FRAME.
6. A 2" x 4" WOOD FRAME SHALL BE COMPLETED AROUND THE CREST OF THE FABRIC FOR OVER FLOW STABILITY. MAXIMUM DRAINAGE AREA 1 ACRE
7. INSPECT THE FABRIC BARRIER AFTER EACH RAIN EVENT AND MAKE REPAIRS AS NEEDED. REMOVE SEDIMENT FROM THE POOL AREA AS NECESSARY WITH CARE NOT TO UNDERCUT OR DAMAGE THE FILTER FABRIC.

FILTER FABRIC DROP INLET PROTECTION

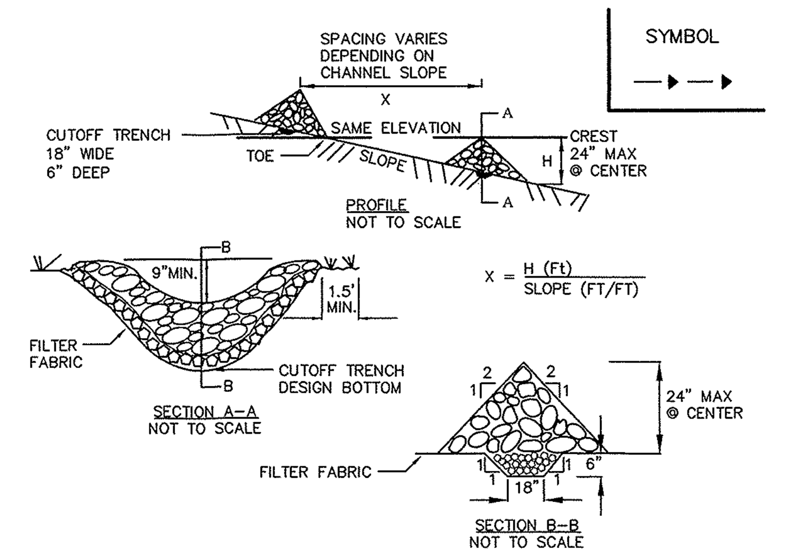


APPLICATION NOTES:
A. PIPE INLET OR OUTLET PROTECTION SHALL NOT BE USED IN OR ACROSS A FLOWING DRAINAGE CHANNEL.
B. SILT FENCE PIPE OUTLET PROTECTION SHALL BE INSTALLED IN THE SAME MANNER AS THE INLET PROTECTION, EXCEPT THAT THE FABRIC SHALL BE INSTALLED ON THE UPSTREAM SIDE OF THE POSTS.

NOTES:
1. APPROVED SILT FENCE GEOTEXTILES ARE LISTED ON THE NYSDOT APPROVED LIST.
2. GEOTEXTILE SHALL BE CUT FROM A CONTINUOUS ROLL TO ELIMINATE JOINTS. IF JOINTS ARE NECESSARY THEY WILL BE OVERLAPPED TO THE NEXT POST.
3. SPACE POSTS EVENLY AROUND INLET WITH A MAXIMUM SPACING OF 3 FT.. DRIVE POSTS 18" MINIMUM INTO GROUND. WIRE MESH MAY BE REQUIRED BEHIND GEOTEXTILE TO PROVIDE SUPPORT.
4. SILT FENCE GEOTEXTILE SHALL BE EMBEDDED 6" BELOW GROUND AND BACKFILLED. GEOTEXTILE SHALL BE SECURELY FASTENED TO POSTS AND FRAME.
5. MEASURES SHALL BE INSPECTED EVERY SEVEN (7) CALENDAR DAYS, AFTER EACH RAINFALL 1/2" OR MORE WITHIN A 12 HOUR PERIOD, OR DAILY DURING PROLONGED RAINFALL. MEASURES SHALL BE CLEANED AND REPAIRED AS REQUIRED.
6. SEDIMENT SHALL BE REMOVED WHEN ACCUMULATION REACHES ONE-HALF OF THE MEASURE HEIGHT. SEDIMENT SHALL BE DISPOSED OF AS UNSUITABLE MATERIAL.

PIPE INLET/OUTLET PROTECTION–TEMPORARY (SILT FENCE)

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
PLANNING DIRECTOR DATE
FILE NUMBER CHECKED BY



CONSTRUCTION SPECIFICATIONS

1. STONE WILL BE PLACED ON A FILTER FABRIC FOUNDATION TO THE LINES, GRADES AND LOCATIONS SHOWN IN THE PLAN.
2. SET SPACING OF CHECK DAMS TO ASSUME THAT THE ELEVATIONS OF THE CREST OF THE DOWNSTREAM DAM IS AT THE SAME ELEVATION OF THE TOE OF THE UPSTREAM DAM.
3. EXTEND THE STONE A MINIMUM OF 1.5 FEET BEYOND THE DITCH BANKS TO PREVENT CUTTING AROUND THE DAM.
4. PROTECT THE CHANNEL DOWNSTREAM OF THE LOWEST CHECK DAM FROM SCOUR AND EROSION WITH STONE OR LINER AS APPROPRIATE.
5. ENSURE THAT CHANNEL APPURTENANCES SUCH AS CULVERT ENTRANCES BELOW CHECK DAMS ARE NOT SUBJECT TO DAMAGE OR BLOCKAGE FROM DISPLACED STONE. MAXIMUM DRAINAGE AREA 2 ACRES.

CHECK DAM (CD)

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5166 MAIN STREET WILLIAMSVILLE, NY 14221 TEL: 716.633.2096, FAX: 633.5776

GPI
GREENMAN-PEDERSEN, INC.
CONSULTING ENGINEERS
ENGINEERING • SURVEYING • PLANNING
4950 GENESEE STREET SUITE 165 BUFFALO, NY 14225
(716) 633-4844 FAX (716) 633-4940

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PLANNING SUBMISSION

STATE OF NEW YORK — GREENMAN-PEDERSEN INC. — LICENSED PROFESSIONAL ENGINEER — No. 131

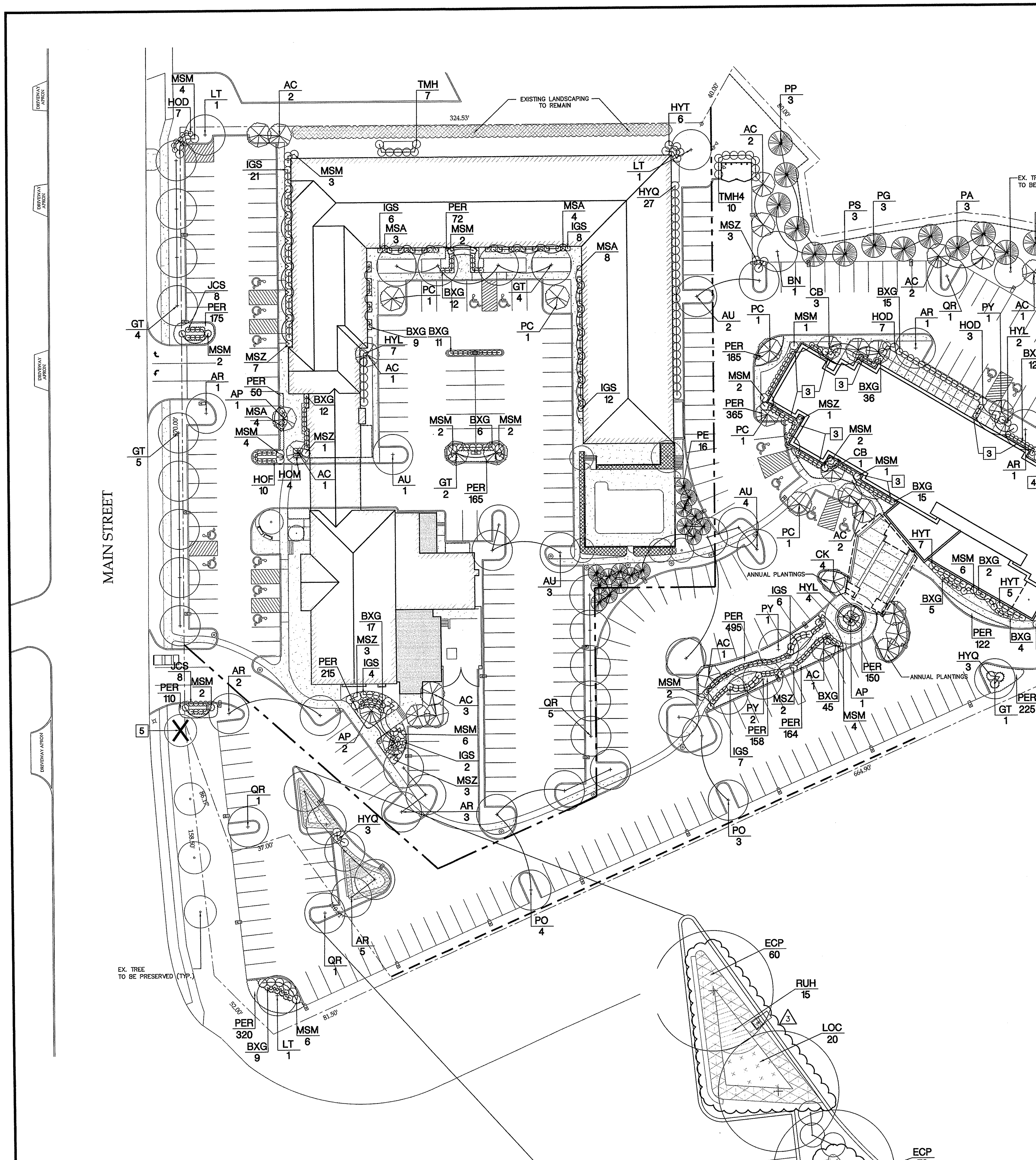
PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

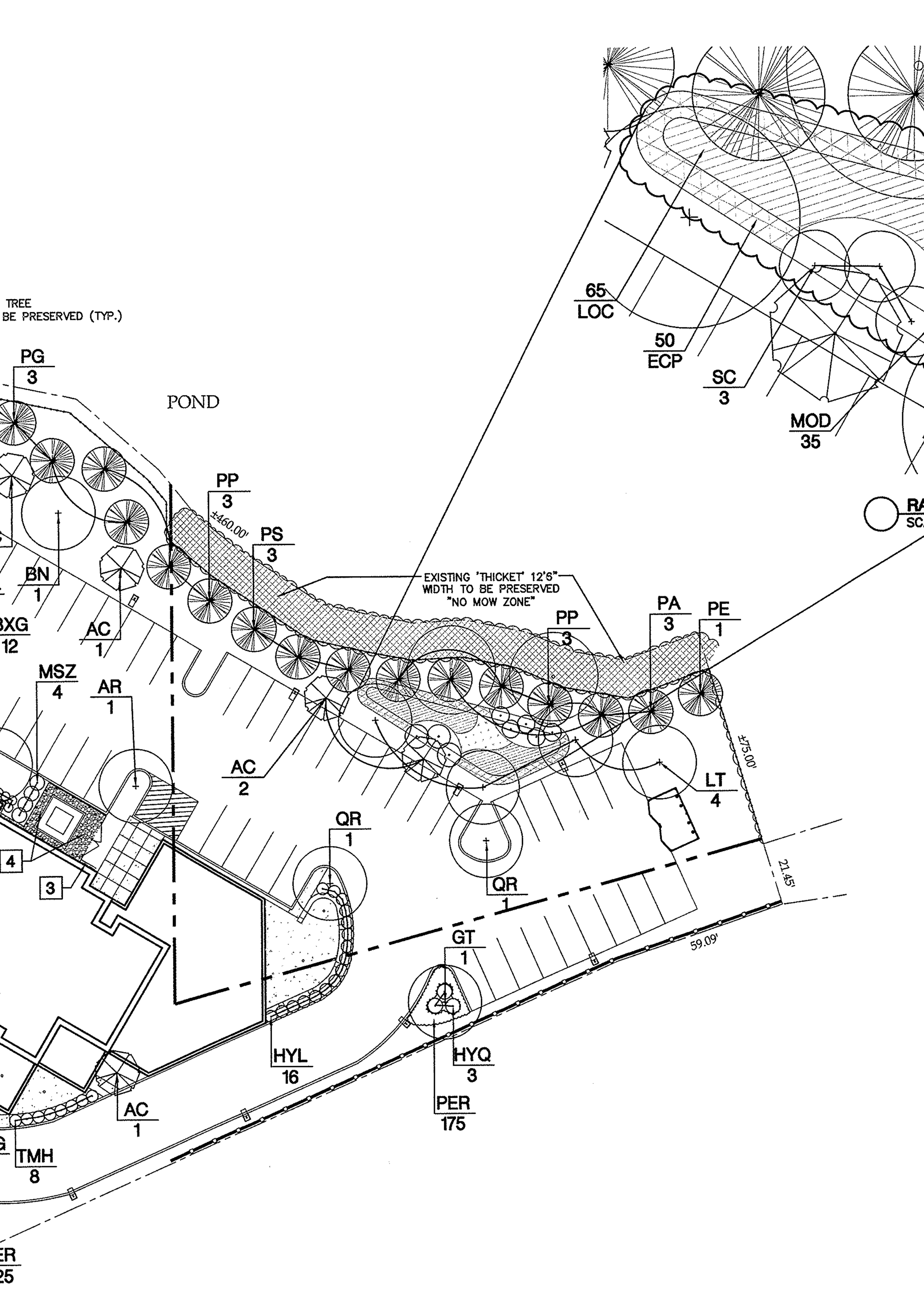
DETAILS: SED. AND EROSION CONTROL

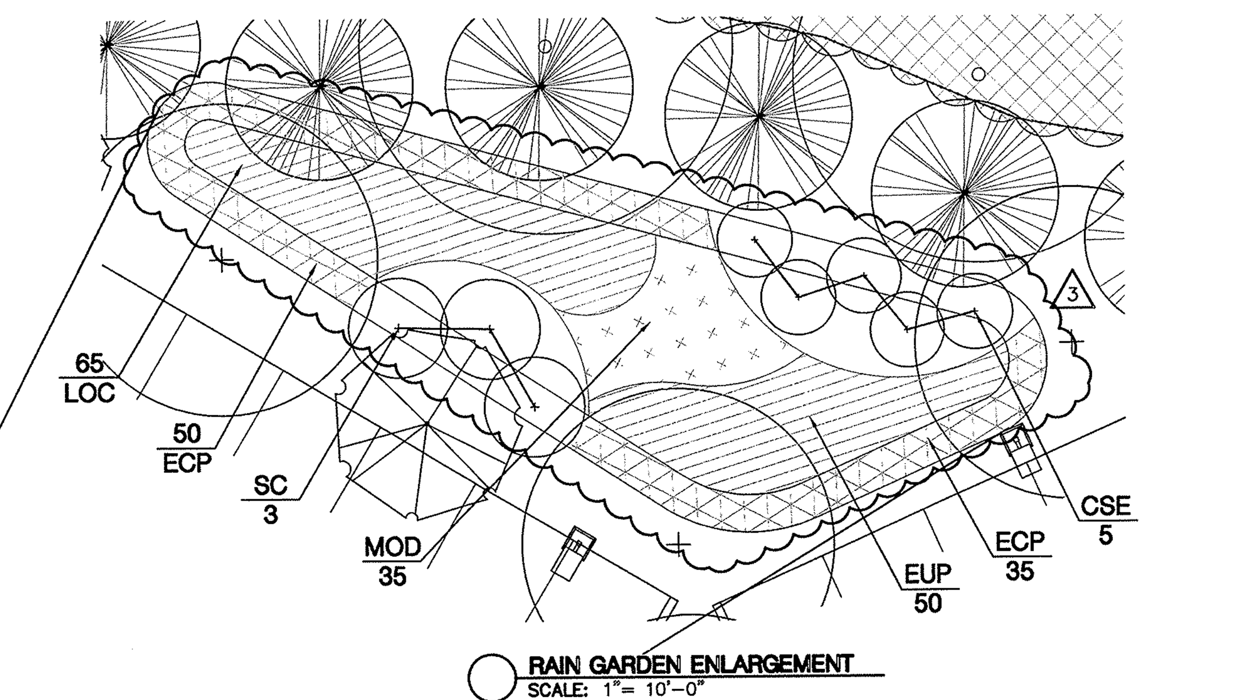
REVISIONS No.	DATE	DESCRIPTION

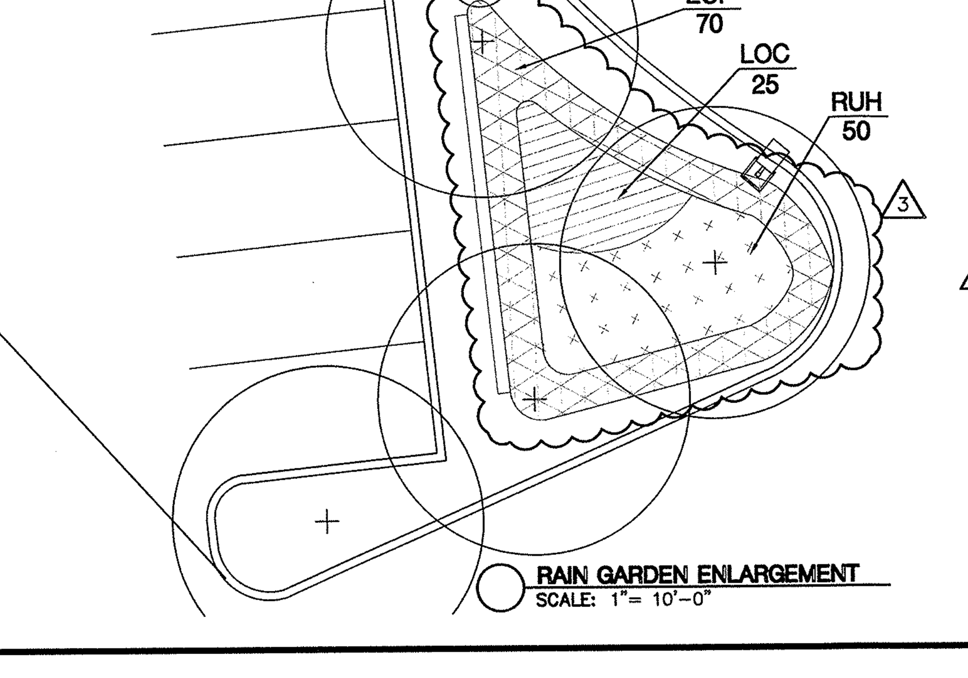
DRAWN BY: SNS CHECKED BY: DFP
SCALE: NONE PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: C1.22









Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
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☐ COORDINATED SIGN PLAN
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PLANNING DIRECTOR — DATE
FILE NUMBER — CHECKED BY

1 SITE PLAN
SCALE: 1"=30'
0 15 30 60

1 SITE PLANTING NOTES

1. PLACE 4" DEPTH TOPSOIL, SEED AND MULCH.
2. FINISHED GRADE OF SOIL AND MULCH TO BE BELOW LEVEL OF BUILDING WEEPS.
3. 12" WIDE X 4" DEPTH #2 RIVER ROCK BUFFER STRIP TYPICAL AROUND HYATT PLACE PERIMETER.
4. PLACE 4" DEPTH #2 RIVER ROCK WITHIN LIMITS OF TRANSFORMER SERVICE AREA.
5. REMOVE AND DISPOSE OF TREE INCLUDING STUMP IN ITS ENTIRETY.
6. ALL PLANT BEDS TO RECEIVE LANDSCAPE WEED MAT AND 4" DEPTH SHREDDED HARDWOOD MULCH FREE OF SOIL. MULCH TO BE COLORED BLACK.
7. ALL PLANT BED EDGES TO BE DELINEATED WITH 4" HEIGHT MIN. STEEL LANDSCAPE EDGING. EDGING TO BE INSTALLED FLUSH WITH GRADE. WHERE LANDSCAPE BED ABUTS PAVEMENT, CURB OR BUILDING WALL, LANDSCAPE EDGING IS NOT REQUIRED.
8. PERENNIAL AND BULB SELECTION MAY BE MODIFIED BY OWNER AT TIME OF INSTALLATION.
9. ALL ANNUAL PLANT SPECIES TO BE SELECTED BY OWNER.

TREE SCHEDULE

QTY	KEY	BOTANICAL NAME	COMMON NAME	SIZE	ROOT	COMMENT
TREES						
20	AC	Amelanchier x grandiflora 'Autumn Brilliance'	AUTUMN BRILLIANCE SERVICEBERRY	12' HT. MIN.	B&B	12' min. sp., clump form
4	AP	Acer palmatum 'Bloodgood'	BLOODGOOD JAPANESE MAPLE	8' HT. MIN.	B&B	12' min. sp., multi-stem specimen
14	AR	Acer rubrum 'October Glory'	OCTOBER GLORY RED MAPLE	2.5"-3"	B&B	20' min. sp.
10	AU	Acer rubrum 'Autumn Blaze'	AUTUMN BLAZE RED MAPLE	2.5"-3"	B&B	20' min. sp.
2	BN	Betula nigra	CLUMP RIVER BIRCH	12' HT. MIN.	B&B	Per Plan; 3 trunks minimum, clump form
4	CB	Carpinus betulus 'Fastigiata'	UPRIGHT HORNBEAM	2.5"-3"	B&B	20' min. sp.
4	CK	Cornus kousa	KOUSA DOGWOOD	8'-10' HT. MIN.	B&B	20' min. sp., clump form
17	GT	Gleditsia tricanthos inermis 'Shademaster'	SHADEMASTER HONEYLOCUST	3"-3.5"	B&B	20' min. sp., matched, 8' min. branching ht., single straight trunk
7	LT	Liriodendron tulipifera	TULIP TREE	2.5"-3"	B&B	30' min. sp., 6' min. branching ht.
6	PA	Picea abies	NORWAY SPRUCE	6'-7' HT. MIN.	B&B	20' min. sp.
5	PC	Pyrus calleryana 'Chanticleer'	CHANTICLEER PEAR	2.5"-3"	B&B	30' min. sp.
17	PE	Picea omorika	SERBIAN SPRUCE	7'-8' HT. MIN.	B&B	20' min. sp.
7	PO	Platanus X acerifolia	LONDON PLANETREE	2.5"-3"	B&B	30' min. sp., 6' min. branching ht., straight trunk
9	PP	Picea pungens	COLORADO BLUE SPRUCE	6'-7' HT. MIN.	B&B	20' min. sp.
6	PG	Picea glauca	WHITE SPRUCE	6'-7' HT. MIN.	B&B	20' min. sp.
6	PS	Pinus strobus	WHITE PINE	7'-8' HT. MIN.	B&B	20' min. sp.
4	PY	Pyrus calleryana 'Redspire'	REDSPIRE PEAR	2.5"-3"	B&B	30' min. sp.
10	QR	Quercus rubra	RED OAK	3"-3.5"	B&B	30' min. sp.

SHRUB AND PERENNIAL SCHEDULE

QTY	KEY	BOTANICAL NAME	COMMON NAME	SIZE	ROOT	COMMENT
SHRUBS/PERENNIALS						
210	BXG	Buxus x Green Velvet	GREEN VELVET BOXWOOD	3 gal. min.	Cont.	Per Plan, 24" min. ht.
17	HOD	Hosta x 'Big Daddy'	BIG DADDY HOSTA	2 gal.	Cont.	30" O.C.
10	HOF	Hosta x 'Flame Stitch'	FLAME STITCH HOSTA	2 gal.	Cont.	30" O.C.
4	HOM	Hosta montana 'Aureo-marginata'	AUREO-MARGINATA HOSTA	2 gal.	Cont.	24" O.C.
36	HYQ	Hydrangea quercifolia	OAKLEAF HYDRANGEA	36" ht. min.	Cont.	60" O.C.
29	HYL	Hydrangea paniculata 'Limelight'	LIMELIGHT HYDRANGEA	24"-30" min.	Cont.	36" O.C.
18	HYT	Hydrangea paniculata 'Tardiva'	TARDIVA HYDRANGEA	36" ht. min.	Cont.	36" O.C.
66	IGS	Ilex glabra 'Shamrock'	SHAMROCK INKBERRY	24" ht. min.	Cont.	36" O.C.
16	JCS	Juniperus chinensis 'Sea Green'	SEA GREEN JUNIPER	3 gal. min.	Cont.	36" O.C.
19	MSA	Miscanthus sinensis 'Adagio'	ADAGIO MAIDEN GRASS	3 gal. min.	Cont.	24" ht. min.
52	MSM	Miscanthus sinensis 'Morning Light'	MORNING LIGHT MAIDEN GRASS	3 gal. min.	Cont.	Full
25	MSZ	Miscanthus sinensis 'Zebrinus'	ZEBRA GRASS	3 gal. min.	Cont.	Full
15	TMH	Taxus x media 'Hicksii'	HICK'S YEW	3 gal. min.	Cont.	Full
10	TMH4	Taxus x media 'Hicksii'	HICK'S YEW	4' ht. min.	B&B	Full
3,146	PER	Perennials	ASSORTED PERENNIALS	Varies	Cont.	Species Including but not limited to: Annuals, Bulbs, Coneflower, Shasta Daisy, Black Eyed Susan, Daylily, Phlox, Iris, Lobelia, Columbine, May Night Salvia, etc.

BIO-RETENTION SCHEDULE

QTY	KEY	BOTANICAL NAME	COMMON NAME	SIZE	ROOT	COMMENT
TREES/SHRUBS/PERENNIALS						
5	CSE	Cornus sericea	REDTWIG DOGWOOD	3 gal.	Cont.	Per Plan.
215	ECP	Echinacea purpurea	PURPLECONE FLOWER	2 quart	Cont.	24" O.C.
50	EUP	Eupatorium purpureum	JOE-PYE WEED	2 quart	Cont.	24" O.C.
110	LOC	Lobelia cardinalis	CARDINAL FLOWER	2 quart	Cont.	24" O.C.
35	MOD	Monardo didyma	BEE BALM	2 quart	Cont.	24" O.C.
65	RUH	Rudbeckia hirta	BLACK-EYED SUSAN	2 quart	Cont.	24" O.C.
3	SC	Salix caprea	PUSSY WILLOW	4-5'	B&B	Per Plan,

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REGISTERED LANDSCAPE ARCHITECT
DAVID L. KENYON
001890
STATE OF NEW YORK

PROPOSED HYATT PLACE HOTEL
5000-5010 Main Street
Amherst, New York 14226

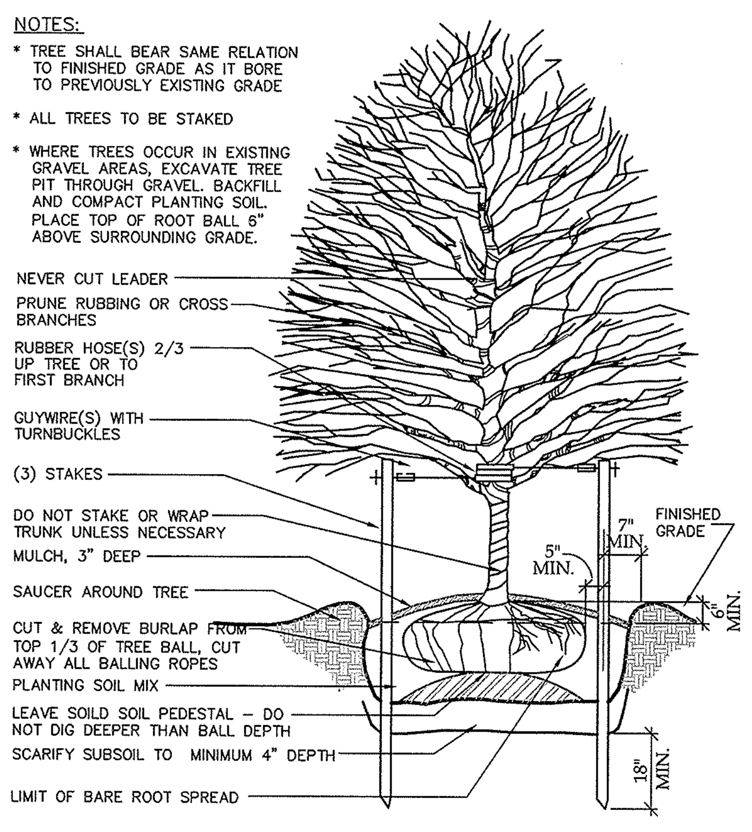
SITE PLANTING PLAN

REVISIONS:

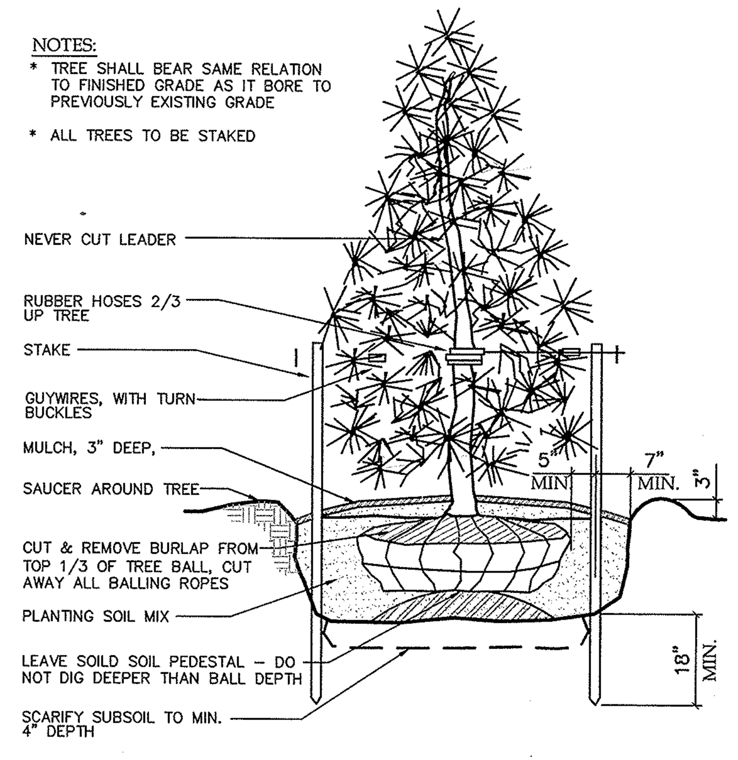
No.	DATE	DESCRIPTION
1	2-21-13	PLANT SPEC UPDATES
2	3-08-13	PLANNING DEPT. COMMENTS
3	4-08-13	RAIN GARDEN DESIGNS

DRAWN BY: WAL CHECKED BY: DWG
SCALE: AS NOTED PROJECT No.: 11-595
DATE: 01.14.2013

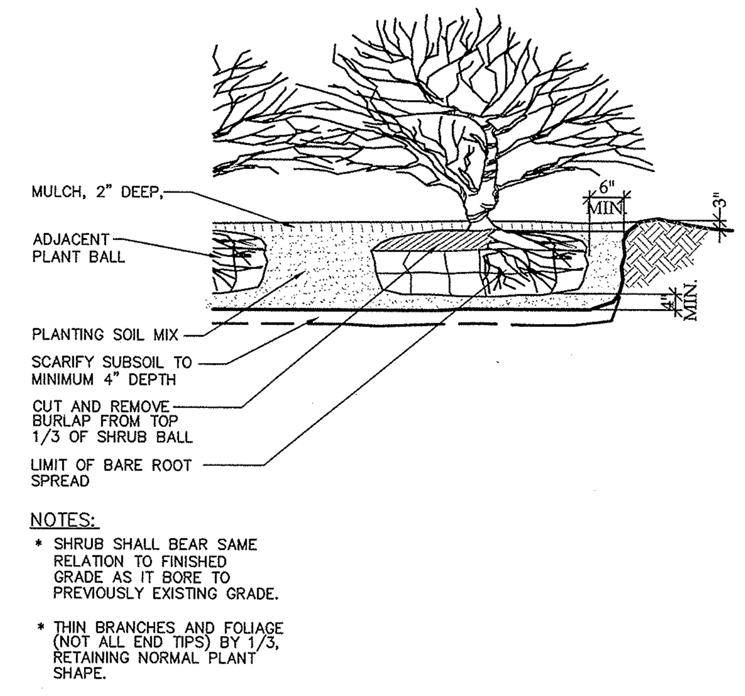
DRAWING NO.: L401



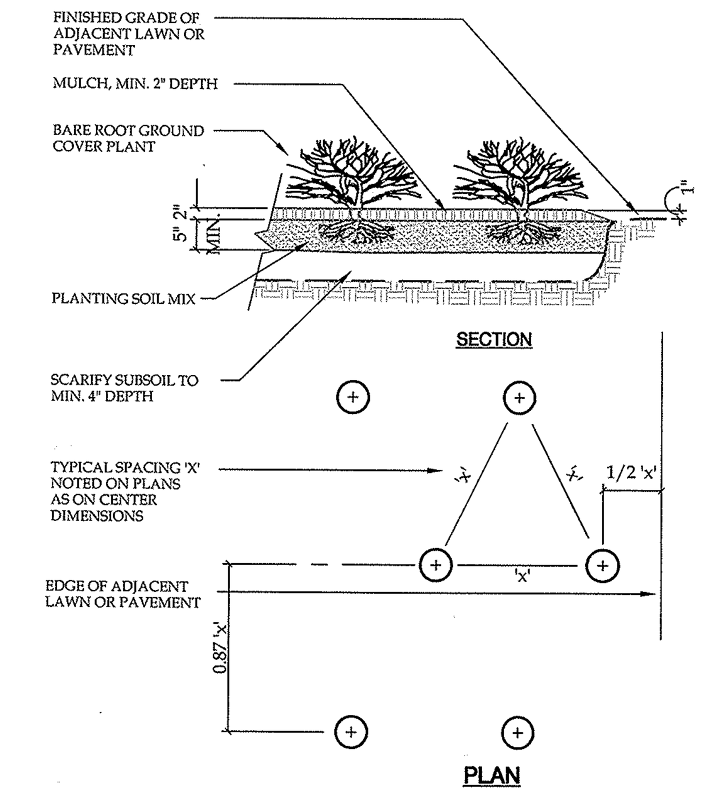
1 DECIDUOUS TREE PLANTING W/ STAKES
SCALE: NTS



2 EVERGREEN TREE PLANTING
SCALE: NTS



3 SHRUB PLANTING
SCALE: N.T.S.
(PLANTING BED)



4 PERENNIAL PLANTING
SCALE: NTS

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001890
STATE OF NEW YORK

PROPOSED HYATT PLACE HOTEL
5000-5010 Main Street
Amherst, New York 14226

SITE PLANTING DETAILS

REVISIONS:

No.	DATE	DESCRIPTION
1	2-21-13	PLANT SPEC UPDATES
2	3-08-13	PLANNING DEPT. COMMENTS

DRAWN BY: CML CHECKED BY: DWG
SCALE: AS NOTED PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: L402

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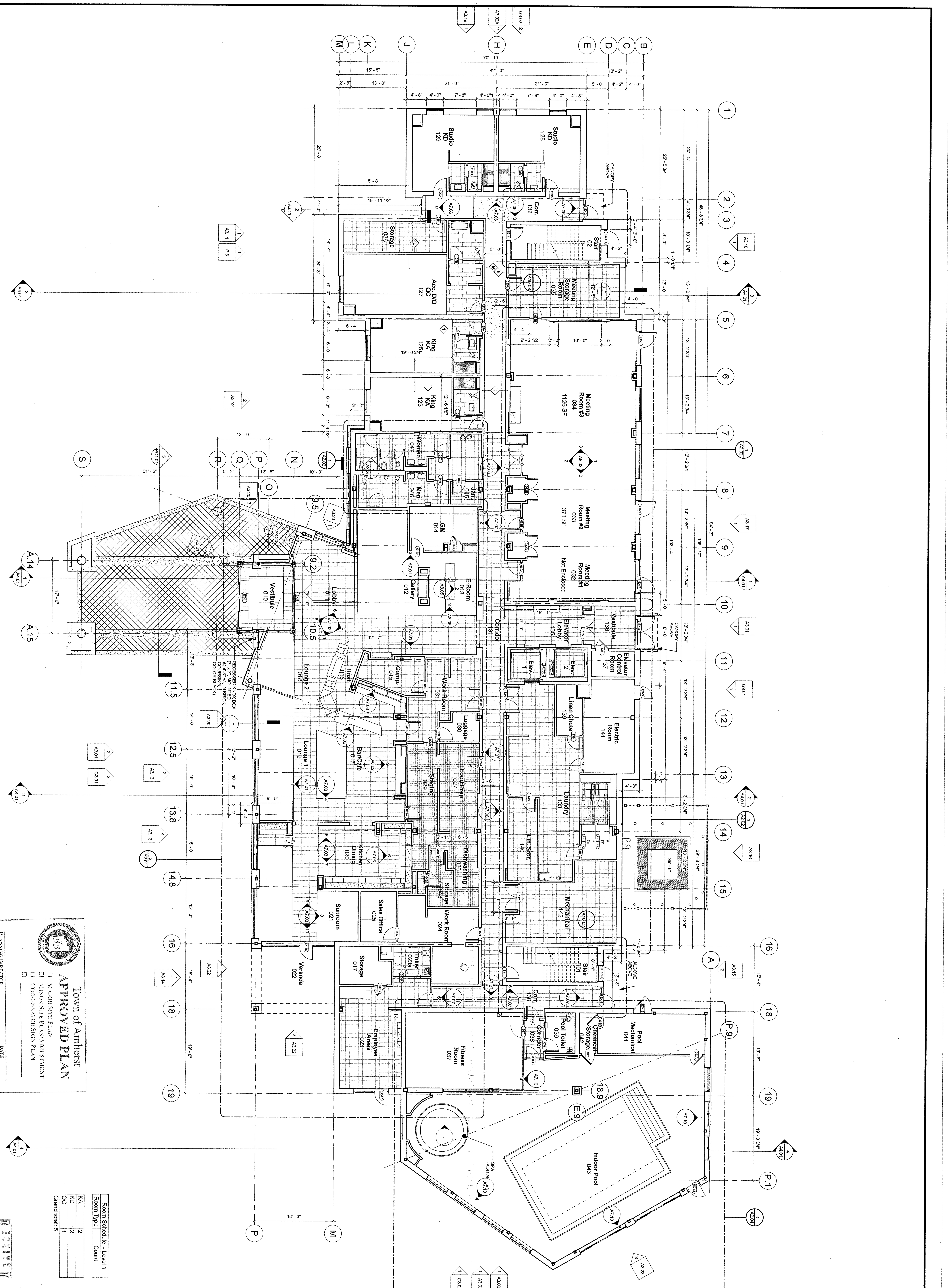

Room Schedule - Level 1	
Room Type	Count
KA	2
KD	2
QC	1
Grand total: 5	

0 2 4 8 16

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PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

Floor Plan - Ground Floor

PLANNING SUBMISSION

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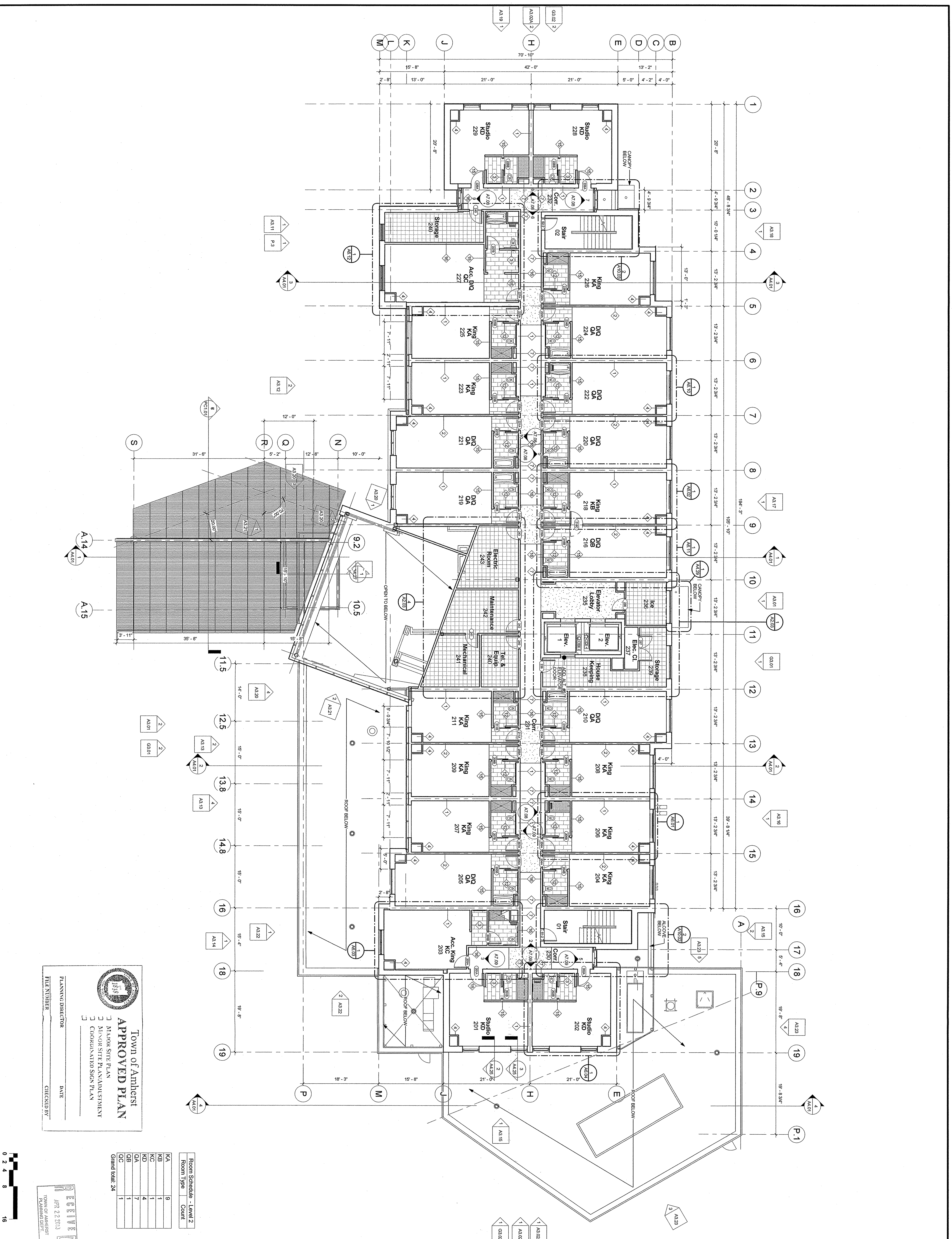
Revisions

No.	Date	Description
6	4/05/13	Addendum #6

DRAWN BY: KK CHECKED BY: MC
SCALE: 1/8" = 1'-0" PROJECT No.: 11-595
DATE: 04/09/2013
DRAWING NO.: A1.01



Room Schedule - Level 2

Room Type	Count
KA	9
KB	1
KC	1
KD	4
QA	7
QB	1
QC	1
Grand total: 24	

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

Floor Plan - Second Floor

PLANNING SUBMISSION

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Revisions

No.	Date	Description
3	3/19/13	Addendum #3

DRAWN BY: KK CHECKED BY: MC
SCALE: 1/8" = 1'-0" PROJECT No.: 11-595
DATE: 04/09/2013

DRAWING NO.: A1.02

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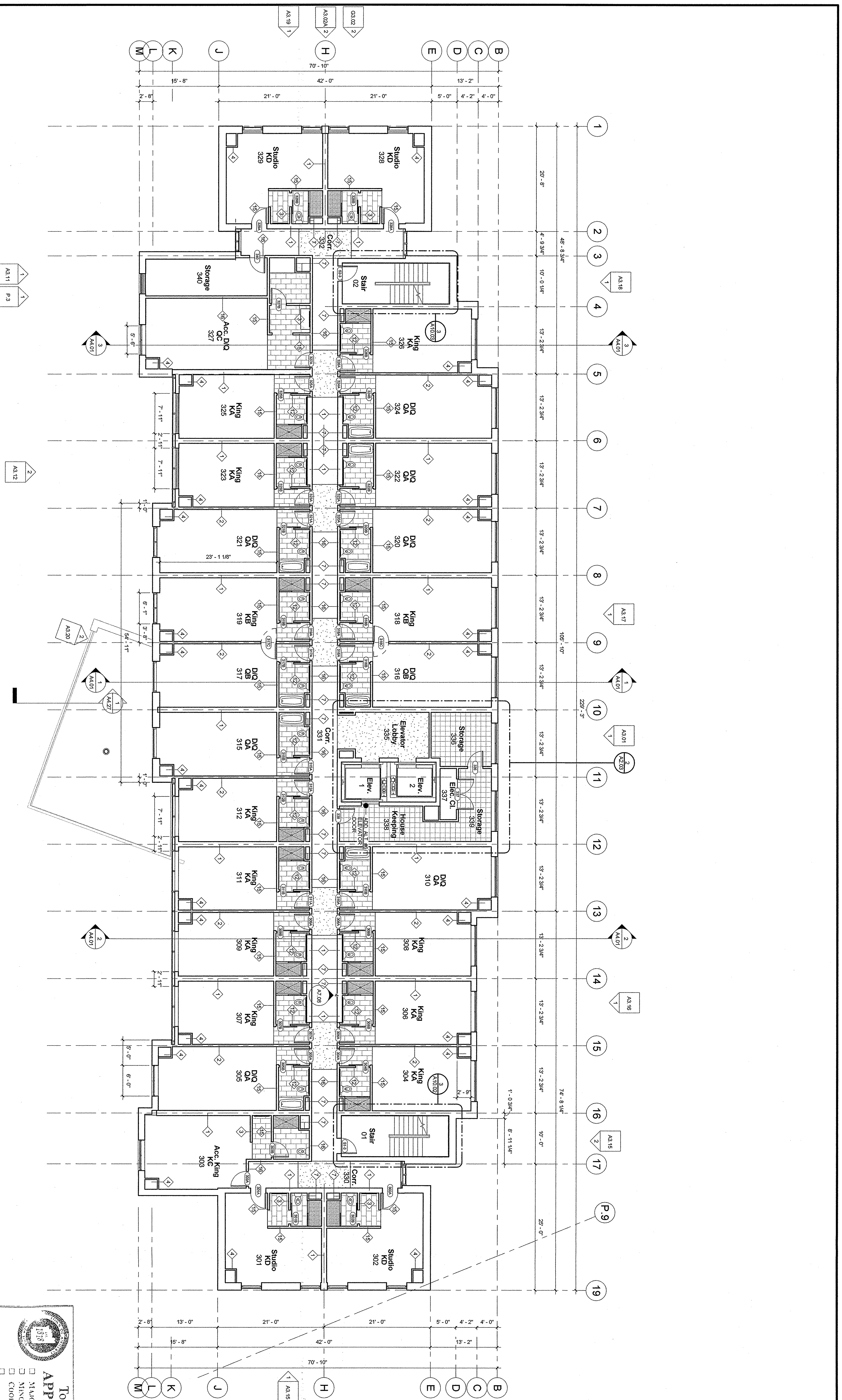

Town of Amherst
APPROVED PLAN
MAJOR SITE PLAN
MINOR SITE PLAN/ADJUSTMENT
COORDINATED SIGN PLAN
FILE NUMBER
PLANNING DIRECTOR
DATE
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Room Schedule - Level 3

Room Type	Count
KA	10
KB	2
KC	1
KD	4
QA	7
QB	2
QC	1

Grand total: 27

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PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

Floor Plan - Third Floor

PLANNING SUBMISSION

Revisions

No.	Date	Description
3	3/19/13	Addendum #3

DRAWN BY: KK CHECKED BY: MC
SCALE: 1/8" = 1'-0" PROJECT No.: 11-595
DATE: 04/09/2013

DRAWING NO.: A1.03

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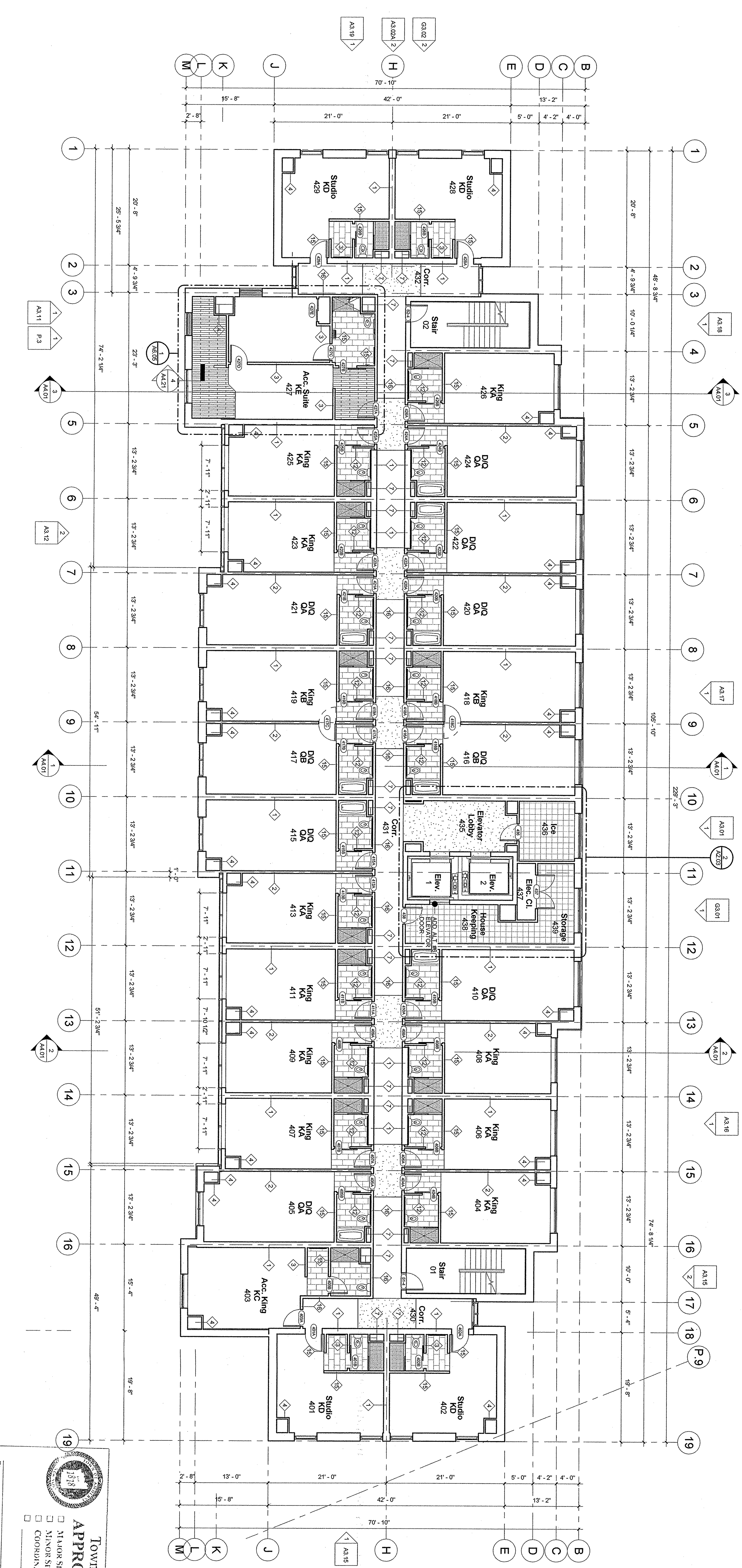

Room Schedule - Level 4	
Room Type	Count
KA	10
KB	2
KC	1
KD	4
KE	1
QA	7
QB	2
Grand total: 27	

Town of Amherst
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☐ Minor Site Plan/Adjustment
☐ Coordinated Sign Plan

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3	3/19/13	Addendum #3

Date: 04/09/2013
Project No.: 11-595

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

Floor Plan - Fourth - Sixth Floor

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A1.04

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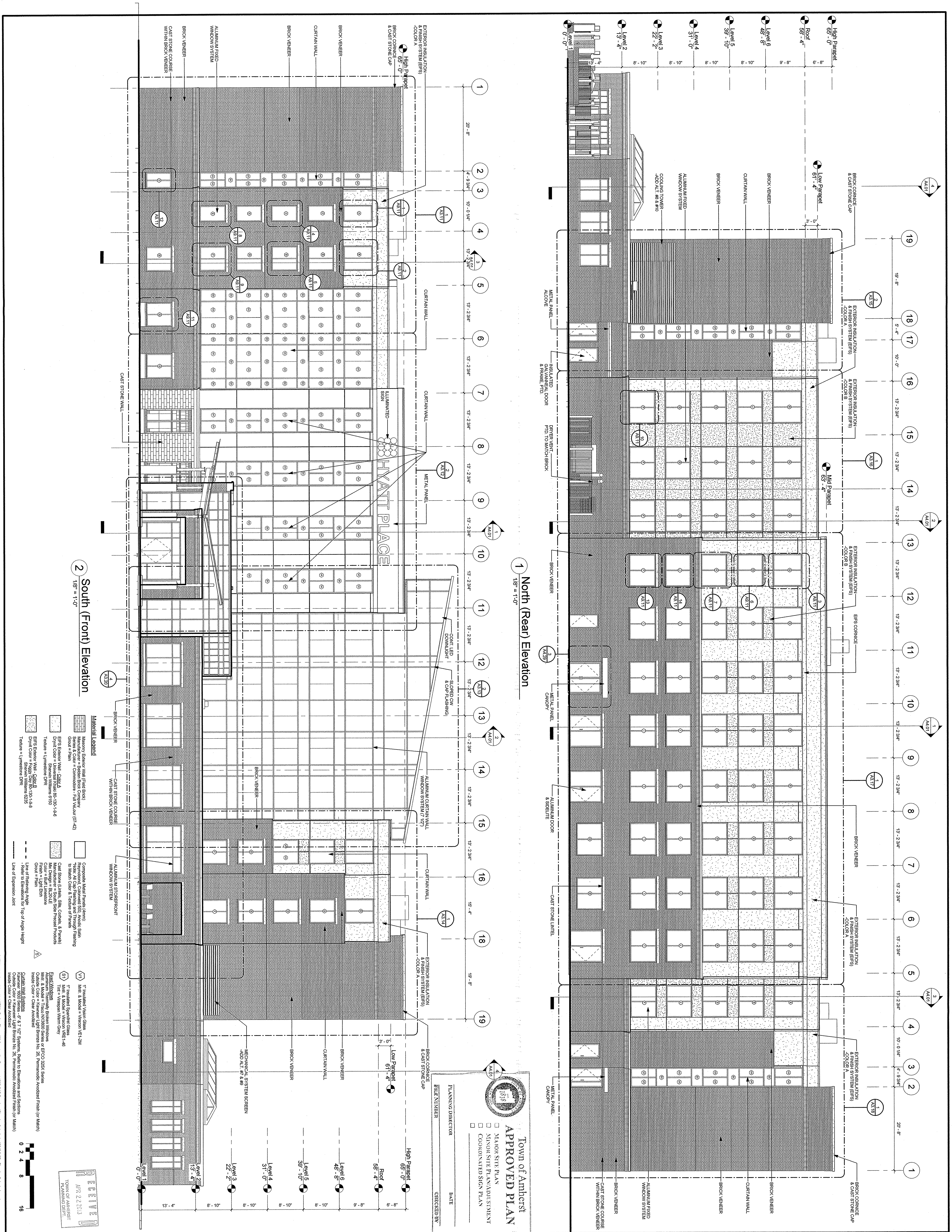

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

Exterior Elevations

PLANNING SUBMISSION

No.	Date	Description

DATE: 04/09/2013
PROJECT NO.: 11-595

A3.01

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#025 Michael Gibson
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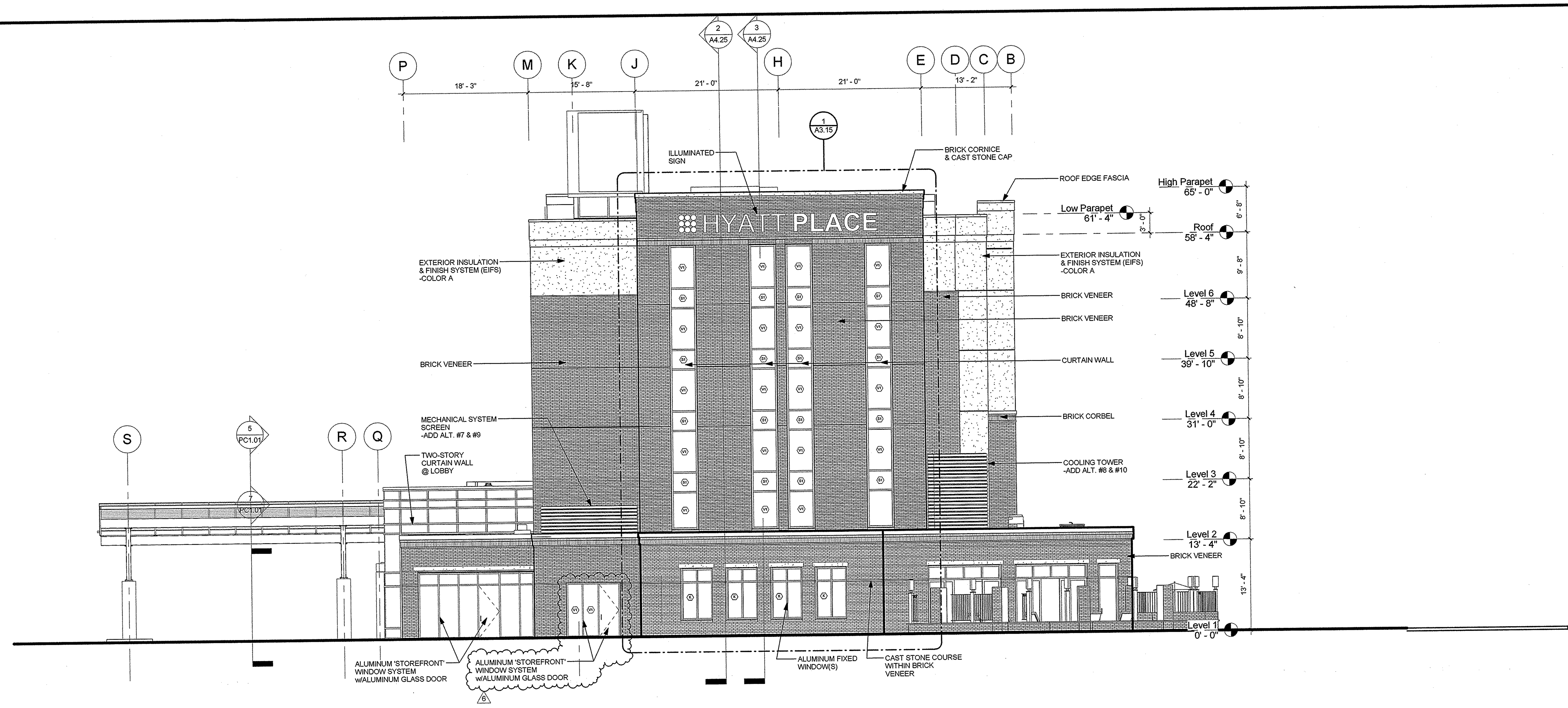
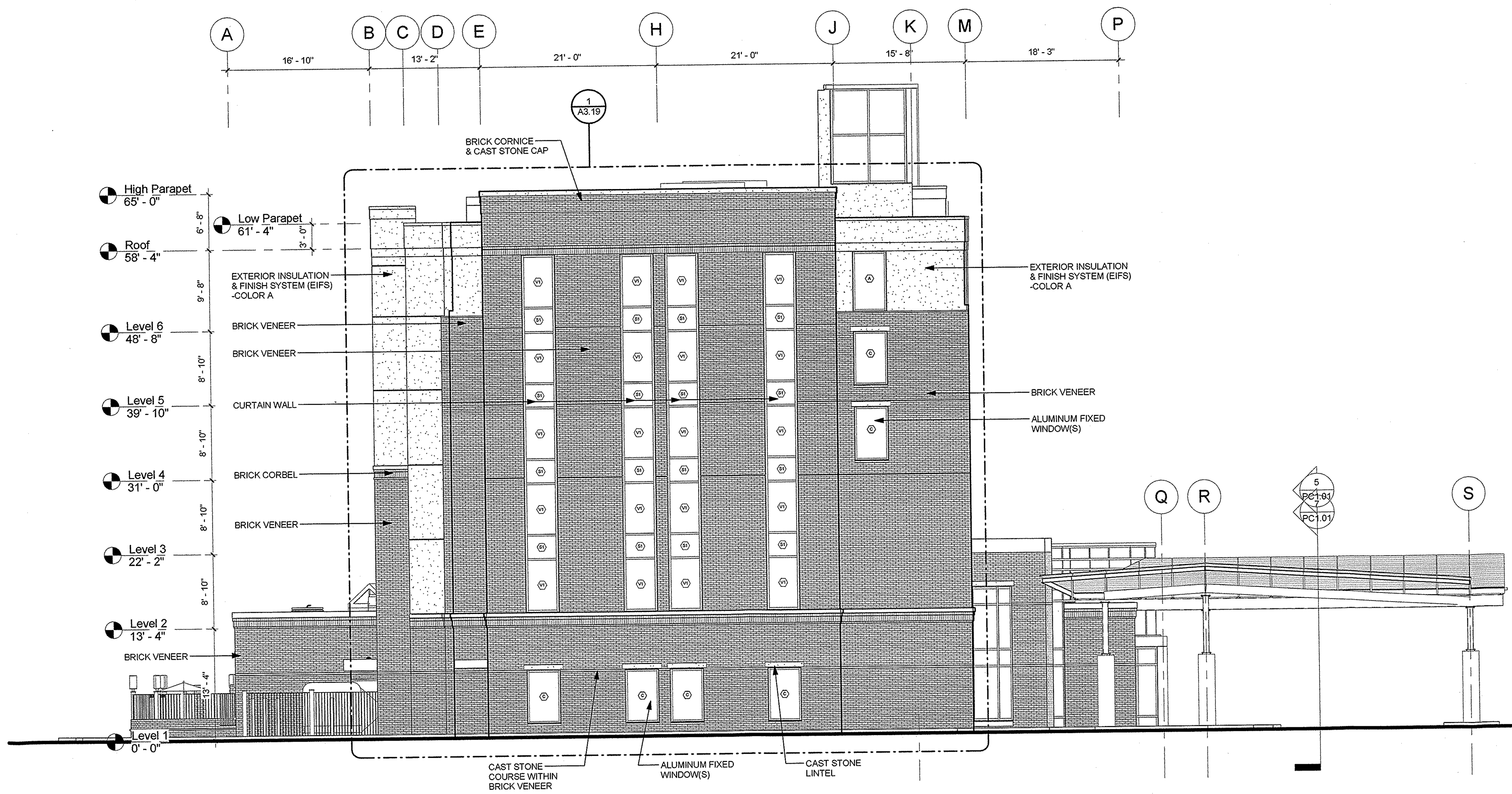


1 East
1/8" = 1'-0"



2 West
1/8" = 1'-0"

Material Legend

Masonry Exterior Wall (Field Brick)
Manufacturer = Belden Brick Company
Series & Color = Commodore - Full VeLour (07-42)
Grout = Plain

EIFS Exterior Wall - Color A
Dryvit Color = Universal Khaki 80-130-1-9-6
Sherwin Williams 6150
Texture = Lymestone DPR

EIFS Exterior Wall - Color B
Dryvit Color = Foggy Day 80-130-1-9-8
Sherwin Williams 6235
Texture = Lymestone DPR

Composite Metal Panels (4mm):
Reynobond, Colorweld 500, Anodic Satin
*Note: All Cap Flashing and Through Flashing to Match Color & Texture of Panels

Cast Stone (Lintels, Sills, Corbels, & Panels)
Manufacturer = South Side Precast Products
Mix Design = BL20-LE
Color = Buff Limestone
Finish = Light Etch
Grout = Plain

Line of Relieving Angle
- Refer to Elevations for Top of Angle Height

Line of Expansion Joint

V1 1" Insulated Vision Glass
Mnfr. & Model = Viracon VE1-2M

S1 1" Insulated Spandrel Glass
Mnfr. & Model = Viracon VRE1-46
Tint = Viraspan Warm Grey

Fixed Windows
Aluminum Thermally Broken Windows
Mnfr. & Model = Traco NX3800 Series or EFCO 325X Series
Outside Color = Kawneer Light Bronze No. 26, Permanodic Anodized Finish (or Match)
Inside Color = Clear Anodized

Curtain Wall Systems
Kawneer 1600 Series - 6" & 7 1/2" Systems, Refer to Elevations and Sections
Outside Color = Kawneer Light Bronze No. 26, Permanodic Anodized Finish (or Match)
Inside Color = Clear Anodized

0 2 4 8 16

Town of Amherst
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REGISTERED ARCHITECT
STATE OF NEW YORK

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

Exterior Elevations

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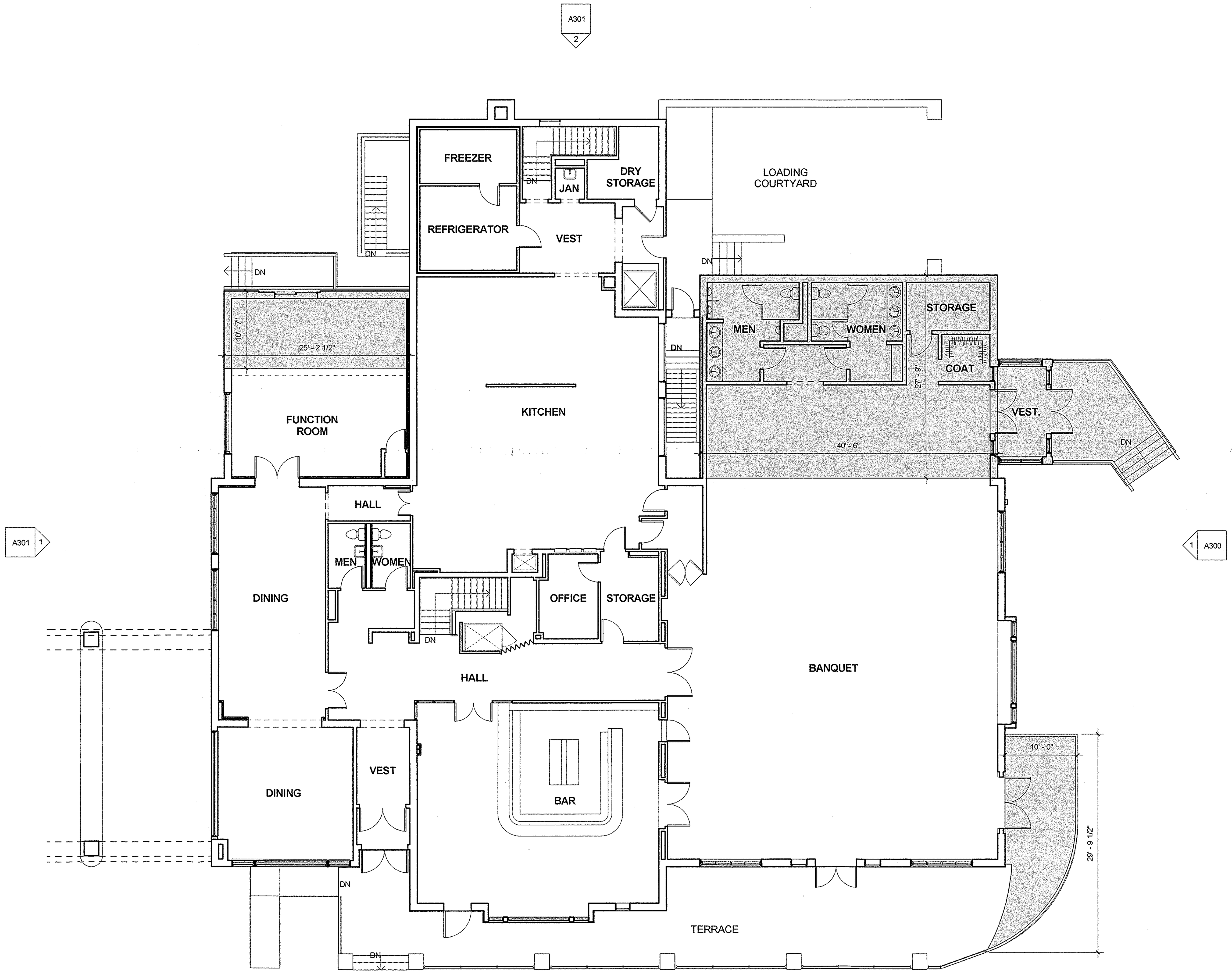
Revisions

No.	Date	Description
6	4/05/13	Addendum #6

DRAWN BY: KK CHECKED BY: MC
SCALE: 1/8" = 1'-0" PROJECT No.: 11-595
DATE: 04/09/2013
DRAWING NO.: A3.02



1 1ST FLOOR PLAN
1/8" = 1'-0"

Town of Amherst
APPROVED PLAN
☐ Major Site Plan
☐ Minor Site Plan/Adjustment
☐ Coordinated Sign Plan
☐

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PROJECT NORTH
TRUE NORTH

ISKALO
DEVELOPMENT CORP.

PLANNING SUBMISSION

Sonoma Grille
5010 Main Street
Amherst, NY 14226

1st Floor Plan

No. Date Description By

DRAWN BY: CMM CHECKED BY: ND
SCALE: 1/8" = 1'-0" PROJECT No.: 12-653
DATE: 01.14.2013

DRAWING NO.: A100

1/9/2013 5:40:39 PM C:\Users\cmmcdermid.ISKALO\Documents\Sonoma_cmmcdermid.rvt

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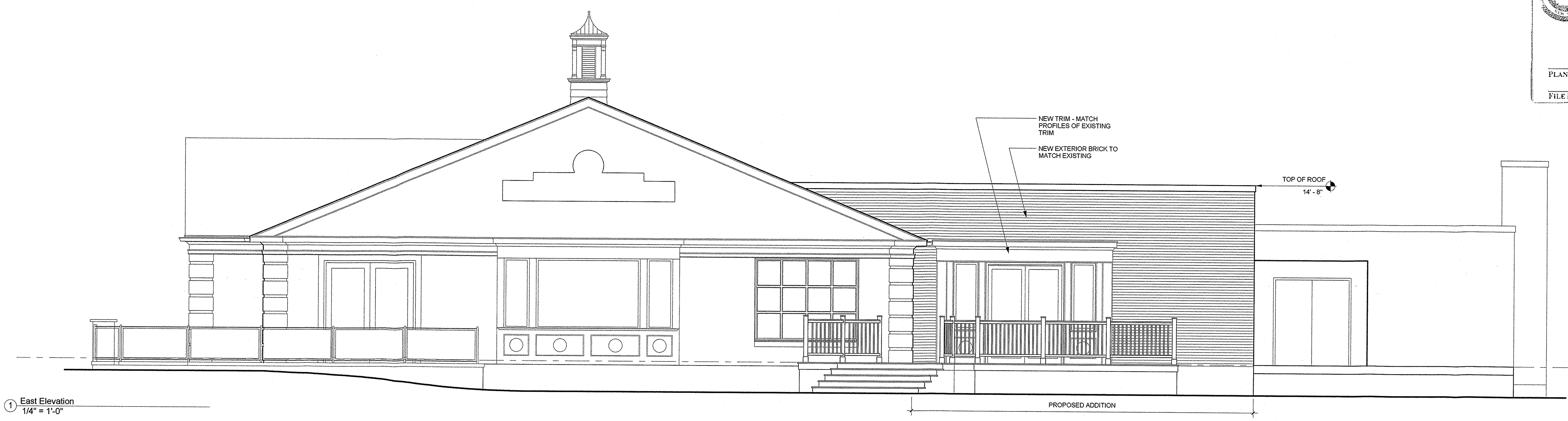


1 East Elevation
1/4" = 1'-0"

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR | DATE
FILE NUMBER | CHECKED BY

RECEIVED
APR 22 2013
TOWN OF AMHERST
PLANNING DEPT.

ISKALO
DEVELOPMENT CORP.

PLANNING SUBMISSION

Sonoma Grille
5010 Main Street
Amherst, NY 14226

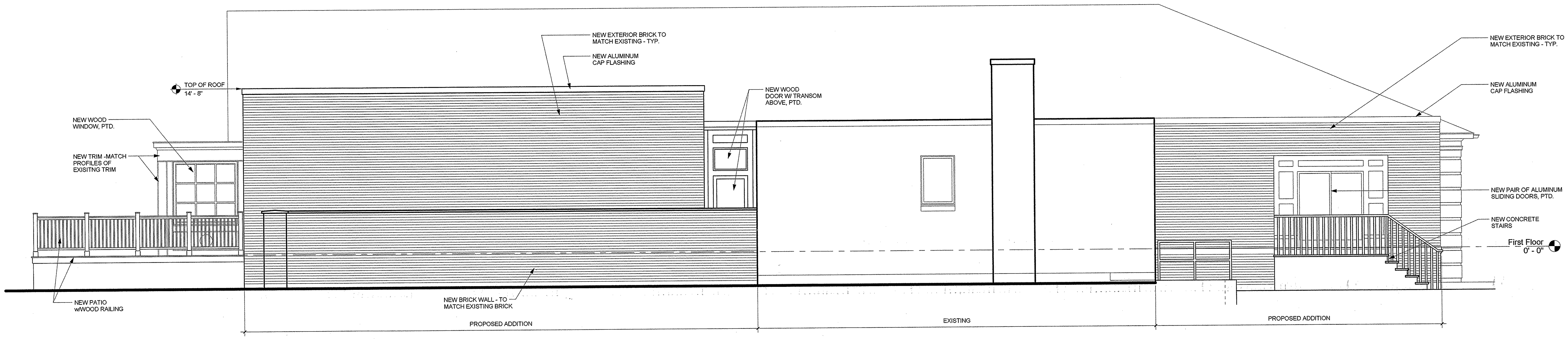
Proposed Elevations

Revisions

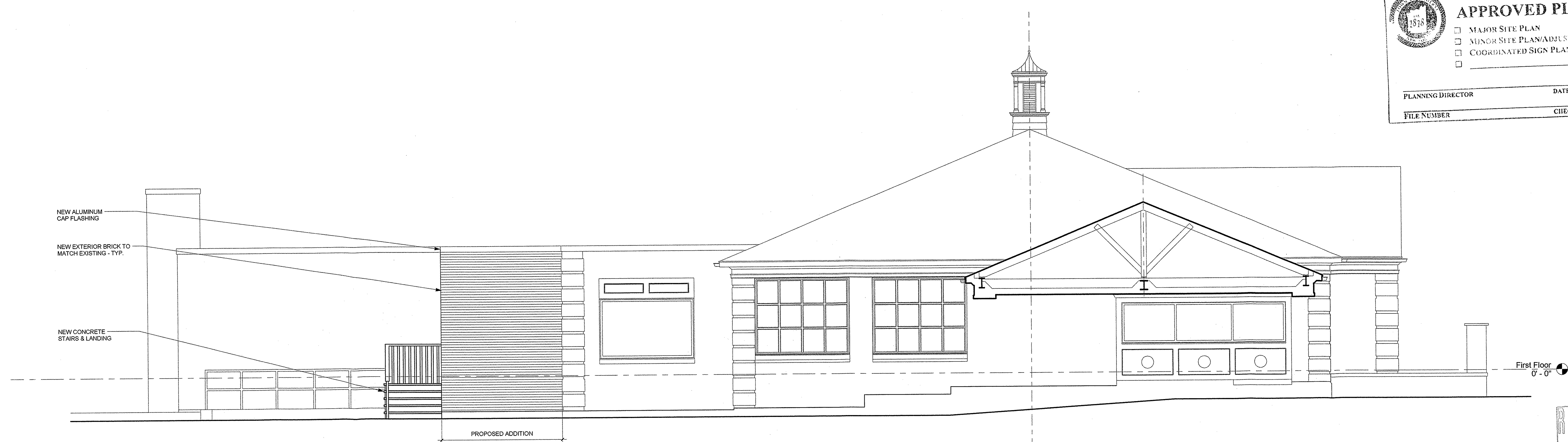
No.	Date	Description	By

DRAWN BY: CMM CHECKED BY: NO
SCALE: 1/4" = 1'-0" PROJECT No.: 12-653
DATE: 01.14.2013

DRAWING NO.: A300



2 North Elevation
1/4" = 1'-0"



1 West Elevation
1/4" = 1'-0"

Town of Amherst
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PLANNING DIRECTOR | DATE
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RECEIVED
APR 22 2013
TOWN OF AMHERST PLANNING DEPT.

ISKALO
DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221
TEL: 716-633-2096, FAX: 633-5776

PLANNING SUBMISSION

Sonoma Grille
5010 Main Street
Amherst, NY 14226

Proposed Elevations

Revisions

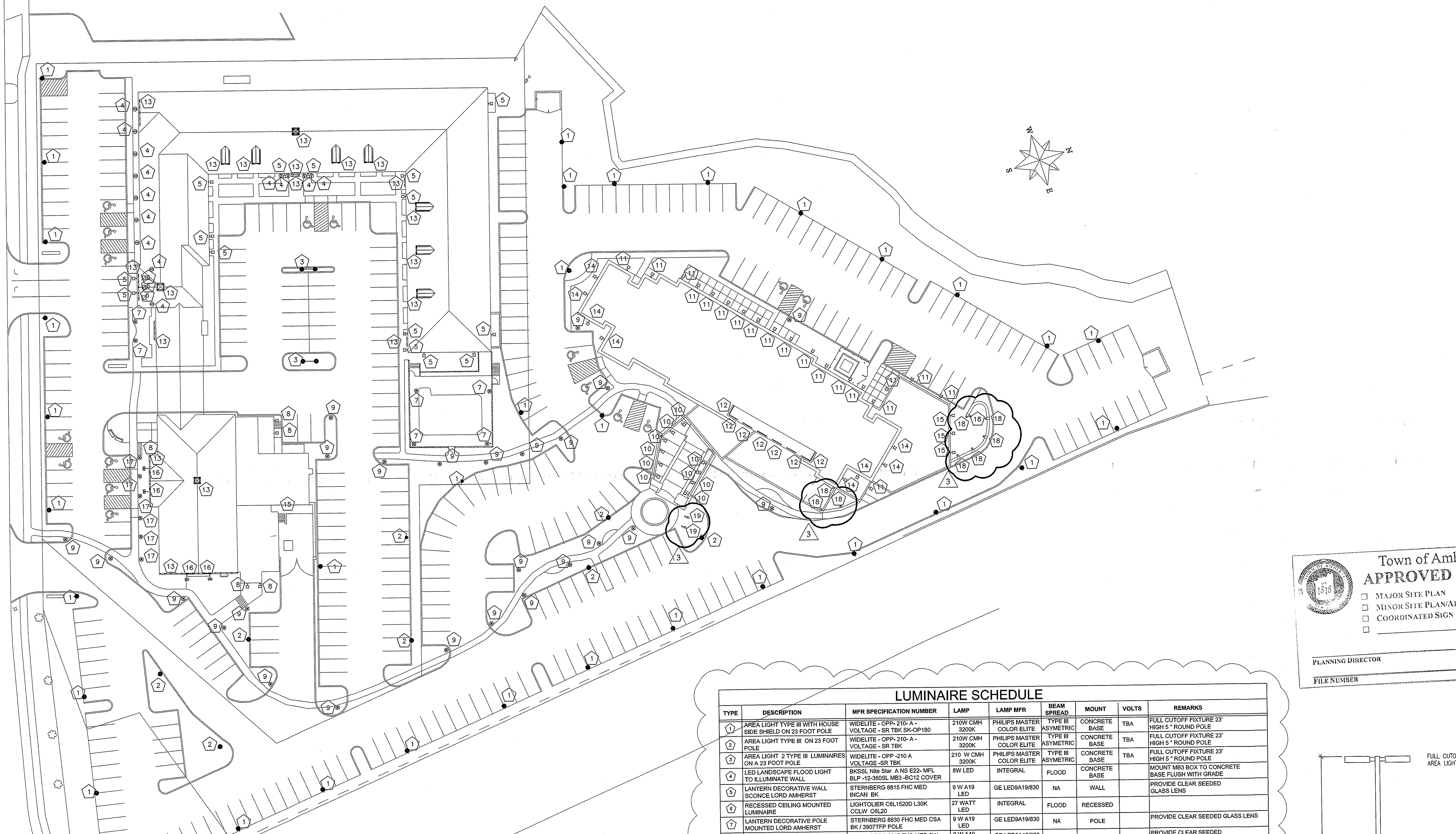
No.	Date	Description	By

DRAWN BY: CNM CHECKED BY: NO
SCALE: 1/4" = 1'-0" PROJECT No.: 12-653
DATE: 01.14.2013

DRAWING NO.: A301

1/9/2013 5:41:09 PM C:\Users\cmmodermid.ISKALO\Documents\Sonoma_cmmodermid.rvt

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org



1 SITE LIGHTING PLAN
SCALE 1" = 30'-0"

LEGEND OF SYMBOLS

- SINGLE POLE SWITCH
- #1 SWITCHING SYSTEM CONTROL STATION (SEE SWITCHING SCHEDULE)
- DS DOOR SWITCH
- IN FLOOR PLUG
- FLOOR LAMP (BY OTHERS)
- CEILING MOUNTED LUMINARIES (NOT RECESSED)
- RECESSED DOWN LIGHT
- PENDANT MOUNTED LUMINARIES
- FLUSH TO GRADE, UP LIGHT
- RECESSED WALL WASH POT LIGHT
- RECESSED PIN HOLE LUMINARIES
- RECESSED SLOT APERTURE LUMINARIES
- SURFACE MOUNTED LUMINARIES
- WALL MOUNTED UP/DOWN LUMINARIES
- 6BRL 6 BUTTON LIGHTING CONTROL
- 4BRL 4 BUTTON LIGHTING CONTROL
- 3 NOTE CHANGES: REVISION 3
- AREA LIGHT ON CONCRETE BASE
- TRACK LIGHT MOUNTED ON MONOPOINT
- LANDSCAPE LIGHT ON CONCRETE BASE

LUMINAIRE SCHEDULE

TYPE	DESCRIPTION	MFR SPECIFICATION NUMBER	LAMP	LAMP MFR	BEAM SPREAD	MOUNT	VOLTS	REMARKS
1	AREA LIGHT TYPE III WITH HOUSE SIDE SHIELD ON 23 FOOT POLE	WIDELITE - OPP- 210- A - VOLTAGE - SR TBK SK-OP180	210W CMH 3200K	PHILIPS MASTER COLOR ELITE	TYPE III ASYMETRIC	CONCRETE BASE	TBA	FULL CUTOFF FIXTURE 23' HIGH 5 " ROUND POLE
2	AREA LIGHT TYPE III ON 23 FOOT POLE	WIDELITE - OPP- 210- A - VOLTAGE - SR TBK	210W CMH 3200K	PHILIPS MASTER COLOR ELITE	TYPE III ASYMETRIC	CONCRETE BASE	TBA	FULL CUTOFF FIXTURE 23' HIGH 5 " ROUND POLE
3	AREA LIGHT 2 TYPE III LUMINAIRES ON A 23 FOOT POLE	WIDELITE - OPP -210 A VOLTAGE -SR TBK	210 W CMH 3200K	PHILIPS MASTER COLOR ELITE	TYPE III ASYMETRIC	CONCRETE BASE	TBA	FULL CUTOFF FIXTURE 23' HIGH 5 " ROUND POLE
4	LED LANDSCAPE FLOOD LIGHT TO ILLUMINATE WALL	BKSSL Nite Star A NS E22- MFL BLP -12-360SL MB3 -BC12 COVER	8W LED	INTEGRAL	FLOOD	CONCRETE BASE		MOUNT MB3 BOX TO CONCRETE BASE FLUSH WITH GRADE
5	LANTERN DECORATIVE WALL SCONCE LORD AMHERST	STERNBERG 8815 FHC MED INCAN BK	9 W A19 LED	GE LED9A19/830	NA	WALL		PROVIDE CLEAR SEEDED GLASS LENS
6	RECESSED CEILING MOUNTED LUMINAIRE	LIGHTOLIER C6L1520D L30K CCLW C6L20	27 WATT LED	INTEGRAL	FLOOD	RECESSED		
7	LANTERN DECORATIVE POLE MOUNTED LORD AMHERST	STERNBERG 8830 FHC MED CSA BK / 3907TFP POLE	9 W A19 LED	GE LED9A19/830	NA	POLE		PROVIDE CLEAR SEEDED GLASS LENS
8	LANTERN DECORATIVE WALL SCONCE SONOMA GRILLE	STERNBERG 8815 FHC MED 9W LED INCAN CSA BK	9 W A19 LED	GE LED9A19/830	-	WALL		PROVIDE CLEAR SEEDED GLASS LENS
9	PATHWAY FIXTURE ON 12 FOOT POLE	WIDELITE - OP2 OP2P 100 A VOLTAGE E PTTR TBK	100W CMH 3K	PHILIPS	FL	POLE		FULL CUTOFF FIXTURE
10	SURFACE MOUNTED DOWNLIGHT ON CANOPY STRUCTURE	HK LIGHTING MODEL ZX38I-A-PAR38MH-ACL, 40° DIST	70W PAR CMH 3K	PHILIPS	-	SURFACE		PAINT TO MATCH CANOPY FRAMING FINISH
11	WALL SCONCE HYATT HOTEL	BEGA LIGHTING 3542LED	13 WATT LED 3K	INTEGRAL	NA	WALL		
12	LED LINEAR RECESSED DOWN LIGHT	FINELITE HP-4 HP4 RG 12 SO 3000 V SC VF 4 8 OR 12 FOOT AS REQ.	LED 3K	INTEGRAL	NA	RECESSED SOFFIT		PAINT HOUSING TO MATCH METAL PANEL FINISH. PROVIDE CONTINUOUS RUN SEE ARCHITECTURAL FOR LENGTH.
13	LINEAR SURFACE MOUNTED LED ARCHITECTURAL WASH SEE ELEVATION DRAWING	ILLUMINATE LED LIGHT TUBING ILT 1010 30 1" 12VDC ILT-10 ENDCAPS ILTADJ MOUNT LP ADUL-300 5 5 12 D	LED 3000K	INTEGRAL	NA	SURFACE & SOFFIT		INCLUDE ALL WP CONNECTORS AND WIRING
14	SURFACE MOUNTED ARCHITECTURAL UP-LIGHT	INSIGHT MASQUE MQ3 150CMH1 DWW EX-24 VOLT TS VS	150 WATT T6MH 3200 K	PHILIPS	MW	WALL		MOUNTED ABOVE FIRST FLOOR CEILING CAST STONE BAND
15	WALL SCONCE HYATT HOTEL	BEGA LIGHTING 4591 P	42W TT 3200k	PHILIPS	-	WALL		
16	WALL MOUNTED SIGNAGE LIGHT	BK LIGHTING ST LED E22 WFL A9 BLP 12 A 48 C PROVIDE REMOTE TRANSFORMER	16 WATT LED 3K	INTEGRAL	WFL	WALL		
17	DECORATIVE LANTERN POLE MOUNTED SONOMA GRILLE	STERNBERG 8830 FHC MED INCAND 9W LED CSA BK	9 W A19 LED 3 K	GE LED9A19/830		WALL & POLE		PROVIDE SEEDED GLASS LENS
18	RECESSED WALL LUMINAIRE IN BRICK	BEGA 3115LED BLK	2.4W LED	INTEGRAL		RECESSED WALL		SEE ARCHITECTURAL DETAILS FOR MOUNTING HEIGHT
19	IN GRADE UPLIGHT ONTO FLAG POLES	BK LIGHTING K2-70 BLP-9-11-B-HP2-H100M VOLT	100W PAR 38 MH 3200K	PHILIPS		IN GRADE		LIGHTS TO BE ON ALL NIGHT IF FLAGS ARE FLYING

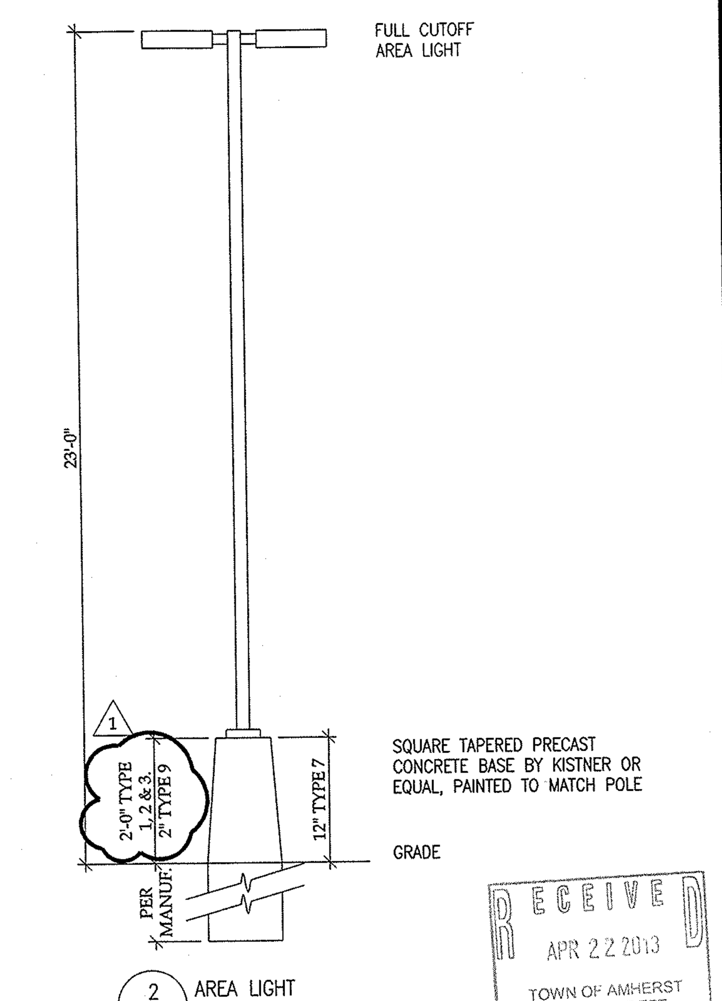
3

NOTES:
1. ALL SITE LIGHTING TO BE FULL CUTOFF FIXTURES
2. IF APPLICABLE, DIFFUSED LENSES WILL BE USED TO CONCEAL LIGHT SOURCE.
3. PROVIDE ALTERNATE PRICE FOR TYPES 1,2,3 ALTERNATE LUMINAIRE SHALL BE GARDCO PUREFORM WITH DISTRIBUTION AS INDICATED ABOVE LED DISTRIBUTION AND LUMEN OUTPUT AND CCT SHALL BE AS SPECIFIED ABOVE WITH HOUSE SIDE SHIELDS
4. PROVIDE ALTERNATE PRICE FOR FIXTURE TYPES 1,2,3,9. FIXTURE AND POLE TO BE CUSTOM PAINTED TO MATCH METALLIC METAL PANEL (REYNOBOND COLORWELD 500 ANODIC SATIN) FINISH ON THE NEW HOTEL. PROVIDE ARCHITECT WITH FINISH SAMPLE FOR APPROVAL.

2 1

Town of Amherst
APPROVED PLAN
☐ MAJOR SITE PLAN
☐ MINOR SITE PLAN/ADJUSTMENT
☐ COORDINATED SIGN PLAN
☐

PLANNING DIRECTOR — DATE
FILE NUMBER — CHECKED BY



2 AREA LIGHT
E1.01 NTS

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TOWN OF AMHERST PLANNING DEPT.

ISKALO
DEVELOPMENT CORP.
5166 MAIN STREET WILLIAMSVILLE, NY 14221

LDi Lighting Design Innovations

PLANNING SUBMISSION

PROPOSED HYATT PLACE HOTEL
5000 - 5010 Main Street
Amherst, New York 14226

SITE LIGHTING PLAN & SCHEDULE

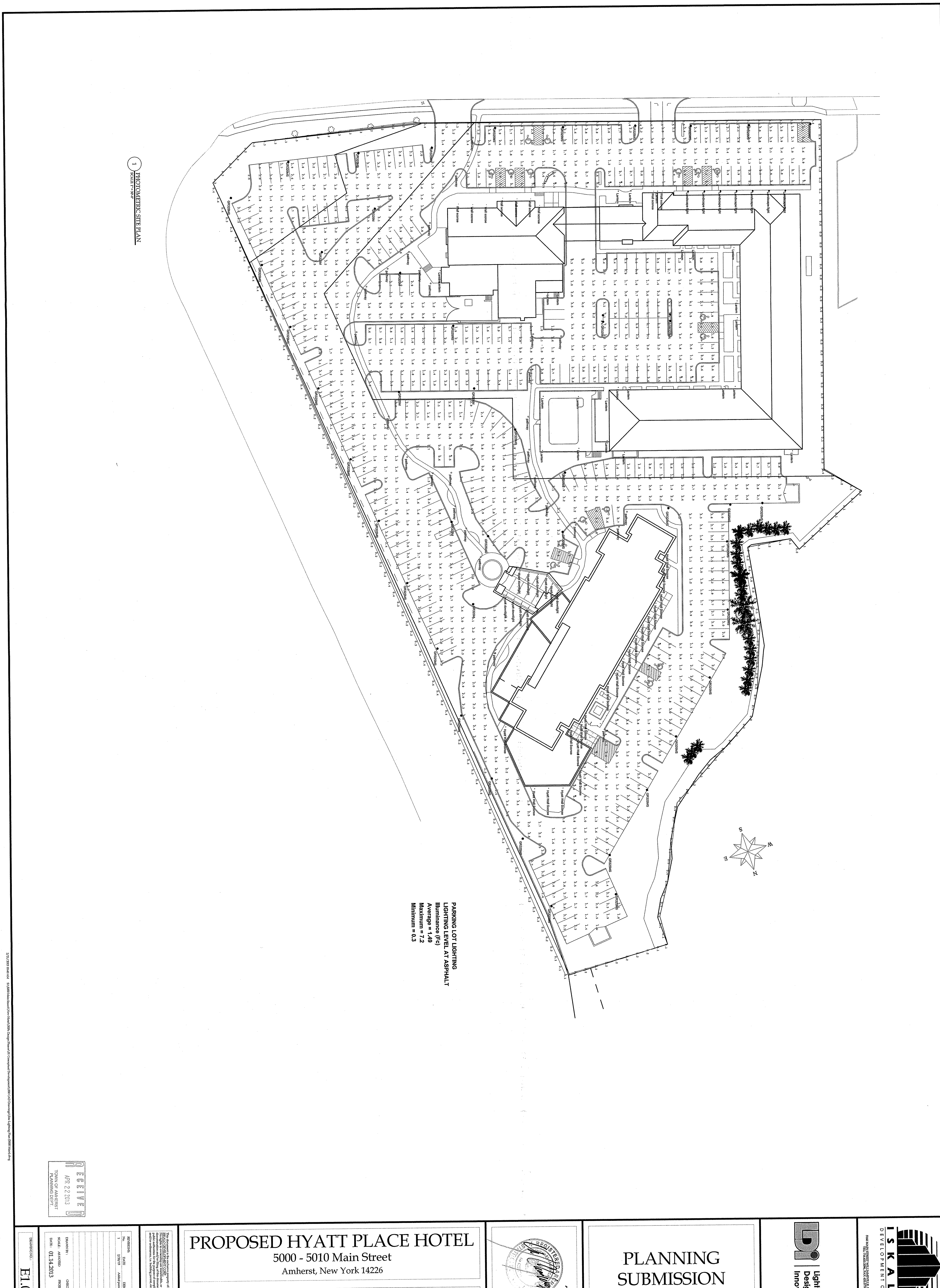
REVISIONS:

No.	DATE	DESCRIPTION
1	2/20/13	Modify detail, updated schedule.
2	3/05/13	Updated schedule.
3	3/14/13	Fixture 18 & 19 added.

DRAWN BY: CHECKED BY:
SCALE: AS NOTED PROJECT No.: 11-595
DATE: 01.14.2013

DRAWING NO.: E0.01

4/9/2013 9:12 AM S:\5000 Main Street\New Hotel\500's Design Phases\01 Conceptual Development\000 CAD Drawings\Site Lighting Plan (5000 Main).dwg



DRAWING NO.: E1.02

REVISIONS:

No.	DATE	DESCRIPTION
1	2/20/13	Added perimeter calc's & sched.

DRAWN BY: CHECKED BY:
SCALE: AS NOTED PROJECT No.: 11-595
DATE: 01.14.2013

PROPOSED HYATT PLACE HOTEL

5000 - 5010 Main Street
Amherst, New York 14226

PHOTOMETRIC PLAN

PLANNING SUBMISSION

Lighting Design Innovations

ISKALO DEVELOPMENT CORP.

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

MAIN (99' WIDE) STREET
SMALLWOOD DRIVE
LIVINGSTON PARKWAY
LAKEWOOD PARKWAY
POWERLINE EXPRESSWAY PART II
POND
Map of Survey
"Lord Amherst Hotel" & "Sonoma Grille"
LAWRENCE J. ZYGAJ, PLS, PC

"Lord Amherst Hotel" & "Sonoma Grille"

Survey Date	Revision Date	Comment

Topographic Map of Survey
Part of Lots 10&11 Township 12 Range 7 H.L.C.
Town of Amherst
County of Erie
State of New York

LAWRENCE J. ZYGAJ, PLS, PC
NYS Land Surveyor – License No. 049714-1
222 Bear Road
Cowlesville, New York 14037
Office: (585) 652-8483 Fax: (585) 652-1137

Date: 7/18/2011 Scale: 1" = 30' Drawn by: LJZ
Job No.: 11038 Drawing: 11038Topo.dwg Checked by: LJZ

Copies from the original of this survey map, not marked with the original of the Land Surveyor's seal, shall not be considered a valid true copy, and should be assumed to be an unauthorized copy.

Unauthorized alteration or addition to a survey map bearing a licensed Land Surveyor's seal is a violation of section 7209, subdivision 2, of the New York State Education Law.

This survey was prepared without the benefit of an abstract of title and is subject to any statement of facts that may be revealed by an examination of such.

ALL UNDERGROUND UTILITY LOCATIONS ARE APPROXIMATE, BEFORE YOU DIG, DRILL, OR BLAST, CALL UFPO AT 1-800-962-7962.

SEE BOUNDARY SURVEY MAP PREPARED BY LJZ, PLS, PC DATED 7/18/2011 FOR ALL BOUNDARY/TITLE INFORMATION.

Exhibit 3

Executed Franchise Agreement

HYATT PLACE HOTEL
FRANCHISE AGREEMENT

between

ISKALO 5000 MAIN LLC

and

HYATT PLACE FRANCHISING, L.L.C.

DATED: October 24, 2012

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(continued)

ARTICLE **Page**

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(continued)

HYATT PLACE HOTEL
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is made and entered into as of October 24, 2012 (this "**Agreement**") by and between **ISKALO 5000 MAIN LLC**, a New York limited liability company ("**Franchisee**") and **HYATT PLACE FRANCHISING, L.L.C.**, a Delaware limited liability company ("**Hyatt**").

PRELIMINARY STATEMENT

Franchisee is the owner of, or has the right to occupy, certain real property located at 5000 Main Street, Buffalo, New York 14226 that is more particularly described in Exhibit B hereto (the "**Site**"). Hyatt has the exclusive right to grant franchises for the establishment and operation of hotels under the name "HYATT® PLACE" and other Proprietary Marks (defined in Exhibit A) and the Hotel System (defined in Exhibit A) (collectively, "**Hyatt Place Hotels**"). Hyatt and its Affiliates (defined in Exhibit A) have designed the Hotel System so that the public associates Hyatt Place Hotels with high quality standards. Before signing this Agreement, Franchisee has independently investigated and evaluated the risks of investing in the hotel industry generally and acquiring a Hyatt Place Hotel franchise specifically. Following Franchisee's investigation and recognizing the benefits that Franchisee may derive from being identified with the Hotel System, Franchisee wishes to enter into this Agreement to obtain a franchise to use the Hotel System to operate a Hyatt Place Hotel located at the Site. In addition to other terms defined in this Agreement, the initial capitalized terms shall have the meanings set forth in Exhibit A.

NOW, THEREFORE, Franchisee and Hyatt agree as follows:

ARTICLE I

GRANT OF FRANCHISE, TERM AND AREA OF PROTECTION

1.1 **Grant of Franchise and Guaranty**. Hyatt grants Franchisee, and Franchisee accepts, the non-exclusive right and obligation to use the Hotel System during the Term (defined below in Section 1.2) to build or convert and operate the Hotel at the Site under the Proprietary Marks in accordance with this Agreement's terms. Franchisee's right to operate the Hotel as a Hyatt Place Hotel will cease upon termination or expiration of this Agreement. Franchisee also must ensure that each Controlling Owner, whether that person or entity owns its interest as of the Effective Date or acquires that interest during the Term (subject to Hyatt's rights and Franchisee's obligations under Article XII), signs Hyatt's required form of Guaranty and Assumption of Obligations (the "**Guaranty**").

1.2 **Term**. The term of this Agreement (the "**Term**") will commence on the Effective Date and expire without notice effective twenty (20) years from the Opening Date, subject to its earlier termination as set forth in this Agreement.

1.3 **<u>Rights in Area of Protection During AOP Term</u>**. Hyatt grants Franchisee a geographic area of protection, which is described in <u>Exhibit B</u> (the "**Area of Protection**"), in which to construct and operate Franchisee's Hotel. Subject to the one exception below, during the limited period of time set forth in <u>Exhibit B</u> (the "**AOP Term**"), neither Hyatt nor any of its Affiliates will open and operate, or authorize any other party to open and operate, any other Hyatt Place Hotels the physical premises of which are located within the Area of Protection. The one exception to this restriction is that, if Hyatt or any of its Affiliates acquire (whether through purchase, sale, merger, consolidation, or other transaction) during the AOP Term another chain, franchise system, group or portfolio of at least four (4) hotels, or acquire the right to operate or manage another chain, franchise system, group or portfolio of at least four (4) hotels, one (1) or more of which hotels are located, or are under contract or construction to be located, in the Area of Protection (as Hyatt and its Affiliates have the right to do), Hyatt and/or its Affiliates then will have the unrestricted right to convert, or cause to be converted, the acquired hotel(s) within the Area of Protection from its (or their) original trade identity to the Hotel System and then to operate, or authorize any other party to operate, such hotel(s) as Hyatt Place Hotels using the Hotel System, even if one (1) or more of the other acquired hotels, whether operating within or outside the Area of Protection, are not converted to Hyatt Place Hotels.

Franchisee acknowledges that its rights in the Area of Protection apply only during the AOP Term. Following the AOP Term, Franchisee will have no territorial rights or protection whatsoever, whether within or outside the Area of Protection, and Hyatt and its Affiliates may open and operate, and authorize any other parties to open and operate, other Hyatt Place Hotels the physical premises of which are located within the Area of Protection.

1.4 **<u>No Other Restrictions</u>**. Except for the limited exclusivity provided above, there are no restrictions on Hyatt or its Affiliates; Franchisee's rights under this Agreement are nonexclusive in all respects; the Hotel has no territorial protection whatsoever; and Hyatt and its Affiliates have the right without any restrictions at all to engage in any and all activities Hyatt and they desire (including with respect to any and all types of lodging facilities), at any time and place, whether or not using the Proprietary Marks or any aspect of the Hotel System, whether or not those activities compete with the Hotel, and whether or not Hyatt or its Affiliates start those activities themselves or purchase, merge with, acquire, or affiliate with businesses that already engage in such activities. Hyatt and its Affiliates may engage in all activities not expressly prohibited in this Agreement. Hyatt and its Affiliates may use or benefit from, among other things, common hardware, software, communications equipment and services, administrative systems, reservation systems, franchise application procedures, central purchasing, approved vendor lists, and personnel. Franchisee will have no right to pursue any claims, demands, or damages as a result of these activities, whether under breach of contract, unfair competition, implied covenant of good faith and fair dealing, divided loyalty, or other theories, because Franchisee has expressly allowed Hyatt and its Affiliates to engage in all such activities without restriction.

Franchisee acknowledges that Hyatt's Affiliates currently operate other franchised and non-franchised systems for lodging facilities (including full service and select service hotels, time-share or interval ownership facilities, vacation clubs and senior living facilities) that use different brand names, trademarks, and service marks, including those with the "Hyatt" name as part of their brand name, some of which might operate and have facilities in the Area of

Protection during the AOP Term, that will compete directly with Franchisee. Except as expressly described in Section 1.3, none of those activities, even other uses of the "Hyatt" name, will constitute a violation of this Agreement. Only the operation of a Hyatt Place Hotel the physical premises of which are located within the Area of Protection during the AOP Term would constitute a violation of this Agreement, unless the one exception noted above applies.

ARTICLE II

DEVELOPMENT AND OPENING OF THE HOTEL

Franchisee acknowledges that every detail of the Hotel System is important to Hyatt to develop and maintain the Hotel System's standards and public image. Franchisee agrees to comply strictly with the Hotel System's details, as set forth in the Manual or otherwise in writing. Franchisee must bear the entire cost of developing and constructing the Hotel, including professional services, financing, insurance, licensing, contractors, permits, equipment, and furnishings.

2.1 **Hotel Development-New Development**. This Section 2.1 applies if Franchisee is constructing a new Hotel at the Site.

(a) Franchisee's managing owner or senior operations officer shall attend at Franchisee's expense a briefing at Hyatt's headquarters in Chicago, Illinois to acquaint Franchisee with Hyatt's building process and support structure within six (6) months after the Effective Date.

(b) Franchisee must prepare and submit to Hyatt for its approval within four (4) months after the Effective Date preliminary plans for the Hotel, including site layout and outline specifications (the "**Preliminary Plans**"). The Preliminary Plans must comply with the Design Standards, Hotel System and System Standards.

(c) Franchisee must prepare and submit to Hyatt for its approval within six (6) months after the Effective Date complete working drawings and specifications for the Hotel, with such detail and containing such information that Hyatt requires, covering: the Hotel property; all structural, mechanical, electrical, plumbing, heating, ventilating, air conditioning and life safety equipment and systems; major architectural features and systems, including site layout and outline specifications; and all proposed FF&E (the "**Detailed Plans**"). The Detailed Plans must comply with the Design Standards, Hotel System and System Standards.

(d) Construction of the Hotel may not begin until Hyatt has approved the Detailed Plans in writing. For purposes of this Agreement, construction of the Hotel is deemed to have begun upon pouring concrete for the Hotel's foundation or finished slab. After Hyatt approves the Detailed Plans, Franchisee may not make any material changes without Hyatt's prior written consent, which Hyatt will not unreasonably withhold. If material changes in the Detailed Plans are required during the course of construction, Franchisee must notify Hyatt and seek Hyatt's consent immediately.

(e) Construction must begin within twelve (12) months after the Effective Date. Franchisee shall notify Hyatt within (5) days after Franchisee commences construction. Construction shall continue uninterrupted (unless interrupted by Force Majeure) until the Hotel is completed.

2.2 **Hotel Development-Conversion of an Existing Facility**. This Section 2.2 applies if Franchisee is converting an existing hotel at the Site to a Hyatt Place Hotel.

(a) Franchisee's managing owner or senior operations officer shall attend at Franchisee's expense a briefing at Hyatt's headquarters in Chicago, Illinois to acquaint Franchisee with Hyatt's building process and support structure within three (3) months after the Effective Date.

(b) Franchisee agrees to renovate the Hotel in strict accordance with, and within the time frames set forth on, the PIP and in accordance with Franchisee's renovation plans for the Hotel (the "**Renovation Plans**"). At Hyatt's request, Franchisee agrees to submit the proposed Renovation Plans to Hyatt for Hyatt's approval. The Renovation Plans must comply with the PIP, the Hotel System and System Standards. If Hyatt requires Franchisee to submit the proposed Renovation Plans, renovations may not begin until Hyatt approves the Renovation Plans in writing. After Hyatt approves the Renovation Plans, Franchisee may not make any material changes to them without Hyatt's prior written consent, which Hyatt will not unreasonably withhold.

(c) If this Agreement anticipates Franchisee's conversion of an existing franchised or managed facility to a Hyatt Place Hotel, then before any Proprietary Marks (including signage) are installed or displayed at the Site, and before the Hotel is authorized to open as a Hyatt Place Hotel, Franchisee must submit evidence reasonably satisfactory to Hyatt of the termination of Franchisee's previous franchise or management agreement in accordance with applicable legal requirements.

2.3 **Opening the Hotel**.

2.3.1 **Opening Deadline and Extension**. The Hotel must be ready to open for business (a) within twenty-four (24) months after the Effective Date if Franchisee is constructing a new Hotel at the Site pursuant to Section 2.1, or (b) within six (6) months after the Effective Date (unless otherwise provided in the PIP) if Franchisee is converting an existing hotel at the Site to a Hyatt Place Hotel pursuant to Section 2.2 (as applicable, the "**Opening Deadline**"). If Franchisee wants to request an extension of the Opening Deadline, Franchisee must submit a written request and a Ten Thousand Dollar ($10,000) extension fee to Hyatt before the Opening Deadline. If Hyatt approves the extension, Hyatt will set a new Opening Deadline, and the extension fee will be non-refundable. If Hyatt denies the extension, Hyatt will refund the extension fee.

2.3.2 **Conditions for Opening**. Franchisee must not open the Hotel for business and begin operating the Hotel under the Proprietary Marks until: (a) Franchisee has properly developed and equipped the Hotel according to the Detailed Plans, Renovation Plans or PIP (as applicable), Hotel System and System Standards and in compliance with all applicable laws, rules and regulations; (b) all pre-opening training for the Hotel's personnel has been completed to Hyatt's satisfaction; (c) all amounts then due to Hyatt have been paid; (d) Franchisee has obtained all required certificates of occupancy, licenses and permits to operate the Hotel; (e) Franchisee has given Hyatt copies of all insurance policies required under this Agreement, or such other evidence of insurance coverage and payment of premiums as Hyatt requests; (f) Franchisee has submitted to Hyatt a written certification that the Hotel is in compliance with the approved Detailed Plans or Renovation Plans (as applicable), was constructed in compliance with the PIP (if applicable), Design Standards, Hotel System and System Standards, and is in compliance with all applicable laws, together with other certifications from Franchisee's architect and/or other professionals pursuant to Section 2.4; and (g) Hyatt has conducted a final pre-opening inspection and given Franchisee its written authorization to open the Hotel. Within ten (10) days after the Hotel is ready to open for business, Franchisee must ask Hyatt to conduct a final inspection, which Hyatt shall promptly conduct. Franchisee agrees to open the Hotel under the Proprietary Marks within ten (10) days after Hyatt's authorization, which Hyatt will not unreasonably withhold. Hyatt's determination that Franchisee has met all of Hyatt's pre-opening requirements will not constitute a representation or warranty, express or implied, that the Hotel complies with any laws or a waiver of Franchisee's non-compliance, or of Hyatt's right to demand full compliance, with such pre-opening requirements. Franchisee shall indemnify Hyatt for all costs and expenses that Hyatt incurs directly or indirectly as a result of Franchisee's failure to open the Hotel on or before the anticipated Opening Date specified by Franchisee or the Opening Deadline, whichever is earlier, including any amounts that Hyatt pays with respect to customers whose reservations at the Hotel were cancelled due to Franchisee's failure to open the Hotel by that date.

2.4 **Hyatt's Role as an Advisor**. Hyatt agrees to use reasonable efforts in connection with its review and approval of the Preliminary Plans and Detailed Plans or the Renovation Plans (as applicable) and its approval to open the Hotel, including by making a reasonable number of visits to the Hotel's site and providing reasonable guidance and advice relating to the Hotel's development or conversion. Hyatt's review and approval of the Preliminary Plans and Detailed Plans or the Renovation Plans (as applicable), providing construction, design, architectural, planning and/or related services in connection with the Hotel (whether before or after signing this Agreement), and/or approval to open the Hotel are intended only to determine compliance with the PIP (if applicable), Hotel System and System Standards. Hyatt will have no liability to Franchisee for the Hotel's construction or renovation. It is Franchisee's responsibility to make sure that the Hotel complies with Hyatt's requirements, the Americans with Disabilities Act and similar rules, other applicable ordinances, building codes, and permit requirements. Franchisee acknowledges that Hyatt acts only in an advisory capacity and is not responsible for the adequacy or coordination of any plans or specifications, the integrity of any structures, compliance with applicable laws (including the Americans with Disabilities Act), any building code of any governmental authority, or any insurance requirement or for obtaining necessary permits, all of which shall be Franchisee's sole responsibility and risk. Franchisee shall give Hyatt a written certificate or opinion from Franchisee's architect, licensed professional engineer, or recognized expert consultant on the Americans with Disabilities Act stating that the Hotel conforms to the Design Standards, requirements of the Americans with Disabilities Act, related federal regulations, and all other applicable state and local laws, regulations, and other requirements governing public accommodations for persons with disabilities. At Hyatt's request, Franchisee must give Hyatt copies of all other certificates of architects, contractors, engineers, and designers and such other similar verifications and information Hyatt reasonably requests.

2.5 **Occupying the Site**. Franchisee must own fee simple title (or a long-term ground leasehold interest, provided that such interest has been granted to Franchisee by an unrelated third party ground lessor in an arms-length transaction for a term equal to, or longer than, the Term) to the Hotel's real property and improvements or, at Hyatt's request, cause the fee simple owner or other third party acceptable to Hyatt to provide its guarantee covering all Franchisee's obligations under this Agreement in form and substance acceptable to Hyatt. Franchisee must provide Hyatt copies of any lease for the Hotel's premises (and any amendments thereto) upon Hyatt's request. Franchisee acknowledges that Hyatt's approval of the Site is not a guarantee or warranty, express or implied, of the success or profitability of a Hyatt Place Hotel operated at that location. Hyatt's approval indicates only that Hyatt believes that the Site meets its then acceptable criteria.

Franchisee must promptly send Hyatt a copy of any notice of default that Franchisee receives from any mortgagee, trustee under any deed of trust, or ground lessor for the Hotel and, at Hyatt's request, any additional information Hyatt reasonably requests concerning any alleged default or any subsequent action or proceeding in connection with any alleged default. At Hyatt's request, Franchisee must obtain from any ground lessor a comfort letter or other agreement that Hyatt specifies under which the ground lessor agrees to assume Franchisee's obligations under this Agreement (subject to Hyatt's rights under Article XII) if the ground lease terminates.

ARTICLE III

TRAINING, GUIDANCE AND ASSISTANCE

3.1 **Orientation and Training**.

3.1.1 **Owner/Management Orientation**. Within one hundred eighty (180) days after the Effective Date, Franchisee's managing Owners must attend an owner/management orientation program at Hyatt's principal business address. Hyatt does not charge for this orientation program.

3.1.2 **General Manager and Sales Director Training Programs**. Before opening the Hotel for business under the Proprietary Marks, the Hotel's general manager and sales director must attend and successfully complete Hyatt's training programs and curriculum for their respective positions. Franchisee must hire the Hotel's sales director and ensure that he or she begins working on his or her full-time duties for the Hotel at least six (6) months before the Hotel opens. If Franchisee replaces the Hotel's general manager or sales director during the Term, Franchisee must have his or her replacement attend and successfully complete the applicable training programs that Hyatt reasonably specifies within ninety (90) days (or such other period Hyatt periodically designates) after assuming his or her position. Hyatt will designate the dates, locations, and duration of all training. Franchisee must pay Hyatt's then current fees for the initial and any additional general manager, sales director and other training programs that the Hotel's personnel attend.

3.1.3 **Training for Other Hotel Personnel**. Franchisee must designate the general manager or other member of the Hotel management team whom Hyatt approves as the Hotel's certified trainer. That person must attend and successfully complete Hyatt's training program for certified hotel trainers before opening the Hotel for business. If Franchisee replaces the Hotel's certified trainer during the Term, Franchisee must have his or her replacement attend and successfully complete the applicable training programs that Hyatt reasonably specifies within ninety (90) days (or such other period Hyatt periodically designates) after assuming his or her position. Hyatt will designate the dates, locations, and duration of training. Once the Hotel's certified trainer has successfully completed Hyatt's training program, that certified trainer must at Franchisee's expense administer and implement a training program for all Hotel personnel in accordance with the System Standards.

3.1.4 **On-Site Training**. Hyatt will send one (1) or two (2) trainers (at Hyatt's option) to assist with training Franchisee's staff and otherwise assist Franchisee in connection with the Hotel's grand opening. Franchisee must pay Hyatt's then current fee and the trainer(s)' travel and living expenses associated with this training. The trainer(s) will arrive at or before the Hotel's grand opening and stay for the period that Hyatt specifies. Hyatt may (at its option) conduct this training on more than one visit. The trainer(s) will generally assist and train Hotel staff with aspects of day-to-day operations, including laundry, customer service, food and beverage, and Gallery Host Stand operations.

3.1.5 **Supplemental and Optional Training**. Hyatt may, at such times and places as it deems best, require the Hotel's Core Management and other personnel Hyatt specifies to attend and successfully complete supplemental training courses in connection with Hotel System modifications and other aspects of the Quality Assurance Program (defined in Section 4.7). These individuals must attend any supplemental training within the time period that Hyatt reasonably specifies after Franchisee receives notice from Hyatt that such training is required. Hyatt also may, at its option, offer various optional training programs from time to time during the Term. Supplemental and optional training may be conducted by, and tuition may be payable to, third parties Hyatt designates.

3.1.6 **Training Expenses**. Besides the training fees Hyatt charges for the training discussed above, Franchisee is responsible for all costs of transportation, meals, lodging, salaries, and other compensation for Hotel personnel incurred in connection with training. If Hyatt holds any training for Franchisee at the Hotel, Franchisee must provide free lodging for Hyatt's representatives.

3.2 **Manual**. Hyatt shall provide Franchisee access to the Manual during the Term. Franchisee must comply with the terms of the Manual, as Hyatt periodically modifies it (other than any personnel and security-related policies and procedures, which are for Franchisee's optional use). The Manual may include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials. It contains System Standards and information on Franchisee's other obligations under this Agreement. Hyatt may modify the Manual periodically to reflect changes in System Standards. Franchisee agrees to keep its copy of the Manual current and in a secure location at the Hotel. If there is a dispute over its contents, Hyatt's master copy of the Manual controls. Franchisee agrees that the Manual's contents are part of the Confidential Information.

At Hyatt's option, Hyatt may post some or all of the Manual on a restricted website or extranet to which Franchisee will have access. If Hyatt does so, Franchisee agrees to monitor and access the website or extranet for any updates to the Manual, System Standards, or other aspects of the Hotel System. Any passwords or other digital identifications necessary to access the Manual on a website or extranet will be deemed to be part of Confidential Information. Hyatt may require Franchisee to return a portion or the entire copy of the Manual given to Franchisee in paper or other tangible form after Hyatt posts the Manual on a restricted website or extranet.

3.3 **CRS, GDS, ADS, National Directory and IT Services**. Franchisee shall have access to the CRS, listings in advertising publications, and the National Directory during the Term. Hyatt or its representative also will provide data installation services relating to the initial set-up of the CRS, GDS and ADS at the Hotel and IT project management implementation services and other services relating to the computer equipment and other technology at the Hotel. Franchisee must pay Hyatt's reasonable fees and reimburse Hyatt's expenses in connection with such assistance.

3.4 **General Guidance and Assistance**. During the Term, Hyatt may advise Franchisee from time to time regarding the Hotel's operation based on Franchisee's reports or Hyatt's evaluations and inspections and may guide Franchisee with respect to (a) System Standards that Hyatt Place Hotels use, (b) purchasing required and authorized FF&E and other items and arranging for their distribution to Franchisee, (c) advertising and marketing materials and programs, (d) employee training, and (e) administrative, recordkeeping, and accounting procedures. Hyatt may guide Franchisee in the Manual; in bulletins or other written materials; by electronic media; by telephone consultation; and/or at Hyatt's headquarters or the Hotel. If Franchisee requests, and Hyatt agrees to provide, additional or special guidance, assistance, or training, Franchisee agrees to pay Hyatt's then applicable charges, including Hyatt's personnel's per diem charges and travel and living expenses.

3.5 **Other Arrangements and Delegation**. Hyatt may arrange for development, marketing, operations, administration, technical, and support functions, facilities, services, and/or personnel with any other entity. Hyatt and its Affiliates may use any facilities, programs, services, and/or personnel used in connection with the Hotel System in Hyatt's and its Affiliates' other business activities, even if these other business activities compete with the Hotel or the Hotel System. Franchisee agrees that Hyatt has the right to delegate the performance of any portion or all of its obligations under this Agreement to third party designees, whether these designees are its Affiliates, agents, or independent contractors with whom Hyatt contracts to perform these obligations. If Hyatt does so, the third party designees will be obligated to perform the delegated functions for Franchisee in compliance with this Agreement. However, unless Hyatt notifies Franchisee in writing of its delegation of any such obligations or transfers this Agreement pursuant to Section 12.1, Franchisee agrees that it shall look only to Hyatt and not to any other person or entity (including an Affiliate of Hyatt) for the performance of such obligations, as only Hyatt (and not any of Hyatt's Affiliates or any other person or entity) have undertaken such obligation.

3.6 **Annual Conventions**. Hyatt may, at its option, hold an annual convention for Hyatt Place Hotels or all Select Hotels Group hotels (which currently include Hyatt Place Hotels and "Hyatt House" hotels and may include other hotel brands in the future) (the "**Annual Convention**") at a location Hyatt designates. Hyatt may require Franchisee's general manager and other key Hotel personnel to attend the Annual Convention. Franchisee must pay Hyatt's then current attendance fee for each person from the Hotel who attends the Annual Convention. Franchisee also must pay all expenses that its attendees incur to attend the Annual Convention.

ARTICLE IV

OPERATION OF THE HOTEL

4.1 **Marketing, Central Reservations and Technology Fund**. Hyatt or its designee will administer a Marketing, Central Reservations and Technology Fund for the Hyatt Place Hotel network (the "**Fund**"). Franchisee must make Contributions to the Fund on or before the tenth (10th) day of each month beginning with the month following the Opening Date. Franchisee's Contributions paid to Hyatt shall be paid according to the terms of Section 6.3(b) of this Agreement. The Fund may, as Hyatt periodically determines, cover the Hotel and other Hyatt Place Hotels operating in any geographic area that Hyatt deems appropriate, such as, for example, Hyatt Place Hotels operating only in the United States, in a larger international region that Hyatt periodically defines, or globally. For administrative convenience, Hyatt may (but is not required to) collect the Contributions before passing them on to the Fund. Hyatt Place Hotels that Hyatt or its Affiliates own and operate will contribute to the Fund on the same percentage basis as franchisees. Hyatt also has the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to Hyatt by suppliers who deal with Hyatt Place Hotels and with whom Hyatt agrees to so deposit these allowances.

Hyatt will determine and direct all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation, including by determining on its own the amounts to be spent for the various purposes identified in this Section. The Fund may pay for preparing and producing video, audio, and written materials, electronic media, developing, implementing, maintaining and improving the Hyatt Place Hotel network's website and/or related strategies; developing, implementing, operating, maintaining and improving the CRS, GDS, ADS, and National Directory and any other related or successor programs or systems; developing, implementing, maintaining and improving any video, computer-related or other technology for use or sale by Hyatt Place Hotels; planning, coordinating and conducting various sales efforts for Hyatt Place Hotels; market research and other research and development activities relating to improving the Hotel System; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations and other advertising, promotion, and marketing activities. The Fund periodically will give Franchisee samples of advertising, marketing, and promotional formats and materials at no cost. Hyatt will sell Franchisee multiple copies of these materials at Hyatt's direct cost of producing them, plus any related shipping, handling, and storage charges.

Hyatt will account for the Fund separately from its other monies (but Hyatt need not segregate the Fund from its assets). Hyatt will not use the Fund for any of its general operating expenses. However, Hyatt may use the Fund to pay the reasonable salaries, benefits and expenses of personnel who manage, administer and/or perform services for or on behalf of the Fund, including those who account for Contributions; the Fund's other administrative costs; travel expenses of personnel while they are on Fund business; meeting costs; rent, utilities, other overhead costs, and other costs for equipment, supplies and other materials relating or allocable to Fund business; and other expenses that Hyatt incurs in activities reasonably related to administering or directing the Fund and its programs, including conducting market research and other research and development activities, public relations, preparing advertising, promotion, and marketing materials, collecting and accounting for Contributions, paying Providers for services relating to the CRS, GDS and ADS, and paying for technical and support functions.

The Fund will not be Hyatt's asset. Although the Fund is not a trust, Hyatt will hold all Contributions for the benefit of the contributors and use Contributions only for the purposes described in this Section. Hyatt does not owe any fiduciary obligation to Franchisee for administering the Fund or any other reason. The Fund may spend in any fiscal year more or less than the total Contributions in that year, borrow from Hyatt or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. Hyatt will use all interest (if any) earned on Contributions to pay costs before using the Fund's other assets.

Hyatt will prepare an annual, unaudited statement of Fund collections and expenses and give Franchisee a copy of the statement upon written request. Hyatt may have the Fund audited periodically, at the Fund's expense, by an independent certified public accountant. Hyatt may incorporate the Fund or operate it through a separate entity whenever Hyatt deems appropriate. The successor entity will have all of the rights and duties specified in this Section.

Hyatt intends the Fund to maximize recognition of the Proprietary Marks, patronage of Hyatt Place Hotels, and the productive and efficient operation of the CRS, GDS and ADS, any related or successor programs or systems, and other technologies. Although Hyatt will try to use the Fund in a manner that will benefit all Hyatt Place Hotels, Hyatt need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Contributions by Hyatt Place Hotels operating in that geographic area or that any Hyatt Place Hotel benefits directly or in proportion to its Contributions from the programs and other products and services that the Fund finances.

Hyatt has the right, but no obligation, to use collection agents and institute legal proceedings at the Fund's expense to collect Contributions. Hyatt also may forgive, waive, settle, and compromise all claims by or against the Fund. Except as expressly provided in this Section, Hyatt assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing, or administering the Fund.

Hyatt may at any time defer or reduce Contributions of a Hyatt Place Hotel franchisee and, upon thirty (30) days' prior written notice to Franchisee, reduce or suspend Contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If Hyatt terminates the Fund, Hyatt will distribute all unspent monies to Hyatt's then existing franchisees, and to Hyatt and its Affiliates, in proportion to their and Hyatt's respective Contributions during the preceding twelve (12) month period.

4.2 **Management of the Hotel**. Unless Hyatt approves in writing, Franchisee must at all times retain and exercise direct management control over all aspects of the Hotel's business. Franchisee must have its Owners, employees, and approved independent contractors satisfactorily complete all required orientation and training programs.

4.2.1 **Manager Qualification, Approval and Removal**. Franchisee is solely responsible for hiring the Core Management and other management personnel and determining the terms and conditions of their employment, provided that Franchisee must, before engaging any general manager for the Hotel, submit to Hyatt the identity and qualifications of the proposed candidate, including resume, work history, experience, references, background verifications and other information that Hyatt reasonably requests. Hyatt shall have the right to conduct an in-person interview of the proposed general manager and Franchisee shall reimburse Hyatt for all related travel and other expenses. Franchisee shall not engage any general manager for the Hotel unless he or she has been approved by Hyatt, which approval Hyatt will not unreasonably withhold. Even after Hyatt approves a general manager for the Hotel, Hyatt may, at its option and without limiting its other rights and remedies, revoke that approval if that general manager fails to ensure that the Hotel satisfies Hyatt's quality assurance requirements or other operational standards. If Hyatt revokes its approval of the Hotel's general manager, then Franchisee must hire a replacement general manager that Hyatt approves in accordance with this Section 4.2.1 within thirty (30) days after receiving Hyatt's notice.

4.2.2 **Core Management Staffing**. Franchisee must hire and properly train all Core Management and have a Core Management in place at the Hotel at all times, as Franchisee is responsible for management of the Hotel's business. Franchisee must ensure that each member of the Hotel's Core Management: (a) spends at least forty (40) hours per week at the Hotel fulfilling his or her management and operational responsibilities; and (b) does not concurrently maintain a position at another lodging facility or in any other capacity related to the lodging industry.

4.2.3 **Management Arrangements**. Franchisee may not enter into a Management Arrangement without Hyatt's prior written consent, which Hyatt will not unreasonably withhold if the management company meets Hyatt's minimum qualifications, attends and satisfactorily completes required training programs, agrees to sign the documents Hyatt requires to protect the Proprietary Marks, Copyrighted Materials, and Confidential Information, and agrees to perform its management responsibilities in compliance with this Agreement. Nevertheless, Hyatt may refuse to approve a management company which is a Brand Owner or that has an Affiliate which is a Brand Owner. Hyatt hereby approves Franchisee's initial Management Arrangement with Emerald Hospitality Associates, Inc., for the Hotel's management. Even after Hyatt approves a Management Arrangement, Hyatt may at its option revoke that approval, and upon delivery of written notice to Franchisee require Franchisee to terminate the Management Arrangement, if the management company or any of its Affiliates at any time becomes a Brand Owner or otherwise fails to meet Hyatt's minimum qualifications or to comply with this Agreement.

4.3 **System Standards**. Subject to Article X, Franchisee must operate the Hotel twenty-four (24) hours a day, every day, and use the Hotel premises solely for the business franchised under this Agreement. Franchisee may not operate, or allow any third party to operate, a time share office or desk or any other area from which time share interests or similar interests are offered or sold on or from any part of the Hotel premises. Franchisee must at all times ensure that the Hotel is operated in compliance with the Hotel System, the Manual (other than any personnel and security-related policies and procedures contained in the Manual, which are for Franchisee's optional use), and all other mandatory System Standards and other policies and procedures Hyatt periodically communicates to Franchisee, as Hyatt may periodically modify them. System Standards may regulate, among other things:

(a) Franchisee's obligation to maintain the Hotel in first class condition and in a clean, safe, and orderly manner, including periodic cleaning, repainting and redecorating of the Hotel and repair and replacement of FF&E;

(b) the provision of efficient, courteous, competent, prompt, and high-quality service to the public;

(c) quality standards and the types of services, concessions, operating supplies, amenities and other items that Franchisee may use, promote, or offer at the Hotel;

(d) Franchisee's use of the Proprietary Marks and display, style, location, and type of signage, as outlined in this Agreement, the Manual, and other written directives Hyatt periodically issues;

(e) directory and reservation service listings of the Hotel and methods for using required and authorized GDS and ADS;

(f) creating a favorable response to the name "Hyatt Place" and the names of any brand extensions, other Proprietary Marks and brand-specific programs bearing the "Hyatt" name;

(g) honoring all nationally recognized credit cards and other payment mechanisms that Hyatt periodically designates and entering into all necessary credit card and other agreements with the issuers of those cards and other applicable parties;

(h) mystery shopper programs, guest relations programs, and guest complaints and resolution programs, including reimbursing dissatisfied guests for their costs of staying at the Hotel and participating in other guest satisfaction programs in the manner Hyatt periodically specifies;

(i) delivering to Hyatt or otherwise providing Hyatt access to the names of Hotel customers and guests and Franchisee's sales and customer database;

(j) record retention policies and programs;

(k) the Quality Assurance Program, including deficiency action policies and other measures concerning the Hotel's compliance with the Hotel System, the Manual and System Standards; and

(l) participation in and compliance with the terms of all of Hyatt's marketing, reservation service, rate and room inventory management, advertising, cooperative advertising, guest frequency, social responsibility, discount or promotional, customer award, Internet, computer, training, privacy, data security, and operating programs, including a property management system that interfaces with the CRS or any other central reservation system Hyatt periodically adopts. Hyatt may periodically establish and/or coordinate these programs with third parties Hyatt designates. These third parties might (but need not) be Hyatt's Affiliates. Franchisee must sign and comply with any license, participation and other agreements Hyatt periodically specifies relating to these programs.

Because complete and detailed uniformity under many varying conditions might not be possible or practical, Franchisee acknowledges that Hyatt specifically reserves the right and privilege, as Hyatt deems best, to vary System Standards for any Hyatt Place Hotel based upon the peculiarities of any condition or factors that Hyatt considers important to that hotel's successful operation. Franchisee has no right to require Hyatt to grant Franchisee a similar variation or accommodation.

Hyatt's mandatory System Standards do not include any personnel or security-related policies or procedures that Hyatt (at its option) makes available to Franchisee in the Manual or otherwise for Franchisee's optional use. Franchisee will determine to what extent, if any, these optional policies and procedures should apply to the Hotel's operations. Franchisee acknowledges that Hyatt does not dictate or control labor or employment matters for franchisees and their employees and will not be responsible for the safety and security of Hotel employees or patrons.

4.4 **<u>Uses and Sources of FF&E and Other Products and Services</u>**. Franchisee must purchase or lease, install, and maintain at the Hotel all FF&E that Hyatt periodically specifies for the Hotel System. Franchisee may not install at the Hotel, without Hyatt's prior written consent, any FF&E or other items Hyatt has not previously approved. Franchisee may use at the Hotel only FF&E, supplies, and other goods and services that conform to the System Standards. Hyatt may specify for the Hyatt Place Hotel network a particular model or brand of FF&E, supplies, and other goods and services that are available from only one manufacturer or supplier. Hyatt may specify that certain FF&E, supplies, and other goods and services be purchased only from Hyatt or its Affiliates or sources that Hyatt designates or approves. If Franchisee wishes to obtain any FF&E, supplies, or other goods and services for which Hyatt has established standards or specifications from a source that Hyatt has not previously approved as meeting the System Standards, Franchisee must send Hyatt a written request with any information and samples Hyatt considers necessary to determine whether the item and source meet Hyatt's then current criteria. Upon Hyatt's request, Franchisee must reimburse Hyatt's costs in reviewing Franchisee's request and evaluating the item and/or source. If Franchisee complies with Hyatt's processes and procedures regarding approval of alternate or additional manufacturers or suppliers, Hyatt will respond to Franchisee's request within a reasonable time period. Franchisee may not purchase any FF&E, supplies or other goods or services for the Hotel unless the purchase is from a source Hyatt designates or approves or Hyatt has approved in writing that the item Franchisee proposed meets Hyatt's standards and specifications. Hyatt may modify the System Standards in this area as Hyatt deems best. Hyatt reserves the right, at its option, to revoke its approval of certain sources or items if they fail to continue to meet the System Standards. Hyatt may refuse any of Franchisee's requests if Hyatt already has designated a particular source for, or model or brand of, FF&E, supplies or other goods or services that Hyatt (in its sole judgment) determines to be critical to the Hotel System and Hyatt does not desire to expand the list of approved sources, models, or brands. Hyatt may make this decision as it deems best. Hyatt and its Affiliates have the right to receive rebates, commissions, payments, benefits or other material consideration from suppliers on account of their actual or prospective dealings with Franchisee and other franchisees and owners of Hyatt Place Hotels and to use all amounts that Hyatt and its Affiliates receive without restriction for any purposes they deem appropriate (unless they agree otherwise with the supplier).

4.5 **CRS, GDS, ADS and Guest Room Rates**. Franchisee must participate in, connect with, and use the CRS, GDS and ADS in the manner Hyatt periodically designates for offering, booking, modifying, and communicating guest room reservations for the Hotel. Franchisee may only utilize the GDS and ADS that Hyatt periodically authorizes. Franchisee must honor and give first priority on available rooms to all confirmed reservations that the CRS, GDS or ADS refers to the Hotel. The CRS and approved GDS and ADS are the only reservation systems or services that the Hotel may use for reservations.

Franchisee will establish the Hotel's room rates and submit them to Hyatt promptly upon Hyatt's request. Franchisee is solely responsible for notifying the reservation center of any changes in the Hotel's room rates. Franchisee must monitor and ensure that the Hotel's current room rates are properly reflected in the CRS, and must notify Hyatt promptly about any discrepancies between the Hotel's actual room rates and the room rates listed in the CRS. Franchisee may not charge any guest a rate for any reservation higher than the rate that the reservations center specifies to the guest at the time he or she makes the reservation. Except for special event periods, Franchisee may not charge any rate exceeding the rate Franchisee submits in writing for sale by the CRS. Franchisee must comply with Hyatt's "best price guarantee" and related policies, as Hyatt periodically modifies them.

4.6 **Upgrading the Hotel**. Franchisee may not make any material changes to the Hotel's existing or planned construction, including any change in the number of guest rooms at the Hotel, without Hyatt's prior written consent and complying with such conditions and procedures that Hyatt periodically establishes for such changes. Without limiting Hyatt's rights and Franchisee's obligations under Section 4.3, Hyatt may require Franchisee at any time and from time to time during the Term to upgrade or renovate the Hotel, including by altering the Hotel's appearance and/or replacing a material portion of improvements and/or FF&E, to comply with then current building décor, appearance, and trade dress standards and other aspects of the Hotel System that Hyatt has established and requires for new similarly situated Hyatt Place Hotels (subject to Reasonable Deviations). This upgrading or renovation may obligate Franchisee to invest additional capital in the Hotel and/or incur higher operating costs. Franchisee agrees to implement such upgrading and renovation within the time period Hyatt requests, regardless of their cost or the point during the Term when Hyatt requires Franchisee to do so, as if they were part of this Agreement as of the Effective Date, provided that all such upgrades and renovations apply uniformly to all similarly situated Hyatt Place Hotels (subject to Reasonable Deviations).

4.7 **Inspections/Compliance Assistance and Quality Assurance Program**. Although Hyatt retains the right to establish and periodically to modify System Standards for the Hotel that Franchisee agrees to implement and maintain, and to modify the Hotel System as Hyatt deems best for Hyatt Place Hotels, Franchisee retains the right to control, and responsibility for, the Hotel's day-to-day management and operation and implementing and maintaining System Standards at the Hotel. Hyatt may inspect the Hotel at any time, with or without notice to Franchisee, to determine whether Franchisee and the Hotel are complying with the Hotel System, System Standards, and other terms and conditions of this Agreement. Franchisee must permit Hyatt's representatives to inspect or audit the Hotel at any time and give them free lodging (subject to availability) during the inspection period.

The Hotel must participate in the quality assurance, compliance and guest satisfaction programs that Hyatt develops and periodically modifies (collectively, the "**Quality Assurance Program**"). Franchisee must pay its allocable share of all fees and other costs associated with the Quality Assurance Program. As part of the Quality Assurance Program, Hyatt and/or its representatives and designees may evaluate whether the Hotel is complying with the Hotel System and System Standards. The primary means of operating the Quality Assurance Program currently are evaluations conducted through stays at Hyatt Place Hotels. If Hyatt determines that the Hotel is not complying with the Hotel System, System Standards, or any other terms and conditions of this Agreement and instructs Franchisee to correct those deficiencies, then, without limiting Hyatt's other rights or remedies under this Agreement, any other agreement or applicable law, Franchisee must: (i) reimburse Hyatt for its costs related to that non-compliance, including fees, travel and living expenses and other costs for administering any necessary actions, follow-up inspections, audits or re-evaluation visits until the deficiencies have been fully corrected, and (ii) ensure that Franchisee's personnel attend meetings and additional training programs that Hyatt specifies at Franchisee's sole expense, relating to that non-compliance.

4.8 **Compliance With Laws**. Franchisee must strictly comply with all governmental requirements concerning the Hotel's operation, including by (a) ensuring that the Hotel is at all times in full compliance with the Americans with Disabilities Act and similar rules; (b) paying all taxes when due; (c) obtaining and maintaining trade or fictitious name registrations; and (d) obtaining and maintaining all licenses and permits necessary to operate the Hotel, including all licenses required to sell alcoholic beverages at the Hotel (unless Hyatt, at its sole option, has determined that no alcoholic beverages may be offered at or from the Hotel's premises). Franchisee and its Owners agree to comply, and to assist Hyatt to the fullest extent possible in its efforts to comply, with the Anti-Terrorism Laws. In connection with that compliance, Franchisee and its Owners certify, represent, and warrant as of the Effective Date that none of Franchisee's property or interests is subject to being blocked under, and that Franchisee and its Owners otherwise are not in violation of, any of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by Franchisee or its Owners, or any blocking of Franchisee's or its Owners' assets under the Anti-Terrorism Laws, shall constitute grounds for immediate termination of this Agreement, as provided in Section 15.2.

4.9 **No Diverting Business**. Franchisee must refer guests and customers, wherever reasonably possible, only to Hyatt Place Hotels or other brands affiliated with Hyatt, not use the Hotel or the Hotel System to promote a competing business or other lodging facility, and not divert business from the Hotel to a competing business.

4.10 **Data Privacy and Data Security**. Franchisee agrees to fully comply with all policies and procedures regarding the collection, storage, use, processing and transfer of personal data (i.e., any information which identifies or is capable of identifying an individual) that Hyatt may promulgate from time to time. Additionally, Franchisee agrees to execute any agreements or other documents, and to take any actions, that Hyatt may require Franchisee and all similarly situated franchisees (subject to Reasonable Deviations) to execute or take from time to time in furtherance of the implementation of Hyatt's data privacy or data security compliance program.

Without limiting the generality of the foregoing, if Franchisee receives, accesses, transmits, stores or processes any Cardholder Data (defined below), then Franchisee agrees to maintain the confidentiality and security of that Cardholder Data at all times, both during the Term and after this Agreement's termination or expiration. For purposes of this Agreement, "**Cardholder Data**" means any data that relates to either (a) a payment card authorized by or bearing the logo of a member of the Payment Card Industry ("**PCI**") Security Standards Council (the **"PCI SSC"**) or any similar organization that Hyatt periodically specifies, or alternative technology or non-cash transaction method relating to payment that Hyatt periodically specifies, or (b) a person to whom such a payment card or alternative technology as described in (a) has been issued.

Franchisee further covenants that it will, at all times during the Term, in accessing, transmitting, storing or processing Cardholder Data, or in providing technology that accesses, transmits, stores or processes Cardholder Data, comply with (and ensure that all technology provided by or on behalf of Franchisee complies with) the standards and measures required under the then current Payment Data Security Guidelines. For purposes of this Agreement, "**Payment Data Security Guidelines**" means the then current version of the PCI Data Security Standards ("**PCI DSS**") or any successor standards and measures that Hyatt periodically specifies for payment cards, alternative technologies or non-cash transaction methods relating to payment, including all associated audit and certification requirements, and any other applicable standards, measures, or requirements that may be periodically promulgated by the PCI SSC or similar organization that Hyatt periodically specifies, by any member thereof, or by any entity that functions as an acquirer, issuer, processor, card association, payment network or similar actor (each, individually an **"Acquirer"**) with respect to a payment card or alternative technology. In addition, if Franchisee uses or provides (i) any payment applications that store, process or transmit Cardholder Data as part of authorization or settlement, or (ii) any personal identification number ("**PIN**") entry terminals used for payment card transactions or alternative technology relating to payment transactions that Hyatt periodically specifies, then Franchisee must ensure that such payment applications, PIN entry terminals, or alternative technologies (as the case may be) comply with applicable security standards and requirements, including the then current PIN Entry Device Security Requirements and Payment Application Data Security Standards. Hyatt has the right (but no obligation), in its sole discretion at any time and from time to time during the Term, to audit Franchisee's compliance with this Section 4.10 and to require Franchisee (at Franchisee's expense) to enroll or maintain enrollment in a third party audit and/or validation program that Hyatt monitors. Hyatt further reserves the right, in its sole discretion at any time and from time to time during the Term, to disclose the results of such audits and/or validation programs to any Acquirer that provides services to Franchisee. Without limiting any of its other obligations under this Agreement, Franchisee represents and warrants that all software, hardware and other materials used by Franchisee, or provided or made available to

Hyatt by or on behalf of Franchisee, comply, and do not prevent Hyatt from complying, with all applicable Payment Data Security Guidelines and other data privacy or data security compliance programs that Hyatt identifies, and Franchisee agrees that during the Term it will continue to comply, and will not prevent Hyatt from complying, with these requirements.

4.11 **No Brand Owners**. Franchisee agrees that neither Franchisee nor any of its Affiliates or Owners at any time during the Term shall be or become a Brand Owner.

ARTICLE V

ADVERTISING AND MARKETING

5.1 **Grand Opening Marketing**. Franchisee must conduct a pre-opening marketing program for the Hotel according to Hyatt's requirements. At least one hundred twenty (120) days before the Hotel's grand opening, Franchisee must (a) pay Hyatt an amount equal to One Hundred Dollars ($100) multiplied by the number of guest rooms at the Hotel (the "**Marketing Deposit**"), and (b) prepare and submit to Hyatt for its approval a written pre-opening marketing program that contemplates spending the Marketing Deposit and satisfies Hyatt's requirements. Franchisee must change the program as Hyatt specifies and implement the approved program. Hyatt will use the Marketing Deposit to pay, on Franchisee's behalf, providers of products and services according to the approved pre-opening marketing program.

5.2 **Participation in Advertising and Marketing**. Franchisee acknowledges that promoting Hyatt Place Hotels as a single chain is an important part of the Hotel System. Franchisee must participate in and use, in the manner that Hyatt specifies, all advertising, marketing, and promotional activities, materials and programs that Hyatt periodically requires for the Hotel.

5.3 **Approval of Marketing Programs**. Subject to Hyatt's requirements and at Franchisee's own expense, Franchisee may conduct local and regional marketing and advertising programs. Franchisee shall pay Hyatt the reasonable fees that Hyatt periodically establishes for optional advertising materials Franchisee orders from Hyatt for these programs. Franchisee must conduct its advertising in a dignified manner.

Before using them, Franchisee must submit to Hyatt for its prior approval all advertising, promotional, and public relations plans, programs, and materials that Franchisee desires to use or in which Franchisee desires to participate, including any materials and uses of the Proprietary Marks in digital, electronic, computerized, or other form (whether on a Travel Services Website or Franchisee Organization Website (each as defined in Section 5.4) or otherwise). If Franchisee does not receive written disapproval within fifteen (15) business days after Hyatt receives the materials, they are deemed to be approved. Franchisee may not use any advertising, promotional, or public relations materials or engage in any programs that Hyatt has not approved or has disapproved and must discontinue using any previously-approved materials and engaging in any previously-approved programs within the timeframe Hyatt specifies after Franchisee receives written notice from Hyatt.

5.4 **Websites**. Franchisee may not develop, maintain or authorize any Website (other than a Hotel System Website) that either has the word "hyatt" or any similar word as part of its domain name or URL or that accepts reservations for the Hotel (other than through an approved link to a Hotel System Website). Franchisee may, with Hyatt's approval and subject to the conditions in Section 5.3 and this Section 5.4, authorize any Travel Services Website or Franchisee Organization Website to list and promote the Hotel together with other hotels. A "**Travel Services Website**" is a Website operated by a third party (which is not an Affiliate of Franchisee) that promotes and sells travel-related products and services for a number of hotel brands, including other Hyatt-affiliated hotels. A "**Franchisee Organization Website**" is a Website that mentions the Hotel and other hotels in which Franchisee and its Affiliates have an interest as part of Franchisee's and its Affiliates' portfolio of properties and that has a primary purpose of promoting the entire portfolio (rather than only promoting the Hotel). Franchisee shall submit to Hyatt for its approval all proposed uses of the Proprietary Marks, references to the Hotel, links to a Hotel System Website, and other information concerning a Travel Services Website or Franchisee Organization Website as Hyatt periodically requests. Hyatt will not unreasonably withhold its approval of Franchisee's use of a Travel Services Website or Franchisee Organization Website. Hyatt may implement and periodically modify, and Franchisee must comply with, System Standards relating to any Travel Services Websites, Franchisee Organization Websites and other electronic uses of the Proprietary Marks and may withdraw its approval of any Website that no longer meets Hyatt's minimum standards.

5.5 **Cooperative Advertising Programs**. Hyatt may identify a region in which two (2) or more Hyatt Place Hotels are located in order to establish a local or regional advertising cooperative (a "**Cooperative**"). Hyatt may form, change, dissolve and merge Cooperatives. The Cooperative's purpose will be to collect funds from its members and to plan, discuss, organize, develop, utilize, produce, disseminate, and implement advertising and promotional programs and materials on a collective basis (and to cover related expenses) for the sale of services at participating Hyatt Place Hotels. Hyatt will not require Franchisee to participate in a Cooperative. However, if Franchisee chooses to participate in the Cooperative, Franchisee must do so according to the Cooperative's rules, including paying the Hotel's allocable share of any advertising, marketing, promotional and other programs that the Cooperative conducts. All restrictions under this Agreement relating to any advertising, marketing or promotional programs that Franchisee conducts also apply to any such programs that the Cooperative conducts.

ARTICLE VI

FEES AND PAYMENTS

6.1 **Application Fee**. Hyatt and Franchisee acknowledge that, before Hyatt and Franchisee signed this Agreement, Franchisee paid Hyatt an application fee of Sixty Thousand Dollars ($60,000) plus an additional Four Hundred Dollars ($400) for each guest room at the Hotel in excess of one hundred fifty (150) guest rooms (the "**Application Fee**"). The Application Fee was fully earned by Hyatt and non-refundable upon Hyatt's approval of Franchisee's franchise application before Hyatt and Franchisee signed this Agreement. The Application Fee was Sixty Thousand Dollars ($60,000).

In addition, if Hyatt and Franchisee agree to add additional guest rooms to the Hotel during the Term, then Franchisee must pay Hyatt an additional Application Fee in an amount equal to Four Hundred Dollars ($400) multiplied by the number of additional guest rooms. When Franchisee requests Hyatt's approval of Franchisee's plans to develop the additional guest rooms, Franchisee must pay Hyatt a non-refundable PIP fee of Five Thousand Dollars ($5,000). Hyatt will apply this PIP fee toward the additional Application Fee if Hyatt approves Franchisee's plans. If the PIP fee exceeds the additional Application Fee, Hyatt may keep the excess. The remaining portion of the additional Application Fee is due, fully earned by Hyatt, and non-refundable on the date Hyatt approves Franchisee's plans to develop the additional guest rooms.

6.2 **Data Installation Services Fee**. Franchisee must pay Hyatt a non-refundable fee of Seven Thousand Five Hundred Dollars ($7,500) on or before the date upon which Hyatt provides data installation services relating to the initial set-up of the CRS, GDS and ADS at the Hotel.

6.3 **Monthly Fees to Hyatt**. On or before the tenth (10^{th}) day of each month beginning with the month following the Opening Date, Franchisee shall pay Hyatt:

(a) a "**Royalty Fee**" equal to (i) three percent (3%) of the Hotel's Gross Rooms Revenue accrued during the First Year (defined below); (ii) four percent (4%) of the Hotel's Gross Rooms Revenue accrued during the Second Year (defined below); and (iii) five percent (5%) of the Hotel's Gross Rooms Revenue during the balance of the Term. The "**First Year**" means the calendar twelve (12) month period beginning on the first (1^{st}) day of the calendar month during which the Opening Date occurs, provided that no Royalty Fees, Contributions or other amounts shall be payable based on the Gross Rooms Revenue accrued before the Opening Date. The "**Second Year**" means the calendar twelve (12) month period beginning on the first (1^{st}) anniversary of the first (1^{st}) day of the calendar month during which the Opening Date occurs; and

(b) a Contribution to the Marketing, Central Reservations and Technology Fund equal to three and one-half percent (3.5%) of the Hotel's Gross Rooms Revenue during the preceding month. At any time during the Term, Hyatt may, upon thirty (30) days' prior notice to Franchisee, periodically increase the Contribution, but it will not exceed four percent (4%) of the Hotel's Gross Rooms Revenue.

In addition, on or before the tenth (10th) day of each month, Franchisee shall pay Hyatt all fees and other amounts that Hyatt then has paid or has agreed to pay on Franchisee's behalf to any Providers. If any Provider assesses a single or group fee or other charge that covers all or a group of Hyatt Place Hotels to which that Provider provides products or services, Franchisee agrees that Hyatt's allocation of that fee or other charge among the Hotel and other Hyatt Place Hotels is final. The Providers may periodically increase the fees and other charges they impose. At Hyatt's option, Franchisee must begin paying these fees and other charges directly to the applicable Provider(s).

6.4 **Payments to Third Parties**. Franchisee agrees to pay on a timely basis, as and when due: (a) applicable commissions to travel agents and third party reservation service charges and otherwise participate in any Hotel System travel agent commission payment program, as Hyatt periodically modifies it; (b) all commissions and fees for reservations Franchisee accepts through any sources (including the Internet), whether processed through Hyatt, the CRS, or any Provider's reservation system or billed directly to Franchisee; (c) all contributions for cooperative advertising programs in which Franchisee agrees to participate, as required in Section 5.5; (d) charges for telephone and other equipment related to the CRS; and (e) all fees and assessments due for guest frequency programs or other marketing programs Hyatt initiates that are attributable to the Hotel.

6.5 **Late Fee and Late Payment Interest**. Franchisee agrees to pay Hyatt a late fee of Two Hundred Twenty-Five Dollars ($225) for each required payment not made on or before its original due date and for each payment not honored by Franchisee's financial institution. The late fee is not interest or a penalty but compensates Hyatt for increased administrative and management costs due to Franchisee's late payment. In addition, all amounts that Franchisee owes Hyatt that are more than seven (7) days late will bear interest accruing as of their original due date at one and one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less. Hyatt may debit Franchisee's bank account automatically via EFT (defined below in Section 6.6) for the late fee and interest. Franchisee acknowledges that this Section is not Hyatt's agreement to accept any payments after they are due or Hyatt's commitment to extend credit to, or otherwise finance Franchisee's operation of, the Hotel.

6.6 **Electronic Funds Transfer**. Franchisee must make all payments for Royalty Fees, Contributions, and other amounts due to Hyatt under this Agreement by electronic funds transfer ("**EFT**"). Franchisee must sign the documents Hyatt periodically specifies to allow Hyatt to debit Franchisee's bank account automatically or otherwise process these payments through EFT. Franchisee also must sign any additional or new forms and complete any reasonable procedures Hyatt periodically establishes for EFT. Hyatt will require payment by EFT only for Royalty Fees, Contributions, and other amounts due to Hyatt under this Agreement. Hyatt periodically may change the procedure for payments and require Franchisee to (a) make its payments to a designated bank account by wire transfer or other means Hyatt specifies and (b) sign any authorizations or other documents required to implement that procedure. On the date Royalty Fees and Contributions are due, Franchisee shall report to Hyatt by telephone, electronic means, or in written form, as Hyatt periodically directs, pursuant to Hyatt's standard transmittal procedures, information regarding Franchisee's Gross Rooms Revenue and any additional information Hyatt periodically requests. Funds must be available in Franchisee's account to cover Hyatt's withdrawals. Franchisee may not change its bank, financial institution, or account without first telling Hyatt.

6.7 **Application of Payments**. Despite any designation Franchisee makes, Hyatt may apply any of Franchisee's payments to any of Franchisee's past due indebtedness to Hyatt or its Affiliates. Hyatt may set off any amounts Franchisee or its Owners owe Hyatt or its Affiliates against any amounts Hyatt or its Affiliates owe Franchisee or its Owners. Franchisee may not withhold payment of any amounts Franchisee owes Hyatt or its Affiliates due to Hyatt's alleged nonperformance of any of its obligations under this Agreement.

6.8 **Taxes on Franchisee's Payments**. If any gross receipts, sales, use, excise, or similar tax is imposed upon Hyatt due to any payment Franchisee makes to Hyatt under this Agreement (but not Hyatt's own income taxes), Franchisee must reimburse Hyatt for all payments of such taxes Hyatt makes so that the amount of Franchisee's payments Hyatt retains after paying the applicable taxes equals the full amount of the payments Franchisee was required to make under this Agreement had the tax not been imposed upon Hyatt. Any and all amounts payable pursuant to this Agreement or any related agreement between Hyatt (or its Affiliate) and Franchisee are exclusive of any such taxes. Accordingly, if applicable, all of Franchisee's payments shall, in addition, include an amount equal to any and all such taxes imposed by law on any payments to be made pursuant to this Agreement or any related agreement.

6.9 **Non-Refundability**. Unless otherwise specified, all fees that Franchisee paid to Hyatt before or simultaneously with the execution of this Agreement, or will pay to Hyatt during the Term, are non-refundable.

ARTICLE VII

BOOKS AND RECORDS, AUDITS AND REPORTING

7.1 **Financial Reports**. At Hyatt's request, Franchisee must prepare and deliver to Hyatt daily, monthly, quarterly, and annual operating statements, profit and loss statements, balance sheets, and other reports relating to the Hotel that Hyatt periodically requires, prepared in the form, by the methods, and within the timeframes that Hyatt specifies in the Manual. The reports must contain all information Hyatt requires and be certified as accurate in the manner Hyatt requires. By the tenth (10th) day of each month, Franchisee agrees to prepare and send Hyatt a statement for the previous month, certified by Franchisee's chief financial or principal accounting officer, listing Gross Rooms Revenue, other Hotel revenues, room occupancy rates, reservation data, the amounts currently due under Article VI, and other information that Hyatt deems useful in connection with the Hotel System. The statement will be in the form and contain the detail Hyatt reasonably requests from time to time and may be used by Hyatt for all reasonable purposes.

7.2 **Notification**.

7.2.1 **Lender Information**. Franchisee must, upon Hyatt's request or any change in the Lender's information, send Hyatt current information regarding the name, address, and telephone number of the Lender and the name and telephone number of Franchisee's contact at the Lender.

7.2.2 **Guarantor Net Worth Threshold**. Franchisee must provide Hyatt on an annual basis financial statements or other documents that Hyatt reasonably specifies, certified by Franchisee or the Guarantor in the manner Hyatt specifies, demonstrating that at least one Guarantor then satisfies the Guarantor Net Worth Threshold. If at any time during the Term there is not at least one Guarantor who maintains the Guarantor Net Worth Threshold, then, in addition to and without limiting Hyatt's other remedies and rights under this Agreement and applicable law, Hyatt may require Franchisee thereafter to provide Hyatt audited financial statements on an annual basis demonstrating that at least one Guarantor then satisfies the Guarantor Net Worth Threshold.

7.2.3 **Other Actions or Events**. Franchisee must notify Hyatt in writing within ten (10) days after Franchisee receives information or documentation about any lawsuit, action, or proceeding, or the issuance of any injunction, award, or decree of any court, quasi-judicial body, or governmental agency, that might adversely affect the Hotel, Franchisee's ability to perform its obligations under this Agreement, or its financial condition.

7.3 **Preparation and Maintenance of Books and Records**. Franchisee agrees to: (a) prepare on a current basis in a form satisfactory to Hyatt, and preserve for at least four (4) years, complete and accurate records concerning Gross Rooms Revenue and all financial, operating, marketing, and other aspects of the Hotel; and (b) maintain an accounting system that fully and accurately reflects all financial aspects of the Hotel, including books of account, tax returns, governmental reports, daily reports, profit and loss and cash flow statements, balance sheets, and complete quarterly and annual financial statements relating to the Hotel. Hyatt reserves the right to access Franchisee's computer system independently to obtain sales information, occupancy information, and other data and information relating to the Hotel. Franchisee must send Hyatt upon its reasonable request, in the form and format that Hyatt periodically specifies, any information relating directly or indirectly to the Hotel that Hyatt does not access independently from Franchisee's computer system.

7.4 **Audit**. Hyatt may at any time during Franchisee's regular business hours, and without prior notice to Franchisee, examine Franchisee's and the Hotel's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. Franchisee agrees to cooperate fully with Hyatt's representatives and independent accountants in any examination. If any examination discloses an understatement of the Hotel's Gross Rooms Revenue, Franchisee agrees to pay Hyatt, within fifteen (15) days after receiving the examination report, the Royalty Fees, Contributions and other fees due on the amount of the understatement, the late fee, and interest on the understated amounts from the date originally due until the date of payment. Furthermore, if an examination is necessary due to Franchisee's failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if Hyatt's examination reveals a Royalty Fee or Contribution underpayment to Hyatt of three percent (3%) or more of the total amount owed during any six (6)-month period, or that Franchisee willfully understated the Hotel's Gross Rooms Revenue, Franchisee agrees to reimburse Hyatt for the costs of the examination, including the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of Hyatt's employees. These remedies are in addition to Hyatt's other remedies and rights under this Agreement and applicable law.

7.5 **Annual Financial Information**. Within ninety (90) days after the end of Franchisee's fiscal year, Franchisee must send Hyatt one or more of the following as Hyatt may request, certified by Franchisee's chief financial or principal accounting officer to be true and correct: (a) complete financial statements relating to the Hotel for that fiscal year (including a balance sheet, statement of operations and statement of cash flow) prepared in accordance with generally accepted accounting principles consistently applied; (b) Franchisee's income tax returns for the Hotel for that year; and (c) statements reflecting all Gross Rooms Revenue and all sources and amounts of other Hotel revenue generated during the year. At Hyatt's request from time to time, Franchisee also agrees to provide Hyatt with those operating statistics for the Hotel that Hyatt specifies. Hyatt may require Franchisee to have audited financial statements prepared annually during the Term.

ARTICLE VIII

RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION

8.1 **Relationship of the Parties**. Franchisee is an independent contractor. Neither Hyatt nor Franchisee is the legal representative or agent of, or has the power to obligate, the other for any purpose. The parties have a business relationship defined entirely by this Agreement's express provisions. No partnership, joint venture, affiliate, agency, fiduciary, or employment relationship is intended or created by this Agreement. Hyatt and Franchisee may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that Hyatt's and Franchisee's relationship is other than franchisor and franchisee. Hyatt will not be obligated for any damages to any person or property directly or indirectly arising out of the Hotel's operation or the business Franchisee conducts under this Agreement.

8.2 **Franchisee's Notices to Public Concerning Independent Status**. Franchisee must take the actions that Hyatt periodically requires to minimize the chance of a claim being made against Hyatt or its Affiliates for any occurrence at the Hotel or for acts, omissions, or obligations of Franchisee or anyone affiliated with Franchisee or the Hotel. Such steps may include giving notice in private and public rooms and on advertisements, business forms, and stationery and other places, making clear to the public that Hyatt is not the Hotel's owner or operator and is not accountable for events occurring at the Hotel.

8.3 **Franchisee's Indemnification of Hyatt**.

8.3.1 **Indemnification and Defense**. In addition to Franchisee's obligation under this Agreement to procure and maintain insurance, Franchisee agrees to indemnify, defend, and hold harmless Hyatt, its Affiliates, and its and their respective owners, officers, directors, agents, employees, representatives, successors, and assigns (the "**Hyatt Indemnified Parties**") against, and to reimburse any one or more of the Hyatt Indemnified Parties for, any and all claims, obligations, and damages directly or indirectly arising out of, resulting from, or in connection with (a) the application Franchisee submitted to Hyatt for the rights granted under this Agreement; (b) the construction, development, use, occupancy, or operation of the Hotel, including any claim or allegation relating to the Americans with Disabilities Act or any similar law concerning public accommodations for persons with disabilities; (c) any bodily injury, personal injury, death, or property damage suffered by any Hotel guest, customer, visitor, or employee; (d) claims alleging either intentional or negligent conduct, acts, or omissions by Franchisee, any manager (or any of Franchisee's or its contractors, agents, employees or representatives), or Hyatt or its Affiliates relating to the operation of the Hotel or the Hotel System, subject to Sections 8.3.5 and 8.4.1; and (e) Franchisee's breach of the terms and conditions of this Agreement. Each Hyatt Indemnified Party may defend any claim against it at Franchisee's expense and agree to settlements or take any other remedial, corrective, or other actions, provided that the Hyatt Indemnified Party will seek Franchisee's advice and counsel, and keep Franchisee informed, with regard to any proposed or contemplated settlement.

8.3.2 **Definition of Claims**. For purposes of this Section 8.3 and Section 8.4, "**claims**" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

8.3.3 **Survival and Mitigation**. The obligations under this Section 8.3 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. A Hyatt Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this Section. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that a Hyatt Indemnified Party may recover from Franchisee under this Section.

8.3.4 **Separate Counsel and Settlement**. If separate counsel is appropriate in Hyatt's opinion because of actual or potential conflicts of interest, Hyatt may retain attorneys and/or independently defend any claim, action, or alleged claim or action subject to indemnification under this Section at Franchisee's sole expense. No party may settle any claim or action that could have an adverse effect on Hyatt, its Affiliates, the Hotel System, or other franchisees without Hyatt's prior approval.

8.3.5 **Limitation on Indemnification**. Franchisee has no obligation to indemnify under this Section 8.3 if a court of competent jurisdiction makes a final decision not subject to further appeal that Hyatt, its Affiliate, or any of their respective employees directly engaged in willful misconduct or gross negligence or intentionally caused the property damage or bodily injury that is the subject of the claim, so long as the claim is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or employment) or Hyatt's failure to compel Franchisee to comply with this Agreement, which are claims for which the Hyatt Indemnified Parties are entitled to indemnification under this Section 8.3.

8.3.6 **Notice of Action**. Franchisee shall notify Hyatt immediately (but not later than five (5) days following Franchisee's receipt of notice) of any claim, action, or potential claim or action naming any Hyatt Indemnified Party as a defendant or potential defendant and shall include with such notification copies of all correspondence or court papers relating to the claim or action. Franchisee's obligation to indemnify the Hyatt Indemnified Parties shall not be limited in any way by reason of any insurance that any Hyatt Indemnified Party maintains.

8.3.7 **Right to Control Defense of Certain Actions**. Without limiting Franchisee's obligations under this Section 8.3, Hyatt (or its designee) has the right to defend and control the defense of any class action or other legal action involving both the Hotel and any other Hyatt Place Hotel or Hyatt-affiliated hotel, regardless of whether Hyatt or any of the other Hyatt Indemnified Parties are named defendants in that action. Franchisee shall promptly reimburse Hyatt for the Hotel's proportionate share of all reasonable expenses that Hyatt incurs in connection with any action covered by this Section 8.3.7. Hyatt shall allocate those expenses equitably among the Hotel and all other Hyatt Place Hotels and Hyatt-affiliated hotels involved in the action in any manner that Hyatt reasonably determines.

8.4 **Hyatt's Indemnification of Franchisee**.

8.4.1 **Indemnification and Defense**. Hyatt agrees to indemnify and hold harmless Franchisee, its Affiliates, and its and their respective owners, officers, directors, agents, employees, representatives, successors, and assigns (the "**Franchisee Indemnified Parties**") against, and to reimburse any one or more of the Franchisee Indemnified Parties for, any and all claims, obligations, and damages directly or indirectly arising out of, resulting from, or in connection with (a) a final decision by a court of competent jurisdiction not subject to further appeal that Hyatt, its Affiliate, or any of their respective employees directly engaged in willful misconduct or gross negligence or intentionally caused the property damage or bodily injury that is the subject of the claim, so long as the claim is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or employment) or Hyatt's failure to compel Franchisee to comply with this Agreement, which are claims for which the Franchisee Indemnified Parties are not entitled to indemnification under this Section 8.4; and (b) any trademark infringement proceeding disputing Franchisee's authorized use of any Proprietary Mark under this Agreement, provided that Franchisee has timely notified Hyatt of, and complies with Hyatt's directions in responding to, the proceeding. Hyatt shall defend the Franchisee Indemnified Parties in any claims covered by Subsection (b) at Hyatt's cost and expense. At Hyatt's option, Hyatt and/or its Affiliate(s) may defend and control the defense of any other proceeding arising from or relating to the Proprietary Marks or Franchisee's use of any Proprietary Mark under this Agreement.

8.4.2 **Survival and Mitigation**. The obligations under this Section 8.4 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. A Franchisee Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Hyatt under this Section. Hyatt agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that a Franchisee Indemnified Party may recover from Hyatt under this Section. Hyatt's obligation to indemnify the Franchisee Indemnified Parties shall not be limited in any way by reason of any insurance that any Franchisee Indemnified Party maintains.

8.5 **Guarantor Net Worth Threshold**. Franchisee represents and warrants that at least one Guarantor satisfies the Guarantor Net Worth Threshold as of the Effective Date, and Franchisee agrees to ensure that at least one Guarantor continues to satisfy the Guarantor Net Worth Threshold at all times during the Term. Upon at least ninety (90) days' written notice to Franchisee, Hyatt may periodically increase the amount of the Guarantor Net Worth Threshold if Hyatt determines, in its reasonable judgment, that its risk or exposure with respect to this Agreement has increased since the Effective Date (or its most recent increase in the Guarantor Net Worth Threshold, as applicable). Franchisee agrees to comply with the modified Guarantor Net Worth Threshold, either by demonstrating to Hyatt's satisfaction that a then existing Guarantor satisfies the modified Guarantor Net Worth Threshold or by presenting a substitute Guarantor who signs Hyatt's then current form of Guaranty reflecting the modified Guarantor Net Worth Threshold, by the end of that ninety (90)-day period. Franchisee agrees to, and shall cause its Guarantors to, reasonably cooperate with Hyatt in connection with all auditing and reporting requirements relating to the Guarantor Net Worth Threshold, whether those requirements are contained in this Agreement, the Guaranty or any other agreement.

ARTICLE IX

INSURANCE

At Franchisee's expense, Franchisee must procure and at all times during the Term maintain such insurance as may be required by the terms of any lease or mortgage on the premises where the Hotel is located, and in any event no less than the following:

(1) the following property insurance:

(a) Property insurance (or builder's risk insurance during any period of construction) on the Hotel building(s) and contents against loss or damage by fire, lightning, windstorm, and all other risks covered by the usual all-risk policy form, all in an amount not less than ninety percent (90%) of the full replacement cost thereof and a waiver of co-insurance. Such policy shall also include coverage for landscape improvements and law and ordinance coverage in reasonable amounts.

(b) Boiler and machinery insurance against loss or damage caused by machinery breakdown or explosion of boilers or pressure vessels to the extent applicable to the Hotel.

(c) Business interruption insurance covering loss of profits and necessary continuing expenses, including Royalty Fees, Contributions and other amounts due to Hyatt and its Affiliates under or in connection with this Agreement, for interruptions caused by any occurrence covered by the insurance referred to in subsections (a) and (b) above and providing coverage for the actual loss sustained.

(d) If the Hotel is located in whole or in part within an area identified by the Federal–Flood Management Agency, flood insurance in a reasonable amount for a hotel of this type in the geographic area, to include business interruption for lost profits, continuing expenses and Royalty Fees, Contributions and other amounts due to Hyatt and its Affiliates under or in connection with this Agreement.

(e) If the Hotel is located in an "earthquake zone" as determined by the U.S. Geological Survey, earthquake insurance in a reasonable amount for a hotel of this type in the geographic area, to include business interruption for lost profits, continuing expenses, and Royalty Fees, Contributions and other amounts due to Hyatt and its Affiliates under or in connection with this Agreement.

(f) If the Hotel is located in a "Tier 1 or Tier 2 named windstorm zone" as determined by Franchisee's insurance underwriters, named windstorm insurance in a reasonable amount for a hotel of this type in the geographic area, to include business interruption for loss of profits and continuing expenses, including Royalty Fees, Contributions and other amounts due to Hyatt and its Affiliates under or in connection with this Agreement.

(g) If the Hotel is located in a "Tier 1 or Tier 2 terrorism zone" as determined by Franchisee's insurance underwriters, certified and non-certified terrorism insurance for the property, as long as it is not more than two (2) times Franchisee's "all-risk" property premium.

(2) Workers' Compensation insurance in statutory amounts on all Hotel employees and Employer's Liability Insurance in amounts not less than $1 million per accident/disease.

(3) Commercial General Liability Insurance for any claims or losses arising or resulting from or pertaining to the Hotel or its operation, protecting Franchisee and Hyatt (and its Affiliates) with combined single limits of $2 million per each occurrence for bodily injury and property damage. If the general liability coverages contain a general aggregate limit, such limit shall be not less than $2 million, and it shall apply in total to the Hotel only by specific endorsement. Such insurance shall be on an occurrence policy form and include premises and operations, independent contractors, blanket contractual, products and completed operations, advertising injury, employees as additional insureds, broad form property damage, personal injury to include false arrest and molestation, incidental medical malpractice, severability of interests, innkeeper's and safe deposit box liability, and explosion, collapse and underground coverage during any construction.

(4) Liquor Liability (if the Hotel distributes, sells, serves, or furnishes alcoholic beverages, subject to Section 4.8) for combined single limits of bodily injury and property damage of not less than $2 million each occurrence.

(5) Business Auto Liability, including owned, non-owned and hired vehicles for combined single limits of bodily injury and property damage of not less than $2 million each occurrence.

(6) Umbrella Excess Liability on a following form basis, primary and excess, per occurrence and in the aggregate, in amounts not less than: (i) $15 million, if the Hotel

has less than seven (7) stories; (ii) \$25 million, if the Hotel has between seven (7) and eleven (11) stories; and (iii) \$100 million, if the Hotel has twelve (12) stories or more. Hyatt may require Franchisee to increase the amount of coverage if, in Hyatt's judgment, such an increase is warranted.

(7) Comprehensive crime insurance to include employee dishonesty coverage, loss inside the premises, loss outside the premises, money orders and counterfeit paper currency, depositor's forgery coverage and computer fraud.

(8) Such other insurance as may be customarily carried by other hotel operators on hotels similar to the Hotel.

The liability policies referenced in Sections (3) through (6) above in this Article shall be endorsed to include certified and non-certified terrorism insurance in an amount not less than the limit(s) of each applicable policy.

Hyatt may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance must by endorsement specifically name Hyatt and any Affiliates that Hyatt periodically designates (and Hyatt's and those Hyatt-designated Affiliates' employees and agents) as additional insureds. Any deductibles or self-insured retentions that Franchisee maintains (excluding deductibles for high hazard risks in high hazard geological zones, such as earthquake, flood and named windstorm, which shall be as required by the insurance carrier) shall not exceed \$25,000, or such higher amount as Hyatt (at its option) may approve in writing in advance. Franchisee must purchase each policy from an insurance company reasonably acceptable to Hyatt and licensed, authorized or registered to do business in the state where the Hotel is located. However, this licensing requirement shall not apply to those insurers providing Umbrella Excess Liability above \$2 million under Subsection (6) above.

All required insurance must be specifically endorsed to provide that the coverages will be primary to any valid and collectible insurance available to any additional insureds and shall have a waiver of subrogation in favor of Hyatt. All policies must provide that they may not be canceled, non-renewed, or materially changed without at least thirty (30) days' prior written notice to Hyatt. Franchisee may satisfy its insurance obligations under blanket insurance policies that cover Franchisee's and its Affiliates' other properties so long as such blanket insurance fulfills the requirements in this Agreement.

Franchisee must deliver to Hyatt a certificate of insurance (or certified copy of such insurance policy if Hyatt requests) evidencing the coverages required above and setting forth the amount of any deductibles. Franchisee must deliver to Hyatt renewal certificates of insurance (or certified copies of such insurance policy if Hyatt requests) not less than ten (10) days prior to their respective inception dates. Franchisee's obligation to maintain insurance shall not relieve Franchisee of its obligations under Section 8.3.

If Franchisee fails for any reason to procure or maintain the insurance required by this Agreement, Hyatt shall have the right and authority (although without any obligation to do so) to immediately procure such insurance and to charge Franchisee the cost together with a reasonable fee for Hyatt's expenses.

ARTICLE X

CONDEMNATION AND DAMAGE

10.1 **Condemnation**.

10.1.1 **Relocating the Hotel**. Franchisee must immediately notify Hyatt of any proposed taking of any portion of the Hotel by eminent domain, condemnation or expropriation. If Hyatt agrees that all or a substantial portion of the Hotel is to be taken, condemned or expropriated, then, upon Franchisee's request, Hyatt may (but has no obligation to) allow Franchisee to relocate the Hotel to a new location within the Area of Protection that Franchisee selects (subject to Hyatt's approval) within four (4) months after the taking, condemnation or expropriation. If Franchisee develops a new Hyatt Place Hotel at a new location within the Area of Protection that Hyatt approves (a "**Relocated Hotel**"), and if Franchisee opens that Relocated Hotel according to Hyatt's specifications and this Agreement's other terms and conditions (including the applicable provisions of Article II) within twenty-four (24) months after closing the Hotel, then the Relocated Hotel shall thereafter be deemed to be the Hotel franchised under this Agreement.

10.1.2 **Termination Upon Condemnation**. If a taking, condemnation or expropriation involving all or a substantial portion of the Hotel occurs, and if following such taking, condemnation or expropriation:

(a) Hyatt elects not to allow Franchisee to develop a Relocated Hotel;

(b) Franchisee promptly notifies Hyatt that Franchisee will not develop a Relocated Hotel; or

(c) Franchisee and Hyatt do not agree to a new location for a Relocated Hotel within the four (4)-month period specified above,

then either party may terminate this Agreement immediately upon written notice to the other. If this Agreement is terminated pursuant to this Section 10.1.2, and if Franchisee and its Owners sign Hyatt's then current form of termination agreement and a general release, in a form satisfactory to Hyatt, of any and all claims against Hyatt and its owners, Affiliates, officers, directors, employees and agents, then Franchisee shall not be required to pay liquidated damages pursuant to Section 16.5 at the time of termination. However, such termination agreement shall provide that if Franchisee or any of its Affiliates begins construction on a new select service hotel at any location within the Area of Protection at any time during the twenty-four (24) month period following the effective date of termination of this Agreement, then Franchisee or its Owners must pay Hyatt liquidated damages equal to Four Thousand Dollars ($4,000) multiplied by the number of guest rooms in that new select service hotel. If Franchisee and its Owners fail to sign such termination agreement and general release within a reasonable time after Hyatt delivers them to Franchisee, then Franchisee must pay Hyatt liquidated damages pursuant to Section 16.5 at the time of termination, in addition to complying with its other post-termination obligations under this Agreement.

10.1.3 **Termination for Failure to Develop Relocated Hotel**. If Hyatt and Franchisee agree to a new location for a Relocated Hotel pursuant to Section 10.1.1 but Franchisee fails to develop and open the Relocated Hotel according to this Agreement's terms and conditions within twenty-four (24) months after the Hotel's closing, then Hyatt may terminate this Agreement immediately upon written notice to Franchisee and Franchisee must pay Hyatt liquidated damages pursuant to Section 16.5, in addition to complying with its other post-termination obligations under this Agreement.

10.2 **Damage**. If the Hotel is damaged by fire or other casualty, Franchisee must notify Hyatt immediately. If the cost to repair the damage is less than or equal to the Damage Threshold (defined below), or if the cost to repair the damage exceeds the Damage Threshold but Franchisee notifies Hyatt within a reasonable time after the casualty that it intends to repair the damage and operate the Hotel as a Hyatt Place Hotel, then Franchisee must repair the damage promptly according to the System Standards and this Agreement's other terms and conditions. The **"Damage Threshold"** means the greater of (i) sixty percent (60%) of the market value of the Hotel immediately prior to the time of fire or other casualty, or (ii) the amount of insurance proceeds made available to Franchisee in connection with the fire or casualty. If the damage or repair requires Franchisee to close all or any portion of the Hotel, then Franchisee must commence reconstruction as soon as practicable (but in any event within four (4) months) after closing the Hotel and reopen for continuous business operations as a Hyatt Place Hotel as soon as practicable (but in any event within twenty-four (24) months) after closing the Hotel, but not without complying with this Agreement's other terms and conditions (including the applicable provisions of Article II).

If the cost to repair the damage from a fire or other casualty exceeds the Damage Threshold and Franchisee either fails to notify Hyatt within a reasonable time after the casualty that it intends to repair the damage and operate the Hotel as a Hyatt Place Hotel, or notifies Hyatt that Franchisee elects not to repair the damage and operate the Hotel as a Hyatt Place Hotel (including if Franchisee elects to repair the damage and re-open a hotel at the Site under a name other than "Hyatt Place"), then Hyatt may terminate this Agreement and Franchisee must pay Hyatt liquidated damages pursuant to Section 16.5. However, if a hotel is not reopened at the Site (either as a Hyatt Place Hotel or under any other brand) during the twenty-four (24)-month period after closing the Hotel, then the amount of liquidated damages payable pursuant to Section 16.5 shall not exceed the amount of any insurance proceeds that Franchisee receives. Franchisee must provide Hyatt such documentation as Hyatt may reasonably request to calculate the Damage Threshold and the insurance proceeds Franchisee receives in connection with any fire or other casualty.

10.3 **Extension of Term**. The Term will be extended for the period of time during which the Hotel is closed due to fire or other casualty. Franchisee need not make any payments of Royalty Fees or Contributions while the Hotel is closed by reason of condemnation or casualty unless Franchisee receives insurance proceeds compensating Franchisee for lost Gross Rooms Revenue during such period.

ARTICLE XI

PROPRIETARY RIGHTS

11.1 **Ownership and Goodwill of Proprietary Marks, Copyrighted Materials, and Confidential Information**. Hyatt's Affiliate has licensed the Proprietary Marks, Copyrighted Materials, and Confidential Information to Hyatt to use and sublicense in franchising, developing, and operating Hyatt Place Hotels. Franchisee's right to use the Proprietary Marks, Copyrighted Materials, and Confidential Information is derived only from this Agreement and is limited to Franchisee's operating the Hotel according to this Agreement and all System Standards that Hyatt prescribes during the Term. Franchisee's unauthorized use of the Proprietary Marks, Copyrighted Materials, or Confidential Information is a breach of this Agreement and infringes Hyatt's and its Affiliate's rights in them. Franchisee acknowledges and agrees that its use of the Proprietary Marks, Copyrighted Materials, and Confidential Information and any goodwill established by that use are exclusively for Hyatt's and its Affiliate's benefit and that this Agreement does not confer any goodwill or other interests in the Proprietary Marks, Copyrighted Materials, and Confidential Information upon Franchisee (other than the right to operate the Hotel under this Agreement). Franchisee may not at any time during or after the Term contest or assist any other person in contesting the validity, or Hyatt's and its Affiliate's ownership, of the Proprietary Marks, Copyrighted Materials, or Confidential Information.

11.2 **Limitations on Franchisee's Use of Proprietary Marks**. Franchisee agrees to use the Proprietary Marks as the Hotel's sole identification, except that Franchisee must identify itself as the Hotel's independent owner in the manner that Hyatt periodically specifies. Franchisee may not use any Proprietary Mark (a) as part of any corporate or legal business name; (b) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos Hyatt licenses to Franchisee); (c) in providing or selling any unauthorized services or products; (d) as part of any domain name, homepage, meta tags, keyword, electronic address, or otherwise in connection with a Website (unless Hyatt has approved such use in advance); or (e) in any other manner Hyatt has not expressly authorized in writing. If Hyatt discovers Franchisee's unauthorized use of the Proprietary Marks, in addition to Hyatt's other rights and remedies under this Agreement and applicable law, Hyatt may require Franchisee to destroy (with no reimbursement from Hyatt) all offending items reflecting such unauthorized use.

Franchisee may not use any Proprietary Mark in advertising the transfer, sale, or other disposition of the Hotel or an ownership interest in Franchisee or any of its Owners without Hyatt's prior written consent, which Hyatt will not unreasonably withhold. Franchisee agrees to display the Proprietary Marks prominently as Hyatt prescribes at the Hotel and on forms, advertising, supplies, and other materials Hyatt periodically designates. Franchisee agrees to give the notices of trade and service mark registrations that Hyatt specifies and to obtain any fictitious or assumed name registrations required under applicable law.

11.3 **Notification of Infringements and Claims**. Franchisee agrees to notify Hyatt immediately of any apparent infringement or challenge to Franchisee's use of any Proprietary Mark, Copyrighted Materials, or Confidential Information, or of any person's claim of any rights in any Proprietary Mark, Copyrighted Materials, or Confidential Information, and not to communicate with any person other than Hyatt, its Affiliates, and its and their attorneys, and

Franchisee's attorneys, regarding any infringement, challenge, or claim. Hyatt and its Affiliates may take the action it and they deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Proprietary Mark, Copyrighted Materials, or Confidential Information. Franchisee agrees to sign any documents and take any other reasonable actions that, in the opinion of Hyatt's and its Affiliates' attorneys, are necessary or advisable to protect and maintain Hyatt's and its Affiliates' interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain Hyatt's and its Affiliates' interests in the Proprietary Marks, Copyrighted Materials, and Confidential Information. Hyatt or its Affiliate will reimburse Franchisee's reasonable out-of-pocket costs for taking any requested action.

11.4 **Discontinuing Use of Proprietary Marks**. If it becomes advisable at any time for Hyatt and/or Franchisee to modify, discontinue using, and/or replace any Proprietary Mark and/or to use one or more additional, substitute, or replacement trade or service marks together with or in lieu of any previously-designated Proprietary Mark, Franchisee agrees to comply with Hyatt's directions within a reasonable time after receiving notice. Neither Hyatt nor its Affiliates will reimburse Franchisee for its expenses of changing the Hotel's signs, for any loss of revenue due to any modified or discontinued Proprietary Mark, or for Franchisee's expenses of promoting a modified or substitute trademark or service mark.

Hyatt's rights in this Section 11.4 apply to any and all of the Proprietary Marks (and any portion of any Proprietary Mark) that this Agreement authorizes Franchisee to use. Hyatt may exercise these rights at any time and for any reason, business or otherwise, Hyatt thinks best. Franchisee acknowledges both Hyatt's right to take this action and Franchisee's obligation to comply with Hyatt's directions.

11.5 **Confidential Information**. Hyatt and its Affiliates possess (and will continue to develop and acquire) Confidential Information, some of which constitutes trade secrets under applicable law, relating to developing and operating Hyatt Place Hotels. Franchisee acknowledges and agrees that Franchisee will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information as Hyatt specifies while operating the Hotel during the Term, and that Confidential Information is proprietary, includes Hyatt's and its Affiliate's trade secrets, and is disclosed to Franchisee only on the condition that Franchisee agrees, and Franchisee hereby does agree, that Franchisee: (a) will not use Confidential Information in any other business or capacity; (b) will keep confidential each item deemed to be a part of Confidential Information, both during and after the Term (afterward for as long as the item is not generally known in the hotel industry); (c) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and (d) will adopt and implement reasonable procedures that Hyatt periodically specifies to prevent unauthorized use or disclosure of Confidential Information.

All information that Hyatt or its Affiliates obtain from Franchisee or any other source about the Hotel or its guests under this Agreement or any related agreement (including agreements relating to the CRS and other software systems that Hyatt or its Affiliates provide or require), or otherwise related to the Hotel, is part of Confidential Information and Hyatt's property. Franchisee acknowledges and agrees that Hyatt has the right, without prior notice to

Franchisee, to access the Hotel's computer systems, including the property management system, and all guest and other data and information that Franchisee has processed or stored with, through, or otherwise in connection with such computer systems, and to use and allow others to use such data and information in any manner that Hyatt deems appropriate (subject to applicable law). However, Franchisee may at any time during and after the Term use, to the extent lawful and at Franchisee's own risk, any information and data stored in the Hotel's property management system database (subject to Section 4.10).

Confidential Information does not include information, knowledge, or know-how that Franchisee can demonstrate lawfully came to its attention before Hyatt or its Affiliate provided it to Franchisee directly or indirectly; that, at the time Hyatt or its Affiliate disclosed it to Franchisee, already had lawfully become generally known in the hotel industry through publication or communication by others (without violating an obligation to Hyatt or its Affiliate); or that, after Hyatt or its Affiliate disclose it to Franchisee, lawfully becomes generally known in the hotel industry through publication or communication by others (without violating an obligation to Hyatt or its Affiliate). However, if Hyatt includes any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is satisfied.

11.6 **Innovations**. All inventions, innovations and discoveries relating to a Hyatt Place Hotel (collectively, "**Innovations**"), whether or not protectable intellectual property and whether created by or for Franchisee, its Affiliates or contractors, or its or their employees, must be promptly disclosed to Hyatt and will be deemed to be Hyatt's sole and exclusive property, part of the Hotel System, and works made-for-hire for Hyatt. However, Franchisee may not use any Innovation in operating the Hotel or otherwise without Hyatt's prior written consent. If any Innovation does not qualify as a "work made-for-hire" for Hyatt, by this paragraph Franchisee assigns ownership of that Innovation, and all related rights to that Innovation, to Hyatt and agrees to take whatever action (including signing assignment or other documents) that Hyatt requests to evidence its ownership or to help Hyatt obtain intellectual property rights in the Innovation.

ARTICLE XII

TRANSFER

12.1 **Transfer by Hyatt**. Franchisee acknowledges that Hyatt maintains a staff to manage and operate the Hotel System and that staff members can change as employees come and go. Franchisee represents that Franchisee has not signed this Agreement in reliance on any particular owner, director, officer, or employee remaining with Hyatt in that capacity. Hyatt may change its ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After Hyatt's assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, Hyatt no longer will have any performance or other obligations under this Agreement.

12.2 **Transfer by Franchisee – Defined**. Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee and its Controlling Owners and that Hyatt has granted Franchisee the rights under this Agreement in reliance upon

Hyatt's perceptions of Franchisee's and its Controlling Owners' collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, unless otherwise specified in this Article XII, neither this Agreement (or any interest in this Agreement), the Hotel or substantially all of its assets, nor any ownership interest in Franchisee or any Owner (if such Owner is a legal entity) may be transferred without complying with the terms and conditions applicable to such transfer in this Article XII. A transfer of the Hotel's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without complying with the terms and conditions applicable to such transfer in this Article XII, including Hyatt's approval (where such approval is required under this Agreement) is a breach of this Agreement.

In this Agreement, the term "**transfer**" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in this Agreement; Franchisee; the Hotel or substantially all of its assets; any of Franchisee's Owners (if such Owner is a legal entity); or any right to receive all or a portion of the Hotel's, Franchisee's, or any Owner's profits or losses. An assignment, sale, gift, or other disposition includes the following events: (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest; (b) merger or consolidation or issuance of additional securities or other forms of ownership interest; (c) any sale of a security convertible to an ownership interest; (d) transfer in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law; (e) transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; or (f) pledge of this Agreement (to someone other than Hyatt) or of an ownership interest in Franchisee or one of its Owners as security, foreclosure upon the Hotel, or Franchisee's transfer, surrender, or loss of the Hotel's possession, control, or management.

12.3 **Non-Control Transfers**. If Franchisee (and each of its Owners) is substantially complying with this Agreement, then, subject to the other provisions of this Article XII, Franchisee and/or any of its Owners may consummate any Non-Control Transfers, without seeking or receiving Hyatt's consent, if:

(a) neither the proposed transferee nor any of its direct and indirect owners (if the transferee is a legal entity) is a Brand Owner;

(b) Franchisee notifies Hyatt at least ten (10) days before the transfer's effective date; and

(c) such transfer does not, whether in one transaction or a series of related transactions (regardless of the time period over which these transfers take place), result in the transfer or creation of a direct or indirect Controlling Ownership Interest in Franchisee.

12.4 **Control Transfers**. Franchisee must notify Hyatt in writing at least ten (10) days in advance of Franchisee's listing the Hotel for sale and promptly send Hyatt all information that Hyatt reasonably requests regarding any proposed sale. Franchisee must submit to Hyatt, on behalf of the proposed transferee, a complete application for a new franchise agreement (the "**Change of Ownership Application**"), accompanied by payment of Hyatt's then current application fee (although no such fee is due if the transfer is to the spouse, child, parent, or sibling of the Owner(s) or from one Owner to another). If Hyatt does not approve the Change of Ownership Application, Hyatt will refund any application fee paid, less Seven Thousand Five Hundred Dollars ($7,500) for processing costs. Hyatt will process the Change of Ownership Application according to its then current procedures, including review of criteria and requirements regarding upgrading the Hotel, credit, background investigations, operations ability and capacity, prior business dealings, market feasibility, guarantees, and other factors concerning the proposed transferee(s) (and, if applicable, its direct and indirect owner(s)) that Hyatt deems relevant. Hyatt has sixty (60) days from its receipt of the completed and signed Change of Ownership Application to consent or withhold its consent to the proposed transfer.

If Franchisee (and each of its Owners) is substantially complying with this Agreement, then, subject to the other provisions of this Article XII, Hyatt will approve a Control Transfer if all of the following conditions are met before or concurrently with the effective date of the Control Transfer:

(a) the transferee and each of its direct and indirect owners (if the transferee is a legal entity) has, in Hyatt's judgment, the necessary business experience, aptitude, and financial resources to operate the Hotel and meets Hyatt's then applicable standards for Hyatt Place Hotel franchisees;

(b) Franchisee has paid all Royalty Fees, Contributions, and other amounts owed to Hyatt, its Affiliates, and third party vendors; has submitted all required reports and statements; and has not violated any material provision of this Agreement or any other agreement with Hyatt or its Affiliate during both the sixty (60)-day period before Franchisee requested Hyatt's consent to the transfer and the period between Franchisee's request and the effective date of the transfer;

(c) the transferee's general manager and other Hotel management personnel that Hyatt specifies, if different from Franchisee's general manager and Hotel management personnel, satisfactorily complete Hyatt's required training programs;

(d) the transferee and its owners shall (if the transfer is of this Agreement), or Franchisee and its Owners shall (if the transfer is of a Controlling Ownership Interest in Franchisee or one of its Controlling Owners), sign Hyatt's then current form of franchise agreement and related documents (including guarantees and assumptions of obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty Fee and Contributions, and the term of which franchise agreement will be equal to the remaining unexpired portion of the Term;

(e) Franchisee (and its transferring Owners) sign Hyatt's then current form of termination agreement and a general release, in a form satisfactory to Hyatt, of any and all claims against Hyatt and its owners, Affiliates, officers, directors, employees, and agents;

(f) Hyatt has determined that the purchase price and payment terms will not adversely affect the transferee's operation of the Hotel;

(g) Franchisee signs all documents Hyatt requests evidencing Franchisee's agreement to remain liable for all obligations to Hyatt and its Affiliates existing before the effective date of the transfer; and

(h) Franchisee (if Franchisee will no longer operate the Hotel) and its transferring Owners will not directly or indirectly at any time or in any manner identify itself or themselves in any business as a current or former Hyatt Place Hotel or as one of Hyatt's franchisees; use any Proprietary Mark, any colorable imitation of a Proprietary Mark, or other indicia of a Hyatt Place Hotel in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with Hyatt or its Affiliates.

Hyatt may review all information regarding the Hotel that Franchisee gives the proposed transferee, correct any information that Hyatt believes is inaccurate, and give the transferee copies of any reports that Franchisee has given Hyatt or Hyatt has made regarding the Hotel.

12.5 **Permitted Transfers**. Notwithstanding Section 12.4:

(a) Franchisee may mortgage the Hotel (but not this Agreement) to a lender that finances Franchisee's acquisition, development, and/or operation of the Hotel without having to obtain Hyatt's prior written approval and without complying with the other terms and conditions of Section 12.4. However, Hyatt may require the lender to agree to certain procedures or grant Hyatt certain rights if Franchisee defaults and the lender wishes to foreclose on its security interest (which unless otherwise provided in any comfort letter or other agreement with the lender, shall be subject to all the terms and conditions of Section 12.4). Franchisee shall pay Hyatt its then current comfort letter fee for each comfort letter that Hyatt negotiates relating to the Hotel.

(b) Any Owner who is an individual may, without Hyatt's prior written consent and without complying with the other terms and conditions of Section 12.4, transfer his or her interest in Franchisee (or Franchisee's Owner) to a trust or other entity that he or she establishes for estate planning purposes, as long as he or she is a trustee of, or otherwise controls the exercise of the rights in Franchisee (or Franchisee's Owner) held by, the trust or other entity, continues to comply with and ensures the trust's or other entity's compliance with the applicable provisions of this Agreement (if such Owner is a Guarantor), and notifies Hyatt in writing of the transfer at least ten (10) days prior to its anticipated effective date. Dissolution of or transfers from any trust or other entity described in this Section 12.5(b) are subject to all applicable terms and conditions of Section 12.3 or 12.4.

12.6 **Transfers of Equity Interest Upon Death**. Upon the death or mental incompetency of a person with a Controlling Ownership Interest in Franchisee or one of its Controlling Owners, that person's executor, administrator, or personal representative ("**Representative**") must, within three (3) months after the date of death or mental incompetency, transfer the Owner's interest in Franchisee or the Controlling Owner to a third party, subject to Hyatt's approval and the conditions set forth in Section 12.4. In the case of a transfer by devise or inheritance, if the heirs or beneficiaries cannot meet the conditions of

Section 12.4 within this three (3)-month period, the Representative will have six (6) months from the date of death or mental incompetency to dispose of the interest, subject to Hyatt's approval and the conditions set forth in Section 12.4. Hyatt may terminate this Agreement if this required transfer fails to occur within the required timeframe.

12.7 **Registration of a Proposed Transfer of Equity Interests**. Subject to this Agreement's other provisions, ownership interests in Franchisee or a Controlling Owner may be offered to the public only with Hyatt's prior written consent. All materials required by federal or state law for the sale of any interest in Franchisee or its Affiliates, including any materials to be used in an offering exempt from registration under federal or state securities laws, must be submitted to Hyatt for review before their distribution to prospective investors or filing with any government agency. No such offering may imply or state (by use of the Proprietary Marks or otherwise) that Hyatt is participating as an underwriter, issuer, or Franchisee's representative, suggest that Hyatt endorses Franchisee's offering or agrees with any financial projections, or otherwise contain any information about Hyatt, this Agreement, Hyatt's relationship with Franchisee or the Hotel System that Hyatt disapproves. Hyatt's review and approval of the materials will not in any way be Hyatt's endorsement of the offering or representation that Franchisee has complied or is complying with applicable laws. Hyatt's approval will mean only that Hyatt believes the references in the offering materials to Hyatt, this Agreement, Hyatt's relationship with Franchisee and the Hotel System, and the use in the offering materials of the Proprietary Marks, are acceptable to Hyatt. Franchisee must pay Hyatt a non-refundable fee equal to Five Thousand Dollars ($5,000) to review each proposed offering. Hyatt may require changes to Franchisee's offering materials for the purposes specified above and has the right to request and receive a full indemnification from all participants in the offering before issuing Hyatt's consent.

12.8 **Non-Waiver of Claims**. Hyatt's consent to a transfer is not a representation of the fairness of the terms of any contract between Franchisee (or its Owners) and the transferee, a guarantee of the Hotel's or transferee's prospects of success, or a waiver of any claims Hyatt has against Franchisee (or its Owners) or of Hyatt's right to demand the transferee's full compliance with this Agreement.

ARTICLE XIII

SUCCESSOR FRANCHISE

13.1 **Right to a Successor Franchise Agreement**. When this Agreement expires:

(a) if Franchisee (and each Guarantor) has substantially complied with this Agreement during its Term;

(b) if Franchisee and its Owners then meet Hyatt's then applicable standards for franchisees and owners of franchisees of Hyatt Place Hotels;

(c) if Franchisee received passing Quality Assurance Scores (as defined in the Manual) on all evaluations conducted during the preceding three (3)-year period;

(d) if Franchisee (and each Guarantor) is, both on the date Franchisee gives Hyatt written notice of Franchisee's election to acquire a successor franchise (as provided below) and on the date on which the term of the successor franchise commences, in full compliance with this Agreement and all System Standards; and

(e) provided that (i) Franchisee maintains possession of and agrees (regardless of cost) to renovate, remodel, and/or expand the Hotel (which may include structural alterations), add or replace improvements and FF&E, and otherwise modify the Hotel as Hyatt requires to comply with the Hotel System and System Standards then applicable for new similarly situated Hyatt Place Hotels (subject to Reasonable Deviations), or (ii) at Franchisee's option, Franchisee secures a substitute site that Hyatt approves and constructs and develops that site according to the Hotel System and System Standards then applicable for new similarly situated Hyatt Place Hotels (subject to Reasonable Deviations),

Hyatt will offer Franchisee the right to enter into a successor franchise agreement to operate the Hotel as a Hyatt Place Hotel for a term commencing immediately upon the expiration of this Agreement and expiring ten (10) years from that date (the "**Successor Franchise Right**"). Franchisee agrees to sign the franchise agreement Hyatt then uses to grant franchises for Hyatt Place Hotels (modified as necessary to reflect the fact that it is for a successor franchise and that there will be no further renewal or successor franchise rights), which may contain provisions that differ materially from any and all of those contained in this Agreement, except that Hyatt will not charge a successor franchise fee. Franchisee will pay the PIP fee in accordance with Section 13.2.

If Franchisee (and each Guarantor) is not, both on the date Franchisee gives Hyatt written notice of Franchisee's election to exercise the Successor Franchise Right and on the date on which the term of the successor franchise agreement is scheduled to commence, in full compliance with this Agreement and all System Standards, Franchisee acknowledges that Hyatt need not enter into a successor franchise agreement with Franchisee, whether or not Hyatt had, or chose to exercise, the right to terminate this Agreement during its Term.

13.2 **Grant of a Successor Franchise**. Franchisee agrees to give Hyatt written notice of Franchisee's election to exercise the Successor Franchise Right no more than twenty-one (21) months, and no less than eighteen (18) months, before this Agreement expires. Simultaneously with submitting its notice to exercise the Successor Franchise Right, Franchisee shall pay Hyatt its then current PIP fee, which is non-refundable. Hyatt agrees to give Franchisee written notice ("**Hyatt's Notice**"), not more than ninety (90) days after Hyatt receives Franchisee's notice, of Hyatt's decision:

(a) to enter into a successor franchise agreement with Franchisee (subject to the other terms and conditions of this Article XIII);

(b) to enter into a successor franchise agreement with Franchisee on the condition that Franchisee corrects existing deficiencies of the Hotel or in Franchisee's operation of the Hotel (subject to the other terms and conditions of this Article XIII); or

(c) not to enter into a successor franchise agreement with Franchisee based on Hyatt's determination that Franchisee and its Guarantors have not satisfied any one or more of the conditions in Section 13.1.

If applicable, Hyatt's Notice will:

(i) describe the renovation, remodeling, expansion, improvements, and/or modifications required to bring the Hotel into compliance with the Hotel System and System Standards then applicable for similarly situated new Hyatt Place Hotels (subject to Reasonable Deviations), which must be completed to Hyatt's satisfaction at least three (3) months before the Term expires; and

(ii) state the actions Franchisee must take to correct operating deficiencies and the time period in which Franchisee must correct these deficiencies.

If Hyatt elects not to enter into a successor franchise agreement with Franchisee, Hyatt's Notice will describe the reasons for its decision. If Hyatt elects to enter into a successor franchise agreement with Franchisee, Franchisee's effective exercise of the Successor Franchise Right is subject to Franchisee's full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to Franchisee's compliance with the obligations described in Hyatt's Notice.

If Hyatt's Notice states that Franchisee must cure certain deficiencies of the Hotel or its operation as a condition to Hyatt's entering into a successor franchise agreement with Franchisee, Hyatt will give Franchisee written notice of Hyatt's decision not to enter into a successor franchise agreement with Franchisee, based upon Franchisee's failure to cure those deficiencies, at least ninety (90) days before this Agreement expires. However, Hyatt need not give Franchisee this ninety (90) days' notice if Hyatt decides not to enter into a successor franchise agreement with Franchisee due to Franchisee's breach of this Agreement during the ninety (90)-day period before it expires. If Hyatt fails to give Franchisee:

(1) notice of deficiencies in the Hotel, or in Franchisee's operation of the Hotel, within ninety (90) days after Hyatt receives Franchisee's timely election to exercise the Successor Franchise Right (if Hyatt elects to enter into a successor franchise agreement with Franchisee under subparagraphs (b) and (ii) above); or

(2) notice of Hyatt's decision not to enter into a successor franchise agreement with Franchisee at least ninety (90) days before this Agreement expires, if this notice is required,

Hyatt may unilaterally extend the Term for the time period necessary to give Franchisee either reasonable time to correct deficiencies or the ninety (90) days' notice of Hyatt's refusal to grant a successor franchise. If Franchisee fails to notify Hyatt of Franchisee's election to enter into a successor franchise agreement within the prescribed time period, Hyatt will deem this to be Franchisee's decision not to exercise the Successor Franchise Right or enter into a successor franchise agreement with Hyatt.

13.3 **Agreements/Releases**. If Franchisee satisfies all of the other conditions for a successor franchise agreement, Franchisee and its Owners (as applicable) agree to sign the form of franchise agreement and any ancillary agreements Hyatt then customarily uses in granting franchises for Hyatt Place Hotels (modified as necessary to reflect the fact that it is for a successor franchise and that there will be no further renewal or successor franchise rights), which may contain provisions that differ materially from any and all of those contained in this Agreement, except that Hyatt will not charge a successor franchise fee. Franchisee and its Owners further agree to sign general releases, in a form satisfactory to Hyatt, of any and all claims against Hyatt and its owners, Affiliates, officers, directors, employees, agents, successors, and assigns. Hyatt will consider Franchisee's or its Owners' failure to sign these agreements and releases and to deliver them to Hyatt for acceptance and execution within thirty (30) days after their delivery to Franchisee to be an election not to enter into a successor franchise agreement.

ARTICLE XIV

DISPUTE RESOLUTION

14.1 **Arbitration**. All controversies, disputes, or claims between Hyatt (and/or its Affiliates and its and their respective owners, officers, directors, agents, and/or employees), and Franchisee (and/or its Affiliates and Guarantors and its and their respective owners, officers, directors, agents and/or employees) arising out of or related to:

(a) this Agreement or any other agreement between Franchisee and Hyatt or any of its Affiliates;

(b) Hyatt's (or any of its Affiliates') relationship with Franchisee;

(c) the scope or validity of this Agreement or any other agreement between Franchisee and Hyatt or any of its Affiliates, or any provision of any of those agreements (including the validity and scope of the arbitration obligation under this Section 14.1, which Hyatt and Franchisee acknowledge is to be determined by an arbitrator, not a court); or

(d) any aspect of the Hotel System or any System Standard

must be submitted for binding arbitration to the American Arbitration Association (the "**AAA**"). The arbitration proceedings will be conducted by one (1) arbitrator and, except as this Section otherwise provides, according to the AAA's then current commercial arbitration rules. The arbitrator must be a licensed attorney, have hotel industry experience, and be listed on the AAA's National Roster of Neutrals (or such other equivalent replacement roster of experienced arbitrators that the AAA designates). All proceedings will be conducted at a suitable location chosen by the arbitrator that is within ten (10) miles of Hyatt's then current principal business address. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) and not by any state arbitration law.

The arbitrator has the right to award any relief that he or she deems proper, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any

Proprietary Mark generic or otherwise invalid or, except as expressly provided in Section 14.5 below, award any punitive, exemplary, or treble or other forms of multiple damages against either party (Hyatt and Franchisee hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 14.5 below, any right to or claim for any punitive, exemplary, and treble and other forms of multiple damages against the other). The award of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction.

Hyatt and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. Hyatt and Franchisee further agree that, in any arbitration proceeding, each must submit or file any claim that would constitute a compulsory counterclaim (as defined by the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim that is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisee or Hyatt.

Hyatt and Franchisee agree that arbitration will be conducted on an individual, not a class-wide, basis; that only Hyatt (and/or its Affiliates and its and their respective owners, officers, directors, agents, and/or employees, as applicable) and Franchisee (and/or its Guarantors and Affiliates and its and their respective owners, officers, directors, agents and/or employees, as applicable) may be the parties to any arbitration proceedings described in this Section; and that an arbitration proceeding between Hyatt (and/or its Affiliates and its and their respective owners, officers, directors, agents, and/or employees) and Franchisee (and/or its Guarantors and Affiliates and its and their respective owners, officers, directors, agents and/or employees) may not be consolidated with any other arbitration proceeding between Hyatt and any other person. Notwithstanding the foregoing or anything to the contrary in this Section or Section 18.2, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 14.1, then all parties agree that this arbitration clause shall not apply to that dispute and that such dispute shall be resolved in a judicial proceeding in accordance with this Article XIV (excluding this Section 14.1).

Despite Hyatt's and Franchisee's agreement to arbitrate, Hyatt and Franchisee each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that Hyatt and Franchisee must contemporaneously submit the dispute for arbitration on the merits as provided in this Article XIV. The provisions of this Article are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

14.2 **Governing Law**. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement, the franchise, and all claims arising from the relationship between Hyatt (and/or any of its Affiliates) and Franchisee will be governed by the laws of the State of Illinois, without regard to its conflict of laws rules, except that any Illinois law regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply unless its jurisdictional requirements are met independently without reference to this Section.

14.3 **Consent to Jurisdiction**. Subject to the parties' arbitration obligations and the provisions below, Franchisee and its Owners agree that all actions arising under this Agreement or otherwise as a result of the relationship between Franchisee and Hyatt (and/or any of its Affiliates) must be commenced in the state or federal court of general jurisdiction closest to Hyatt's then current principal business address, and Franchisee (and each Owner) irrevocably submits to the jurisdiction of those courts and waives any objection Franchisee (or the Owner) might have to either the jurisdiction of or venue in those courts. Nonetheless, Franchisee and its Owners agree that Hyatt may enforce this Agreement and any arbitration orders and awards in the courts of the state or states in which Franchisee (or any of its Owners) is domiciled or the Hotel is located.

14.4 **Attorneys' Fees**. If either party initiates a formal legal proceeding under or relating to this Agreement, the non-prevailing party in that proceeding (as determined by the judge or arbitrator, as applicable) must reimburse the prevailing party for all of the prevailing party's costs and expenses that it incurs, including reasonable accounting, attorneys', arbitrators', and related fees.

14.5 **Waiver Of Punitive Damages And Jury Trial**. EXCEPT FOR THE INDEMNIFICATION OBLIGATIONS FOR THIRD PARTY CLAIMS UNDER SECTIONS 8.3 AND 8.4, AND EXCEPT FOR PUNITIVE, EXEMPLARY, AND TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, HYATT AND FRANCHISEE (AND FRANCHISEE'S OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, AND TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN HYATT AND FRANCHISEE (AND/OR FRANCHISEE'S OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

SUBJECT TO THE PARTIES' ARBITRATION OBLIGATIONS, HYATT AND FRANCHISEE (AND FRANCHISEE'S OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER HYATT OR FRANCHISEE.

14.6 **Limitations of Claims**. EXCEPT FOR CLAIMS ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS FRANCHISEE OWES HYATT OR ANY OF ITS AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR HYATT'S (OR ANY OF ITS AFFILIATES') RELATIONSHIP WITH FRANCHISEE WILL BE BARRED UNLESS A LEGAL PROCEEDING (IN THE REQUIRED OR PERMITTED FORUM) IS COMMENCED WITHIN EIGHTEEN (18) MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE

CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

ARTICLE XV

DEFAULT AND TERMINATION

15.1 **Termination by Hyatt After Opportunity to Cure**. Hyatt has the right to terminate this Agreement, effective on the date stated in Hyatt's written notice (or the earliest date permitted by applicable law), if:

(a) Franchisee fails to pay Hyatt or any of its Affiliates any fees or other amounts due under this Agreement or any other agreement between Franchisee and Hyatt or any of its Affiliates and does not cure that default within ten (10) days after delivery of Hyatt's written notice of default to Franchisee;

(b) Franchisee fails to pay when due any financial obligation to a Provider and does not cure that default within thirty (30) days after delivery of Hyatt's written notice of default to Franchisee;

(c) Franchisee fails to begin or continue the construction or renovation of the Hotel in accordance with the timeline set forth in Article II, or fails to open the Hotel on or before the Opening Deadline (as extended pursuant to Section 2.3.1, if applicable), and does not cure that default within thirty (30) days after delivery of Hyatt's written notice of default to Franchisee;

(d) Franchisee fails to comply with any other provision of this Agreement, the Manual, any aspect of the Hotel System or any System Standard and does not cure that default within thirty (30) days after delivery of Hyatt's written notice of default to Franchisee;

(e) Franchisee fails to comply with any other agreement with Hyatt or its Affiliates relating to the Hotel and does not cure that default within thirty (30) days (or such shorter time period that the other agreement specifies for curing that default) after delivery of Hyatt's written notice of default to Franchisee;

(f) Franchisee fails to send Hyatt a copy of the recorded deed, an executed lease for at least the Term, or other evidence satisfactory to Hyatt of Franchisee's right to control the Hotel's premises before Franchisee begins construction or any material renovation of the Hotel or within ten (10) days after Hyatt's request for such information or materials;

(g) Franchisee does not buy, maintain, or send Hyatt evidence of required insurance coverage and does not cure that default within ten (10) days after delivery of Hyatt's written notice of default to Franchisee;

(h) Franchisee fails to pay when due any federal or state income, service, sales, or other taxes due on the Hotel's operation and does not cure that default within thirty (30) days after delivery of Hyatt's written notice of default to Franchisee, unless Franchisee is in good faith contesting its liability for those taxes or has received an extension from the applicable government agency of the time within which to make such payments;

(i) Franchisee fails to provide the financial statements and other documents described in Section 7.2.2 when due and does not cure that default within thirty (30) days after Hyatt delivers written notice of the default to Franchisee; or

(j) Franchisee fails to ensure that at least one Guarantor satisfies the Guarantor Net Worth Threshold and does not cure that default (by providing the financial statements and other documents described in Section 7.2.2 demonstrating that at least one Guarantor then satisfies the Guarantor Net Worth Threshold) within sixty (60) days after Hyatt delivers written notice of the default to Franchisee.

15.2 **Termination by Hyatt Without Opportunity to Cure**. Hyatt may terminate this Agreement immediately, without giving Franchisee an opportunity to cure the default, effective upon delivery of written notice to Franchisee (or such later date as required by law), if:

(a) Franchisee or any Guarantor admits its inability to pay its debts as they become due or makes a general assignment for the benefit of creditors; suffers an action to dissolve or liquidate Franchisee or any Guarantor; commences or consents to any case, proceeding, or action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of debts under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors; suffers an appointment of a receiver, trustee, custodian, or other official for any portion of its property; takes any corporate or other action to authorize any of the actions set forth above in this Section 15.2(a); has any case, proceeding, or other action commenced against it as debtor seeking an order for relief, or seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors, or seeking appointment of a receiver, trustee, custodian, or other official for it or any portion of its property, and such case, proceeding, or other action results in an order for relief against it that is not fully stayed within seven (7) business days after being entered or remains un-dismissed for forty-five (45) days; has an attachment of Fifty Thousand Dollars ($50,000) or more on all or any part of the Hotel or any of its assets that remains for at least ninety (90) days; or fails, within sixty (60) days after the entry of a final judgment against it in any amount exceeding One Hundred Thousand Dollars ($100,000), to discharge, vacate, or reverse the judgment, to stay its execution, or, if appealed, to discharge the judgment within thirty (30) days after a final adverse decision in the appeal;

(b) Franchisee ceases constructing and/or operating the Hotel at the Site under the Proprietary Marks, or loses possession or the right to possess all or a significant part of the Hotel, for any reason except as otherwise provided in this Agreement;

(c) Franchisee or any of its Affiliates contests in any court or proceeding all or any portion of Hyatt's or its Affiliate's ownership of the Hotel System or the validity of any Proprietary Mark, Copyrighted Materials, or Confidential Information or registers or attempts to register any Proprietary Mark or a derivative thereof;

(d) Franchisee (or any of its Owners) makes a transfer in violation of Article XII;

(e) Franchisee fails to identify the Hotel to the public as a Hyatt Place Hotel or discontinues operating the Hotel as a Hyatt Place Hotel, and it is not unreasonable for Hyatt under the facts and circumstances to conclude that Franchisee does not intend to continue to operate the Hotel under the Proprietary Marks;

(f) Franchisee or any of its Owners or Guarantors is, or is discovered to have been, convicted of a felony or enters or is discovered to have entered a plea of no contest to a felony;

(g) Franchisee or any of its Owners or Guarantors commits any action or any other offense likely in Hyatt's reasonable opinion to reflect materially adversely upon Hyatt, the Hotel System, or the Proprietary Marks, including any violation of laws or regulations relating to discrimination, equal employment, or equal opportunity;

(h) Franchisee knowingly maintains false books and records of account or knowingly submits false or misleading reports or information to Hyatt, including any information Franchisee provides or fails to provide on its franchise application;

(i) Franchisee (or any of its Owners) knowingly makes any unauthorized use or disclosure of any part of the Manual or any other Confidential Information;

(j) Hyatt determines that a serious threat or danger to public health or safety results from the construction, maintenance, or operation of the Hotel, such that an immediate shutdown of the Hotel or construction site is necessary to avoid a substantial liability or loss of goodwill to the Hotel System;

(k) Hyatt exercises its right to terminate this Agreement pursuant to Section 10.1 or 10.2;

(l) Franchisee violates any law, ordinance, or regulation and does not begin to cure the violation immediately after receiving notice from Hyatt or any other party and to complete the cure as soon as is reasonably practicable or within the timeframe allowed by law, whichever is shorter;

(m) Franchisee (1) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether the failures relate to the same or different obligations under this Agreement and whether or not Franchisee corrects the failures after Hyatt's delivery of notice to Franchisee; or (2) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not Franchisee corrects the failures after Hyatt's delivery of notice to Franchisee; or

(n) Franchisee's or any of its Owners' assets, property, or interests are blocked under any Anti-Terrorism Law, or Franchisee or any of its Owners otherwise violate any Anti-Terrorism Law.

15.3 **Suspension of Rights and Services**. Franchisee acknowledges that, upon Franchisee's failure to remedy any default specified in any written notice issued to Franchisee under Section 15.1 (following any cure period specified for such default in Section 15.1) or Section 15.2, Hyatt has the right, until Franchisee remedies such default to Hyatt's satisfaction, to (a) suspend Franchisee's right to use, and Franchisee's access to, the CRS, the GDS and ADS, and any advertising materials and programs that Hyatt makes available; (b) remove the Hotel from Hyatt's advertising publications and programs and/or the National Directory; (c) suspend or terminate any temporary or other fee reductions to which Hyatt might have agreed in this Agreement or any amendment(s) to this Agreement; and/or (d) refuse to provide any operational support that this Agreement otherwise requires, including other information technology and network services. If Hyatt suspends Franchisee from the CRS, Hyatt has the right to divert reservations previously made for the Hotel to other Hyatt Place Hotels or Hyatt-affiliated hotels. Hyatt will exercise its right to suspend Franchisee's rights only after Franchisee's cure period (if any) under the written notice of default has expired. Hyatt's exercise of this right will not constitute an actual or constructive termination of this Agreement nor be Hyatt's sole and exclusive remedy for Franchisee's default. If Hyatt exercises its right not to terminate this Agreement but to implement any remedies in this Section 15.3, Hyatt may at any time after the appropriate cure period under the written notice has lapsed (if any) terminate this Agreement without giving Franchisee any additional corrective or cure period. During any suspension period, Franchisee must continue to pay all fees and other amounts due under, and otherwise comply with, this Agreement and all related agreements. Hyatt's election to suspend Franchisee's rights as provided above will not be a waiver by Hyatt of any breach of this Agreement. If Hyatt rescinds any suspension of Franchisee's rights, Franchisee will not be entitled to any compensation, including repayment, reimbursement, refunds, or offsets, for any fees, charges, expenses, or losses Franchisee might have incurred due to Hyatt's exercise of any suspension right provided above.

15.4 **General Provisions Concerning Default and Termination**. In any arbitration or other proceeding in which the validity of Hyatt's or Franchisee's termination of this Agreement or Hyatt's refusal to enter into a successor franchise agreement is contested, Hyatt and Franchisee may cite and rely upon all of the other's (and any Guarantor's) defaults or violations of this Agreement, not only the defaults or violations referenced in any written notice. No notice of termination or refusal to enter into a successor franchise agreement will relieve either Hyatt or Franchisee of its obligations that survive termination of this Agreement, including its de-identification, indemnification, and liquidated damages payment obligations. Franchisee agrees that Hyatt has the right and authority (but not the obligation) to notify Franchisee's Lender and any or all of Franchisee's Owners, creditors and/or suppliers if Franchisee is in default under, or Hyatt has terminated, this Agreement.

ARTICLE XVI

RIGHTS AND OBLIGATIONS UPON EXPIRATION OR TERMINATION

16.1 **De-Identification**. Beginning on the date upon which this Agreement terminates or expires, Franchisee must immediately cease using the Hotel System and begin to de-identify the Hotel by taking whatever action Hyatt deems necessary to ensure that the Hotel no longer is identified as a hotel within the Hotel System. Franchisee agrees to take the following steps, among other actions, to de-identify the Hotel:

(a) return to Hyatt the Manual, all other Copyrighted Materials, and all materials containing Confidential Information or bearing any of the Proprietary Marks and cease using all such items;

(b) remove all items identifying the Hotel System, including all elements of the trade dress and other distinctive features, devices, and/or items associated with the Hotel System, such as (for example) FF&E that is uniquely identified with a Hyatt Place Hotel and/or other Hyatt-affiliated hotels, interior signage, lobby signage, door identifier signage, directional signage, phone face plates, memo pads, pens, cups, glasses, signage on the back of guest room doors, and all other signage bearing one or more of the Proprietary Marks. With respect to the Hotel's exterior signage, Franchisee must (i) immediately schedule the permanent removal of all exterior signage bearing any of the Proprietary Marks and give Hyatt written evidence of that schedule, (ii) immediately cover all exterior signage in a professional manner, and (iii) permanently remove all exterior signage within thirty (30) days after this Agreement expires or terminates. In addition, Franchisee must make at its expense such specific additional changes that Hyatt reasonably requests to de-identify the Hotel;

(c) change the Hotel's telephone listing and immediately stop answering the telephone in any way that would lead a current or prospective customer, vendor, or other person to believe that the Hotel still is associated with the Hotel System or Hyatt;

(d) stop all uses of the Proprietary Marks on any Franchisee Organization Website and require all third party Websites to remove any references that directly or indirectly associate the Hotel with the Proprietary Marks;

(e) cancel all fictitious, assumed, or other business name registrations relating to Franchisee's use of the Proprietary Marks; and

(f) permit Hyatt's representatives to enter the Hotel on no less than twenty four (24) hours' prior notice to conduct inspections on a periodic basis until de-identification is completed to Hyatt's satisfaction.

Beginning on the date upon which this Agreement terminates or expires and continuing until de-identification is completed to Hyatt's satisfaction, Franchisee must maintain a conspicuous sign at the registration desk in a form that Hyatt specifies stating that the Hotel no longer is associated with the Hotel System. Franchisee and its Affiliates may not, without Hyatt's permission, represent to former Hotel customers, prospective customers or the public, or otherwise hold itself out to the public as a former franchisee of Hyatt's or as the former operator of a Hyatt Place Hotel, except in the limited case of informing investors, prospective investors, or lenders that Franchisee has general experience in operating a Hyatt Place Hotel. Franchisee acknowledges that the de-identification process is intended to alert the public immediately that the Hotel is not affiliated with the Hotel System. Subject to the terms of Subsection (b) above with respect to exterior signage, Franchisee shall complete all de-identification obligations under this Section 16.1 to Hyatt's satisfaction, and provide a written certification to Hyatt indicating such completion, on or before the date which is fifteen (15) days after this Agreement terminates or expires.

If Franchisee fails to comply strictly with all of the de-identification provisions in this Section 16.1, Franchisee agrees to: (i) pay Hyatt a royalty fee of Five Thousand Dollars ($5,000) per day until de-identification is completed to Hyatt's satisfaction; and (ii) permit Hyatt's representatives to enter the Hotel to complete the de-identification process at Franchisee's expense. Franchisee agrees to pay all of Hyatt's costs and expenses of enforcing these de-identification provisions, including all attorneys' fees and costs. Nothing in this Section or this Agreement limits Hyatt's rights or remedies at law or in equity if Franchisee does not complete the de-identification procedures as provided above, including Hyatt's right to seek and obtain an injunction to remove or cause to be removed, at Franchisee's sole cost and expense, all signage from the Hotel.

16.2 **Pay Amounts Owed**. Unless otherwise provided in this Agreement, within five (5) days after the termination or expiration of this Agreement, Franchisee must pay all amounts owed to Hyatt and its Affiliates under this Agreement or any other agreement.

16.3 **Contacting Customers**. Upon this Agreement's termination or expiration for any reason, Hyatt has the right to contact those individuals or entities who have reserved rooms with Franchisee through the CRS, and any other Hotel customers, and inform them that Franchisee's lodging facility no longer is part of the Hotel System. Hyatt also has the right to inform those individuals, entities and customers of other Hyatt Place Hotels and Hyatt-affiliated hotels that are proximately located to Franchisee's lodging facility in case they prefer to change their reservations so that they can stay at a Hyatt-affiliated hotel. Hyatt's exercise of these rights will not constitute an interference with Franchisee's contractual or business relationship. Franchisee acknowledges that the individuals and entities that made reservations with Franchisee's lodging facility when it was a Hotel under this Agreement constitute Hyatt's customers.

16.4 **Survival**. The following provisions of this Agreement shall survive termination or expiration of this Agreement regardless of the circumstances: Sections 4.10 (second paragraph), 6.5, 7.4, 8.1, 8.3, 8.4, 10.1.2 (last three (3) sentences), 10.1.3, 10.2 (last paragraph), 11.1, 11.5, 11.6 and 15.4 and Articles IX, XIV, XVI, XVII and XVIII. Additionally, all of Franchisee's covenants, obligations, and agreements that by their terms or by implication are to be performed after the termination or expiration of the Term shall survive such termination or expiration.

16.5 **Liquidated Damages**. Franchisee acknowledges and confirms that Hyatt will suffer substantial damages as a result of the termination of this Agreement. Some of those damages include lost Royalty Fees, lost Contributions, lost market penetration and goodwill, loss of Hotel System representation in the Hotel's market area, confusion of national accounts and individual customers, disadvantage in competing for national accounts and other types of bookings for Hyatt Place Hotels, lost opportunity costs, and expenses that Hyatt will incur in developing another franchise in the Hotel's market area (collectively, "**Brand Damages**"). Hyatt and Franchisee acknowledge that Brand Damages are difficult to estimate accurately and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to Hyatt. Therefore, upon termination of this Agreement before the Term expires for any reason (subject to Article X), Franchisee agrees to pay Hyatt, within fifteen (15) days after the date of such termination, liquidated damages in a lump sum as calculated below.

If the Hotel had opened for business before the effective date of termination, the liquidated damages payable under this Section 16.5 shall be equal to the greater of:

(a) Four Thousand Dollars ($4,000) multiplied by the number of approved guest rooms at the Hotel; or

(b) the product of either thirty-six (36) or the number of months then remaining in the Term as of the effective date of termination, whichever is shorter, multiplied by the average monthly Royalty Fees and Contributions that Franchisee owed Hyatt during the twelve (12)-month period before the month of termination (or for such lesser period that the Hotel has been open, if less than twelve (12) months).

If the Hotel (or a Relocated Hotel under Section 10.1) had not yet opened for business as of the effective date of termination, then the liquidated damages payable under this Section 16.5 shall be equal to Four Thousand Dollars ($4,000) multiplied by the number of approved guest rooms at the Hotel.

Notwithstanding any temporary fee reductions to which Hyatt might have agreed in this Agreement or an amendment to this Agreement, all liquidated damages calculations based on monthly fees shall be calculated on the full (and not the discounted) monthly Royalty Fees and Contributions required under this Agreement as of the Effective Date. Franchisee agrees that the liquidated damages calculated under this Section 16.5 represent the best estimate of Hyatt's Brand Damages arising from any termination of this Agreement before the Term expires. Franchisee's payment of the liquidated damages to Hyatt will not be considered a penalty but, rather, a reasonable estimate of fair compensation to Hyatt for the Brand Damages Hyatt will incur because this Agreement did not continue for the Term's full length.

Franchisee acknowledges that Franchisee's payment of liquidated damages is full compensation to Hyatt only for the Brand Damages resulting from the early termination of this Agreement and is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due to Hyatt under this Agreement as of the date of termination and to comply strictly with the de-identification procedures of Section 16.1 and Franchisee's other post-termination obligations.

If any valid law or regulation governing this Agreement limits Franchisee's obligation to pay, and Hyatt's right to receive, the liquidated damages for which Franchisee is obligated under this Section 16.5, then Franchisee shall be liable to Hyatt for any and all Brand Damages Hyatt incurs, now or in the future, as a result of Franchisee's breach of this Agreement.

ARTICLE XVII

NOTICES

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Manual will be deemed to be delivered: (a) at the time delivered by hand; (b) at the time delivered via computer transmission if the sender has confirmation of a successful transmission, and, in the case of the Royalty Fees, Contributions, and other amounts due, at the time Hyatt actually receives payment via EFT; (c) one (1) business day after transmission by facsimile or other electronic system if the sender has confirmation of successful transmission; (d) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or (e) three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid. Any notice to Hyatt must be sent to the address specified below, although Hyatt may change this address for notice by giving Franchisee thirty (30) days' prior notice by any of the means specified in subparagraphs (a) through (e) above. Any notice that Hyatt sends Franchisee may be sent to the one (1) person identified below, even if Franchisee has multiple Owners, at the address specified below. Franchisee may change the person and/or address for notice only by giving Hyatt thirty (30) days' prior notice by any of the means specified in subparagraphs (a) through (e) above.

Notices to Hyatt:	Hyatt Place Franchising, L.L.C. 71 South Wacker Drive, 12th Floor Chicago, Illinois 60606 Attention: Senior Vice President	Notices to Franchisee:	Iskalo 5000 Main LLC c/o Iskalo Development Corporation 5166 Main Street Williamsville, New York 14211 Attention: Paul B. Iskalo

Any required payment or report that Hyatt does not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) business days before then) will be deemed delinquent. Notices delivered via the means specified above will be deemed delivered as of the times specified above whether or not Franchisee accepts delivery.

ARTICLE XVIII

GENERAL

18.1 **The Exercise of Hyatt's Judgment**. Hyatt has the right to develop, operate, and change the Hotel System and System Standards in any manner not specifically prohibited by this Agreement. Whenever Hyatt has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Franchisee the right to take or omit an action, Hyatt may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to it and its judgment of what is in the best interests of Hyatt and its Affiliates, Hyatt Place Hotel franchisees generally, or the Hotel System at the time its decision is made, without regard to whether Hyatt could have made other reasonable or even arguably preferable alternative decisions or whether its decision promotes Hyatt's (or its Affiliates') financial or other individual interest.

18.2 **Severability and Interpretation**. Except as expressly provided to the contrary in this Agreement (including in Section 14.1), each section, subsection, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of Hyatt's refusal to offer Franchisee the Successor Franchise Right, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and Hyatt may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty the law permits that is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

18.3 **Waiver of Obligations and Force Majeure**. Hyatt and Franchisee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights Hyatt or Franchisee have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

Hyatt and Franchisee will not waive or impair any right, power, or option this Agreement reserves (including Hyatt's right to demand compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice that varies from this Agreement's terms; Hyatt's or Franchisee's failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including any System Standard; Hyatt's waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Hyatt Place Hotels; the existence of franchise agreements for other Hyatt Place Hotels that contain provisions differing from those contained in this Agreement; or Hyatt's acceptance of any payments due from Franchisee after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to either party will be a waiver, compromise, settlement, or accord and satisfaction. The receiving party is authorized to remove any legend or endorsement, and they will have no effect.

Neither Hyatt nor Franchisee will be liable for loss or damage or be in breach of this Agreement, including Franchisee's obligations to develop and open the Hotel under Article II, if

Hyatt's or Franchisee's failure to perform their respective obligations results from Force Majeure. Any delay resulting from Force Majeure will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that Force Majeure will not excuse payments of amounts owed at the time of the occurrence or payment of Royalty Fees, Contributions or other payments due afterward.

18.4 **Binding Effect**. This Agreement is valid when signed by Franchisee and signed and accepted by Hyatt at its office in Chicago, Illinois.

18.5 **Entire Agreement and Construction**. This Agreement is binding upon Hyatt and Franchisee and their respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to Hyatt's right to modify the Manual, the Hotel System and System Standards, this Agreement may not be modified except by a written agreement signed by both Hyatt's and Franchisee's duly-authorized officers. The Preliminary Statement and Exhibits, and the PIP (if applicable), are a part of this Agreement, which constitutes Hyatt's and Franchisee's entire agreement, and there are no other oral or written understandings or agreements between Hyatt and Franchisee, and no oral or written representations by Hyatt, relating to the subject matter of this Agreement, the franchise relationship, or the Hotel (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Franchisee may not rely on any alleged oral or written understandings, agreements, or representations not contained in this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Franchisee to waive reliance on any representation that Hyatt made in the most recent franchise disclosure document (including its exhibits and amendments) that Hyatt delivered to Franchisee or its representative.

Any policies that Hyatt adopts and implements from time to time to guide Hyatt in its decision-making are subject to change, are not a part of this Agreement, and are not binding on Hyatt. Except as expressly provided in this Agreement, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

References in this Agreement to "Hyatt" with respect to all of Hyatt's rights and all of Franchisee's obligations to Hyatt under this Agreement include any of Hyatt's Affiliates, and its and their successors and assigns, with whom Franchisee deals. The headings in this Agreement are for convenience only and will not control or affect the meaning or construction of any provision. Time is of the essence in this Agreement, and all provisions of this Agreement shall be so interpreted.

18.6 **Hyatt's Withholding of Consent**. Except where this Agreement expressly obligates Hyatt reasonably to approve or not unreasonably to withhold its approval of any of Franchisee's actions or requests, Hyatt has the absolute right to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed, initiated, or completed actions that require its approval. However, Hyatt may withhold its consent, whenever and wherever otherwise required, if Franchisee is in default under this Agreement.

18.7 **Cumulative Remedies**. Hyatt's and Franchisee's rights under this Agreement are cumulative, and their exercise or enforcement of any right or remedy under this Agreement will not preclude their exercise or enforcement of any other right or remedy that they are entitled by law to enforce.

ARTICLE XIX

ACKNOWLEDGEMENTS

To induce Hyatt to sign this Agreement and grant Franchisee the rights under this Agreement, Franchisee represents, warrants and acknowledges:

(a) That Franchisee has independently investigated the Hyatt Place Hotel franchise opportunity, including the current and potential market conditions and competitive factors and risks, and recognizes that, like any other business, the nature of a Hyatt Place Hotel's business will evolve and change over time.

(b) That an investment in a Hyatt Place Hotel involves business risks that could result in the loss of a significant portion or all of Franchisee's investment.

(c) That Franchisee's business abilities and efforts are vital to its success.

(d) That retaining customers for the Hotel will require a high level of customer service and strict adherence to the Hotel System and the System Standards, and that Franchisee is committed to maintaining the System Standards.

(e) That Franchisee has not received from Hyatt, and is not relying upon, and that Hyatt expressly disclaims making, any representation, warranty or guaranty, express or implied, as to the actual or potential volume, sales, income or profits of the Hotel or any other Hyatt Place Hotel.

(f) That any information Franchisee has acquired from other Hyatt Place Hotel owners, including information regarding their sales, profits or cash flows, is not information obtained from Hyatt, and Hyatt makes no representation about that information's accuracy.

(g) That Franchisee has no knowledge of any representations made about the Hyatt Place Hotel franchise opportunity by Hyatt, its Affiliates or any of their respective officers, directors, owners or agents that are contrary to the statements made in Hyatt's Franchise Disclosure Document or to the terms and conditions of this Agreement.

(h) That in all of their dealings with Franchisee, Hyatt's officers, directors, employees and agents act only in a representative, and not in an individual, capacity and that business dealings between Franchisee and them as a result of this Agreement are only between Franchisee and Hyatt.

(i) That it is relying solely on Hyatt, and not on any Affiliate of Hyatt, with regard to Hyatt's financial and other obligations under this Agreement, and no employee or other person speaking on behalf of, or otherwise representing, Hyatt has made any statement or promise to the effect that Hyatt's Affiliates guarantee Hyatt's performance or financially back Hyatt.

(j) That Franchisee has represented to Hyatt, to induce Hyatt's entering into this Agreement, that all statements Franchisee has made and all materials (including ownership information and descriptions of Franchisee's and/or its Affiliates' ownership structure(s)) it has given Hyatt in acquiring the rights under this Agreement are accurate and complete and that Franchisee has made no misrepresentations or material omissions in obtaining those rights.

(k) That none of Franchisee's Affiliates or Owners is a Brand Owner.

(l) That Franchisee has read this Agreement and Hyatt's Franchise Disclosure Document and understands and accepts that the terms and covenants in this Agreement are reasonable and necessary for Hyatt to maintain its high standards of quality and service, and to protect and preserve the goodwill of the Proprietary Marks.

(m) That Franchisee has independently evaluated this opportunity, including by using its own business professionals and advisors, and has relied solely upon those evaluations in deciding to enter into this Agreement.

(n) That Franchisee has been afforded an opportunity to ask any questions it has and to review any appropriate materials of interest to Franchisee concerning the Hyatt Place Hotel franchise opportunity.

(o) That Franchisee has been afforded an opportunity, and Hyatt has encouraged Franchisee, to have this Agreement and all other agreements and materials that Hyatt has given or made available to Franchisee reviewed by an attorney and has either done so or intentionally chosen not to do so.

(p) That Franchisee has a net worth that is sufficient to make the investment in the Hyatt Place Hotel franchise opportunity represented by this Agreement, and Franchisee will have sufficient funds to meet all of Franchisee's obligations under this Agreement.

(q) That any statements, oral or written, by Hyatt or its agents before the execution of this Agreement were for informational purposes only and do not constitute any representation or warranty by Hyatt, and Hyatt's only representations, warranties, and obligations are those specifically set forth in this Agreement or in the most recent franchise disclosure document (including its exhibits and amendments) that Hyatt delivered to Franchisee or its representative. Franchisee must not rely on, and the parties do not intend to be bound by, any statement or representation not contained in this Agreement or such disclosure document.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties have signed this Agreement as of the dates set forth by their signatures, to be effective as of the Effective Date (regardless of the dates of the parties' signatures).

FRANCHISEE:

ISKALO 5000 MAIN LLC
By Iskalo Development Corp., Its Manager

By: ______________________
Paul B. Iskalo, President & CEO

Date: 10-24-12

Attest: ______________________

FRANCHISOR:

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________
Senior Vice President

Date: ______________________

Attest: ______________________

IN WITNESS WHEREOF, the parties have signed this Agreement as of the dates set forth by their signatures, to be effective as of the Effective Date (regardless of the dates of the parties' signatures).

FRANCHISEE:

ISKALO 5000 MAIN LLC

By: ______________________________

Date: ______________________________

Attest: ______________________________

FRANCHISOR:

MWC

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________________
Senior Vice President
Franchising

Date: October 24, 2012

Attest: Rebecca McKopek

EXHIBIT A
to the
HYATT PLACE HOTEL FRANCHISE AGREEMENT

DEFINED TERMS

In addition to any other terms defined in this Agreement, the following terms shall have the respective meanings as indicated below.

"**ADS**" means the alternative distribution systems that Hyatt may periodically authorize or require for Franchisee's Hotel and other similarly situated Hyatt Place Hotels (subject to Reasonable Deviations).

"**Affiliate**" means, with respect to a party, any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling, such party. For purposes of this definition, "**control**" means the power to direct or cause the direction of management and policies.

"**AOP Term**" means the time period described in Exhibit B.

"**Anti-Terrorism Laws**" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war.

"**Area of Protection**" means the geographic area described in Exhibit B.

"**Brand Owner**" means any entity that is a franchisor or owner, or is Affiliated with or manages hotels exclusively for the franchisor or owner, of a hotel concept that has at least five (5) hotels operating under that concept's trade name and that, in Hyatt's reasonable opinion, competes with Hyatt Place Hotels.

"**Confidential Information**" means (a) site selection criteria; (b) the substance, design, and construction of Hyatt Place Hotels; (c) training and operations materials and manuals, including the Manual; (d) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Hyatt Place Hotels; (e) marketing and advertising programs for Hyatt Place Hotels; (f) information regarding the Hotel's guests; (g) knowledge of specifications for and suppliers of FF&E and other products and supplies that are uniquely identified with Hyatt Place Hotels and/or other Hyatt-affiliated hotels; (h) any computer software or other technology that is proprietary to Hyatt, its Affiliates or the Hotel System, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or other technology; (i) knowledge of the operating results and financial performance of Hyatt Place Hotels other than the Hotel; and (j) graphic designs and related intellectual property.

"**Contribution**" means a contribution to the Marketing, Central Reservations and Technology Fund paid to Hyatt according to the terms of Sections 4.1 and 6.3(b) of this Agreement.

"**Control Transfer**" means any transfer (as defined in Section 12.2) of (a) this Agreement (or any interest in this Agreement), (b) the Hotel or all or substantially all of its assets, (c) a Controlling Ownership Interest in Franchisee, whether in one transaction or a series of related transactions (regardless of the time period over which these transfers take place), or (d) a Controlling Ownership Interest in any Controlling Owner (if such Owner is a legal entity), whether in one transaction or a series of related transactions (regardless of the time period over which these transfers take place).

"**Controlling Owner**" means an individual or legal entity holding a direct or indirect Controlling Ownership Interest in Franchisee.

"**Controlling Ownership Interest**" in a legal entity means, whether directly or indirectly, either (a) the record or beneficial ownership of, or right to control, fifty percent (50%) or more of the investment capital, equity, rights to receive profits or losses, or other rights to participate in the results of the entity, or (b) the effective control of the power to direct or cause the direction of that entity's management and policies, including a general partnership interest (with respect to an entity that is a partnership) and a manager or managing member interest (with respect to an entity that is a limited liability company), or the power to appoint or remove any such party. In the case of (a) or (b), the determination of whether a "Controlling Ownership Interest" exists is made both immediately before and immediately after a proposed transfer.

"**Copyrighted Materials**" means all copyrightable materials that Hyatt or its Affiliate periodically develops and Hyatt periodically designates for use in connection with the Hotel System, including the Manual, videotapes, CDs/DVDs, marketing materials (including advertising, promotional, and public relations materials), architectural drawings (including the Design Standards and all architectural plans, designs, and layouts such as, without limitation, site, floor, plumbing, lobby, electrical, and landscape plans), building designs, and business and marketing plans, whether or not registered with the U.S. Copyright Office.

"**Core Management**" means the general manager, assistant general manager (if applicable), and sales director for the Hotel.

"**CRS**" means the central reservations system and related services for Hyatt Place Hotels, as Hyatt may periodically modify it.

"**Design Standards**" means the standards that Hyatt periodically prescribes detailing certain design criteria to be incorporated into the design and layout of the Hotel, as Hyatt determines them in its sole discretion.

"**Effective Date**" means the date listed on page one of this Agreement, regardless of the date upon which Hyatt and Franchisee sign this Agreement.

"**FF&E**" means all fixtures; equipment; furnishings; furniture; telephone systems; communications systems; facsimile machines; copiers; signs; property management, revenue management, in-room entertainment, and other computer and technology systems; and other similar items that Hyatt periodically specifies for the Hotel System.

"**Force Majeure**" means (a) compliance with the orders, requests, or recommendations of any federal, state, or municipal government, unless such order, request or recommendation arises because of Hyatt's or Franchisee's failure to comply with any applicable law, regulation or ordinance; (b) fire, flood, accident, hurricane or other calamity or act of God; (c) strikes, embargoes, war, civil disturbance, acts of terrorism or similar events; or (d) any other similar event or cause.

"**Fund**" means the Marketing, Central Reservations and Technology Fund for the Hotel System to which franchisees make Contributions.

"Gallery Host Stand" means the front desk and location of related operations at the Hotel.

"**GDS**" means the global distribution systems that Hyatt periodically authorizes or requires for Franchisee's Hotel and other similarly situated Hyatt Place Hotels (subject to Reasonable Deviations).

"**Gross Rooms Revenue**" means all gross revenues attributable to or payable for the rental of guest rooms, including guaranteed no-show revenue and cancellation fees and all cash, check, barter, credit, debit, and other transactions, whether or not collected, at the actual rates charged, reduced by guest room rebates and overcharges (but only if originally included in Gross Rooms Revenue) and excluding any sales or room taxes Franchisee collects and transmits to the appropriate taxing authority. If Franchisee receives any proceeds from any business interruption insurance applicable to loss of revenue due to the non-availability of guest rooms, there shall be added to Gross Rooms Revenue an amount equal to the imputed gross revenue that the insurer used to calculate those proceeds. Gross Rooms Revenue shall be accounted for in accordance with the Uniform System of Accounts for the Lodging Industry, Tenth Edition, as published by the Educational Institute of the American Hotel and Motel Association, 2006, or a later edition that Hyatt approves.

"**Guarantor**" means each individual or entity who from time to time guarantees Franchisee's obligations under this Agreement.

"**Guarantor Net Worth Threshold**" means the minimum amount of total assets less total liabilities, each as calculated in accordance with U.S. generally accepted accounting principles, that at least one Guarantor (whether an individual or an entity) must maintain at all times during the Term. The amount of the Guarantor Net Worth Threshold as of the Effective Date is listed on Exhibit B.

"**Hotel**" means the Hyatt Place Hotel located at the Site that Franchisee will operate pursuant to this Agreement. The Hotel includes all structures, facilities, appurtenances, FF&E, entrances, exits, and parking areas located on the Site or any other real property that Hyatt approves for Hotel expansion, signage, or other facilities.

"**Hotel System**" means the concept and system associated with the establishment and operation of Hyatt Place Hotels, as Hyatt periodically modifies it. The Hotel System now includes: (a) the Proprietary Marks; (b) all Copyrighted Materials; (c) all Confidential Information; (d) the Design Standards; (e) the CRS; (f) the required or authorized GDS and ADS; (g) the National Directory; (h) management, personnel, and operational training programs, materials, and procedures; (i) System Standards described in the Manual or in other written or electronic communications; and (j) marketing, advertising, and promotional programs.

"**Hotel System Website**" means a Website that Hyatt develops, maintains and/or authorizes for all or substantially all of the Hyatt Place Hotel network (and, at Hyatt's option, other Hyatt-affiliated Hotels). The National Directory may be part of the Hotel System Website.

"**Include**" and "**including**," whenever used in this Agreement, whether capitalized or not, will mean "including, by way of example, but without limitation."

"**Lender**" means the financial institution, if any, that provided or is providing the financing for Franchisee's acquisition, development, and/or operation of the Hotel.

"**Management Arrangement**" means any lease, management agreement, or other similar arrangement with any independent entity for all or a part of the Hotel's operation.

"**Manual**" means Hyatt's confidential manuals, as amended from time to time.

"**National Directory"** means the national directory of Hyatt Place Hotels, which, at Hyatt's option, also may be associated with any other hotel brand or other business that Hyatt or its Affiliates own, operate, franchise, license or manage, and may (at Hyatt's option) be in written, electronic and/or another form that Hyatt periodically specifies.

"**Non-Controlling Owner**" means any Owner which is not a Controlling Owner.

"**Non-Control Transfer**" means any transfer (as defined in Section 12.2) of (a) a non-Controlling Ownership Interest in Franchisee, (b) a non-Controlling Ownership Interest in any Controlling Owner (if such Owner is a legal entity), or (c) a Controlling Ownership Interest or non-Controlling Ownership Interest in any Non-Controlling Owner (if such Owner is a legal entity).

"**Opening Date**" means the date upon which Franchisee first opens the Hotel for business under the "Hyatt® Place" name.

"**Owner**" means any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in Franchisee, including any person who has a direct or indirect interest in Franchisee, this Agreement, the franchise, or the Hotel and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets.

"**PIP**" means Property Improvement Plan.

"**Proprietary Marks**" means the trade names, trademarks, and service marks "Hyatt Place" and such other trade names, trademarks, service marks, logos, slogans, trade dress, domain names, and other designations of source and origin (including all derivatives of the foregoing) that Hyatt or its Affiliate periodically develops and Hyatt periodically designates for use in connection with the Hotel System.

"**Providers**" means providers of products or services for the Hotel, including the then current CRS operator (if applicable), then current GDS and ADS operators (if applicable), and other third party suppliers to the Hotel.

"Reasonable Business Judgment" means that Hyatt's action or inaction has a business basis that is intended to benefit the Hyatt Place Hotel franchise network or the profitability of the network, including Hyatt and its Affiliates, regardless of whether some individual hotels may be unfavorably affected; or to increase the value of the Proprietary Marks; or to increase or enhance overall hotel guest or franchisee or owner satisfaction; or to minimize possible brand inconsistencies or customer confusion.

"**Reasonable Deviations**" means that, if the market area or unique circumstances of a Hyatt Place Hotel warrant, then, in Hyatt's Reasonable Business Judgment, Hyatt may apply an aspect of the Hotel System, System Standard, requirement, fee or other term or condition to the Hotel in a manner which differs from the manner in which that aspect of the Hotel System, requirement, fee or other term or condition applies to one or more other similarly situated Hyatt Place Hotels.

"**System Standards**" means standards, specifications, procedures, and rules for operations, marketing, construction, equipment, furnishings, and quality assurance that Hyatt implements and may periodically modify for Hyatt Place Hotels.

"**Website**" means any web page, website, other online or Internet presence or other electronic medium.

EXHIBIT B
to the
HYATT PLACE HOTEL FRANCHISE AGREEMENT

THE SITE, HOTEL, AREA OF PROTECTION, AOP TERM AND GUARANTOR NET WORTH THRESHOLD

Site: A Hyatt Place hotel located at: 5000 Main Street, Buffalo, New York 14226

Number of Approved Guest Rooms: 134 Rooms

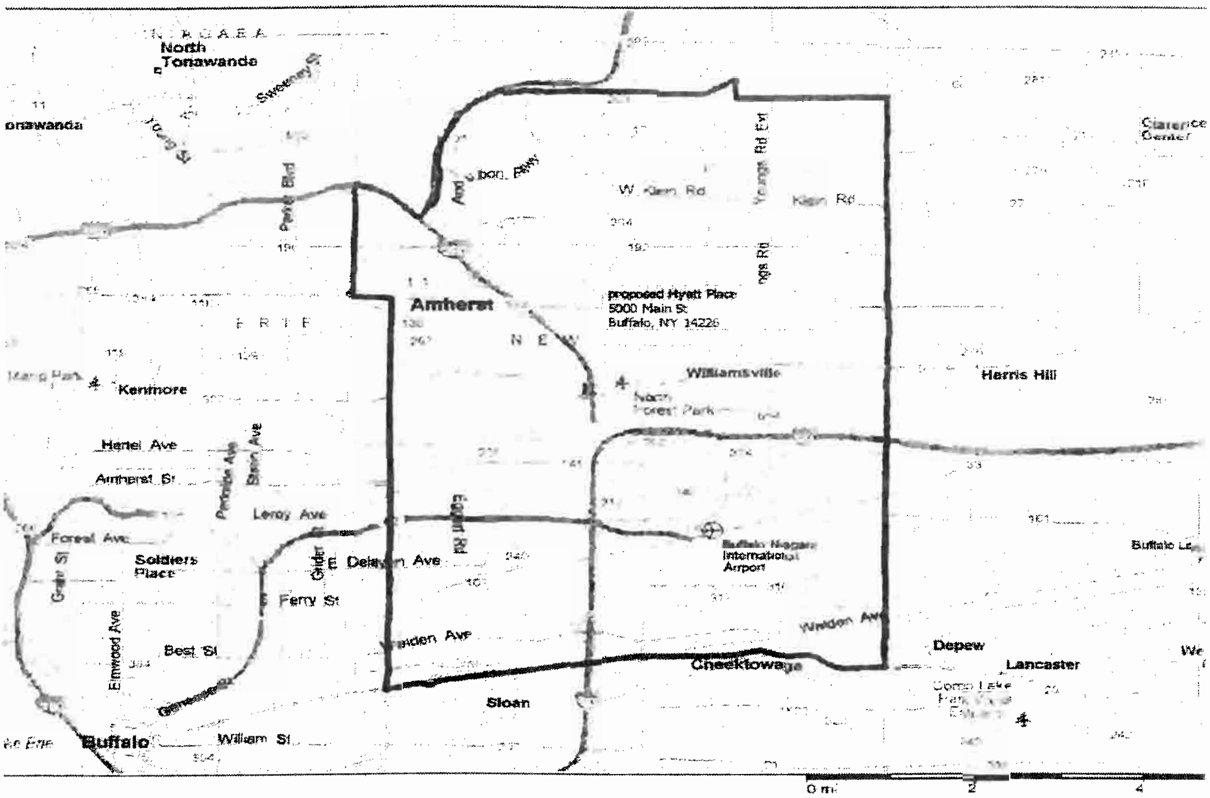
The aggregate **Guarantor Net Worth Threshold** of the Guarantor(s) as of the Effective Date is Five Hundred Forty Thousand Dollars ($540,000).

The "**AOP Term**" means the period beginning on the Effective Date and ending on the earlier of (a) four (4) years after the Opening Date and (b) January 1, 2019, during which time the rights in the Area of Protection apply according to the terms and conditions of Section 1.3 of the Agreement.

The "**Area of Protection**" is defined as the following geographic area:

- Beginning at the intersection of I-990, and Dodge Road traveling east on Dodge Road.
- Continuing at the intersection of Dodge Road and Casey Road, traveling south and east on Casey Road.
- Continuing at the intersection of Casey Road and Transit Road, traveling south on Transit Road.
- Continuing at the intersection of Transit Road and Broadway, traveling west on Broadway.
- Continuing at the intersection of Broadway and Bailey Avenue, traveling north on Bailey Avenue.
- Continuing at the intersection of Bailey Avenue and Sheridan Drive, traveling west on Sheridan Drive.
- Continuing at the intersection of Sheridan Drive and Niagara Falls Blvd, traveling north on Niagara Falls Blvd.
- Continuing at the intersection of Niagara Falls Blvd and I-290, traveling southeast on I-290.
- Continuing at the intersection of I-290 and I-990, traveling northeast on I-990.
- Ending at the intersection of I-990 and Dodge Road.

The Area of Protection is depicted on the map attached below and includes both sides of the boundary roads. However, if there is an inconsistency between the language in this Exhibit B and the attached map, the language in this Exhibit B shall control.



FRANCHISEE:

ISKALO 5000 MAIN LLC
By Iskalo Development Corp., Its Manager

By: ______________________________
Paul B. Iskalo, President & CEO

Date: 10.24.12

Attest: ______________________________

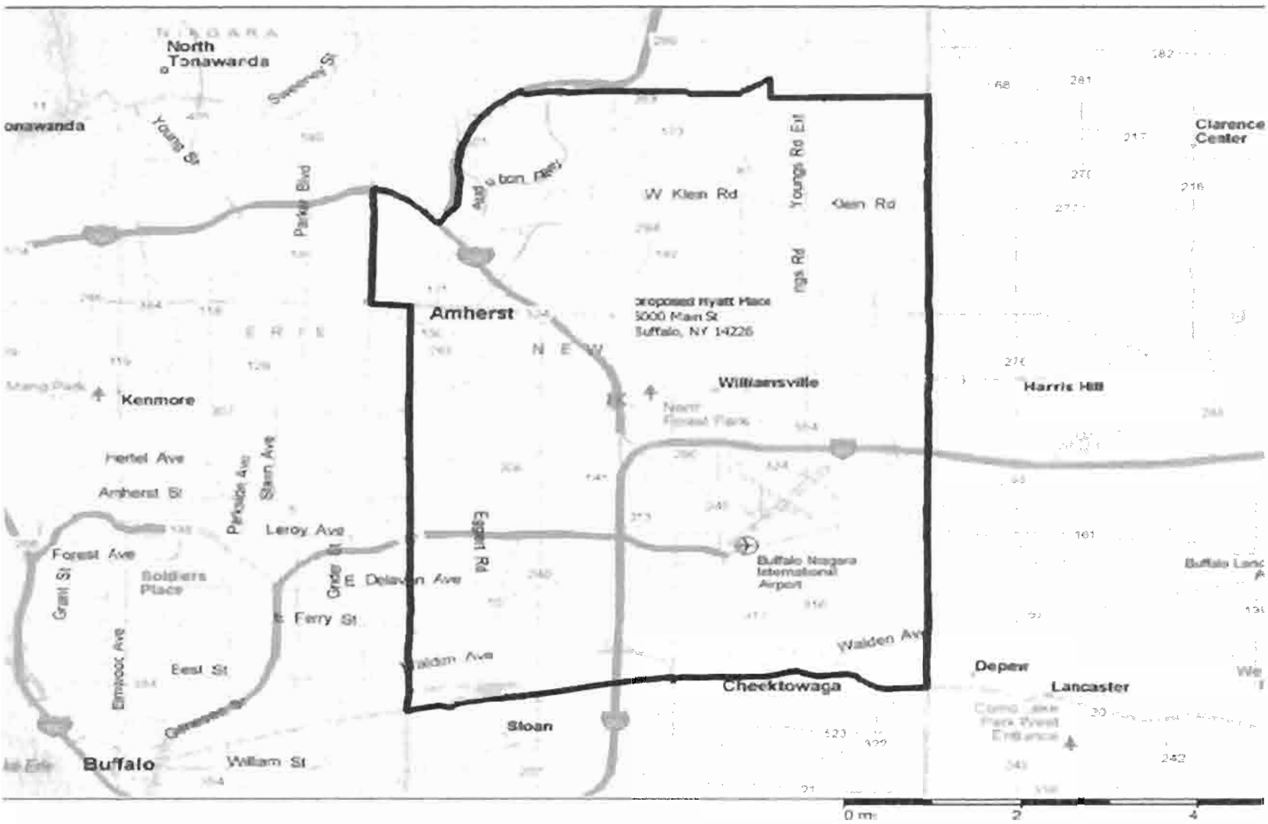
FRANCHISOR:

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________________
Senior Vice President

Date: ______________________________

Attest: ______________________________



FRANCHISEE:

ISKALO 5000 MAIN LLC

By: ______________________________

Date: ______________________________

Attest: ______________________________

FRANCHISOR:

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________________

Senior Vice President - Franchising

Date: October 24, 2012

Attest: Rebecca M Koper

EXHIBIT C
to the
HYATT PLACE HOTEL FRANCHISE AGREEMENT

RIGHT OF FIRST OFFER FOR STRATEGIC MARKETS

Intentionally deleted.

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS ("**Guaranty**") is given this 24th day of October, 2012, by Paul B. Isaklo.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by HYATT PLACE FRANCHISING, L.L.C. ("**Hyatt**"), each of the undersigned personally and unconditionally (a) guarantees to Hyatt and its successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that ISKALO 5000 MAIN LLC ("**Franchisee**") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including, without limitation, any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the confidentiality, transfer, and arbitration requirements.

Each of the undersigned acknowledges that he, she or it is either an owner (whether direct or indirect) of Franchisee or otherwise has a direct or indirect relationship with Franchisee or its affiliates, that he, she or it will benefit significantly from Hyatt's entering into the Agreement with Franchisee, and that Hyatt will not enter into the Agreement unless the each of the undersigned agrees to sign and comply with the terms of this Guaranty.

Each of the undersigned represents and agrees that, at the time of signing this Guaranty and at all times during the term of the Agreement, at least one of the undersigned or another then-current guarantor of Franchisee's obligations under the Agreement satisfies the Guarantor Net Worth Threshold (defined below). The "**Guarantor Net Worth Threshold**" means the amount of total assets less total liabilities, each as calculated in accordance with U.S. generally accepted accounting principles, equal to or exceeding Five Hundred Forty Thousand Dollars ($540,000). The undersigned agree to provide Hyatt on an annual basis financial statements or other documents that Hyatt reasonably specifies, certified by Franchisee or the undersigned in the manner that Hyatt specifies, demonstrating that at least one of the undersigned satisfies the Guarantor Net Worth Threshold. Upon reasonable advance notice, but no more than twice during any calendar year during the Agreement's term, Hyatt may examine the undersigned's business, bookkeeping, accounting and tax records to ascertain compliance with the Guarantor Net Worth Threshold. In addition to and without limiting Hyatt's other rights and remedies under the Agreement, this Guaranty or applicable law, the undersigned acknowledge that Hyatt may terminate the Agreement if at least one of the undersigned or another guarantor of Franchisee's obligations under the Agreement does not satisfy the Guarantor Net Worth Threshold at all times during the Agreement's term.

Each of the undersigned consents and agrees that: (1) his, her or its direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he, she or it will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon Hyatt's pursuit of any remedies against Franchisee or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence that Hyatt may from time to time grant to Franchisee or any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during and after the term of the Agreement (including extensions) for so long as any performance is or might be owed under the Agreement by Franchisee or any of its guarantors and for so long as Hyatt has any cause of action against Franchisee or any of its guarantors; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any direct or indirect interest in the Agreement or Franchisee (except that this Guaranty will terminate upon a Control Transfer, as defined in the Agreement, so long as a substitute guarantor signs a guaranty in connection with such Control Transfer), and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by Hyatt of his, her or its undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he, she or it may be entitled. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of the Agreement.

If Hyatt is required to enforce this Guaranty in a judicial or arbitration proceeding and prevails in such proceeding, Hyatt shall be entitled to reimbursement of Hyatt's costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Hyatt is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse Hyatt for any of the above-listed costs and expenses Hyatt incurs even if Hyatt does not commence a judicial or arbitration proceeding.

So long as Paul B. Iskalo is the Guarantor, Guarantor's liability hereunder shall not exceed the following sums during the applicable periods:

APPLICABLE PERIOD	**AMOUNT**
Prior to Opening Date	$540,000
Year 1 from Opening Date	$1,000,000
Year 2 from Opening Date	$950,000
Year 3 from Opening Date	$900,000
Year 4 from Opening Date	$850,000
Year 5 from Opening Date	$800,000
Year 6 from Opening Date	$937,500
Year 7 from Opening Date	$875,000
Year 8 from Opening Date	$812,500
Year 9 from Opening Date	$750,000
Year 10 from Opening Date	$687,500
Year 11 from Opening Date	$750,000
Year 12 from Opening Date	$675,000
Year 13 from Opening Date through end of Term	$600,000

This limitation of liability is not transferable or assignable to any other Guarantor of the Franchise Agreement.

IN WITNESS WHEREOF, each of the undersigned has affixed his, her or its signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	**PERCENTAGE OF OWNERSHIP IN FRANCHISEE**
______________________	95.00 %

RIDER TO THE HYATT PLACE FRANCHISING, L.L.C.
FRANCHISE AGREEMENT FOR
BUFFALO/AMHERST, NEW YORK

This Rider (the "**Rider**") is made and entered into as of October 24, 2012 (the "**Effective Date**") (regardless of the dates of the parties' signatures) by and between **ISKALO 5000 MAIN LLC**, a New York limited liability company ("**Franchisee**") and **HYATT PLACE FRANCHISING, L.L.C.**, a Delaware limited liability company ("**Hyatt**").

1. **Background**. Hyatt and Franchisee are parties to that certain Franchise Agreement dated as of the date hereof that has been signed concurrently with the signing of this Rider (the "**Franchise Agreement**") pursuant to which Franchisee will operate a Hyatt Place Hotel located at 5000 Main Street, Buffalo, New York 14226. This Rider is annexed to and forms part of the Franchise Agreement. Hyatt and Franchisee are signing this Rider because Franchisee has asked Hyatt to amend certain provisions of the Franchise Agreement, and Hyatt is willing to do so according to this Rider's terms and conditions. All references in this Rider to "Article," "Sections," "Subsections" and "Exhibits" shall mean the applicable Article, Sections, Subsections and Exhibits of the Franchise Agreement.

2. **Opening Deadline and Extension**. The following is added as the new third sentence of Subsection 2.3.1:

Hyatt may, acting reasonably, either approve or deny the extension.

3. **Owner/Management Orientation**. The second sentence of Subsection 3.1.1 is deleted and replaced with the following:

Hyatt does not charge for this orientation program. Hyatt acknowledges that Franchisee has already attended this orientation program.

4. **General Manager and Sales Director Training Programs**. The second sentence of Subsection 3.1.2 is deleted and replaced with the following:

Franchisee must hire the Hotel's sales director and ensure that he or she begins working on his or her full-time duties for the Hotel at least four (4) months before the Hotel opens; provided that Franchisee's management company undertakes all advance sales related duties in the two (2) month period prior to hiring a dedicated Hotel sales director.

5. **On-Site Training**. The second sentence of Subsection 3.1.4 is deleted and replaced with the following:

Franchisee must pay Hyatt's then current fee and the trainer(s)' reasonable travel and living expenses associated with this training.

6. **Manual**. The following is added as the new final sentence of Section 3.2:

No modification of the Manual will alter Franchisee's fundamental status and rights under this Agreement.

7. **Uses and Sources of FF&E and Other Products and Services**. The seventh sentence of Section 4.4 is deleted and replaced with the following:

Upon Hyatt's request, Franchisee must reimburse Hyatt's reasonable costs in reviewing Franchisee's request and evaluating the item and/or source.

8. **Upgrading the Hotel**. The following is added as the new final sentence of Section 4.6:

The one exception to this absolute obligation to upgrade or renovate at any point during the Term regardless of cost is that Franchisee shall not be required to upgrade or renovate the Hotel during the last two (2) years of the Term if the cost of such upgrade or renovation would exceed One Hundred Thousand Dollars ($100,000), provided however, this exception shall not apply if Franchisee elects to exercise its successor franchise rights pursuant to Article XIII herein.

9. **Monthly Fees to Hyatt**. Subsection 6.3(a) is deleted and replaced with the following:

(a) a "**Royalty Fee**" equal to (i) three percent (3%) of the Hotel's Gross Rooms Revenue accrued during the First Period (defined below); (ii) four percent (4%) of the Hotel's Gross Rooms Revenue accrued during the Second Period (defined below); and (iii) five percent (5%) of the Hotel's Gross Rooms Revenue during the balance of the Term. The "**First Period**" means the eighteen (18) month period beginning on the first (1^{st}) day of the calendar month during which the Opening Date occurs, provided that no Royalty Fees, Contributions or other amounts shall be payable based on the Gross Rooms Revenue accrued before the Opening Date. The "**Second Period**" means the twenty-four (24) month period following the completion of the First Period; and

10. **Audit**. The fourth sentence of Section 7.4 is deleted and replaced with the following:

Furthermore, if an examination is necessary due to Franchisee's failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if Hyatt's examination reveals a Royalty Fee or Contribution underpayment to Hyatt of three percent (3%) or more of the total amount owed during any six (6)-month period, or that Franchisee willfully understated the Hotel's Gross Rooms Revenue, Franchisee agrees to reimburse Hyatt for its reasonable costs of the examination, including the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of Hyatt's employees and Hyatt reserves the right to require Franchisee to have annual audited financial statements.

11. **Annual Financial Information**. The final sentence of Section 7.5 is deleted in its entirety.

12. **Franchisee's Notices to Public Concerning Independent Status**. The first sentence of Section 8.2 is deleted and replaced with the following:

Franchisee must take any reasonable actions that Hyatt periodically requires to minimize the chance of a claim being made against Hyatt or its Affiliates for any occurrence at the Hotel or for acts, omissions, or obligations of Franchisee or anyone affiliated with Franchisee or the Hotel.

13. **Franchisee's Indemnification and Defense**. Subsection 8.3.1 is deleted and replaced with the following:

8.3.1 **Indemnification and Defense**. In addition to Franchisee's obligation under this Agreement to procure and maintain insurance, Franchisee agrees to indemnify, defend, and hold harmless Hyatt, its Affiliates, and its and their respective owners, officers, directors, agents, employees, representatives, successors, and assigns (the "**Hyatt Indemnified Parties**") against, and to reimburse any one or more of the Hyatt Indemnified Parties for, any and all claims, obligations, and damages directly or indirectly to the extent arising out of, resulting from, or in connection with (a) the application Franchisee submitted to Hyatt for the rights granted under this Agreement; (b) the construction, development, use, occupancy, or operation of the Hotel, including any claim or allegation relating to the Americans with Disabilities Act or any similar law concerning public accommodations for persons with disabilities; (c) any bodily injury, personal injury, death, or property damage suffered by any Hotel guest, customer, visitor, or employee; (d) claims alleging either intentional or negligent conduct, acts, or omissions by Franchisee, any manager (or any of Franchisee's or its contractors, agents, employees or representatives), or Hyatt or its Affiliates relating to the operation of the Hotel or the Hotel System, subject to Sections 8.3.5 and 8.4.1; and (e) Franchisee's breach of the terms and conditions of this Agreement. Each Indemnified Party may defend any claim against it, other than claims in a Hotel-Specific Action (defined below), at Franchisee's expense and agree to settlements or take any other remedial, corrective, or other actions, provided that the Indemnified Party will seek Franchisee's advice and counsel, and keep Franchisee informed, with regard to any proposed or contemplated settlement. Franchisee shall have the right to defend any claims in a Hotel-Specific Action asserted against any Indemnified Party with counsel selected by Franchisee and reasonably acceptable to such Indemnified Party, subject to the provisions of the fourth (4th) paragraph of this Section 8.3 below. A "**Hotel-Specific Action**" is a legal action involving Franchisee where all claims raised in such action, whether or not resolved in Franchisee's favor, would impact only the Hotel and would not, in Hyatt's reasonable opinion, have any material impact on Hyatt, any of its Affiliates, any other Hyatt Place Hotels, or the Hotel System.

14. **Survival and Mitigation**. The following is added as the new final sentence of Section 8.3.3:

Notwithstanding the foregoing, Hyatt shall have an obligation to mitigate any losses and expenses if (a) Hyatt's policies are found by a court of competent jurisdiction to violate laws, and (b) Hyatt directs Franchisee to comply with such policies even after Hyatt receives notice that such policies violate laws.

15. **Hyatt's Indemnification and Defense**. The first sentence of Subsection 8.4.1 is deleted and replaced with the following:

Hyatt agrees to indemnify and hold harmless Franchisee, its Affiliates, and its and their respective owners, officers, directors, agents, employees, representatives, successors, and assigns (the "**Franchisee Indemnified Parties**") against, and to reimburse any one or more of the Franchisee Indemnified Parties for, any and all claims, obligations, and damages directly or indirectly to the extent arising out of, resulting from, or in connection with (a) a final decision by a court of competent jurisdiction not subject to further appeal that Hyatt, its Affiliate, or any of their respective employees directly engaged in willful misconduct or gross negligence or intentionally caused the property damage or bodily injury that is the subject of the claim, so long as the claim is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or employment) or

Hyatt's failure to compel Franchisee to comply with this Agreement, which are claims for which the Franchisee Indemnified Parties are not entitled to indemnification under this Section 8.4; and (b) any trademark infringement proceeding disputing Franchisee's authorized use of any Proprietary Mark under this Agreement, provided that Franchisee has timely notified Hyatt of, and complies with Hyatt's directions in responding to, the proceeding.

16. **Guarantor Net Worth Threshold**. Section 8.5 is deleted and replaced with the following:

8.5 **Guarantor Net Worth Threshold**. Franchisee represents and warrants that at least one Guarantor satisfies the Guarantor Net Worth Threshold as of the Effective Date, and Franchisee agrees to ensure that at least one Guarantor continues to satisfy the Guarantor Net Worth Threshold at all times during the Term. The aggregate net worth of the Guarantor(s) shall be Five Hundred Forty Thousand Dollars ($540,000). Franchisee agrees to, and shall cause its Guarantors to, reasonably cooperate with Hyatt in connection with all auditing and reporting requirements relating to the Guarantor Net Worth Threshold, whether those requirements are contained in this Agreement, the Guaranty or any other agreement.

17. **Insurance**. The final sentence of Paragraph (6) of Article IX is deleted and replaced with the following:

Hyatt may require Franchisee to increase the amount of coverage if, in Hyatt's judgment, acting reasonably, such an increase is warranted.

18. **Innovations**. The first sentence of Section 11.6 is deleted and replaced with the following:

All inventions, innovations and discoveries relating to a Hyatt Place Hotel and derived directly or indirectly from or utilizing any part of the Hotel System or Hyatt's Confidential Information or Proprietary Marks (collectively, "**Innovations**"), whether or not protectable intellectual property and whether created by or for Franchisee, its Affiliates or contractors, or its or their employees, must be promptly disclosed to Hyatt and will be deemed to be Hyatt's sole and exclusive property, part of the Hotel System, and works made-for-hire for Hyatt.

19. **Transfer by Hyatt**. The final sentence of Section 12.1 is deleted in its entirety.

20. **One-Time Entity Transfer**. The following is added after the final sentence of the first paragraph of Section 12.4:

Franchisee has indicated that it is planning a transaction (the "**One-Time Entity Transfer**") under which it would transfer substantially all of the assets of the Hotel to a new Owner. Hyatt shall waive any transfer fee associated with such One-Time Entity Transfer.

21. **Control Transfers**. Subsections 12.4(d) and 12.4(e) are deleted and replaced with the following:

(d) the transferee and its owners shall (if the transfer is of this Agreement), or Franchisee and its Owners shall (if the transfer is of a Controlling Ownership Interest in Franchisee or one of its Controlling Owners), sign Hyatt's then current form of franchise agreement and related documents (including guarantees and assumptions of obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty Fee and Contributions, and the term of which franchise agreement will be equal to the remaining unexpired portion of the Term, but such provisions will be no worse than the terms then being granted to new franchisees;

(e) Franchisee (and its transferring Owners) and Hyatt sign Hyatt's then current form of termination agreement and a general release, in a form satisfactory to the parties, of any and all claims against either party and its owners, Affiliates, officers, directors, employees, and agents, other than claims that survive the Term of this Agreement;

22. **Transfers of Equity Interest Upon Death**. The first sentence of Section 12.6 is deleted and replaced with the following:

Upon the death or mental incompetency of a person with a Controlling Ownership Interest in Franchisee or one of its Controlling Owners, that person's executor, administrator, or personal representative ("**Representative**") must, within six (6) months after the date of death or mental incompetency, transfer the Owner's interest in Franchisee or the Controlling Owner to a third party, subject to Hyatt's approval and the conditions set forth in Section 12.4.

23. **Right to a Successor Franchise Agreement**. Subsection 13.1(c) is deleted and replaced with the following:

(c) if Franchisee received passing Quality Assurance Scores (as defined in the Manual) on all evaluations conducted during the preceding three (3)-year period, provided that (i) Franchisee shall have ninety (90) days to cure any deficiencies leading to a failing Quality Assurance Score, and (ii) upon curing deficiencies that would be sufficient to obtain a passing Quality Assurance Score, the failing Quality Assurance Score will not be used in determining Franchisee's right to a Successor Franchise Agreement;

24. **Successor Franchise Right**. The first full sentence after Subsection 13.1(e) is deleted and replaced with the following:

Franchisee agrees to sign the franchise agreement Hyatt then uses to grant franchises for Hyatt Place Hotels (modified as necessary to reflect the fact that it is for a successor franchise and that there will be no further renewal or successor franchise rights), which may contain provisions that differ materially from any and all of those contained in this Agreement, except that Hyatt will not charge a successor franchise fee and such provisions will be no worse than the terms then being granted to new franchisees.

25. **Agreements/Releases**. The second sentence of Section 13.3 is deleted and replaced with the following:

Franchisee and its Owners further agree to sign general releases, in a form satisfactory to Hyatt, of any and all claims against Hyatt and its owners, Affiliates, officers, directors, employees, agents, successors, and assigns, with the exception of any funds not yet due and payable and any claims that have already been made in writing.

26. **Termination by Hyatt Without Opportunity to Cure**. Subsection 15.2(a) and Subsection 15.2(f) are deleted and replaced with the following:

(a) Franchisee or any Guarantor admits its inability to pay its debts as they become due or makes a general assignment for the benefit of creditors; suffers an action to dissolve or liquidate Franchisee or any Guarantor; commences or consents to any case, proceeding, or action seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of debts under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors; suffers an appointment of a receiver, trustee, custodian, or other official for any portion of its property; takes any corporate or other action to authorize any of the actions set forth above in this Section 15.2(a); has any case, proceeding, or other action commenced against it as debtor seeking an order for relief, or seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors, or seeking appointment of a receiver, trustee, custodian, or other official for it or any portion of its property, and such case, proceeding, or other action results in an order for relief against it that is not fully stayed within fifteen (15) business days after being entered or remains un-dismissed for ninety (90) days; has an attachment of Fifty Thousand Dollars ($50,000) or more on all or any part of the Hotel or any of its assets that remains for at least ninety (90) days; or fails, within sixty (60) days after the entry of a final judgment against it in any amount exceeding One Hundred Thousand Dollars ($100,000), to discharge, vacate, or reverse the judgment, to stay its execution, or, if appealed, to discharge the judgment within thirty (30) days after a final adverse decision in the appeal;

(f) Franchisee or any of its Owners or Guarantors is, or is discovered to have been, convicted of a felony or enters or is discovered to have entered a plea of no contest to a felony, if the events surrounding the felony conviction or plea of no contest can reasonably be considered to have a material adverse effect on the Hotel and the Hotel System;

27. **Right of First Offer for Strategic Markets**. Exhibit C is deleted in its entirety.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties have signed this Rider as of the dates set forth by their signatures, to be effective as of the date first written above (regardless of the dates of the parties' signatures).

FRANCHISEE:

ISKALO 5000 MAIN LLC
By Iskalo Development Corp., Its Manager

By: ______________________________
Paul B. Iskalo, President & CEO

Date: 10.24.12

Attest: ______________________________

FRANCHISOR:

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________________
Senior Vice President

Date: ______________________________

Attest: ______________________________

IN WITNESS WHEREOF, the parties have signed this Rider as of the dates set forth by their signatures, to be effective as of the date first written above (regardless of the dates of the parties' signatures).

FRANCHISEE:

ISKALO 5000 MAIN LLC

By: ___________________________

Date: ___________________________

Attest: ___________________________

FRANCHISOR:

HYATT PLACE FRANCHISING, L.L.C. MWC

By: ___________________________
Senior Vice President – Franchising

Date: October 24, 2012

Attest: Rebecca M Kozak

Exhibit 4

Other projects by Developer

THE ELECTRIC TOWER


2410 NORTH FOREST

6467 MAIN STREET

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Exhibit 5

Emerald Hospitality background web pages

Hyatt Place ▾

OR

Search By S ▾

Hyatt Place Buffalo

5020 Main Street
Buffalo, NY 14226
Tel: 315-396-0505
Located In: Buffalo New York

CORPORATE HEADQUARTERS

Emerald Hospitality Associates, Inc.
2001 Crocker Road
Suite 300
Westlake, Ohio 44145
p 440-239-9848
f 440-239-9858
Contact

VIEW OUR
COMPLETE BRAND PORTFOLIO

NORTHEAST REGIONAL OFFICE

Emerald Hospitality Associates, Inc.
1000 Seventh North Street
Suite B-30
Liverpool, New York 13088
p 315-396-0505
f 440-239-9858
Contact

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CORPORATE HEADQUARTERS

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Emerald Hospitality Associates, Inc.
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Contact

Exhibit 6

Management Agreement between Developer and Emerald Hospitality Associates

MANAGEMENT AGREEMENT

This Management Agreement ("Agreement"), is entered into this 5th day of October, 2011, between **ISKALO 5000 MAIN LLC,** a New York Limited Liability Corporation having its principal office care of Iskalo Development Corp. at 5166 Main Street, Williamsville, New York 14221, (hereinafter the "Owner") and **EMERALD HOSPITALITY ASSOCIATES, INC.,** an Ohio Corporation having a principal office at 7261 Engle Road, Suite 306, Middleburg Heights, Ohio 44130, (hereinafter called "Operator") agree as follows:

RECITALS:

WHEREAS Owner has entered into a contract to purchase a property assemblage located at 5000-5010 Main Street, which property includes vacant land for the potential development of a new hotel, anticipated to be a franchised, mid-scale or better hotel (hereafter referred as either the "Property" or "Hotel"); and

WHEREAS Owner and Operator will be executing a Consulting Agreement for Pre-Opening Management of the Hotel whereby Operator will provide its knowledge and expertise to Owner in its planning, design, construction, equipping and staffing of the Hotel as well as other activities necessary to open the Hotel; and

WHEREAS Owner desires to retain Operator to manage the daily operation of the Hotel from and after the day the Hotel opens for business, and Operator desires same;

NOW, THEREFORE, in exchange for good and valuable consideration exchanged between the parties, the receipt and sufficiency of which is hereby acknowledged, Owner and Operator agree as follows:

1. EMPLOYMENT OF OPERATOR:

Owner hereby employs Operator as its exclusive agent to operate, manage, and maintain the Hotel for the term and pursuant to the terms and conditions of this Agreement.

Owner grants to Operator the sole and exclusive right to supervise and direct the management and operation of the Hotel for and on behalf of the Owner, and Operator hereby accepts such grants and agrees that it will

a. supervise and direct the management and operation of the Hotel pursuant to the terms of this Agreement; and

b. use commercially reasonable efforts to manage and operate the Hotel as efficiently and economically as possible and protect the assets of the Owner in accordance with the requirements in Section 3.

2. TERM:

The initial term of this Agreement shall commence on the date the Hotel opens (the "Commencement Date") and shall terminate five (5) years thereafter, unless earlier terminated in accordance with the provisions hereof. Thereafter, this Agreement shall continue in effect until either party notifies the other party in writing of its intention to terminate this Agreement, in which case this Agreement shall be thereby terminated on the sixtieth (60th) day following receipt of written notice of termination.

3. OPERATIONS:

Operator covenants to and shall operate the Hotel, at the expense of the Owner as approved through an Annual Budget (as hereafter defined) and pursuant to the standards of the franchise agreement, if applicable, and/or to those comparable hotel facilities which may apply (and which standards shall be agreeable to Owner), in accordance with the terms of this Agreement and the reasonable operating standards developed by the Operator in connection with its hotel management business. The standard of care for all management services performed or furnished by Operator under this Agreement will be the care and skill ordinarily used by members of Operator's profession practicing under similar conditions at the same time and in the same locality.

Subject to Approved Annual Budget limitations and except as otherwise provided herein, Operator shall have primary control and discretion in the operation, direction, management and supervision of the Hotel, subject to the reasonable oversight and input from Owner or its Manager, Iskalo Development Corp. (hereafter referred to as "Iskalo") and in compliance with any franchise agreement applicable to the Hotel. In the performance of its duties, Operator shall act solely as agent of Owner. Nothing herein shall constitute or create a partnership or joint venture between Owner and Operator. All debts and obligations to third persons related to the operation of the Hotel incurred by Operator in the ordinary course of business in fulfillment of its management responsibilities hereunder, as governed by an approved Annual Budget, shall be the debts and obligations of Owner only, and Operator shall not be liable for such debts and obligations solely by reason of its management supervision, direction or operation of the Hotel for Owner. Operator may so inform third parties with whom it deals on behalf of Owner and may take any other reasonable steps to carry out the intent of this paragraph.

Each employee of the Hotel shall be the employee of the Owner and not of Operator, and every person performing services in connection with this Agreement, including any agent or employee of Operator or any agent or employee of Owner hired by Operator, shall be acting on behalf of and in the best interests of Owner.

Operator may, at its own discretion, staff any management positions at the Hotel with its own employees though, in such event, the compensation charged to the Hotel for any employee of Operator, shall be consistent with the compensation applicable for the position in the local market of the Hotel. Operator will reimburse itself the direct cost of compensation, benefits and relocation of such management personnel out of the Agency Account (as hereinafter defined).

4. OWNER TO BEAR ALL OPERATING EXPENSES:

Subject to the limitations imposed by an approved Annual Budget and except as otherwise provided herein, all expenses incurred by Operator in the performance of its said duties shall be borne exclusively by Owner. To the extent that funds for expenses (including the Management Fee) are not available from the operation of the Hotel, additional funds shall promptly be supplied by Owner upon request by Operator. Operator shall in no event be required to advance any of its funds for approved operations, nor shall it incur any expenses in connection with its operations of the Hotel unless Owner shall have furnished Operator with funds necessary for the discharge thereof. However, if Operator shall at any time advance any funds in payment of approved operating expenses, which Operator shall have the right, but no obligation to do and which Operator will only do upon prior approval of Owner,

Owner shall repay Operator on demand, with interest at the prime rate of Key Bank, Cleveland, Ohio plus two percent (2%) ("Advance Rate"), out of the Agency Account (as defined in Section 5(b) below). If the funds in the Agency Account are insufficient, then Owner agrees to advance funds to Agency Account upon reasonable notification by Operator. Operator agrees to provide Owner such notice immediately following its determination that such deficiency exists. Notwithstanding the preceding, Operator acknowledges that Owner, in retaining Operator to manage the hotel, is relying upon Operator's extensive hotel management experience and that Operator has a duty and obligation to reasonably anticipate potential shortfalls in the funds from operations so as to provide Owner with reasonable notice that additional funds may be required.

5. <u>DUTIES OF OPERATOR</u>:

Operator agrees:

a. To accept, and does hereby accept, the management of the Hotel for the period and upon the terms and conditions herein provided, and agrees to perform the duties of operating, managing, and maintaining the Hotel during the duration of this Agreement in a manner as set forth in Section 3.

b. Direct and assist the Hotel bookkeeper to deposit all rents (not to include rents related to the restaurant building) and income received from the operation of the Hotel in a separate bank account (the "Agency Account") selected by Operator with the consent of Owner, in the name of the Owner, upon which the Operator, as a designee of the Owner, will be authorized to draw. Operator shall not co-mingle the funds of the Agency Account with any other funds belonging to Operator or unrelated to the operation of the Hotel.

c. To keep the Hotel in a clean, orderly, and healthful condition and in good order and repair consistent with the operating standards required hereunder; to comply with all requirements of franchise agreements binding upon the Hotel if any; and not to knowingly use the Hotel, or any portion thereof, or permit its use for any purpose or in any manner in violation of any applicable laws or regulation of any governmental instrumentality and to further comply with all such laws and regulations.

d. Notwithstanding the foregoing, Operator shall not make any alterations, additions, or improvements to the Hotel costing in excess of $2,500.00, without Owner's prior written consent, whether or not said expenditure is included within the Annual Budget, except for any such items required by an emergency condition constituting an immediate threat to the life or safety of a Hotel guest or employee or will result in further damage to Hotel or otherwise by law as to which Operator will provide Owner with written notice as soon as practical thereafter. Notwithstanding the preceding, Operator shall coordinate all maintenance, repair and replacements to the building and grounds (including building systems) that Operator desires to undertake with third-parties (vs. Hotel staff) ,including but not limited to coordinating such things as grounds maintenance, roof repairs, HVAC repairs etc.,with Iskalo.

e. To prepare an Annual Budget and provide timely financial reports according to the requirements outlined in Section 11.

f. To timely pay from the Agency Account all operating costs, property costs, and other costs arising in connection with such management, operation, and maintenance, in a timely fashion when due.

g. To maintain an accurate accounting of the revenues and expenses relating to Hotel operations in accordance with the Uniform System of Accounts for the Lodging Industry as adopted by the American Hotel and Motel Association. Operator shall direct and supervise its independent accountant to perform these functions. Owner shall have the right to approve said accountant and will fund from the Agency Account these functions as part of the Annual Budget, which shall initially be $900.00 per month, with consideration of an annual provision for an inflation increase as approved in the Annual Budget.

6. POWERS OF OPERATOR:

Except as otherwise provided herein, Owner gives to Operator all necessary power and authority to perform its duties hereunder, including but not limited to the authority to obligate Owner with respect to expenses incurred in connection therewith, as well as the power and authority:

a. To arrange, contract for, and carry out such advertising and promotion of the Hotel pursuant to the marketing plan to be developed by Operator and approved by Owner, in accordance with the any applicable franchise agreements and consistent with the industry standards and the approved Annual Budget.

b. To hire, discharge, train, and pay from Agency Account all employees of the Hotel as may be reasonably necessary for the operation of the business, and to recommend to Owner suitable compensation levels, benefits, and health insurance for all such employees.

c. To collect rents, if any, related directly to the Hotel (but not the restaurant building) and other charges due or to become due and to give receipts therefore and to deposit income in the Agency Account. Operator shall not be liable for any loss resulting from failure of the bank in which Agency Account is maintained.

d. Subject to Section 5 (d), to purchase goods, supplies, and services reasonably necessary for the operation of the Hotel and, subject to the provisions of Section 5 (d), to let contracts for the maintenance and repair of the Property

7. WORKING CAPITAL:

Owner shall provide Operator at the commencement of the term hereof, with an initial working capital deposit to the Agency Account in the sum of $25,000.00 as "minimum working capital". Thereafter, from time to time throughout the term, if and as requested by Operator, Owner shall furnish to Operator any funds necessary to maintain minimum working capital requirements at the level needed so as to ensure and continue the uninterrupted and efficient operation of the Hotel. Conversely, Operator will disburse surplus working capital funds to Owner from time to time as outlined in Section 15 of this Agreement.

8. RESERVES FOR REPLACEMENTS AND REPAIRS:

If required by a mortgage lender for the Hotel, an interest bearing cash fund shall be created and set aside by Operator out of the Agency Account for the purpose of making replacements, substitutions and additions to the furniture and equipment on the Hotel and for all necessary repairs and refurbishments to the Property (the "Reserve Fund").

9. OWNERS'S INSURANCE:

Owner, either through Operator or on its own, shall obtain and maintain the following insurance coverage:

a. Liability insurance, with broad form coverage, having a minimum per occurrence limit of \$1,000,000 per occurrence; \$2,000,000 annual aggregate, with a per occurrence deductible of \$1,000; against all claims for personal injury, death or damage to property of third persons, including coverage against liability arising out of the ownership or operation of motor vehicles and against claims for (a) assault and/or battery, (b) false arrest, detention or imprisonment or malicious prosecution, (c) libel, slander, defamation or violation of the right of privacy, or (d) wrongful entry or eviction.

b. At any time the Hotel obtains a license for the purpose of dispensing alcoholic beverages, broad form liquor liability insurance having a minimum per occurrence limit of \$1,000,000 against any and all claims.

c. Property coverage covering personal property of others (Hotel guests) with a limit of \$100,000 per occurrence; \$100,000 annual aggregate, with a per occurrence deductible of \$500; limit on safety deposit boxes shall be \$25,000.

d. Employment Practices Liability Insurance having a minimum per occurrence limit of \$1,000,000, with a per occurrence deductible of \$10,000.

e. Automobile liability coverage having a minimum limit of \$1,000,000 per occurrence, combined bodily injury and property damage coverage for all owned, hired, or non-owned vehicles.

f. Umbrella liability insurance having a minimum limit of at least \$10,000,000 per occurrence; \$10 million annual aggregate. Umbrella shall be over and above underlying coverages stated herein for comprehensive general liability, liquor liability (only if the Hotel obtains a license to serve or dispense alcoholic beverages), , employers liability and automobile liability.

g. Workers compensation coverage with respect to all employees of the Hotel insuring against and satisfying Owner's obligations and liabilities under the worker's compensation laws of the State of New York.

h. Crime & Fidelity Insurance coverage over any and all employees of Owner and Operator and/or any third-party service Operator may engage for the purpose of transportation of monies. Coverage and limits should apply as follows: Employee Dishonesty/Commercial Blanket \$50,000 limit/\$5,000 deductible, Loss Inside Premises \$10,000 limit/\$5,000 deductible, Loss Outside Premises \$10,000 limit/\$5,000 deductible, Depositors Forgery, Money Orders and Counterfeit Currency \$50,000 limit/\$5,000 deductible.

i. Time Element (Loss of Rent) coverage at a value equal to actual loss sustained with a twelve (12) month limitation. Operator will be listed as Named Insured and shall share in any award paid to Owner to the extent of Operator's Management Fee that would have been due against the award amount.

All insurance policies shall be in such form and with such companies as shall be reasonably satisfactory to Owner, shall show Operator as a named insured and shall provide that the insurer has no right of subrogation against Owner, Operator, or their respective agents or employees. Payment for all of the aforementioned insurance coverage shall be made by Operator from the Agency Account, unless such coverage is procured by Owner in which case Owner shall directly pay the premium for said coverage.

10. OPERATOR'S INSURANCE:

At all times during the Term of this Agreement, Operator shall carry the following insurance coverage:

a. General Liability insurance, with broad form coverage, having a minimum per occurrence limit of $1,000,000 per occurrence; $2,000,000 annual aggregate, with a per occurrence deductible of $1,000; against all claims for personal injury, death or damage to property of third persons, including coverage against liability arising out of the ownership or operation of motor vehicles and against claims for (a) assault and/or battery, (b) false arrest, detention or imprisonment or malicious prosecution, (c) libel, slander, defamation or violation of the right of privacy, or (d) wrongful entry or eviction.

b. Worker's compensation coverage insuring against and satisfying Emerald Hospitality's obligations and liabilities under the worker's compensation laws of the State of New York.

c. Automobile liability coverage having a minimum limit of not less than $1,000,000 per occurrence, combined bodily injury and property damage coverage for all owned, hired, or non-owned vehicles.

d. Professional Liability (Errors and Omissions) coverage in the amount of $2,000,000 for the rendering of professional services and advice related to Operator's management of the Hotel. If this coverage is written on a claims-made coverage format the Operator shall maintain coverage in full force for a period of no less than three years from the date of expiration of the term of the Agreement. Operator further warrants that if coverage is terminated for any reason, Operator shall purchase and maintain an Extended Reporting Period Endorsement (Tail Coverage) for a period of no less than three years from the date of expiration of the Agreement.

All insurance must be with insurance companies acceptable to Owner and shall provide that insurer has no right of subrogation against Owner, Iskalo or their respective agents or employees. Owner and Iskalo shall be listed as an additional insureds under the General Liability requirement set forth in 10 (a) above. Operator shall provide Owner with a certificate(s) evidencing the coverage set forth herein. Operator shall notify Owner if any of the insurance coverage set forth herein is terminated. If Operator fails to procure and maintain any insurance coverage required by this Agreement, Owner may procure such insurance and deduct the expense to Operator out of its Management Fee.

11. QUARTERLY PERFORMANCE AND ANNUAL BUDGET MEETINGS

On or before forty five (45) days prior to the beginning of each calendar year, Operator and Owner shall meet to discuss the Annual Budget and capital expenditure plans for the upcoming year with the objective of achieving an approved Annual Budget, as defined hereafter, on or before thirty (30) days prior to the beginning of each calendar year. Such plans will be presented by the Operator for approval by the Owner and shall include Operator's forecast for the operation of the Hotel for such fiscal year containing preliminary revenue and expense projections, a marketing plan, description of the Hotel's competitive set, FF&E replacement budget and capital expenditures budget (collectively referred to as the "Annual Budget"). Operator and Owner, along with their representatives, shall agree to meet in person or by teleconference on no less than a quarterly basis to review the results of operations as presented by the Operator to the Owner in a form and substance as Owner shall reasonably require. During any calendar year, should external market factors produce conditions that will, in Operator's and Owner's judgment, result in substantial changes in the Approved Budget, Operator shall promptly prepare and submit a revised budget for Owner's approval which, upon its approval by Owner, shall replace the prior Approved Budget for the then current calendar year.

12. LICENSES

In cooperation with the Owner, Operator shall apply for, process, and take all steps to procure, as an approved operating expense, all licenses required for the operation of the Hotel. Operator undertakes to comply with any conditions set out in any such licenses and at all times to operate and manage the Hotel in accordance with such conditions and any other legal requirements. Operator agrees to use its full faith and knowledge to apply for all proper and required licenses and permits for operation of the Hotel; however, Owner acknowledges that Owner retains full responsibility for any errors, omissions or penalties, which occur. Notwithstanding the preceding, Owner shall not be responsible for any penalties or fines resulting from errors or omissions with respect to a license which occur as a result of incorrect or inaccurate information submitted by Operator from information provided to it by Owner.

13. ACCOUNTING MATTERS

(a) Owner, or representative appointed by Owner, shall have the right and privilege to examine the accounting books and records at any reasonable time. Such review shall be completed without material disruption to the Hotel operations.

(b) Upon request of Owner, a certified audit of the Hotel operations shall be performed by an independent certified accounting firm selected by Owner. The cost thereof of a single audit per year shall be an operating cost of the property and as such shall be included in the Annual Budget at Owner's request if required.

(c) No later than the 15th day of each month, Operator shall prepare for the Owner certain monthly reports as hereafter described, the form of which is attached to the Agreement as Exhibit A.

(1) A statement of income and expense on an account basis and showing the results of the operation of the Hotel for the immediately preceding calendar month and fiscal year-to-date, compared to the then approved Annual Budget and prior year's results.

(2) Accounts receivable aging report (preceding month, current month); schedule of capital expenditures; working capital balance sheet as of the end of the preceding month.

(3) A general ledger.

(4) A monthly set of reports to Owner, consisting of a) Key Operating Statistics, b) Income Statement, c) Balance Sheet, and d) Cash Flow Statement; which describes a detail of operating statistics and cash flow history and projections for the year on a monthly

basis.

(d) No later than the 15th day of the beginning of each quarter, Operator shall prepare for the Owner certain quarterly reports as hereafter described, the form of which is attached to the Agreement as Exhibit B.

(1) Quarterly reforecast of key departmental indicators of income and expense related to the operation and maintenance of the Hotel.

(2) Quarterly market survey of the Hotel's competitive set which may change from time to time but shall initially be those hotels listed in the STR report attached as Exhibit C.

14. OPERATOR'S MANAGEMENT FEE:

Operator has the right to draw on the Agency Account, pursuant to Section 15, "Disbursement of Funds," a monthly fee for Operator's services rendered hereunder ("Management Fee") equal to the base sum of three and one half percent (3.50 %), of Gross Revenues (as hereinafter defined) derived from operation of the Hotel. Gross Revenues shall be defined as Hotel income received from rental of party, conference, and banquet rooms, guest rooms, telephone revenues, all food and beverage operations managed by or under the direction of Operator, leases (excluding the Sonoma Grille, or its successor, restaurant lease), licensees, and concessionaires (but not including the gross receipts of such leases, licensees, and concessionaires), and all other revenues pertaining to sales to guests during such period. It is understood that, for the purpose of figuring Management and Incentive Fees, Gross Revenues will be net of (i) any credits or refunds made to customers, guests or patrons; (ii) any sums or credits received by Owner for lost or damaged merchandise or settlement for theft or damages claimed by Owner; (iii) any sales tax, excise tax, gross receipts tax, or (iv) any property tax refunds. Owner shall also pay to Operator a Purchasing Fee (As hereinafter defined) of four percent (4%) of purchases of capital expenditure items (i.e. furniture, fixtures and equipment), excluding taxes and shipping. The Purchasing Fee of 4% will be for all capital expenditure items Operator purchases through its purchase order system. Operator will provide copies of purchase orders which support the Purchasing Fee. It is agreed that all monthly fees due shall be paid to Operator by the 7th of each month for the prior month's activity.

Pursuant to Section 15, Operator has the right to draw on the Agency Account on a monthly basis for reimbursement of its reasonable and direct cost of incidental expenses incurred in the performance of its' services to the Hotel. These incidental expenses shall include, but not be limited to, 1) automobile mileage reimbursement at the then prevailing Federal Government established rate for visiting employees of the Operator, 2) lodging and food & beverage charges for visiting employees of the Operator, 3) highway tolls, 4) telephone charges, and any other direct expenses incurred in the course of Operator and its staff providing services to the Hotel.

If the payment of Management Fees are delayed past the 10th day of any month (the "Outside Payment Date") on more than one occasion per calendar year, for services rendered the previous month, Operator shall be entitled to receive not only the past due management fees, but interest accrued thereon at the Advance Rate commencing on the Outside Payment Date.

15. DISBURSEMENT OF FUNDS:

All funds derived from the operation of the Hotel shall be deposited into the Agency Account created pursuant to the requirements of Section 5, unless otherwise agreed to by Operator and Owner as part of the Annual Budget or as otherwise required by Mortgagee. Operator shall in turn disburse on a monthly basis funds from the Agency Account toward the following items, to the extent available (with appropriate reserves established to cover items payable less frequently than monthly) in the following manner and order of priority or as otherwise required by the Mortgagee:

a. first, 100% to pay all Operating Costs (including Operator's Management Fee) and Fixed Charges (debt service on land and building, ad valorem and real property taxes, insurance premiums), all on behalf of Owner;

b. second, 100% of any remainder to deposit into the Reserve Fund on behalf of the Owner, which Reserve Fund shall represent the amount sufficient to satisfy the monthly reserve percentage established by Owner, if any, and subsequently included by Operator in the Annual Budget or, in lieu thereof, as may be imposed by Mortgagor;

c. third, 100% of any remainder to the Operator to pay the Operator Incentive Fee (if and when due) on behalf of the Owner; and

d. fourth, 100% of any remainder to the Owner to be either accumulated in the Agency Account or disbursed as such as an Owner's distribution per direction from the Owner.

16. EVENTS OF DEFAULT:

It shall be an event of default hereunder if any one or more of the following events occur:

a. The failure of either Owner or Operator to timely perform, keep or fulfill any of the substantial covenants, undertakings, obligations, or conditions set forth in this Agreement.

b. Misappropriation of funds within the Agency Account.

c. The negligence, willful, wanton, or criminal acts of Owner or Operator.

d. The filing of a voluntary petition in bankruptcy or insolvency or for reorganization under any bankruptcy law by either Owner or Operator; or the consent to any involuntary petition in bankruptcy or the failure by the court to vacate within sixty (60) days from the date of entry thereof any order approving an involuntary petition by either Owner or Operator.

e. The entering of an order, judgment, or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating either Owner or Operator a bankrupt or insolvent or approving a petition seeking reorganization or appointing a receiver, trustee or liquidator of all or a substantial part of such party's assets, and such order, judgment, or decree shall continue unstayed and in effect for a period of sixty (60) consecutive days.

f. Termination of any accreditation or approval by the Hotel franchisor of Emerald as an approved hotel management company/operator or any equivalent directive from the Hotel franchisor to Owner requiring replacement of the Hotel management company/operator.

Upon an event of default under this Agreement, the non-defaulting party will give the defaulting party a notice of default ("Default Notice") and the defaulting party shall have fifteen (15) days to remedy said default, or such longer time as is reasonably necessary if the default is of such a nature that it cannot reasonably be remedied within fifteen (15) days of the Default Notice. Should the defaulting party fail to remedy the default to the reasonable satisfaction of the non-defaulting party, then the non-defaulting party may either (a) extend the time period for the defaulting party to remedy the default, or (b) issue a notice of termination of the Agreement effective thirty (30) days from the date of the notice.

17. OPERATOR INCENTIVE FEES:

In addition to the Operator's Management Fee, and to encourage the Operator to use its best effort and abilities to manage the Hotel, Owner agrees to provide Operator the opportunity to earn an additional fee (the "Incentive Fee"). Operator's Incentive Fee shall be equal to ten percent (10%) of any Cash Flow (as hereinafter defined) in excess of the Cash Flow required to (a) yield a simple rate of return (to be agreed upon by the parties working in good faith) on the amount of Owner's Equity Balance (as hereinafter defined) for the same year, and (b) reimburse Owner for the cumulative total of any operating deficits from prior years, if any. Cash Flow shall be defined as Gross Revenues less operating expenses and debt service for the Hotel for a calendar year. Owner's Equity Balance shall be the amount shown on the "Sources and Uses of Funds" report generated by Emerald Hospitality and approved by Iskalo Development Operator's Incentive Fee shall be determined annually and shall not exceed 1% of Gross Revenues in any one calendar year.

18. NOTICES:

Any notice, statement, demand, approval, consent or other communication required to be given under this Agreement shall be in writing sent by certified mail, return receipt requested, addressed, if to Owner at ISKALO 5000 MAIN LLC, C/O Iskalo Development Corp.,5166 Main Street, Williamsville, New York 14221; Attention: Mr. Paul B. Iskalo, and if to Operator at Emerald Hospitality 7261 Engle Road, Suite 306, Middleburg Heights, Ohio 44130; Attention: James R. Gerish, or to such other address as the Owner and the Operator shall designate in the manner herein provided. Every such notice, statement, demand, approval, consent or other communication shall be deemed to have been given or secured for all purposes hereunder when delivered personally or, if mailed, forty-eight (48) hours after the time that the same shall have been deposited in the United States mail in the manner provided above.

19. THIRD-PARTY DEBTS AND OBLIGATIONS; INDEMNITY:

a. All trade payables and related debts and obligations in the course of the business of the Hotel or otherwise in connection with the use, occupancy or operation thereof during the Term are and shall be the obligation of Owner, and Operator shall not be liable or otherwise responsible for any such debts and obligations solely due to role as the Operator of the Hotel during such Term.

b. Owner shall be responsible for liabilities arising under or with regard to environmental laws and claims and for work-related injury claims which may have been incurred, but have not been received by Operator or, if applicable, Owner as of the termination thereof, except for any such environmental liability that arises because of Operator's fraud, negligence, willful misconduct or failure to perform its obligations under this Agreement, all of which shall be matters for which Operator is responsible.

c. To the extent that any such Loss (as hereinafter defined) is not covered by insurance, exceeds the insurance coverage or is within the deductible of the insurance policy, Operator shall defend, indemnify and hold harmless Owner and its affiliates, and their respective agents, officers, employees, directors and shareholders, from and against any and all losses, costs, liabilities, expenses and claims (whether administrative or judicial), including, without limitation, reasonable attorneys fees and expenses (all of the foregoing being referred to as "Losses"), arising from any matter for which Operator is responsible under this Agreement, including, without limitation, Losses arising from Operator's fraud, negligence, willful misconduct or failure to perform its obligations hereunder.

d. Except as to specific acts or omissions for which Operator has agreed to indemnify Owner in paragraph (c) above, to the extent that any such Loss is not covered by insurance, exceeds the insured coverage or is within the deductible of the policy, Owner hereby agrees to defend, indemnify and hold directors and shareholders of Operator harmless from and against Losses occurring out of or by reason of this Agreement or otherwise arising in connection with the ownership, use, occupancy, or operation of the Hotel.

e. No person or entity shall be deemed to be a third party beneficiary of any term or provision of this Agreement, including, without limitation, the terms and provisions of this Section, and no person or entity shall have any rights of subrogation or similar rights under this Section, other than Affiliates of Owner and Operator respectively who are entitled to indemnification pursuant to the provisions of this Section. All indemnification obligations under this Agreement and the provisions of this Section shall survive the expiration of and any termination of this Agreement.

g. All indemnification provisions in this Agreement, shall survive termination of this Agreement.

20. <u>DAMAGE, DESTRUCTION, AND CONDEMNATION</u>:

a. If, during the Term, the Hotel incurs minor damage by fire, casualty or other cause, Owner may, at its sole cost and expense and with all reasonable diligence, repair or replace the damaged portion of the Hotel to the reasonably same condition as existed previously.

b. In the event damage or destruction to the Hotel from any cause materially and adversely affects the operation of the Hotel, Owner shall determine, in its sole and absolute discretion, whether it shall repair, rebuild or replace the Hotel. In the event Owner chooses to not undertake the repairs, rebuilding, or replacements specified above, Owner may terminate this Agreement upon sixty (60) days advance written notice to Operator without the payment of a termination fee or damages of any kind; provided, however, in the event Owner or any affiliate shall reopen the Hotel as a hotel within two years after the date of such casualty, on or before the date of reopening, Owner shall pay Operator a termination payment (the "Casualty Payment") in accordance with Section 21 (a) except that if the parties have entered into a new Management Agreement for the Hotel, no termination fee shall be due.

c. In the event all or substantially all of the Hotel shall be taken in any eminent domain, condemnation, compulsory acquisition, or similar proceeding by any competent authority for any public or quasi-public use or purpose, or in the event a portion of the Hotel shall be so taken, but the result is that it is uneconomic to continue to operate the Hotel as a property of the same character and class, this Agreement shall terminate and no Termination Payment shall be due to Operator in connection therewith. Owner shall have the right to initiate such proceedings, as he deems advisable to recover any condemnation award to which he may be entitled. Operator shall be entitled to receive all Management Fees accrued to the date of termination.

d. In the event a portion of the Hotel shall be taken by the events described in (c) above or the entire Hotel is affected, but on a temporary basis, and Owner elects to continue to operate the Hotel, this Agreement shall not terminate.

21. TERMINATION:

a. Termination for Cause. In addition to the events of default set forth in Article 16, Owner may terminate this Agreement by delivering thirty (30) days written notice to Operator should the following occur:

(1) The death or disability of James R. Gerish. The term "disability" means because of ill health, physical or mental disability, or for other similar causes, James R. Gerish has become unable to make decisions with respect to the business and financial matters of Operator or to devote the attention required for the effective conduct of Operator's affairs for a continuous period of ninety (90) consecutive days or for an aggregate of one hundred twenty (120) days during any six (6) month period;

(2) If James R. Gerish no longer controls, directly or indirectly, Operator or the entity that controls Operator. As used herein, "controls" means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities, ownership of partnership or other equity interests, by contract or otherwise);

(3) The failure of Operator to comply with the terms and conditions of the Hotel franchise agreement that are within its management jurisdiction, unless such failure is a direct result of an Owner's directive or which arises out of failure of the Owner to provide a required (or requested) consent or approval that, if given, would otherwise would have resulted in Operator's compliance with franchise agreement compliance.

If this Agreement is terminated by Owner due to one of the foregoing, Owner shall pay Manager all Management and Incentive Fees then accrued under this Agreement up to the date of termination together with any reimbursable expenses then due and Operator's receipt of such payments shall be Operator's sole remedy upon such termination.

b. Termination for Sale. At any time during the Term, Owner shall have the right to terminate this Agreement in the event of a sale of the Hotel to an unrelated third-party. In such an event, the Agreement would cease upon the date of closing of the sale. Owner would tender a termination fee to Operator based upon the following schedule applied to the most recent 12 months of operation of the Hotel, except that no termination fee would be due if Operator is subsequently retained by the purchaser to manage the Hotel .

Date of Termination	Percentage of Fee Payable
Months 01- 24 of Term	75%
Months 25- 48 of Term	50%
Months 49- 84 of Term	25%

c. Termination for Convenience. In addition to any other rights of termination Owner may have pursuant to this Agreement, following the second (2^{nd}) anniversary of the Commencement Date, Owner may terminate this Agreement for any reason upon 60 days written notice to

Manager and payment of a termination fee equal to the lesser of (a) the monthly Management Fee times 24 months or (b) the Management Fee times the number of months remaining in the Term.

d. In the calculation of any termination fee provided for in this Article, the Management Fee used to calculate the termination fee shall be equal to the average actual monthly Management Fee earned by the Manager over the preceding twelve-month period.

22. MISCELLANEOUS:

This Agreement, to be construed and enforced in accordance within the laws of the State of New York, and constitutes the entire Agreement between the parties relating to the subject matter hereof, superseding all prior agreements or understandings, oral or written.

a. Owner hereby represents that in entering into this Agreement, Owner has not relied on any projection of earnings, statements as to the possibility of future success or other similar matter, which may have been prepared by Operator, and understands that no guarantee is made or implied by Operator as to the future financial success of the Hotel.

b. In the event that any one or more of the phrases, sentences, clauses or paragraphs contained in this Agreement shall be declared invalid by the final and unappealable order, decree, or judgment of any court, this Agreement shall be construed as if such phrases, sentences, clauses or paragraphs had not been inserted.

c. Unless stated otherwise herein, any consent or approval required of Owner or Operator hereunder shall not be unreasonably withheld or delayed.

d. This Agreement shall be contingent upon Owner completing the development of the Hotel.

e. This Agreement may be assigned by Owner to any corporation, limited partnership, general partnership or limited liability company directly or indirectly owned or controlled in whole or in part by Paul B. Iskalo without consent of Operator. Upon such assignment, Iskalo 5000 Main LLC shall be relieved of all obligations hereunder.

f. No waiver by either party hereto of any failure or refusal by the other party hereto to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal by such party to so comply.

g. This Agreement shall be binding upon the successors and assigns of the parties hereto.

BALANCE OF PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on their respective behalf by their duly authorized officers this 5th day of October, 2011.

EMERALD HOSPITALITY ASSOCIATES, INC.

By: James R. Gerish, President

Date: 10-05-2011

ISKALO 5000 MAIN LLC
By Iskalo Development Corp., Its Manager

By: Paul B. Iskalo, President & CEO

Date: 10-5-11

Exhibit A

Lord Amherst Hotel
Statement of Revenues and Expenses
For the Periods Ending ____________

	Current Month Actual	Percent	Current Month Budget	Current Month Last Year	Variance To Budget	Year to Date Actual	Percent	Year to Date Budget	Year to Date Last Year	Variance To Budget
Revenues										
Room Revenue	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Telephone Revenue	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Other Revenue	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Total Revenues	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Expenses										
Room Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Telephone Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Other Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Total Expenses	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Departmental Profit										
Room	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Telephone	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Other	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Total Departmental Profit	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Overhead										
G & A Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Marketing/Sales Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Repairs & Maintenance	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Utilities Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Franchise Fee Expense	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Total Overhead Expenses	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Gross Operating Profit	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Equipment Lease	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Real Estate Taxes	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Personal Property Tax	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Replacement Reserve	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Management Fee	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Property Insurance	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Total Fixed Expenses	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Net Operating Income (Loss)	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Debt Service - Interest	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Debt Service - Principal	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Cash Income (Loss)	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Amortization	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Depreciation	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00	0.00
Net Income (Loss)	$0.00	#DIV/0!	$0.00	$0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00	$0.00

For Management Purposes Only - Not Intended For Third Party Use

Lord Amherst Hotel
Supplemental Schedule to Statement of Revenues and Expenses
For the Periods Ending

	Current Month Actual	Current Month Budget	Last Year Actual	Year to Date Actual	Year to Date Budget	Last Year to Date Actual
OCC ROOM	0	0	0	0	0	0
ADR	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
OCC %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Rms Available	0	0	0	0	0	0
Occupied Rms	0	0	0	0	0	0
Non-Rev rooms	0	0	0	0	0	0
Room Revenue	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

Prepared by:
Emerald Hospitality Associates, Inc.

Lord Amherst Hotel
2011 Capital Plan

Updated:

AREA	CONTACT	BUDGET	BUDGET ADJUSTMENTS	INVOICED	ORDERED	INSTALLATION DATE
CORRIDORS						
LOBBY						
RESTAURANT/LOUNGE						
MEETING ROOMS						
RESTROOMS						
BUSINESS CENTER						
FITNESS & RECREATION						
BUILDING EXTERIOR						
BACK OF HOUSE						
SIGNAGE						
HVAC						
GUESTROOMS						
GUEST BATHROOMS						
Total:		**$0.00**	**$0.00**	**$0.00**		
Total Budget including Adjustments:		$0.00				
Variance to Original Budget		$0.00				
Beginning Replacement Reserve Balance:	1/1/2011	$0.00				
Annual Replacement Reserves:	2011	$0.00				
Ending Replacement Reserve Balance:	12/31/2011	$0.00				

Lord Amherst Hotel
Statement of Assets, Liabilities Equity

ASSETS

Current Assets		
Cash - M&T	$ 0.00	
Cash - R Reserve	0.00	
Petty Cash	0.00	
A/R - Guest Ledger	0.00	
A/R - City Ledger	0.00	
A/R - Expedia	0.00	
Prepaid Expenses	0.00	
Total Current Assets		0.00
Property and Equipment		
Capital Improvements	0.00	
Land	0.00	
Building	0.00	
Building Improvements	0.00	
Furniture & Fixtures	0.00	
Machinery & Equipment	0.00	
Accumulated Depreciation	0.00	
Total Property and Equipment		0.00
Other Assets		
Capitalized Interest	0.00	
Franchise Fees	0.00	
Loan Fees	0.00	
Accumulated Amortization	0.00	
Total Other Assets		0.00
Total Assets		$ 0.00

Lord Amherst Hotel
Statement of Assets, Liabilities Equity

LIABILITIES AND EQUITY

Current Liabilities			
Accounts Payable - Trade	$	0.00	
A/P - Advance Deposits		0.00	
Accrued Expenses		0.00	
Accrued Payroll		0.00	
Accrued Payroll Tax		0.00	
Accured Holiday Pay		0.00	
Accrued Vacation Pay		0.00	
Real Estate Tax Payable		0.00	
Personal Property Tax Payable		0.00	
Accrued HVAC Reserve		0.00	
Accrued Replacement Reserve		0.00	
Accrued TV/Telephone Reserve		0.00	
Accrued Toner Expense		0.00	
Workers Comp. Payable		0.00	
State Sales Tax Payable		0.00	
County Occupancy Tax Payable		0.00	
Total Current Liabilities			0.00
Long-Term Liabilities			
N/P - Senior Note		0.00	
N/P - Mezzanine Note		0.00	
Total Long-Term Liabilities			0.00
Total Liabilities			0.00
Equity			
Partners' Capital		0.00	
Retained Earnings		0.00	
Net Income		0.00	
Total Equity			0.00
Total Liabilities & Equity			$ 0.00

Lord Amherst Hotel
General Ledger
For the Period From:

Account ID	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
10100	Cash - Main Bank Operating	8/31/11	LAU-4	GENJ	Chase			
10100	Cash - Main Bank Operating				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
10105	Cash - Payroll In Transit	8/1/11			Beginning Balance			0.00
10105	Cash - Payroll In Transit	8/12/11	Payroll 8.12.11	PJ	Monthly payroll			0.00
10105	Cash - Payroll In Transit				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
10124	Cash - Bank Replacement Res	8/1/11			Beginning Balance			0.00
10124	Cash - Bank Replacement Res				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
10125	Cash - Chase Petty Cash	8/1/11			Beginning Balance			0.00
		8/31/11			Ending Balance			0.00
10900	Cash - Hotel	8/1/11			Beginning Balance			0.00
		8/31/11			Ending Balance			0.00
12100	A/R - Guest Ledger	8/1/11			Beginning Balance			0.00
12100	A/R - Guest Ledger	8/31/11	LAU-1	GENJ	A/R - Guest Ledger			
12100	A/R - Guest Ledger				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
12200	A/R - City Ledger	8/1/11			Beginning Balance			0.00
12200	A/R - City Ledger	8/31/11	LAU-1	GENJ	A/R - City Ledger			
12200	A/R - City Ledger				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
13103	Inventory - Pantry	8/1/11			Beginning Balance			0.00
13103	Inventory - Pantry				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
14125	Prepaid Expenses	8/1/11			Beginning Balance			0.00
14125	Prepaid Expenses				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
		8/31/11			Ending Balance			0.00
79925-98	Replacement Reserve	8/1/11			Beginning Balance			0.00
79925-98	Replacement Reserve				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
79930-98	Management Fees	8/1/11			Beginning Balance			0.00
79930-98	Management Fees	8/31/11	301-2011-08	PJ	Emerald Hospitality Associates			
79930-98	Management Fees				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
79991-98	Worker's Comp & Disability	8/1/11			Beginning Balance			0.00
79991-98	Worker's Comp & Disability				Current Period Change			0.00
		8/31/11			Ending Balance			0.00
79992-98	General Liability	8/1/11			Beginning Balance			0.00
79992-98	General Liability	8/31/11	Prop Ins	GENJ	To expense monthly insurance cost			
79992-98	General Liability				Current Period Change			0.00
		8/31/11			Ending Balance			0.00

Prepared by:
Emerald Hospitality Associates, Inc.

Lord Amherst Hotel
Key Operating Statistics - Supplement

Actual Jan - July 2011
Budget Aug - Dec 2011

	Jan 31, 2011	Feb. 28, 2011	March 31, 2011	April 30, 2011	May 31, 2011	June 30, 2011	July 31, 2011	August 31, 2011	Sept 30, 2011	Oct 31, 2011	Nov 30, 2011	Dec 31, 2011
OPERATING STATISTICS	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
ROOMS AVAILABLE	-	-	-	-	-	-	-	-	-	-	-	-
ROOMS AVAILABLE - YTD	-	-	-	-	-	-	-	-	-	-	-	-
ACTUAL ROOMS OCCUPIED	-	-	-	-	-	-	-	-	-	-	-	-
ACTUAL ROOMS OCCUPIED - YTD	-	-	-	-	-	-	-	-	-	-	-	-
BUDGET ROOMS OCCUPIED	-	-	-	-	-	-	-	-	-	-	-	-
BUDGET ROOMS OCCUPIED - YTD	-	-	-	-	-	-	-	-	-	-	-	-
OCCUPANCY % — YTD Actual	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
OCCUPANCY % — YTD Budget	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AVERAGE DAILY RATE — YTD Actual	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AVERAGE DAILY RATE — YTD Budget	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ACTUAL ROOM REVENUE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
ACTUAL ROOM REVENUE - YTD	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
BUDGET ROOM REVENUE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
BUDGET ROOM REVENUE - YTD	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Prepared by:
Emerald Hospitality Associates, Inc.

Lord Amherst Hotel
Key Operating Statistics

Actual Jan - July 2011
Budget Aug - Dec 2011

	Jan 31, 2011	Feb 28, 2011	March 31, 2011	April 30, 2011	May 31, 2011	June 30, 2011	July 31, 2011	August 31, 2011	Sept 30, 2011	Oct 31, 2011	Nov 30, 2011	Dec 31, 2011	2011
OPERATING STATISTICS	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Total**
ROOMS AVAILABLE	-	-	-	-	-	-	-	-	-	-	-	-	-
ROOMS OCCUPIED	-	-	-	-	-	-	-	-	-	-	-	-	-
OCCUPANCY %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AVERAGE DAILY RATE	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
OCCUPANCY % --- YTD Actual	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
OCCUPANCY % --- YTD Budget	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AVERAGE DAILY RATE --- YTD Actual	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AVERAGE DAILY RATE --- YTD Budget	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
REVENUE STATISTICS													
ROOM REVENUE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
PAVILION PANTRY REVENUE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
TELEPHONE REVENUE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
OTHER REVENUE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
TOTAL REVENUE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Prepared by:
Emerald Hospitality Associates, Inc.

Lord Amherst Hotel
Income Statement

Actual Jan - July 2011
Aug - Dec 2011

	Jan 31, 2011	Feb 28, 2011	March 31, 2011	April 30, 2011	May 31, 2011	June 30, 2011	July 31, 2011	August 31, 2011	Sept 30, 2011	Oct 31, 2011	Nov 30, 2011	Dec 31, 2011	Total 2011
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Total
Revenues	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Departmental Costs:													
Rooms	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Food & Beverage	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Telephone	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Departmental Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Operating Expenses:													
Administration	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marketing	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Utilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Franchise Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Real Estate Taxes	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Personal Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replacement Reserve	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prop Insurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Operating Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Operating Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Expenses:													
Senior Debt - Principal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Senior Debt - Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Other Expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Depreciation-Building	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Amortization-Building	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Prepared by:
Emerald Hospitality
Associates, Inc.

Lord Amherst Hotel

Balance Sheet

Actual Jan - July 2011
Aug - Dec 2011

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

ASSETS	Jan 31, 2011 Actual	Feb 28, 2011 Actual	March 31, 2011 Actual	April 30, 2011 Actual	May 31, 2011 Actual	June 30, 2011 Actual	July 31, 2011 Actual	August 31, 2011 Budget	Sept 30, 2011 Budget	Oct 31, 2011 Budget	Nov 30, 2011 Budget	Dec 31, 2011 Budget
CURRENT ASSETS												
Cash - Working Capital	-	-	-	-	-	-	-	-	-	-	-	-
Cash - Bank R Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Cash - Bank Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Cash - Bank R E Taxes	-	-	-	-	-	-	-	-	-	-	-	-
A/R	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Property & Equipment-Capital Imp.	-	-	-	-	-	-	-	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FIXED ASSETS												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Buildings & Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-	-
OTHER ASSETS	-	-	-	-	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-	-	-	-	-	-
Organizational Costs	-	-	-	-	-	-	-	-	-	-	-	-
Start Up Costs	-	-	-	-	-	-	-	-	-	-	-	-
Capitalized Loan Costs	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Total Property, Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
LIABILITIES & STOCKHOLDER'S EQUITY												
CURRENT LIABILITIES												
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
LONG-TERM LIABILITIES												
Note Payable - Senior Debt	-	-	-	-	-	-	-	-	-	-	-	-
Less: Current Portion of LTD	-	-	-	-	-	-	-	-	-	-	-	-
Total Long-Term Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-	-	-	-
STOCKHOLDER'S EQUITY												
Partners Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Partners Distributions	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings - Debt Adj	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings - Repl Res	-	-	-	-	-	-	-	-	-	-	-	-
Net Income	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL STOCKHOLDER'S EQUITY	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES & EQUITY	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Prepared By:
Emerald Hospitality Associates, Inc.

Lord Amherst Hotel
Cash Flow Statement

Actual Jan - July 2011
Budget Aug - Dec 2011

	Jan 31 2011	Feb 28 2011	March 31 2011	April 30 2011	May 31 2011	June 30 2011	July 31 2011	Aug 31 2011	Sept 30 2011	Oct 31 2011	Nov 30 2011	Dec 31 2011
	Actual	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
Cash flow from operating activities												
Net Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contributions to Replacement Reserve	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Add items not effecting cash flow:												
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash provided by Operating Activities	-	-	-	-	-	-	-	-	-	-	-	-
Cash flow from investing / financing activities												
Net cash on investing activities												
Net cash on financing activities			-		-							
Total Cash used by investing / financing activities	-	-	-	-	-	-	-	-	-	-	-	-
Net Increase in Cash	-	-	-	-	-	-	-	-	-	-	-	-
Cash at Beginning of Period	-	-	-	-	-	-	-	-	-	-	-	-
Cash at End of Period	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Exhibit B

Prepared by:
Emerald Hospitality Associates, Inc.

Lord Amherst Hotel
Income Statement

Actual Jan - July 2011
Forecast Aug - Dec 2011

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

	Jan 31, 2011	Feb 28, 2011	March 31, 2011	April 30, 2011	May 31, 2011	June 30, 2011	July 31, 2011	August 31, 2011	Sept 30, 2011	Oct 31, 2011	Nov 30, 2011	Dec 31, 2011	Total 2011
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Total
Revenues	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Departmental Costs:													
Rooms	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Food & Beverage	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Telephone	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Departmental Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Operating Expenses:													
Administration	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marketing	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Utilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Franchise Fees	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Real Estate Taxes	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Personal Property Tax	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Replacement Reserve	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Management Fee	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prop Insurance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Operating Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Operating Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Expenses:													
Senior Debt - Principal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Senior Debt - Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Other Expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Depreciation-Building	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Amortization-Building	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Prepared by:
Emerald Hospitality
Associates, Inc.

Lord Amherst
Market Survey - Comp Set

Updated:
Sep 22, 2011

3 Month Period:

			COMPETING HOTEL RATES					
	DATE	Lord Amherst Hotel	Comp Hotel #1	Comp Hotel #2	Comp Hotel #3	Comp Hotel #4	Comp Hotel #5	Comp Hotel #6
INTERNET SHOPS								
Current Week: Wednesday								
Current Week: Saturday								
Week 2: Wednesday								
Week 2: Saturday								
Week 3: Wednesday								
Week 3: Saturday								
Week 4: Wednesday								
Week 4: Saturday								
Week 5: Wednesday								
Week 5: Saturday								
Week 6: Wednesday								
Week 6: Saturday								
PHONE SHOPS								
Current Week: Wednesday								
Current Week: Saturday								
FALLBACK RATE?								
Week 2: Wednesday								
Week 2: Saturday								
FALLBACK RATE?								
Week 3: Wednesday								
Week 3: Saturday								
FALLBACK RATE?								
Week 4: Wednesday								
Week 4: Saturday								
FALLBACK RATE?								
Week 5: Wednesday								
Week 5: Saturday								
FALLBACK RATE?								
Week 6: Wednesday								
Week 6: Saturday								
FALLBACK RATE?								
***** FALLBACK RATE-What rate is quoted when you resist initial rate quoted *****								

Note: All room rates shown above are based on rates found on brand website for each hotel or quoted when hotel called direct.
It is for a one night stay, double occupancy standard room type.

Exhibit C

United Kingdom
Blue Fin Building
110 Southwark Street
London SE1 0TA
Phone: +44 (0)20 7922 1930
Fax: +44 (0)20 7922 1931
www.strglobal.com

United States
735 East Main Street
Hendersonville
TN 37075
Phone: +1 (615) 824 8664
Fax: +1 (615) 824 3848
www.str.com

Williamsville, NY

June 2005 to June 2011

Currency: USD - US Dollar

Job Number: 373714_SADIM Staff: KD Created: August 11, 2011

Table of Contents

Tab 4 - Percent Change from Previous Year - Detail by Year

Williamsville, NY

Job Number: 373714_SADIM Staff: KD Created: August 11, 2011

	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Jul 06	Aug 06	Sep 06	Oct 06	Nov 06	Dec 06	Total Year	Jun YTD
Occ						16.1	-0.8	-0.2	7.3	26.5	40.0	25.4		
ADR						9.4	4.0	6.2	3.2	4.9	7.2	6.6		
RevPAR						27.0	3.2	6.0	10.7	32.6	50.1	33.7		
Supply						33.8	33.8	33.8	33.8	0.0	0.0	0.0		
Demand						55.3	32.7	33.4	43.5	26.5	40.0	25.4		
Revenue						69.9	38.1	41.8	48.1	32.6	50.1	33.7		

	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Total Year	Jun YTD
Occ	20.7	9.7	2.7	3.5	9.1	11.3	-6.0	-4.7	-9.2	-3.0	-11.5	-7.0	0.2	9.0
ADR	7.7	10.5	7.9	9.2	9.1	8.0	12.3	10.8	12.6	12.4	11.4	8.6	9.9	8.7
RevPAR	30.0	21.2	10.8	13.0	19.0	20.3	5.5	5.7	2.3	9.0	-1.4	1.0	10.2	18.4
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	20.7	9.7	2.7	3.5	9.1	11.3	-6.0	-4.7	-9.2	-3.0	-11.5	-7.0	0.2	9.0
Revenue	30.0	21.2	10.8	13.0	19.0	20.3	5.5	5.7	2.3	9.0	-1.4	1.0	10.2	18.4

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Total Year	Jun YTD
Occ	1.3	12.6	-0.4	16.9	-9.0	-2.6	16.2	10.8	11.8	3.5	-0.1	12.5	5.6	1.9
ADR	10.0	7.8	8.1	9.5	6.0	5.7	5.4	5.7	4.9	2.9	0.5	0.5	5.5	7.4
RevPAR	11.4	21.3	7.8	27.9	-3.5	3.0	22.4	17.2	17.3	6.6	0.4	13.0	11.4	9.5
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	1.3	12.6	-0.4	16.9	-9.0	-2.6	16.2	10.8	11.8	3.5	-0.1	12.5	5.6	1.9
Revenue	11.4	21.3	7.8	27.9	-3.5	3.0	22.4	17.2	17.3	6.6	0.4	13.0	11.4	9.5

	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09	Total Year	Jun YTD
Occ	-0.3	5.1	-7.7	-5.7	-3.6	-15.8	-9.4	-11.3	-0.5	3.3	-2.4	-9.7	-4.9	-5.3
ADR	-0.6	3.2	-0.0	-3.6	-5.7	-4.7	-9.5	-11.1	-10.7	-12.2	-7.6	-5.9	-6.5	-2.2
RevPAR	-0.9	8.5	-7.7	-9.1	-9.1	-19.8	-18.0	-21.1	-11.2	-9.3	-9.9	-15.0	-11.1	-7.4
Supply	0.0	0.0	0.0	0.0	0.0	15.7	15.7	15.7	15.7	15.7	15.7	15.7	9.2	2.6
Demand	-0.3	5.1	-7.7	-5.7	-3.6	-2.7	4.8	2.6	15.1	19.4	12.8	4.5	3.8	-2.8
Revenue	-0.9	8.5	-7.7	-9.1	-9.1	-7.2	-5.2	-8.8	2.8	4.9	4.2	-1.7	-2.9	-5.0

	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Total Year	Jun YTD
Occ	-12.9	-17.0	2.7	-3.0	9.6	22.3	11.2	15.4	6.2	2.6	14.3	17.7	5.8	0.9
ADR	-4.7	-7.9	-2.9	-6.6	-6.3	-7.3	-4.9	-5.0	-0.7	0.0	-3.5	-2.4	-4.3	-6.0
RevPAR	-17.0	-23.5	-0.3	-9.4	2.7	13.4	5.8	9.6	5.4	2.6	10.3	14.9	1.3	-5.2
Supply	15.7	15.7	15.7	15.7	15.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.9	12.7
Demand	0.8	-4.0	18.8	12.2	26.7	22.3	11.2	15.4	6.2	2.6	14.3	17.7	12.1	13.7
Revenue	-4.0	-11.5	15.3	4.8	18.7	13.4	5.8	9.6	5.4	2.6	10.3	14.9	7.3	6.9

	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Total Year	Jun YTD
Occ	28.7	26.9	21.4	19.7	7.9	3.0								16.2
ADR	-5.3	-7.8	-6.3	-2.8	-0.7	4.8								-2.7
RevPAR	21.8	17.0	13.8	16.4	7.2	7.9								13.1
Supply	0.0	0.0	0.0	0.0	0.0	0.0								0.0
Demand	28.7	26.9	21.4	19.7	7.9	3.0								16.2
Revenue	21.8	17.0	13.8	16.4	7.2	7.9								13.1

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Tab 9 - Response Report

Williamsville, NY
Job Number: 373714_SADIM   Staff: KD   Created: August 11, 2011

STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	2009 J	F	M	A	M	J	J	A	S	O	N	D	2010 J	F	M	A	M	J	J	A	S	O	N	D	2011 J	F	M	A	M	J	J	A	S	O	N	D
59637	Staybridge Suites Buffalo Airport	Clarence, NY	14221	Jun 2009	Jun 2009	98							○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
37923	Courtyard Buffalo Amherst	Buffalo, NY	14221	May 1999	May 1999	108		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
44425	Hampton Inn Buffalo Williamsville	Williamsville, NY	14221	Jul 2002	Jul 2002	80		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
53851	Hilton Garden Inn Buffalo Airport	Cheektowaga, NY	14225	Oct 2005	Oct 2005	158		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
24173	Hotel Indigo Buffalo Amherst	Amherst, NY	14226	Aug 2007	May 1987	187		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
52133	Homewood Suites Buffalo Amherst	Buffalo, NY	14226	Jun 2005	Jun 2005	93		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
			Total Properties:		6	724																																					

○ - Monthly data received by STR
● - Monthly and daily data received by STR
Blank - No data received by STR
Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report

Exhibit 7a

2003 Commercial Airport Passenger Counts

Source: CY 2003 ACAIS

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
SO	GA	ATL	Hartsfield - Jackson Atlanta Intl	Atlanta	P	L	38,893,670
GL	IL	ORD	Chicago O'Hare Intl	Chicago	P	L	32,920,387
WP	CA	LAX	Los Angeles Intl	Los Angeles	P	L	26,239,584
SW	TX	DFW	Dallas/Fort Worth Intl	Fort Worth	P	L	24,976,881
WP	AZ	PHX	Phoenix Sky Harbor Intl	Phoenix	P	L	18,252,853
NM	CO	DEN	Denver Intl	Denver	P	L	17,969,754
WP	NV	LAS	McCarran Intl	Las Vegas	P	L	17,097,738
SW	TX	IAH	George Bush Intercontinental	Houston	P	L	16,134,684
GL	MN	MSP	Minneapolis - St Paul Intl Wold - Chamberlain	Minneapolis	P	L	16,022,988
GL	MI	DTW	Detroit Metropolitan Wayne County	Detroit	P	L	15,754,017
EA	NY	JFK	John F Kennedy Intl	New York	P	L	15,676,352
EA	NJ	EWR	Newark Liberty Intl	Newark	P	L	14,628,708
SO	FL	MIA	Miami Intl	Miami	P	L	14,198,321
WP	CA	SFO	San Francisco Intl	San Francisco	P	L	14,079,173
SO	FL	MCO	Orlando Intl	Orlando	P	L	13,375,162
NM	WA	SEA	Seattle - Tacoma Intl	Seattle	P	L	13,109,153
EA	PA	PHL	Philadelphia Intl	Philadelphia	P	L	11,870,928
SO	NC	CLT	Charlotte/Douglas Intl	Charlotte	P	L	11,465,366
EA	NY	LGA	La Guardia	New York	P	L	11,367,309
NE	MA	BOS	General Edward Lawrence Logan Intl	Boston	P	L	11,087,799
SO	KY	CVG	Cincinnati/Northern Kentucky Intl	Covington	P	L	10,449,930
CE	MO	STL	Lambert - St Louis Intl	St Louis	P	L	9,922,456
EA	MD	BWI	Baltimore - Washington Intl	Glen Burnie	P	L	9,768,040
WP	HI	HNL	Honolulu Intl	Honolulu	P	L	9,044,409
NM	UT	SLC	Salt Lake City Intl	Salt Lake City	P	L	8,958,003
GL	IL	MDW	Chicago Midway Intl	Chicago	P	L	8,687,215
SO	FL	FLL	Fort Lauderdale/Hollywood Intl	Fort Lauderdale	P	L	8,682,781
EA	VA	IAD	Washington Dulles Intl	Chantilly	P	L	8,050,506
SO	FL	TPA	Tampa Intl	Tampa	P	L	7,672,533
WP	CA	SAN	San Diego Intl	San Diego	P	L	7,565,196
EA	PA	PIT	Pittsburgh Intl	Pittsburgh	P	L	7,113,460
EA	VA	DCA	Ronald Reagan Washington National	Arlington	P	L	6,813,148
WP	CA	OAK	Metropolitan Oakland Intl	Oakland	P	L	6,638,343
			33	**L Total**			**464,486,847**
NM	OR	PDX	Portland Intl	Portland	P	M	6,059,860
SO	TN	MEM	Memphis Intl	Memphis	P	M	5,411,496
WP	CA	SJC	Norman Y Mineta San Jose Intl	San Jose	P	M	5,104,201
GL	OH	CLE	Cleveland - Hopkins Intl	Cleveland	P	M	5,012,446
CE	MO	MCI	Kansas City Intl	Kansas City	P	M	4,860,047
SO	PR	SJU	Luis Munoz Marin Intl	San Juan	P	M	4,706,846
SW	LA	MSY	Louis Armstrong New Orleans Intl	Metairie	P	M	4,647,706
WP	CA	SMF	Sacramento Intl	Sacramento	P	M	4,390,847
WP	CA	SNA	John Wayne Airport - Orange County	Santa Ana	P	M	4,266,083
SO	TN	BNA	Nashville Intl	Nashville	P	M	3,943,236
SO	NC	RDU	Raleigh - Durham Intl	Raleigh	P	M	3,938,925
SW	TX	HOU	William P Hobby	Houston	P	M	3,703,767
GL	IN	IND	Indianapolis Intl	Indianapolis	P	M	3,673,648
SW	TX	AUS	Austin - Bergstrom Intl	Austin	P	M	3,177,889
SW	TX	SAT	San Antonio Intl	San Antonio	P	M	3,120,098
GL	WI	MKE	General Mitchell Intl	Milwaukee	P	M	3,114,864
NE	CT	BDL	Bradley Intl	Windsor Locks	P	M	3,098,556
WP	CA	ONT	Ontario Intl	Ontario	P	M	3,089,025
GL	OH	CMH	Port Columbus Intl	Columbus	P	M	3,050,585

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
SO	FL	PBI	Palm Beach Intl	West Palm Beach	P	M	3,011,968
SW	NM	ABQ	Albuquerque Intl Sunport	Albuquerque	P	M	2,945,468
SO	FL	RSW	Southwest Florida Intl	Fort Myers	P	M	2,906,367
SW	TX	DAL	Dallas Love Field	Dallas	P	M	2,797,303
WP	HI	OGG	Kahului	Kahului	P	M	2,656,254
NE	RI	PVD	Theodore Francis Green State	Warwick	P	M	2,553,584
SO	FL	JAX	Jacksonville Intl	Jacksonville	P	M	2,415,747
WP	CA	BUR	Bob Hope	Burbank	P	M	2,352,465
AL	AK	ANC	Ted Stevens Anchorage Intl	Anchorage	P	M	2,246,683
WP	NV	RNO	Reno/Tahoe Intl	Reno	P	M	2,242,299
EA	NY	BUF	Buffalo Niagara Intl	Buffalo	P	M	2,039,475
CE	NE	OMA	Eppley Airfield	Omaha	P	M	1,783,714
NE	NH	MHT	Manchester	Manchester	P	M	1,776,347
EA	VA	ORF	Norfolk Intl	Norfolk	P	M	1,722,999
WP	AZ	TUS	Tucson Intl	Tucson	P	M	1,699,762
SO	KY	SDF	Louisville Intl - Standiford Field	Louisville	P	M	1,656,609
			35	**M Total**			**115,177,169**
SW	OK	OKC	Will Rogers World	Oklahoma City	P	S	1,615,264
SW	TX	ELP	El Paso Intl	El Paso	P	S	1,409,164
WP	CA	LGB	Long Beach /Daugherty Field/	Long Beach	P	S	1,409,039
EA	NY	ALB	Albany Intl	Albany	P	S	1,405,611
SO	AL	BHM	Birmingham Intl	Birmingham	P	S	1,376,152
NM	WA	GEG	Spokane Intl	Spokane	P	S	1,375,698
SW	OK	TUL	Tulsa Intl	Tulsa	P	S	1,363,682
NM	ID	BOI	Boise Air Terminal/Gowen Field	Boise	P	S	1,357,984
GL	OH	DAY	James M Cox Dayton Intl	Dayton	P	S	1,306,740
SO	NC	GSO	Piedmont Triad Intl	Greensboro	P	S	1,291,949
EA	NY	ROC	Greater Rochester Intl	Rochester	P	S	1,233,378
WP	HI	LIH	Lihue	Lihue	P	S	1,228,675
EA	VA	RIC	Richmond Intl	Highland Springs	P	S	1,194,270
WP	HI	KOA	Kona Intl at Keahole	Kailua Kona	P	S	1,183,215
WP	GU	GUM	Guam Intl	Agana	P	S	1,076,944
SW	AR	LIT	Adams Field	Little Rock	P	S	1,063,920
NM	CO	COS	City of Colorado Springs Municipal	Colorado Springs	P	S	1,010,985
GL	MI	GRR	Gerald R Ford Intl	Grand Rapids	P	S	986,923
EA	NY	SYR	Syracuse Hancock Intl	Syracuse	P	S	954,229
EA	NY	ISP	Long Island MacArthur	Islip	P	S	939,880
CE	IA	DSM	Des Moines Intl	Des Moines	P	S	887,515
SO	GA	SAV	Savannah/Hilton Head Intl	Savannah	P	S	829,821
SO	SC	CHS	Charleston AFB/Intl	Charleston	P	S	809,052
GL	WI	MSN	Dane County Regional - Truax Field	Madison	P	S	802,730
SO	TN	TYS	McGhee Tyson	Maryville	P	S	692,271
CE	KS	ICT	Wichita Mid - Continent	Wichita	P	S	691,191
SO	FL	PNS	Pensacola Regional	Pensacola	P	S	689,268
SO	SC	GSP	Greenville - Spartanburg Intl	Greer	P	S	675,498
EA	PA	MDT	Harrisburg Intl	Harrisburg	P	S	650,340
SO	SC	MYR	Myrtle Beach Intl	Myrtle Beach	P	S	650,106
WP	HI	ITO	Hilo Intl	Hilo	P	S	630,498
WP	CA	PSP	Palm Springs Intl	Palm Springs	P	S	627,231
NE	ME	PWM	Portland Intl Jetport	Portland	P	S	625,267
SO	FL	SFB	Orlando Sanford	Sanford	P	S	619,894
SO	MS	JAN	Jackson Intl	Jackson	P	S	607,968
SO	KY	LEX	Blue Grass	Lexington	P	S	581,899
GL	OH	CAK	Akron - Canton Regional	Akron	P	S	576,472

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
SO	FL	TLH	Tallahassee Regional	Tallahassee	P	S	568,514
SO	VI	STT	Cyril E King	Charlotte Amalie	P	S	555,010
NE	VT	BTV	Burlington Intl	Burlington	P	S	546,452
SO	FL	SRQ	Sarasota/Bradenton Intl	Sarasota/Bradenton	P	S	533,045
SO	FL	PIE	St Petersburg - Clearwater Intl	Clearwater	P	S	522,308
WP	MP	GSN	Francisco C Ada/Saipan Intl	Saipan	P	S	515,115
SO	AL	HSV	Huntsville Intl - Carl T Jones Field	Huntsville	P	S	512,540
SO	SC	CAE	Columbia Metropolitan	Columbia	P	S	510,860
SW	TX	LBB	Lubbock Intl	Lubbock	P	S	508,138
WP	CA	FAT	Fresno Yosemite Intl	Fresno	P	S	501,373
EA	PA	ABE	Lehigh Valley Intl	Allentown	P	S	494,173
EA	NJ	ACY	Atlantic City Intl	Atlantic City	P	S	479,546
GL	MI	FNT	Bishop Intl	Flint	P	S	479,350
CE	IA	CID	The Eastern Iowa	Cedar Rapids	P	S	468,056
SO	MS	GPT	Gulfport - Biloxi Intl	Gulfport	P	S	433,199
SW	AR	XNA	Northwest Arkansas Regional	Cave Springs	P	S	427,417
EA	NY	HPN	Westchester County	White Plains	P	S	426,864
GL	IL	MLI	Quad City Intl	Moline	P	S	408,219
GL	IN	SBN	South Bend Regional	South Bend	P	S	404,607
SW	TX	MAF	Midland Intl	Midland	P	S	395,011
SW	TX	HRL	Valley Intl	Harlingen	P	S	391,401
AL	AK	FAI	Fairbanks Intl	Fairbanks	P	S	388,841
SW	TX	AMA	Amarillo Intl	Amarillo	P	S	387,809
WP	CA	SBA	Santa Barbara Municipal	Santa Barbara	P	S	383,902
GL	WI	GRB	Austin Straubel Intl	Green Bay	P	S	379,849
AL	AK	JNU	Juneau Intl	Juneau	P	S	366,200
SW	TX	CRP	Corpus Christi Intl	Corpus Christi	P	S	360,799
NM	MT	BIL	Billings Logan Intl	Billings	P	S	360,505
EA	VA	PHF	Newport News/Williamsburg Intl	Newport News	P	S	360,018
SW	LA	BTR	Baton Rouge Metropolitan, Ryan Field	Baton Rouge	P	S	355,491
SO	FL	VPS	Eglin AFB	Valparaiso	P	S	347,645
			68	**S Total**			**50,202,980**
WP	AZ	GCN	Grand Canyon National Park	Grand Canyon	P	N	325,815
CE	MO	SGF	Springfield - Branson Regional	Springfield	P	N	314,834
NE	ME	BGR	Bangor Intl	Bangor	P	N	302,547
SO	AL	MOB	Mobile Regional	Mobile	P	N	302,035
NM	OR	EUG	Mahlon Sweet Field	Eugene	P	N	300,092
SO	FL	EYW	Key West Intl	Key West	P	N	299,193
GL	SD	FSD	Joe Foss Field	Sioux Falls	P	N	298,448
GL	OH	TOL	Toledo Express	Toledo	P	N	295,309
GL	IN	FWA	Fort Wayne Intl	Fort Wayne	P	N	294,127
SW	LA	SHV	Shreveport Regional	Shreveport	P	N	290,101
EA	VA	ROA	Roanoke Regional/Woodrum Field	Roanoke	P	N	289,055
NM	MT	BZN	Gallatin Field	Bozeman	P	N	281,463
SO	FL	DAB	Daytona Beach Intl	Daytona Beach	P	N	275,895
GL	MI	LAN	Capital City	Lansing	P	N	273,426
SW	TX	MFE	McAllen Miller Intl	McAllen	P	N	270,325
NM	MT	MSO	Missoula Intl	Missoula	P	N	254,466
GL	ND	FAR	Hector Intl	Fargo	P	N	250,464
GL	WI	ATW	Outagamie County Regional	Appleton	P	N	250,225
EA	WV	CRW	Yeager	Charleston	P	N	239,634
NM	OR	MFR	Rogue Valley Intl - Medford	Medford	P	N	233,806
SO	TN	CHA	Lovell Field	Chattanooga	P	N	232,198
NE	MA	ACK	Nantucket Memorial	Nantucket	P	N	229,300

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
WP	NV	VGT	North Las Vegas	Las Vegas	P	N	226,722
GL	MI	AZO	Kalamazoo/Battle Creek Intl	Kalamazoo	P	N	222,880
SO	NC	AVL	Asheville Regional	Asheville	P	N	222,696
GL	MI	MBS	MBS Intl	Saginaw	P	N	222,095
GL	SD	RAP	Rapid City Regional	Rapid City	P	N	217,949
GL	IN	EVV	Evansville Regional	Evansville	P	N	217,247
CE	NE	LNK	Lincoln Municipal	Lincoln	P	N	213,882
SO	AL	MGM	Montgomery Regional (Dannelly Field)	Montgomery	P	N	212,660
NM	WY	JAC	Jackson Hole	Jackson	P	N	212,067
NM	WA	PSC	Tri - Cities	Pasco	P	N	210,979
SO	NC	ILM	Wilmington Intl	Wilmington	P	N	208,385
GL	IL	BMI	Central IL Regional Airport at Bloomington - Normal	Bloomington/Normal	P	N	207,278
EA	NY	SWF	Stewart Intl	Newburgh	P	N	201,851
SO	TN	TRI	Tri - Cities Regional TN/VA	Bristol/Johnson/Kingsport	P	N	195,749
SO	FL	MLB	Melbourne Intl	Melbourne	P	N	194,409
GL	MI	TVC	Cherry Capital	Traverse City	P	N	191,166
NM	CO	ASE	Aspen - Pitkin County/Sardy Field	Aspen	P	N	189,881
WP	CA	MRY	Monterey Peninsula	Monterey	P	N	182,725
SO	FL	PFN	Panama City - Bay County Intl	Panama City	P	N	182,027
EA	PA	AVP	Wilkes - Barre/Scranton Intl	Wilkes-Barre/Scranton	P	N	180,418
GL	IL	PIA	Greater Peoria Regional	Peoria	P	N	178,769
NM	MT	FCA	Glacier Park Intl	Kalispell	P	N	170,228
NM	CO	EGE	Eagle County Regional	Eagle	P	N	168,347
SO	GA	AGS	Augusta Regional at Bush Field	Augusta	P	N	165,874
EA	VA	CHO	Charlottesville - Albemarle	Charlottesville	P	N	165,565
NE	MA	HYA	Barnstable Municipal - Boardman/Polando Field	Hyannis	P	N	158,360
SW	LA	LFT	Lafayette Regional	Lafayette	P	N	155,520
GL	WI	CWA	Central Wisconsin	Mosinee	P	N	154,183
SO	VI	STX	Henry E Rohlsen	Christiansted	P	N	152,296
GL	ND	BIS	Bismarck Municipal	Bismarck	P	N	146,077
WP	CA	SBP	San Luis County Regional	San Luis Obispo	P	N	141,649
GL	MN	RST	Rochester Intl	Rochester	P	N	139,463
NM	OR	RDM	Roberts Field	Redmond	P	N	139,410
EA	PA	ERI	Erie Intl/Tom Ridge Field	Erie	P	N	138,256
AL	AK	BET	Bethel	Bethel	P	N	137,782
NM	CO	GJT	Walker Field	Grand Junction	P	N	128,066
NM	MT	GTF	Great Falls Intl	Great Falls	P	N	126,735
EA	NY	BGM	Greater Binghamton/Edwin A Link Field	Binghamton	P	N	126,252
EA	PA	UNV	University Park	State College	P	N	123,871
GL	IL	SPI	Capital	Springfield	P	N	123,019
SO	NC	FAY	Fayetteville Regional/Grannis Field	Fayetteville	P	N	120,651
SO	FL	GNV	Gainesville Regional	Gainesville	P	N	120,547
GL	MN	DLH	Duluth Intl	Duluth	P	N	119,997
NM	ID	IDA	Idaho Falls Regional	Idaho Falls	P	N	116,326
GL	WI	LSE	La Crosse Municipal	La Crosse	P	N	112,545
SW	LA	AEX	Alexandria Intl	Alexandria	P	N	112,497
AL	AK	KTN	Ketchikan Intl	Ketchikan	P	N	103,313
NM	CO	HDN	Yampa Valley	Hayden	P	N	102,375
SW	LA	MLU	Monroe Regional	Monroe	P	N	102,280
GL	IL	CMI	University of Illinois - Willard	Champaign/Urbana	P	N	97,189
SW	TX	ILE	Killeen Municipal	Killeen	P	N	93,356
WP	CA	ACV	Arcata	Arcata/Eureka	P	N	90,202
WP	CA	BFL	Meadows Field	Bakersfield	P	N	90,187
GL	ND	GFK	Grand Forks Intl	Grand Forks	P	N	89,662

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
SW	AR	FSM	Fort Smith Regional	Fort Smith	P	N	89,510
EA	NY	ELM	Elmira/Corning Regional	Elmira/Corning	P	N	86,931
NM	CO	DRO	Durango - La Plata County	Durango	P	N	86,198
WP	AZ	IFP	Laughlin/Bullhead Intl	Bullhead City	P	N	85,661
AL	AK	ENA	Kenai Municipal	Kenai	P	N	84,426
WP	NV	EKO	Elko Regional	Elko	P	N	83,837
NM	MT	HLN	Helena Regional	Helena	P	N	77,184
SW	TX	LRD	Laredo Intl	Laredo	P	N	76,077
NM	ID	SUN	Friedman Memorial	Hailey	P	N	74,741
GL	ND	MOT	Minot Intl	Minot	P	N	72,736
NM	CO	MTJ	Montrose Regional	Montrose	P	N	69,386
AL	AK	SIT	Sitka Rocky Gutierrez	Sitka	P	N	69,109
EA	NY	ITH	Ithaca Tompkins Regional	Ithaca	P	N	68,262
WP	AS	PPG	Pago Pago Intl	Pago Pago	P	N	68,202
SW	TX	CLL	Easterwood Field	College Station	P	N	66,721
NM	WA	BLI	Bellingham Intl	Bellingham	P	N	66,437
SO	NC	EWN	Craven County Regional	New Bern	P	N	66,258
AL	AK	ADQ	Kodiak	Kodiak	P	N	63,284
WP	HI	MKK	Molokai	Kaunakakai	P	N	62,739
SO	PR	BQN	Rafael Hernandez	Aguadilla	P	N	62,585
WP	CA	SMX	Santa Maria Public/Capt G Allan Hancock Field	Santa Maria	P	N	61,989
SO	AL	DHN	Dothan Regional	Dothan	P	N	61,143
SO	SC	HXD	Hilton Head	Hilton Head Island	P	N	60,954
SW	TX	BRO	Brownsville/South Padre Island Intl	Brownsville	P	N	60,207
SW	TX	TYR	Tyler Pounds Regional	Tyler	P	N	59,970
NM	WY	CPR	Natrona County Intl	Casper	P	N	59,546
WP	AZ	YUM	Yuma MCAS/Yuma Intl	Yuma	P	N	58,916
AL	AK	OME	Nome	Nome	P	N	57,981
AL	AK	OTZ	Ralph Wien Memorial	Kotzebue	P	N	56,458
SW	TX	ACT	Waco Regional	Waco	P	N	56,429
NM	WA	YKM	Yakima Air Terminal/McAllister Field	Yakima	P	N	55,877
SO	GA	CSG	Columbus Metropolitan	Columbus	P	N	55,552
SO	PR	X95	Diego Jimenez Torres	Fajardo	P	N	54,199
NM	ID	LWS	Lewiston - Nez Perce County	Lewiston	P	N	53,907
WP	CA	RDD	Redding Municipal	Redding	P	N	53,868
GL	MI	SAW	Sawyer Intl	Gwinn	P	N	53,615
NE	MA	MVY	Marthas Vineyard	Vineyard Haven	P	N	53,011
SW	TX	ABI	Abilene Regional	Abilene	P	N	52,021
WP	CA	CRQ	McClellan - Palomar	Carlsbad	P	N	49,275
EA	VA	LYH	Lynchburg Regional/Preston Glenn Field	Timberlake	P	N	48,608
SW	TX	SJT	San Angelo Regional/Mathis Field	San Angelo	P	N	48,299
WP	HI	LNY	Lanai	Lanai City	P	N	48,231
AL	AK	DLG	Dillingham	Dillingham	P	N	48,168
SW	TX	EFD	Ellington Field	Houston	P	N	46,484
NM	UT	SGU	St George Municipal	St George	P	N	46,301
SO	PR	VQS	Antonio Rivera Rodriguez	Isla De Vieques	P	N	46,164
SW	OK	LAW	Lawton - Fort Sill Regional	Lawton	P	N	44,673
NM	ID	PIH	Pocatello Regional	Arbon Valley	P	N	43,667
EA	MD	SBY	Salisbury - Ocean City Wicomico Regional	Salisbury	P	N	43,163
CE	IA	SUX	Sioux Gateway/Col Bud Day Field	Sioux City	P	N	42,262
SW	TX	BPT	Southeast Texas Regional	Beaumont/Port Arthur	P	N	42,244
EA	WV	HTS	Tri - State/Milton J Ferguson Field	Huntington	P	N	40,958
SW	LA	LCH	Lake Charles Regional	Lake Charles	P	N	40,911
SO	NC	OAJ	Albert J Ellis	Jacksonville	P	N	40,833

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
SO	SC	FLO	Florence Regional	Florence	P	N	40,790
NM	WA	EAT	Pangborn Memorial	East Wenatchee	P	N	40,609
SW	TX	SPS	Sheppard AFB/Wichita Falls Municipal	Wichita Falls	P	N	39,275
CE	IA	DBQ	Dubuque Regional	Dubuque	P	N	38,644
NM	MT	BTM	Bert Mooney	Butte	P	N	38,555
SO	GA	BQK	Brunswick Golden Isles	Brunswick	P	N	38,538
AL	AK	HOM	Homer	Homer	P	N	37,990
NM	CO	GUC	Gunnison - Crested Butte Regional	Gunnison	P	N	37,717
AL	AK	AKN	King Salmon	King Salmon	P	N	37,102
AL	AK	BRW	Wiley Post - Will Rogers Memorial	Barrow	P	N	35,767
CE	IA	ALO	Waterloo Municipal	Waterloo	P	N	35,538
WP	AZ	FLG	Flagstaff Pulliam	Flagstaff	P	N	34,635
SO	NC	PGV	Pitt - Greenville	Greenville	P	N	34,483
SO	MS	GTR	Golden Triangle Regional	Columbus	P	N	34,475
NM	ID	TWF	Joslin Field - Magic Valley Regional	Twin Falls	P	N	34,201
SO	GA	ABY	Southwest Georgia Regional	Albany	P	N	33,520
GL	WI	RHI	Rhinelander - Oneida County	Rhinelander	P	N	33,476
WP	AZ	1G4	Grand Canyon West	Peach Springs	P	N	33,067
GL	MI	PLN	Pellston Regional Airport of Emmet County	Pellston	P	N	32,958
WP	MP	TNI	Tinian Intl	Tinian (Municipality)	P	N	32,923
SO	KY	PAH	Barkley Regional	Paducah	P	N	32,839
SO	GA	VLD	Valdosta Regional	Valdosta	P	N	32,814
GL	MI	MKG	Muskegon County	Muskegon	P	N	32,693
WP	MP	GRO	Rota Intl	Rota Island	P	N	31,082
WP	NV	HND	Henderson Executive	Las Vegas	P	N	30,894
NM	OR	OTH	North Bend Municipal	North Bend	P	N	30,835
SO	GA	MCN	Middle Georgia Regional	Macon	P	N	29,355
WP	CA	VCV	Southern California Logistics	Victorville	P	N	29,020
SW	TX	GGG	East Texas Regional	Longview	P	N	28,986
AL	AK	DUT	Unalaska	Unalaska	P	N	28,843
NM	OR	LMT	Klamath Falls	Klamath Falls	P	N	28,375
SW	AR	TXK	Texarkana Regional - Webb Field	Texarkana	P	N	27,802
EA	PA	IPT	Williamsport Regional	Williamsport	P	N	27,799
GL	MN	BJI	Bemidji - Beltrami County	Bemidji	P	N	27,731
NE	NH	PSM	Pease Intl Tradeport	Portsmouth	P	N	27,096
GL	MI	CMX	Houghton County Memorial	Hancock	P	N	26,573
NM	WA	ALW	Walla Walla Regional	Walla Walla	P	N	26,312
GL	SD	ABR	Aberdeen Regional	Aberdeen	P	N	25,980
GL	OH	LCK	Rickenbacker Intl	Columbus	P	N	25,514
SW	NM	FMN	Four Corners Regional	Farmington	P	N	24,913
NM	WA	PUW	Pullman/Moscow Regional	Pullman	P	N	24,569
EA	NJ	TTN	Trenton Mercer	Trenton	P	N	23,997
AL	AK	LHD	Lake Hood	Anchorage	P	N	23,831
NM	WA	CLM	William R Fairchild Intl	Port Angeles	P	N	23,172
CE	MO	COU	Columbia Regional	Columbia	P	N	22,548
SO	MS	MEI	Key Field	Meridian	P	N	22,009
WP	CA	OXR	Oxnard	Oxnard	P	N	21,975
GL	WI	EAU	Chippewa Valley Regional	Eau Claire	P	N	21,659
NE	MA	EWB	New Bedford Regional	New Bedford	P	N	21,097
SO	PR	MAZ	Eugenio Maria De Hostos	Mayaguez	P	N	20,338
NM	WY	COD	Yellowstone Regional	Cody	P	N	20,216
SO	MS	TUP	Tupelo Regional	Tupelo	P	N	20,143
GL	MN	STC	St Cloud Regional	St Cloud	P	N	20,024
GL	MN	INL	Falls Intl	International Falls	P	N	19,566

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
NE	MA	BED	Laurence G Hanscom Field	Bedford	P	N	19,375
AL	AK	CDV	Merle K (Mudhole) Smith	Cordova	P	N	18,275
AL	AK	ANI	Aniak	Aniak	P	N	18,065
GL	MN	BRD	Brainerd Lakes Regional	Brainerd	P	N	17,836
SW	NM	SAF	Santa Fe Municipal	Santa Fe	P	N	17,830
EA	PA	RDG	Reading Regional/Carl A Spaatz Field	Reading	P	N	17,670
AL	AK	PSG	Petersburg James A Johnson	Petersburg	P	N	17,501
GL	IL	RFD	Greater Rockford	Rockford	P	N	16,982
EA	PA	LBE	Arnold Palmer Regional	Latrobe	P	N	16,965
AL	AK	VDZ	Valdez Pioneer Field	Valdez	P	N	16,599
NM	WA	FHR	Friday Harbor	Friday Harbor	P	N	16,497
WP	CA	CIC	Chico Municipal	Chico	P	N	16,237
NM	WA	BFI	Boeing Field/King County Intl	Seattle	P	N	16,220
GL	SD	PIR	Pierre Regional	Pierre	P	N	15,811
NE	ME	PQI	Northern Maine Regional Airport at Presque Isle	Presque Isle	P	N	15,775
EA	MD	HGR	Hagerstown Regional - Richard A Henson Field	Hagerstown	P	N	15,709
GL	MI	CVX	Charlevoix Municipal	Charlevoix	P	N	15,465
NE	CT	HVN	Tweed - New Haven	New Haven	P	N	15,446
NM	CO	TEX	Telluride Regional	Telluride	P	N	15,386
CE	MO	JLN	Joplin Regional	Joplin	P	N	15,048
WP	AZ	PGA	Page Municipal	Page	P	N	14,929
NM	WY	CYS	Cheyenne	Cheyenne	P	N	14,866
WP	CA	MOD	Modesto City County - Harry Sham Field	Modesto	P	N	14,594
GL	IL	DEC	Decatur	Decatur	P	N	14,514
CE	IA	MCW	Mason City Municipal	Mason City	P	N	14,373
AL	AK	SCC	Deadhorse	Deadhorse	P	N	14,033
WP	CA	SCK	Stockton Metropolitan	Stockton	P	N	13,700
GL	MI	CIU	Chippewa County Intl	Sault Ste Marie	P	N	13,554
NM	WY	GCC	Gillette - Campbell County	Gillette	P	N	12,854
CE	KS	FOE	Forbes Field	Topeka	P	N	12,779
NM	MT	SDY	Sidney - Richland Municipal	Sidney	P	N	12,245
EA	WV	PKB	Mid - Ohio Valley Regional	Parkersburg	P	N	12,090
AL	AK	17Z	Manokotak	Manokotak	P	N	12,086
NE	ME	RKD	Knox County Regional	Rockland	P	N	11,945
SW	TX	VCT	Victoria Regional	Victoria	P	N	11,853
NE	MA	PVC	Provincetown Municipal	Provincetown	P	N	11,801
SO	MS	PIB	Hattiesburg - Laurel Regional	Moselle	P	N	11,477
WP	CA	IYK	Inyokern	Inyokern	P	N	11,427
CE	KS	MHK	Manhattan Regional	Manhattan	P	N	11,395
AL	AK	YAK	Yakutat	Yakutat	P	N	11,330
WP	CA	CEC	Jack McNamara Field	Crescent City	P	N	11,267
EA	WV	LWB	Greenbrier Valley	Lewisburg	P	N	11,226
AL	AK	MRI	Merrill Field	Anchorage	P	N	11,211
GL	IL	MWA	Williamson County Regional	Marion	P	N	11,200
AL	AK	GAL	Edward G Pitka Sr	Galena	P	N	11,133
NM	WY	SHR	Sheridan County	Sheridan	P	N	10,664
AL	AK	SOV	Seldovia	Seldovia	P	N	10,405
NM	CO	FNL	Fort Collins - Loveland Municipal	Fort Collins/Loveland	P	N	10,307
NM	WY	RIW	Riverton Regional	Riverton	P	N	10,234
EA	WV	CKB	Harrison/Marion Regional	Clarksburg	P	N	10,193
EA	WV	MGW	Morgantown Municipal - Walter L Bill Hart Field	Morgantown	P	N	10,187
AL	AK	UNK	Unalakleet	Unalakleet	P	N	10,084
			236	**N Total**			**20,178,352**
NE	ME	BHB	Hancock County - Bar Harbor	Bar Harbor	CS	None	9,730

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
SO	MS	GLH	Mid Delta Regional	Greenville	CS	None	9,631
GL	IN	LAF	Purdue University	Lafayette	CS	None	9,518
AL	AK	SGY	Skagway	Skagway	CS	None	9,396
EA	PA	JST	John Murtha Johnstown - Cambria County	Johnstown	CS	None	9,387
GL	MN	HIB	Chisholm - Hibbing	Hibbing	CS	None	9,332
AL	AK	KSM	St Mary's	St Mary's	CS	None	9,281
AL	AK	WRG	Wrangell	Wrangell	CS	None	9,252
GL	IL	UIN	Quincy Regional - Baldwin Field	Quincy	CS	None	9,218
AL	AK	KDK	Kodiak Municipal	Kodiak	CS	None	9,103
NM	WY	RKS	Rock Springs - Sweetwater County	Rock Springs	CS	None	9,071
AL	AK	CDB	Cold Bay	Cold Bay	CS	None	9,035
GL	MI	APN	Alpena County Regional	Alpena	CS	None	8,913
NM	OR	PDT	Eastern Oregon Regional at Pendleton	Pendleton	CS	None	8,896
AL	AK	FYU	Fort Yukon	Fort Yukon	CS	None	8,876
NM	WY	LAR	Laramie Regional	Laramie	CS	None	8,828
AL	AK	HNH	Hoonah	Hoonah	CS	None	8,715
EA	NY	JHW	Chautauqua County/Jamestown	Jamestown	CS	None	8,661
NM	UT	CDC	Cedar City Regional	Cedar City	CS	None	8,625
WP	AZ	HII	Lake Havasu City	Lake Havasu City	CS	None	8,543
SO	PR	CPX	Benjamin Rivera Noriega	Isla De Culebra	CS	None	8,536
GL	ND	ISN	Sloulin Field Intl	Williston	CS	None	8,360
GL	MI	ESC	Delta County	Escanaba	CS	None	8,359
WP	HI	HNM	Hana	Hana	CS	None	8,131
CE	MO	CGI	Cape Girardeau Regional	Scott City	CS	None	8,124
GL	OH	YNG	Youngstown - Warren Regional	Youngstown/Warren	CS	None	8,078
WP	CA	IPL	Imperial County	Imperial	CS	None	8,066
NE	RI	WST	Westerly State	Westerly	CS	None	7,997
GL	SD	ATY	Watertown Municipal	Watertown	CS	None	7,963
NE	RI	BID	Block Island State	Block Island	CS	None	7,924
EA	PA	DUJ	Du Bois - Jefferson County	Brookville	CS	None	7,883
AL	AK	HNS	Haines	Haines	CS	None	7,712
CE	NE	BFF	Western Nebraska Regional/William B Heilig Field	Scottsbluff	CS	None	7,677
AL	AK	ILI	Iliamna	Iliamna	CS	None	7,668
CE	IA	BRL	Southeast Iowa Regional	Burlington	CS	None	7,602
CE	IA	FOD	Fort Dodge Regional	Fort Dodge	CS	None	7,556
SO	GA	AHN	Athens/Ben Epps	Athens	CS	None	7,550
WP	CA	MCE	Merced Municipal/MacReady Field	Merced	CS	None	7,522
AL	AK	MTM	Metlakatla	Metlakatla	CS	None	7,520
EA	VA	SHD	Shenandoah Valley Regional	Weyers Cave	CS	None	7,473
CE	KS	GCK	Garden City Regional	Garden City	CS	None	7,310
AL	AK	GST	Gustavus	Gustavus	CS	None	7,105
NM	WA	OLM	Olympia	Olympia	CS	None	6,868
NM	CO	CEZ	Cortez Municipal	Cortez	CS	None	6,733
SO	FL	APF	Naples Municipal	Naples	CS	None	6,688
SO	KY	OWB	Owensboro - Daviess County	Owensboro	CS	None	6,635
GL	MN	GPZ	Grand Rapids/Itasca County Airport - Gordon Newstrom Field	Grand Rapids	CS	None	6,448
SW	NM	ROW	Roswell Industrial Air Center	Roswell	CS	None	6,447
SW	TX	LBX	Brazoria County	Angleton/Lake Jackson	CS	None	6,328
CE	MO	TBN	Waynesville Regional Airport at Forney Field	Fort Leonard Wood (US Army)	CS	None	6,254
AL	AK	ENM	Emmonak	Emmonak	CS	None	5,958
NE	CT	GON	Groton - New London	Groton New London	CS	None	5,952
SO	AL	MSL	Northwest Alabama Regional	Muscle Shoals	CS	None	5,928
CE	NE	GRI	Central Nebraska Regional	Grand Island	CS	None	5,908

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
CE	NE	LBF	North Platte Regional Airport Lee Bird Field	North Platte	CS	None	5,904
NE	NH	LEB	Lebanon Municipal	Lebanon	CS	None	5,894
AL	AK	WLK	Selawik	Selawik	CS	None	5,858
EA	PA	AOO	Altoona - Blair County	Altoona	CS	None	5,838
SO	TN	MKL	McKellar - Sipes Regional	Jackson	CS	None	5,754
AL	AK	HPB	Hooper Bay	Hooper Bay	CS	None	5,697
CE	KS	HYS	Hays Regional	Hays	CS	None	5,666
GL	MI	IMT	Ford	Iron Mountain Kingsford	CS	None	5,638
AL	AK	IIK	Kipnuk	Kipnuk	CS	None	5,611
AL	AK	MOU	Mountain Village	Mountain Village	CS	None	5,573
CE	NE	EAR	Kearney Municipal	Kearney	CS	None	5,562
CE	KS	LBL	Liberal Municipal	Liberal	CS	None	5,208
SO	PR	SIG	Fernando Luis Ribas Dominicci	San Juan	CS	None	5,184
AL	AK	D76	Robert /Bob/ Curtis Memorial	Noorvik	CS	None	5,047
AL	AK	VAK	Chevak	Chevak	CS	None	4,993
CE	KS	SLN	Salina Municipal	Salina	CS	None	4,983
NM	WA	MWH	Grant County Intl	Moses Lake	CS	None	4,976
WP	AZ	PRC	Ernest A Love Field	Prescott	CS	None	4,786
AL	AK	AQH	Quinhagak	Quinhagak	CS	None	4,772
AL	AK	MCG	McGrath	McGrath	CS	None	4,582
AL	AK	KLG	Kalskag	Kalskag	CS	None	4,568
AL	AK	OOK	Toksook Bay	Toksook Bay	CS	None	4,550
AL	AK	WTK	Noatak	Noatak	CS	None	4,459
AL	AK	0AK	Pilot Station	Pilot Station	CS	None	4,284
AL	AK	SHH	Shishmaref	Shishmaref	CS	None	4,250
AL	AK	PHO	Point Hope	Point Hope	CS	None	4,230
GL	MN	TVF	Thief River Falls Regional	Thief River Falls	CS	None	4,194
AL	AK	2A9	Kotlik	Kotlik	CS	None	4,041
AL	AK	BVK	Buckland	Buckland	CS	None	4,030
AL	AK	SDP	Sand Point	Sand Point	CS	None	3,978
WP	AZ	SOW	Show Low Regional	Show Low	CS	None	3,968
EA	PA	BFD	Bradford Regional	Bradford	CS	None	3,962
AL	AK	A61	Tuntutuliak	Tuntutuliak	CS	None	3,926
AL	AK	SVA	Savoonga	Savoonga	CS	None	3,907
NM	CO	PUB	Pueblo Memorial	Pueblo	CS	None	3,901
GL	ND	DIK	Dickinson Municipal	Dickinson	CS	None	3,847
AL	AK	IAN	Bob Baker Memorial	Kiana	CS	None	3,844
NM	CO	ALS	San Luis Valley Regional/Bergman Field	Alamosa	CS	None	3,839
GL	IL	BLV	Scott AFB/Midamerica	Belleville	CS	None	3,802
AL	AK	AUK	Alakanuk	Alakanuk	CS	None	3,791
AL	AK	GAM	Gambell	Gambell	CS	None	3,743
AL	AK	KVL	Kivalina	Kivalina	CS	None	3,736
SW	NM	SKX	Taos Regional	Taos	CS	None	3,725
AL	AK	AQT	Nuiqsut	Nuiqsut	CS	None	3,701
AL	AK	AWI	Wainwright	Wainwright	CS	None	3,700
AL	AK	SCM	Scammon Bay	Scammon Bay	CS	None	3,696
AL	AK	NUL	Nulato	Nulato	CS	None	3,658
AL	AK	PGM	Port Graham	Port Graham	CS	None	3,566
AL	AK	TAL	Ralph M Calhoun Memorial	Tanana	CS	None	3,507
AL	AK	CGA	Craig	Craig	CS	None	3,441
AL	AK	HLA	Huslia	Huslia	CS	None	3,430
AL	AK	BTI	Barter Island LRRS	Kaktovik	CS	None	3,391
AL	AK	KEB	English Bay	English Bay	CS	None	3,369
WP	HI	MUE	Waimea - Kohala	Kamuela	CS	None	3,348

CY 2003 Commercial Service Airports

RO	ST	Locid	Airport Name	City	Svc Lvl	Hub	CY 2003 Enplanements
NM	MT	WYS	Yellowstone	West Yellowstone	CS	None	3,314
NE	ME	AUG	Augusta State	Augusta	CS	None	3,310
NM	WA	ORS	Orcas Island	Eastsound	CS	None	3,213
WP	AS	FAQ	Fitiuta	Fitiuta	CS	None	3,208
AL	AK	ELI	Elim	Elim	CS	None	3,127
AL	AK	3A5	Marshall Don Hunter Sr	Marshall	CS	None	3,090
EA	PA	FKL	Venango Regional	Franklin	CS	None	3,085
SO	PR	PSE	Mercedita	Ponce	CS	None	3,052
AL	AK	DUY	Kongiganak	Kongiganak	CS	None	3,028
AL	AK	RSH	Russian Mission	Russian Mission	CS	None	2,999
AL	AK	WBB	Stebbins	Stebbins	CS	None	2,994
AL	AK	KVC	King Cove	King Cove	CS	None	2,953
NM	UT	CNY	Canyonlands Field	Moab	CS	None	2,914
AL	AK	KAE	Kake	Kake	CS	None	2,902
EA	WV	BKW	Raleigh County Memorial	Beckley	CS	None	2,860
AL	AK	CFK	Chefornak	Chefornak	CS	None	2,850
AL	AK	Z09	Kasigluk	Kasigluk	CS	None	2,845
AL	AK	A85	Kwigillingok	Kwigillingok	CS	None	2,841
WP	CA	VIS	Visalia Municipal	Visalia	CS	None	2,839
AL	AK	TLT	Tuluksak	Tuluksak	CS	None	2,760
CE	KS	DDC	Dodge City Regional	Dodge City	CS	None	2,755
AL	AK	AKP	Anaktuvuk Pass	Anaktuvuk Pass	CS	None	2,738
NM	WY	WRL	Worland Municipal	Worland	CS	None	2,706
AL	AK	AFM	Ambler	Ambler	CS	None	2,680
SW	AR	HRO	Boone County	Harrison	CS	None	2,668
AL	AK	SNP	St Paul Island	Saint Paul Island	CS	None	2,617
AL	AK	KKA	Koyuk	Koyuk	CS	None	2,610
SW	AR	HOT	Memorial Field	Hot Springs	CS	None	2,606
AL	AK	EEK	Eek	Eek	CS	None	2,579
AL	AK	EWU	Newtok	Newtok	CS	None	2,552
AL	AK	KAL	Kaltag	Kaltag	CS	None	2,535
AL	AK	ATK	Atqasuk Edward Burnell Sr Memorial	Atqasuk	CS	None	2,521
WP	AZ	IGM	Kingman	Kingman	CS	None	2,504
			141	**None Total**			**763,437**
		513	**Total Commercial Service Airports**				**650,808,785**

Exhibit 7b

2013 Commercial Airport Passenger Counts

Source: CY 2013 ACAIS

List of Commercial Service Airports based on CY2013 Enplanements

June 20, 2014

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
SO	GA	ATL	Atlanta	International	P	L	45,308,685	45,798,928	-1.07%
WP	CA	LAX	Los Angeles	Los Angeles International	P	L	32,427,115	31,326,268	3.51%
GL	IL	ORD	Chicago	Chicago O'Hare International	P	L	32,278,906	32,171,795	0.33%
SW	TX	DFW	Fort Worth	Dallas/Fort Worth International	P	L	29,018,883	28,022,904	3.55%
NM	CO	DEN	Denver	Denver International	P	L	25,497,348	25,799,841	-1.17%
EA	NY	JFK	New York	John F Kennedy International	P	L	25,036,855	24,520,981	2.10%
WP	CA	SFO	San Francisco	San Francisco International	P	L	21,706,567	21,284,236	1.98%
SO	NC	CLT	Charlotte	Charlotte/Douglas International	P	L	21,347,428	20,033,816	6.56%
WP	NV	LAS	Las Vegas	McCarran International	P	L	19,923,594	19,959,651	-0.18%
WP	AZ	PHX	Phoenix	Phoenix Sky Harbor International	P	L	19,525,829	19,560,870	-0.18%
SO	FL	MIA	Miami	Miami International	P	L	19,422,275	18,987,488	2.29%
SW	TX	IAH	Houston	Intercontinental/Houston	P	L	18,953,519	19,039,000	-0.45%
EA	NJ	EWR	Newark	Newark Liberty International	P	L	17,514,139	17,055,993	2.69%
SO	FL	MCO	Orlando	Orlando International	P	L	16,885,160	17,159,427	-1.60%
NM	WA	SEA	Seattle	Seattle-Tacoma International	P	L	16,690,295	16,121,123	3.53%
GL	MN	MSP	Minneapolis	International/Wold-Chamberlain	P	L	16,282,038	15,943,878	2.12%
GL	MI	DTW	Detroit	Detroit Metropolitan Wayne County	P	L	15,683,787	15,599,879	0.54%
NE	MA	BOS	Boston	International	P	L	14,721,693	14,293,695	2.99%
EA	PA	PHL	Philadelphia	Philadelphia International	P	L	14,705,014	14,589,337	0.79%
EA	NY	LGA	New York	La Guardia	P	L	13,353,365	12,818,717	4.17%
SO	FL	FLL	Fort Lauderdale	International	P	L	11,509,361	11,445,103	0.56%
EA	MD	BWI	Glen Burnie	Thurgood Marshall	P	L	11,134,130	11,186,444	-0.47%
EA	VA	IAD	Dulles	Washington Dulles International	P	L	10,575,366	10,816,216	-2.23%
GL	IL	MDW	Chicago	Chicago Midway International	P	L	9,919,985	9,436,387	5.12%
EA	VA	DCA	Arlington	Ronald Reagan Washington National	P	L	9,811,796	9,462,231	3.69%
NM	UT	SLC	Salt Lake City	Salt Lake City International	P	L	9,669,234	9,579,840	0.93%
WP	HI	HNL	Honolulu	Honolulu International	P	L	9,466,995	9,225,848	2.61%
WP	CA	SAN	San Diego	San Diego International	P	L	8,876,777	8,686,621	2.19%
SO	FL	TPA	Tampa	Tampa International	P	L	8,268,207	8,218,487	0.60%
NM	OR	PDX	Portland	Portland International	P	L	7,453,098	7,142,620	4.35%
		30	**Large Hubs**						
CE	MO	STL	St. Louis	Lambert-St Louis International	P	M	6,213,972	6,208,750	0.08%
SW	TX	HOU	Houston	William P Hobby	P	M	5,379,782	5,043,737	6.66%
SO	TN	BNA	Nashville	Nashville International	P	M	5,052,066	4,797,102	5.31%
SW	TX	AUS	Austin	Austin-Bergstrom International	P	M	4,902,080	4,606,252	6.42%
CE	MO	MCI	Kansas City	Kansas City International	P	M	4,836,221	4,866,850	-0.63%
WP	CA	OAK	Oakland	Metropolitan Oakland International	P	M	4,771,830	4,926,683	-3.14%
SW	LA	MSY	Metairie	International	P	M	4,577,498	4,293,624	6.61%
WP	CA	SNA	Santa Ana	John Wayne Airport-Orange County	P	M	4,542,376	4,381,172	3.68%
SO	NC	RDU	Raleigh	Raleigh-Durham International	P	M	4,482,973	4,490,374	-0.16%
GL	OH	CLE	Cleveland	Cleveland-Hopkins International	P	M	4,375,822	4,346,941	0.66%
WP	CA	SJC	San Jose	International	P	M	4,317,896	4,077,654	5.89%
WP	CA	SMF	Sacramento	Sacramento International	P	M	4,255,145	4,357,899	-2.36%
SO	PR	SJU	San Juan	Luis Munoz Marin International	P	M	4,103,197	4,204,478	-2.41%
SW	TX	DAL	Dallas	Dallas Love Field	P	M	4,026,085	3,902,628	3.16%
SW	TX	SAT	San Antonio	San Antonio International	P	M	4,006,798	4,036,625	-0.74%
EA	PA	PIT	Pittsburgh	Pittsburgh International	P	M	3,813,007	3,892,338	-2.04%

Source: CY 2013 ACAIS

List of Commercial Service Airports based on CY2013 Enplanements

June 20, 2014

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
SO	FL	RSW	Fort Myers	Southwest Florida International	P	M	3,789,386	3,634,152	4.27%
GL	IN	IND	Indianapolis	Indianapolis International	P	M	3,535,579	3,586,422	-1.42%
GL	WI	MKE	Milwaukee	General Mitchell International	P	M	3,214,617	3,710,384	-13.36%
GL	OH	CMH	Columbus	Port Columbus International	P	M	3,065,569	3,095,575	-0.97%
WP	HI	OGG	Kahului	Kahului	P	M	2,955,304	2,861,278	3.29%
SO	FL	PBI	West Palm Beach	Palm Beach International	P	M	2,848,901	2,796,359	1.88%
SO	KY	CVG	International	International	P	M	2,776,377	2,937,850	-5.50%
NE	CT	BDL	Windsor Locks	Bradley International	P	M	2,681,718	2,647,610	1.29%
EA	NY	BUF	Buffalo	Buffalo Niagara International	P	M	2,568,018	2,592,630	-0.95%
SO	FL	JAX	Jacksonville	Jacksonville International	P	M	2,549,712	2,579,023	-1.14%
SW	NM	ABQ	Albuquerque	Albuquerque International Sunport	P	M	2,477,960	2,630,574	-5.80%
AL	AK	ANC	Anchorage	Ted Stevens Anchorage International	P	M	2,325,030	2,249,717	3.35%
SO	TN	MEM	Memphis	Memphis International	P	M	2,301,481	3,359,668	-31.50%
CE	NE	OMA	Omaha	Eppley Airfield	P	M	1,977,480	2,018,738	-2.04%
WP	CA	ONT	Ontario	Ontario International	P	M	1,970,538	2,142,393	-8.02%
WP	CA	BUR	Burbank	Bob Hope	P	M	1,919,005	2,027,203	-5.34%
NE	RI	PVD	Warwick	Theodore Francis Green State	P	M	1,885,232	1,809,322	4.20%
		33	Medium Hubs						
SW	OK	OKC	Oklahoma City	Will Rogers World	P	S	1,790,407	1,801,650	-0.62%
WP	NV	RNO	Reno	Reno/Tahoe International	P	S	1,672,139	1,685,333	-0.78%
SO	KY	SDF	Louisville	Field	P	S	1,669,470	1,642,790	1.62%
EA	VA	RIC	Highland Springs	Richmond International	P	S	1,598,413	1,582,565	1.00%
WP	AZ	TUS	Tucson	Tucson International	P	S	1,570,329	1,710,649	-8.20%
EA	VA	ORF	Norfolk	Norfolk International	P	S	1,561,225	1,651,440	-5.46%
WP	GU	GUM	Tamuning	Guam International	P	S	1,488,187	1,477,926	0.69%
SO	SC	CHS	Charleston	Charleston AFB/International	P	S	1,441,920	1,283,970	12.30%
WP	CA	LGB	Long Beach	Long Beach /Daugherty Field/	P	S	1,438,948	1,554,846	-7.45%
NM	WA	GEG	Spokane	Spokane International	P	S	1,417,731	1,456,279	-2.65%
WP	HI	KOA	Kailua Kona	Kona International at Keahole	P	S	1,376,641	1,367,091	0.70%
SW	TX	ELP	El Paso	El Paso International	P	S	1,363,258	1,442,102	-5.47%
SO	AL	BHM	Birmingham	International	P	S	1,335,014	1,412,483	-5.48%
SW	OK	TUL	Tulsa	Tulsa International	P	S	1,323,943	1,324,202	-0.02%
WP	HI	LIH	Lihue	Lihue	P	S	1,315,141	1,308,549	0.50%
NM	ID	BOI	Boise	Boise Air Terminal/Gowen Field	P	S	1,313,741	1,307,505	0.48%
GL	OH	DAY	Dayton	James M Cox Dayton International	P	S	1,244,841	1,289,758	-3.48%
EA	NY	ROC	Rochester	Greater Rochester International	P	S	1,209,532	1,202,903	0.55%
EA	NY	ALB	Albany	Albany International	P	S	1,196,753	1,222,354	-2.09%
NE	NH	MHT	Manchester	Manchester	P	S	1,190,082	1,210,189	-1.66%
GL	MI	GRR	Grand Rapids	Gerald R. Ford International	P	S	1,123,257	1,063,153	5.65%
CE	IA	DSM	Des Moines	Des Moines International	P	S	1,079,189	1,018,188	5.99%
SW	AR	LIT	Little Rock	National/Adams Field	P	S	1,055,608	1,111,442	-5.02%
EA	NY	SYR	Syracuse	Syracuse Hancock International	P	S	991,663	974,293	1.78%
SO	FL	SFB	Sanford	Orlando Sanford International	P	S	971,522	873,069	11.28%
SO	SC	GSP	Greer	Greenville Spartanburg International	P	S	917,088	936,288	-2.05%
WP	CA	PSP	Palm Springs	Palm Springs International	P	S	876,428	867,720	1.00%
SO	NC	GSO	Greensboro	Piedmont Triad International	P	S	860,124	889,135	-3.26%
GL	OH	CAK	Akron	Akron-Canton Regional	P	S	852,332	910,712	-6.41%

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
NE	ME	PWM	Portland	Portland International Jetport	P	S	837,335	799,136	4.78%
SO	TN	TYS	Alcoa	McGhee Tyson	P	S	833,174	846,278	-1.55%
GL	WI	MSN	Madison	Dane County Regional-Truax Field	P	S	826,019	799,053	3.37%
SO	SC	MYR	Myrtle Beach	Myrtle Beach International	P	S	823,294	722,775	13.91%
SO	GA	SAV	Savannah	Savannah/Hilton Head International	P	S	798,970	789,663	1.18%
EA	NY	HPN	White Plains	Westchester County	P	S	770,550	893,184	-13.73%
SO	FL	PNS	Pensacola	Pensacola International	P	S	744,259	740,852	0.46%
CE	KS	ICT	Wichita	Wichita Mid-Continent	P	S	736,220	735,270	0.13%
WP	AZ	IWA	Mesa	Phoenix-Mesa Gateway	P	S	725,048	744,685	-2.64%
WP	CA	FAT	Fresno	Fresno Yosemite International	P	S	684,849	640,350	6.95%
EA	NY	ISP	Islip	Long Island MacArthur	P	S	662,612	667,603	-0.75%
NM	CO	COS	Colorado Springs	City of Colorado Springs Municipal	P	S	658,318	836,998	-21.35%
EA	PA	MDT	Harrisburg	Harrisburg International	P	S	657,650	657,074	0.09%
SO	VI	STT	Charlotte Amalie	Cyril E King	P	S	645,401	649,691	-0.66%
WP	HI	ITO	Hilo	Hilo International	P	S	640,411	641,904	-0.23%
NE	VT	BTV	Burlington	Burlington International	P	S	606,721	615,026	-1.35%
NM	WA	BLI	Bellingham	Bellingham International	P	S	596,142	577,028	3.31%
SO	MS	JAN	Jackson	International	P	S	596,045	611,592	-2.54%
SO	FL	SRQ	Sarasota	Sarasota/Bradenton International	P	S	595,423	637,264	-6.57%
SW	AR	XNA	Bentonville	Northwest Arkansas Regional	P	S	558,218	546,845	2.08%
SO	KY	LEX	Lexington	Blue Grass	P	S	539,879	535,541	0.81%
EA	NJ	ACY	Atlantic City	Atlantic City International	P	S	534,204	663,142	-19.44%
CE	IA	CID	Cedar Rapids	The Eastern Iowa	P	S	520,360	491,806	5.81%
SO	FL	PIE	Clearwater	St Pete-Clearwater International	P	S	514,595	436,030	18.02%
SW	TX	MAF	Midland	Midland International	P	S	507,061	497,193	1.98%
SO	AL	HSV	Huntsville	Field	P	S	505,541	578,993	-12.69%
SO	SC	CAE	Columbia	Columbia Metropolitan	P	S	487,180	487,435	-0.05%
GL	SD	FSD	Sioux Falls	Joe Foss Field	P	S	481,716	453,007	6.34%
AL	AK	FAI	Fairbanks	Fairbanks International	P	S	457,372	450,436	1.54%
SW	TX	LBB	Lubbock	Lubbock Preston Smith International	P	S	454,408	475,767	-4.49%
WP	MP	GSN	Saipan	Francisco C. Ada/Saipan International	P	S	448,177	411,735	8.85%
NM	MT	BZN	Bozeman	Bozeman Yellowstone International	P	S	442,788	434,038	2.02%
NM	OR	EUG	Eugene	Mahlon Sweet Field	P	S	434,095	407,124	6.62%
GL	ND	FAR	Fargo	Hector International	P	S	403,786	369,969	9.14%
SO	FL	EYW	Key West	Key West International	P	S	403,021	370,637	8.74%
SW	LA	BTR	Baton Rouge	Field	P	S	401,035	406,318	-1.30%
GL	MI	FNT	Flint	Bishop International	P	S	398,132	412,326	-3.44%
SO	NC	ILM	Wilmington	Wilmington International	P	S	397,737	392,155	1.42%
SO	FL	ECP	Panama City	International	P	S	391,893	422,750	-7.30%
NM	MT	BIL	Billings	Billings Logan International	P	S	387,368	440,277	-12.02%
GL	IL	MLI	Moline	Quad City International	P	S	384,198	396,460	-3.09%
SW	TX	AMA	Amarillo	Rick Husband Amarillo International	P	S	370,589	389,284	-4.80%
		71	**Small Hubs**						
SO	MS	GPT	Gulfport	Gulfport-Biloxi International	P	N	369,597	394,110	-6.22%
CE	MO	SGF	Springfield	Springfield-Branson National	P	N	368,752	364,689	1.11%
WP	CA	SBA	Santa Barbara	Santa Barbara Municipal	P	N	365,036	370,600	-1.50%
SO	FL	VPS	Valparaiso	Eglin AFB	P	N	353,953	373,542	-5.24%

Source: CY 2013 ACAIS

List of Commercial Service Airports based on CY2013 Enplanements

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FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
SW	TX	HRL	Harlingen	Valley International	P	N	347,829	375,472	-7.36%
SO	NC	AVL	Asheville	Asheville Regional	P	N	342,731	318,395	7.64%
SO	FL	TLH	Tallahassee	Tallahassee Regional	P	N	336,129	331,296	1.46%
SW	TX	MFE	McAllen	McAllen Miller International	P	N	335,483	327,615	2.40%
GL	IN	SBN	South Bend	South Bend International	P	N	329,403	299,592	9.95%
NM	WA	PSC	Pasco	Tri-Cities	P	N	327,419	329,833	-0.73%
AL	AK	JNU	Juneau	Juneau International	P	N	321,573	353,048	-8.92%
SW	TX	CRP	Corpus Christi	Corpus Christi International	P	N	317,667	313,969	1.18%
SO	TN	CHA	Chattanooga	Lovell Field	P	N	313,181	313,861	-0.22%
EA	VA	ROA	Roanoke	Roanoke Regional/Woodrum Field	P	N	310,295	315,877	-1.77%
NM	OR	MFR	Medford	Rogue Valley International - Medford	P	N	306,450	313,638	-2.29%
EA	PA	ABE	Allentown	Lehigh Valley International	P	N	301,969	350,066	-13.74%
NM	MT	MSO	Missoula	Missoula International	P	N	298,253	303,886	-1.85%
NM	WY	JAC	Jackson	Jackson Hole	P	N	295,719	274,343	7.79%
GL	IN	FWA	Fort Wayne	Fort Wayne International	P	N	294,968	280,732	5.07%
SO	FL	DAB	Daytona Beach	Daytona Beach International	P	N	293,843	290,144	1.27%
GL	WI	GRB	Green Bay	Austin Straubel International	P	N	293,703	282,973	3.79%
GL	IL	PIA	Peoria	International	P	N	291,147	286,507	1.62%
SO	AL	MOB	Mobile	Mobile Regional	P	N	287,661	277,432	3.69%
SW	LA	SHV	Shreveport	Shreveport Regional	P	N	279,897	276,460	1.24%
NE	ME	BGR	Bangor	Bangor International	P	N	265,245	302,610	-12.35%
EA	VA	PHF	Newport News	International	P	N	264,279	314,139	-15.87%
SO	GA	AGS	Augusta	Augusta Regional at Bush Field	P	N	261,079	271,740	-3.92%
GL	SD	RAP	Rapid City	Rapid City Regional	P	N	256,052	252,592	1.37%
EA	WV	CRW	Charleston	Yeager	P	N	250,509	272,901	-8.21%
GL	WI	ATW	Appleton	Outagamie County Regional	P	N	246,211	229,248	7.40%
SO	NC	FAY	Fayetteville	Fayetteville Regional/Grannis Field	P	N	244,345	255,406	-4.33%
GL	ND	BIS	Bismarck	Bismarck Municipal	P	N	238,929	239,018	-0.04%
NM	OR	RDM	Redmond	Roberts Field	P	N	236,303	229,736	2.86%
SW	LA	LFT	Lafayette	Lafayette Regional	P	N	233,498	226,504	3.09%
EA	VA	CHO	Albemarle Airport	Charlottesville-Albemarle	P	N	231,148	230,097	0.46%
GL	ND	MOT	Minot	Minot International	P	N	220,787	222,188	-0.63%
GL	MI	LAN	of)	Capital Region International	P	N	216,925	200,836	8.01%
EA	PA	AVP	Avoca	Wilkes-Barre/Scranton International	P	N	216,536	222,060	-2.49%
GL	IL	BMI	Normal Airport	Bloomington-Normal	P	N	211,957	240,181	-11.75%
SO	FL	MLB	Melbourne	Melbourne International	P	N	211,702	215,300	-1.67%
NM	CO	GJT	Grand Junction	Grand Junction Regional	P	N	211,270	217,369	-2.81%
NM	CO	ASE	Aspen	Aspen-Pitkin County/Sardy Field	P	N	208,682	214,892	-2.89%
WP	CA	MRY	Monterey	Monterey Regional	P	N	205,838	196,268	4.88%
SO	TN	TRI	gsport	Tri-Cities Regional TN/VA	P	N	204,402	206,904	-1.21%
SO	PR	BQN	Aguadilla	Rafael Hernandez	P	N	201,453	215,448	-6.50%
NM	MT	GPI	Kalispell	Glacier Park International	P	N	199,701	192,439	3.77%
SO	FL	GNV	Gainesville	Gainesville Regional	P	N	198,388	190,461	4.16%
SW	TX	GRK	Killeen	Robert Gray AAF	P	N	195,899	183,501	6.76%
NM	CO	DRO	Durango	Durango-La Plata County	P	N	192,797	186,567	3.34%
GL	MI	TVC	Traverse City	Cherry Capital	P	N	189,644	179,879	5.43%
NE	MA	ACK	Nantucket	Nantucket Memorial	P	N	184,618	179,128	3.06%

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FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
SW	LA	AEX	Alexandria	Alexandria International	P	N	183,899	189,476	-2.94%
SO	VI	STX	Christiansted	Henry E Rohlsen	P	N	182,752	200,727	-8.95%
NM	MT	GTF	Great Falls	Great Falls International	P	N	182,390	186,790	-2.36%
SO	FL	PGD	Punta Gorda	Punta Gorda	P	N	171,121	99,897	71.30%
NM	CO	EGE	Eagle	Eagle County Regional	P	N	168,535	167,914	0.37%
SO	NC	OAJ	Jacksonville	Albert J Ellis	P	N	167,528	174,358	-3.92%
EA	NY	SWF	Newburgh	Stewart International	P	N	163,815	185,389	-11.64%
GL	IN	EVV	Evansville	Evansville Regional	P	N	161,279	164,767	-2.12%
SO	AL	MGM	Montgomery	Field)	P	N	157,958	182,313	-13.36%
GL	MN	DLH	Duluth	Duluth International	P	N	155,455	158,569	-1.96%
AL	AK	BET	Bethel	Bethel	P	N	152,084	148,168	2.64%
EA	NY	PBG	Plattsburgh	Plattsburgh International	P	N	151,235	112,493	34.44%
GL	ND	GFK	Grand Forks	Grand Forks International	P	N	148,663	137,953	7.76%
EA	NJ	TTN	Trenton	Trenton Mercer	P	N	148,256	6,459	2195.34%
NM	ID	IDA	Idaho Falls	Idaho Falls Regional	P	N	147,073	160,456	-8.34%
WP	CA	BFL	Bakersfield	Meadows Field	P	N	143,175	152,456	-6.09%
CE	NE	LNK	Lincoln	Lincoln	P	N	138,787	135,085	2.74%
WP	CA	SBP	San Luis Obispo	San Luis County Regional	P	N	135,844	127,336	6.68%
EA	PA	UNV	State College	University Park	P	N	131,220	137,599	-4.64%
EA	NY	ELM	Elmira	Elmira/Corning Regional	P	N	129,749	145,243	-10.67%
GL	MI	AZO	Kalamazoo	Kalamazoo/Battle Creek International	P	N	129,211	127,517	1.33%
EA	PA	LBE	Latrobe	Arnold Palmer Regional	P	N	127,040	79,531	59.74%
WP	AZ	GCN	Grand Canyon	Grand Canyon National Park	P	N	126,364	336,716	-62.47%
GL	WI	CWA	Mosinee	Central Wisconsin	P	N	123,797	120,449	2.78%
SO	NC	EWN	New Bern	Coastal Carolina Regional	P	N	121,479	125,873	-3.49%
GL	MI	MBS	Saginaw	MBS International	P	N	120,689	134,801	-10.47%
SW	LA	MLU	Monroe	Monroe Regional	P	N	115,757	101,034	14.57%
WP	CA	STS	Santa Rosa	Charles M. Schulz - Sonoma County	P	N	113,083	105,728	6.96%
GL	MN	RST	Rochester	Rochester International	P	N	110,104	105,371	4.49%
SW	TX	LRD	Laredo	Laredo International	P	N	109,773	102,247	7.36%
WP	AZ	IFP	Bullhead City	Laughlin/Bullhead International	P	N	109,647	110,799	-1.04%
EA	PA	ERI	Erie	Erie International/Tom Ridge Field	P	N	109,520	109,185	0.31%
AL	AK	KTN	Ketchikan	Ketchikan International	P	N	109,433	103,136	6.11%
GL	IL	RFD	Rockford	Chicago/Rockford International	P	N	109,384	106,412	2.79%
WP	NV	BVU	Boulder City	Boulder City Municipal	P	N	103,972	200,400	-48.12%
EA	NY	ITH	Ithaca	Ithaca Tompkins Regional	P	N	103,722	119,608	-13.28%
SW	TX	BRO	Brownsville	International	P	N	100,793	86,090	17.08%
AL	AK	ENA	Kenai	Kenai Municipal	P	N	99,821	99,955	-0.13%
EA	NY	IAG	Niagara Falls	Niagara Falls International	P	N	98,958	88,571	11.73%
EA	WV	HTS	Huntington	Tri-State/Milton J. Ferguson Field	P	N	98,752	105,548	-6.44%
NM	WY	CPR	Casper	Casper/Natrona County International	P	N	98,622	88,013	12.05%
NM	MT	HLN	Helena	Helena Regional	P	N	97,310	95,374	2.03%
GL	ND	ISN	Williston	Sloulin Field International	P	N	96,078	40,667	136.26%
EA	NY	BGM	Binghamton	Field	P	N	95,210	105,494	-9.75%
SO	PR	PSE	Ponce	Mercedita	P	N	93,566	95,787	-2.32%
NM	CO	HDN	Hayden	Yampa Valley	P	N	92,184	99,969	-7.79%
GL	WI	LSE	La Crosse	La Crosse Municipal	P	N	90,297	97,321	-7.22%

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FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
NE	MA	HYA	Hyannis	Boardman/Polando Field	P	N	88,055	95,717	-8.00%
SW	TX	CLL	College Station	Easterwood Field	P	N	87,409	70,551	23.89%
GL	OH	TOL	Toledo	Toledo Express	P	N	86,221	78,757	9.48%
SW	TX	TYR	Tyler	Tyler Pounds Regional	P	N	85,789	73,841	16.18%
GL	IL	CMI	Savoy	University of Illinois-Willard	P	N	84,853	86,408	-1.80%
NM	CO	MTJ	Montrose	Montrose Regional	P	N	84,579	75,296	12.33%
SW	TX	ABI	Abilene	Abilene Regional	P	N	82,758	74,523	11.05%
SW	AR	FSM	Fort Smith	Fort Smith Regional	P	N	82,742	84,751	-2.37%
AL	AK	ADQ	Kodiak	Kodiak	P	N	79,930	78,749	1.50%
WP	AZ	NYL	Yuma	Yuma MCAS/Yuma International	P	N	78,395	81,377	-3.66%
EA	VA	LYH	Timberlake	Field	P	N	77,795	79,889	-2.62%
WP	CA	SCK	Stockton	Stockton Metropolitan	P	N	71,757	63,149	13.63%
GL	IL	SPI	Springfield	Abraham Lincoln Capital	P	N	70,651	65,756	7.44%
AL	AK	SIT	Sitka	Sitka Rocky Gutierrez	P	N	67,989	68,222	-0.34%
SW	NM	SAF	Santa Fe	Santa Fe Municipal	P	N	65,845	47,847	37.62%
CE	KS	MHK	Manhattan	Manhattan Regional	P	N	65,683	69,038	-4.86%
SW	LA	LCH	Lake Charles	Lake Charles Regional	P	N	65,281	56,815	14.90%
WP	HI	MKK	Kaunakakai	Molokai	P	N	63,879	72,421	-11.79%
EA	MD	SBY	Salisbury	Regional	P	N	62,670	76,372	-17.94%
SW	TX	ACT	Waco	Waco Regional	P	N	62,634	59,836	4.68%
SW	TX	SJT	San Angelo	San Angelo Regional/Mathis Field	P	N	62,296	56,301	10.65%
NM	ID	LWS	Lewiston	Lewiston-Nez Perce County	P	N	62,209	62,197	0.02%
AL	AK	OTZ	Kotzebue	Ralph Wien Memorial	P	N	61,274	63,032	-2.79%
SO	NC	PGV	Greenville	Pitt-Greenville	P	N	60,020	61,987	-3.17%
SO	SC	FLO	Florence	Florence Regional	P	N	59,894	67,745	-11.59%
WP	AZ	1G4	Peach Springs	Grand Canyon West	P	N	59,846	147,794	-59.51%
SO	GA	CSG	Columbus	Columbus	P	N	59,675	74,336	-19.72%
SO	SC	HXD	Hilton Head Island	Hilton Head	P	N	58,704	60,372	-2.76%
WP	AZ	FLG	Flagstaff	Flagstaff Pulliam	P	N	58,323	62,472	-6.64%
AL	AK	OME	Nome	Nome	P	N	58,020	59,807	-2.99%
CE	NE	GRI	Grand Island	Central Nebraska Regional	P	N	57,165	56,138	1.83%
NE	MA	MVY	Vineyard Haven	Martha's Vineyard	P	N	56,763	50,484	12.44%
WP	CA	ACV	Arcata	Arcata	P	N	56,682	61,705	-8.14%
SW	OK	LAW	Lawton	Lawton-Fort Sill Regional	P	N	55,526	55,678	-0.27%
NM	UT	SGU	St. George	St George Municipal	P	N	54,574	53,977	1.11%
NM	WA	YKM	Yakima	Yakima Air Terminal/McAllister Field	P	N	54,308	57,673	-5.83%
WP	CA	CRQ	Carlsbad	McClellan-Palomar	P	N	52,561	48,474	8.43%
EA	DE	ILG	Wilmington	New Castle	P	N	52,456	1,064	4830.08%
NM	ID	SUN	Hailey	Friedman Memorial	P	N	52,393	47,734	9.76%
NM	WA	EAT	East Wenatchee	Pangborn Memorial	P	N	52,051	51,347	1.37%
AL	AK	BRW	Barrow	Wiley Post-Will Rogers Memorial	P	N	51,568	43,673	18.08%
WP	CA	SMX	Santa Maria	Hancock Field	P	N	51,395	44,737	14.88%
WP	AS	PPG	Pago Pago	Pago Pago International	P	N	49,479	49,213	0.54%
AL	AK	SCC	Deadhorse	Deadhorse	P	N	48,588	43,837	10.84%
SO	AL	DHN	Dothan	Dothan Regional	P	N	48,423	46,452	4.24%
SO	PR	VQS	Vieques	Antonio Rivera Rodriguez	P	N	47,737	56,266	-15.16%
GL	OH	YNG	Youngstown	Youngstown-Warren Regional	P	N	47,518	40,102	18.49%

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FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
WP	HI	LNY	Lanai City	Lanai	P	N	47,323	45,692	3.57%
CE	MO	COU	Columbia	Columbia Regional	P	N	45,714	41,573	9.96%
SW	TX	SPS	Wichita Falls	Municipal	P	N	45,298	38,836	16.64%
GL	MI	SAW	Gwinn	Sawyer International	P	N	42,335	38,302	10.53%
SO	MS	GTR	Columbus	Golden Triangle Regional	P	N	41,140	38,856	5.88%
NM	WA	PUW	Pullman	Pullman/Moscow Regional	P	N	40,759	38,547	5.74%
AL	AK	HOM	Homer	Homer	P	N	37,705	39,167	-3.73%
NE	CT	HVN	New Haven	Tweed-New Haven	P	N	37,434	36,975	1.24%
SO	GA	VLD	Valdosta	Valdosta Regional	P	N	36,814	37,030	-0.58%
SW	TX	BPT	Beaumont	Jack Brooks Regional	P	N	35,790	5,571	542.43%
AL	AK	AKN	King Salmon	King Salmon	P	N	35,450	35,803	-0.99%
GL	ND	DIK	Dickinson	Regional	P	N	34,979	23,729	47.41%
CE	IA	DBQ	Dubuque	Dubuque Regional	P	N	33,465	32,389	3.32%
NM	WA	ALW	Walla Walla	Walla Walla Regional	P	N	33,072	31,832	3.90%
SW	AR	TXK	Texarkana	Texarkana Regional-Webb Field	P	N	32,882	28,080	17.10%
SW	NM	ROW	Roswell	Roswell International Air Center	P	N	32,616	34,652	-5.88%
SO	GA	BQK	Brunswick	Brunswick Golden Isles	P	N	32,450	31,284	3.73%
SO	GA	ABY	Albany	Southwest Georgia Regional	P	N	31,276	33,494	-6.62%
NM	WY	COD	Cody	Yellowstone Regional	P	N	31,140	28,551	9.07%
WP	CA	MMH	Mammoth Lakes	Mammoth Yosemite	P	N	30,970	27,495	12.64%
NM	CO	GUC	Gunnison	Gunnison-Crested Butte Regional	P	N	30,780	31,181	-1.29%
NM	UT	PVU	Provo	Provo Municipal	P	N	30,090	29,755	1.13%
NM	MT	BTM	Butte	Bert Mooney	P	N	29,490	20,895	41.13%
NM	WY	GCC	Gillette	Gillette-Campbell County	P	N	29,130	32,714	-10.96%
NM	ID	TWF	Twin Falls	Joslin Field - Magic Valley Regional	P	N	28,601	26,059	9.75%
AL	AK	DUT	Unalaska	Unalaska	P	N	28,556	30,735	-7.09%
GL	MI	PLN	Pellston	County	P	N	27,281	24,864	9.72%
AL	AK	DLG	Dillingham	Dillingham	P	N	26,632	39,877	-33.21%
GL	SD	ABR	Aberdeen	Aberdeen Regional	P	N	25,567	24,822	3.00%
CE	IA	SUX	Sioux City	Sioux Gateway/Col. Bud Day Field	P	N	25,313	27,168	-6.83%
GL	MI	CMX	Hancock	Houghton County Memorial	P	N	25,312	25,545	-0.91%
WP	AZ	PGA	Page	Page Municipal	P	N	25,260	23,462	7.66%
WP	CA	RDD	Redding	Redding Municipal	P	N	24,875	29,175	-14.74%
CE	KS	GCK	Garden City	Garden City Regional	P	N	24,456	18,375	33.09%
NM	WY	RKS	Rock Springs	Rock Springs-Sweetwater County	P	N	24,279	28,270	-14.12%
NM	ID	PIH	Arbon Valley	Pocatello Regional	P	N	23,775	22,214	7.03%
EA	PA	IPT	Williamsport	Williamsport Regional	P	N	23,371	25,974	-10.02%
CE	MO	JLN	Joplin	Joplin Regional	P	N	23,329	24,489	-4.74%
GL	MN	BJI	Bemidji	Bemidji Regional	P	N	22,819	22,374	1.99%
GL	MI	CIU	Sault Ste. Marie	Chippewa County International	P	N	21,827	19,824	10.10%
SO	KY	OWB	Owensboro	Owensboro-Daviess County	P	N	21,751	30,795	-29.37%
GL	WI	EAU	Eau Claire	Chippewa Valley Regional	P	N	21,677	22,907	-5.37%
CE	IA	ALO	Waterloo	Waterloo Regional	P	N	20,984	19,522	7.49%
SW	TX	GGG	Longview	East Texas Regional	P	N	20,870	18,787	11.09%
SO	KY	PAH	Paducah	Barkley Regional	P	N	20,523	20,734	-1.02%
AL	AK	PSG	Petersburg	Petersburg James A Johnson	P	N	20,046	18,800	6.63%
EA	VA	SHD	Weyers Cave	Shenandoah Valley Regional	P	N	19,730	15,179	29.98%

Source: CY 2013 ACAIS

List of Commercial Service Airports based on CY2013 Enplanements

June 20, 2014

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
WP	NV	EKO	Elko	Elko Regional	P	N	19,510	33,310	-41.43%
GL	WI	RHI	Rhinelander	Rhinelander-Oneida County	P	N	18,819	11,119	69.25%
EA	NY	ART	Watertown	Watertown International	P	N	18,818	16,988	10.77%
GL	MI	MKG	Muskegon	Muskegon County	P	N	18,020	17,816	1.15%
GL	OH	LCK	Columbus	Rickenbacker International	P	N	17,765	6,513	172.76%
SO	PR	RVR	Ceiba	Jose Aponte De La Torre	P	N	17,733	28,673	-38.15%
SW	NM	HOB	Hobbs	Lea County Regional	P	N	17,246	17,111	0.79%
GL	MI	CVX	Charlevoix	Charlevoix Municipal	P	N	16,929	21,309	-20.55%
NM	OR	OTH	North Bend	Southwest Oregon Regional	P	N	16,864	18,283	-7.76%
WP	CA	CIC	Chico	Chico Municipal	P	N	16,835	19,269	-12.63%
GL	MI	APN	Alpena	Alpena County Regional	P	N	15,914	13,011	22.31%
GL	MN	STC	St. Cloud	St. Cloud Regional	P	N	15,842	973	1528.16%
GL	MN	INL	International Falls	Falls International	P	N	15,796	15,240	3.65%
AL	AK	CDV	Cordova	Merle K (Mudhole) Smith	P	N	15,772	16,061	-1.80%
NE	ME	RKD	Rockland	Knox County Regional	P	N	15,724	15,720	0.03%
GL	MN	BRD	Brainerd	Brainerd Lakes Regional	P	N	15,654	15,630	0.15%
NM	UT	OGD	Ogden	Ogden-Hinckley	P	N	15,523	4,290	261.84%
GL	MI	ESC	Escanaba	Delta County	P	N	15,110	13,480	12.09%
NM	WA	BFI	Seattle	International	P	N	14,941	23,078	-35.26%
GL	SD	PIR	Pierre	Pierre Regional	P	N	14,507	11,685	24.15%
AL	AK	ANI	Aniak	Aniak	P	N	14,334	15,220	-5.82%
SW	NM	FMN	Farmington	Four Corners Regional	P	N	14,263	16,337	-12.70%
AL	AK	GAL	Galena	Edward G. Pitka Sr	P	N	14,141	14,563	-2.90%
NM	WY	SHR	Sheridan	Sheridan County	P	N	14,126	12,889	9.60%
AL	AK	UNK	Unalakleet	Unalakleet	P	N	14,011	13,070	7.20%
AL	AK	KSM	St Mary's	St Mary's	P	N	13,949	12,711	9.74%
NM	WY	LAR	Laramie	Laramie Regional	P	N	13,733	8,131	68.90%
GL	IL	BLV	Belleville	Scott AFB/Midamerica	P	N	13,542	2,314	485.22%
NM	OR	LMT	Klamath Falls	Klamath Falls	P	N	13,443	15,237	-11.77%
NM	WY	RIW	Riverton	Riverton Regional	P	N	13,436	13,189	1.87%
AL	AK	VDZ	Valdez	Valdez Pioneer Field	P	N	13,318	16,087	-17.21%
NM	UT	CDC	Cedar City	Cedar City Regional	P	N	13,214	15,881	-16.79%
SO	PR	SIG	San Juan	Fernando Luis Ribas Dominicci	P	N	13,123	18,901	-30.57%
CE	NE	EAR	Kearney	Kearney Regional	P	N	13,096	12,480	4.94%
EA	MD	HGR	Hagerstown	Henson Field	P	N	12,941	10,207	26.79%
NM	WY	CYS	Cheyenne	Cheyenne Regional/Jerry Olson Field	P	N	12,345	15,010	-17.75%
WP	CA	CEC	Crescent City	Jack McNamara Field	P	N	12,136	12,547	-3.28%
AL	AK	WRG	Wrangell	Wrangell	P	N	11,807	11,434	3.26%
GL	MN	HIB	Hibbing	Range Regional	P	N	11,669	11,921	-2.11%
NE	ME	PQI	Presque Isle	Presque Isle	P	N	11,488	12,412	-7.44%
WP	CA	MOD	Modesto	Field	P	N	11,310	14,741	-23.28%
NE	MA	PVC	Provincetown	Provincetown Municipal	P	N	11,288	11,580	-2.52%
GL	MI	IMT	Iron Mountain	Ford	P	N	11,271	8,755	28.74%
GL	IL	MWA	Marion	Williamson County Regional	P	N	11,241	11,411	-1.49%
NE	NH	LEB	Lebanon	Lebanon Municipal	P	N	10,953	10,191	7.48%
NE	RI	BID	Block Island	Block Island State	P	N	10,865	10,841	0.22%
EA	WV	CKB	Clarksburg	North Central West Virginia	P	N	10,831	10,153	6.68%

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
GL	IL	UIN	Quincy	Quincy Regional-Baldwin Field	P	N	10,679	10,165	5.06%
SO	MS	PIB	Moselle	Hattiesburg-Laurel Regional	P	N	10,633	13,857	-23.27%
NE	ME	BHB	Bar Harbor	Hancock County-Bar Harbor	P	N	10,625	10,006	6.19%
NE	MA	EWB	New Bedford	New Bedford Regional	P	N	10,604	12,256	-13.48%
AL	AK	HNH	Hoonah	Hoonah	P	N	10,468	9,564	9.45%
CE	NE	BFF	Scottsbluff	B. Heilig Field	P	N	10,155	10,356	-1.94%
AL	AK	YAK	Yakutat	Yakutat	P	N	10,135	10,100	0.35%
AL	AK	HNS	Haines	Haines	P	N	10,106	10,093	0.13%
WP	MP	GRO	Rota Island	International	P	N	10,092	13,206	-23.58%
AL	AK	GST	Gustavus	Gustavus	P	N	10,076	9,509	5.96%
EA	WV	MGW	Morgantown	Hart Field	P	N	10,036	10,239	-1.98%
		250	**Nonhubs**						
		384	**Airports**				737,477,162		
NE	RI	WST	Westerly	Westerly State	CS	e	9,995	10,067	-0.72%
GL	IN	GYY	Gary	Gary/Chicago International	CS	e	9,745	11,443	-14.84%
NE	NH	PSM	Portsmouth	Portsmouth International at Pease	CS	e	9,586	13,517	-29.08%
NM	MT	SDY	Sidney	Sidney-Richland Municipal	CS	e	9,451	11,858	-20.30%
CE	KS	FOE	Topeka	Forbes Field	CS	e	9,339	8,476	10.18%
CE	NE	LBF	North Platte	Field	CS	e	9,278	11,210	-17.23%
CE	KS	HYS	Hays	Hays Regional	CS	e	8,726	10,381	-15.94%
EA	WV	LWB	Lewisburg	Greenbrier Valley	CS	e	8,666	10,849	-20.12%
AL	AK	CDB	Cold Bay	Cold Bay	CS	e	8,665	9,463	-8.43%
CE	MO	TBN	Wood (U.S. Army)	Forney Field	CS	e	8,325	7,894	5.46%
EA	WV	PKB	Parkersburg	Mid-Ohio Valley Regional	CS	e	8,323	8,292	0.37%
AL	AK	ENM	Emmonak	Emmonak	CS	e	8,268	9,854	-16.09%
NM	CO	CEZ	Cortez	Cortez Municipal	CS	e	8,218	7,548	8.88%
NM	UT	VEL	Vernal	Vernal Regional	CS	e	8,203	7,370	11.30%
AL	AK	SGY	Skagway	Skagway	CS	e	8,050	7,532	6.88%
NE	MA	ORH	Worcester	Worcester Regional	CS	e	8,007	10,750	-25.52%
AL	AK	FYU	Fort Yukon	Fort Yukon	CS	e	7,441	7,948	-6.38%
AL	AK	AQH	Quinhagak	Quinhagak	CS	e	7,134	6,583	8.37%
NM	CO	ALS	Alamosa	Field	CS	e	6,983	6,959	0.34%
NM	CO	TEX	Telluride	Telluride Regional	CS	e	6,831	7,828	-12.74%
GL	IL	DEC	Decatur	Decatur	CS	e	6,827	7,753	-11.94%
NM	CO	PUB	Pueblo	Pueblo Memorial	CS	e	6,742	9,812	-31.29%
CE	MO	CGI	Scott City	Cape Girardeau Regional	CS	e	6,477	6,232	3.93%
CE	IA	BRL	Burlington	Southeast Iowa Regional	CS	e	6,439	7,887	-18.36%
SO	MS	TUP	Tupelo	Tupelo Regional	CS	e	6,376	8,191	-22.16%
CE	KS	LBL	Liberal	Liberal Mid-America Regional	CS	e	6,265	10,487	-40.26%
SO	MS	MEI	Meridian	Key Field	CS	e	6,236	14,432	-56.79%
AL	AK	MRI	Anchorage	Merrill Field	CS	e	6,187	20,163	-69.32%
EA	PA	JST	Johnstown	County	CS	e	6,186	6,986	-11.45%
AL	AK	IIK	Kipnuk	Kipnuk	CS	e	6,114	5,527	10.62%
CE	MO	IRK	Kirksville	Kirksville Regional	CS	e	5,917	5,744	3.01%
EA	NY	SLK	Saranac Lake	Adirondack Regional	CS	e	5,911	6,018	-1.78%
NE	ME	AUG	Augusta	Augusta State	CS	e	5,798	4,791	21.02%
CE	KS	DDC	Dodge City	Dodge City Regional	CS	e	5,789	6,155	-5.95%

List of Commercial Service Airports based on CY2013 Enplanements

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
SO	PR	CPX	Culebra	Benjamin Rivera Noriega	CS	e	5,703	9,455	-39.68%
AL	AK	ILI	Iliamna	Iliamna	CS	e	5,688	7,036	-19.16%
SO	PR	MAZ	Mayaguez	Eugenio Maria De Hostos	CS	e	5,673	5,856	-3.13%
EA	NY	FRG	North Babylon	Republic	CS	e	5,547	7,752	-28.44%
EA	NY	OGS	Ogdensburg	Ogdensburg International	CS	e	5,392	5,033	7.13%
NM	MT	WYS	West Yellowstone	Yellowstone	CS	e	5,354	4,965	7.83%
NE	VT	RUT	Rutland	Rutland - Southern Vermont Regional	CS	e	5,321	5,916	-10.06%
WP	MP	TNI	(Municipality)	Tinian International	CS	e	5,283	10,203	-48.22%
WP	AZ	PRC	Prescott	Ernest A. Love Field	CS	e	5,223	5,152	1.38%
AL	AK	OOK	Toksook Bay	Toksook Bay	CS	e	5,206	4,524	15.08%
AL	AK	VAK	Chevak	Chevak	CS	e	5,203	5,559	-6.40%
SW	AR	HRO	Harrison	Boone County	CS	e	5,123	5,347	-4.19%
EA	PA	DUJ	Brookville	Dubois Regional	CS	e	5,099	5,074	0.49%
AL	AK	Z09	Kasigluk	Kasigluk	CS	e	5,089	4,804	5.93%
SW	AR	JBR	Jonesboro	Jonesboro Municipal	CS	e	4,864	4,730	2.83%
EA	NY	MSS	Massena	Massena International-Richards Field	CS	e	4,788	4,964	-3.55%
AL	AK	HPB	Hooper Bay	Hooper Bay	CS	e	4,783	5,368	-10.90%
AL	AK	PHO	Point Hope	Point Hope	CS	e	4,735	4,399	7.64%
AL	AK	MOU	Mountain Village	Mountain Village	CS	e	4,571	4,614	-0.93%
GL	SD	ATY	Watertown	Watertown Regional	CS	e	4,348	6,254	-30.48%
AL	AK	WLK	Selawik	Selawik	CS	e	4,336	5,135	-15.56%
AL	AK	MTM	Metlakatla	Metlakatla	CS	e	4,243	3,927	8.05%
NM	UT	CNY	Moab	Canyonlands Field	CS	e	4,236	7,955	-46.75%
AL	AK	D76	Noorvik	Robert /Bob/ Curtis Memorial	CS	e	4,188	4,588	-8.72%
AL	AK	SCM	Scammon Bay	Scammon Bay	CS	e	4,178	4,021	3.90%
WP	CA	IYK	Inyokern	Inyokern	CS	e	4,133	7,024	-41.16%
NM	OR	PDT	Pendleton	Pendleton	CS	e	4,105	5,066	-18.97%
SW	AR	ELD	El Dorado	Field	CS	e	4,091	3,059	33.74%
AL	AK	WTK	Noatak	Noatak	CS	e	4,088	4,721	-13.41%
AL	AK	CXF	Coldfoot	Coldfoot	CS	e	4,067	4,509	-9.80%
AL	AK	SDP	Sand Point	Sand Point	CS	e	3,976	3,984	-0.20%
AL	AK	AWI	Wainwright	Wainwright	CS	e	3,959	3,531	12.12%
AL	AK	EEK	Eek	Eek	CS	e	3,913	3,542	10.47%
AL	AK	DUY	Kongiganak	Kongiganak	CS	e	3,904	3,408	14.55%
AL	AK	KWT	Kwethluk	Kwethluk	CS	e	3,871	3,662	5.71%
EA	WV	BKW	Beckley	Raleigh County Memorial	CS	e	3,824	2,534	50.91%
AL	AK	SOV	Seldovia	Seldovia	CS	e	3,774	4,294	-12.11%
WP	AZ	SOW	Show Low	Show Low Regional	CS	e	3,759	3,852	-2.41%
EA	PA	AOO	Altoona	Altoona-Blair County	CS	e	3,701	3,256	13.67%
AL	AK	A61	Tuntutuliak	Tuntutuliak	CS	e	3,665	3,610	1.52%
AL	AK	MCG	McGrath	McGrath	CS	e	3,658	4,671	-21.69%
AL	AK	16A	Nunapitchuk	Nunapitchuk	CS	e	3,652	3,505	4.19%
AL	AK	AKP	Anaktuvuk Pass	Anaktuvuk Pass	CS	e	3,637	3,798	-4.24%
AL	AK	2A9	Kotlik	Kotlik	CS	e	3,622	3,740	-3.16%
AL	AK	GGV	Kwigillingok	Kwigillingok	CS	e	3,602	3,340	7.84%
WP	CA	VIS	Visalia	Visalia Municipal	CS	e	3,521	3,354	4.98%
AL	AK	IAN	Kiana	Bob Baker Memorial	CS	e	3,463	3,683	-5.97%

Source: CY 2013 ACAIS

List of Commercial Service Airports based on CY2013 Enplanements

June 20, 2014

FAA Region	ST	Locid	City	Airport Name	S/L	Hub	CY 13 Enplanements	CY 12 Enplanements	% Change
AL	AK	CGA	Craig	Craig	CS	e	3,387	3,246	4.34%
EA	NY	JHW	Jamestown	Chautauqua County/Jamestown	CS	e	3,315	3,173	4.48%
AL	AK	GAM	Gambell	Gambell	CS	e	3,312	3,483	-4.91%
SW	TX	DRT	Del Rio	Del Rio International	CS	e	3,288	11,632	-71.73%
SW	TX	VCT	Victoria	Victoria Regional	CS	e	3,288	4,597	-28.48%
WP	HI	LUP	Kalaupapa	Kalaupapa	CS	e	3,205	3,186	0.60%
CE	IA	MCW	Mason City	Mason City Municipal	CS	e	3,188	6,029	-47.12%
AL	AK	BVK	Buckland	Buckland	CS	e	3,138	3,509	-10.57%
AL	AK	KLG	Kalskag	Kalskag	CS	e	3,127	3,506	-10.81%
AL	AK	0AK	Pilot Station	Pilot Station	CS	e	3,123	3,172	-1.54%
AL	AK	SVA	Savoonga	Savoonga	CS	e	3,099	3,525	-12.09%
CE	IA	FOD	Fort Dodge	Fort Dodge Regional	CS	e	3,083	5,625	-45.19%
CE	KS	SLN	Salina	Salina Regional	CS	e	3,052	3,526	-13.44%
SO	MS	GLH	Greenville	Greenville Mid-Delta	CS	e	3,029	5,181	-41.54%
AL	AK	HLA	Huslia	Huslia	CS	e	3,012	2,948	2.17%
AL	AK	KVL	Kivalina	Kivalina	CS	e	2,975	3,337	-10.85%
AL	AK	Z13	Akiachak	Akiachak	CS	e	2,928	3,135	-6.60%
SW	AR	HOT	Hot Springs	Memorial Field	CS	e	2,904	2,452	18.43%
AL	AK	6R7	Old Harbor	Old Harbor	CS	e	2,870	3,010	-4.65%
AL	AK	KVC	King Cove	King Cove	CS	e	2,829	2,306	22.68%
NM	WY	WRL	Worland	Worland Municipal	CS	e	2,818	2,795	0.82%
AL	AK	TAL	Tanana	Ralph M Calhoun Memorial	CS	e	2,811	2,897	-2.97%
AL	AK	MDM	Marshall	Marshall Don Hunter Sr	CS	e	2,786	2,879	-3.23%
SO	TN	MKL	Jackson	McKellar-Sipes Regional	CS	e	2,775	2,037	36.23%
AL	AK	EWU	Newtok	Newtok	CS	e	2,744	2,652	3.47%
NM	CO	FNL	Loveland	Fort Collins-Loveland Municipal	CS	e	2,725	34,817	-92.17%
AL	AK	KTB	Thorne Bay	Thorne Bay	CS	e	2,681	2,799	-4.22%
GL	ND	DVL	Devils Lake	Devils Lake Regional	CS	e	2,678	2,976	-10.01%
AL	AK	SNP	Saint Paul Island	St Paul Island	CS	e	2,676	2,987	-10.41%
WP	CA	IPL	Imperial	Imperial County	CS	e	2,660	5,491	-51.56%
AL	AK	TLT	Tuluksak	Tuluksak	CS	e	2,641	2,857	-7.56%
NM	MT	OLF	Wolf Point	L M Clayton	CS	e	2,630	2,987	-11.95%
SW	NM	CNM	Carlsbad	Cavern City Air Terminal	CS	e	2,600	2,776	-6.34%
WP	CA	MCE	Merced	Merced Regional/Macready Field	CS	e	2,580	3,724	-30.72%
GL	MI	IWD	Ironwood	Gogebic-Iron County	CS	e	2,515	2,532	-0.67%
AL	AK	4A2	Atmautluak	Atmautluak	CS	e	2,500	2,315	7.99%
		117	**Nonprimary**				569,629		
		501	**Service Airports**				738,616,420		

Exhibit 8

Visit Buffalo Niagara Shopper's Estimates

Buffalo-Niagara
Shopping Research

Prepared for:

Visit Buffalo Niagara

Niagara Tourism Convention Corporation

Final Report

March 2012

Shopping as an Attraction

- The Buffalo-Niagara Region is a major shopping destination for residents of Southern Ontario.
- Of the 11 to 12 million annual border crossings by Canadians via the region's 4 international bridges over the past three years, approximately one-quarter have been for the specific purpose of shopping.
- In the past three years, Buffalo-Niagara welcomed about 3.1 million Ontario shoppers annually:
  - *1.2 million per year on overnight trips (1 or more nights away from home)*
  - *1.9 million a year on day trips*

Shoppers Do More Than Shop

- These shoppers make a substantial contribution to the regional economy:
  - *In 2011, we estimate that Ontario residents visiting on shopping trips spent $933 million in the Buffalo-Niagara area*
    - *It must be pointed out that Ontarians also visit Buffalo-Niagara for many other reasons besides just shopping*
- Not surprisingly, a lot of those expenditures ($398 million in 2011) are in the retail sector.
- Nonetheless, other sectors benefit from visiting shoppers as well, including:
  - *Local restaurants, where shoppers spent $174 million*
  - *Gas stations and other businesses in the transportation sector ($149 million)*
  - *Local attractions, recreational and sightseeing venues ($124 million)*
  - *The lodging sector ($88 million)*

Overnight Visitors

- Overnight visitors, although less numerous than day visitors, are more "valuable", spending considerably more per person in the area ($368 vs. $266)
- The typical Ontario shopper makes one overnight trip to Buffalo-Niagara each year
- Like the Ontario population, the Buffalo-Niagara region's visitors are concentrated in the central and western parts of the Greater Toronto area – Metro Toronto, York Region and Mississauga:
  - *Relatively few shopping trips are originating in the areas east of Toronto*
- The peak period for overnight trips is during the summer; however, there are solid "shoulder seasons" in the spring and the fall, which would include the pre-Christmas period:
  - *Winter would be considered the low season*

Overnight Visitors

- These visitors are skewed "middle class", with a majority having household incomes in the $75,000 to $150,000 range.
- Relative to the population, they are also skewed:
  - *Slightly female*
  - *Younger – most are under 45*
  - *Larger households, with kids still at home*
  - *Better educated*
- Most overnight shopping trips to Buffalo-Niagara are planned and booked within a one month window prior to travel.
- The top information sources travelers consult to help them plan their trip include:
  - *The internet*
  - *Hotels*
  - *Travel agents*
  - *Newspaper ads*
  - *Newspaper travel section articles*

Overnight Visitors

- The typical overnight stay in the area lasts 2 nights, including 1.3 nights in Buffalo and 0.7 nights in Niagara Falls.
- The average travel party numbers approximately 3.1 people, consisting of 2.6 adults and 0.5 children:
  - *Apart from spouses, people are as likely to travel with friends as with children on these trips*
  - *A fairly substantial number of overnight visitors travel in larger groups – 1 in 10 arrive via bus – but groups of friends or relatives traveling at the same time by car also frequently come to the region*
- The top shopping destinations for overnight visitors are the Fashion Outlets of Niagara Falls and Walden Galleria, followed at some distance by the Boulevard Mall, Downtown Buffalo/ Elmwood Village and Eastern Hills Mall.

Overnight Visitors

- Most visitors on overnight trips do more than just shop, although the list of diversions is not very extensive. The top ones mentioned by more than1 in 10 include:
  - *Dining out at a good restaurant*
  - *Visiting a casino (more likely a Canadian casino than one on the U.S. side of the border)*
  - *Nightclub/nightlife*
  - *Cultural activities such as theater, art galleries, museums, etc.*
- The average overnight visitor spent $368 per person in the Buffalo-Niagara area in 2011.
- At $147 per capita, retail purchases accounted for 40% of the overnight visitor's total expenditures.
- Spending on accommodations amounted to $76 per person.
- Overnight visitors on shopping trips also spent $61 on food and beverage, $41 on gasoline and other purchases in the transportation sector, and $43 on recreational activities and attractions.

Exhibit 9

Hyatt Place Hotel Building Permit

SBL: 80.06-7-9.111

TOWN OF AMHERST, N.Y.

BUILDING PERMIT

BP NO.: 2046 - 2013C
DATE ISSUED:: 12/20/2013

CODE USED : 2010 Codes of NYS

ADDRESS	: 5020 MAIN ST
UNIT NO.	: MC: 0 LOT: 0
ZONING	: GB SFHA N
DEV. I.D.	: HYATT PLACE HOTEL

PERMIT ACTION	: C - CONSTRUCT
PERMIT TYPE	: COM - COMMERCIAL
CONST. TYPE	: IB - FIRE RESIST-UNPROT
OCCUPANCY	: R1 - RESIDENTIAL R-1
REMARK	:

WIDTH OR DIA.	: 93.83 Truss: NA
LENGTH	: 269
HEIGHT	: 70
# STORIES	: 6 # DWELLING UNITS: 137
# PARKING	: 347 CERT. OCC. REQUIRED: N
ELEC. SERVICE	: 2000 AMP

GROUND/FACE AREA	19433
FLOOR AREA	88771
VOLUME	0
SIDEWALK REQUIRED :	Y FIREPLACE :
ESTIMATED COST	$0.00
# METERS	: 1

RESTRICTIONS:
THIS PERMIT IS FOR THE BALANCE OF THE PROJECT.. EMERGENCY ACCESS TO THE SITE MUST BE MAINTAINED THROUGHOUT THE PROJECT. SPECIAL INSPECTIONS TO BE PROVIDED PER CHAPTER 17 BCNYS. COMPLY WITH ALL ZBA & PLANNING BOARD CONDITIONS. HEIGHT OF THE BUILDING TO BE CERTIFIED PRIOR TO A C OF O BEING ISSUED.

SP # 02-28 APPROVED: 4/26/2013 VARIANCES: 1/15/2013 VARIOUS

CONTRACTORS	Name Address
BUILDING	ISKALO DEVELOPMENT CORP - 5166 MAIN STREET WILLIAMSVILLE NY
PLUMBING	H&M PLUMBING & MECHANICAL - 1425 MILITARY RD. KENMORE, NY 1421
ELECTRICAL	DELORENZO ELECTRIC - 6461 WALMORE NIAGARA FALLS NY 1430
HEATING	OUT TO BID -
POWER CO.	

Terr	bldg fnd	s	r	l	f	o		elec sr	s	r	f	
1			X	X	X	X		6	X	X	X	X ~~548-2013(10)~~

I, undersigned have been advised as to the requirements of the Workmen's Compensation law, and declare that, (check the following):
A. ☒ I have filed the required proof, as affirmed by my insurance carrier. B. ☐ I have no people working directly for me, therefore I require no Workmen's Compensation.
Should there be any change in my status during the exercise of this permit, I will so advise the Building Dept. and immediately comply with all requirements.
The undersigned has submitted plans, specifications and a plot plan in duplicate which are hereto attached, incorporated into and made part of this application.
In consideration of the granting of the permit hereby petitioned for, the undersigned hereby agrees that if such permit is granted he will comply with the terms thereof, the Laws of the State of New York, the Ordinances of the Town of Amherst, and the Regulations of the various departments of the Town, County of Erie and the State of New York; request all necessary inspections, & authorize & provide the means of entry to the premises & building to the Building Inspector, and that he has read the conditions printed on the reverse side and will comply with same. The undersigned hereby certifies that all of the information in this petition is correct and true.

ITEM		FEE
TREES ON TOWN HWYS. 0	@ $160.00	0.00
SAN. SEWER DIST. # 16		0.00
WATER LINE SIZE 0	# BR 0	
SWDD # 4		0.00
RECREATION FEE		0.00
OPEN SPACE		0.00
BUILDING PERMIT FEE	0.00	
- B filing fee	0.00	0.00
ELECTRICAL PERMIT FEE	0.00	
XXXX- E filing fee	0.00	0.00
OTHER	FIRE PROTECTION EQUIP	
		0.00
TOTAL FEE		0.00

RECORD OWNER
HYATT PLACE HOTEL
ISKALO 5000 MAIN LLC
5166 MAIN ST
WILLIAMSVILLE NY 14221

RONNY J. BADEN
Print Name

Owner's or Agent's Signature

This permit expires six months from date of issue if construction has not commenced.

I do certify that I have examined the foregoing petition and building plans and plot plan and that they conform to Ordinances of Town of Amherst.

Receipt is hereby acknowledged of the sum of $ ______________
being the permit fee established by the Town Board of Town of Amherst, N.Y.

(Town Clerk's Office)

per Thomas C. Ketch (WCP)
Building Commissioner

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Exhibit 10

Lord Amherst Hotel Demolition Permit

Roland, Matthew S.

From: Roland, Matthew S.
Sent: Thursday, May 08, 2014 5:18 PM
To: Roland, Matthew S.
Subject: FW: Lord Amherst Demo - Partial Permit

From: Pidgeon, William [mailto:BPIDGEON@amherst.ny.us]
Sent: Tuesday, April 22, 2014 1:56 PM
To: Dolpp, Nick M.; Baden, Ron J.
Cc: Cameron, Rod; Meyers, Tim; Andrews, Rick; Bleichfeld, Rich; Albert, Mario; Trabert, Tom; Pidgeon, John
Subject: RE: Lord Amherst Demo - Partial Permit

Good Afternoon Nick and Ron,

Based on the information that you emailed to our department today, let this serve as official notice that you may begin the removal of interior finishes, construction materials, non-loadbearing walls, etc., as shown on drawings D100 –D301 (with the exception of any existing structural construction) with the following conditions:

1. Asbestos abatement must comply with State and Federal regulations.
2. All fire protection equipment is to be maintained unless approved by this department's Fire Safety Division .
3. All exits from the interior of the building, to a safe location at the exterior, must be maintained free of any obstructions.
4. Portable fire extinguishers must be located within the areas where work is being performed.
5. Comply with the applicable provisions of Chapter 33 of the Building Code of NYS 2010 standard.
6. Any temporary electrical or plumbing that must be performed must be by a Town licensed electrical & plumbing contractor and permits obtained.
7. No removal of exiting structural construction or new work may be begin until the applicable permits have been issued.

I suggest that you contact Tim Meyers, Sr. Code Enforcement Officer @ 631-7079 or tmeyers@amherst.ny.us to schedule an on-site meeting to review this phase of the project.

Bill Pidgeon
Town of Amherst
Senior Code Enforcement Officer

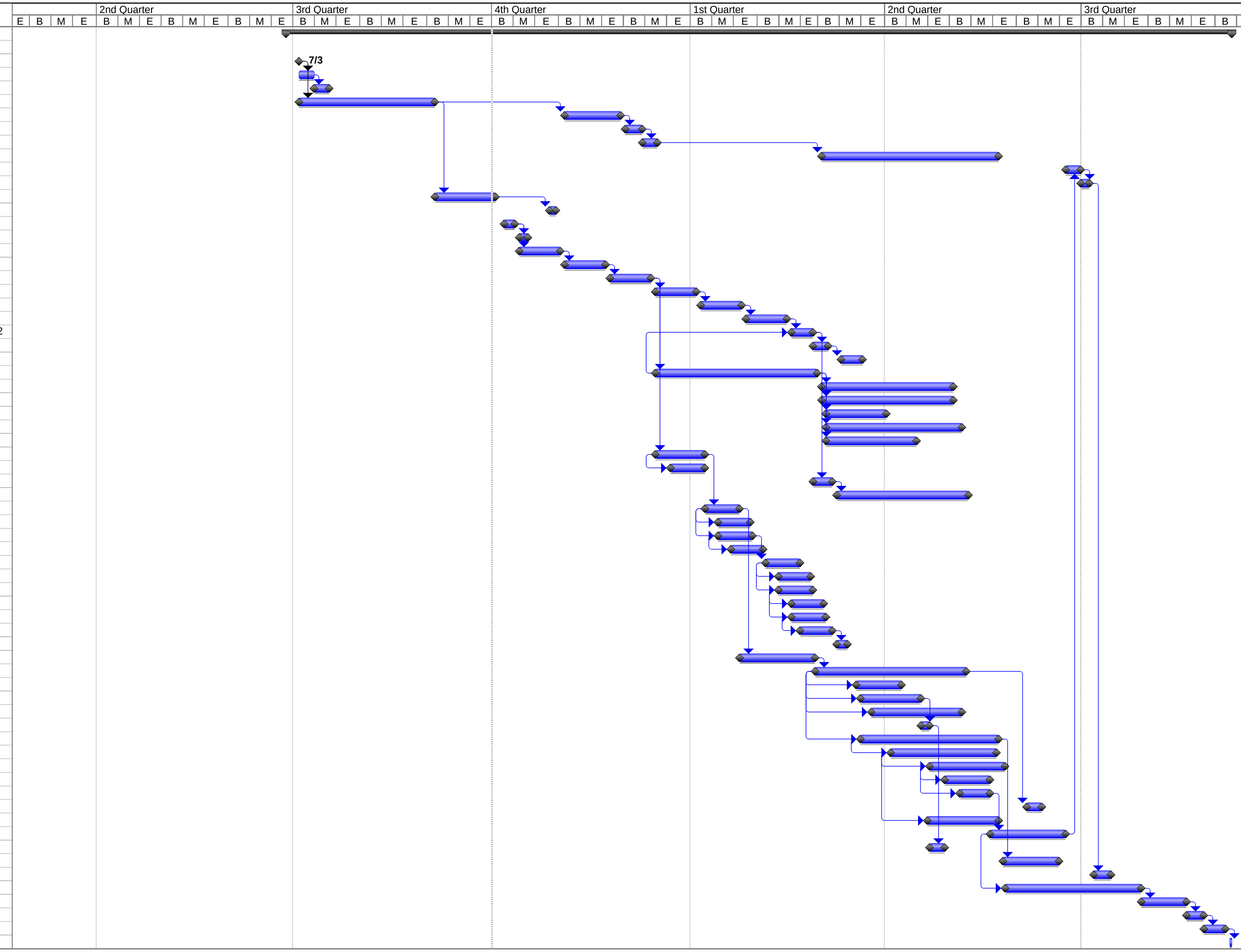
Exhibit 11

Hyatt Place Hotel Project Schedule

Iskalo Development Corp.

Hyatt Place - Project Schedule

ID	Task Name	Duration	Start	Finish	Predecessors
1	**Hyatt Place Hotel - 5020 Main St. Amherst, NY 14226**	**312 days**	**Fri 6/28/13**	**Mon 9/8/14**	
2					
3	Mobilization to Site - Clearing & Set Up Trailer & Temp Power	4 days	Fri 6/28/13	Wed 7/3/13	
4	Set up SWPPP & Install Storm Water System	5 days	Thu 7/4/13	Wed 7/10/13	3
5	Earthwork - Cuts & Fills -Grade Site	5 days	Thu 7/11/13	Wed 7/17/13	4
6	Install Footers, Foundations, Piers Incl. Ex./BF	45 days	Thu 7/4/13	Wed 9/4/13	3
7	Install Water Service & Sanitary Sewer	20 days	Mon 11/4/13	Fri 11/29/13	6
8	Install Gas, Electrical, Empty Conduits	6 days	Mon 12/2/13	Mon 12/9/13	7
9	Install stone subbase for all parking areas	5 days	Tue 12/10/13	Mon 12/16/13	8
10	Install Noise Barrier & Retaining Wall System	60 days	Mon 3/3/14	Fri 5/23/14	9
11	Install Site Concrete - Sidewalks & Curbing	5 days	Tue 6/24/14	Mon 6/30/14	60
12	Fine Grade Site and Install Asphalt Binder	4 days	Tue 7/1/14	Fri 7/4/14	11
13	Install Underground Plumbing & Electrical in Slab	20 days	Thu 9/5/13	Wed 10/2/13	6
14	Pour Concrete Slab on Grade	3 days	Mon 10/28/13	Wed 10/30/13	13
15	Erect Structural Steel 1st Floor	5 days	Mon 10/7/13	Fri 10/11/13	
16	Excavate, Form and Pour Pool	4 days	Mon 10/14/13	Thu 10/17/13	15
17	Install CMU Block & Plank - 1st Floor	15 days	Mon 10/14/13	Fri 11/1/13	15
18	Install CMU Block & Plank - 2nd Floor (Incls. Steel)	15 days	Mon 11/4/13	Fri 11/22/13	17
19	Install CMU Block & Plank - 3rd Floor (Incls. Steel)	15 days	Mon 11/25/13	Fri 12/13/13	18
20	Install CMU Block & Plank - 4th Floor (Incls. Steel)	15 days	Mon 12/16/13	Fri 1/3/14	19
21	Install CMU Block & Plank - 5th Floor (Incls. Steel)	15 days	Mon 1/6/14	Fri 1/24/14	20
22	Install CMU Block & Plank - 6th Floor (Incls. Steel)	15 days	Mon 1/27/14	Fri 2/14/14	21
23	Install Roofing Systems Upper & Low Roofs	8 days	Mon 2/17/14	Wed 2/26/14	26SS+5 days,22
24	Install Temporary Heat & Cover	5 days	Thu 2/27/14	Wed 3/5/14	23
25	Install Gypcrete Topping 1st through 6th Floors	8 days	Wed 3/12/14	Fri 3/21/14	24FS+4 days
26	Install MS Framing, Sheathing, Blocking for Exterior Walls	55 days	Mon 12/16/13	Fri 2/28/14	19
27	Install Brick & Cast Stone Pieces 1st through 6th floors	45 days	Mon 3/3/14	Fri 5/2/14	26
28	Install Windows - EIFS Areas & Follow Brick Work	45 days	Mon 3/3/14	Fri 5/2/14	26
29	Install EIFS System	20 days	Wed 3/5/14	Tue 4/1/14	26FS+2 days
30	Install Curtain Wall Systems & Exterior Glass & Glazing	45 days	Wed 3/5/14	Tue 5/6/14	26FS+2 days
31	install Metal Panel System	30 days	Wed 3/5/14	Tue 4/15/14	26FS+2 days
32	Install Interior MS Framing, Sound Clips & Dr. Frames 1st Flr.	17 days	Mon 12/16/13	Tue 1/7/14	19
33	Install Rough M.E.P. & Fire Protection 1st Floor	12 days	Mon 12/23/13	Tue 1/7/14	32SS+5 days
34	Install Permanent Power (National Grid)	7 days	Thu 2/27/14	Fri 3/7/14	23
35	Install Elevators	45 days	Mon 3/10/14	Fri 5/9/14	34
36	Install Interior MS Framing, Sound Clips & Dr. Frames 2nd Flr.	12 days	Wed 1/8/14	Thu 1/23/14	32
37	Install Rough M.E.P. & Fire Protection 2nd Floor	11 days	Tue 1/14/14	Tue 1/28/14	36SS+4 days
38	Install Interior MS Framing, Sound Clips & Dr. Frames 3rd Flr.	12 days	Tue 1/14/14	Wed 1/29/14	36SS+4 days
39	Install Rough M.E.P. & Fire Protection 3rd Floor	11 days	Mon 1/20/14	Mon 2/3/14	38SS+4 days
40	Install Interior MS Framing, Sound Clips & Dr. Frames 4th Flr.	12 days	Wed 2/5/14	Thu 2/20/14	38FS+4 days
41	Install Rough M.E.P. & Fire Protection 4th Floor	11 days	Tue 2/11/14	Tue 2/25/14	40SS+4 days
42	Install Interior MS Framing, Sound Clips & Dr. Frames 5th Flr.	12 days	Tue 2/11/14	Wed 2/26/14	40SS+4 days
43	Install Rough M.E.P. & Fire Protection 5th Floor	11 days	Mon 2/17/14	Mon 3/3/14	42SS+4 days
44	Install Interior MS Framing, Sound Clips & Dr. Frames 6th Flr.	12 days	Mon 2/17/14	Tue 3/4/14	42SS+4 days
45	Install Rough M.E.P. & Fire Protection 6th Floor	11 days	Fri 2/21/14	Fri 3/7/14	44SS+4 days
46	Install Laundry Chute	5 days	Mon 3/10/14	Fri 3/14/14	45
47	Install Building Insulation 1st through 6th floors.	25 days	Fri 1/24/14	Thu 2/27/14	36
48	Hang & Finish Drywall 1st through 6th Floors	50 days	Fri 2/28/14	Thu 5/8/14	47
49	Install Grid for ACT System 1st through 6th Flrs.	15 days	Wed 3/19/14	Tue 4/8/14	48SS+13 days
50	Install all Kitchen Equipment & Hoods	20 days	Fri 3/21/14	Thu 4/17/14	48SS+15 days
51	Install All Finish Trim and Fixtures all M.E.P. & Fire Protection	30 days	Wed 3/26/14	Tue 5/6/14	48SS+18 days
52	Install Automatic Doors & Exterior Glass Doors	2 days	Fri 4/18/14	Mon 4/21/14	50
53	Install Ceramic Tile 1st through 6th Floors	46 days	Fri 3/21/14	Fri 5/23/14	48SS+15 days
54	Install Paint & VWC 1st through 6th Floors	35 days	Fri 4/4/14	Thu 5/22/14	53SS+10 days
55	Hang Doors, Install Hardware & Elocks 1st through 6th Flrs	25 days	Tue 4/22/14	Mon 5/26/14	54SS+12 days
56	Install all Guest Bath Specialties & Glass B/R Doors	15 days	Tue 4/29/14	Mon 5/19/14	55SS+5 days
57	Drop Ceiling Tiles for ACT System	10 days	Tue 5/6/14	Mon 5/19/14	55SS+10 days
58	Install Pool Room Equipment, Fill Pool & Get DOH Inspections	5 days	Fri 6/6/14	Thu 6/12/14	48FS+20 days
59	Install all Millwork/Trim & Solid Surface (Granite)	25 days	Mon 4/21/14	Fri 5/23/14	54SS+11 days
60	Install Carpet & Temp Protection	25 days	Tue 5/20/14	Mon 6/23/14	57
61	Install Exterior Signage	5 days	Tue 4/22/14	Mon 4/28/14	52
62	Install Irrigation System & Landscaping	20 days	Mon 5/26/14	Fri 6/20/14	53
63	Install Asphalt Topping, Striping, Signage	6 days	Mon 7/7/14	Mon 7/14/14	12
64	Install F.F.E. & Signage 1st through 6th Floors	45 days	Tue 5/27/14	Mon 7/28/14	60SS+5 days
65	Punchlist	15 days	Tue 7/29/14	Mon 8/18/14	64
66	Final Inspections & Obtain Certificate of Occupancy	6 days	Tue 8/19/14	Tue 8/26/14	65
67	Franchise Inspections, On Site Training & Start-Up	8 days	Wed 8/27/14	Fri 9/5/14	66
68	Guest Occupany	1 day	Mon 9/8/14	Mon 9/8/14	67



Project: Hyatt Place
Date : 6.5.13

Task		Progress		Summary		External Tasks	
Split		Milestone		Project Summary		External Milestone	

Deadline

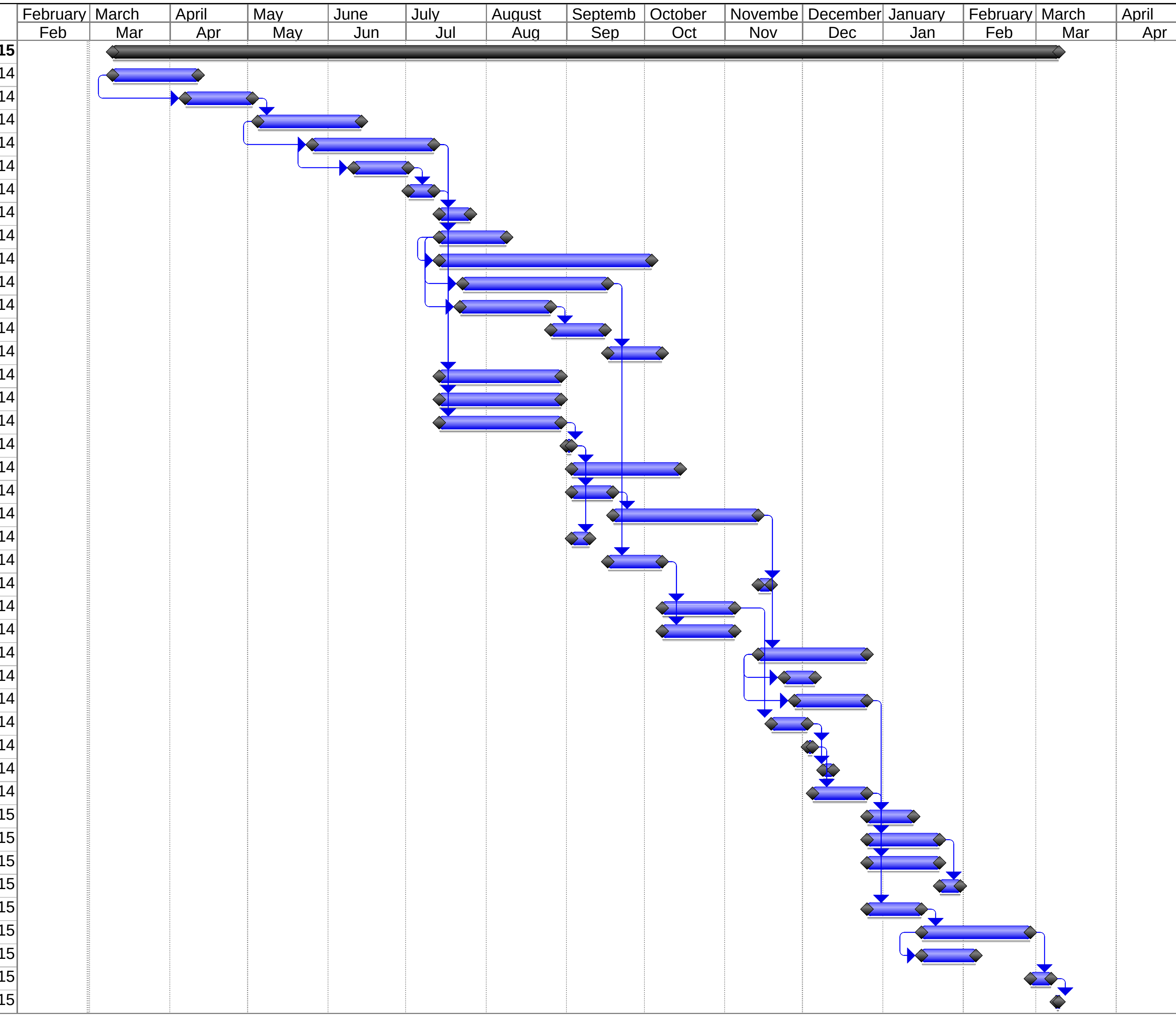
Preliminary Schedule Subject to Change.

Exhibit 12

Lord Amherst Hotel Project Schedule

Iskalo Development Corp.

ID	Task Name	Duration	Start	Finish
1	**Lord Amherst Hotel Renovation**	**261 days**	**Mon 3/10/14**	**Mon 3/9/15**
2	Bid Phase & Award Contracts	25 days	Mon 3/10/14	Fri 4/11/14
3	20 Day Asbestos Abatement Notification	20 days	Mon 4/7/14	Fri 5/2/14
4	**Abatement - Asbestos (Includes Air Monitoring) - START WORK ON SITE**	30 days	Mon 5/5/14	Fri 6/13/14
5	Selective Demo All Areas	35 days	Mon 5/26/14	Fri 7/11/14
6	Basement - Relocate columns - install new steel	15 days	Wed 6/11/14	Tue 7/1/14
7	Basement Fitness Area Underground Plumbing	8 days	Wed 7/2/14	Fri 7/11/14
8	Build Block Elevator Shaft	10 days	Mon 7/14/14	Fri 7/25/14
9	Remove Old Roof and Install new roofing/fascias/soffits/gutters	20 days	Mon 7/14/14	Fri 8/8/14
10	Sitework - Demo, Cuts & Fills, Lighting, Concrete, Paving, Irrigation, Landscaping	60 days	Mon 7/14/14	Fri 10/3/14
11	Rough Framing Wood /Metal Stud Sheathing (lobby, guestrooms, bsmt, exterior)	40 days	Wed 7/23/14	Tue 9/16/14
12	Remove & Replace All Window Units	25 days	Tue 7/22/14	Mon 8/25/14
13	Repair & Re-Point Exterior Brick Including Removals & In-Fills	15 days	Tue 8/26/14	Mon 9/15/14
14	Remove and replace all exterior trim includes install new trim per plans	15 days	Wed 9/17/14	Tue 10/7/14
15	M.E.P. Rough & firestopping (Incls. Replace Loop Piping)	35 days	Mon 7/14/14	Fri 8/29/14
16	Sprinkler System Rough-In	35 days	Mon 7/14/14	Fri 8/29/14
17	Rough Wiring for New Addressable Fire Alarm System	35 days	Mon 7/14/14	Fri 8/29/14
18	Rough MEP Inspections	2 days	Mon 9/1/14	Tue 9/2/14
19	Install Elevator	30 days	Wed 9/3/14	Tue 10/14/14
20	Insulation in new & existing partitions & DW new walls (close walls)	12 days	Wed 9/3/14	Thu 9/18/14
21	Hang & Finish All Drywall (Walls & Ceilings)	40 days	Fri 9/19/14	Thu 11/13/14
22	Insulation at Attic Space	5 days	Wed 9/3/14	Tue 9/9/14
23	Install new door frames	15 days	Wed 9/17/14	Tue 10/7/14
24	Install Laundry Chute	3 days	Fri 11/14/14	Tue 11/18/14
25	Spray all door frames & paint walls/ceilings	20 days	Wed 10/8/14	Tue 11/4/14
26	Install VWC at all areas	20 days	Wed 10/8/14	Tue 11/4/14
27	Install Ceramic Tile at Guest baths	30 days	Fri 11/14/14	Thu 12/25/14
28	Install new toilets at guest baths	10 days	Mon 11/24/14	Fri 12/5/14
29	Install bath vanities / granite / specialties in guest baths	20 days	Fri 11/28/14	Thu 12/25/14
30	Install ceiling grid	10 days	Wed 11/19/14	Tue 12/2/14
31	Above ceiling inspection	2 days	Wed 12/3/14	Thu 12/4/14
32	Install new automatic doors	4 days	Tue 12/9/14	Fri 12/12/14
33	Finish MEP & Fire Protection/Fire Alarm System (Install all fixtures/devices)	15 days	Fri 12/5/14	Thu 12/25/14
34	Install shower doors	12 days	Fri 12/26/14	Mon 1/12/15
35	Install carpet at guest rooms/common areas and hallways (last).	20 days	Fri 12/26/14	Thu 1/22/15
36	Install all standing and running wood trim	20 days	Fri 12/26/14	Thu 1/22/15
37	Install carpet protection	6 days	Fri 1/23/15	Fri 1/30/15
38	Install new millwork & granite lobby/panty/breakfast/conf. rm.	15 days	Fri 12/26/14	Thu 1/15/15
39	Install F.F. & E & Relocate Laundry Equipment	30 days	Fri 1/16/15	Thu 2/26/15
40	Punchlist	15 days	Fri 1/16/15	Thu 2/5/15
41	Final Inspections & Obtain Certificate of Occupancy	6 days	Fri 2/27/15	Fri 3/6/15
42	Open for Guest Occupancy	1 day	Mon 3/9/15	Mon 3/9/15



Project: Lord Amherst Renovation
Date: Fri 2/28/14

Task | Progress | Summary | External Tasks | Deadline
Split | Milestone | Project Summary | External Milestone

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Exhibit 13

Campus Budget Detail

Iskalo Hospitality Campus Development Budget

	Developer's Budget Projections				EB-5 Economic Analysis Categorization								
	Hyatt Place Hotel Development Budget	Lord Amherst Development Budget	Restaurant Development Budget	Total Development Budget	Hard Cost	Soft Cost	FF&E	Hard Construction Cost	Hard Renovation Cost	Hyatt Place Soft Cost	Lord Amherst & Rest Soft Cost	Hyatt Place FF&E	Lord Amherst & Rest FF&E
Land Acquisition	$2,250,000	$2,500,000	$825,000	$5,575,000	N	N							
Architects & Engineers	$475,000	$506,846	$75,000	$1,056,846	N	Y				$475,000	$581,846		
Construction Costs													
General Conditions	$865,387	$483,538	$2,000,000	$3,348,925	Y	N		$865,387	$2,483,538				
Demolition & Abatement		$568,957		$568,957	Y	N			$568,957				
Site Utilities, Site Work, Paving, Concrete, Lighting	$1,206,348	$545,711		$1,752,059	Y	N		$1,206,348	$545,711				
Landscaping & Irrigation	$132,040	$53,219		$185,259	Y	N		$132,040	$53,219				
Noise Barrier	$77,327			$77,327	Y	N		$77,327					
Retaining Wall	$140,448			$140,448	Y	N		$140,448					
Fencing at Retaining Wall	$32,649			$32,649	Y	N		$32,649					
Flowable Fill - Installed Under Foundation System	$94,364			$94,364	Y	N		$94,364					
Concrete Footers, Foundations, Piers & Slab on Grade (S.O.G.)	$165,385	$82,010		$247,395	Y	N		$165,385	$82,010				
Gypcrete Topping 2"	$157,662			$157,662	Y	N		$157,662					
Precast Hollow Core Plank (Floor System)	$794,580			$794,580	Y	N		$794,580					
Masonry - CMU, Brick	$1,127,688	$80,449		$1,208,137	Y	N		$1,127,688	$80,449				
Masonry Materials - Brick & Precast Stone Pieces	$194,119			$194,119	Y	N		$194,119					
Interior Granite & Vanity Tops		$183,478		$183,478	Y	N			$183,478				
Structural Steel	$560,880	$143,264		$704,144	Y	N		$560,880	$143,264				
Rough Carpentry - Labor & Materials	$117,420	$122,369		$239,789	Y	N		$117,420	$122,369				
Finish Carpentry, Exterior Trim - Labor & Materials		$420,779		$420,779	Y	N			$420,779				
Millwork (Common Area & Guest Rooms), Cabinetry, Solid Surfac	$432,801	$163,009		$595,810	Y	N		$432,801	$163,009				
Insulation	$62,307	$91,074		$153,381	Y	N		$62,307	$91,074				
Spray on Fireproofing	$64,692			$64,692	Y	N		$64,692					
Roofing - Shingles, EPDM, Hatches, Ladders, Copings	$198,258	$244,685		$442,943	Y	N		$198,258	$244,685				
Sealants & Caulking		$30,819		$30,819	Y	N			$30,819				
Doors, Frams, Hardware - Labor & Materials	$417,058	$392,408		$809,466	Y	N		$417,058	$392,408				
Electronic Locks	$62,130	$50,415		$112,545	Y	N		$62,130	$50,415				
Operable Partitions	$39,913			$39,913	Y	N		$39,913					
Automatic Doors	$15,201	$17,819		$33,020	Y	N		$15,201	$17,819				
Windows - Labor & Materials	$1,255,368	$232,861		$1,488,229	Y	N		$1,255,368	$232,861				
E.I.F.S.	$120,840			$120,840	Y	N		$120,840					
Metal Stud Framing, Drywall, ACT Ceilings, Sound Clips	$1,419,300	$447,669		$1,866,969	Y	N		$1,419,300	$447,669				
Flooring: Ceramic Tile, Carpet, Resilient, Epoxy	$541,044	$342,612		$883,656	Y	N		$541,044	$342,612				
Painting & VWC - Labor & Materials	$210,900	$189,459		$400,359	Y	N		$210,900	$189,459				
Specialties (Guest Bath & Common Area Bath)	$103,968	$27,058		$131,026	Y	N		$103,968	$27,058				
Interior & Exterior Building Signage		$67,295		$67,295	Y	N			$67,295				
Swimming Pool Repairs & Deck Replacement	$145,350	$50,526		$195,876	Y	N		$145,350	$50,526				
Linen Chute	$13,395	$5,543		$18,938	Y	N		$13,395	$5,543				
Elevator	$271,320	$79,722		$351,042	Y	N		$271,320	$79,722				
Fire Protection (Sprinkler)	$180,120	$123,658		$303,778	Y	N		$180,120	$123,658				
HVAC	$1,431,162	$949,637		$2,380,799	Y	N		$1,431,162	$949,637				
Plumbing & Shower Doors	$848,445	$503,055		$1,351,500	Y	N		$848,445	$503,055				
Electrical, Lighting, Cabling, Fire Alarm System	$1,513,526	$864,059		$2,377,585	Y	N		$1,513,526	$864,059				
Final Cleaning		$35,997		$35,997	Y	N			$35,997				
Subtotal	**$15,013,395**	**$7,593,154**	**$2,000,000**	**$24,606,549**									
FF&E													
Guestroom FF&E	$1,264,661	$971,200		$2,235,861	N	N	FF&E					$1,264,661	$971,200
Guestroom OS & E (Operating Supplies & Equipment)	$127,918	$110,000		$237,918	N	N	FF&E					$127,918	$110,000
Corridor FF&E	$93,795			$93,795	N	N	FF&E					$93,795	
Public Areas, Meeting Rooms & Gallery FFE & OSE	$231,810			$231,810	N	N	FF&E					$231,810	
Installation of FF&E	$219,514	$75,400		$294,914	Y	N		$219,514	$75,400				
Freight for FF&E	$178,850			$178,850	N	N	FF&E					$178,850	
Technology (Phone System, Computers, Software, TVs)	$344,690	$72,100		$416,790	N	N	FF&E					$344,690	$72,100
Kitchen & Café/Bar Equipment	$162,941			$162,941	N	N	FF&E					$162,941	
Commercial Laundry & HSKP OS&E	$67,007			$67,007	N	N	FF&E					$67,007	
Fitness Center Equipment and OS&E	$26,686	$25,900		$52,586	N	N	FF&E					$26,686	$25,900

Iskalo Hospitality Campus Development Budget

	Developer's Budget Projections				EB-5 Economic Analysis Categorization								
	Hyatt Place Hotel Development Budget	Lord Amherst Development Budget	Restaurant Development Budget	Total Development Budget	Hard Cost	Soft Cost	FF&E	Hard Construction Cost	Hard Renovation Cost	Hyatt Place Soft Cost	Lord Amherst & Rest Soft Cost	Hyatt Place FF&E	Lord Amherst & Rest FF&E
Maintenance Shop	$8,459			$8,459	N	N	FF&E					$8,459	
Misc (Van, Uniforms/Shoes, Pool Furniture, Break Rm Furn.)	$72,814	$315,400		$388,214	N	N	FF&E					$72,814	$315,400
Carpet & Pad	$87,215			$87,215	Y	N		$87,215					
Vinyl Wall Covering & Adhesive	$42,224			$42,224	Y	N		$42,224					
Ice Machines	$21,416			$21,416	N	N	FF&E					$21,416	
Subtotal	**$2,950,000**	**$1,570,000**		**$4,520,000**									
Legal, Closing, AIDA Fee and Title	$480,000	$135,000	$60,000	$675,000	N	Y				$480,000	$195,000		
Appraisal, Environmental & Inspections	$25,000	$15,000	$5,000	$45,000	N	Y				$25,000	$20,000		
Bank Fees	$180,000	$50,000	$10,000	$240,000	N	Y				$180,000	$60,000		
Developer Fee	$1,100,000	$630,000	$100,000	$1,830,000	Y	N		$1,100,000	$730,000				
Interest Reserve	$540,000	$300,000		$840,000	N	Y				$540,000	$300,000		
Total Project Cost	**$23,013,395**	**$13,300,000**	**$3,075,000**	**$39,388,395**				$16,462,348	$10,398,554	$1,700,000	$1,156,846	$2,601,047	$1,494,600

Exhibit 14

Hyatt Place Hotel "As-Built" Appraisal

VALUATION REPORT

PROPOSED AMHERST HYATT PLACE
5020 Main Street
Amherst, Erie County, NY 14221
CBRE, Inc. File No. 13-047NY-1660
Client Reference No. 13-001212-02

Adam Alessi, MAI
Chief Appraiser and Environmental Risk Officer
FIRST NIAGRA BANK, N.A.
726 Exchange Street, 9th Floor
Buffalo, NY 14210

CBRE

CBRE

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New York, NY 10119

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www.cbre.com

September 30, 2013

Adam Alessi, MAI
Chief Appraiser and Environmental Risk Officer
FIRST NIAGRA BANK, N.A.
726 Exchange Street, 9th Floor
Buffalo, NY 14210

RE: Appraisal of Proposed Amherst Hyatt Place
5020 Main Street
Amherst, Erie County, NY
CBRE File No 13-047NY-1660
Client Reference No 13-001212-02

Dear Mr. Alessi:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Self Contained Appraisal Report.

The subject is a proposed 137-room select service property currently under construction and expected to open in October 2014. The proposed hotel will be situated on a hospitality campus owned by the same ownership group that is developing the subject property and includes the Lord Amherst Hotel, an economy motor lodge that is open and operational, and a full-service restaurant with banquet facilities that was recently closed. The hospitality campus is situated on a 6.2-acre site in Amherst, Erie County, NY, and the subject occupies 3.3-acres of the campus. The site is located immediately west of Interstate 290, and is highly visible from that thoroughfare. The under construction property is to be operated as a Hyatt Place facility. The site is zoned for hotel development, and the developer's have received entitlements and all necessary approvals and permits to begin construction. The subject is more fully described, legally and physically, within the enclosed report.

The subject is under construction with the foundation complete and several of the first floor walls erected at the time of inspection, and is not stabilized. Therefore, we have also estimated the at completion of construction and at stabilized operation values.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION				
Appraisal Premise	**Interest Appraised**	**Date of Value**	**Exposure Time**	**Value Conclusion**
As Is	Fee Simple	September 23, 2013	9-12 months	$4,000,000
As Complete	Fee Simple	October 1, 2014	9-12 months	$23,500,000
As Stabilized	Fee Simple	October 1, 2016	9-12 months	$25,900,000
Compiled by CBRE				

The opinion(s) of market value include the contributory value of the furniture, fixtures, and equipment and are based on the assumption the hotel is open and will remain operational.

This report assumes that the subject will maintain a Hyatt Place affiliation. If the subject does not maintain a similar affiliation, it could have an impact on our concluded opinion(s) of market value.

This appraisal assumes that prior to commencing operations (the date of completion), an adequate and appropriate pre-opening sales and marketing program was implemented.

Extraordinary Assumptions: The prospective values in this report assume that the subject's construction will be completed in the time period indicated and according to the type and quality indicated. Should estimates vary then we reserve the right of amend the value conclusions accordingly. It is also assumed that the site is free of environmental contamination.

There are no hypothetical conditions associated with this analysis.

Data, information, and calculations leading to the value conclusion are incorporated in the report following this letter. The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and CBRE will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES

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Managing Director
NY State Certification #46-26005

Phone: 212-207-6106
Fax: 212-207-6069
Email: Helene.jacobson@cbre.com

CERTIFICATION OF THE APPRAISAL

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal, as well as the requirements of the State of NY.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Jeffrey Mayer has not and Edward R. Eschmann, MAI and Helene Jacobson, MAI have completed the continuing education program of the Appraisal Institute.
11. As of the date of this report, Jeffrey Mayer has not completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.
12. Jeffrey Mayer and Edward R. Eschmann, MAI have, and Helene Jocobson, MAI has not made a personal inspection of the property that is the subject of this report.
13. No one provided significant real property appraisal assistance to the persons signing this report.
14. Valuation & Advisory Services operates as an independent economic entity within CBRE. Although employees of other CBRE divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.
15. Jeffrey Mayer, Edward R. Eschmann, MAI, and Helene Jacobson, MAI have not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Edward Eschmann, MAI
NY State Certification #46-2842

Jeff Mayer
Appraiser

Helene Jacobson, MAI
NY State Certification #46-26005

SUBJECT PHOTOGRAPHS

AERIAL VIEW – SUBJECT SITE INDICATED BY ARROW

CURRENT VIEW OF SITE

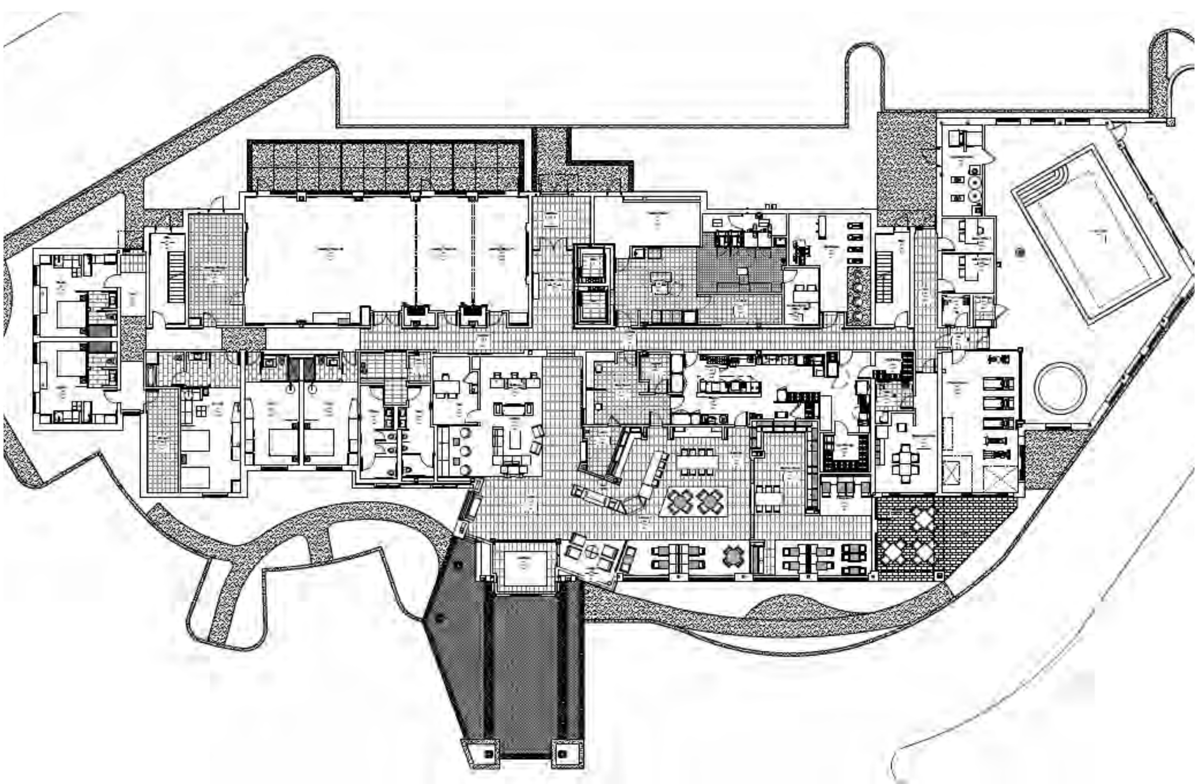
TYPICAL VIEW OF A HYATT HOUSE (NOT THE SUBJECT)

TYPICAL VIEW OF HYATT HOUSE LOBBY (NOT THE SUBJECT)

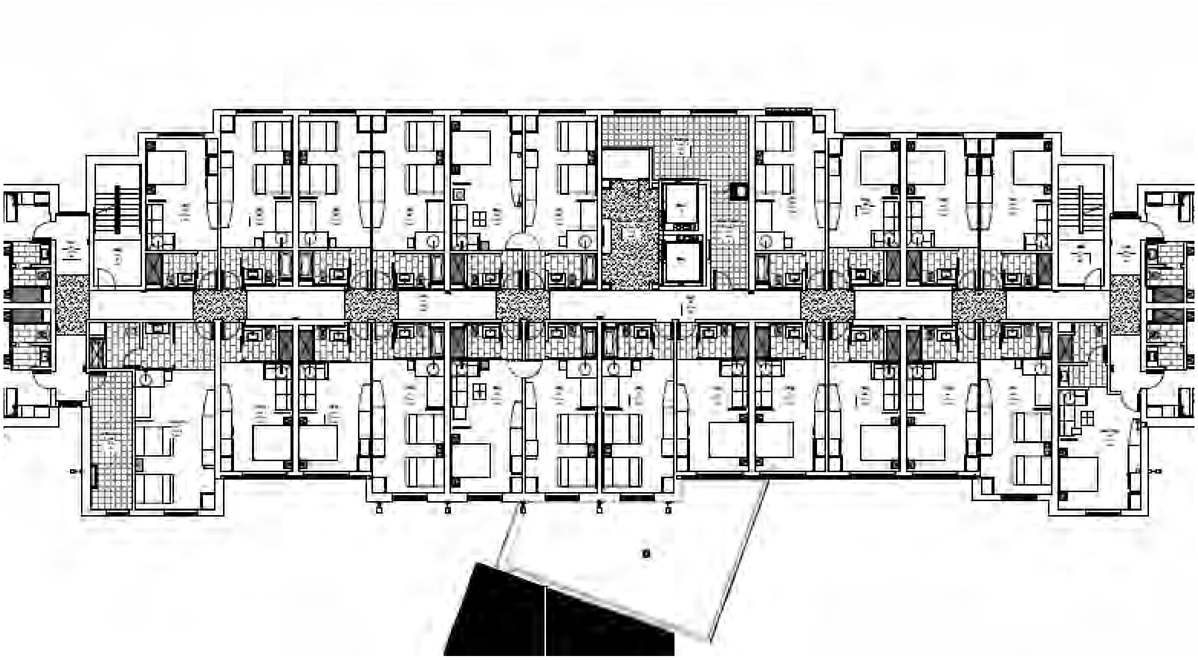
VIEW OF TYPICAL GUESTROOM (NOT THE SUBJECT)

VIEW OF TYPICAL RESTAURANT (GALLERY - NOT THE SUBJECT)

VIEW OF A TYPICAL BAR AND MARKET (GRAB-N-GO - NOT THE SUBJECT)



GROUND FLOOR FLOORPLAN



FLOORPLAN OF TYPICAL GUESTROOM FLOOR

SUMMARY OF SALIENT FACTS

Property Name	Proposed Amherst Hyatt Place	
Location	5020 Main Street, Williamsville, NY	
Assessor's Parcel Number	Part of 80.06-7-9.111	
Highest and Best Use		
As Though Vacant	Hotel	
As Improved	Hotel	
Property Rights Appraised	Fee Simple	
Land Area	3.30 AC	143,748 SF
Improvements		
Number of Buildings	1	
Number of Stories	6	
Gross Building Area	88,711 SF	
Number of Rooms	137	
Restaurant/Lounge	Gallery Menu & Market	
Meeting Space	Yes - 3 rooms	
Property Amenities	Restaurant, lounge, indoor pool, fitness center, business center, market pantry, meeting space	
Year Built	2014	
Condition	Excellent	
Estimated Exposure Time	9 - 12 months	
Financial Indicators		
Projected Year 1 Occupancy	69.0%	
Stabilized Occupancy	75.0%	
Estimated Stabilization	Oct-16	
Projected Year 1 Average Daily Rate	$137.87	
Stabilized Average Daily Rate	$157.63	
Projected Inflation Rates	ADR	Expenses
Year 1	4.0%	3.0%
Year 2	3.5%	3.0%
Year 3	3.0%	3.0%
Stabilized	3.0%	3.0%
Going-In Capitalization Rate	9.00%	
Terminal Capitalization Rate	9.50%	
Discount Rate	11.00%	

Year 1 Operating Data	Total	Per Room
Total Revenue	$5,001,359	$36,506
Operating Expenses	$3,223,796	$23,531
Expense Ratio	64.46%	
Net Operating Income (EBITDA)	$1,777,562	$12,975
Stabilized Operating Data - Year 3	**Total**	**Per Room**
Total Revenue	$6,189,139	$45,176
Operating Expenses	$3,833,194	$27,980
Expense Ratio	61.93%	
Net Operating Income (EBITDA)	$2,355,944	$17,197

VALUATION PREMISE	DATE OF VALUE	TOTAL	PER ROOM
As Is Analysis	September 23, 2013		
Land Value		$4,000,000	
As Complete Analysis	October 1, 2014		
Cost Approach		$25,300,000	$184,672
Sales Comparison Approach		N/A	N/A
Income Capitalization Approach		$23,500,000	$171,533
As Stabilized Analysis	October 1, 2016		
Income Capitalization Approach		$25,900,000	$189,051
Insurable Value		$17,900,000	$130,657

CONCLUDED MARKET VALUE			
Appraisal Premise	**Interest Appraised**	**Date of Value**	**Value**
As Is	Fee Simple	September 23, 2013	$4,000,000
As Complete	Fee Simple	October 1, 2014	$23,500,000
As Stabilized	Fee Simple	October 1, 2016	$25,900,000
Compiled by CBRE			

The opinion(s) of market value include the contributory value of the furniture, fixtures, and equipment and are based on the assumption the hotel is open and will remain operational.

This report assumes that the subject will maintain a Hyatt Place affiliation. If the subject does not maintain a similar affiliation, it could have an impact on our concluded opinion(s) of market value.

This appraisal assumes that prior to commencing operations (the date of completion), an adequate and appropriate pre-opening sales and marketing program was implemented.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

Strengths and weaknesses are internal to the subject; opportunities & threats are external to the subject

STRENGTHS

- The subject's location proximate to several leisure and corporate demand generators including Main Street business parks, event venues, the University of Buffalo – North Campus, Buffalo International Airport, Walden Galleria Mall and other Main Street retail;
- The subject's access to I-90 and I-290;
- The subject will have ample parking space;
- The subject will be adjacent to a full service restaurant and banquet facility at the Lord Amherst Hotel;
- The subject will be newly built with a scheduled opening for October 2014;

WEAKNESSES

- The subject's brand is less known than other brands within its competitive set in other markets;

OPPORTUNITIES

- Disposable income within a 1-mile radius of the subject is considered above average for the MSA;
- Steady supply of well-educated workers;
- Create consumer and industry awareness of product;

THREATS

- Decreasing local population;
- Low barriers to entry.

EXTRAORDINARY ASSUMPTIONS

An *extraordinary assumption* is defined as "an assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis." [1]

- Extraordinary Assumptions: The prospective values in this report assume that the subject's construction will be completed in the time period indicated and according to the type and quality indicated. Should estimates vary then we reserve the right of amend the value conclusions accordingly. It is also assumed that the site is free of environmental contamination.

HYPOTHETICAL CONDITIONS

A *hypothetical condition* is defined as "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about

[1] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute, 2010), 73.

physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." [2]

- There are no hypothetical conditions associated with this analysis.

[2] *Dictionary of Real Estate Appraisal*, 97.

TABLE OF CONTENTS

INTRODUCTION

PROPERTY IDENTIFICATION

The subject is a proposed 137-room select service property currently under construction and expected to open in October 2014. The proposed hotel will be situated on a hospitality campus owned by the same ownership group that is developing the subject property and includes the Lord Amherst Hotel, an economy motor lodge that is open and operational, and a full-service restaurant with banquet facilities that was recently closed. The hospitality campus is situated on a 6.2-acre site in Amherst, Erie County, NY, and the subject occupies 3.3-acres of the campus. The site is located immediately west of Interstate 290, and is highly visible from that thoroughfare. The under construction property is to be operated as a Hyatt Place facility. The subject's street address is 5020 Main Street.

OWNERSHIP AND PROPERTY HISTORY

The subject property will be situated on a site that was excess land behind the Lord Amherst Hotel. The site was acquired by the Iskalo Development Corporation from the Genrich Family as part of the Lord Amherst Hotel sale. The Lord Amherst Hotel has an attached restaurant that until its closing in August 2013 was operated by a third party known as the Sonoma Grille. The operator of the restaurant had an option in his lease that if the property sold he would have a "right of first refusal" at the exact terms of the purchase agreement. The restaurant operator sold the right of first refusal option to Iskalo Development Corporation for a reported price of $500,000 in early 2011. In May of 2011, the Genrich Family reached an agreement to sell the hotel and the excess land to a different development group, at which point Iskalo Development Corp. exercised its right of first refusal option and purchased the property for the contracted price of $3,500,000, bringing the total acquisition price to $4,000,000 not including closing and legal costs. Iskalo Development legally separated the land into two parcels for tax purposes, one for the Lord Amherst Hotel and one for the subject property, ascribing a value of $2,200,000 to the subject site. That value represents the land and added value of entitlements for hotel development. We confirmed the parcel separation with local sources, but were unable to support the value allocation.

The contract price of $3,500,000 appears to have been arm's length and reasonable based upon interviews with the subject ownership. To the best of our knowledge, there has been no other ownership transfer of the property during the previous three years.

PREMISE OF THE APPRAISAL/RELEVANT DATES

The following table illustrates the various dates associated with the valuation of the subject, the valuation premise(s) and the rights appraised for each premise/date:

PREMISE OF THE APPRAISAL/RELEVANT DATES	
Date of Report:	September 30, 2013
Date of Inspection:	September 23, 2013
Dates of Value	
As Is	September 23, 2013
As Complete	October 1, 2014
As Stabilized	October 1, 2016
Compiled by CBRE	

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the subject property. The current economic definition agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [3]

TERMS AND DEFINITIONS

The Glossary of Terms in the Addenda provides definitions for terms that are, and may be used in this appraisal.

INTENDED USE OF REPORT

This appraisal is to be used for loan underwriting and/or credit decisions by First Niagara Bank and/or its participants, and no other use is permitted.

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[3] Office of Comptroller of the Currency (OCC), 12 CFR Part 34, Subpart C – Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. (Chicago: Appraisal Institute, 2002), 177-178. This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value as well as the updated Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

INTENDED USER OF REPORT

This appraisal is to be used by First Niagara Bank and participants as part of a structured financing package in which First Niagara Bank is the agent (Note: First Niagara Bank and M&T Bank will be participants), and no other user may rely on our report unless as specifically indicated in the report.

> *Intended Users* - the intended user is the person (or entity) who the appraiser intends will use the results of the appraisal. The client may provide the appraiser with information about other potential users of the appraisal, but the appraiser ultimately determines who the appropriate users are given the appraisal problem to be solved. Identifying the intended users is necessary so that the appraiser can report the opinions and conclusions developed in the appraisal in a manner that is clear and understandable to the intended users. Parties who receive or might receive a copy of the appraisal are not necessarily intended users. The appraiser's responsibility is to the intended users identified in the report, not to all readers of the appraisal report. [4]

SCOPE OF WORK

The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered and analysis is applied, all based upon the following problem-identifying factors stated elsewhere in this report:

- Client
- Intended use
- Intended user
- Type of opinion
- Effective date of opinion
- Relevant characteristics about the subject
- Assignment conditions

This appraisal of the subject has been presented in the form of a Self-Contained Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. That is, this report incorporates, to the fullest extent possible, practical explanation of the data, reasoning and analysis that were used to develop the opinion of value. This report also includes thorough descriptions of the subject and the market for the property type. CBRE completed the following steps for this assignment:

[4] Appraisal Institute, *The Appraisal of Real Estate*, 13th ed. (Chicago: Appraisal Institute, 2008), 132.

Data Resources Utilized in the Analysis

RESOURCE VERIFICATION	
Site Data	Source/Verification:
Size	Site Plans
Improved Data	Source/Verification:
Gross Size/Rooms	Property Management
Net Size/Rooms	Property Management
Area Breakdown/Use	Property Management
No. Bldgs.	Property Management
Seating Capacity	Property Management
Parking Spaces	Property Management
YOC	Property Management
Economic Data	Source/Verification:
Deferred Maintenance:	Property Management
Building Costs:	Property Management
Income Data:	Property Management
Expense Data:	Property Management

Compiled by CBRE

Extent to Which the Property is Identified

CBRE collected the relevant information about the subject from the owner (or representatives), public records and through an inspection of the subject. The property was identified through its postal address, assessor's records, legal description and title report. Economic characteristics of the subject were identified via an analysis of budgeted average daily room rate and occupancy analysis, market mix analysis, and proforma operating statements.

Extent to Which the Property is Inspected

The subject is currently under construction with foundation work complete and several of the first floor walls erected. The site was personally inspected. The details of the proposed improvements were obtained from the developer's project description.

Type and Extent of the Data Researched

CBRE reviewed the micro and/or macro market environments with respect to physical and economic factors relevant to the valuation process. This process included interviews with regional and/or local market participants, available published data, and other various resources. CBRE also conducted regional and/or local research with respect to applicable tax data, zoning requirements, flood zone status, demographics, income and expense data, and comparable listing, sale and comparable hotel market information.

Type and Extent of Analysis Applied

CBRE analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. Approaches to value used include Cost Approach and Income Capitalization Approach. The steps required to complete each approach are discussed in the Methodology Section. CBRE then correlated and reconciled the results into a reasonable and defensible value conclusion, as defined herein. A reasonable exposure time and marketing time associated with the value estimate presented has also been concluded.

SPECIAL APPRAISAL INSTRUCTIONS

There have been no special appraisal instructions for this assignment.

EXPOSURE/MARKETING TIME

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure periods for comparable sales used in this appraisal;
- marketing time information from the PwC Real Estate Investor Survey; *and*
- the opinions of market participants.

The information derived from these sources is presented as follows:

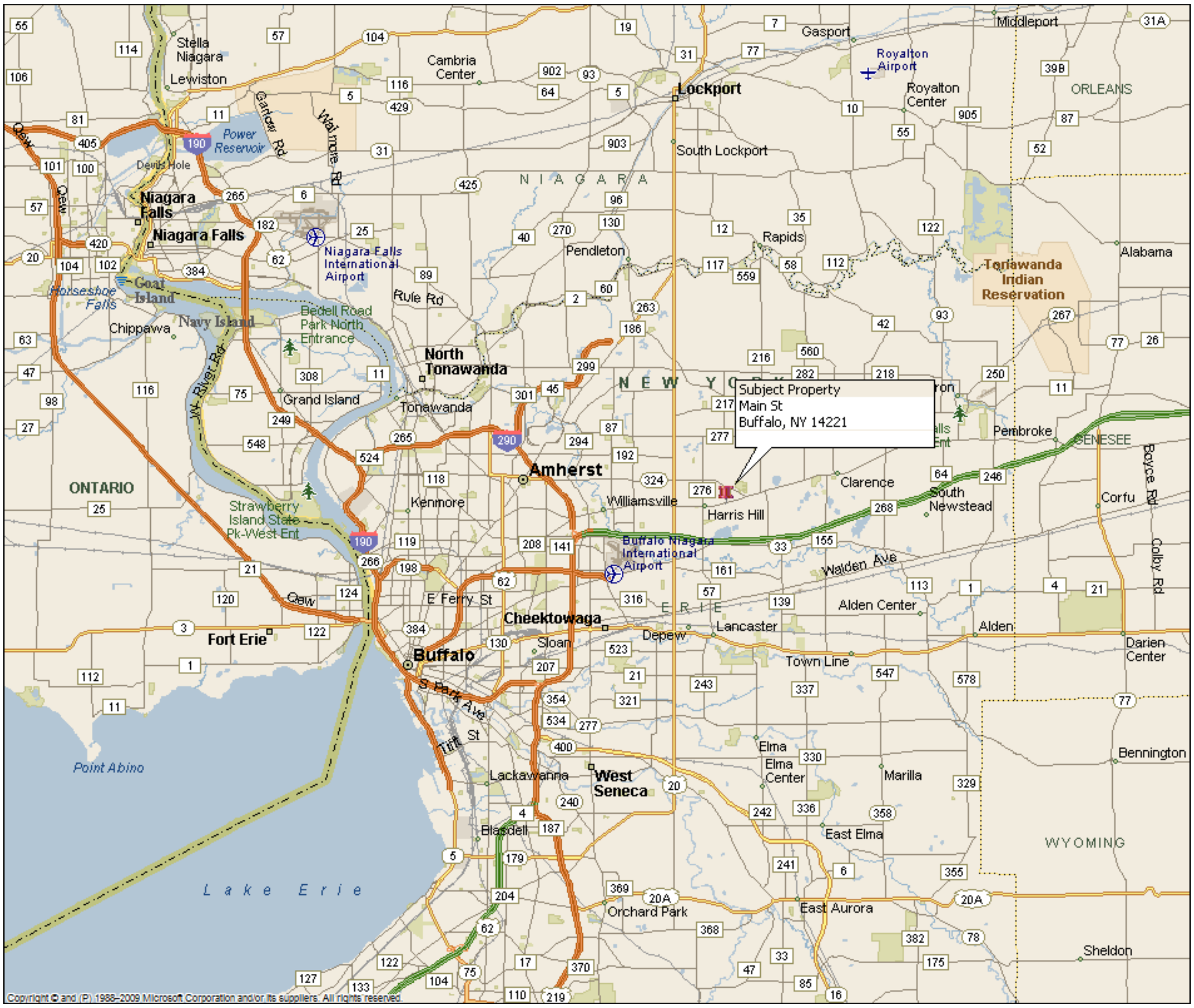
EXPOSURE TIME INFORMATION

Investment Type	Exposure Time (Months) Range	Average
Comparable Sales Data	3.0 - 9.0	6.0
PwC Survey: 1st Qtr. 2013		
Luxury	2.0 - 20.0	8.0
Full Service	3.0 - 24.0	9.1
Limited Service	2.0 - 12.0	7.7
Select Service	2.0 - 12.0	6.9
CBRE Estimate	**9-12 months**	

Source: PwC Real Estate Investment Survey

An exposure/marketing time of 9-12 months or less would be considered reasonable for the subject. This reflects current economic conditions, current real estate investment market conditions, the terms and availability of financing for real estate acquisitions, and property and market-specific factors. It assumes that the subject is (or has been) actively and professionally marketed. The marketing/exposure time would apply to all valuation premises included in this report.

AREA ANALYSIS



LOCATION

The subject property is located in the town of Amherst, which is part of the Buffalo-Niagara Falls, NY MSA. The Buffalo-Niagara Falls MSA is comprised of Erie and Niagara counties, which together contain roughly 35 towns.

POPULATION

The following statistics are available through the U.S. Census Bureau. Projections are based upon the 2010 census, and are applied to an urban growth simulation model. Historical population statistics for Erie County, the Buffalo-Niagara Falls MSA, and the state of New York are summarized as follows:

SELECTED AREA DEMOGRAPHICS	Erie	Buffalo-Niagara Falls, Ny	New York
Population			
2018 Population	914,933	1,129,291	19,851,333
2013 Population	916,395	1,131,755	19,560,723
2010 Population	919,040	1,135,509	19,378,102
2000 Population	950,263	1,170,109	18,976,447
Growth 2013 - 2018	-0.03%	-0.04%	0.30%
Growth 2000 - 2013	-0.02%	-0.03%	0.07%
Growth 1990 - 2000	-0.33%	-0.30%	0.21%
Households			
2018 Households	387,014	478,263	7,544,449
2013 Households	384,769	475,653	7,408,730
2010 Households	383,164	473,720	7,317,755
2000 Households	380,871	468,718	7,056,878
Growth 2013 - 2018	0.12%	0.11%	0.36%
Growth 2000 - 2013	0.03%	0.03%	0.10%
Growth 1990 - 2000	0.06%	0.11%	0.36%
2013 Median HH Inc	$47,543	$47,194	$55,221
2013 Estimated Average Household Income	$63,203	$62,505	$81,625
2013 Estimated Per Capita Income	$26,537	$26,270	$30,916
2013 Median Value of all Owner-Occ HUs	$126,272	$121,995	$261,873
Age 25+ College Graduates - 2010	187,099	218,039	4,320,611
Age 25+ Percent College Graduates - 2013	29.7%	28.0%	32.4%

Source: Claritas

The information above shows a slightly declining trend of the population within the Buffalo MSA and for Erie County. Between 2000 and 2013, the population in the county decreased by .02%, while the MSA's population declined by .03%. The number of households has been recently increasing for the past two decades in Erie County and is expected to continue this trend into the future. The number of households in both the MSA and Erie County are not projected to be affected by the declining population. The population and the number of households within Erie County and the Buffalo-Niagara Falls MSA are expected to continue to underperform the state over the next five years.

TRANSPORTATION

An extensive transportation network serves the subject's area. The major roadways that provide access to the county include the New York Throughway, Interstates 90, 190 & 290 (I-90, I-190 & I-290), The Skyway (Route 5), and Route 33. Interstate 90 is a major Federal highway that originates in Boston, Massachusetts, and passes through Syracuse, Albany, and just south of Rochester New York before reaching Buffalo. This Interstate also traverses across country ending up in Seattle, Washington. Interstates 190 and 290 are extensions off I-90 designed to traverse around the city of Buffalo. Interstate 190 is located around the western edge of the city and I-290 traverses along the eastern edge of the city. The Skyway (Route 5) traverses along Lake Erie from the City of Buffalo to the western border of Pennsylvania. Route 33 provides convenient access from the City of Buffalo to the Greater Buffalo International Airport. The subject property is located less than one mile from I-90 and within two miles from I-190.

Air transportation is available to the region by the Greater Buffalo International Airport, approximately 6 miles east of Buffalo's central business district. Rail transportation is provided to the county by the Niagara Frontier Transportation Authority (NFTA). Amtrak provides passenger rail service as well. Further, as the nearby City of Buffalo is situated at the eastern edge of Lake Erie, just south of Niagara River, the city of Buffalo is an attractive shipping port. NFTA-Metro provides bus service throughout the subject county. An NFTA-Metro bus stop is located at the subject property, which is located along the Broadway Route (Route #4).

EMPLOYMENT

The following chart outlines total employment and the composition of the different employment industries in the Buffalo-Niagara Falls area. The figures shown below reflect the historical employment between 2002 and 2012.

ANNUAL EMPLOYMENT BY INDUSTRY
BUFFALO-NIAGARA FALLS, NY 2002-2012 (000's)

Industry	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Avg. Ann. Growth	Total % Change
Goods Producing	***92.1***	***87.6***	***86.2***	***83.4***	***82.0***	***79.9***	***78.2***	***69.7***	***68.5***	***71.6***	***70.8***	***-2.31%***	***-23.13%***
Construction	20.5	19.9	20.5	20.0	20.1	20.0	20.7	19.4	18.9	20.1	19.5	***-0.49%***	***-4.88%***
Manufacturing	71.6	67.7	65.7	63.4	61.9	59.9	57.5	50.3	49.6	51.5	51.3	***-2.84%***	***-28.35%***
Service Producing	***455.6***	***457.7***	***461.9***	***463.5***	***464.3***	***476.8***	***474.1***	***468.2***	***469.8***	***471.1***	***476.3***	***0.45%***	***4.54%***
Trade, Transportation & Utilities	104.7	102.7	102.5	103.4	102.8	103.6	103.0	98.5	97.8	98.2	100.6	***-0.39%***	***-3.92%***
Information	10.6	9.9	9.8	9.6	9.1	8.5	8.5	8.2	7.8	7.6	7.7	***-2.74%***	***-27.36%***
Financial Activities	33.2	33.9	34.2	34.4	34.8	33.4	32.8	31.5	30.5	31.4	32.0	***-0.36%***	***-3.61%***
Prof. & Business Services	62.5	63.4	65.1	66.6	68.4	79.0	72.6	70.8	71.6	72.0	73.5	***1.76%***	***17.60%***
Educational & Health Services	81.6	83.0	84.7	85.1	85.3	85.6	87.7	89.3	91.2	91.6	92.3	***1.31%***	***13.11%***
Leisure & Hospitality	47.2	47.0	47.4	47.7	47.6	49.1	50.2	50.2	52.5	52.7	55.1	***1.67%***	***16.74%***
Other Services	23.1	23.0	23.1	22.9	22.9	23.3	23.9	24.1	23.4	23.2	23.3	***0.09%***	***0.87%***
Government	92.7	94.8	95.1	93.8	93.4	94.3	95.4	95.6	95.0	94.4	91.8	***-0.10%***	***-0.97%***
Total Employment	***547.7***	***545.3***	***548.1***	***546.9***	***546.3***	***556.7***	***552.3***	***537.9***	***538.3***	***542.7***	***547.1***	***-0.01%***	***-0.11%***
Employment Change													
Goods Producing	1234.8%	-4.9%	-1.6%	-3.2%	-1.7%	-2.6%	-2.1%	-10.9%	-1.7%	4.5%			
Service Producing	1201.7%	0.5%	0.9%	0.3%	0.2%	2.7%	-0.6%	-1.2%	0.3%	0.3%			
Total Employment	1207.2%	-0.4%	0.5%	-0.2%	-0.1%	1.9%	-0.8%	-2.6%	0.1%	0.8%			

Source: US Bureau of Labor Statistics

The table presented above indicates that annual employment in the area has declined by 0.01% per year during the period between 2002 and 2012. Employment fell sharply in 2009 as national economic conditions worsened. The area is predominantly a service oriented economy, with just over 87.0% of the current employment within the services producing sector. Between 2002 and 2012, the services producing sectors experienced average annual growth of 0.45%, while the goods producing sectors declined by an annual average of 2.31%. As indicated by these figures, increases in the services sectors have not been able to offset declines in the goods producing sectors of the economy. This trend is expected to continue as technological breakthroughs continue to occur, thus reducing the amount of labor required in many fields. Many manufacturing jobs are also being exported to other regions in the nation and the world.

The following table illustrates the employment character of the Buffalo-Niagara Falls MSA, with the majority of the population holding Government, Educational & Health services, and Trade, Transportation, & Public Utilities related jobs.

NON-AGRICULTURAL INSURED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
July 2012 to 2013 Comparison - Not Seasonally Adjusted
BUFFALO-NIAGARA FALLS, NY MSA

INDUSTRY	*Average Employment July 2012 (000's)*	*SHARE*	*Average Employment July 2013 (000's)****	*SHARE*	*CHANGE*
Construction and Mining	21.5	4.0%	20.9	3.8%	-2.8%
Manufacturing	51.7	9.5%	50.8	9.2%	-1.7%
T.T.C.P.U.*	100.1	18.4%	101.1	18.4%	1.0%
Information	7.8	1.4%	7.4	1.3%	-5.1%
F.I.R.E.**	32.5	6.0%	32.5	5.9%	0.0%
Professional & Business Services	75.4	13.9%	77.2	14.0%	2.4%
Educational & Health Services	88.4	16.2%	91.9	16.7%	4.0%
Leisure & Hospitality	56.1	10.3%	59.7	10.8%	6.4%
Other Services	23.4	4.3%	23.6	4.3%	0.9%
Government	87.3	16.0%	85.7	15.6%	-1.8%
TOTALS	544.2	100.0%	550.8	100.0%	1.2%

* *Trade,Transportation, & Public Utilities*

** *Finance/Insurance/Real Estate*

*** *Preliminary*

Source: NYS Departmet of Labor; Compiled by CBRE, Inc.

The following chart summarizes the current and historical unemployment rates for the Buffalo-Niagara Falls MSA and New York State.

HISTORICAL UNEMPLOYMENT RATE COMPARISON BY MSA, STATE, and US			
Year	Buffalo-Niagra	New York	US
Jul-13	7.4%	7.6%	7.7%
Jul-12	8.9%	8.9%	8.6%
2012	8.5%	8.5%	8.1%
2011	8.0%	8.2%	8.9%
2010	8.5%	8.6%	9.6%
2009	8.4%	8.3%	9.3%
2008	5.9%	5.4%	5.8%
2007	4.9%	4.6%	4.6%
2006	5.1%	4.6%	4.6%
2005	5.3%	5.0%	5.1%
2004	5.8%	5.8%	5.5%
2003	5.9%	6.4%	6.0%
2002	5.6%	6.2%	5.8%
2001	4.9%	4.9%	4.7%
2000	4.3%	4.5%	4.0%

Source: Bureau of Labor Statistics
Compiled by CBRE, Inc.

The most recent monthly unemployment data indicates an increase over the same time period of the prior year. Unemployment rates rose dramatically in 2009 due to the national recession and are slow to show improvements the following years. The current unemployment rate in the Buffalo Metro is slightly lower than the State and the nation.

ECONOMY.COM

Moody's Economy.com provides the following Buffalo, NY metro area economic summary as of May-13. The full Moody's Economy.com report is presented in the Addenda.

BUFFALO, NY - ECONOMIC ANALYSIS												
Indicators	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Gross Metro Product (C$B)	55.3	55.5	55.1	53.6	55.5	55.8	55.7	56.4	57.4	59.5	61.3	62.7
% Change	*3.1*	*0.4*	*-0.8*	*-2.7*	*3.6*	*0.5*	*-0.1*	*1.2*	*1.7*	*3.7*	*3.0*	*2.3*
Total Employment (000)	546.1	547.7	552.5	538.0	537.9	543.2	547.7	551.7	556.8	570.3	581.1	586.2
% Change	*-0.1*	*0.3*	*0.9*	*-2.6*	*0.0*	*1.0*	*0.8*	*0.7*	*0.9*	*2.4*	*1.9*	*0.9*
Unemployment Rate	5.1	4.9	5.9	8.4	8.5	8.1	8.5	8.4	7.9	6.8	6.2	5.8
Personal Income Growth	5.2	6.2	4.8	-1.5	4.2	4.4	2.2	2.7	5.6	7.4	6.9	5.1
Population (000)	1,141.7	1,137.7	1,136.4	1,135.4	1,135.6	1,135.5	1,134.2	1,132.2	1,130.6	1,128.8	1,127.0	1,125.4
Single-Family Permits	1,473.0	1,388.0	1,017.0	993.0	1,037.0	790.0	898.6	1,158.4	1,842.7	2,225.6	2,237.5	2,017.5
Multifamily Permits	550.0	544.0	527.0	374.0	461.0	525.0	781.3	819.7	841.2	793.5	667.7	577.5
Existing-Home Price ($Ths)	98.4	102.6	106.2	111.1	120.7	118.5	126.6	137.5	144.2	149.4	153.0	157.5
Mortgage Originations ($Mil)	2,685.7	2,743.1	2,172.4	2,985.3	2,138.6	3,250.2	4,115.0	3,219.8	2,815.1	2,891.0	3,000.2	3,534.7
Net Migration (000)	-6.6	-4.4	-2.0	-1.6	-0.3	0.2	-1.1	-2.6	-2.4	-3.0	-3.0	-2.9
Personal Bankruptcies	3,222.0	4,048.0	4,241.0	4,578.0	4,236.0	3,436.0	3,061.0	2,564.6	2,244.9	2,350.5	2,455.7	2,859.9

Source: Moody's Economy.com

RECENT PERFORMANCE

Buffalo's road to a full recovery has been made more difficult by local government fiscal problems and renewed weakness in manufacturing. The private sector has recouped nearly all of the jobs lost during the recession, but cuts in federal and local government payrolls are holding back a full labor market recovery. Consumer and tourism-related industries are doing the best along with healthcare and education; financial services are the sore thumb of the service sector.

Export growth is picking up again despite the strengthening of the U.S. dollar against the Canadian dollar, but this has not yet led to much job growth in trade-related industries. The housing market is doing fine: Prices are appreciating slowly and foreclosures are not much of an issue.

FINANCE

Buffalo's financial services industry will grow in fits and starts over the next year. The metro area is the banking hub of western New York, and First Niagara's purchase of HSBC branches throughout the region has prompted consolidation in the industry. Bank of America will close a mortgage processing office in Buffalo, laying off about 1,300 workers. M&T Bank has agreed to take over the lease and hire about 600 of the 1,300 workers. Still, the cutbacks will partially offset Geico's plans to add 1,000 employees at its local headquarters in 2013.

Finance has become a more important specialization of Buffalo over the last couple years, but this is likely a temporary phenomenon; longer term, population declines in western New York may force a downsizing there as the industry becomes too saturated for the shrinking population.

TOURISM

Leisure/hospitality, retail and trade, particularly with Canada, have been the backbones of the recovery to date, and these industries will continue to drive growth this year and next. The exchange rate with the Canadian dollar is expected to turn more favorable for cross-border shopping and trade over the near term. In addition, with air travel becoming more expensive and less convenient, Niagara Falls is an attractive drive-to option. Buffalo also hopes to attract more international visitors as a result of the federally funded nonprofit Brand USA tourism campaign, which will include the region as one of its targeted markets.

ALL IN

Buffalo's casinos are also a draw and a newly agreed-to pact with the Seneca nation will allow the state and Buffalo-area cities to collect back revenue payments. Governor Andrew Cuomo has also decided against locating any new private casinos in western New York. This is good for the Senecas, since it limits competition, but somewhat of a loss for the Buffalo economy, which would have benefited from the jobs a new casino brings.

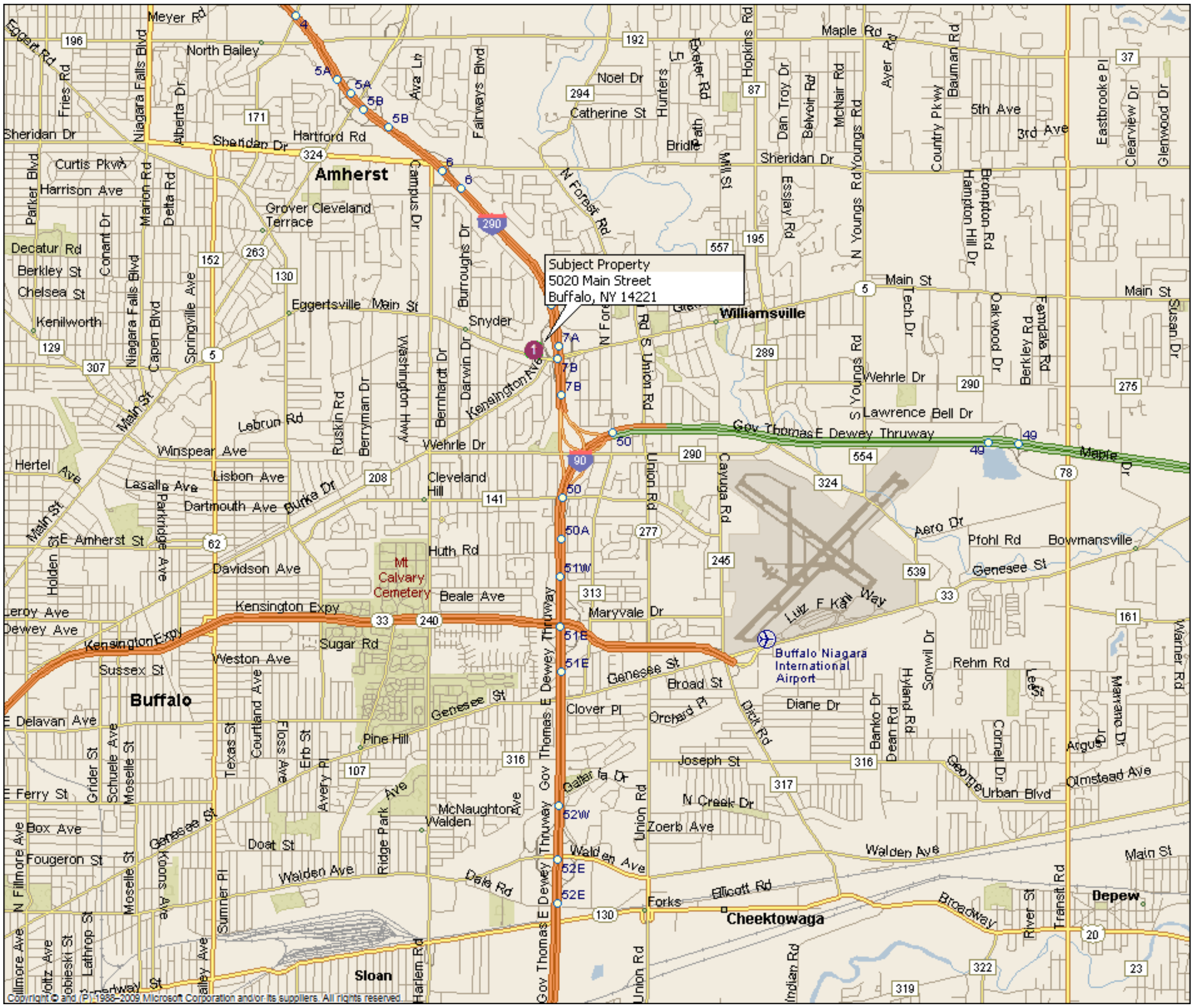
POTENTIAL

The governor's new plan to create tax-free zones on and around SUNY campuses could stimulate greater private sector investment in Buffalo, which has the largest of the SUNY schools in the University at Buffalo. The investment would come at the expense of state tax revenue since the tax-free zones would exempt qualifying companies from paying any sales, property or corporate taxes for 10 years and also workers from paying state income taxes. But if the plan works, the additional high-paying, knowledge-based jobs would be a huge benefit to Buffalo, which has a disproportionate share of low-paying, low-skill jobs.

CONCLUSION

Buffalo's recovery will be slow but steady this year, and by early 2014 all of the jobs that were lost to the recession will have been recouped. Low-paying industries will contribute the most to growth in 2013, just as they have since the recovery began, but Buffalo will outperform Syracuse and Rochester this year. Longer term, the metro area will lag other parts of the state because of a declining population base.

NEIGHBORHOOD ANALYSIS



LOCATION

The neighborhood is located in the Town of Amherst and is considered a suburban location. The Town of Amherst is located in northwest Erie County, about 7 miles northeast of the Downtown Buffalo Central Business District and approximately 10 miles southeast of Niagara Falls. The town is located near the northern part of the county and borders a small section of the Erie Canal. The town is the largest and most populous suburb of Buffalo. The Town of Amherst was named the safest city in America for populations of 100,000-499,000, and the third safest city overall in the U.S.

LAND USE

Land uses within the subject neighborhood consist primarily of university, retail, lodging and single-family residential developments. Other land uses in the area include recreation and open space (10.8%), commercial, agriculture, office, other medium and low density residential development, and a large portion of vacant land. Vacant land accounts for approximately 18.9% of all land in the Town of Amherst, a good portion of which is public or University at Buffalo, SUNY owned, and much of which is zoned RD – Research and Development.

The immediate area surrounding the subject consists primarily of retail shops both independent and franchised as well as municipal buildings, multi-family developments and single-family homes. Main Street is considered a prime Amherst location given its access to major highways I-90 and I-290 and high traffic counts.

Amherst is home to Millard Fillmore Suburban Hospital, a 201-bed facility opened in 1974 that is the area's only major hospital. There are four primary institutions of higher education located in Amherst. The North Campus of the University at Buffalo, The State University of New York, University at Buffalo housing all of the University programs apart from architecture, planning, and medicine, Daemen College, and one of the three campuses of Erie Community College are located there. Bryant and Stratton offers two year programs. Canisius College, ITT Technical Institute and Medaille College all offer courses in Amherst as well. Outside of Amherst there are over 20 colleges located throughout the Western New York region. There are also three separate public school districts within the town. The Williamsville district is the largest and comprises the eastern half of the town along with portions of the Town of Clarence. The Amherst district is the southwestern portion of the town with its core in the Eggertsville and Snyder areas. The Sweet Home district is the northwestern portion of the town along with portions of the Town of Tonawanda, with its core in West Amherst and Getzville. Amherst also contains the Amherst Museum.

The local Downtown area also includes the Buffalo Convention Center, HSBC Arena, Dunn Tire Park, Gold Medal flour plant, as well as a pedestrian-only main street complete with trolley to attract visitors to the local retail and architecture.

GROWTH PATTERNS

Manufacturing in the area has been on the decline for years, but this has given rise to the development of the service sector, which continues to grow and add jobs and consume office space in the vicinity. Service sectors experiencing growth in Amherst include finance and insurance, real estate and leasing, educational services and public administration. There are over twenty office and industrial parks in the Town of Amherst, the oldest of which, Audobon Industrial Park, dates back to 1973.

While acting as a secondary market, downtown Buffalo is the closest major market, and is experiencing continued growth and strength. Growth patterns have occurred primarily within downtown Buffalo and to the north, around the Niagara Falls area. Main 1 HSBC Center, and its immediate area surrounding comprises predominantly new office development, including the 480,000 SF, $86.3 million HealthNow facility, an affiliate of Blue Cross Blue Shield, just across I-

190. The main office area is located near The HSBC Center, the tallest building in the city of Buffalo. Most of the city's municipal buildings reside in this area. The HSBC Center, to be renamed one Seneca Tower, is losing two of its major tenants, HSBC Bank and Philips Lytle LLC, which will leave the building more than 90% vacant by the end of 2013. The attraction of the area has been spreading further north over the last few years. 10 and 50 Fountain Plaza (560 & 562-564 Main Street), are 10 to 17-story buildings are situated within a desirable area within the city (Fountain Plaza) with approximately 617,750 rentable square feet. These buildings have been a main attraction. Much of the lodging development is located in this immediate area as well, with the Hyatt Regency being located at Two Fountain Plaza and having an interior connection to the Buffalo Convention Center. The Hyatt recently completed a reported $10+ million renovation (approximately half of which was paid for by city/state funds as they felt it was a worthwhile investment in city infrastructure) which updated and revitalized the property. This update is in line with the city's convention center sales team's newly enhanced ability to increase its future bookings of city-wide conventions with associations, corporations and government agencies now able to book rooms at the city's largest hotel, the Adam's Mark.

ACCESS

The major roadways that provide access to the county include the New York Throughway, Interstates 90, 190 & 290 (I-90, I-190 & I-290), The Skyway (Route 5), and Route 33. Interstate 90 is a major Federal highway that originates in Boston, Massachusetts, and passes through Syracuse, Albany, and just south of Rochester New York before reaching Buffalo. This Interstate also traverses across country ending up in Seattle, Washington. Interstates 190 and 290 are extensions off I-90 designed to traverse around the city of Buffalo. I-190 skirts around the western edge of the city and I-290 traverses along the eastern edge of the city. The Skyway (Route 5) traverses along Lake Erie from the City of Buffalo to the western border of Pennsylvania. Route 33 provides convenient access from the City of Buffalo to the Greater Buffalo International Airport.

Air transportation is available to the region by the Buffalo-Niagara International Airport, southeast of the subject property, a 10-mile or 15-minute drive. Rail transportation is provided to the county by the Niagara Frontier Transportation Authority (NFTA) a metropolitan rail line with the nearest stop located to the east of the subject property along Main Street. Amtrak provides passenger rail service as well with the nearest station on Dewey Street, 7 miles southeast of the subject property. Further, as the City of Buffalo is situated at the eastern edge of Lake Erie, just south of Niagara River, Buffalo is an important shipping port.

DEMOGRAPHICS

Selected neighborhood demographics in a one-, three-, and five-mile radius from the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS			
5020 Main Street Williamsville, NY	1 Mile Radius	3 Mile Radius	5 Mile Radius
Population			
2018 Population	13,009	112,234	305,523
2013 Population	13,046	112,440	307,169
2010 Population	13,094	112,775	308,897
2000 Population	13,137	116,156	324,849
Growth 2013 - 2018	-0.06%	-0.04%	-0.11%
Growth 2010 - 2013	-0.12%	-0.10%	-0.19%
Growth 2000 - 2010	-0.03%	-0.29%	-0.50%
Households			
2018 Households	5,772	47,629	129,435
2013 Households	5,744	47,247	128,999
2010 Households	5,727	46,941	128,641
2000 Households	5,504	47,349	130,767
Growth 2013 - 2018	0.10%	0.16%	0.07%
Growth 2010 - 2013	0.10%	0.22%	0.09%
Growth 2000 - 2010	0.40%	-0.09%	-0.16%
Income			
2013 Median HH Inc	$62,434	$48,731	$46,578
2013 Estimated Average Household Income	$78,603	$64,549	$62,790
2013 Estimated Per Capita Income	$34,605	$27,123	$26,369
Age 25+ College Graduates - 2010	4,963	28,026	70,555
Age 25+ Percent College Graduates - 2013	41.0%	30.1%	27.2%
Source: Claritas			

CONCLUSION

As shown in the previous chart, the population within the subject neighborhood has shown some declines since 1990 in the 1, 3- and 5-mile radii. Also as shown, the median household income within a 1-mile radius is significantly higher than that in the surrounding 3 and 5-mile radii, indicating that the subject's immediate location is one of the more high-end locations in the area. Given the high-end nature of the proposed development, the motive of the project is in line with the location. The outlook for the neighborhood population and number of households is for a continued decline over the next several years, which will reduce demand for residential properties. Despite the declining population and household growth and increased competition due to hotel growth, hotel demand is expected to be positive.

HOTEL MARKET ANALYSIS

NATIONAL OVERVIEW

The national recovery in the lodging industry continued through 2012, and increases in RevPAR are anticipated in 2013. Investors perceive that current positive RevPAR growth will sustain the industry's cyclical rebound, and the number of transactions for major urban core assets continues to attract interest from a myriad of national and overseas investors. Despite these positive signs, there are still many broader economic reasons for concern. While the economy continue to improve, the unemployment remains near eight percent (7.9 percent as of January 2013). Further, the constant showmanship between the political parties casts a dark cloud over the recovery and leaves investors nervous. Volatile gas prices could weigh heavily on travel, as families are less likely to spend disposable income on high air fares. Problems overseas, such as European and Japanese debt crises, as well as the fighting in the Middle East, could also have far-reaching consequences on the domestic front. Despite these concerns, a number of established and public hotel centric investment entities, flush with low cost capital, are eager to find trophy assets in global markets. Furthermore, the thaw in all types of hospitality lending is spreading, including construction financing for financially feasible deals that include real substantial equity invested behind debt.

The transaction volume through 2012 remained flat relative to 2011 according to Real Capital Analytics (RCA). RCA estimates that hotel sales totaled $19.6 billion for the year. Sales activity was relatively slow for first three quarters, but increased significantly in the 4th quarter and totaled $7.1 billion. A number of other highlights for 2012, as published by RCA, are indicated below:

- New York, widely considered the leading market in the country, had roughly $2.2 billion in sales. San Francisco and Los Angeles had the second and third highest transaction volume with roughly $972 million and $870 in sales, respectively. Chicago and Washington D.C. were 4 and 5, with $803 and $802 million, respectively.
- There were just over 2,100 hotel properties that sold for $2.5 million or more, the most since 2006.
- Sales of full-service hotels reached $14.0 billion, down 9% from 2011 volume. Sales of limited service properties, however, increased by 19% and totaled $5.6 billion.
- The largest transaction of the year was the $1.9 billion sale of the Motel 6 chain to Blackstone. The largest single asset sale was the Grand Hyatt in Washington DC for $397 million.

Investment Rates

The latest Real Estate Investor Surveys published by U.S. Realty Consultants for limited and full service hotels, and PWC (formerly Korpacz) for luxury, full service, limited service and extended stay properties are illustrated in the following table:

HOTEL INVESTOR SURVEY						
	Discount Rate		Overall Cap Rate		Terminal Cap Rate	
Type	Range	Average	Overall Cap Rate	Average	Range	Average
US Realty Consultants - Winter 2012						
Limited Service	9.00% - 13.50%	11.90%	6.00% - 13.00%	9.50%	7.00% - 12.50%	10.00%
Full Service	8.75% - 13.00%	10.90%	5.00% - 11.00%	8.10%	6.00% - 11.00%	8.90%
PwC Survey: 3rd Qtr. 2012						
Luxury	8.50% - 13.00%	10.54%	6.00% - 10.00%	8.18%	6.00% - 12.00%	8.73%
Full Service	8.50% - 13.00%	11.00%	6.00% - 10.00%	8.05%	6.00% - 12.00%	8.64%
Limited Service	9.00% - 13.00%	10.94%	8.00% - 12.00%	9.70%	8.50% - 12.00%	9.85%
Select Service	9.00% - 15.00%	11.30%	5.00% - 12.00%	8.40%	5.00% - 12.00%	8.50%
Source: US Realty Consultants & PWC Real Estate Investment Survey						

the most part, the industry data indicates that there has been little change in discount rates and overall capitalization rates over the last six months. U.S. Realty Consultants notes that discount rates and overall capitalization for full service properties decreased by 20 basis points each relative to their Winter 2012 survey. For the limited service sector, discount rates increased by 10 basis points while overall capitalization decreased by 10 points. The PwC survey indicates that discount rates for the luxury, full service and select service have decreased marginally (between 6 and 35 basis points). The limited service sector witnessed an increase of 19 basis points. For overall capitalization rates, the luxury and full service sectors increased 13.0 and 1.0 points respectively, while the limited service and select service categories decreased by 5.0 and 10.0 points respectively.

Historic Performance and Projections

Smith Travel Research (STR), widely regarded as the standard source for reliable information in the hospitality industry, continues to predict steady occupancy and ADR growth for 2013 and beyond. Below is a discussion and illustration of the latest historic and projected figures published by STR.

Occupancy, ADR and RevPAR

STR estimated 2012 occupancy finished at 61.4 percent, an increase of 2.5 percent over 2011. ADR finished at $106, an increase of 4.2 percent. RevPAR finished at $65, an increase of 6.8 percent. For 2013, occupancy is anticipated to increase by 0.8 percent while ADR will increase by 4.9 percent, resulting in an increase in RevPAR of 5.7 percent. For 2014, RevPAR growth is anticipated to increase to 6.0 percent.

Below is a table illustrating the projected figures for 2013 and 2014:

Total United States

Key Performance Indicator Outlook (% Change vs. Prior Year)
2013 & 2014

	2013 Forecast	2014 Forecast
Supply	1.0%	1.5%
Demand	1.8%	2.8%
Occupancy	0.8%	1.3%
ADR	4.9%	4.6%
RevPAR	5.7%	6.0%

New Supply

Smith Travel Research reports that roughly 67,923 rooms are under construction as of December 2012. This represents an increase of 13,820 rooms compared to the same period in 2011, and continues to signal a reversal in the number of rooms under construction. Since the economic downturn started several years ago, the number of rooms under construction steadily declined. One of the few silver linings in the economic slowdown was the number of proposed hotel projects abandoned or delayed increased significantly. This trend has now reversed. Despite the increase in the number of rooms under construction, the total number of planned projects is still relatively low compared to prior years. In April of 2007, for example, there were roughly 187,000 rooms under construction. The following table outlines the year-over-year comparisons

Total United States
Active Development Pipeline – Rooms
Change From Last Year

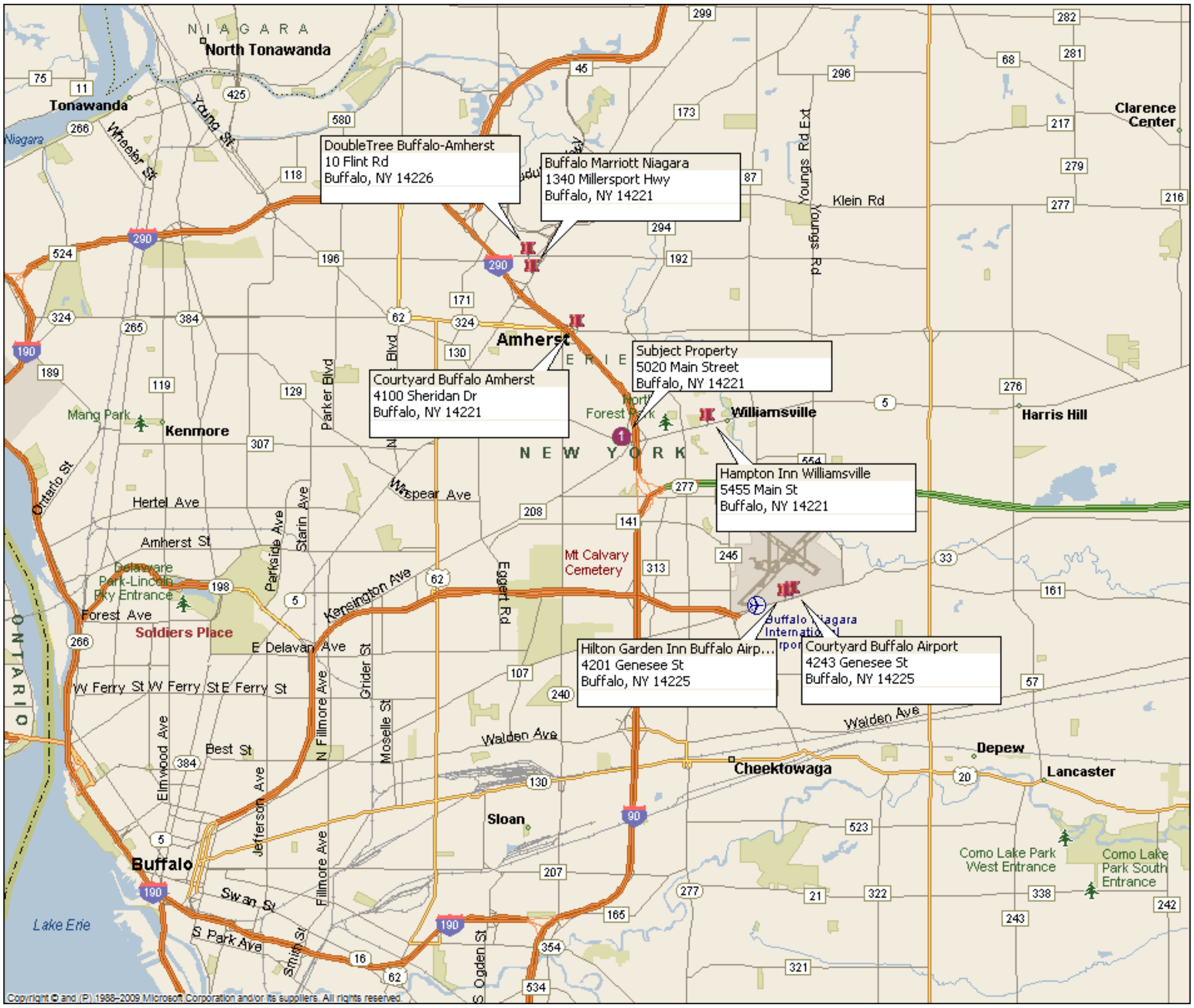
Phase	December 2012	December 2011	Difference	% Change
In Construction	67,923	54,103	13,820	25.5%
"Planned Pipeline"	236,154	253,561	-17,407	-6.9%
Active Pipeline	**304,077**	**307,664**	**-3,587**	**-1.2%**

CONCLUSION

The economic fundamentals of the U.S. hotel industry continue to recover. Smith Travel Research continues to forecast increases in RevPAR for 2013 and 2014. Stockpiled hotel investment capital has been deployed, predominantly focused on core urban, 24/7, high barrier entry markets, and along U.S. coastal locations. Overall transaction activity was slow through the first three quarters of 2012 but surged in the fourth quarter. There have been many high quality hotel assets in top performing U.S. cities that have transacted and attracted enormous interest from a myriad of national and overseas investors. The market, however, is not without its challenges. The pace of the economic recovery is slow and the unemployment rate remains stubbornly high. The political brinksmanship on a myriad of issues (most notably fiscal deadlines) only renews economic anxiety. Economic issues in Europe, such as the Greek Debt crisis, and conflict in the Middle East could have far-reaching consequences in the U.S. Despite these negative influences, however, the high transaction volume that characterized the fourth quarter of 2012 is anticipated to continue. Those financiers willing to assume the near term risks associated with hotel investment will be rewarded if the economic recovery gains steam, as this would invariably accelerate growth in lodging demand, room rates, profits, and resultant values.

SUBJECT LODGING MARKET SUPPLY CHARACTERISTICS

The following table provides a summary of the subject's competitive hotel set. These comparables were based on their location and scale.



Summary of Competitive Properties

The subject is located in the Town of Amherst, Erie County, New York. Hotel development in the area consists primarily of branded hotels located either proximate to the Buffalo International Airport along Genesee Street, or proximate to the University of Buffalo along Flint Road and Millersport Highway. In addition to these two concentrations, the Hampton Inn Williamsville is located on Main Street, near the subject property which is under construction on Main Street, and the Courtyard Buffalo Amherst that is located off the Interstate 290 exit that is between the subject property and the University of Buffalo. The following table provides a summary of the subject's competitive hotel set.

PRIMARY COMPETITIVE HOTELS											
						12 Months Ending December 31, 2012					
Property	Number of Rooms	Percentage Competitive	Year Built	Date Opened	Competitive Rooms	Occ.	Occupancy Penetration	ADR	ADR Penetration	RevPAR	RevPAR Penetration
Hilton Garden Inn Buffalo Airport	158	100%	2005	Oct-05	158	83%	110%	$133.00	107%	$110.39	118%
Courtyard Marriott Buffalo/Amherst	108	100%	1999	May-99	108	71%	94%	$118.00	95%	$83.78	90%
DoubleTree Buffalo/Amherst	187	100%	1987	May-12	187	68%	90%	$103.00	83%	$70.04	75%
Marriott Buffalo Niagara	356	100%	1981	Mar-81	356	75%	99%	$124.00	100%	$93.00	99%
Hampton Inn Williamsville	80	100%	2002	Jul-02	80	80%	106%	$141.00	114%	$112.80	121%
Courtyard Buffalo Airport	139	100%	2011	Aug-11	139	75%	99%	$121.00	98%	$90.75	97%
Overall Totals/Averages	1,028				1,028	75%		$123.90		$93.53	
Compiled by CBRE											

PRIMARY COMPETITION												
				Estimated 2012 Market Mix								
Property	Location	Meeting Space (SF)	Meeting Space (SF/RM)	Commercial	Meeting & Group	Leisure	Restaurant	Lounge	Business Center	Pool	Spa	Exercise Facilities
Hilton Garden Inn Buffalo Airport	Buffalo, NY	3,000	19.0	65%	15%	20%	Y	Y	Y	Y	N	Y
Courtyard Marriott Buffalo/Amherst	Buffalo, NY	750	6.9	60%	5%	35%	Y	Y	Y	Y	N	Y
DoubleTree Buffalo/Amherst	Amherst, NY	2,265	12.1	60%	5%	35%	Y	Y	Y	Y	N	Y
Marriott Buffalo Niagara	Amherst, NY	14,000	39.3	60%	20%	20%	Y	Y	Y	Y	N	Y
Hampton Inn Williamsville	Williamsville, NY	525	6.6	65%	5%	30%	N	Y	Y	Y	N	Y
Courtyard Buffalo Airport	Cheektowaga, NY	1,200	8.6	65%	15%	20%	Y	Y	Y	Y	N	Y
Overall Totals/Averages				62%	14%	24%						
Compiled by CBRE												

The primary competitive set, has a total of 1,028 rooms. The 2012 year-end occupancy and ADR achieved by these properties was roughly 75% and $123.90, respectively.

Competitive Property One – Hilton Garden Inn Buffalo Airport

The Hilton Garden Inn Buffalo Airport is located at 4202 Genesee Street and is clustered among several other airport hotels located along Genesee Street, which traverses between these hotels and the Buffalo International Airport. The property was built in 2005 and upon inspection, was in good condition. The hotel features 158 guestrooms, a restaurant, lounge, business center, fitness center, indoor pool and 3,000 square feet of meeting space. We estimate that this comparable achieved average daily rate and occupancy percentage of $133.00 and 83% in 2012. This hotel's service profile is similar to the proposed subject and is located more proximate t the airport than the subject.

Competitive Property Two – Courtyard Buffalo Amherst

The Courtyard by Marriott Buffalo Amherst is a 108-room full-service property located at 4100 Sheridan Drive, proximate to the University of Buffalo. The hotel was recently renovated as part of the nation-wide refresh of the Courtyard by Marriott brand. The hotel features the new Courtyard lobby concept as well as the Bistro, which serves breakfast, lunch and dinner. The hotel also features a business center, fitness center, indoor pool and 750 square feet of meeting space. Upon inspection of this hotel, it was in good condition. We estimate that this comparable achieved average daily rate and occupancy percentage of $118.00 and 71% in 2012. This hotel's service profile is similar to the proposed subject's, but it is in an inferior location compared to the subject site.

Competitive Property Three – DoubleTree Buffalo/Amherst

Formerly the Hampton Inn Buffalo Amherst, this hotel was converted to a Hotel Indigo in April 2007, and then converted to a DoubleTree by Hilton in May 2012. The hotel is located at 10 Flint Road, proximate to the University of Buffalo and houses 187 guestrooms. Property amenities include a restaurant, lounge, business center, fitness center, indoor pool and 2,268 square feet of meeting space. Since the conversion to a DoubleTree, the hotel has been well maintained and remains in very good condition. We estimate that this comparable achieved average daily rate and occupancy percentage of $103.00 and 68% in 2012. This hotel is superior in terms of amenities offered, but its location is inferior as the subject site is more proximate to shopping and the airport.

Competitive Property Four – Marriott Buffalo Niagara

The Marriott Buffalo Niagara, located at 1340 Millersport Highway proximate to the University of Buffalo, is the largest hotel in the competitive set with 356 guestrooms. This 10-story structure houses 14,000 square feet of meeting space over 8 separate rooms, an indoor and outdoor pool, business center, fitness center, newly-opened restaurant and lobby lounge. The property was extensively renovated in 2011. The renovation upgraded the hotel's lobby, restaurant space and several guestrooms. The cost of the renovation was approximately $4 million. We estimate that this comparable achieved average daily rate and occupancy percentage of $124.00 and 75% in 2012. This hotel is superior in terms of amenities offered, but its location is inferior as the subject site is more proximate to shopping and the airport.

Competitive Property Five – Hampton Inn Williamsville

The Hampton Inn Williamsville is the only hotel in the competitive set currently located on Main Street in Williamsville and will serve as the subject's primary competition. The hotel is located at 5455 Main Street, less than a mile east of the subject, and houses 80 rooms. Property amenities include a fitness center, business center, indoor pool and 525 square feet of meeting space. Upon inspection of this property, it was in average condition. We estimate that this comparable achieved average daily rate and occupancy percentage of $141.00 and 80% in 2012. This hotel is similar in terms of location, but has an inferior service profile and superior brand compared to the subject hotel.

Competitive Property Six – Courtyard Buffalo Airport

This Courtyard Buffalo Airport is a select service hotel property located at 4243 Genesee Street, Cheektowaga, NY, and is clustered among several other airport hotels located along Genesee Street, which traverses between these hotels and the Buffalo International Airport. The 139-room property opened in 2011 and is in excellent condition. The property amenities include a fitness center, business center, indoor pool, indoor whirlpool, and 1200 SF of meeting space. We estimate that this comparable achieved average daily rate and occupancy percentage $121.00 and 75% in 2012.

This hotel is similar in terms of service profile, and is more proximate to the airport compared to the subject site.

Smith Travel Research

In order to more precisely identify hotel market trends, as they relate to the subject, CBRE has relied on a customized report prepared by Smith Travel Research, Inc., a national firm specializing in tracking hotel data. Smith Travel Research is generally considered the standard source of reliable data for most markets. While it is widely utilized, it is important to note some of its limitations. Specifically, hotels are occasionally dropped in and out of the sample, and not all hotels report data in a consistent and timely matter. As a result, the data set is sometimes skewed upwards or downwards depending on the particular market and the overall quality of the data is negatively impacted. For most markets, however, it is considered to provide an accurate overall picture of market performance, and therefore, has been used in this analysis. The hotels included in the Smith Travel Research (STR) report are based on interviews with representatives of the subject and subsequent field research.

The trends in room supply, occupancy, average daily rate, and room-night demand (defined as the number of occupied rooms) for the subject's competitive set are illustrated as follows:

HISTORICAL MARKET PERFORMANCE
STR COMPETITIVE PROPERTIES

Year	Room Night Supply	Market Occupancy	Room Night Demand	Percent Change	Average Daily Rate	Percent Change	RevPAR	Percent Change
2007	324,485	70.8%	229,636	---	$120.79	---	$85.48	---
2008	324,485	69.4%	225,194	-1.9%	$128.41	6.3%	$89.12	4.2%
2009	324,485	70.0%	227,075	0.8%	$119.97	-6.6%	$83.96	-5.8%
2010	324,485	74.2%	240,722	6.0%	$116.66	-2.8%	$86.54	3.1%
2011	345,752	75.2%	259,860	8.0%	$118.58	1.6%	$89.12	3.0%
2012	375,220	74.6%	279,751	7.7%	$123.67	4.3%	$92.20	3.5%
CAG *	2.9%			4.0%		0.5%		1.5%
Aug TTM 2012	375,220	73.5%	275,891	---	$122.95	---	$90.41	---
Aug TTM 2013	375,220	76.6%	287,534	4.2%	$127.29	3.5%	$97.54	7.9%
CAG *	0.0%			4.2%		3.5%		7.9%
Aug YTD 2011	220,336	77.5%	170,777	---	$118.20	---	$91.62	---
Aug YTD 2012	249,804	74.8%	186,808	9.4%	$124.70	5.5%	$93.25	1.8%
Aug YTD 2013	249,804	77.9%	194,591	4.2%	$130.01	4.3%	$101.27	8.6%
CAG *	6.5%			6.7%		4.9%		5.1%

* Compound Annual Growth
Source: Smith Travel Research

Proposed Hotels/Additions to Supply

The new hotel forecast for the subject's market area and the degree to which each development is projected to compete with the subject is illustrated as follows:

NEW HOTEL FORECAST					
Name	Proposed YOC	Est. Opening	No. Rooms	Percent Competitive	Additional Competitive Rooms
Proposed Amherst Hyatt Place	2014	Oct-14	137	100%	137
Hampton Inn & Suites Buffalo Airport	2013	Aug-13	101	100%	101
Wyndham Garden Inn Amherst	2013	Aug-13	120	100%	120
Total Additional Rooms					358
Total Annualized Additional Room Inventory					130,670
Compiled by CBRE					

Hampton Inn & Suites Buffalo Airport

The Hampton Inn & Suites Buffalo Airport opened in August 2013. Due to the recent opening and this hotel just starting to ramp up towards stabilization, we have included this property as new supply in this analysis. The property is located at 4039 Genesee Street, near the airport and to the east of an existing Holiday Inn Express & Suites. The hotel houses 101 guestrooms and features amenities commensurate with Hampton Inn brand standards.

Wyndham Garden Inn Amherst

The Wyndham Garden Inn opened in August 2013, and is located less than a quarter mile east of the proposed subject hotel. This hotel is part of a mixed-use building that includes 30 residential rental apartments. The hotel is located at 5195 Main Street, and is the closest hotel to the subject. Due to the recent opening and this hotel just starting to ramp up towards stabilization, we have included this property as new supply in this analysis. The property houses 120 guestrooms and features amenities commensurate with a Wyndham Garden Inn, as well as an upscale restaurant operated by a third party.

While CBRE has made several attempts to determine the level of new hotel supply entering the marketplace, it is impossible to determine every hotel that will be developed in the future, when they will be completed, or their potential impact to the subject. The inherent risk of any future new hotel supply has been implicitly considered in the selection of a stabilized occupancy level for the subject property.

HOTEL DEMAND GENERATORS

Hotel demand for the neighborhood is primarily generated by the airport, the university, visitors to Niagara tourist attractions, surrounding office development as well as the retail shopping opportunities provided by the nearby mall and local shops. Additionally, visitors from Canada comprise a significant portion of the demand.

Demand Segmentation

In most markets, overall demand varies based on the nature of travel. In most markets, the lodging demand is generated from three different segments: Corporate, Group/Meeting and Leisure/Transient travelers. In some markets, a fourth classification may be present, such as airline contract or government. A breakdown of the overall market segments, as well as the subject's mix of business is illustrated in the following table.

DEMAND SEGMENTATION - COMPETITIVE MARKET		
	Competitive Set	
Segment	Demand	%
Commercial	174,622	61.9%
Meeting & Group	37,369	13.3%
Leisure	69,914	24.8%
Total	281,905	100.0%
Compiled by CBRE		

The following analysis schedule illustrates our projections of future demand growth for the local market by demand segment.

Commercial Demand Segment

Commercial travelers are defined as business people attracted by businesses in the area. Most demand from the corporate segment is generated between Sunday and Thursday nights, declines Friday and Saturday nights, and increases somewhat on Sundays. The typical duration of occupancy is one to three days and is characterized by single occupancy. Historically, this demand segment has been somewhat less price sensitive than other segments. The commercial segment includes smaller sub-segments, including corporate transient demand and corporate volume discount. Commercial transient demand includes individuals visiting the companies in the immediate area or passing through town. Often, these types of travelers are influenced by quality of the hotel, brand loyalty, and location. Corporate volume demand is generated by local firms and includes employees of the company or others doing business with the firm. Rates are often pre-negotiated with the hotel and are sometimes discounted in return for a high number of occupied rooms.

The health of the local office market is directly tied to future commercial demand. A summary of the most recent data regarding average asking rents and average vacancy is presented on the following table:

BUFFALO OFFICE MARKET - HISTORICAL STATISTICS								
Period	# Bldgs	Total RBA	Total Vacant SF	Total Vacant %	Total Avail SF	Total Avail %	Total Net Absorption	Total Average Rate
2013 2Q	1,978	38,124,305	3,265,829	8.6%	4,479,610	11.8%	(3,350)	$14.63/fs
2013 1Q	1,976	38,082,305	3,220,479	8.5%	4,464,380	11.7%	(71,887)	$14.55/fs
2012 4Q	1,977	38,282,305	3,348,592	8.7%	4,743,066	12.4%	42,247	$14.64/fs
2012 3Q	1,978	38,294,805	3,403,339	8.9%	4,785,781	12.5%	(2,290)	$14.80/fs
2012 2Q	1,977	38,279,805	3,386,049	8.8%	4,583,273	12.0%	143,953	$14.79/fs
2012 1Q	1,976	38,273,514	3,523,711	9.2%	4,723,628	12.3%	(3,252)	$14.92/fs
2011 4Q	1,975	38,263,514	3,510,459	9.2%	4,653,147	12.2%	(23,084)	$14.89/fs
2011 3Q	1,974	38,256,014	3,479,875	9.1%	4,850,065	12.7%	223,117	$14.90/fs
2011 2Q	1,974	38,329,104	3,776,082	9.9%	4,884,106	12.7%	(40,370)	$14.82/fs
2011 1Q	1,973	38,314,104	3,720,712	9.7%	5,282,296	13.8%	87,417	$14.92/fs
2010 4Q	1,973	38,314,104	3,808,129	9.9%	5,397,690	14.1%	16,906	$15.01/fs
2010 3Q	1,973	38,314,104	3,825,035	10.0%	5,457,446	14.2%	18,945	$14.77/fs
2010 2Q	1,972	38,308,484	3,838,360	10.0%	5,430,717	14.2%	(25,967)	$14.88/fs
2010 1Q	1,971	38,302,461	3,806,370	9.9%	5,471,744	14.3%	(11,600)	$14.84/fs
2009 4Q	1,969	38,292,557	3,784,866	9.9%	5,544,503	14.5%	(41,063)	$14.86/fs
2009 3Q	1,968	38,268,557	3,719,803	9.7%	5,533,968	14.5%	(68,819)	$14.39/fs
2009 2Q	1,967	38,158,911	3,541,338	9.3%	5,366,597	14.1%	91,321	$14.38/fs
2009 1Q	1,966	38,105,311	3,579,059	9.4%	5,297,621	13.9%	352,699	$14.38/fs
2008 4Q	1,965	38,087,083	3,913,530	10.3%	5,233,914	13.7%	50,798	$14.26/fs
2008 3Q	1,963	37,910,612	3,787,857	10.0%	4,772,666	12.6%	154,740	$14.01/fs
2008 2Q	1,960	37,886,803	3,918,788	10.3%	4,493,934	11.9%	479,663	$14.29/fs
2008 1Q	1,955	37,412,683	3,924,331	10.5%	4,510,775	12.1%	78,295	$14.15/fs
2007 4Q	1,948	37,260,899	3,850,842	10.3%	4,485,465	12.0%	63,238	$14.09/fs
2007 3Q	1,944	37,209,283	3,862,464	10.4%	4,495,010	12.1%	500,169	$14.03/fs
2007 2Q	1,939	36,996,755	4,150,105	11.2%	4,563,884	12.3%	(160,345)	$13.87/fs
2007 1Q	1,938	36,986,755	3,979,760	10.8%	4,178,697	11.3%	(1,096,387)	$13.94/fs

Source: CoStar Compiled by CBRE

The office market in Buffalo has shown improvement over the past few years and vacancy is at its lowest point in the past 6 years, with the current rate at 8.6%. However, changes to The HSBC Center vacancy, the tallest building in downtown Buffalo, which is losing two of its major tenants and expected to be 90% vacant by the end of 2013, will negatively impact the CBD. As a result, the vacancy rate is expected to decrease in 2014. The asking rent in the market has fluctuated over the past several years, maintaining an average rate near the high $14.00/sf range.

Meeting and Group Demand Segment

Meeting and Group travelers are defined as any group occupying five or more rooms on a given night. This segment includes corporate groups, associations, SMERF (social, military, educational, religious, and fraternal) groups. This segment is typically attracted by a hotel's meeting facilities and recreational amenities in the area. Demand from corporate groups is typically generated between Sunday and Thursday nights, and can include corporate functions, holiday parties, incentive groups, etc. Often, corporate groups pay high rates, especially incentive groups, where companies “wine and dine” their top salesman and upscale/luxury hotels. Corporate groups tend to have a high level of single occupancy, while other groups tend to have more double occupancy. Associations and SMERF groups have a more varied occupancy pattern and often hold weekend meetings. This demand segment tends to be somewhat price sensitive. The typical stay for group demand is between three and five days. There is a perception (often true) that by occupying a block of rooms, a volume discount should be given. Group/meeting travelers have a tendency to stay at full-service hotels and utilize a hotel's food and beverage facilities. This segment is seasonal, and repeat business on an annual basis is not guaranteed. Overall, the group/meeting segment is desirable as it provides for a full utilization of hotel facilities.

The hotels in the competitive set, with the exception of the Marriott Buffalo Niagara, contain very little meeting space and thus this segment makes up only a small portion of market-wide demand. The Meeting and Group demand segment market is driven primarily by neighboring businesses. Within the subject's neighborhood, there are catering halls capable of hosting weddings, business events, conventions and other events that will require hotel rooms in the local area.

Leisure Demand Segment

Leisure travelers generally include vacationers or travelers passing through the area. This category effectively includes all non-commercial related travelers too small to be defined as a group. This segment is typically attracted by a hotel's location relative to area attractions (including friends/relatives). Demand from leisure/transient travelers is typically generated throughout the week during peak periods, with more weekend demand in shoulder seasons. Leisure travelers tend to have a high level of double occupancy. Both components of this demand segment tend to be price sensitive. The typical stay for leisure travelers is between two and five days. Transient travelers typically occupy a room for one night only.

Leisure demand in the area is generated primarily by the local population, long-distance travelers travelling along I-290 and I-90, prospective students and parents visiting the University of Buffalo, Amherst State Park and the Galleria Mall. In addition, in times where the Canadian dollar is strong, the market's proximity to Canada will allow it to capture destination shoppers seeking overnight accommodations. Canadian visitors, most notably visitors from the Toronto region which is located roundly 100 miles north of Buffalo, drive across the border to Buffalo for a variety of reasons including: the benefit of the monetary exchange rate, to utilize American healthcare, shopping, and to use the airport so they can fly domestically within the United States and avoid expensive taxes on international flights. Proximity to the Buffalo Airport is a major demand factor in the market.

Future leisure demand is related to the overall health of the local and national economy. As discussed in the Regional analysis of this report, the local and regional economy is improving, and the overall outlook is positive.

Segmented Demand Growth Conclusions

Based on historic trends for the various demand segments, the state of the local and national economies, and conversations with local hotel operators in the marketplace, the applicable demand segments are projected to exhibit the following growth trends.

ANNUAL DEMAND GROWTH RATES				
Segment	2013	2014	2015	2016 and beyond
Commercial	4.0%	2.0%	1.0%	1.0%
Meeting & Group	4.0%	2.0%	1.0%	1.0%
Leisure	4.0%	2.0%	1.0%	1.0%
Compiled by CBRE				

Considering the improvements to the economy, the strength of the local market, and decreased unemployment, we expect all demand segments to experience moderate growth throughout the projection period.

Latent Demand

Latent demand represents potential room nights in the marketplace that could not be accommodated by the existing hotels, and comes in two forms: Induced demand and displaced demand. Induced demand represents additional accommodated room nights by the introduction of a new demand generator, such as the construction of a conference center, a major company moving into the area, or the introduction of a new hotel that has distinct advantages over the existing competitors. For this analysis, induced demand has been included. We expect the entrance of the Wyndham Garden Inn and Hampton Inn & Suites Buffalo Airport, as well as the subject property, to induce demand to the competitive market.

CBRE has also considered displaced demand for this analysis. Displaced demand occurs when individuals are unable to rent a room because all of the hotels in the marketplace are filled to capacity. As a result, individuals must defer their trips or make accommodations in other markets. Because this demand was not accommodated historically, it is not illustrated in the estimate of the historic accommodated room night demand. Displaced demand is illustrated further in markets where there are distinct high and low seasons, or several periods of high and low occupancy throughout the year. Displaced demand has not been included in this analysis.

Based on market factors presented throughout this section, the forecast of overall demand growth for the subject's market is illustrated as follows:

PROJECTED BASE DEMAND, ANNUAL GROWTH, AND MARKET-WIDE OCCUPANCY				
Segment	Base Year	2013	2014	2015
Commercial				
Annual Growth		4.0%	2.0%	1.0%
Base Demand	478	498	508	513
Annual Room Nights	174,622	181,607	185,239	187,091
Displaced Demand	0.0%	-	-	-
Induced Demand		8,418	25,554	35,876
Total Segment Demand	174,622	190,024	210,793	222,967
Meeting & Group				
Annual Growth		4.0%	2.0%	1.0%
Base Demand	102	106	109	110
Annual Room Nights	37,369	38,864	39,641	40,037
Displaced Demand	0.0%	-	-	-
Induced Demand		1,472	4,468	6,273
Total Segment Demand	37,369	40,335	44,109	46,310
Leisure				
Annual Growth		4.0%	2.0%	1.0%
Base Demand	192	199	203	205
Annual Room Nights	69,914	72,711	74,165	74,907
Displaced Demand	0.0%	-	-	-
Induced Demand		4,238	12,867	18,064
Total Segment Demand	69,914	76,949	87,032	92,970
Totals				
Commercial	174,622	190,024	210,793	222,967
Meeting & Group	37,369	40,335	44,109	46,310
Leisure	69,914	76,949	87,032	92,970
Government	-	-	-	-
Total Market Demand	281,905	307,308	341,934	362,247
% Change		9.0%	11.3%	5.9%
Market Statistics				
Existing Rooms Supply	1,028	1,028	1,028	1,028
Proposed Rooms Supply	-	84	255	358
Total Available Room Nights	375,220	405,880	468,295	505,890
Market-wide Occupancy	75.1%	75.7%	73.0%	71.6%
Source: CBRE				

HISTORIC OPERATING PERFORMANCE

The subject's occupancy, ADR, and RevPAR developer projections is illustrated as follows:

DEVELOPER'S PROJECTED OPERATING PERFORMANCE						
Period	Occupancy	% Change	ADR	% Change	RevPAR	% Change
Year 1	68%	--	$132.00	--	$89.76	--
Year 2	70%	2.9%	$141.75	7.4%	$99.22	10.5%
Year 3	72%	2.9%	$146.00	3.0%	$105.12	5.9%
Year 4	73%	1.4%	$150.50	3.1%	$109.86	4.5%
Year 5	73%	0.0%	$155.00	3.0%	$113.15	3.0%

Source: CBRE/Property Management

FORECAST OF OCCUPANCY AND AVERAGE DAILY RATE

The average daily rate and the overall occupancy of a lodging facility are the foundation for the property's financial performance. While a property's other revenue components (food and beverage, telephone, spa, other income, etc) are crucial to the operation of the hotel, they are dependent on the overall number of occupied rooms. Furthermore, the occupancy and average daily rate of a hotel are highly correlated. In reality, one cannot make a projection of one without a projection of the other. Therefore, while we have made specific projections of occupancy, but have considered the subject's positioned rate in our forecast.

Penetration

Penetration is the relationship between a market's fair share and its actual share of the overall demand. For example, a 100-room hotel would equate to 10% of a 1,000 room competitive set. If this hotel were to capture 10% of the overall lodging demand, it would penetrate the market by 100 percent. The current market penetration rates of the competitive hotels and the subject, broken down by demand segment, are illustrated as follows:

MARKET SHARE AND PENETRATION							
				Segmented Penetration			
Property	2012 Average Room Count	Estimated 2012 Occupancy	2012 Fair Share	Commercial	Meeting & Group	Leisure	Total
Hilton Garden Inn Buffalo Airport	158	83.0%	15.4%	116.2%	125.4%	89.3%	110.8%
Courtyard Marriott Buffalo/Amherst	108	71.0%	10.5%	91.8%	35.7%	133.7%	94.8%
DoubleTree Buffalo/Amherst	187	68.0%	18.2%	87.9%	34.2%	128.1%	90.8%
Marriott Buffalo Niagara	356	75.0%	34.6%	97.0%	151.0%	80.7%	100.1%
Hampton Inn Williamsville	80	80.0%	7.8%	112.0%	40.3%	129.2%	106.8%
Courtyard Buffalo Airport	139	75.0%	13.5%	105.0%	113.3%	80.7%	100.1%
Total/Avg	1,028	74.9%	100.0%				

Compiled by CBRE

Overall, the subject improvements represent a viable hotel. The projections of captured penetration rates for the subject by demand segment along with the resulting projections of occupied room-nights are illustrated as follows:

PROJECTED SUBJECT PENETRATION SCHEDULE			
Calendar Year	2014	2015	2016
SUBJECT PROPERTY FAIR SHARE			
Market Room Supply	1,283	1,386	1,386
Subject Avg. Room Count	34	137	137
Fair Share	2.7%	9.9%	9.9%
ROOM NIGHTS CAPTURED BY SUBJECT			
Commercial			
Fair Share	2.7%	9.9%	9.9%
Penetration Factor	90.0%	95.0%	100.0%
Market Share	2.4%	9.4%	9.9%
Demand	210,793	222,967	224,838
Market Share	2.4%	9.4%	9.9%
Capture	5,064	20,937	22,224
Meeting & Group			
Fair Share	2.7%	9.9%	9.9%
Penetration Factor	95.0%	100.0%	110.0%
Market Share	2.5%	9.9%	10.9%
Demand	44,109	46,310	46,710
Market Share	2.5%	9.9%	10.9%
Capture	1,119	4,578	5,079
Leisure			
Fair Share	2.7%	9.9%	9.9%
Penetration Factor	95.0%	100.0%	105.0%
Market Share	2.5%	9.9%	10.4%
Demand	87,032	92,970	93,719
Market Share	2.5%	9.9%	10.4%
Capture	2,207	9,190	9,727
Total Capture	8,390	34,705	37,030

Compiled by CBRE

Commercial Penetration

Given that the subject is a new product with a nationally recognized franchise, and the subject's location on Main Street, proximate to several business parks in comparison to the locations of the other hotels in the competitive set, we expect the subject to penetrate the commercial demand segment at 100.0% by the stabilized year.

Meeting and Group Penetration

The subject's location proximate to several banquet halls, including the large banquet space at the adjacent Lord Amherst Hotel, will allow it to capture more than its fair share of demand segment.

Leisure Penetration

We consider the subject's Hyatt Place brand a superior brand in the leisure segment, allowing the property to capture more than its fair share of this demand segment.

The overall accommodated room night demand is multiplied by the subject's fair share and by the projected penetration ratio to derive the subject's accommodated room night demand. Although the subject's illustrated occupancy rates increase after the stabilized year, we have selected 75% as the stabilized occupancy figure. The stabilized occupancy figure is intended to be an average figure over the life of the hotel.

SUBJECT PROPERTY ESTIMATED OCCUPANCY			
Calendar Year	**2014**	**2015**	**2016**
Room Nights Captured	8,390	34,705	37,030
Available Room Nights	12,501	50,005	50,005
Occupancy	67.1%	69.4%	74.1%
Rounded Occupancy	**67%**	**69%**	**74%**
Overall Market Share	2.5%	9.6%	10.1%
Overall Penetration	91.9%	96.9%	102.6%
Adjustment to Fiscal Year Ending 9/30/	**2015**	**2016**	**2017**
First Year %	25.2%	25.2%	25.2%
Second Year %	74.8%	74.8%	74.8%
Adjusted Room Nights Accommodated	34,416	36,444	37,261
Occupancy	68.8%	72.9%	74.5%
Rounded Occupancy	**69%**	**73%**	**75%**
Overall Market Share	7.7%	10.0%	10.1%
Overall Penetration	95.7%	101.1%	102.6%
Captured Room Nights (Based on Rounded Occ.)	**34,503**	**36,504**	**37,504**

Average Daily Rate

As noted previously, one of the most important considerations in deriving an opinion of value of a hotel is its forecast of a supportable average daily rate (ADR). The ADR of a hotel can be calculated by dividing the total rooms revenue by the total number of occupied rooms achieved during a specified period of time.

Subject's Competitive Positioning

Although the forecast of average daily rate follows the discussion of future occupancy, these two figures are highly correlated, and one cannot make projections of occupancy without specific assumptions of ADR. This relationship is defined by RevPAR, or Revenue Per Available Room. RevPAR is the measure of a property's ability to maximize rooms revenue. Theoretically, for example, if a lodging property's ADR increases substantially (with no market influencing factors), its occupancy would decrease. Conversely, if a property's ADR decreases, an increase in occupancy would be anticipated. In each instance, RevPAR would remain unchanged. The historic ADR and RevPAR for the subject and the competitive set is illustrated as follows:

COMPETITIVE ADR AND REVPAR		
Property	2012 ADR	2012 RevPAR
Hilton Garden Inn Buffalo Airport	$133.00	$110.39
Courtyard Marriott Buffalo/Amherst	$118.00	$83.78
DoubleTree Buffalo/Amherst	$103.00	$70.04
Marriott Buffalo Niagara	$124.00	$93.00
Hampton Inn Williamsville	$141.00	$112.80
Courtyard Buffalo Airport	$121.00	$90.75
Market Weighted Average	$122.47	$91.76
Subject's Positioned ADR:	$135.00	
Source: CBRE		

As illustrated in the preceding chart, the subject is forecast at the midpoint of the range relative to the competitive properties with respect to rate. This is a function of the subject's new construction, location on Main Street, and its Hyatt brand town.

The subject's projected ADR according to the developer is illustrated as follows:

SUBJECT'S PROJECTED ADR TRENDS		
Period	ADR	% Change
Year 1	$132.00	--
Year 2	$141.75	7.4%
Year 3	$146.00	3.0%
Year 4	$150.50	3.1%
Year 5	$155.00	3.0%
Source: CBRE/Property Management		

Factors Affecting ADR

There are several factors affecting average daily rate increases that do not necessarily parallel changes in inflation. A lodging property's ability to raise room rates are influenced by several factors, and include:

Supply and Demand Relationships

The relationship between supply and demand is a strong determining factor for increases or decreases in a property's average daily rate. In markets where supply is limited and demand is strong, increases in rates above inflationary levels are common. Conversely, markets that have low barriers to entry or declining demand are often characterized by little or no growth in rate.

Inflationary Pressures

Price increases caused by inflationary pressures tend to minimize profit margins, thereby forcing hotel operators to raise rates. However, this is only effective in markets where supply and demand exhibit a healthy relationship.

Improving the Competitive Standard

In some markets, a new property may enter the marketplace with a positioned ADR significantly higher than the other competitive hotels, and will raise the level the market will bear, thereby raising the competitive standard. This is often characterized by a new hotels in a market that has had little or no new supply for several years or even decades.

Property Specific Improvements

Capital Improvements in a hotel that make it more attractive to guests typically have an upward impact on rate. Rooms renovations, expansions, additional amenities, and renovations to common areas may allow greater than inflationary increases.

We have researched the published rates in the area and spoken with industry professionals to confirm our estimates of average rate for the comparables. In the case of the subject, we consider its location a competitive advantage over other hotels in the area, and as a result have positioned the hotel near the Hampton Inn Williamsville's average rate, the hotel most proximate to the subject property. While our projection of ADR is above the developer's projections, we feel it is reasonable based on our research of the market and the comparable data available. However, we have discounted the Year 1 average rate by $10, as the hotel will need to ramp-up significantly in its first year.

The projections for ADR growth and the resulting rates used in the analysis are illustrated as follows:

SUBJECT'S ESTIMATED ADR				
12 Months Ending	ADR Growth	Estimated ADR	ADR Projection	
12/31/2012	--	$135.00	$135.00	
9/30/2014 *	5.3%	$142.18	$142.18	
9/30/2015	4.0%	$147.87	$137.87	**
9/30/2016	3.5%	$153.04	$153.04	
9/30/2017	3.0%	$157.63	$157.63	
9/30/2018	3.0%	$162.36	$162.36	
9/30/2019	3.0%	$167.23	$167.23	
9/30/2020	3.0%	$172.25	$172.25	
9/30/2021	3.0%	$177.42	$177.42	

* Inflationary adjustment of 5.3% from 12/31/12 through 9/30/14 (projection start date).

** discounted by $10 for ramp-up in opening year

Source: CBRE

In concluding to our projections of average daily rate growth, we have considered our projections of supply and demand as well as historical market-wide supply and demand fundamentals.

CONCLUSION

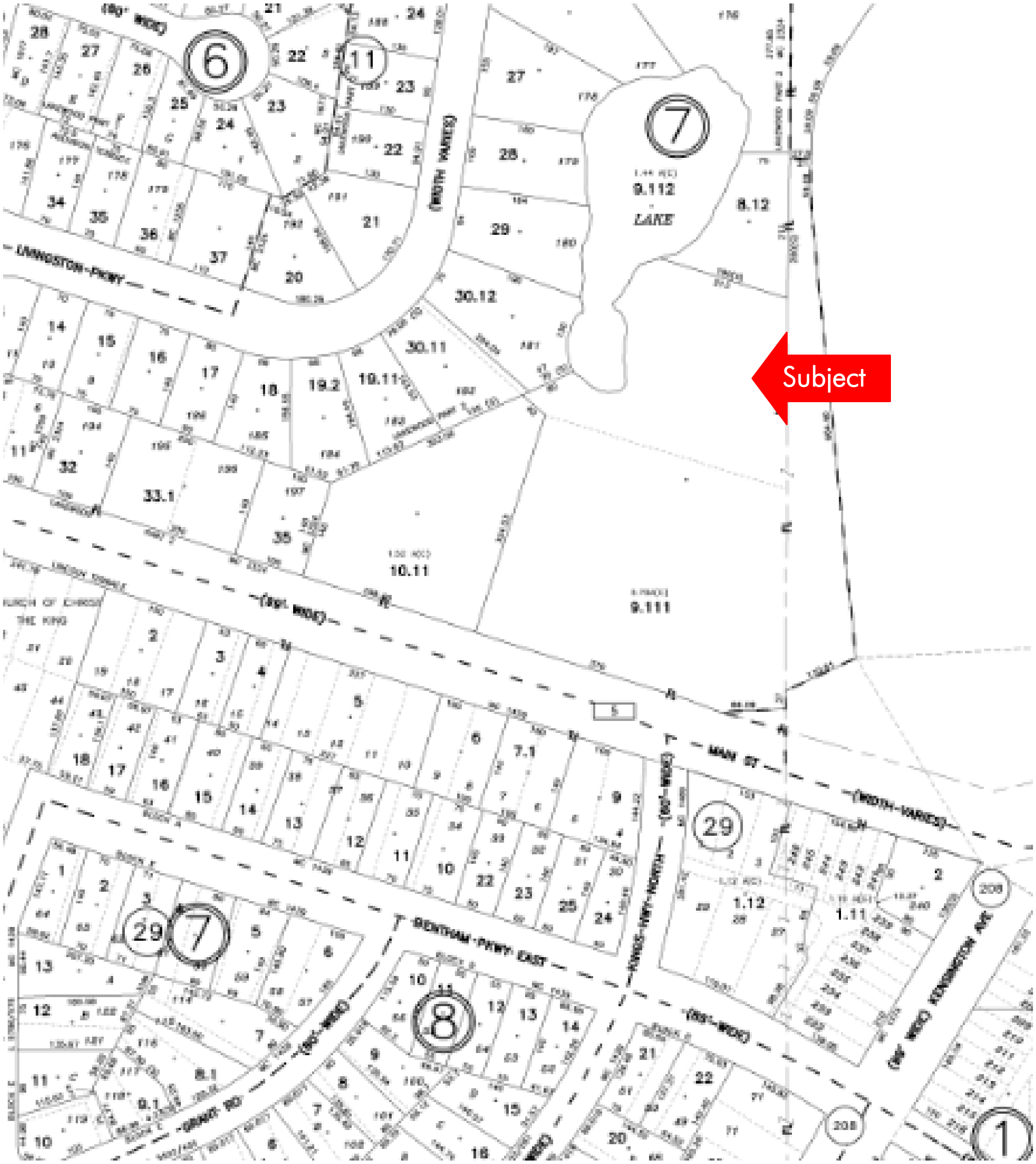
The subject's occupancy, ADR, RevPAR, and corresponding room revenue for the first several years of our projection analysis are illustrated as follows:

OCCUPANCY, ADR, & ROOMS REVENUE CONCLUSIONS			
Fiscal Year Ending 9/30/	2015	2016	2017
Avg. Available Rooms	137	137	137
Annual Room Nights	50,005	50,005	50,005
Occupancy	69%	73%	75%
Occupied Rooms	34,503	36,504	37,504
ADR	$137.87	$153.04	$157.63
RevPAR	$95.13	$111.72	$118.22
Total Rooms Revenue	$4,756,845	$5,586,558	$5,911,803

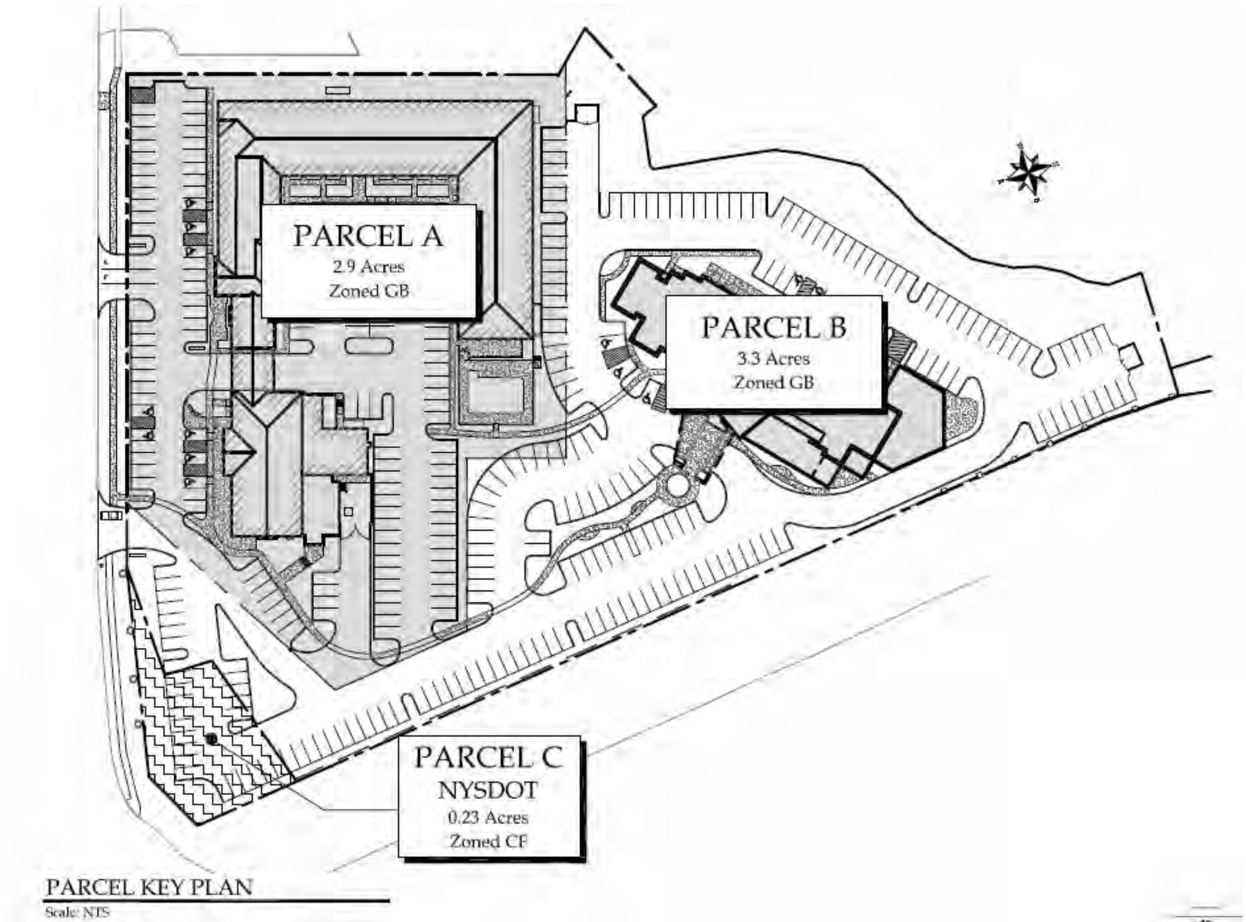
Source: CBRE

Based on the foregoing analysis, the indicated occupancy and ADR figures are achievable. The subject's projection of rooms revenue is illustrated again in the Income Capitalization Section of this report.

ERIE COUNTY PARCEL MAP

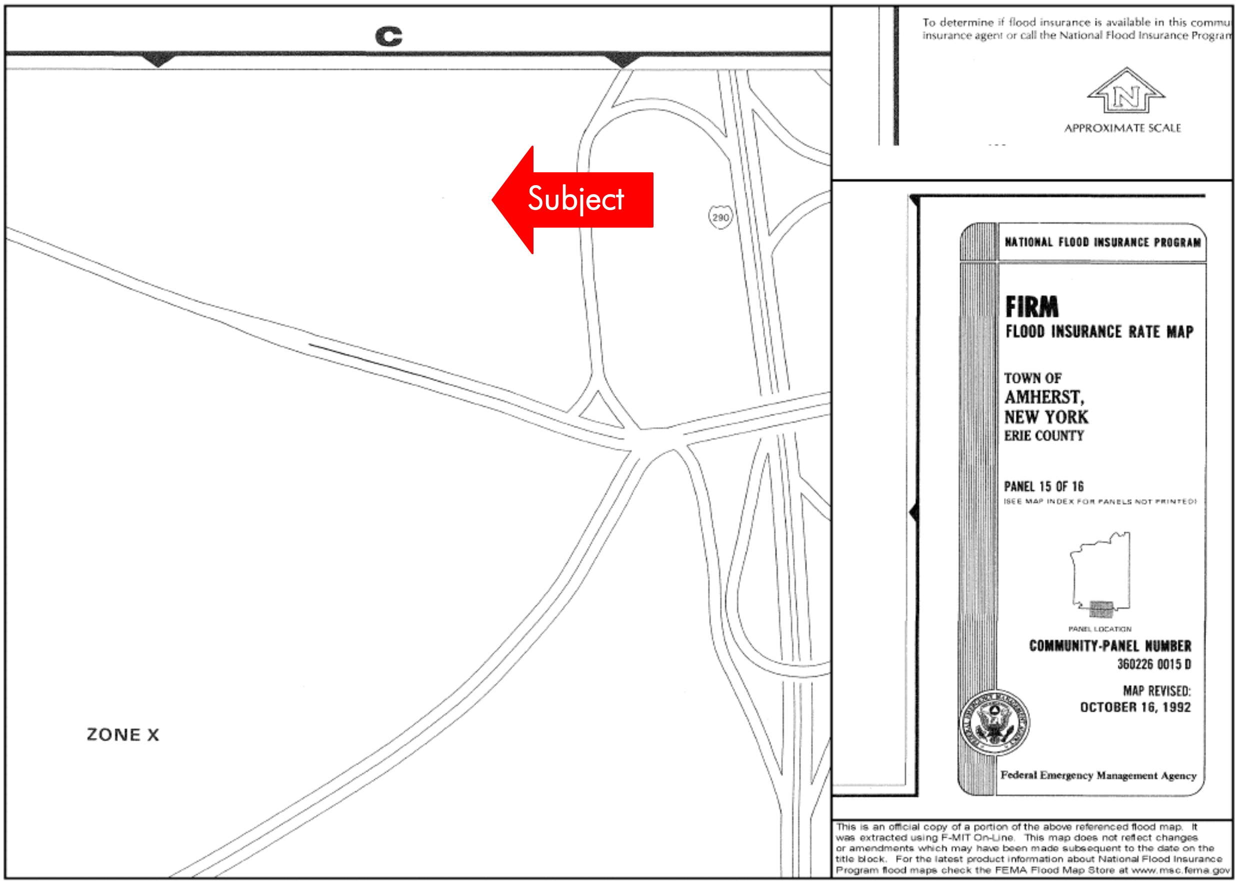


DEVELOPER PARCEL MAP



We note that Parcel C is owned by the NYSDOT and will be used by the subject for a nominal yearly charge. The area will be used for excess parking, but is not important as the subject has more than enough parking spaces to meet the zoning requirements for parking.

FLOOD MAP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Subject
290
ZONE X
To determine if flood insurance is available in this commu
insurance agent or call the National Flood Insurance Program
N
APPROXIMATE SCALE
NATIONAL FLOOD INSURANCE PROGRAM
FIRM
FLOOD INSURANCE RATE MAP
TOWN OF
AMHERST,
NEW YORK
ERIE COUNTY
PANEL 15 OF 16
(SEE MAP INDEX FOR PANELS NOT PRINTED)
PANEL LOCATION
COMMUNITY-PANEL NUMBER
360226 0015 D
MAP REVISED:
OCTOBER 16, 1992
Federal Emergency Management Agency
This is an official copy of a portion of the above referenced flood map. It
was extracted using F-MIT On-Line. This map does not reflect changes
or amendments which may have been made subsequent to the date on the
title block. For the latest product information about National Flood Insurance
Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

SITE ANALYSIS

The salient characteristics of the subject site are summarized as follows:

SITE SUMMARY		
Physical Description		
Gross Site Area	3.30 Acres	143,748 Sq. Ft.
Net Site Area (Hotel Site)	3.30 Acres	143,748 Sq. Ft.
Primary Road Frontage	Main Street	
Excess Land Area	None	
Zoning District	GB (General Business)	
Flood Map Panel No.	3602260015D	
Flood Zone	X	

Source: Various sources compiled by CBRE

LOCATION

The subject is on the north side of Main Street, immediately next to Interstate 290. The street address is 5020 Main Street.

LAND AREA

The site is considered adequate in terms of size and utility. There is no unusable, excess or surplus land area. Please refer to the Resource Verification table within the Scope of Work for the source of the land area size.

ASSESSOR'S PARCEL NUMBER

The Erie County Tax Assessor's parcel number(s) is/are as follows: Part of 80.06-7-9.111.

LAND AREA

The land area size was obtained via the Erie County Parcel map. The site is considered adequate in terms of size and utility. There is no unusable, excess or surplus land area.

SHAPE AND FRONTAGE

The site is generally irregular and has limited frontage along Main Street, but will be highly visible along both Main Street and Interstate 290 due to its 6-story height.

INGRESS/EGRESS

Please refer to the prior site/plat exhibit for the layout of the streets that provide access to the subject.

TOPOGRAPHY AND DRAINAGE

The site is generally level and at street grade. The topography of the site is not seen as an impediment to the development of the property. During our inspection of the site, we observed no drainage problems and assume that none exist.

SOILS

A soils analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soils report, it is a specific assumption that the site has adequate soils to support the highest and best use.

EASEMENTS AND ENCROACHMENTS

Based on an inspection and review of the site plan, the property does not appear to be adversely affected by any easements or encroachments. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

COVENANTS, CONDITIONS AND RESTRICTIONS

There are no known covenants, conditions and restrictions impacting the site that are considered to affect the marketability or highest and best use.

UTILITIES AND SERVICES

The site is within the jurisdiction of the Town of Amherst in Erie County, and is provided all municipal services, including police, fire and refuse garbage collection. All utilities are available to the site in adequate quality and quantity to service the highest and best use.

FLOOD ZONE

According to flood hazard maps published by the Federal Emergency Management Agency (FEMA), the site is within Zone X, as indicated on the indicated Community Map Panel No. 3602260015D.

FEMA Zone X: Areas determined to be outside the 500-year flood plain.

ENVIRONMENTAL ISSUES

CBRE has not observed and is not qualified to detect, the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

ADJACENT PROPERTIES

The adjacent land uses are summarized as follows:

North:	Pond/ Single-family homes
South:	Lord Amherst Hotel/ Single-family homes
East:	Interstate 290
West:	Single-family homes

CONCLUSION

The site is afforded very good access to major highways I-90 and I-290. Its location near I-290 on Main Street will benefit the hotel with excellent visibility in the local neighborhood. The size of the site is typical for the area and use, and there are no known detrimental uses in the immediate vicinity. Overall, there are no known factors that are considered to prevent the site from development to its highest and best use, as if vacant, or adverse to the existing use of the site.

IMPROVEMENTS ANALYSIS

The quality of a lodging facility's physical building and site improvements (as well as any other amenities) has a direct influence on its marketability and operating success. Design and functionality can also affect the operations and profitability. The subject's proposed physical building, site improvements, and personal property (FF&E) are analyzed and presented below.

GENERAL DESCRIPTION

The various components of the proposed subject improvements are summarized as follows:

PROPOSED IMPROVEMENT SUMMARY		
Number of Buildings	1	
Number of Stories	6	
Gross Building Area	88,711 SF	
Number of Guest Rooms	137	
Restaurant/Lounge	Gallery Menu & Market	
Meeting/Banquet Rooms	Yes - 3 rooms	
Site Amenities	Restaurant, lounge, indoor pool, fitness center, business center, market pantry, meeting space	
Parking Type	Surface level parking	
Number of Parking Spaces	180 spaces, per on-site representatives.	
Room Breakdown	**No. of Rooms**	**% of Total**
King	65	47.4%
Queen/Queen	47	34.3%
Studio/Suite	25	18.2%
Total/Average:	137	100.0%
Source: Various sources compiled by CBRE		

Site plans were provided in conjunction with this appraisal and were prepared by Iskalo Development Corp. The following is a description of the subject improvements and basic construction features derived from these plans.

BUILDING AREA

Please refer to the Resource Verification table in the Scope of Work for the source of the building area size. The following is a description of the subject improvements and basic construction features derived from CBRE's inspection.

YEAR BUILT

The subject is a proposed development and is currently under construction. The developer has projected a 15-month construction schedule, which began July 2013 with site work. The budget calls for the hotel to be completed by October 2014.

DESIGN AND LAYOUT

Specific design elements of the proposed property have not been made available. The layout of the building is as follows:

SUMMARY OF IMPROVEMENTS BY FLOOR

Floor	Component	Room Count
Floor 1	Lobby, restaurant, lounge, business center, fitness center, indoor pool, 1,800 SF of meeting space, admin. offices, kitchen, laundry, mechanical rooms, guestrooms	5
Floor 2	Guest laundry, mechanical rooms, guestrooms	24
Floor 3	Guestrooms	27
Floor 4	Guestrooms	27
Floor 5	Guestrooms	27
Floor 6	Guestrooms	27

Compiled by CBRE

Please refer to the floor plans included at the beginning of the report for specific layout of individual hotel components and guestrooms.

ROOMS

The subject's guestrooms will be located on all six floors of the facility. The guestrooms will be of a standard size for the Hyatt Place brand and will feature either one king size or two queen size beds, while the studios/suites at the facility will a larger living area and an L-shaped pull-out sofa.

The interior room finishes are summarized as follows:

Floors: Carpet

Walls: Paint/decorative paper coverings and wall prints

Ceilings: Textured paint

Lighting: Fluorescent/incandescent

Bathrooms: Standard bathrooms will feature shower/tub combinations, toilet and separate vanity area.

Furnishings:	King, or queen size bedding, dresser, flat panel television & armoire, desk & chair, side chair, end table, lamps, pictures and mirrors. Larger suites also include sofas, coffee tables and other related home furnishings.
Room Amenities:	Guest suites feature a built-in hair dryer, iron and board, two-line phone, mini-refrigerator, and coffee-maker.

RESTAURANT/LOUNGE

The facility's restaurant is typical of a Hyatt Place containing a grab-n-go market next to the front desk, a bar/lounge in the lobby and separate Gallery Restaurant that serves light fare 24-hours per day.

MEETING/BANQUET ROOMS

The subject will have one meeting room on the ground floor that is divisible into three meeting rooms with the use of air-walls. The combined meeting space totals 1,800 square feet.

The proposed basic construction features are summarized as follows:

FOUNDATION

The foundation consists of poured reinforced concrete perimeter footings and column pads.

CONSTRUCTION COMPONENTS

The proposed construction components include reinforced concrete, and standard block and plank construction.

FLOOR STRUCTURE

The proposed floor structure is summarized as follows:

Ground Floor:	Concrete slab on compacted fill
Other Floors:	Concrete

EXTERIOR WALLS

The proposed exterior wall structure is glass and EIFS panels.

ROOF COVER

The proposed roof of the single buildings is flat with waterproof membrane cover.

ELEVATOR/STAIR SYSTEM

The proposed hotel is expected to have two passenger elevators that are shared by guests and hotel staff alike. A total of two interior stairwells are located at each end of the building.

HVAC

The subject is expected to have a hybrid heat pump HVAC system, allowing for hot water heating and a chilled water cooling system with zone control for both guestrooms and public areas. Heated and cooled air is delivered through ceiling or wall registers.

LIGHTING SYSTEM

Interior public areas are expected to have primarily recessed fluorescent, spot and incandescent lighting.

FIRE PROTECTION

It is assumed the subject will have adequate fire alarm systems, fire exits, fire extinguishers, fire escapes and or other fire protection measures adequate to meet local fire marshal requirements.

SECURITY

The subject is expected to have a security system/TV surveillance system that is typical of a Hyatt Place.

AMENITIES/ADDITIONAL SERVICES

A fitness center and business center are included in the lobby plans. Additionally, the hotel is expected to have an indoor pool and whirlpool, constructed on the main level at the east end of the building.

PUBLIC LOBBY FACILITIES

The planned interior finish of the public lobby area includes carpet or tile floors with wood paneling, and painted textured or decorative papered walls.

PUBLIC CORRIDORS

The subject's guestrooms are accessible via double-loaded interior hallways for each respective level. The public corridor finish is summarized as follows:

Corridor/Hallway:	Interior
Floor/Decking:	Carpet
Walls/Rails:	Wall vinyl
Ceilings:	Paint
Lighting:	Fluorescent/incandescent

PARKING

180 surface level parking spaces surround the building.

LANDSCAPING

Landscaping around the perimeter of the building is expected to be an attractive combination of trees and shrubs with well-maintained planted beds. The overall appearance will be considered good, compared to competitors.

QUALITY AND STRUCTURAL CONDITION

The subject will be in excellent condition upon completion. It is assumed that there will be no evidence of structural fatigue, and the improvements will be structurally sound for occupancy. However, CBRE is not qualified to determine structural integrity, and it is recommended that the client/reader retain the services of a qualified, independent engineer or contractor to determine the structural integrity of the improvements prior to making a business decision.

FUNCTIONAL UTILITY

The current design characteristics of the subject appear to meet modern standards. All of the floor plans are considered to feature functional layouts and the overall layout of the property is considered functional in utility. The unit mix appears functional and no conversion is warranted.

ADA COMPLIANCE

The client/reader's attention is directed to the specific limiting conditions of the appraisal regarding ADA compliance.

ENVIRONMENTAL ISSUES

CBRE has not observed, yet is not qualified to detect, the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation or other potentially hazardous construction materials on or in the improvements. The existence of such substances may have an affect on the value of the property. For the purpose of this assignment, we have specifically assumed that the subject is not affected by any hazardous materials which would cause a loss in value.

CONSTRUCTION BUDGET

The developer's construction budget is as follows:

ANALYSIS OF CAPITAL EXPENDITURES		
Construction Budget	**Cost**	**$/Key**
Land	$2,250,000	$16,423
A&E	$475,000	$3,467
Construction Costs	$15,000,000	$109,489
FF&E	$2,950,000	$21,533
Closing, Financing, AIDA & Soft Costs	$825,000	$6,022
Carrying Costs During Construction	$400,000	$2,920
Developer Fee (5%)	$1,100,000	$8,029
Total Capital Expenditures	$23,000,000	$167,883
Compiled by CBRE		

ECONOMIC AGE AND LIFE

The subject is proposed. Upon completion, it will be considered new.

CONCLUSION

We assume that the subject's construction will be completed in the time period indicated and according to the type and quality indicated. Should estimates vary then we reserve the right of amend the value conclusions accordingly.

ZONING

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current zoning	GB (General Business)
Legally conforming	Yes
Uses permitted	Hotel, retail, services and others
Zoning change	Not Likely
Category	**Zoning Requirement**
Setbacks - Front	75 Feet
Setbacks - Side	25 Feet
Setbacks - Rear	65 Feet
Maximum Building Height	65 Feet
Parking	1 space per hotel room, 5 spaces per 327 square feet of conference space
Source: Planning & Zoning Dept.	

ANALYSIS AND CONCLUSION

According the Town of Amherst Zoning Ordinance, the purpose of the GB zoning district is to provide community centers within existing and proposed commercial nodes and mixed use activity centers for the location of commercial uses which serve a larger market area than a neighborhood center, as articulated in the comprehensive plan, and provide for community-wide needs for general goods and services and comparison shopping. Such uses require larger land areas, generate large volumes of traffic and may generate large amounts of evening activity.

The improvements represent a legally-conforming use. According to the developer, the project has been approved with the Town Board, Zoning Board of Appeals, Amherst Planning Board and the Amherst IDA. We assume that all necessary permits associated with the proposed development will be secured, including an appropriate liquor license (if required), and that the subject is in conformance with all local building codes and other applicable regulations. If additional information is required, please contact the local planning and/or zoning office.

TAX AND ASSESSMENT DATA

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does include furniture, fixtures and equipment.

AD VALOREM TAX INFORMATION

Assessor's Taxable Value		2012*	2013*	Upon Completion	Assessment After 485-b Benefits - Year 1
Land				$1,460,000	$1,460,000
Real Property	Part of 80.06-7-9.111			$7,034,000	$3,517,000
Total		$1,550,000	$3,400,000	$8,494,000	$4,977,000
Taxable Value @	100%	$1,550,000	$3,400,000	$8,494,000	$4,977,000
Tax Rates	(per $1,000 A.V.)				
Town & County		15.774323	15.846428	16.321821	16.321821
School		20.364581	20.998412	21.628364	21.628364
Village of Williamsville		-	-	-	-
General Tax Rate:		36.138904	36.844840	37.950185	37.950185
Total Taxes		$56,015	$125,272	$322,349	$188,878

* assessment for entire 5000-5020 parcel that includes Lord Amherst Hotel

Source: Assessor's Office

The large increase in assessment between 2012 and 2013 was due to the sale of the property that resulted in an increased assessment near the sale price of the real estate ($3,500,000). The "Upon Completion" value attributed to land is the developer's allocated land value, which we find reasonable based on the historical assessment, the size of parcel allocations, and the presence of improved property (the Lord Amherst Hotel) on the parcel that was split from the subject site.

The property is current on all outstanding tax payments due.

The town of Amherst assessor typically utilizes the income and sales approaches for assessing real property value. The hotel will likely be reassessed at the completion of construction. Comparable assessments of local hotels are the best source of information available to derive the potential as completed assessment value.

TAX COMPARABLES

As a crosscheck to the subject's applicable real estate taxes, CBRE has reviewed the real estate tax information according to the Town of Amherst for comparable properties in the market area. The following table summarizes the comparables employed for this analysis:

AD VALOREM TAX COMPARABLES					
	Courtyard Marriott Buffalo/Amherst	DoubleTree Buffalo/Amherst	Marriott Buffalo Niagara	Hampton Inn Williamsville	Subject - unabated
Year Built	1999	1987	1981	2002	2014
No. Rooms	108	187	356	80	137
Tax Year	2013	2013	2013	2013	2013
Land	$502,900	$1,226,800	$1,908,700	$336,075	
Real Estate	$4,997,100	$6,273,200	$23,091,300	$4,163,925	
Total Assessed Value	$5,500,000	$7,500,000	$25,000,000	$4,500,000	$8,494,000
Per Room	$50,926	$40,107	$70,225	$56,250	$62,000
Combined Tax Rate (per $1000 A.V.)	35.086891	37.707333	36.289320	27.720000	37.950185
Total Taxes	$192,978	$282,805	$907,233	$124,740	$322,349
Per Room	$1,787	$1,512	$2,548	$1,559	$2,353

*subject positioned 10% higher than Hampton Inn Williamsville for newer construction and better location

Source: Assessor's Office

The assessment per room range indicated by the comparable properties is $40,107 to $70,225. We have positioned the subject property within this range at $62,000 per room, which is considered reasonable considering the size, scope and location of the property. While we have positioned the subject on the high-end of the comparable range, it is positioned 10% above the most comparable property, the Hampton Inn Williamsville, due to its new construction which is typically assessed at a higher rate. Additionally, the subject's location, more proximate to I-290, is considered superior to the Hampton Inn location and further justifies the 10% upward adjustment to the assessment per room.

485-B REAL PROPERTY EXEMPTION

Section 485-b of the Real Property Tax law of New York State authorizes a partial exemption from real property taxation for commercial business or industrial property constructed, altered, installed or improved subsequent to July 1, 1976 or a later date as specified in a county's, city's town's or village's local law or in a school district's resolution. According to the developer, the subject property has been approved for a PILOT abatement equivalent to the 485-b exemption. The exemption in the first year is 50% of the increase in the assessed value attributable to the improvement. The exemption amount then decreases by 5% in each of the next nine years. This declining percentage continues to be applied to the increase in assessed value determined in the first year of the exemption. An illustration of these tax benefits and a projection of the subject's tax liability over a 10-year holding period are presented as follows:

PROJECTION OF PROPERTY TAXES WITH 485-B TAX EXEMPTION										
Year 1 Assumptions		Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Current Assessment	$1,460,000									
Assessment Estimate As Complete	$8,494,000	$8,494,000	$8,494,000	$8,494,000	$8,494,000	$8,494,000	$8,494,000	$8,494,000	$8,494,000	$8,494,000
Difference	$7,034,000	$7,034,000	$7,034,000	$7,034,000	$7,034,000	$7,034,000	$7,034,000	$7,034,000	$7,034,000	$7,034,000
Percent Exempt	50%	45%	40%	35%	30%	25%	20%	15%	10%	5%
Exemption Amount	$3,517,000	$3,165,300	$2,813,600	$2,461,900	$2,110,200	$1,758,500	$1,406,800	$1,055,100	$703,400	$351,700
Assessment After 485-b Benefits	$4,977,000	$5,328,700	$5,680,400	$6,032,100	$6,383,800	$6,735,500	$7,087,200	$7,438,900	$7,790,600	$8,142,300
General Tax Rate* per $1,000 A.V.:	37.950185	39.088691	40.261351	41.469192	42.713268	43.994666	45.314506	46.673941	48.074159	49.516384
Total Taxes	**188,878**	**208,292**	**228,701**	**250,146**	**272,673**	**296,326**	**321,153**	**347,203**	**374,527**	**403,177**

*Tax rate increased by 3% per year to account for inflation; kept assessment stable as the tax rate increases account for inflation

Source: Assessor's Office

CONCLUSION

It is an assumption of this report that the entire building will receive 425-b tax benefits. Based on the foregoing information, the subject's current and projected assessment is well supported by both its historical assessments and by the comparable properties shown. Based on the foregoing, the total taxes for the subject have been estimated as $188,878 (abated) for the base year of our analysis, based upon an abated assessed value of $4,977,000 .

HIGHEST AND BEST USE

The concept of highest and best use is a fundamental element in the determination of value of real property, either as if vacant or as improved. Highest and best use is defined as follows:

> The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

The concept of highest and best use is the premise upon which value is based and is a product of competitive forces in the marketplace. The principle of balance holds that real property value is created and sustained when contrasting, opposing, or interacting elements are in a state of equilibrium. This principle applies to relationships among various property components as well as the relationship between the costs of production and the property's productivity. The point of economic balance is achieved when the combination of land and building is optimal (i.e., when no marginal benefit or utility is achieved by adding another unit of capital). The law of increasing returns holds that larger amounts of the agents of production produce greater net income up to a certain point, after which the law of diminishing returns is applied.

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legal permissibility;
- physical possibility;
- financial feasibility; and
- maximum profitability.

Highest and best use analysis involves assessing the subject both as if vacant and as improved; however, as the subject site is not currently improved, we only performed an ‘as if vacant’ analysis.

AS VACANT

Land value is derived from potential use rather than actual use. The highest and best use is that which generates the greatest return to the land. An analysis as to the highest and best use of the land should be made first and may be influenced by many factors. In estimating highest and best use, there are four stages of analysis:

Legal Permissibility

The legally permissible uses were discussed in detail in the Site Analysis and Zoning Sections.

Physical Possibility

The subject is adequately served by utilities, has an adequate shape and size, sufficient access, etc., to be a separately developable site. The subject site would reasonably accept a site layout for any of the legally probable uses. There are no known physical reasons why the subject site would not support any legally probable development.

Financial Feasibility

The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. It may be financially feasible to complete a new hotel project if the site acquisition cost was low enough to provide an adequate developer's profit. There is currently new construction in the marketplace and two new hotels which were recently completed. The cost approach indicates feasibility.

Maximum Profitability

The final test of highest and best use of the site as though vacant is that the use be maximally productive, yielding the highest return to the land. In the case of the subject as if vacant, the analysis has indicated that a new select service hotel project would be most appropriate.

CONCLUSION: HIGHEST AND BEST USE AS VACANT

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject as if vacant, would be the development a select service hotel property. Our analysis of the subject and its respective market characteristics indicate the most likely buyer, as if vacant, would be an investor (land speculation) or a developer.

APPRAISAL METHODOLOGY

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

COST APPROACH

The cost approach is based upon the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with a relatively unique or specialized property type for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per room, price per suite, or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons. Typically, the sales comparison approach is used to bracket the indication provided by the income capitalization approach.

INCOME CAPITALIZATION APPROACH

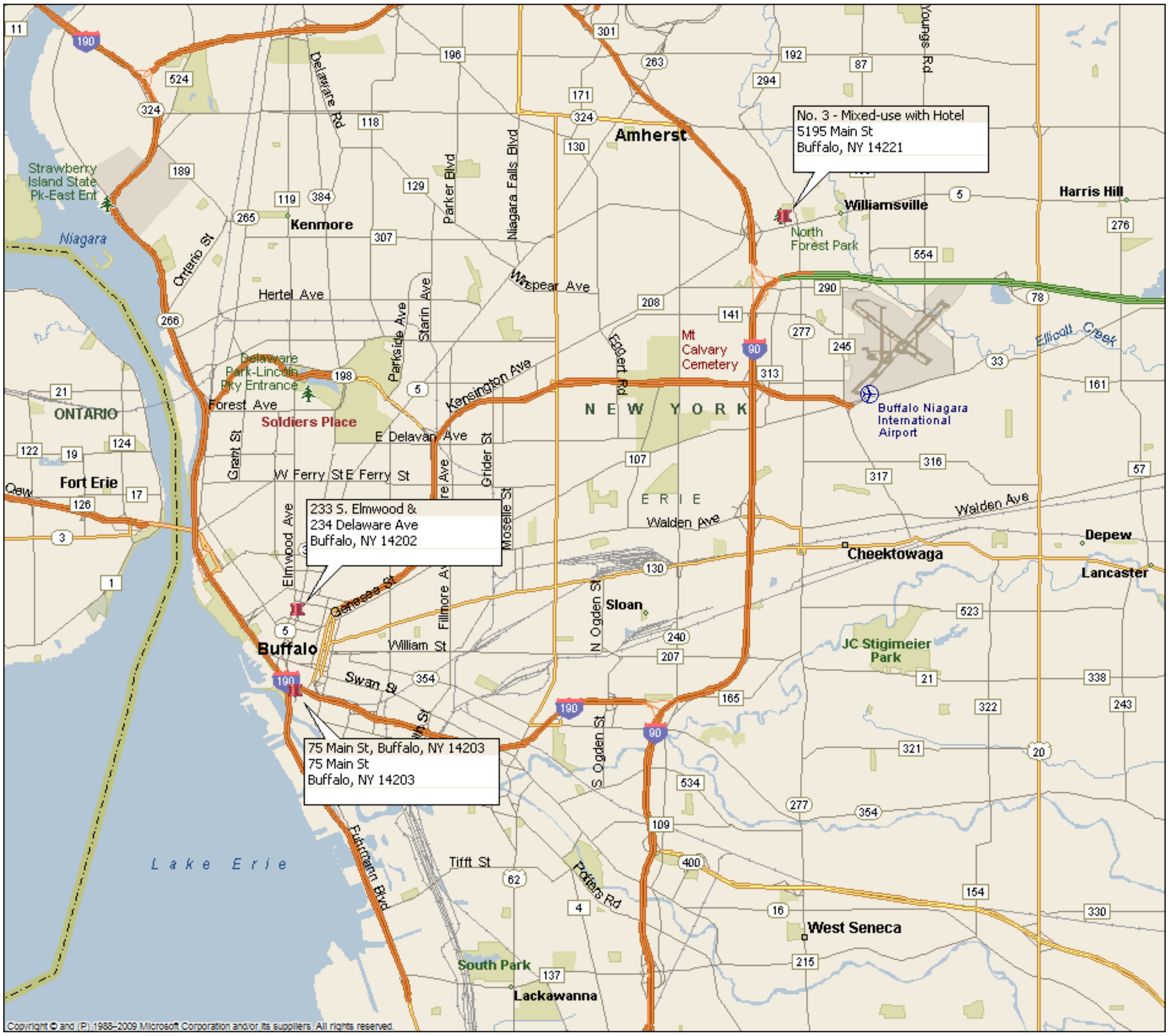
The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are discounted cash flow (DCF) analysis and direct capitalization.

METHODOLOGY APPLICABLE TO THE SUBJECT

In valuing the subject, the cost approach and income approaches are applicable and have been utilized. The sales approach has not been utilized because there is not a sufficient sample of recent transactions in which to compare the subject property. We performed the Sales Approach analysis; however, we were unable to conclude to a resulting value from our research. In addition, the replacement cost has been utilized within the analysis of insurable value.

LAND VALUE

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each transaction is included in the addenda. Sale #4 not pictured – Rotterdam is located in eastern New York, just northwest of Albany.



SUMMARY OF COMPARABLE LAND SALES								
		Transaction			Actual Sale	Adjusted Sale	Size	Price Per
No.	Property Location	Type	Date	Proposed Use	Price	Price [1]	(Acres)	Acre
1	75 Main Street, Buffalo, NY	Sale	Mar-13	Two Hockey Rinks, 200-room Hotel and 850 Car Parking Garage	$2,200,000	$2,200,000	1.77	$1,242,938
2	234 Delaware & 233 South Elmwood, Buffalo, NY	Sale	Sep-12	Mixed-Use	$3,000,000	$3,400,000	1.95	$1,743,590
3	5195 Main Street, Williamsville, NY	Sale	Feb-12	120-room hotel, 33 apts	$3,700,000	$3,865,000	2.59	$1,492,278
4	1925 Curry Road, Rotterdam, NY	Sale	Aug-10	Redevelopment	$1,490,000	$1,490,000	1.23	$1,211,382
Subject	5020 Main Street, Williamsville, NY	---	---	Hotel	---	---	3.30	---

[1] Transaction amount adjusted for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

DISCUSSION/ANALYSIS

There have been very few land sales in the immediate area over the trailing 24 months. We have analyzed these transactions on a per acre basis. A discussion of each sale is below.

Land Sale One – 75 Main Street

This 1.77-acre retail/commercial tract's location is 75 Main Street in Downtown Buffalo,. The site's shape is irregular with level, at street grade topography. The transaction occurred in March, 2013 for $2,200,000, or $1,242,938 per acre. At the time of the sale, the property was vacant, and was reportedly purchased by affiliates of the Buffalo Sabres professional hockey team. At the time of sale the proposed development was for two ice hockey rinks and a 200-room hotel with an 850 space parking garage.

The comparable required a downward adjustment for location and Highest & Best Use, due to this comparable's superior location in Downtown Buffalo where density of development is much greater. Overall, this sale was superior in comparison to the subject and downward adjustment was warranted to its price per unit indication.

Land Sale Two – 234 Delaware Avenue & 233 South Elmwood Avenue

This 1.95-acre retail/commercial tract's location is 234 Delaware & 233 South Elmwood in Downtown Buffalo, NY. The site's shape is rectangular with generally level topography. The transaction occurred in September, 2012 for $3,000,000, or $1,538,462 per acre. At the time of the sale, the property was improved with a 78,856 square foot two-story office building and convenience store. At the time of sale the buyer stated the $3,000,000 allocated for the sale was for the vacant land and we adjusted the price upward by $400,000 for the demolition of the existing structure (estimated at roundly $5/SF).

An upward adjustment was warranted for the improving market conditions since this comparable's date of sale, as compared to the subject's date of appraisal. The comparable required a downward adjustment for location and Highest & Best Use, due to this comparable's superior location in Downtown Buffalo where density of development is much greater. Overall, this sale was superior in comparison to the subject and downward adjustment was warranted to its price per unit indication.

Land Sale Three - 5195 Main Street (currently Wyndham Garden Hotel)

The site is located in a prime Main Street location in Williamsville, NY at the corner of Main Street and South Forest Road, less than one-quarter mile east of the subject site. The 2.59 acre site was purchased in February 2012 for $3,700,000. The site was improved with a Stereo Advantage store which was demolished to make way for the proposed mixed-use development. Demolition costs equated to $165,000, bringing the all-in price to $3,865,000, or $1,492,278 per acre.

An upward adjustment was warranted for the improving market conditions since this comparable's date of sale, as compared to the subject's date of appraisal. This sale is an overall good indicator of value.

Land Sale Four - 1925 Curry Road, Rotterdam, NY

The land sale represents a transaction between IJM Associates and Columbia Altamont LLC for $1,490,000, or $1,211,382 per acre. The site has a rectangular shape with generally level topography and exhibits frontage on Curry Road. The site is zoned B-2 and at the time of the sale was proposed to be developed into a 2-unit retail facility with a restaurant and bank branch.

An upward adjustment was warranted for the improving market conditions since this comparable's date of sale, as compared to the subject's date of appraisal. Overall, this sale was inferior in comparison to the subject and an upward adjustment was warranted to its price per unit indication.

SUMMARY OF ADJUSTMENTS

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

LAND SALES ADJUSTMENT GRID

Comparable Number	1	2	3	4	Subject
Transaction Type	Sale	Sale	Sale	Sale	---
Transaction Date	Mar-13	Sep-12	Feb-12	Aug-10	---
Proposed Use	Two hockey rinks, 200-room hotel and 850 car parking garage	Mixed-Use	120-room hotel, 33 apts	Redevelopment	Hotel
Actual Sale Price	$2,200,000	$3,000,000	$3,700,000	$1,490,000	---
Adjusted Sale Price [1]	$2,200,000	$3,400,000	$3,865,000	$1,490,000	---
Size (Acres)	1.77	1.95	2.59	1.23	3.30
Price Per Acre	$1,242,938	$1,743,590	$1,492,278	$1,211,382	---
Price ($ Per AC)	$1,242,938	$1,743,590	$1,492,278	$1,211,382	
Property Rights Conveyed	0%	0%	0%	0%	
Financing Terms [1]	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	
Market Conditions	0%	5%	5%	10%	
Subtotal	$1,242,937.85	$1,830,769	$1,566,892	$1,332,520	
Size	0%	0%	0%	0%	
Shape	0%	0%	0%	0%	
Corner	0%	0%	0%	0%	
Frontage	0%	0%	0%	0%	
Topography	0%	0%	0%	0%	
Location	-10%	-10%	0%	0%	
Highest & Best Use	-15%	-15%	0%	0%	
Total Other Adjustments	-25%	-25%	0%	0%	
Value Indication for Subject	$932,203	$1,373,077	$1,566,892	$1,332,520	

[1] Transaction amount adjusted for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

CONCLUSION

Based on the preceding analysis, the adjusted sales price per acre of the comparable sales ranged from $932,203 to $1,566,892. We note that Sale #3 is the most comparable to the subject, and on a per unit basis is roundly $25,000/unit. Given the wide range of price per acre we have used the rounded average of these sales to estimate land value, and compared that against the adjusted price per unit of Sale #3.

CONCLUDED LAND VALUE				
$ Per AC		Subject Acs.		Total
$1,300,000	x	3.30	=	$4,290,000
$ Per Unit		Subject Units		Total
$27,500	x	137		$3,767,500
CBRE Conclusion:				**$4,000,000**
Compiled by CBRE				

The CBRE concluded amount is significantly above the developer's allocated value of land, which was $2,200,000. We note that due to the recent parcel separation of the land the subject site is situated on, the land has not yet been valued by the City Assessor's office. Base on the comparables, of which comparable #3 is the most similar and proximate, our conclusion of value per unit is considered reasonable.

COST APPROACH

In estimating the replacement cost new for the subject, the following methods/data sources have been utilized (where available):

- the comparative unit method has been employed, utilizing the Marshall Valuation Service (MVS) cost guide, published by Marshall and Swift, LLC;
- the subject's actual construction costs (where available); and
- actual/budget construction cost figures available for comparable properties have been considered.

MARSHALL VALUATION SERVICE

Direct Cost

Salient details regarding the direct costs are summarized in the Cost Approach Conclusion at the end of this section. The *MVS* cost estimates include the following:

1. average architect's and engineer's fees for plans, plan check, building permits and survey(s) to establish building line;
2. normal interest in building funds during the period of construction plus a processing fee or service charge;
3. materials, sales taxes on materials, and labor costs;
4. normal site preparation including finish grading and excavation for foundation and backfill;
5. utilities from structure to lot line figured for typical setback;
6. contractor's overhead and profit, including job supervision, workmen's compensation, fire and liability insurance, unemployment insurance, equipment, temporary facilities, security, etc.; and
7. site improvements (included as lump sum additions).

Base building costs (direct costs) are adjusted to reflect the physical characteristics of the subject. Making these adjustments, including the appropriate local and current cost multipliers, the direct building cost is indicated.

Additions

Items not included in the direct building cost estimate include parking and walks, signage, landscaping, and miscellaneous site improvements. The cost for these items is estimated separately using the segregated cost sections of the *MVS* cost guide.

Indirect Cost Items

Several indirect cost items are not included in the direct building cost figures derived through the *MVS* cost guide. These items include developer overhead (general and administrative costs), property taxes, legal and insurance costs, local development fees and contingencies, lease-up and marketing costs and miscellaneous costs. Research into these cost items indicates that an average property requires an allowance of about 10% to 20% of the total direct costs.

MVS Conclusion

The concluded direct and indirect building cost estimate obtained via the digital MVS cost guide is illustrated as follows:

COST APPROACH SCHEDULE			
Building Type:	Hotel	Height per Story:	9'
Age:	0 YRS	Number of Buildings:	1
Quality/Condition:	Excellent	Gross Building Area:	88,711 SF
Exterior Wall:	Glass & EIFS	Number of Rooms:	137
Number of Stories:	6		

MVS Sec/Page/Class		electronic
Building Component		Hotel
Component Sq. Ft.		88,711 SF
Base Square Foot Cost		$112.85
Square Foot Refinements		
Exterior Walls		$35.57
Heating and Cooling		$31.02
Sprinklers		$3.56
Elevators		$4.31
Subtotal		$187.31
Base Building Cost	*(via Marshall Valuation Service cost data)*	$16,616,869
Indirect Costs	15.0% of Direct Building Cost	$2,492,530
Direct and Indirect Building Cost		$19,109,399
Rounded		$19,109,000
Compiled by CBRE		

DIRECT AND INDIRECT COST CONCLUSION

Developer's Budget

DEVELOPER'S CONSTRUCTION BUDGET		
Construction Budget	**Cost**	**$/Key**
Land	$2,250,000	$16,423
A&E	$475,000	$3,467
Construction Costs	$15,000,000	$109,489
FF&E	$2,950,000	$21,533
Closing, Financing, AIDA & Soft Costs	$825,000	$6,022
Carrying Costs During Construction	$400,000	$2,920
Developer Fee (5%)	$1,100,000	$8,029
Total Capital Expenditures	$23,000,000	$167,883
Compiled by CBRE		

The indicated direct and indirect building costs for the subject are illustrated as follows:

DIRECT AND INDIRECT COST CONCLUSION		
Source	Total	Per Guest Room
MVS Cost Guide	$19,109,000	$139,482
Developer's Budget Costs (less land, FF&E & Developer's Profit)	$16,700,000	$121,898
CBRE Estimate	**$16,700,000**	**$122,000**
Compiled by CBRE		

ENTREPRENEURIAL PROFIT

Entrepreneurial profit represents the return to the developer, and is separate from contractor's overhead and profit. This line item, which is a subjective figure, tends to range from 5% to 10% of total direct and indirect costs for this property type, based on discussions with developers active in this market.

ACCRUED DEPRECIATION

There are essentially three sources of accrued depreciation:

1. physical deterioration, both curable and incurable;
2. functional obsolescence, both curable and incurable; and
3. external obsolescence.

Physical Deterioration

The subject's physical condition was detailed in the improvements analysis. Curable deterioration affecting the improvements results from deferred maintenance and, if applicable, was previously discussed. With regard to incurable deterioration, the subject improvements are considered to have deteriorated due to normal wear and tear associated with natural aging. The following chart provides a summary of the remaining economic life.

ECONOMIC AGE AND LIFE	
Actual Age	0 Years
Effective Age	0 Years
MVS Expected Life	45 Years
Remaining Economic Life	45 Years
Acrued Physical Incurable Depreciation	0.0%
Compiled by CBRE	

Functional Obsolescence

Based on a review of the design and layout of the improvements, no forms of curable functional obsolescence were noted. Because replacement cost considers the construction of the subject improvements utilizing modern materials and current standards, design and layout, functional incurable obsolescence normally is not applicable.

External Obsolescence

Based on a review of the local market and neighborhood, no forms of external obsolescence affect the subject.

FURNITURE, FIXTURES & EQUIPMENT

No furniture, fixtures and equipment (FF&E) appraisal was contracted as part of this assignment. In order to estimate the value of the FF&E, we have relied upon information contained in the Marshall Valuation Service Cost Manual, comparable hotel properties and the Uniform Franchise Offering Circular (UFOC) for the subject. Based on our review of the subject plans, we assume the FF&E will be new and in excellent condition. Accordingly, we have estimated the total replacement cost new for the FF&E as follows.

FF&E COST ESTIMATE

Source	Per Guest Room
Hampton	$18,386
Homewood	$26,131
Embassy	$27,408
Subject	$21,533
CBRE Estimate	**$21,500**
Indicated FF&E Replacement Cost	$2,945,500
Rounded	$2,950,000

Compiled by CBRE

The subject estimate is reasonable compared to industry standards for FF&E costs.

In order to estimate the depreciated value of the FF&E, we have again relied upon the Marshall Valuation Service depreciation schedule for fixtures and equipment. In this analysis, we have assumed a typical life expectancy and effective age estimate, based upon the weighted actual age of all FF&E. As the FF&E is replaced on an ongoing basis and is considered in excellent condition, this methodology is considered reasonable. The resultant depreciated cost of the FF&E can be calculated as follows:

FF&E DEPRECIATED COST ESTIMATE		
FF&E Effective Age (Weighted)		0 Years
MVS Expected Life (Weighted)		8 Years
FF&E Physical Depreciation		0%
MVS Salvage Value of FF&E		10%
FF&E Replacement Cost New	$	2,950,000
Less: Salvage Value @ 10%	$	(295,000)
Depreciable Cost	$	2,655,000
Less Depreciation @ 0%	$	-
Plus Salvage Value	$	295,000
Depreciated FF&E Cost	$	2,950,000
Rounded	$	2,950,000
Depreciated FF&E Cost Per Guest Room		$21,533
Compiled by CBRE		

COST APPROACH CONCLUSION

The value estimate is calculated as follows.

COST APPROACH SCHEDULE			
Building Type:	HOT_Select Service	Height per Story:	9'
Age:	0 YRS	Number of Buildings:	1
Quality/Condition:	Excellent	Gross Building Area:	88,711 SF
Exterior Wall:	Glass & EIFS	Number of Rooms:	137
Number of Stories:	6		
Direct and Indirect Building Cost			$16,700,000
Entrepreneurial Profit	10.0% of Total Building Cost		$1,670,000
Replacement Cost New			$18,370,000
Land Value			$4,000,000
Depreciated Cost of FF&E			$2,950,000
Prospective Value Upon Completion			$25,320,000
Rounded			$25,300,000
Value Per Room			$184,672
Compiled by CBRE			

INSURABLE VALUE

As part of the client's requested scope of work, an estimate of insurable value is provided herein. CBRE has followed traditional appraisal standards to develop a reasonable calculation based upon industry practices and industry accepted publications such as Marshall Valuation Service. The methodology employed is a derivation of the cost approach and is not reliable for insurable value estimates. Actual construction costs and related estimates can vary greatly from this estimate.

The insurable value estimate presented herein is intended to reflect the value of the destructible portions of the subject, based on the replacement of physical items that are subject to loss from hazards (excluding indestructible items such as basement excavation, foundation, site work, land value and indirect costs). In the case of the subject, this estimate is based upon the base building costs (direct costs) as obtained via the Marshall Valuation Service handbook, with appropriate deductions.

This analysis should not be relied upon to determine proper insurance coverage as only consultants considered experts in cost estimation and insurance underwriting are qualified to provide an insurable value. It is provided to aid the client/reader/user as part of their overall decision making process and no representations or warranties are made by CBRE regarding the accuracy of this estimate and it is strongly recommend that other sources be utilized to develop any estimate of insurable value.

INSURABLE VALUE SCHEDULE

Building Type:	Hotel	Height per Story:	9'
Age:	0 YRS	Number of Buildings:	1
Quality/Condition:	Excellent	Gross Building Area:	88,711 SF
Exterior Wall:	Glass & EIFS	Number of Rooms:	137
Number of Stories:	6		

Base Building Cost	*(via Marshall Valuation Service cost data)*	$16,616,869
Insurable Value Exclusions	10.0% of Total Building Cost	($1,661,687)
Indicated FF&E Replacement Cost		$2,950,000
Insurable Value Indication		$17,905,182
Rounded		$17,900,000
Value Per Room		$130,657

Compiled by CBRE

SALES COMPARISON APPROACH

Given the location of the subject property a Sales Comparison approach to value is not applicable. Hotel's in the greater Buffalo-Niagara market rarely trade, and the data that is available is dated and not representative of the subject. Only three hotels have sold in the subject market in the last 5 years; two were economy properties and one was a downtown convention center hotel with nearly 500 rooms. Occupancy and average rate data for these hotels at the time of sale was not available and the information available for these properties is not usable for comparison purposes. The available data for these sales is presented as follows.

HOTEL SALES BUFFALO AREA

Hotel	Location	Sale Date	Room Count	Sale Price	Sale Price $/Room
Rodeway Inn & Suites Amherst	Amherst, NY	Oct-10	40	$1,475,000	$36,875
Econo Lodge Williamsville	Williamsville, NY	Apr-09	121	$3,500,000	$28,926
Adam's Mark Buffalo	Buffalo, NY	Feb-09	486	$7,500,000	$15,432

Compiled by: CBRE

Comparable sales have been analyzed in an effort to test the reasonableness of the Income Capitalization approach. The following sales represent Hyatt Place hotel transactions across the country within the past 12 months. We note that these hotels comprise a wide geography and city profile, and other than brand, are not representative of the subject property.

RECENT HYATT PLACE SALES

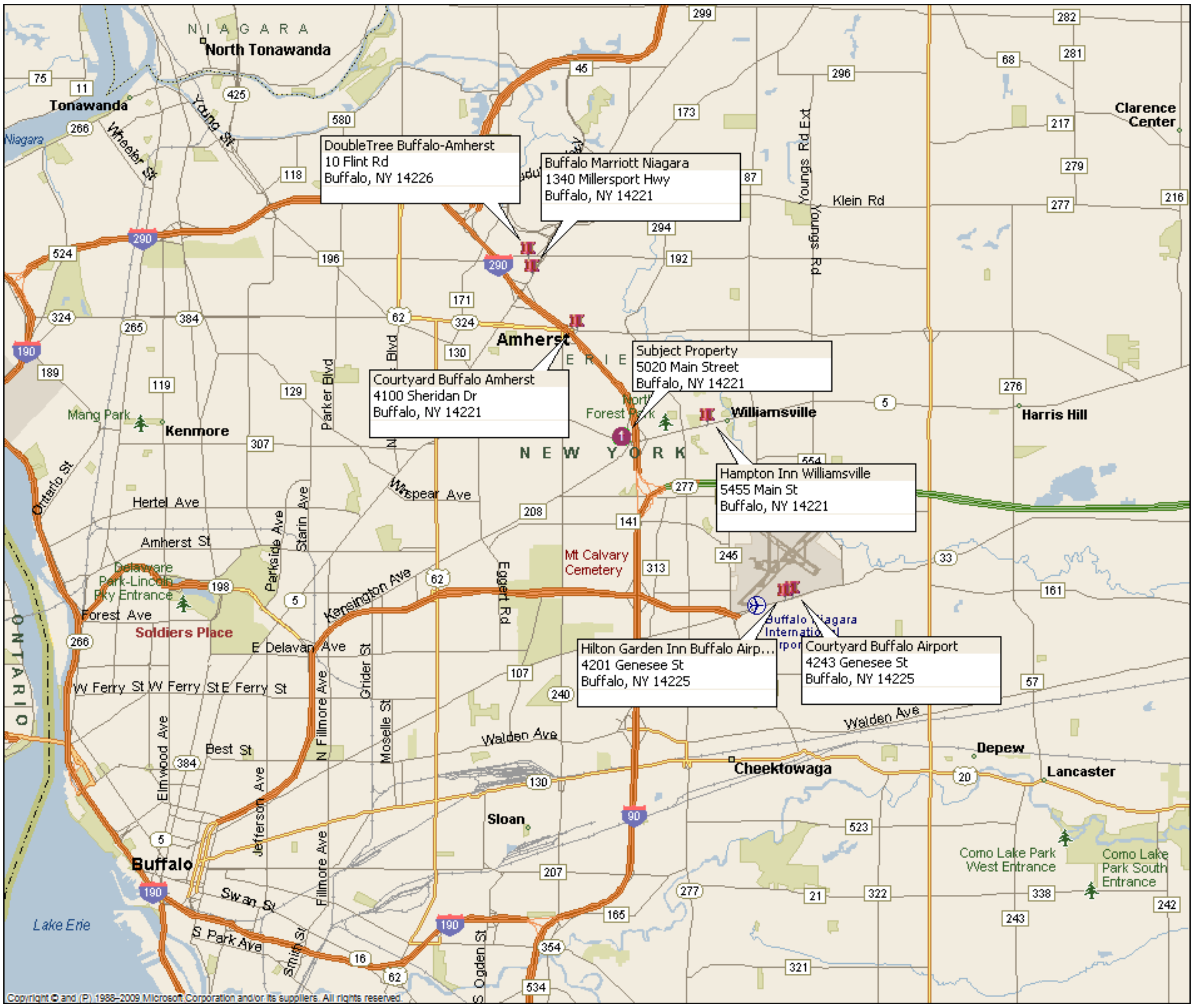
Hotel	City	State	Sale Date	Room Count	Sale Price	Sale Price $/Room
Hyatt Place North Charleston	North Charleston	South Carolina	May-13	113	$11,800,000	$104,425
Hyatt Place Memphis Germantown	Germantown	Tennessee	Apr-13	127	$11,300,000	$88,976
Hyatt Place New York	New York	New York	Mar-13	185	$76,200,000	$411,892
Hyatt Place Chicago Hoffman Estates	Hoffman Estates	Illinois	Jan-13	126	$10,625,000	$84,325
Hyatt Place Orlando Convention Center	Orlando	Florida	Jan-13	149	$12,665,000	$85,000
Hyatt Place Orlando Universal	Orlando	Florida	Jan-13	151	$12,835,000	$85,000
Hyatt Place Garden City	Garden City	New York	Dec-12	122	$31,000,000	$254,098
Hyatt Place Baltimore Owings Mills	Owings MIlls	Maryland	Oct-12	123	$10,455,000	$85,000
Hyatt Place Chicago Lombard Oak Brook	Lombard	Illinois	Oct-12	151	$12,835,000	$85,000
Hyatt Place Dallas Arlington	Arlington	Texas	Oct-12	127	$10,795,000	$85,000
Hyatt Place Denver South Park Meadows	Lone Tree	Colorado	Oct-12	127	$10,345,000	$81,457
Hyatt Place Denver Tech Center	Englewood	Colorado	Oct-12	126	$10,260,000	$81,429
Hyatt Place Phoenix North	Phoenix	Arizona	Oct-12	127	$10,345,000	$81,457
Hyatt Place Scottsdale Old Town	Scottsdale	Arizona	Oct-12	127	$10,795,000	$85,000

Compiled by: CBRE

The hotels transactions presented above range in price per room from $81,429 to $411,892; therefore, we have concluded the Sales Comparison Approach is not applicable.

INCOME CAPITALIZATION APPROACH

The following map and tables summarize the comparable data used in the valuation of the subject. A detailed description of each property is included in the addenda.



PRIMARY COMPETITIVE HOTELS												
						12 Months Ending December 31, 2012						
Property	Number of Rooms	Percentage Competitive	Year Built	Date Opened	Competitive Rooms	Occ.	Occupancy Penetration	ADR	ADR Penetration	RevPAR	RevPAR Penetration
Hilton Garden Inn Buffalo Airport	158	100%	2005	Oct-05	158	83%	111%	$133.00	109%	$110.39	120%
Courtyard Marriott Buffalo/Amherst	108	100%	1999	May-99	108	71%	95%	$118.00	96%	$83.78	91%
DoubleTree Buffalo/Amherst	187	100%	1987	May-87	187	68%	91%	$103.00	84%	$70.04	76%
Marriott Buffalo Niagara	356	100%	1981	Mar-81	356	75%	100%	$124.00	101%	$93.00	101%
Hampton Inn Williamsville	80	100%	2002	Jul-02	80	80%	107%	$141.00	115%	$112.80	123%
Courtyard Buffalo Airport	139	100%	2011	Aug-11	139	75%	100%	$121.00	99%	$90.75	99%
Overall Totals/Averages	1,028				1,028	75%		$122.47		$91.76	

Compiled by CBRE

PRIMARY COMPETITION													
		Meeting	Meeting	Estimated 2012 Market Mix									
Property	Location	Space (SF)	Space (SF/RM)	Commercia l	Meeting & Group	Leisure	Restaurant	Lounge	Business Center	Pool	Spa	Exercise Facilities
Hilton Garden Inn Buffalo Airport	Buffalo, NY	3,000	19.0	65%	15%	20%	Y	Y	Y	Y	N	Y
Courtyard Marriott Buffalo/Amherst	Buffalo, NY	750	6.9	60%	5%	35%	Y	Y	Y	Y	N	Y
DoubleTree Buffalo/Amherst	Amherst, NY	2,265	12.1	60%	5%	35%	Y	Y	Y	Y	N	Y
Marriott Buffalo Niagara	Amherst, NY	14,000	39.3	60%	20%	20%	Y	Y	Y	Y	N	Y
Hampton Inn Williamsville	Williamsville, NY	525	6.6	65%	5%	30%	N	Y	Y	Y	N	Y
Courtyard Buffalo Airport	Cheektowaga, NY	1,200	8.6	65%	15%	20%	Y	Y	Y	Y	N	Y
Overall Totals/Averages				62%	14%	24%						
Compiled by CBRE												

SUMMARY AND ANALYSIS OF COMPETITIVE PROPERTIES

The prior tables summarize the primary competitive set applicable to the subject property. These properties have been analyzed and were described in detail in the hotel market analysis section. The primary competitive set, not including the subject has a total of 1,028 rooms. The 2012 occupancy and ADR achieved by these properties was roughly 75% and $122.47, respectively.

OCCUPANCY, ADR, AND REVPAR CONCLUSIONS

The subject's occupancy, ADR, RevPAR, and corresponding room revenue for the first several years of our projection analysis are illustrated as follows and were discussed and analyzed in the hotel market analysis:

OCCUPANCY, ADR, & ROOMS REVENUE CONCLUSIONS			
Fiscal Year Ending 9/30/	2015	2016	2017
Avg. Available Rooms	137	137	137
Annual Room Nights	50,005	50,005	50,005
Occupancy	69%	73%	75%
Occupied Rooms	34,503	36,504	37,504
ADR	$137.87	$153.04	$157.63
RevPAR	$95.13	$111.72	$118.22
Total Rooms Revenue	$4,756,845	$5,586,558	$5,911,803
Source: CBRE			

INCOME AND EXPENSE HISTORY

A normalized budget of income and expense was made available by the developer and is summarized the charts that follow. For purposes of our analysis, we assume the information provided is accurate. Where applicable, we have reclassified the available information to conform to the *Uniform System of Accounts for Hotels*, an industry-standard accounting format.

This analysis incorporates revenue estimates based on our survey of comparable and competitive properties, and general market trend information.

Conclusions will be presented for the following years:

- Discounted Cash Flow Analysis - Year 1;
- The DCF Stabilized Estimate; and

SUBJECT PRO FORMA BUDGET

Period Reported:	Complete Calendar Year Year 1	Complete Calendar Year Year 2	Complete Calendar Year Year 3	Complete Calendar Year Year 4
Days Open	365	365	365	365
No. of Rooms	137	137	137	137
Occupied Room Nights	34,003	35,004	36,004	36,504
Occupancy	68.0%	70.0%	72.0%	73.0%
Average Daily Rate	$132.00	$141.75	$146.00	$150.50
RevPAR	$89.76	$99.22	$105.12	$109.86

	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR
REVENUE																
Rooms	$4,488,449	95.8%	$32,762	$132.00	$4,961,746	96.0%	$36,217	$141.75	$5,256,526	96.0%	96.0%	$146.00	$5,493,799	96.0%	$40,101	$150.50
Food & Beverage	201,000	4.3%	$1,467	$5.91	212,000	4.1%	$1,547	$6.06	223,000	4.1%	4.1%	$6.19	232,000	4.1%	$1,693	$6.36
Minor Operated Departments (shown net of exps)	(3,744)	-0.1%	-$27	-$0.11	(3,969)	-0.1%	-$29	-$0.11	(4,205)	-0.1%	-0.1%	-$0.12	(4,391)	-0.1%	-$32	-$0.12
Total Revenue	$4,685,705	100.0%	$34,202	$137.80	$5,169,777	100.0%	$37,736	$147.69	$5,475,321	100.0%	100.0%	$152.08	$5,721,408	100.0%	$41,762	$156.74
DEPARTMENTAL EXPENSES*																
Rooms	$942,574	21.0%	$6,880	$27.72	$1,041,967	21.0%	$7,606	$29.77	$1,103,870	21.0%	21.9%	$30.66	$1,153,698	21.0%	$8,421	$31.61
Food & Beverage	178,000	88.6%	$1,299	$5.23	186,000	87.7%	$1,358	$5.31	193,000	86.5%	2125.0%	$5.36	200,000	86.2%	$1,460	$5.48
Minor Operated Departments	-	0.0%	$0	$0.00	-	0.0%	$0	$0.00	-	0.0%	0.0%	$0.00	-	0.0%	$0	$0.00
Total Departmental Expenses	$1,120,574	23.9%	$8,179	$32.95	$1,227,967	23.8%	$8,963	$35.08	$1,296,870	23.7%	23.7%	$36.02	$1,353,698	23.7%	$9,881	$37.08
DEPARTMENTAL INCOME (LOSS)	$3,565,131	76.1%	$26,023	$104.85	$3,941,810	76.2%	$28,772	$112.61	$4,178,451	76.3%	76.3%	$116.06	$4,367,710	76.3%	$31,881	$119.65
UNDISTRIBUTED OPERATING EXPENSES																
Administrative and General	$414,773	8.9%	$3,028	$12.20	$427,216	8.3%	$3,118	$12.20	$440,032	8.0%	8.0%	$12.22	$453,233	7.9%	$3,308	$12.42
Marketing	173,450	3.7%	$1,266	$5.10	178,654	3.5%	$1,304	$5.10	184,013	3.4%	3.4%	$5.11	189,534	3.3%	$1,383	$5.19
Franchise Fees	291,749	6.5%	$2,130	$8.58	322,513	6.5%	$2,354	$9.21	341,674	6.5%	6.8%	$9.49	357,097	6.5%	$2,607	$9.78
Property Operations and Maintenance	156,859	3.3%	$1,145	$4.61	161,565	3.1%	$1,179	$4.62	166,412	3.0%	3.0%	$4.62	171,405	3.0%	$1,251	$4.70
Utility Costs	192,791	4.1%	$1,407	$5.67	204,415	4.0%	$1,492	$5.84	216,563	4.0%	4.0%	$6.02	226,158	4.0%	$1,651	$6.20
Total Undistributed Expenses	$1,229,622	26.2%	$8,975	$36.16	$1,294,363	25.0%	$9,448	$36.98	$1,348,694	24.6%	24.6%	$37.46	$1,397,427	24.4%	$10,200	$38.28
CASH FLOW AFTER UNDISTRIBUTED OPERATING EXPENSES	$2,335,509	49.8%	$17,048	$68.68	$2,647,447	51.2%	$19,324	$75.63	$2,829,757	51.7%	51.7%	$78.60	$2,970,283	51.9%	$21,681	$81.37
Management Fee	$140,571	3.0%	$1,026	$4.13	$155,093	3.0%	$1,132	$4.43	$164,260	3.0%	3.0%	$4.56	$171,642	3.0%	$1,253	$4.70
INCOME BEFORE FIXED CHARGES	$2,194,938	46.8%	$16,021	$64.55	$2,492,354	48.2%	$18,192	$71.20	$2,665,497	48.7%	48.7%	$74.03	$2,798,641	48.9%	$20,428	$76.67
FIXED CHARGES																
Property Taxes	142,932	3.1%	$1,043	$4.20	150,549	2.9%	$1,099	$4.30	158,166	2.9%	2.9%	$4.39	165,784	2.9%	$1,210	$4.54
Insurance	37,707	0.8%	$275	$1.11	38,838	0.8%	$283	$1.11	40,003	0.7%	0.7%	$1.11	41,203	0.7%	$301	$1.13
Reserve for Replacement	93,714	2.0%	$684	$2.76	155,093	3.0%	$1,132	$4.43	219,013	4.0%	4.0%	$6.08	228,856	4.0%	$1,670	$6.27
Total Fixed Charges	$274,353	5.9%	$2,003	$8.07	$344,480	6.7%	$2,514	$9.84	$417,182	7.6%	7.6%	$11.59	$435,843	7.6%	$3,181	$11.94
NET OPERATING INCOME	**$1,920,585**	**41.0%**	**$14,019**	**$56.48**	**$2,147,874**	**41.5%**	**$15,678**	**$61.36**	**$2,248,315**	**41.1%**	**41.1%**	**$62.45**	**$2,362,798**	**41.3%**	**$17,247**	**$64.73**

* Departmental expense ratios are based on departmental revenues; Franchise/Royalty ratio is based on room revenues; all others are based on total revenues.

Source: Hotel Operating Statements

INCOME AND EXPENSE COMPARABLES

The following charts summarize income and expenses taken from regional revenue/expense comparables and the STR Host Report.

COMPARABLE INCOME AND EXPENSE DATA - SELECTED HOTELS

Property		Comparable #1			Comparable #2			Comparable #3	
Days Open		365			365			365	
Avg. No. of Rooms		172			334			136	
Occupancy		54.4%			79.0%			76.3%	
Average Daily Rate		$117.84			$56.80			$121.29	
	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR
REVENUE									
Rooms	91.2%	$23,398	$117.84	96.0%	$16,378	$56.80	95.9%	$33,778	$121.29
Food & Beverage	8.0%	$2,062	$10.39	3.0%	$514	$1.78	0.0%	$0	$0.00
Telecommunications	0.1%	$24	$0.12	0.3%	$43	$0.15	0.0%	$7	$0.03
Minor Operated Departments	0.7%	$170	$0.85	0.7%	$119	$0.41	4.0%	$1,425	$5.12
Total Revenue	100.0%	$25,654	$129.20	100.0%	$17,053	$59.14	100.0%	$35,210	$126.43
DEPARTMENTAL EXPENSES*									
Rooms	23.8%	$5,571	$28.06	25.0%	$4,093	$14.19	17.7%	$5,983	$21.48
Food & Beverage	0.0%	$2,760	$13.90	60.5%	$311	$1.08	0.0%	$0	$0.00
Telecommunications	525.2%	$126	$0.64	253.1%	$108	$0.37	2695.9%	$188	$0.67
Total Departmental Expenses	33.0%	$8,457	$42.59	26.5%	$4,511	$15.65	17.5%	$6,170	$22.16
DEPARTMENTAL INCOME (LOSS)	67.0%	$17,197	$86.61	73.5%	$12,542	$43.50	82.5%	$29,040	$104.27
UNDISTRIBUTED OPERATING EXPENSES									
Administrative and General	9.8%	$2,505	$12.62	9.9%	$1,681	$5.83	8.1%	$2,868	$10.30
Marketing	6.4%	$1,635	$8.23	3.8%	$651	$2.26	2.4%	$849	$3.05
Franchise Fees	8.1%	$1,891	$9.52	7.5%	$1,228	$4.26	11.0%	$3,717	$13.35
Property Operations and Maintenance	5.3%	$1,356	$6.83	7.3%	$1,243	$4.31	4.1%	$1,442	$5.18
Utility Costs	9.0%	$2,318	$11.67	5.7%	$969	$3.36	2.8%	$978	$3.51
Total Undistributed Expenses	37.8%	$9,705	$48.88	33.8%	$5,772	$20.02	28.0%	$9,853	$35.38
CASH FLOW AFTER UNDISTRIBUTED OPERATING EXPENSES	29.2%	$7,492	$37.73	39.7%	$6,770	$23.48	54.5%	$19,186	$68.89
Management Fee	0.4%	$109	$0.55	3.0%	$512	$1.77	2.0%	$704	$2.53
INCOME BEFORE FIXED CHARGES	28.8%	$7,383	$37.18	36.7%	$6,259	$21.71	52.5%	$18,482	$66.36
FIXED CHARGES									
Property Taxes	13.0%	$3,338	$16.81	4.5%	$773	$2.68	0.7%	$263	$0.94
Insurance	1.3%	$339	$1.71	0.3%	$56	$0.20	0.2%	$77	$0.28
Reserve for Replacement	0.0%	$0	$0.00	0.0%	$0	$0.00	0.0%	$0	$0.00
Total Fixed Charges	14.3%	$3,677	$18.52	4.9%	$829	$2.88	5.0%	$1,750	$6.28
		$0	$0.00		$0	$0.00		$0	$0.00
NET OPERATING INCOME	**14.4%**	**$3,706**	**$18.66**	**31.8%**	**$5,429**	**$18.83**	**47.5%**	**$16,732**	**$60.08**

* Departmental expense ratios are based on departmental revenues; Franchise/Royalty ratio is based on room revenues; all others are based on total revenues.

Source: Hotel Operating Statements

COMPARABLE INCOME AND EXPENSE DATA - SELECTED HOTELS

Property	Host Report - Weighted Average			Limited-service Chain-affiliated			Limited-service Suburban Location			Limited-service Upper Upscale		
Year	2012			2012			2012			2012		
Avg. No. of Rooms	132			114			111			170		
Occupancy	71.8%			70.7%			70.0%			73.7%		
Average Daily Rate	$116.19			$89.84			$79.59			$157.78		
	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR	Ratio to Sales	PAR	POR
REVENUE												
Rooms	96.4%	$29,805	$116.19	97.8%	$22,998	$89.84	98.3%	$20,240	$79.59	94.2%	$40,623	$157.78
Food & Beverage	0.0%	$0	$0.00	0.0%	$0	$0.00	0.0%	$0	$0.00	0.0%	$0	$0.00
Minor Operated Departments	2.1%	$723	$2.81	1.6%	$368	$1.44	1.2%	$246	$0.97	3.0%	$1,272	$4.94
Total Revenue	100.0%	$31,117	$121.29	100.0%	$23,510	$91.84	100.0%	$20,582	$80.94	100.0%	$43,106	$167.42
DEPARTMENTAL EXPENSES												
Rooms	23.8%	$7,221	$28.14	23.1%	$5,307	$20.73	22.5%	$4,562	$17.94	25.2%	$10,242	$39.78
Food & Beverage	0.0%	$0	$0.00	0.0%	$0	$0.00	0.0%	$0	$0.00	0.0%	$0	$0.00
Minor Operated Departments	51.0%	$666	$2.59	43.8%	$211	$0.82	50.9%	$161	$0.63	56.0%	$1,302	$5.06
Total Departmental Expenses	25.2%	$8,032	$31.30	24.0%	$5,642	$22.04	23.5%	$4,837	$19.02	27.2%	$11,724	$45.54
DEPARTMENTAL INCOME (LOSS)	74.8%	$23,085	$89.99	76.0%	$17,868	$69.80	76.5%	$15,744	$61.91	72.8%	$31,382	$121.89
UNDISTRIBUTED OPERATING EXPENSES												
Administrative and General	9.4%	$2,902	$11.31	9.4%	$2,198	$8.59	9.6%	$1,977	$7.77	9.2%	$3,979	$15.45
Marketing	6.2%	$1,987	$7.74	5.6%	$1,313	$5.13	5.6%	$1,152	$4.53	6.9%	$2,985	$11.59
Franchise Fees	2.4%	$727	$2.83	2.6%	$619	$2.42	2.5%	$511	$2.01	2.2%	$941	$3.65
Property Operations and Maintenance	5.1%	$1,572	$6.13	5.1%	$1,206	$4.71	5.6%	$1,150	$4.52	4.9%	$2,093	$8.13
Utility Costs	4.6%	$1,352	$5.27	4.9%	$1,143	$4.46	5.3%	$1,098	$4.32	3.8%	$1,658	$6.44
Total Undistributed Expenses	27.6%	$8,540	$33.29	27.6%	$6,480	$25.31	28.6%	$5,887	$23.15	27.0%	$11,656	$45.27
CASH FLOW AFTER UNDISTRIBUTED OPERATING EXPENSES	47.1%	$14,545	$56.70	48.4%	$11,388	$44.49	47.9%	$9,858	$38.77	45.8%	$19,726	$76.62
Management Fee	2.7%	$827	$3.23	2.9%	$685	$2.67	2.8%	$579	$2.28	2.5%	$1,085	$4.22
INCOME BEFORE FIXED CHARGES	44.4%	$13,717	$53.47	45.5%	$10,704	$41.81	45.1%	$9,279	$36.49	43.2%	$18,641	$72.40
FIXED CHARGES												
Property Taxes	4.1%	$1,245	$4.85	4.3%	$1,022	$3.99	4.3%	$881	$3.46	3.8%	$1,632	$6.34
Insurance	1.1%	$331	$1.29	1.2%	$277	$1.08	1.2%	$256	$1.01	1.0%	$415	$1.61
Reserve for Replacement	1.3%	$413	$1.61	1.3%	$302	$1.18	1.1%	$237	$0.93	1.4%	$604	$2.34
Total Fixed Charges	6.5%	$1,989	$7.75	6.8%	$1,601	$6.25	6.7%	$1,374	$5.40	6.2%	$2,651	$10.30
NET OPERATING INCOME	**37.9%**	**$11,728**	**$45.72**	**38.7%**	**$9,103**	**$35.56**	**38.4%**	**$7,905**	**$31.08**	**37.1%**	**$15,990**	**$62.10**

Source: The 2013 Host Report, for the year 2012, Smith Travel Research

FIXED AND VARIABLE REVENUE AND EXPENSE ANALYSIS

Operating revenues and expenses for hotels have a component that is fixed and a component that is variable with respect to increases or decreases in occupancy. The fixed component increases at an inflationary level, while the variable component is adjusted in proportion to the use of the hotel facility.

The applicable fixed and variable ratios were derived through discussions with hotel experts and are consistent with industry norms. These ratios and the associated revenue component drivers are illustrated as follows:

FIXED AND VARIABLE AMOUNTS

COMPONENT	FIXED %	VARIABLE %	VAR. DRIVER
REVENUE			
Rooms	N/A	N/A	N/A
Food & Beverage	20.0%	80.0%	Occ Rooms
Minor Operated Departments	30.0%	70.0%	Occ Rooms
DEPARTMENTAL EXPENSES			
Rooms	60.0%	40.0%	Occ Rooms
Food & Beverage	40.0%	60.0%	Food & Bev Rev
Minor Operated Departments	50.0%	50.0%	MOR Rev
UNDISTRIBUTED OPERATING EXPENSES			
Administrative and General	90.0%	10.0%	Total Rev
Marketing	70.0%	30.0%	Total Rev
Property Operations and Maintenance	70.0%	30.0%	Total Rev
Utility Costs	90.0%	10.0%	Total Rev
Management Fee	0.0%	100.0%	Total Rev
FIXED CHARGES			
Property Taxes	100.0%	0.0%	N/A
Insurance	100.0%	0.0%	N/A
Reserve for Replacement	0.0%	100.0%	N/A

Source: CBRE

ROOMS DEPARTMENT REVENUES

The subject's and the comparable data revenues for this department as a percentage of total revenues, as a percentage of Rooms department revenues, and on a per occupied room basis are summarized as follows:

ROOMS REVENUE				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$4,488	95.8%	$32,762	$132.00
Subject Year 2	$4,962	96.0%	$36,217	$141.75
Subject Year 3	$5,257	96.0%	$38,369	$146.00
Subject Year 4	$5,494	96.0%	$40,101	$150.50
Subject Year 5	$5,658	96.0%	$41,300	$155.00
Comparable #1	$4,024	91.2%	$23,398	$117.84
Comparable #2	$5,470	96.0%	$16,378	$56.80
Comparable #3	$4,594	95.9%	$33,778	$121.29
Host Report - Weighted Average	N/A	96.4%	$29,805	$116.19
Host Report - Limited-service Chain-affiliated	N/A	97.8%	$22,998	$89.84
Host Report - Limited-service Suburban Location	N/A	98.3%	$20,240	$79.59
Host Report - Limited-service Upper Upscale	N/A	94.2%	$40,623	$157.78
DCF Estimate - YR 1	**$4,757**	**95.1%**	**$34,721**	**$137.87**
DCF Stabilized Estimate - YR 3	**$5,912**	**95.5%**	**$43,152**	**$157.63**
Hypothetical Stabilized Estimate - Current Dollars	**$5,572**	**95.5%**	**$40,675**	**$148.58**

Compiled by CBRE

Our estiamte of room revenue is higher than the developer's budgeted amount as research into the competitive market determined the budget was conservative. We concluded to a higher average rate and occupancy, resulting in increased room revenue compared to the budget.

FOOD & BEVERAGE REVENUE

Food revenue is generated by a hotel's restaurants, coffee shops, snack bars, banquet rooms, and room service. In the case of the subject, food revenue is generated by the Gallery Menu & Kitchen Restaurant. Beverage revenue is generated by the sale of alcoholic beverages in a hotel's restaurants and banquet rooms and the sale of alcoholic and non-alcoholic beverages in the bars and lounges. The subject's and the comparable data revenues for this department as a percentage of total revenues, on a per available room basis, and on a per occupied room basis are summarized as follows:

FOOD & BEVERAGE REVENUE				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$201	4.3%	$1,467	$5.91
Subject Year 2	$212	4.1%	$1,547	$6.06
Subject Year 3	$223	4.1%	$1,628	$6.19
Subject Year 4	$232	4.1%	$1,693	$6.36
Subject Year 5	$239	4.1%	$1,745	$6.55
Comparable #1	$355	8.0%	$2,062	$10.39
Comparable #2	$172	3.0%	$514	$1.78
Comparable #3	$0	0.0%	$0	$0.00
DCF Estimate - YR 1	**$226**	**4.5%**	**$1,652**	**$6.56**
DCF Stabilized Estimate - YR 3	**$257**	**4.1%**	**$1,875**	**$6.85**
Hypothetical Stabilized Estimate - Current Dollars	**$242**	**4.1%**	**$1,767**	**$6.45**

Compiled by CBRE

Minor Operating Department Revenues

Minor Operating Department revenues are those derived from garage and parking, guest laundry, gift shop, retail, newsstand, spa et cetera, when operated by the hotel. Also included are revenues generated from sources not included elsewhere, such as on-demand movie rentals, vending machines, fax and business services. We note that the developer's proforma presented this revenue category net of expenses. The subject's and the comparable data revenues for this department as a percentage of total revenues, on a per available room basis, and on a per occupied room basis are summarized as follows:

MINOR OPERATED DEPARTMENTS REVENUE				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1 (shown net of expenses)	-$4	-0.1%	-$27	-$0.11
Subject Year 2 (shown net of expenses)	-$4	-0.1%	-$29	-$0.11
Subject Year 3 (shown net of expenses)	-$4	-0.1%	-$31	-$0.12
Subject Year 4 (shown net of expenses)	-$4	-0.1%	-$32	-$0.12
Subject Year 5 (shown net of expenses)	-$5	-0.1%	-$33	-$0.12
Comparable #1	$29	0.7%	$170	$0.85
Comparable #2	$40	0.7%	$119	$0.41
Comparable #3	$194	4.0%	$1,425	$5.12
Host Report - Weighted Average	N/A	2.1%	$723	$2.81
Host Report - Limited-service Chain-affiliated	N/A	1.6%	$368	$1.44
Host Report - Limited-service Suburban Location	N/A	1.2%	$246	$0.97
Host Report - Limited-service Upper Upscale	N/A	3.0%	$1,272	$4.94
DCF Estimate - YR 1	**$18**	**0.4%**	**$133**	**$0.53**
DCF Stabilized Estimate - YR 3	**$21**	**0.3%**	**$150**	**$0.55**
Hypothetical Stabilized Estimate - Current Dollars	**$19**	**0.3%**	**$141**	**$0.52**

Compiled by CBRE

EXPENSE PROJECTIONS

In order to estimate expenses for the subject, the following data has been reviewed and analyzed:

- available historical data for the subject;
- published industry averages for similar hotel segments and geographic regions; and
- actual operating expense data for similar properties.

The individual expense categories applicable to the subject are discussed in the following sections.

Host report figures and information for the expense comparables are not shown for: Franchise Fee; Management Fee; Property Taxes; Reserves for Replacement; and Total Expenses as the data collection from this survey set is not consistent.

Departmental Expenses

Departmental expenses are typically occupancy sensitive and directly related to an associated revenue source. These expenses are therefore compared and estimated as a percentage of departmental revenues.

Rooms Expenses

Rooms expenses include labor costs such as salaries and wages for front desk, housekeeping, reservations, bell staff and laundry, plus employee benefits. Also included herein are linens, cleaning supplies, guest supplies, uniforms, central or franchise reservation fees, equipment leases and travel agent commissions. Payroll costs are typically the largest component. A hotel is labor-intensive, although relatively low-paying. Overall, wages typically account for 50% to 60% of the total departmental expense. We positioned this expense in line with the comparable data. The comparable data and projections for the subject are summarized as follows:

ROOMS EXPENSES				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$943	21.0%	$6,880	$27.72
Subject Year 2	$1,042	21.0%	$7,606	$29.77
Subject Year 3	$1,104	21.0%	$8,057	$30.66
Subject Year 4	$1,154	21.0%	$8,421	$31.61
Subject Year 5	$1,188	21.0%	$8,673	$32.55
Comparable #1	$958	23.8%	$5,571	$28.06
Comparable #2	$1,367	25.0%	$4,093	$14.19
Comparable #3	$814	17.7%	$5,983	$21.48
Host Report - Weighted Average	N/A	23.8%	$7,221	$28.14
Host Report - Limited-service Chain-affiliated	N/A	23.1%	$5,307	$20.73
Host Report - Limited-service Suburban Location	N/A	22.5%	$4,562	$17.94
Host Report - Limited-service Upper Upscale	N/A	25.2%	$10,242	$39.78
DCF Estimate - YR 1	**$1,208**	**25.4%**	**$8,821**	**$35.02**
DCF Stabilized Estimate - YR 3	**$1,328**	**22.5%**	**$9,691**	**$35.40**
Hypothetical Stabilized Estimate - Current Dollars	**$1,251**	**22.5%**	**$9,134**	**$33.37**
Compiled by CBRE				

Food and Beverage Expenses

Food and beverage expenses include the costs of goods sold (food and beverages), labor and related benefits, and other operating expenses. Labor costs include departmental management, cooks and kitchen personnel, service staff, banquet staff and bartenders. Other operating expenses include china, silverware, linens, restaurant and kitchen supplies, menus and printing, and special promotions. As with the rooms department, payroll costs are typically the largest component. The comparable data and projections for the subject are summarized as follows:

FOOD & BEVERAGE EXPENSES				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$178	88.6%	$1,299	$5.23
Subject Year 2	$186	87.7%	$1,358	$5.31
Subject Year 3	$193	86.5%	$1,409	$5.36
Subject Year 4	$200	86.2%	$1,460	$5.48
Subject Year 5	$206	86.2%	$1,504	$5.64
Comparable #1	$475	133.8%	$2,760	$13.90
Comparable #2	$104	60.5%	$311	$1.08
Comparable #3	$0	0.0%	$0	$0.00
DCF Estimate - YR 1	**$198**	**87.6%**	**$1,447**	**$5.74**
DCF Stabilized Estimate - YR 3	**$219**	**85.3%**	**$1,599**	**$5.84**
Hypothetical Stabilized Estimate - Current Dollars	**$207**	**85.3%**	**$1,508**	**$5.51**
Compiled by CBRE				

Minor Operating Departmental Expenses

Minor Operating Departmental expenses are those expenses (labor and other) which offset the revenue generated by other operated departments, such as garage, guest laundry, athletic facilities and gift shop, as well as rental activity. The developer's budget showed minor operated revenue net of expenses, thus the budget displays no expenses associated for this category. The comparable data and projections for the subject are summarized as follows:

MINOR OPERATED DEPARTMENTS EXPENSES

Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$0	0.0%	$0	$0.00
Subject Year 2	$0	0.0%	$0	$0.00
Subject Year 3	$0	0.0%	$0	$0.00
Subject Year 4	$0	0.0%	$0	$0.00
Subject Year 5	$0	0.0%	$0	$0.00
Comparable #1	$0	0.0%	$0	$0.00
Comparable #2	$0	0.0%	$0	$0.00
Comparable #3	$16	8.4%	$120	$0.43
Host Report - Weighted Average	N/A	51.0%	$666	$2.59
Host Report - Limited-service Chain-affiliated	N/A	43.8%	$211	$0.82
Host Report - Limited-service Suburban Location	N/A	50.9%	$161	$0.63
Host Report - Limited-service Upper Upscale	N/A	56.0%	$1,302	$5.06
DCF Estimate - YR 1	**$18**	**100.0%**	**$133**	**$0.53**
DCF Stabilized Estimate - YR 3	**$20**	**97.1%**	**$145**	**$0.53**
Hypothetical Stabilized Estimate - Current Dollars	**$19**	**97.1%**	**$137**	**$0.50**

Compiled by CBRE

Undistributed Operating Expenses

Undistributed operating expenses are typically not directly related to an associated revenue source, but can be compared on the basis of total revenues for similar types of hotels. These expenses are therefore compared and estimated as a percentage of total revenues.

Administrative and General Expenses

Administrative and general expenses include payroll and related expenses for the general manager, human resources and training, security, clerical staff, controller and accounting staff. Other expenses include office supplies, computer services, accounting and legal fees, cash overages and shortages, bad debt expenses, travel insurance, credit card commissions, transportation (non-guest) and travel and entertainment. These payroll costs are significant. The comparable data and projections for the subject are summarized as follows:

ADMINISTRATIVE AND GENERAL EXPENSES				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$415	8.9%	$3,028	$12.20
Subject Year 2	$427	8.3%	$3,118	$12.20
Subject Year 3	$440	8.0%	$3,212	$12.22
Subject Year 4	$453	7.9%	$3,308	$12.42
Subject Year 5	$467	7.9%	$3,408	$12.79
Comparable #1	$431	9.8%	$2,505	$12.62
Comparable #2	$561	9.9%	$1,681	$5.83
Comparable #3	$390	8.1%	$2,868	$10.30
Host Report - Weighted Average	N/A	9.4%	$2,902	$11.31
Host Report - Limited-service Chain-affiliated	N/A	9.4%	$2,198	$8.59
Host Report - Limited-service Suburban Location	N/A	9.6%	$1,977	$7.77
Host Report - Limited-service Upper Upscale	N/A	9.2%	$3,979	$15.45
DCF Estimate - YR 1	**$452**	**9.0%**	**$3,299**	**$13.10**
DCF Stabilized Estimate - YR 3	**$484**	**7.8%**	**$3,531**	**$12.90**
Hypothetical Stabilized Estimate - Current Dollars	**$456**	**7.8%**	**$3,328**	**$12.16**

Compiled by CBRE

Marketing Expenses

Marketing expenses include payroll and related expenses for the sales and marketing staff, direct sales expenses, advertising and promotion, travel expenses for the sales staff and civic and community projects. This category may also include a national advertising fee or assessment paid to the franchise company, plus the cost of frequent guest stay programs. The comparable data and projections for the subject are summarized as follows:

MARKETING EXPENSES				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$173	3.7%	$1,266	$5.10
Subject Year 2	$179	3.5%	$1,304	$5.10
Subject Year 3	$184	3.4%	$1,343	$5.11
Subject Year 4	$190	3.3%	$1,383	$5.19
Subject Year 5	$195	3.3%	$1,425	$5.35
Comparable #1	$281	6.4%	$1,635	$8.23
Comparable #2	$217	3.8%	$651	$2.26
Comparable #3	$115	2.4%	$849	$3.05
Host Report - Weighted Average	N/A	6.2%	$1,987	$7.74
Host Report - Limited-service Chain-affiliated	N/A	5.6%	$1,313	$5.13
Host Report - Limited-service Suburban Location	N/A	5.6%	$1,152	$4.53
Host Report - Limited-service Upper Upscale	N/A	6.9%	$2,985	$11.59
DCF Estimate - YR 1	**$202**	**4.0%**	**$1,477**	**$5.86**
DCF Stabilized Estimate - YR 3	**$220**	**3.6%**	**$1,608**	**$5.88**
Hypothetical Stabilized Estimate - Current Dollars	**$208**	**3.6%**	**$1,516**	**$5.54**

Compiled by CBRE

Franchise Fees (Royalty)

Franchise fees include only the royalty fees charged by the franchise company. According to the franchise agreement provided by the property contact, the standard royalty fee for the Hyatt Place franchise affiliation is 5% of gross rooms revenue. In the franchise agreement for the subject, the franchise fee is reduced to 3% for the first 18 months of operations, reduced to 4% for the following 24 months of operations, and then 5% thereafter. We note the developer's budget forecasts the reduced franchise fee for all 5 years of the projection which appears inconsistent with the franchise agreement. There is also a marketing assessment of 3.5% of gross rooms revenue which is included in this fee.

This report assumes that the subject will maintain a Hyatt Place affiliation. If the subject does not maintain a similar affiliation, it could have an impact on our concluded opinion(s) of market value.

Franchise fees are subject to change on an annual basis (within a reasonable range) based on actual costs incurred. The stabilized estimate is based on the standard franchise fee as reported by the franchisor. The franchise fees for the subject are summarized as follows:

FRANCHISE FEES

Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$292	6.5%	$2,130	$8.58
Subject Year 2	$323	6.5%	$2,354	$9.21
Subject Year 3	$342	6.5%	$2,494	$9.49
Subject Year 4	$357	6.5%	$2,607	$9.78
Subject Year 5	$368	6.5%	$2,684	$10.07
DCF Estimate - YR 1	**$243**	**5.1%**	**$1,771**	**$7.03**
DCF Stabilized Estimate - YR 3	**$402**	**6.8%**	**$2,934**	**$10.72**
Hypothetical Stabilized Estimate - Current Dollars	**$379**	**6.8%**	**$2,766**	**$10.10**

Compiled by CBRE

Property Operations & Maintenance

Property operations & maintenance expenses includes all payroll and related expenses for maintenance personnel, cost of maintenance supplies, cost of repairs and maintenance of the building, furniture and equipment, the grounds and the removal of waste matter. The comparable data and projections for the subject are summarized as follows:

PROPERTY OPERATIONS AND MAINTENANCE EXPENSES				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$157	3.3%	$1,145	$4.61
Subject Year 2	$162	3.1%	$1,179	$4.62
Subject Year 3	$166	3.0%	$1,215	$4.62
Subject Year 4	$171	3.0%	$1,251	$4.70
Subject Year 5	$177	3.0%	$1,289	$4.84
Comparable #1	$233	5.3%	$1,356	$6.83
Comparable #2	$415	7.3%	$1,243	$4.31
Comparable #3	$196	4.1%	$1,442	$5.18
Host Report - Weighted Average	N/A	5.1%	$1,572	$6.13
Host Report - Limited-service Chain-affiliated	N/A	5.1%	$1,206	$4.71
Host Report - Limited-service Suburban Location	N/A	5.6%	$1,150	$4.52
Host Report - Limited-service Upper Upscale	N/A	4.9%	$2,093	$8.13
DCF Estimate - YR 1	**$177**	**3.5%**	**$1,292**	**$5.13**
DCF Stabilized Estimate - YR 3	**$193**	**3.1%**	**$1,407**	**$5.14**
Hypothetical Stabilized Estimate - Current Dollars	**$182**	**3.1%**	**$1,326**	**$4.85**
Compiled by CBRE				

As the hotel will be in excellent condition at the time of completion we have reasonably forecast this expense below the comparables.

Utility Costs

Utility expenses typically include electricity, fuel (oil, gas and coal), purchased steam and water. This category also includes any central plant and energy management systems. The comparable data and projections for the subject are summarized as follows:

UTILITY COSTS				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$193	4.1%	$1,407	$5.67
Subject Year 2	$204	4.0%	$1,492	$5.84
Subject Year 3	$217	4.0%	$1,581	$6.02
Subject Year 4	$226	4.0%	$1,651	$6.20
Subject Year 5	$233	4.0%	$1,700	$6.38
Comparable #1	$399	9.0%	$2,318	$11.67
Comparable #2	$324	5.7%	$969	$3.36
Comparable #3	$133	2.8%	$978	$3.51
Host Report - Weighted Average	N/A	4.6%	$1,352	$5.27
Host Report - Limited-service Chain-affiliated	N/A	4.9%	$1,143	$4.46
Host Report - Limited-service Suburban Location	N/A	5.3%	$1,098	$4.32
Host Report - Limited-service Upper Upscale	N/A	3.8%	$1,658	$6.44
DCF Estimate - YR 1	**$236**	**4.7%**	**$1,723**	**$6.84**
DCF Stabilized Estimate - YR 3	**$253**	**4.1%**	**$1,844**	**$6.74**
Hypothetical Stabilized Estimate - Current Dollars	**$238**	**4.1%**	**$1,738**	**$6.35**
Compiled by CBRE				

Management Fees

The projection of income and expense assumes competent management by a professional management company. We assume that upon a sale, if the subject could be obtained free and clear of any prior management encumbrance, a prudent investor would retain competent management with fees structured at current rates. Some companies provide management services alone, while others offer both management services and a brand name affiliation. When a management company has no brand identification, the property owner can often acquire a franchise that provides the necessary image and recognition. Management fees have typically equated to roughly 3 to 5 percent of total revenues. The comparable data and projections for the subject are summarized as follows:

MANAGEMENT FEE				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$141	3.0%	$1,026	$4.13
Subject Year 2	$155	3.0%	$1,132	$4.43
Subject Year 3	$164	3.0%	$1,199	$4.56
Subject Year 4	$172	3.0%	$1,253	$4.70
Subject Year 5	$177	3.0%	$1,290	$4.84
DCF Estimate - YR 1	**$150**	**3.0%**	**$1,095**	**$4.35**
DCF Stabilized Estimate - YR 3	**$186**	**3.0%**	**$1,355**	**$4.95**
Hypothetical Stabilized Estimate - Current Dollars	**$175**	**3.0%**	**$1,277**	**$4.67**
Compiled by CBRE				

Fixed Charges

Fixed charges are typically not directly related to an associated revenue source, and are typically not compared on the basis of total revenues for similar types of hotels. These expenses are therefore not typically compared and estimated as a percentage of total revenues.

Property Taxes

Property taxes were discussed in greater detail previously in this report. The projections for the subject are summarized as follows:

PROPERTY TAXES

Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$143	3.1%	$1,043	$4.20
Subject Year 2	$151	2.9%	$1,099	$4.30
Subject Year 3	$158	2.9%	$1,154	$4.39
Subject Year 4	$166	2.9%	$1,210	$4.54
Subject Year 5	$173	2.9%	$1,266	$4.75
DCF Estimate - YR 1	**$189**	**3.8%**	**$1,379**	**$5.47**
DCF Stabilized Estimate - YR 3	**$229**	**3.7%**	**$1,669**	**$6.10**
Hypothetical Stabilized Estimate - Current Dollars	**$216**	**3.7%**	**$1,574**	**$5.75**

Compiled by CBRE

Insurance

The insurance expense includes the cost of insuring the hotel building and contents against fire, weather, sprinkler leakage, boiler explosion, plate glass breakage, or other perils such as terrorism. This category includes all insurance costs except workers' compensation. The comparable data and projections for the subject are summarized as follows:

INSURANCE				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$38	0.8%	$275	$1.11
Subject Year 2	$39	0.8%	$283	$1.11
Subject Year 3	$40	0.7%	$292	$1.11
Subject Year 4	$41	0.7%	$301	$1.13
Subject Year 5	$42	0.7%	$310	$1.16
Comparable #1	$58	1.3%	$339	$1.71
Comparable #2	$19	0.3%	$56	$0.20
Comparable #3	$10	0.2%	$77	$0.28
Host Report - Weighted Average	N/A	1.1%	$331	$1.29
Host Report - Limited-service Chain-affiliated	N/A	1.2%	$277	$1.08
Host Report - Limited-service Suburban Location	N/A	1.2%	$256	$1.01
Host Report - Limited-service Upper Upscale	N/A	1.0%	$415	$1.61
DCF Estimate - YR 1	**$50**	**1.0%**	**$365**	**$1.45**
DCF Stabilized Estimate - YR 3	**$53**	**0.9%**	**$387**	**$1.42**
Hypothetical Stabilized Estimate - Current Dollars	**$50**	**0.9%**	**$365**	**$1.33**

Compiled by CBRE

Reserves for Replacement

Structural reserves account for the replacement of short-lived items, including the roof, building systems, and parking lot. FF&E reserves for replacement are typically included in hotel expense projections to account for the periodic replacement of the furniture, fixtures and equipment (FF&E). It does not reflect the value of existing FF&E. It is solely an expense to reflect future replacements of short-lived items. This expense can be based on the actual replacement cost of the FF&E, its projected economic life and a reasonable reinvestment rate for the reserve funds (essentially a sinking fund account). An alternative and more widely utilized method is to estimate FF&E reserves based on a percentage of total revenues. Using this method, the typical ratio ranges from 3 to 5 percent of total revenues. The reserve for replacement typically ramps up for new construction hotels as in the first few years the excellent quality furnishings do not require replacement. The comparable data and projections for the subject are summarized as follows:

RESERVE FOR REPLACEMENT				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$94	2.0%	$684	$2.76
Subject Year 2	$155	3.0%	$1,132	$4.43
Subject Year 3	$219	4.0%	$1,599	$6.08
Subject Year 4	$229	4.0%	$1,670	$6.27
Subject Year 5	$236	4.0%	$1,720	$6.46
DCF Estimate - YR 1	**$100**	**2.0%**	**$730**	**$2.90**
DCF Stabilized Estimate - YR 3	**$248**	**4.0%**	**$1,807**	**$6.60**
Hypothetical Stabilized Estimate - Current Dollars	**$233**	**4.0%**	**$1,703**	**$6.22**

Compiled by CBRE

Total Operating Expenses

The subject's total expense estimates are detailed as follows:

TOTAL EXPENSES				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$2,765	59.0%	$20,183	$81.32
Subject Year 2	$3,022	58.5%	$22,058	$86.33
Subject Year 3	$3,227	58.9%	$23,555	$89.63
Subject Year 4	$3,359	58.7%	$24,515	$92.01
Subject Year 5	$3,462	58.7%	$25,269	$94.84
DCF Estimate - YR 1	**$3,224**	**64.5%**	**$23,531**	**$93.43**
DCF Stabilized Estimate - YR 3	**$3,833**	**61.9%**	**$27,980**	**$102.21**
Hypothetical Stabilized Estimate - Current Dollars	**$3,613**	**61.9%**	**$26,373**	**$96.34**
Compiled by CBRE				

NET OPERATING INCOME CONCLUSION

The subject's net operating income is detailed as follows:

NET OPERATING INCOME				
Year	Total $ (000's)	As a % of Revenue	Per Available Room	Per Occupied Room
Subject Year 1	$1,921	41.0%	$14,019	$56.48
Subject Year 2	$2,148	41.5%	$15,678	$61.36
Subject Year 3	$2,248	41.1%	$16,411	$62.45
Subject Year 4	$2,363	41.3%	$17,247	$64.73
Subject Year 5	$2,431	41.3%	$17,742	$66.59
DCF Estimate - YR 1	**$1,778**	**35.5%**	**$12,975**	**$51.52**
DCF Stabilized Estimate - YR 3	**$2,356**	**38.1%**	**$17,197**	**$62.82**
Hypothetical Stabilized Estimate - Current Dollars	**$2,221**	**38.1%**	**$16,210**	**$59.21**
Compiled by CBRE				

DISCOUNTED CASH FLOW ANALYSIS

The discounted cash flow analysis relies on a projection of net operating income over a fixed holding period and a future sale of the property at the end of the holding period. This is consistent with current investor trends for analyzing this property type. The discounted cash flow analysis takes into consideration the timing and degree of the projected changes in average daily rate, occupancy, and expenses for the subject.

FINANCIAL ASSUMPTIONS

SUMMARY OF DISCOUNTED CASH FLOW ASSUMPTIONS	
General Assumptions	
Start Date	October 1, 2014
Terms of Analysis	10 Years
Basis	Fiscal
Software	Excel
Growth Rate Assumptions	
Income Growth	Varies
Expense Growth	3.00%
Inflation (CPI)	3.00%
Real Estate Tax Growth	Varies
Revenue Assumptions	
As If Stable Today Average Daily Rate	$135.00
Stabilized Average Daily Rate	$157.63
Occupancy Assumptions	
Year 1 Occupancy	69.00%
Stabilized Occupancy	75.00%
Estimated Stabilization	Oct-16
Financial Assumptions	
As Complete Discount Rate	11.00%
As Stabilized Discount Rate	10.50%
As Complete Terminal Capitalization Rate	9.50%
Other Assumptions	
Cost of Sale	2.00%
Capital Expenses (Cost to Complete)	$23,000,000
Compiled by CBRE	

Cash Flow Assumptions

The discounted cash flow analysis relies on the income and expense projections presented earlier in this section. Specific assumptions integral to the analysis are summarized as follows:

GENERAL ASSUMPTIONS

The DCF analysis utilizes a 10-year projection period with fiscal year inflation and discounting. This is consistent with current investor assumptions. The analysis is done with Excel software.

GROWTH RATE ASSUMPTIONS

The inflation and growth rates for the DCF analysis have been estimated by analyzing the expectations typically used by buyers and sellers in the local marketplace. Published investor surveys, an analysis of the Consumer Price Index (CPI), as well as CBRE's survey of brokers and investors active in the local market form the foundation for the selection of the appropriate growth rates.

SUMMARY OF GROWTH RATES				
Growth Rate Indicator	ADR	Other Revenue	Expenses	General Inflation
U.S. Bureau of Labor Statistics (CPI-U)				
10-Year Snapshot Average as of Jul-13				2.39%
PwC Real Estate Investment Survey Hotels: 1st Qtr. 2013				
Luxury	3.31%		2.63%	
Full Service	4.00%		2.96%	
Limited Service	3.80%		2.75%	
Select Service	4.80%		2.95%	
Surveyed Market Participants	3.00%	3.00%	3.00%	3.00%
CBRE Estimates				
Year 1	**4.00%**	**3.00%**	**3.00%**	**3.00%**
Year 2	**3.50%**	**3.00%**	**3.00%**	**3.00%**
Stabilized	**3.00%**	**3.00%**	**3.00%**	**3.00%**
Source: PwC Real Estate Investment Survey & www.bls.gov				

OCCUPANCY ASSUMPTIONS

The occupancy rate over the holding period is based on the subject's estimated stabilized occupancy rate and estimated lease-up period to achieve a stabilized occupancy position. The complete discussion and analysis of occupancy is located in the Hotel Market Analysis.

Published Investor Surveys

The results of the most recent *PwC Real Estate Investor Survey* are summarized in the following table.

OVERALL CAPITALIZATION RATES - HOTEL				
Investment Type	Stabilized OAR Range			Average
PwC Survey: 1st Qtr. 2013				
Luxury	6.00%	-	10.00%	8.03%
Full Service	6.00%	-	10.00%	8.02%
Limited Service	8.00%	-	12.00%	9.70%
Select Service	5.00%	-	12.00%	8.30%
Indicated OAR:	**9.00%**			
Source: PwC Real Estate Investment Survey				

The subject is considered a select service property; due to the subject's location and scale, an OAR toward the upper end of the middle of the range is considered appropriate.

Market Participants

The results of recent interviews with knowledgeable real estate professionals are summarized in the following table.

OVERALL CAPITALIZATION RATES - HOTEL		
Respondent	OAR	Date of Survey
Area Developer	8.0%	Sep-13
Confidential	8.5%	Sep-13
Indicated OAR:		**8.0-8.5%**
Compiled by: CBRE		

Based on the subject's projected stabilized occupancy level and its projected competitive position in the local market, an OAR toward the middle of the range indicated above is considered appropriate.

Capitalization Rate Conclusion

The following table summarizes the OAR conclusions.

OVERALL CAPITALIZATION RATE - CONCLUSION	
Source	Indicated OAR
Hotel Investor Survey	9.00%
Market Participants	8.0-8.5%
CBRE, Inc. Estimate	**9.00%**
Compiled by: CBRE	

Discount Rate Analysis

The results of the most recent *PwC Real Estate Investor Survey* are summarized in the following table.

DISCOUNT RATES				
Investment Type	Rate Range			Average
PwC Survey: 1st Qtr. 2013				
Luxury	9.00%	-	13.00%	10.50%
Full Service	9.50%	-	13.00%	11.00%
Limited Service	9.00%	-	13.00%	10.81%
Select Service	9.00%	-	15.00%	11.10%
CBRE Estimate - as complete				**11.00%**
CBRE Estimate - as stabilized				**10.50%**
Compiled by CBRE				

The subject will be a high quality asset in a very good Buffalo location. Its location on Main Street makes it most comparable to the Hampton Inn Williamsville, which has led the competitive market with regard to RevPAR even considering its slightly inferior quality to other hotels including the Marriott

Buffalo Niagara and Courtyard by Marriott Amherst. These Marriott brands typically outperform the Hampton Inn brand, which underscores the strength of the location. Given the location and quality in comparison to the Hampton Inn, we expect the subject to compete with the Hampton Inn in regard to RevPAR by its stabilized year. In forming our conclusion of an appropriate discount rate, we have analyzed published industry data as well as consulted with active investment sales professionals. Considering the aforementioned, we have concluded to a discount rate at the middle of the range for full service hotels.

Terminal Capitalization Rate

The reversionary value of the subject is based on an assumed sale at the end of the holding period based on capitalizing the Year 11 NOI at a terminal capitalization rate. Typically, for properties similar to the subject, terminal capitalization rates are 50 to 100 basis points higher than going-in capitalization rates (OAR's). This is a result of the uncertainty of future economic conditions and the natural aging of the property, but assuming adequate reserves have been utilized to keep the property in good operating condition.

TERMINAL CAPITALIZATION RATES

Investor Survey	Rate Range	Average
PwC Survey: 1st Qtr. 2013		
Luxury	6.00% - 12.00%	8.72%
Full Service	6.00% - 12.00%	8.71%
Limited Service	8.00% - 11.00%	9.65%
Select Service	5.00% - 12.00%	8.50%
CBRE Estimate		**9.50%**

Compiled by CBRE

DISCOUNTED CASH FLOW CONCLUSION

The following pages present the following illustrations:

- Detailed Forecast Schedules
- Discounted Cash Flow Schedule(s)
- Discounted Cash Flow Value Conclusions

DETAILED FORECAST OF INCOME AND EXPENSE AND PRO FORMA BUDGET

	SUBJECT PRO FORMA BUDGET				DCF STABILIZED YEAR			
Period Reported:	Stabilized Year				12 Months Ending			
	Year 4				9/30/2017			
Days Open	365				365			
No. of Rooms	137				137			
Occupied Room Nights	36,504				37,504			
Occupancy	73.0%				75.0%			
Average Daily Rate	$150.50				$157.63			
RevPAR	$109.86				$118.22			
	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR
REVENUE								
Rooms	$5,493,799	96.0%	$40,101	$150.50	$5,911,803	95.5%	$43,152	$157.63
Food & Beverage	232,000	4.1%	$1,693	$6.36	256,822	4.1%	$1,875	$6.85
Minor Operated Departments (shown net of exps in proforma)	(4,391)	-0.1%	-$32	-$0.12	20,514	0.3%	$150	$0.55
Total Revenue	$5,721,408	100.0%	$41,762	$156.74	$6,189,139	100.0%	$45,176	$165.03
DEPARTMENTAL EXPENSES*								
Rooms	$1,153,698	21.0%	$8,421	$31.61	$1,327,614	22.5%	$9,691	$35.40
Food & Beverage	200,000	86.2%	$1,460	$5.48	219,125	85.3%	$1,599	$5.84
Minor Operated Departments	-	0.0%	$0	$0.00	19,924	97.1%	$145	$0.53
Total Departmental Expenses	$1,353,698	23.7%	$9,881	$37.08	$1,566,663	25.3%	$11,435	$41.77
DEPARTMENTAL INCOME (LOSS)	$4,367,710	76.3%	$31,881	$119.65	$4,622,476	74.7%	$33,741	$123.25
UNDISTRIBUTED OPERATING EXPENSES								
Administrative and General	$453,233	7.9%	$3,308	$12.42	$483,747	7.8%	$3,531	$12.90
Marketing	189,534	3.3%	$1,383	$5.19	220,339	3.6%	$1,608	$5.88
Franchise Fees	357,097	6.5%	$2,607	$9.78	402,003	6.8%	$2,934	$10.72
Property Operations and Maintenance	171,405	3.0%	$1,251	$4.70	192,797	3.1%	$1,407	$5.14
Utility Costs	226,158	4.0%	$1,651	$6.20	252,623	4.1%	$1,844	$6.74
Total Undistributed Expenses	$1,397,427	24.4%	$10,200	$38.28	$1,551,509	25.1%	$11,325	$41.37
CASH FLOW AFTER UNDISTRIBUTED OPERATING EXPENSES	$2,970,283	51.9%	$21,681	$81.37	$3,070,967	49.6%	$22,416	$81.88
Management Fee	$171,642	3.0%	$1,253	$4.70	$185,674	3.0%	$1,355	$4.95
INCOME BEFORE FIXED CHARGES	$2,798,641	48.9%	$20,428	$76.67	$2,885,293	46.6%	$21,061	$76.93
FIXED CHARGES								
Property Taxes	165,784	2.9%	$1,210	$4.54	228,701	3.7%	$1,669	$6.10
Insurance	41,203	0.7%	$301	$1.13	53,082	0.9%	$387	$1.42
Reserve for Replacement	228,856	4.0%	$1,670	$6.27	247,566	4.0%	$1,807	$6.60
Total Fixed Charges	$435,843	7.6%	$3,181	$11.94	$529,348	8.6%	$3,864	$14.11
NET OPERATING INCOME	**$2,362,798**	**41.3%**	**$17,247**	**$64.73**	**$2,355,944**	**38.1%**	**$17,197**	**$62.82**

* Departmental expense ratios are based on departmental revenues; Franchise/Royalty ratio is based on room revenues; all others are based on total revenues.

Source: CBRE/Hotel Operating Statements

DETAILED FORECAST OF INCOME AND EXPENSE: YEAR 1 - STABILIZED YEAR 3

	DCF YEAR 1	DCF YEAR 2	DCF STABILIZED YEAR 3
Period Reported:	12 Months Ending 9/30/2015	12 Months Ending 9/30/2016	12 Months Ending 9/30/2017
Days Open	365	366	365
No. of Rooms	137	137	137
Occupied Room Nights	34,503	36,504	37,504
Occupancy	69.0%	73.0%	75.0%
Average Daily Rate	$137.87	$153.04	$157.63
RevPAR	$95.13	$111.72	$118.22

	DCF YEAR 1				DCF YEAR 2				DCF STABILIZED YEAR 3			
	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR	Total	Ratio to Sales	PAR	POR
REVENUE												
Rooms	$4,756,845	95.1%	$34,721	$137.87	$5,586,558	95.5%	$40,778	$153.04	$5,911,803	95.5%	$43,152	$157.63
Food & Beverage	226,291	4.5%	$1,652	$6.56	243,921	4.2%	$1,780	$6.68	256,822	4.1%	$1,875	$6.85
Minor Operated Departments	18,223	0.4%	$133	$0.53	19,534	0.3%	$143	$0.54	20,514	0.3%	$150	$0.55
Total Revenue	$5,001,359	100.0%	$36,506	$144.95	$5,850,013	100.0%	$42,701	$160.26	$6,189,139	100.0%	$45,176	$165.03
DEPARTMENTAL EXPENSES*												
Rooms	$1,208,433	25.4%	$8,821	$35.02	$1,274,192	22.8%	$9,301	$34.91	$1,327,614	22.5%	$9,691	$35.40
Food & Beverage	198,210	87.6%	$1,447	$5.74	209,881	86.0%	$1,532	$5.75	219,125	85.3%	$1,599	$5.84
Minor Operated Departments	18,221	100.0%	$133	$0.53	19,152	98.0%	$140	$0.52	19,924	97.1%	$145	$0.53
Total Departmental Expenses	$1,424,864	28.5%	$10,400	$41.30	$1,503,225	25.7%	$10,972	$41.18	$1,566,663	25.3%	$11,435	$41.77
DEPARTMENTAL INCOME (LOSS)	$3,576,495	71.5%	$26,106	$103.66	$4,346,789	74.3%	$31,728	$119.08	$4,622,476	74.7%	$33,741	$123.25
UNDISTRIBUTED OPERATING EXPENSES												
Administrative and General	$451,958	9.0%	$3,299	$13.10	$468,277	8.0%	$3,418	$12.83	$483,747	7.8%	$3,531	$12.90
Marketing	202,332	4.0%	$1,477	$5.86	212,082	3.6%	$1,548	$5.81	220,339	3.6%	$1,608	$5.88
Franchise Fees	242,599	5.1%	$1,771	$7.03	332,400	6.0%	$2,426	$9.11	402,003	6.8%	$2,934	$10.72
Property Operations and Maintenance	177,040	3.5%	$1,292	$5.13	185,571	3.2%	$1,355	$5.08	192,797	3.1%	$1,407	$5.14
Utility Costs	236,023	4.7%	$1,723	$6.84	244,545	4.2%	$1,785	$6.70	252,623	4.1%	$1,844	$6.74
Total Undistributed Expenses	$1,309,952	26.2%	$9,562	$37.97	$1,442,875	24.7%	$10,532	$39.53	$1,551,509	25.1%	$11,325	$41.37
CASH FLOW AFTER UNDISTRIBUTED OPERATING EXPENSES	$2,266,543	45.3%	$16,544	$65.69	$2,903,914	49.6%	$21,196	$79.55	$3,070,967	49.6%	$22,416	$81.88
Management Fee	$150,041	3.0%	$1,095	$4.35	$175,500	3.0%	$1,281	$4.81	$185,674	3.0%	$1,355	$4.95
INCOME BEFORE FIXED CHARGES	$2,116,503	42.3%	$15,449	$61.34	$2,728,413	46.6%	$19,915	$74.74	$2,885,293	46.6%	$21,061	$76.93
FIXED CHARGES												
Property Taxes	188,878	3.8%	$1,379	$5.47	208,292	3.6%	$1,520	$5.71	228,701	3.7%	$1,669	$6.10
Insurance	50,035	1.0%	$365	$1.45	51,536	0.9%	$376	$1.41	53,082	0.9%	$387	$1.42
Reserve for Replacement	100,027	2.0%	$730	$2.90	175,500	3.0%	$1,281	$4.81	247,566	4.0%	$1,807	$6.60
Total Fixed Charges	$338,940	6.8%	$2,474	$9.82	$435,328	7.4%	$3,178	$11.93	$529,348	8.6%	$3,864	$14.11
NET OPERATING INCOME	**$1,777,562**	**35.5%**	**$12,975**	**$51.52**	**$2,293,085**	**39.2%**	**$16,738**	**$62.82**	**$2,355,944**	**38.1%**	**$17,197**	**$62.82**

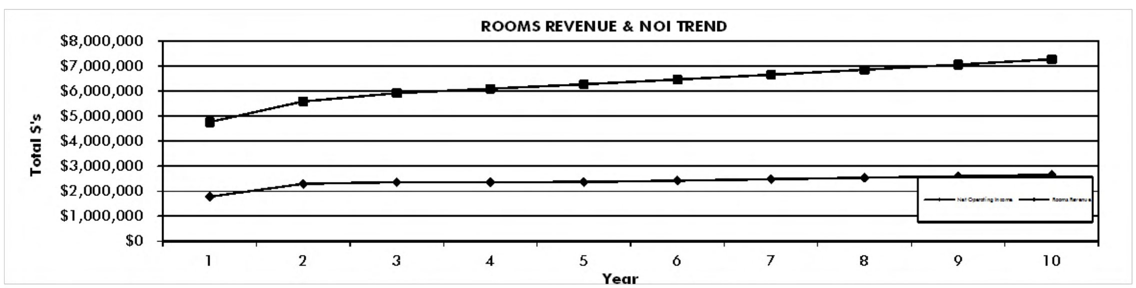
* Departmental expense ratios are based on departmental revenues; Franchise/Royalty ratio is based on room revenues; all others are based on total revenues.

Source: CBRE/Hotel Operating Statements

CBRE

PROPOSED AMHERST HYATT PLACE - WILLIAMSVILLE, NY
DISCOUNTED CASH FLOW REPORT BEGINNING OCTOBER 1, 2014

12 Months Ending:	9/30/15	9/30/16	9/30/17	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	9/30/23	9/30/24	9/30/25
Number of Rooms	137	137	137	137	137	137	137	137	137	137	137
Annual Available Rooms	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005
Occupied Rooms	34,503	36,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504
Occupancy	69.0%	73.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Average Rate	$137.87	$153.04	$157.63	$162.36	$167.23	$172.25	$177.42	$182.74	$188.22	$193.87	$199.68
REVENUE											
Rooms	$4,756,845	$5,586,558	$5,911,803	$6,089,157	$6,271,831	$6,459,986	$6,653,786	$6,853,399	$7,059,001	$7,270,771	$7,488,895
Food & Beverage	$226,291	$243,921	$256,822	$264,526	$272,462	$280,636	$289,055	$297,727	$306,659	$315,858	$325,334
Minor Operated Departments	$18,223	$19,534	$20,514	$21,130	$21,764	$22,417	$23,089	$23,782	$24,495	$25,230	$25,987
Total Revenue	**$5,001,359**	**$5,850,013**	**$6,189,139**	**$6,374,813**	**$6,566,057**	**$6,763,039**	**$6,965,930**	**$7,174,908**	**$7,390,155**	**$7,611,860**	**$7,840,216**
Percent Change		17.0%	5.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
DEPARTMENTAL EXPENSES											
Rooms	$1,208,433	$1,274,192	$1,327,614	$1,367,443	$1,408,466	$1,450,720	$1,494,241	$1,539,069	$1,585,241	$1,632,798	$1,681,782
Food & Beverage	$198,210	$209,881	$219,125	$225,699	$232,470	$239,444	$246,627	$254,026	$261,646	$269,496	$277,581
Minor Operated Departments	$18,221	$19,152	$19,924	$20,522	$21,138	$21,772	$22,425	$23,098	$23,790	$24,504	$25,239
Total Departmental Expenses	**$1,424,864**	**$1,503,225**	**$1,566,663**	**$1,613,663**	**$1,662,073**	**$1,711,935**	**$1,763,293**	**$1,816,192**	**$1,870,678**	**$1,926,798**	**$1,984,602**
Percent Change		5.5%	4.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
DEPARTMENTAL INCOME (LOSS)	**$3,576,495**	**$4,346,789**	**$4,622,476**	**$4,761,150**	**$4,903,984**	**$5,051,104**	**$5,202,637**	**$5,358,716**	**$5,519,478**	**$5,685,062**	**$5,855,614**
Percent Change		21.5%	6.3%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
UNDISTRIBUTED OPERATING EXPENSES											
Administrative and General	$451,958	$468,277	$483,747	$498,259	$513,207	$528,603	$544,461	$560,795	$577,619	$594,948	$612,796
Marketing	$202,332	$212,082	$220,339	$226,949	$233,758	$240,771	$247,994	$255,434	$263,097	$270,990	$279,119
Franchise Fees	$242,599	$332,400	$402,003	$465,820	$533,106	$549,099	$565,572	$582,539	$600,015	$618,016	$636,556
Property Operations and Maintenance	$177,040	$185,571	$192,797	$198,581	$204,538	$210,674	$216,995	$223,504	$230,210	$237,116	$244,229
Utility Costs	$236,023	$244,545	$252,623	$260,202	$268,008	$276,048	$284,330	$292,860	$301,645	$310,695	$320,016
Total Undistributed Expenses	**$1,309,952**	**$1,442,875**	**$1,551,509**	**$1,649,812**	**$1,752,617**	**$1,805,195**	**$1,859,351**	**$1,915,132**	**$1,972,586**	**$2,031,763**	**$2,092,716**
Percent Change		10.1%	7.5%	6.3%	6.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
CASH FLOW AFTER UNDIST OPERATING EXP	**$2,266,543**	**$2,903,914**	**$3,070,967**	**$3,111,338**	**$3,151,368**	**$3,245,909**	**$3,343,286**	**$3,443,584**	**$3,546,892**	**$3,653,299**	**$3,762,898**
Management Fee	$150,041	$175,500	$185,674	$191,244	$196,982	$202,891	$208,978	$215,247	$221,705	$228,356	$235,206
INCOME BEFORE FIXED CHARGES	**$2,116,503**	**$2,728,413**	**$2,885,293**	**$2,920,094**	**$2,954,386**	**$3,043,017**	**$3,134,308**	**$3,228,337**	**$3,325,187**	**$3,424,943**	**$3,527,691**
Percent Change		28.9%	5.7%	1.2%	1.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
FIXED CHARGES											
Property Taxes	$188,878	$208,292	$228,701	$250,146	$272,673	$296,326	$321,153	$347,203	$374,527	$403,177	$433,210
Insurance	$50,035	$51,536	$53,082	$54,675	$56,315	$58,004	$59,744	$61,537	$63,383	$65,284	$67,243
Reserve for Replacement	$100,027	$175,500	$247,566	$254,993	$262,642	$270,522	$278,637	$286,996	$295,606	$304,474	$313,609
Total Fixed Charges	**$338,940**	**$435,328**	**$529,348**	**$559,813**	**$591,630**	**$624,852**	**$659,534**	**$695,736**	**$733,516**	**$772,936**	**$814,061**
Percent Change		28.4%	21.6%	5.8%	5.7%	5.6%	5.6%	5.5%	5.4%	5.4%	5.3%
NET OPERATING INCOME	**$1,777,562**	**$2,293,085**	**$2,355,944**	**$2,360,280**	**$2,362,756**	**$2,418,166**	**$2,474,773**	**$2,532,601**	**$2,591,672**	**$2,652,007**	**$2,713,630**
Percent Change		29.0%	2.7%	0.2%	0.1%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%



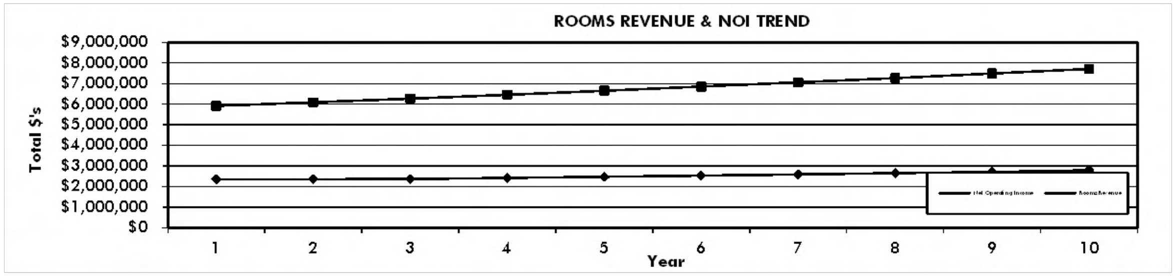
Sale / Yield	Terminal Capitalization Rate		
Discount Rate	9.00%	9.50%	10.00%
10.50%	$24,867,474	$24,294,470	$23,778,766
11.00%	$24,079,589	$23,531,879	$23,038,940
11.50%	$23,325,131	$22,801,492	$22,330,217

Cost of Sale at Reversion:	2.00%
Property Size (Rooms):	137
Percent Residual:	41.9%
Reconciled Value Indication:	**$23,531,879**
As Complete Value Indication (Rounded):	**$23,500,000**
Value Per Room	**$171,533**

CBRE

PROPOSED AMHERST HYATT PLACE - WILLIAMSVILLE, NY
STABILIZED CASH FLOW REPORT BEGINNING OCTOBER 1, 2016

12 Months Ending:	9/30/17	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	9/30/23	9/30/24	9/30/25	9/30/26	9/30/27
Number of Rooms	137	137	137	137	137	137	137	137	137	137	137
Annual Available Rooms	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005	50,005
Occupied Rooms	37,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504	37,504
Occupancy	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Average Rate	$157.63	$162.36	$167.23	$172.25	$177.42	$182.74	$188.22	$193.87	$199.68	$205.67	$211.84
REVENUE											
Rooms	$5,911,803	$6,089,157	$6,271,831	$6,459,986	$6,653,786	$6,853,399	$7,059,001	$7,270,771	$7,488,895	$7,713,561	$7,944,968
Food & Beverage	$256,822	$264,526	$272,462	$280,636	$289,055	$297,727	$306,659	$315,858	$325,334	$335,094	$345,147
Minor Operated Departments	$20,514	$21,130	$21,764	$22,417	$23,089	$23,782	$24,495	$25,230	$25,987	$26,767	$27,570
Total Revenue	**$6,189,139**	**$6,374,813**	**$6,566,057**	**$6,763,039**	**$6,965,930**	**$7,174,908**	**$7,390,155**	**$7,611,860**	**$7,840,216**	**$8,075,422**	**$8,317,685**
Percent Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
DEPARTMENTAL EXPENSES											
Rooms	$1,327,614	$1,367,443	$1,408,466	$1,450,720	$1,494,241	$1,539,069	$1,585,241	$1,632,798	$1,681,782	$1,732,235	$1,784,202
Food & Beverage	$219,125	$225,699	$232,470	$239,444	$246,627	$254,026	$261,646	$269,496	$277,581	$285,908	$294,485
Minor Operated Departments	$19,924	$20,522	$21,138	$21,772	$22,425	$23,098	$23,790	$24,504	$25,239	$25,996	$26,776
Total Departmental Expenses	**$1,566,663**	**$1,613,663**	**$1,662,073**	**$1,711,935**	**$1,763,293**	**$1,816,192**	**$1,870,678**	**$1,926,798**	**$1,984,602**	**$2,044,140**	**$2,105,464**
Percent Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
DEPARTMENTAL INCOME (LOSS)	**$4,622,476**	**$4,761,150**	**$4,903,984**	**$5,051,104**	**$5,202,637**	**$5,358,716**	**$5,519,478**	**$5,685,062**	**$5,855,614**	**$6,031,282**	**$6,212,221**
Percent Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
UNDISTRIBUTED OPERATING EXPENSES											
Administrative and General	$483,747	$498,259	$513,207	$528,603	$544,461	$560,795	$577,619	$594,948	$612,796	$631,180	$650,115
Marketing	$220,339	$226,949	$233,758	$240,771	$247,994	$255,434	$263,097	$270,990	$279,119	$287,493	$296,118
Franchise Fees	$402,003	$465,820	$533,106	$549,099	$565,572	$582,539	$600,015	$618,016	$636,556	$655,653	$675,322
Property Operations and Maintenance	$192,797	$198,581	$204,538	$210,674	$216,995	$223,504	$230,210	$237,116	$244,229	$251,556	$259,103
Utility Costs	$252,623	$260,202	$268,008	$276,048	$284,330	$292,860	$301,645	$310,695	$320,016	$329,616	$339,505
Total Undistributed Expenses	**$1,551,509**	**$1,649,812**	**$1,752,617**	**$1,805,195**	**$1,859,351**	**$1,915,132**	**$1,972,586**	**$2,031,763**	**$2,092,716**	**$2,155,498**	**$2,220,163**
Percent Change		6.3%	6.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
CASH FLOW AFTER UNDIST OPERATING EXP	**$3,070,967**	**$3,111,338**	**$3,151,368**	**$3,245,909**	**$3,343,286**	**$3,443,584**	**$3,546,892**	**$3,653,299**	**$3,762,898**	**$3,875,785**	**$3,992,058**
Management Fee	$185,674	$191,244	$196,982	$202,891	$208,978	$215,247	$221,705	$228,356	$235,206	$242,263	$249,531
INCOME BEFORE FIXED CHARGES	**$2,885,293**	**$2,920,094**	**$2,954,386**	**$3,043,017**	**$3,134,308**	**$3,228,337**	**$3,325,187**	**$3,424,943**	**$3,527,691**	**$3,633,522**	**$3,742,528**
Percent Change		1.2%	1.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
FIXED CHARGES											
Property Taxes	$228,701	$250,146	$272,673	$296,326	$321,153	$347,203	$374,527	$403,177	$433,210	$441,874	$450,712
Insurance	$53,082	$54,675	$56,315	$58,004	$59,744	$61,537	$63,383	$65,284	$67,243	$69,260	$71,338
Reserve for Replacement	$247,566	$254,993	$262,642	$270,522	$278,637	$286,996	$295,606	$304,474	$313,609	$323,017	$332,707
Total Fixed Charges	**$529,348**	**$559,813**	**$591,630**	**$624,852**	**$659,534**	**$695,736**	**$733,516**	**$772,936**	**$814,061**	**$834,151**	**$854,757**
Percent Change		5.8%	5.7%	5.6%	5.6%	5.5%	5.4%	5.4%	5.3%	2.5%	2.5%
NET OPERATING INCOME	**$2,355,944**	**$2,360,280**	**$2,362,756**	**$2,418,166**	**$2,474,773**	**$2,532,601**	**$2,591,672**	**$2,652,007**	**$2,713,630**	**$2,799,371**	**$2,887,771**
Percent Change		0.2%	0.1%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	3.2%	3.2%



Sale / Yield	Terminal Capitalization Rate		
Discount Rate	9.00%	9.50%	10.00%
10.00%	$27,405,954	$26,767,888	$26,193,628
10.50%	$26,535,093	$25,925,318	$25,376,520
11.00%	$25,701,468	$25,118,610	$24,594,037

Cost of Sale at Reversion:	2.00%
Property Size (Rooms):	137
Percent Residual:	42.3%
Reconciled Value Indication (Rounded):	**$25,900,000**
Value Per Room	**$189,051**

CBRE

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

A summary of the implied direct capitalization rates of the subject is illustrated in the following table.

IMPLIED CAPITALIZATION RATE SUMMARY		
Discounted Cash Flow Value		$23,500,000
Implied Capitalization Rate Premise	NOI	OAR
Discounted Cash Flow YR 1 Income	$1,777,562	7.55%
Discounted Cash Flow Stabilized Income (YR 3)	$2,355,944	10.01%
Hypothetical Stabilized Income (Current Dollars)	$2,220,704	9.44%
Compiled by CBRE		

Generally speaking, year one overall rates of return are low. However, this is not considered unreasonable, as many buyers of assets such as the subject are willing to accept these terms. Buyers are often assuming upside in their purchase decisions, and also assume different revenue and expense structures. As a result, year-one figures are often low compared to industry survey data. The stabilized and the stabilized deflated figures are generally considered to be in a range typical of a property that has an established level of operation.

DIRECT CAPITALIZATION SUMMARY

A summary of the direct capitalization of the subject is illustrated in the following table.

DIRECT CAPITALIZATION SUMMARY		
Analysis Premise	Hypothetical Stabilized Income (Current Dollars)	
Number of Rooms:		137
Annual Rooms Available:		50,005
Occupied Rooms:		37,504
Occupancy:		75%
Average Rate:		$148.58
RevPAR:		$111.44
	Total $	Percent
REVENUE		
Rooms	5,572,441	95.5%
Food & Beverage	242,079	4.1%
Minor Operated Departments	19,337	0.3%
Total Revenue	**5,833,857**	**100.0%**
DEPARTMENTAL EXPENSES		
Rooms	1,251,404	21.5%
Food & Beverage	206,546	3.5%
Minor Operated Departments	18,780	0.3%
Total Departmental Expenses	**1,476,730**	**25.3%**
DEPARTMENTAL INCOME (LOSS)	**4,357,127**	**74.7%**
UNDISTRIBUTED OPERATING EXPENSES		
Administrative and General	455,978	7.8%
Marketing	207,691	3.6%
Franchise Fees	378,926	6.5%
Property Operations and Maintenance	181,730	3.1%
Utility Costs	238,122	4.1%
Total Undistributed Expenses	**1,462,446**	**25.1%**
CASH FLOW AFTER UNDIST OPERATING EXP	**2,894,681**	**49.6%**
Management Fee	175,016	3.0%
INCOME BEFORE FIXED CHARGES	**2,719,665**	**46.6%**
FIXED CHARGES		
Property Taxes	215,572	3.7%
Insurance	50,035	0.9%
Reserve for Replacement	233,354	4.0%
Total Fixed Charges	**498,961**	**8.6%**
NET OPERATING INCOME	**2,220,704**	**38.1%**
OAR		**9.00%**
Indicated Capitalized Value		**$24,674,485**
Rounded		**$24,700,000**
Per Room		**$180,292**
Compiled by CBRE		

CONCLUSION OF INCOME CAPITALIZATION APPROACH

The conclusions via the valuation methods employed for this approach are as follows:

INCOME CAPITALIZATION APPROACH VALUES		
Appraisal Premise	**Prospective As Complete**	**Prospective As Stabilized**
Direct Capitalization Method	$24,700,000	
Discounted Cash Flow Analysis	$23,500,000	$25,900,000
Reconciled Value	**$23,500,000**	**$25,900,000**
Compiled by CBRE		

RECONCILIATION OF VALUE

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS			
Appraisal Premise	As Is	Prospective As Complete	Prospective As Stabilized
Land Value	$4,000,000		
Cost Approach	N/A	$25,300,000	N/A
Sales Comparison Approach	N/A	N/A	N/A
Income Capitalization Approach	N/A	$23,500,000	$25,900,000
Reconciled Value	$4,000,000	$23,500,000	$25,900,000

* Value indications expressed in current dollars.
Compiled by CBRE

The cost approach typically gives a reliable value indication when there is strong support for the replacement cost estimate and when there is minimal depreciation. Considering the ongoing construction, the reliability of the cost approach is considered good. Therefore, the cost approach is considered equally applicable to the subject and is used primarily as a test of reasonableness against the other valuation techniques.

As mentioned previously, the Sales Approach to value is not applicable due to limited sales in the market.

The income capitalization approach is applicable to the subject since it is an income producing property leased in the open market. Market participants are primarily analyzing properties based on their income generating capability. Therefore, the income capitalization approach is considered a reasonable and substantiated value indicator and has been given primary emphasis in the final value estimate.

Based on the foregoing, the market value of the subject has been concluded as follows:

MARKET VALUE CONCLUSION				
Appraisal Premise	Interest Appraised	Date of Value	Exposure Time	Value Conclusion
As Is	Fee Simple	September 23, 2013	9-12 months	$4,000,000
As Complete	Fee Simple	October 1, 2014	9-12 months	$23,500,000
As Stabilized	Fee Simple	October 1, 2016	9-12 months	$25,900,000

Compiled by CBRE

The opinion(s) of market value includes the land, the improvements thereto, and the contributory value of the furniture, fixtures, and equipment. The appraisers assume that the hotel will be, and shall remain, open and operational.

REAL PROPERTY VALUE ALLOCATION

PERSONAL PROPERTY

Lodging facilities personal property consists of furnishings, fixtures and equipment (FF&E). These assets are difficult to isolate from the value of an operating hotel/motel property. Personal property is an integral part of a lodging facility. Without furniture, fixtures, and equipment, a hotel could not operate its facilities and rent its guest rooms, and thus would not be able to generate any income attributable to real property. Personal property and real property are uniquely combined in a hotel or motel; unlike an office or other commercial building, a hotel would have to close its doors without furniture, fixtures and equipment. The physical separation of personal property from real property in a hotel is a theoretical rather than a practical matter. Lodging facilities are generally sold with their furniture, fixtures, and equipment in place. While a lender may be restricted from financing the purchase of personal property, without personal property, a hotel's real property would have little value.

Several methods are used to determine the market value of the furniture, fixtures, and equipment. A recommended approach is to use the depreciated replacement cost. As hotels are typically sold with the FF&E in place, a sale of just the FF&E usually takes place as a salvage or liquidation sale, which results in substantially less value than if in place and contributing to the hotel operation. The estimation of the market value of the tangible personal property is an allocation of the total value and is not likely to be a distinct component of a typical real estate transaction of an ongoing operation.

For a similar property type as the subject, we have included several cost figures for FF&E. These cost figures ranged from a low of $18,386 per key to a high of $27,408 per key.

For our analysis, we have indicated a figure of $21,500 per unit, which corresponds to $2,950,000, rounded. As the subject is currently under construction, all of its FF&E will be considered new at the date of completion. As a result, we have not indicated any depreciation.

FF&E DEPRECIATED COST ESTIMATE		
FF&E Effective Age (Weighted)		0 Years
MVS Expected Life (Weighted)		8 Years
FF&E Physical Depreciation		0%
MVS Salvage Value of FF&E		10%
FF&E Replacement Cost New	$	2,950,000
Less: Salvage Value @ 10%	$	(295,000)
Depreciable Cost	$	2,655,000
Less Depreciation @ 0%	$	-
Plus Salvage Value	$	295,000
Depreciated FF&E Cost	$	2,950,000
Rounded	$	2,950,000
Depreciated FF&E Cost Per Guest Room		$21,533
Compiled by CBRE		

BUSINESS VALUE

The estimate of value for the business interest component of the going concern value is considerably more subjective than the personal property value estimate. This is due to the intangible nature of the business interest.

Under the current theory, the primary method of valuing the business interest in a property is to capitalize the management and/or franchise fees in excess of what is required for the physical operation of the property. However, in the case of the subject, the management fees and franchise fees are analyzed as paid to an outside vendor. As such, the "business value" is in actuality earned by an entity not reflected in the subject of this appraisal. Therefore, our estimate of value reflects real and personal property only.

VALUE ALLOCATION CONCLUSION

Based on the foregoing, the value allocation of the subject has been concluded as follows:

VALUE ALLOCATION AS COMPLETE	
Interest Appraised - Allocation	**Value Conclusion**
Fee Simple	
Prospective As Complete Value	$23,500,000
Personal Property	$2,950,000
Real Property Value	$20,550,000
Compiled by CBRE	

VALUE ALLOCATION	
Interest Appraised - Allocation	**Value Conclusion**
Fee Simple	
Prospective As Stabilized Value	$25,900,000
Personal Property	$2,950,000
Real Property Value	$22,950,000

Compiled by CBRE

ASSUMPTIONS AND LIMITING CONDITIONS

1. Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE is not aware of any title defects nor has it been advised of any unless such is specifically noted in the report. CBRE, however, has not examined title and makes no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject's title should be sought from a qualified title company that issues or insures title to real property.
2. Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. CBRE professionals are not engineers and are not competent to judge matters of an engineering nature. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report: no problems were brought to the attention of CBRE by ownership or management; CBRE inspected less than 100% of the entire interior and exterior portions of the improvements; and CBRE was not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, CBRE reserves the right to amend the appraisal conclusions reported herein.
3. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property was not observed by the appraisers. CBRE has no knowledge of the existence of such materials on or in the property. CBRE, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

   We have inspected, as thoroughly as possible by observation, the land; however, it was impossible to personally inspect conditions beneath the soil. Therefore, no representation is made as to these matters unless specifically considered in the appraisal.
4. All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the report unless otherwise stated. Any existing or proposed improvements, on or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon the information submitted to CBRE This report may be subject to amendment upon re-inspection of the subject subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.
5. It is assumed that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Unless otherwise specifically noted in the appraisal report, CBRE has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, CBRE reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify CBRE of any questions or errors. Accordingly, the client-addressee should carefully review all

assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify CBRE, Inc. of any questions or errors.

6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the appraisal. However, CBRE will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.
7. CBRE assumes no private deed restrictions, limiting the use of the subject in any way.
8. Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposit or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
9. CBRE is not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.
10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.
11. Any cash flows included in the analysis are forecasts of estimated future operating characteristics are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of current market expectations of future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. CBRE does not warrant these forecasts will occur. Projections may be affected by circumstances beyond the current realm of knowledge or control of CBRE
12. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of CBRE to buy, sell, or hold the properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
13. Also, unless otherwise noted in the body of this report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.
14. This study may not be duplicated in whole or in part without the specific written consent of CBRE nor may this report or copies hereof be transmitted to third parties without said consent, which consent CBRE reserves the right to deny. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of CBRE which consent CBRE reserves the right to deny. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a “sale” or “offer for sale” of any “security”, as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. CBRE shall have no accountability or responsibility to any such third party.
15. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.
16. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.
17. The maps, plats, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.

18. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis has been made known to CBRE unless otherwise stated within the body of this report. If the Consultant has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
19. Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the Appraiser nor CBRE assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
20. CBRE assumes that the subject analyzed herein will be under prudent and competent management and ownership; neither inefficient or super-efficient.
21. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
22. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed to be correct. It is further assumed that no encroachments to the realty exist.
23. The *Americans with Disabilities Act* (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, CBRE has not made a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect on the value estimated herein. Since CBRE has no specific information relating to this issue, nor is CBRE qualified to make such an assessment, the effect of any possible non-compliance with the requirements of the ADA was not considered in estimating the value of the subject.
24. Client shall not indemnify Appraiser or hold Appraiser harmless unless and only to the extent that the Client misrepresents, distorts, or provides incomplete or inaccurate appraisal results to others, which acts of the Client approximately result in damage to Appraiser. Notwithstanding the foregoing, Appraiser shall have no obligation under this Section with respect to any loss that is caused solely by the active negligence or willful misconduct of a Client and is not contributed to by any act or omission (including any failure to perform any duty imposed by law) by Appraiser. Client shall indemnify and hold Appraiser harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the appraisal report to any third party. In the event of any litigation between the parties, the prevailing party to such litigation shall be entitled to recover, from the other, reasonable attorney fees and costs.
25. As part of the client's requested scope of work, an estimate of insurable value is provided herein. CBRE has followed traditional appraisal standards to develop a reasonable calculation based upon industry practices and industry accepted publications such as the Marshal Valuation Service handbook. The methodology employed is a derivation of the cost approach which is primarily used as an academic exercise to help support the market value estimate and therefore is not reliable for Insurable Value estimates. Actual construction costs and related estimates can vary greatly from this estimate.

    This analysis should not be relied upon to determine proper insurance coverage which can only be properly estimated by consultants considered experts in cost estimation and insurance underwriting. It is provided to aid the client/reader/user as part of their overall decision making process and no representations or warranties are made by CBRE regarding the accuracy of this estimate and it is strongly recommend that other sources be utilized to develop any estimate of insurable value.

ADDENDA

ADDENDUM A

GLOSSARY OF TERMS

assessed value Assessed value applies in ad valorem taxation and refers to the value of a property according to the tax rolls. Assessed value may not conform to market value, but it is usually calculated in relation to a market value base. †

cash equivalency The procedure in which the sale prices of comparable properties sold with atypical financing are adjusted to reflect typical market terms.

contract rent The actual rental income specified in a lease. ‡

disposition value The most probable price which a specified interest in real property is likely to bring under all of the following conditions: 1) Consummation of a sale will occur within a limited future marketing period specified by the client; 2) The actual market conditions currently prevailing are those to which the appraised property interest is subject; 3) The buyer and seller is each acting prudently and knowledgeably; 4) The seller is under compulsion to sell; 5) The buyer is typically motivated; 6) Both parties are acting in what they consider their best interests; 7) An adequate marketing effort will be made in the limited time allowed for the completion of a sale; 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.‡

effective rent The rental rate net of financial concessions such as periods of no rent during the lease term; may be calculated on a discounted basis, reflecting the time value of money, or on a simple, straight-line basis. ‡

excess land In regard to an improved site, the land not needed to serve or support the existing improvement. In regard to a vacant site or a site considered as though vacant, the land not needed to accommodate the site's primary highest and best use. Such land may be separated from the larger site and have its own highest and best use, or it may allow for future expansion of the existing or anticipated improvement. *See also* surplus land. ‡

extraordinary assumption An assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. *See also* hypothetical condition. ‡

fee simple estate Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. ‡

floor area ratio (FAR) The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area; also called *building-to-land ratio*. ‡

full service lease A lease in which rent covers all operating expenses. Typically, full service leases are combined with an *expense stop*, the expense level covered by the contract lease payment. Increases in expenses above the expense stop level are passed through to the tenant and are known as *expense pass-throughs*.

going concern value Going concern value is the value of a proven property operation. It includes the incremental value associated with the business concern, which is distinct from the value of the real estate only. Going concern value includes an intangible enhancement of the value of an operating business enterprise which is produced by the assemblage of the land, building, labor, equipment, and marketing operation. This process creates an economically viable business that is expected to continue. Going concern value refers to the total value of a property, including both real property and intangible personal property attributed to the business value. †

gross building area (GBA) The total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent outer building walls without any deductions. All enclosed floors of the building including basements, mechanical equipment floors, penthouses, and the like are included in the measurement. Parking spaces and parking garages are excluded. ‡

hypothetical condition That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. *See also* extraordinary assumption. ‡

investment value Investment value is the value of an investment to a particular investor based on his or her investment requirements. In contrast to market value, investment value is value to an individual, not value in the marketplace. Investment value reflects the subjective relationship between a particular investor and a given investment. When measured in dollars, investment value is the price an investor would pay for an investment in light of its perceived capacity to satisfy his or her desires, needs, or investment goals. To estimate investment value, specific investment criteria must be known. Criteria to evaluate a real estate investment are not necessarily set down by the individual investor; they may be established by an expert on real estate and its value, that is, an appraiser. †

leased fee
See leased fee estate

leased fee estate An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.‡

leasehold
See leasehold estate

leasehold estate The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.‡

liquidation value The most probable price which a specified interest in real property is likely to bring under all of the following conditions: 1) Consummation of a sale will occur within a severely limited future marketing period specified by the client; 2) The actual market conditions currently prevailing are those to which the appraised property interest is subject; 3) The buyer is acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated; 6) The buyer is acting in what he or she considers his or her best interests; 7) A limited marketing effort and time will be allowed for the completion of a sale; 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. ‡

market rent The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the specified lease agreement including term, rental adjustment and revaluation, permitted uses, use restrictions, and expense obligations; the lessee and lessor each acting prudently and knowledgeably, and assuming consummation of a lease contract as of a specified date and the passing of the leasehold from lessor to lessee under conditions whereby: 1) lessee and lessor are typically motivated; 2) both parties are well informed or well advised, and acting in what they consider their best interests; 3) a reasonable time is allowed for exposure in the open market; 4) the rent payment is made in terms of cash in U.S. dollars and is expressed as an amount per time period consistent with the payment schedule of the lease contract; and 5) the rental amount represents the normal consideration for the property leased unaffected by special fees or concessions granted by anyone associated with the transaction. ‡

market value Market value is one of the central concepts of the appraisal practice. Market value is differentiated from other types of value in that it is created by the collective patterns of the market. Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: 1) A reasonable time is allowed for exposure in the open market; 2) Both parties are well informed or well advised, and acting in what they consider their own best interests; 3) Buyer and seller are typically motivated; 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.§

marketing period The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal. ‡

net lease Lease in which all or some of the operating expenses are paid directly by the tenant. The landlord never takes possession of the expense payment. In a *Triple Net Lease* all operating expenses are the responsibility of the tenant, including property taxes, insurance, interior maintenance, and other miscellaneous expenses. However, management fees and exterior maintenance are often the responsibility of the lessor in a triple net lease. A *modified net lease* is one in which some expenses are paid separately by the tenant and some are included in the rent.

net rentable area (NRA) 1) The area on which rent is computed. 2) The Rentable Area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building. Include space such as mechanical room, janitorial room, restrooms, and lobby of the floor. *

occupancy rate The relationship or ratio between the income received from the rented units in a property and the income that would be received if all the units were occupied.‡

prospective value opinion A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new us, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written. ‡

reasonable exposure time The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based upon an analysis of past events assuming a competitive and open market. ††

rent
See
full service lease
net lease
market rent
contract, coupon, face, or nominal rent
effective rent

shell rent The typical rent paid for retail, office, or industrial tenant space based on minimal "shell" interior finishes (called plain vanilla finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes; mechanical systems, interior electric, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses. ‡

surplus land Land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing or anticipated improvement. *See also* excess land. ‡

usable area 1) The area actually used by individual tenants. 2) The Usable Area of an office building is computed by measuring to the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Excludes areas such as mechanical rooms, janitorial room, restrooms, lobby, and any major vertical penetrations of a multi-tenant floor. *

use value Use value is a concept based on the productivity of an economic good. Use value is the value a specific property has for a specific use. Use value focuses on the value the real estate contributes to the enterprise of which it is a part, without regard to the property's highest and best use or the monetary amount that might be realized upon its sale. †

value indication An opinion of value derived through application of the appraisal process. ‡

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† *The Appraisal of Real Estate*, Thirteenth Edition, Appraisal Institute, 2008.

‡ *The Dictionary of Real Estate Appraisal*, Fourth Edition, Appraisal Institute, 2002.

§ Office of Comptroller of the Currency (OCC), 12 CFR Part 34, Subpart C – Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 4th ed. (Chicago: Appraisal Institute, 2002), 177-178. This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value as well as the example referenced in the *Uniform Standards of Professional Appraisal Practice (USPAP)*.

* 2000 BOMA Experience Exchange Report, Income/Expense Analysis for Office Buildings (Building Owners and Managers Association, 2000)

†† *Statement on Appraisal Standard No. 6*, Appraisal Standards Board of The Appraisal Foundation, September 16, 1993, revised June 15, 2004.

ADDENDUM B

LAND SALE DATA SHEETS

LAND SALE No. 1

75 Main Street

Location Data

Location:	**75 Main Street**
	Buffalo, NY 14202
County:	**Erie**
Parcel No:	
Atlas Ref:	

No image to display.

Physical Data

Type:	**Retail/Commercial**	
Land Area:	**Gross**	**Usable**
Acres:	**1.770**	**1.770**
Square Feet:	**77,101**	**77,101**
Topography:	**Level, At Street Grade**	
Shape:	**Irregular**	
Utilities:	**All**	
Zoning:		
Allowable Bldg Area:		
Floor Area Ratio:		
No. of units:		
Max FAR:	**NA**	
Frontage:	**Main Street - 347;Washington Street - 418;Perry Street - 200;Scott Street - 213;**	

Analysis

Use At Sale:	**Vacant**
Proposed Use or Dev.	
Price Per Acre:	**$1,242,938**
Price Per SF of Land:	**$28.53**
Price Per Unit:	
Price Per SF of Bldg:	

Financial Data

Transaction Type:	**Sale**
Date:	**3/2013**
Marketing Time:	**NA**
Grantor:	**City of Buffalo**
Grantee:	**Buffalo Sabres**
Document No.:	
Sale Price:	**$2,200,000**
Financing:	**Cash to Seller**
Cash Eq.Price:	**$2,200,000**
Onsite/Offsite Costs:	
Adj. Sale Price:	**$2,200,000**
Verification:	**CoStar**

Comments

The city of Buffalo was not selling the land, but carried out a specific selection process to determine who could purcahse the land. They were not looking at any other purchasers.

The Sabres are building the Harbour Center on the land. Ground break was just a few short days after the sale closed. It is expected to be complete in September 2014. There will be two ice hockey rinks, a 200-room hotel, and an 850 space parking garage.

LAND SALE No. 2

1.95 Acre Site

Location Data

Location:	**234 Delaware & 233 South Elmwood**	
	Buffalo, NY 14202	
County:	**Erie**	
Parcel No:		
Atlas Ref:		

Physical Data

Type:	**Retail/Commercial**	
Land Area:	**Gross**	**Usable**
Acres:	**1.950**	**1.950**
Square Feet:	**84,942**	**84,942**
Topography:	**Generally Level**	
Shape:	**Rectangular**	
Utilities:	**All**	
Zoning:	**CM**	
Allowable Bldg Area:		
Floor Area Ratio:		
No. of units:		
Max FAR:	**NA**	
Frontage:		

Analysis

Use At Sale:	**Office/C. Store**
Proposed Use or Dev.	**Mixed-Use**
Price Per Acre:	**$1,538,462**
Price Per SF of Land:	**$35.32**
Price Per Unit:	
Price Per SF of Bldg:	

Financial Data

Transaction Type:	**Sale**
Date:	**9/2012**
Marketing Time:	**NA**
Grantor:	**Delaware Court**
Grantee:	**BTC Block 20 Inc.**
Document No.:	**11229-2938**
Sale Price:	**$3,000,000**
Financing:	
Cash Eq.Price:	**$3,000,000**
Onsite/Offsite Costs:	
Adj. Sale Price:	**$3,000,000**
Verification:	**Buyer**

Comments

This site is located on the north side of Chippewa Street between Delaward Avenue and Elmwood Avenue. The comparable site was improved with a 78,856 square foot, two-story office building that was approximately 50% leased at the time of sale and a convenience store 100% leased. The office building was older having been completed in 1926. The buyer stated the $3,000,000 allocated for the sale was for the land, as vacant. The developer has completed several projects in Downtown Buffalo and was willing to pay a premium for the good location.

LAND SALE No. 3

5195 Main Street

Location Data

Location:	**5195 Main Street** **Williamsville, NY 14221**
County:	**Erie**
Parcel No:	
Atlas Ref:	

Physical Data

Type:	**Mixed-Use**	
Land Area:	**Gross**	**Usable**
Acres:	**2.300**	**2.300**
Square Feet:	**100,188**	**100,188**
Topography:	**Level, At Street Grade**	
Shape:	**Rectangular**	
Utilities:		
Zoning:	**GB**	
Allowable Bldg Area:	**0 SF**	
Floor Area Ratio:	**0.00**	
No. of units:	**0**	
Max FAR:	**0.00**	
Frontage:	**Main Street - ;South Forest Road - ;**	

Analysis

Use At Sale:	**Stereo Advantage**
Proposed Use or Dev.	**120-room hotel, 33 apts**
Price Per Acre:	**$1,680,435**
Price Per SF of Land:	**$38.58**
Price Per Unit:	
Price Per SF of Bldg:	

Financial Data

Transaction Type:	**Sale**
Date:	**2/2012**
Marketing Time:	**NA**
Grantor:	
Grantee:	**Ellicott Development JV Mosey Castle**
Document No.:	
Sale Price:	**$3,700,000**
Financing:	**Not Available**
Cash Eq.Price:	**$3,865,000**
Onsite/Offsite Costs:	**$0**
Adj. Sale Price:	**$3,865,000**
Verification:	**Ellicott, public record**

Comments

LAND SALE No. 4

1925 Curry Road (Former Capitol Plaza)

Location Data

Location:	**1925 Curry Road**
	Rotterdam, NY 12303
County:	**Schenectady**
Parcel No:	
Atlas Ref:	

No image to display.

Physical Data

Type:	**Retail/Commercial**	
Land Area:	**Gross**	**Usable**
Acres:	**1.230**	**1.230**
Square Feet:	**53,579**	**53,579**
Topography:	**Generally Level**	
Shape:	**Rectangular**	
Utilities:	**All**	
Zoning:	**B-2**	
Allowable Bldg Area:	**0 SF**	
Floor Area Ratio:	**0.00**	
No. of units:	**0**	
Max FAR:	**0.00**	
Frontage:	**Curry Road - ;Altamont Avenue - ;**	

Financial Data

Transaction Type:	**Sale**
Date:	**8/2010**
Marketing Time:	**NA**
Grantor:	**IJM ASSOCIATES INC**
Grantee:	**COLUMBIA ALTAMONT LLC**
Document No.:	**1826-0055**
Sale Price:	**$1,490,000**
Financing:	**Not Available**
Cash Eq.Price:	**$1,490,000**
Onsite/Offsite Costs:	**$0**
Adj. Sale Price:	**$1,490,000**
Verification:	**Public record**

Analysis

Use At Sale:	**Shopping Center**
Proposed Use or Dev.	**Redevelopment**
Price Per Acre:	**$1,211,382**
Price Per SF of Land:	**$27.81**
Price Per Unit:	**$0**
Price Per SF of Bldg:	**$0.00**

Comments

ADDENDUM C

COMPETITIVE HOTEL DATA SHEETS

HOTEL COMPARABLE No. 1

Hilton Garden Inn Buffalo Airport (2013)

Location Data

Location:	**4202 Genesee Street**
	Buffalo, NY 14225
County:	**Erie**
Parcel No:	
Atlas Ref:	

Physical Data

Type:	**Limited Service Hotel**
Num. of Guest Rooms:	**158**
Average Room Size:	**0 SF**
Year Built:	**2005**
Stories:	**5**
Building Amenities:	**Great American Grill restaurant, comp wireless Internet, indoor pool & whirlpool, Pavilion Pantry**
Restaurant:	**No**
Lounge:	**No**
Parking Type:	**Surface**
Condition:	
Quality:	
Auto Club Rating:	

Financial Data

Published Rates:	**$129-$169**
Average Daily Rate:	**133.00**
Annual Occupancy:	**83%**
Date of Survey:	**9/13**
Year of Occupancy:	**2012**

Demand Segmentation

Commercial:	**65.00%**
Group:	**15.00%**
Leisure:	**20.00%**
Discount:	**0.00%**
Total:	**100.00%**

Comments

The Hilton Garden Inn Buffalo-Airport, built in 2005 is the newest and nicest hotel in the competitive set. The proeprty is located less than 1/4 mile from the subject, and is directly across from the entrance to the airport on Genesee Street in Buffalo, NY. The 158-room, 5-story brick and stucco faced property offers complimentary amenities including; high speed Internet access and remote printing, parking, busienss center and local calls. The hotel also offers a fitness center, indoor pool and whirlpool, 24-hour Pavilion Pantry, the Great American Grill for breakfast and dinner and 2,500 square feet of meeting space as well as an outdoor gazebo, courtyard and pre-function area. Overall, this property is superior to the subject in location, structure, amenities, technology and age/ condition. However, the Hilton Garden Inn does not offer a full service restaurant and bar.

HOTEL COMPARABLE No. 2

Courtyard Marriott Buffalo/Amherst (2013)

Location Data

Location:	**4100 Sheridan Drive**
	Buffalo, NY 14221
County:	**Erie**
Parcel No:	**68.09-5-1.1**
Atlas Ref:	

Physical Data

Type:	**Limited Service Hotel**
Num. of Guest Rooms:	**108**
Average Room Size:	**0 SF**
Year Built:	**1999**
Stories:	**4**
Building Amenities:	**Restaurant, lounge, business center, fitness center, indoor pool, 750 SF meeting space**
Restaurant:	**Yes**
Lounge:	**Yes**
Parking Type:	**Surface & Adequate**
Condition:	**Good**
Quality:	**Good**
Auto Club Rating:	

Financial Data

Published Rates:	**$149-$189**
Average Daily Rate:	**118.00**
Annual Occupancy:	**71%**
Date of Survey:	**9/13**
Year of Occupancy:	**2012**

Demand Segmentation

Commercial:	**60.00%**
Group:	**5.00%**
Leisure:	**35.00%**
Discount:	**0.00%**
Total:	**100.00%**

Comments

The Courtyard by Marriott Buffalo/Amherst is located at 4100 Sheridan Drive in Buffalo, NY, approximately two miles from the subject, off the I-290. The 4-story structure, built in 1999 offers 101 guestrooms with 27" TV's, complimentary high speed Internet access, hairdryer, coffee maker, two-line speakerphones, and iron and ironing board. The hotel also features an indoor pool, jacuzzi, fitness center, Courtyard Cafe serving breakfast, a 24-hr. market, meeting space accommodating up tp 50 people over 750 square feet, and a complimentary airport shuttle service.

HOTEL COMPARABLE No. 3

DoubleTree Buffalo/Amherst (2013)

Location Data

Location:	**10 Flint Road**
	Amherst, NY 14226
County:	**Erie**
Parcel No:	
Atlas Ref:	

Physical Data

Type:	**Full Service Hotel**
Num. of Guest Rooms:	**187**
Average Room Size:	**0 SF**
Year Built:	**1987, Conv from Indigo in 2012**
Stories:	**4**
Building Amenities:	**Restaurant, lounge, business center, fitness center, indoor pool, 2268 square feet of meeting space**
Restaurant:	**Yes**
Lounge:	**Yes**
Parking Type:	**Surface**
Condition:	
Quality:	
Auto Club Rating:	

Financial Data

Published Rates:	**$129-$179**
Average Daily Rate:	**103.00**
Annual Occupancy:	**68%**
Date of Survey:	**9/13**
Year of Occupancy:	**2012**

Demand Segmentation

Commercial:	**60.00%**
Group:	**5.00%**
Leisure:	**35.00%**
Discount:	
Total:	**100.00%**

Comments

The recently converted Hotel Indigo, formerly known as the Hampton Inn Buffalo/Amherst is located at 10 Flint road just off I-290 in Amherst, NY. The hotel is a mere 15-minute complimentary shuttle ride from Buffalo's airport, and adjacent to SUNY Buffalo. The 4 -story 187 room stucco structure, built in 1987 and recently updated as a Hampton Inn, offers many complimentary amenities such as parking, local calls, continental breakfast and newspaper. The hotel also features an indoor pool, jacuzzi, fitness center and high speed wireless Internet throught the property. The hotel has two meeting room and offers coffee makers, hairdryers and an iron and ironing board in each guestroom. The hotel is currently under construction, and a good portion of the rooms have been covnerted to Hotel Indigo standards. The hotel is currently unflagged as the Hamtpon Inn agreement expired, and the hotel is not fully ready to be a Hotel Indigo, an affiliate of Intercontinetal Hotels. Currently, the subject is superior given its construction status. However, upon completion this property will be superior to the subject given its high design, all-new renovation, and amenities which will incude; wireless high speed Internet, hardwood floors, 32" LCD TV's, CD/Radio?MP3 players, The Phi Lobby Bar and The Golden Bean Restaurant.

HOTEL COMPARABLE No. 4

Marriott Buffalo Niagara (2012)

Location Data

Location:	**1340 Millersport Highway**
	Amherst, NY 14221
County:	**Erie**
Parcel No:	
Atlas Ref:	

Physical Data

Type:	**Full Service Hotel**
Num. of Guest Rooms:	**356**
Average Room Size:	**0 SF**
Year Built:	**1981, Reno 2011**
Stories:	**10**
Building Amenities:	**Restaurant, lounge, business center, fitness center, indoor/outdoor pool, 12,000 square feet meeting**
Restaurant:	**Yes**
Lounge:	**Yes**
Parking Type:	**Surface**
Condition:	
Quality:	
Auto Club Rating:	

Financial Data

Published Rates:	**$129-$249**
Average Daily Rate:	**124.00**
Annual Occupancy:	**75%**
Date of Survey:	**9/13**
Year of Occupancy:	**2012**

Demand Segmentation

Commercial:	**60.00%**
Group:	**20.00%**
Leisure:	**20.00%**
Discount:	**0.00%**
Total:	**100.00%**

Comments

Buffalo Niagara Marriott, located at 1340 Millersport Highway, just 15 minutes from Buffalo's international airport off major routes I-90 & 290, offers 356 rooms in addition to 8 meeting rooms and over 14,000 square feet of state of the art meeting space. The only full service hotel in the area features indoor and outdoor pools, a game room, fitness center, business center, gift shop and a car rental desk. In addition to offering wireless high speed Internet access in all common areas and guestrooms, the 10-story structure offers a concierge floor, complimentary parking, Marriott's newest bedding package and updated rooms, following an extensive 2004 renovation of all guestrooms, lobbies and meeting spaces. In-room amenities include iron & ironing board, coffee maker, and mini-bars.

HOTEL COMPARABLE No. 5

Hampton Inn Williamsville (2013)

Location Data

Location:	**5455 Main Street**
	Williamsville, NY 14221
County:	**Erie**
Parcel No:	
Atlas Ref:	

Physical Data

Type:	**Limited Service Hotel**
Num. of Guest Rooms:	**80**
Average Room Size:	**0 SF**
Year Built:	**2002**
Stories:	**4**
Building Amenities:	**Fitness center, business center, indoor pool, 525 SF meeting space**
Restaurant:	**No**
Lounge:	**Yes**
Parking Type:	**Surface & Ample**
Condition:	
Quality:	
Auto Club Rating:	

Financial Data

Published Rates:	**$169-$209**
Average Daily Rate:	**141.00**
Annual Occupancy:	**80%**
Date of Survey:	**9/13**
Year of Occupancy:	**2012**

Demand Segmentation

Commercial:	**65.00%**
Group:	**5.00%**
Leisure:	**30.00%**
Discount:	**0.00%**
Total:	**100.00%**

Comments

HOTEL COMPARABLE No. 6

Courtyard Buffalo Airport

Location Data

Location:	**4243 Genesee Street**
	Cheektowaga, NY 14225
County:	**Erie**
Parcel No:	
Atlas Ref:	

No image to display.

Physical Data

Type:	**Limited Service Hotel**
Num. of Guest Rooms:	**139**
Average Room Size:	
Year Built:	**2011**
Stories:	**5**
Building Amenities:	**Fitness Center, Business Center, Indoor Pool, Indoor Whirlpool, Comp WiFi, 1200 SF of meeting space**
Restaurant:	**Yes**
Lounge:	**No**
Parking Type:	
Condition:	**Excellent**
Quality:	
Auto Club Rating:	

Financial Data

Published Rates:	
Average Daily Rate:	**121.00**
Annual Occupancy:	**75%**
Date of Survey:	**9/13**
Year of Occupancy:	**2012**

Demand Segmentation

Commercial:	**65.00%**
Group:	**15.00%**
Leisure:	**20.00%**
Discount:	
Total:	**100.00%**

Comments

ADDENDUM D

DEVELOPER'S PROJECTED CASH FLOW

Projected Cash Flow
Hyatt Place Hotel
5020 Main Street, Amhest, NY 14226
Revised: September 16, 2013

Number of Rooms	137	137	137	137	137
Percentage Occupancy	68%	70%	72%	73%	73%
Average Daily Rate	$ 132.00	$ 141.75	$ 146.00	$ 150.50	$ 155.00
Year	**1**	**2**	**3**	**4**	**5**
	2015	**2016**	**2017**	**2018**	**2019**
Revenues:					
Rooms	$ 4,488,449	$ 4,961,746	$ 5,256,526	$ 5,493,799	$ 5,658,066
Food & Beverage	$ 201,000	$ 212,000	$ 223,000	$ 232,000	$ 239,000
Telephone	$ -	$ -	$ -	$ -	$ -
Rentals & Other Income (Net)	$ (3,744)	$ (3,969)	$ (4,205)	$ (4,391)	$ (4,523)
Revenue Subtotal	$ 4,685,705	$ 5,169,777	$ 5,475,320	$ 5,721,408	$ 5,892,543
Departmental Expenses					
Rooms	$ 942,574	$ 1,041,967	$ 1,103,870	$ 1,153,698	$ 1,188,194
Food & Beverage	$ 178,000	$ 186,000	$ 193,000	$ 200,000	$ 206,000
Telephone	$ -	$ -	$ -	$ -	$ -
Rooms Subtotal	$ 1,120,574	$ 1,227,967	$ 1,296,870	$ 1,353,698	$ 1,394,194
Gross Operating Income	$ 3,565,131	$ 3,941,810	$ 4,178,450	$ 4,367,710	$ 4,498,349
Undistributed Operating Expenses					
Administrative & General	$ 414,773	$ 427,216	$ 440,032	$ 453,233	$ 466,830
Management Fees	$ 140,571	$ 155,093	$ 164,260	$ 171,642	$ 176,776
Franchise Fees	$ 291,749	$ 322,513	$ 341,674	$ 357,097	$ 367,774
Marketing	$ 173,450	$ 178,654	$ 184,013	$ 189,534	$ 195,220
Utility Costs	$ 192,791	$ 204,415	$ 216,563	$ 226,158	$ 232,943
Property Operation & Maintenance	$ 156,859	$ 161,565	$ 166,412	$ 171,405	$ 176,547
Undistributed Operating Expenses Subtotal	$ 1,370,193	$ 1,449,457	$ 1,512,955	$ 1,569,069	$ 1,616,090
Cash Flow from Operations Before Fixed Charges	$ 2,194,938	$ 2,492,354	$ 2,665,495	$ 2,798,641	$ 2,882,259
Fixed Charges					
Rent	$ -	$ -	$ -	$ -	$ -
Property Taxes	$ 142,932	$ 150,549	$ 158,166	$ 165,784	$ 173,401
Insurance	$ 37,707	$ 38,838	$ 40,003	$ 41,203	$ 42,439
Fixed Charges Subtotal	$ 180,638	$ 189,387	$ 198,169	$ 206,987	$ 215,840
Cash Flow from Operations Before CR&R	$ 2,014,299	$ 2,302,967	$ 2,467,326	$ 2,591,655	$ 2,666,419
Reserve for Replacement	$ 93,714	$ 155,093	$ 219,013	$ 228,856	$ 235,702
Cash Flow from Operations Before DS & Income Taxes	$ 1,920,585	$ 2,147,874	$ 2,248,313	$ 2,362,798	$ 2,430,717
$19,500,000 Loan (5.0% - 20 Year; int only yrs 1-2)	$ 975,000	$ 975,000	$ 1,544,296	$ 1,544,296	$ 1,544,296
Net Income:	$ 945,585	$ 1,172,874	$ 704,017	$ 818,502	$ 886,421
8.00% Project Value				$ 29,534,981	$ 30,383,965
Loan to Value				66.02%	64.18%
Debt Service Coverage				1.53	1.57

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

ADDENDUM E

HISTORICAL TRENDS REPORT – SMITH TRAVEL RESEARCH

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Hyatt Place Buffalo

January 2007 to August 2013 **Job Number: 528335_SADIM** **Staff: KK** **Created: September 26, 2013**

Currency: USD - US Dollar

Table of Contents

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Tab 2 - Data by Measure

Hyatt Place Buffalo

Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2007	54.9	57.0	72.8	61.4	81.0	83.0	77.6	84.4	70.8	76.7	72.5	56.0	70.8	71.7
2008	54.5	61.0	64.5	66.7	71.3	75.9	81.6	81.6	75.7	77.1	66.8	55.6	69.4	69.7
2009	49.0	66.9	63.2	65.1	71.4	76.7	83.5	83.8	79.8	77.2	68.0	55.3	70.0	70.0
2010	49.6	57.0	67.2	65.8	79.8	84.2	89.5	91.2	82.5	81.8	76.0	64.3	74.2	73.2
2011	55.9	68.1	78.9	79.4	82.8	84.4	90.8	78.9	79.3	78.4	70.1	56.5	75.2	77.5
2012	51.1	65.4	75.4	69.0	74.3	84.5	85.0	92.7	81.3	79.2	73.8	62.3	74.6	74.8
2013	56.8	67.1	76.3	74.9	81.8	85.2	88.1	92.2						77.9
Avg	53.1	63.3	71.4	69.0	77.5	82.1	85.2	86.5	78.3	78.4	71.2	58.4	72.4	73.7

ADR ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2007	109.78	111.16	113.41	113.61	122.28	118.58	130.48	130.98	123.38	128.34	121.97	114.88	120.79	119.89
2008	120.37	120.41	122.88	126.04	130.04	126.97	139.60	139.81	130.54	130.99	125.83	116.61	128.41	129.26
2009	120.45	122.21	121.97	120.83	122.34	121.77	123.56	120.90	117.56	118.03	117.84	110.17	119.97	121.83
2010	114.13	116.45	122.50	114.59	115.87	116.92	120.37	121.19	116.83	116.78	113.17	107.36	116.66	118.11
2011	111.72	110.28	113.43	110.65	116.05	121.37	124.77	130.60	123.33	122.49	118.90	109.87	118.58	118.20
2012	115.42	116.58	119.24	117.30	126.42	128.79	130.40	134.53	125.63	126.62	118.80	113.36	123.67	124.70
2013	118.50	119.54	122.42	122.10	129.00	135.64	141.26	141.57						130.01
Avg	115.78	116.78	119.29	117.89	123.20	124.67	130.21	131.69	122.86	123.85	119.28	111.94	121.31	123.32

RevPAR ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2007	60.22	63.39	82.51	69.80	99.02	98.46	101.31	110.59	87.30	98.40	88.42	64.32	85.48	85.95
2008	65.54	73.42	79.22	84.04	92.69	96.35	113.93	114.09	98.86	101.00	84.09	64.85	89.12	90.11
2009	59.06	81.72	77.05	78.66	87.41	93.39	103.16	101.33	93.77	91.10	80.08	60.88	83.96	85.26
2010	56.57	66.40	82.32	75.36	92.50	98.39	107.77	110.56	96.36	95.55	86.04	69.07	86.54	86.47
2011	62.44	75.09	89.50	87.88	96.11	102.46	113.25	103.04	97.83	96.09	83.37	62.05	89.12	91.62
2012	58.99	76.28	89.95	80.94	93.98	108.83	110.81	124.69	102.19	100.25	87.71	70.64	92.20	93.25
2013	67.33	80.21	93.43	91.42	105.48	115.50	124.38	130.51						101.27
Avg	61.52	73.98	85.15	81.37	95.50	102.35	110.96	113.91	96.25	97.12	84.98	65.35	87.86	90.85

Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2007	27,559	24,892	27,559	26,670	27,559	26,670	27,559	27,559	26,670	27,559	26,670	27,559	324,485	216,027
2008	27,559	24,892	27,559	26,670	27,559	26,670	27,559	27,559	26,670	27,559	26,670	27,559	324,485	216,027
2009	27,559	24,892	27,559	26,670	27,559	26,670	27,559	27,559	26,670	27,559	26,670	27,559	324,485	216,027
2010	27,559	24,892	27,559	26,670	27,559	26,670	27,559	27,559	26,670	27,559	26,670	27,559	324,485	216,027
2011	27,559	24,892	27,559	26,670	27,559	26,670	27,559	31,868	30,840	31,868	30,840	31,868	345,752	220,336
2012	31,868	28,784	31,868	30,840	31,868	30,840	31,868	31,868	30,840	31,868	30,840	31,868	375,220	249,804
2013	31,868	28,784	31,868	30,840	31,868	30,840	31,868	31,868						249,804
Avg	28,790	26,004	28,790	27,861	28,790	27,861	28,790	29,406	28,060	28,995	28,060	28,995	336,485	226,293

Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2007	15,117	14,196	20,050	16,385	22,315	22,144	21,397	23,269	18,871	21,129	19,333	15,430	229,636	154,873
2008	15,006	15,178	17,768	17,783	19,644	20,238	22,492	22,490	20,197	21,249	17,823	15,326	225,194	150,599
2009	13,512	16,644	17,410	17,362	19,690	20,455	23,009	23,097	21,273	21,270	18,123	15,230	227,075	151,179
2010	13,659	14,193	18,519	17,539	22,000	22,443	24,675	25,142	21,999	22,547	20,277	17,729	240,722	158,170
2011	15,402	16,950	21,746	21,182	22,824	22,514	25,016	25,143	24,462	24,998	21,626	17,997	259,860	170,777
2012	16,287	18,834	24,040	21,280	23,692	26,059	27,080	29,536	25,087	25,231	22,767	19,858	279,751	186,808
2013	18,108	19,313	24,321	23,091	26,058	26,261	28,061	29,378						194,591
Avg	15,299	16,473	20,551	19,232	22,318	22,873	24,533	25,436	21,982	22,737	19,992	16,928	243,706	166,714

Revenue ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2007	1,659,585	1,578,011	2,273,953	1,861,433	2,728,780	2,625,917	2,791,932	3,047,790	2,328,397	2,711,696	2,358,058	1,772,560	27,738,112	18,567,401
2008	1,806,335	1,827,515	2,183,278	2,241,439	2,554,477	2,569,659	3,139,817	3,144,303	2,636,589	2,783,383	2,242,702	1,787,132	28,916,629	19,466,823
2009	1,627,585	2,034,070	2,123,518	2,097,796	2,408,887	2,490,837	2,843,041	2,792,455	2,500,899	2,510,603	2,135,639	1,677,879	27,243,209	18,418,189
2010	1,558,937	1,652,797	2,268,650	2,009,880	2,549,114	2,624,081	2,970,166	3,047,060	2,570,050	2,633,139	2,294,650	1,903,396	28,081,919	18,680,685
2011	1,720,727	1,869,252	2,466,580	2,343,865	2,648,715	2,732,512	3,121,172	3,283,680	3,017,007	3,062,090	2,571,272	1,977,345	30,814,217	20,186,503
2012	1,879,765	2,195,693	2,866,622	2,496,110	2,995,026	3,356,261	3,531,223	3,973,558	3,151,566	3,194,875	2,704,829	2,251,101	34,596,629	23,294,258
2013	2,145,798	2,308,732	2,977,297	2,819,478	3,361,541	3,562,129	3,963,821	4,159,092						25,297,888

Avg	1,771,247	1,923,724	2,451,414	2,267,143	2,749,506	2,851,628	3,194,453	3,349,705	2,700,751	2,815,964	2,384,525	1,894,902	29,565,119	20,558,821

Tab 3 - Percent Change from Previous Year - Detail by Measure

Hyatt Place Buffalo
Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

Occupancy

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2008	-0.7	6.9	-11.4	8.5	-12.0	-8.6	5.1	-3.3	7.0	0.6	-7.8	-0.7	-1.9	-2.8
2009	-10.0	9.7	-2.0	-2.4	0.2	1.1	2.3	2.7	5.3	0.1	1.7	-0.6	0.8	0.4
2010	1.1	-14.7	6.4	1.0	11.7	9.7	7.2	8.9	3.4	6.0	11.9	16.4	6.0	4.6
2011	12.8	19.4	17.4	20.8	3.7	0.3	1.4	-13.5	-3.8	-4.1	-7.8	-12.2	1.3	5.9
2012	-8.6	-3.9	-4.4	-13.1	-10.2	0.1	-6.4	17.5	2.6	0.9	5.3	10.3	-0.8	-3.5
2013	11.2	2.5	1.2	8.5	10.0	0.8	3.6	-0.5						4.2
Avg	1.0	3.3	1.2	3.9	0.6	0.6	2.2	1.9	2.9	0.7	0.7	2.6	1.1	1.5

ADR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2008	9.6	8.3	8.3	10.9	6.3	7.1	7.0	6.7	5.8	2.1	3.2	1.5	6.3	7.8
2009	0.1	1.5	-0.7	-4.1	-5.9	-4.1	-11.5	-13.5	-9.9	-9.9	-6.4	-5.5	-6.6	-5.7
2010	-5.2	-4.7	0.4	-5.2	-5.3	-4.0	-2.6	0.2	-0.6	-1.1	-4.0	-2.5	-2.8	-3.1
2011	-2.1	-5.3	-7.4	-3.4	0.2	3.8	3.7	7.8	5.6	4.9	5.1	2.3	1.6	0.1
2012	3.3	5.7	5.1	6.0	8.9	6.1	4.5	3.0	1.9	3.4	-0.1	3.2	4.3	5.5
2013	2.7	2.5	2.7	4.1	2.0	5.3	8.3	5.2						4.3
Avg	1.4	1.3	1.4	1.4	1.0	2.4	1.6	1.6	0.5	-0.1	-0.4	-0.2	0.6	1.5

RevPAR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2008	8.8	15.8	-4.0	20.4	-6.4	-2.1	12.5	3.2	13.2	2.6	-4.9	0.8	4.2	4.8
2009	-9.9	11.3	-2.7	-6.4	-5.7	-3.1	-9.5	-11.2	-5.1	-9.8	-4.8	-6.1	-5.8	-5.4
2010	-4.2	-18.7	6.8	-4.2	5.8	5.3	4.5	9.1	2.8	4.9	7.4	13.4	3.1	1.4
2011	10.4	13.1	8.7	16.6	3.9	4.1	5.1	-6.8	1.5	0.6	-3.1	-10.2	3.0	5.9
2012	-5.5	1.6	0.5	-7.9	-2.2	6.2	-2.2	21.0	4.5	4.3	5.2	13.8	3.5	1.8
2013	14.2	5.1	3.9	13.0	12.2	6.1	12.3	4.7						8.6
Avg	2.3	4.7	2.2	5.2	1.3	2.8	3.8	3.3	3.4	0.5	-0.0	2.4	1.6	2.9

Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2008	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2009	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2010	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2011	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.6	15.6	15.6	15.6	15.6	6.6	2.0
2012	15.6	15.6	15.6	15.6	15.6	15.6	15.6	0.0	0.0	0.0	0.0	0.0	8.5	13.4
2013	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0						0.0
Avg	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	3.1	3.1	3.1	3.1	3.0	2.6

Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2008	-0.7	6.9	-11.4	8.5	-12.0	-8.6	5.1	-3.3	7.0	0.6	-7.8	-0.7	-1.9	-2.8
2009	-10.0	9.7	-2.0	-2.4	0.2	1.1	2.3	2.7	5.3	0.1	1.7	-0.6	0.8	0.4
2010	1.1	-14.7	6.4	1.0	11.7	9.7	7.2	8.9	3.4	6.0	11.9	16.4	6.0	4.6
2011	12.8	19.4	17.4	20.8	3.7	0.3	1.4	0.0	11.2	10.9	6.7	1.5	8.0	8.0
2012	5.7	11.1	10.5	0.5	3.8	15.7	8.3	17.5	2.6	0.9	5.3	10.3	7.7	9.4
2013	11.2	2.5	1.2	8.5	10.0	0.8	3.6	-0.5						4.2
Avg	3.3	5.8	3.7	6.2	2.9	3.2	4.7	4.2	5.9	3.7	3.5	5.4	4.1	4.0

Revenue

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Aug YTD
2008	8.8	15.8	-4.0	20.4	-6.4	-2.1	12.5	3.2	13.2	2.6	-4.9	0.8	4.2	4.8
2009	-9.9	11.3	-2.7	-6.4	-5.7	-3.1	-9.5	-11.2	-5.1	-9.8	-4.8	-6.1	-5.8	-5.4
2010	-4.2	-18.7	6.8	-4.2	5.8	5.3	4.5	9.1	2.8	4.9	7.4	13.4	3.1	1.4
2011	10.4	13.1	8.7	16.6	3.9	4.1	5.1	7.8	17.4	16.3	12.1	3.9	9.7	8.1
2012	9.2	17.5	16.2	6.5	13.1	22.8	13.1	21.0	4.5	4.3	5.2	13.8	12.3	15.4
2013	14.2	5.1	3.9	13.0	12.2	6.1	12.3	4.7						8.6
Avg	4.8	7.3	4.8	7.6	3.8	5.5	6.3	5.8	6.5	3.7	3.0	5.2	4.7	5.5

Tab 4 - Percent Change from Previous Year - Detail by Year

Hyatt Place Buffalo
Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Total Year	Aug YTD
Occ	-0.7	6.9	-11.4	8.5	-12.0	-8.6	5.1	-3.3	7.0	0.6	-7.8	-0.7	-1.9	-2.8
ADR	9.6	8.3	8.3	10.9	6.3	7.1	7.0	6.7	5.8	2.1	3.2	1.5	6.3	7.8
RevPAR	8.8	15.8	-4.0	20.4	-6.4	-2.1	12.5	3.2	13.2	2.6	-4.9	0.8	4.2	4.8
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-0.7	6.9	-11.4	8.5	-12.0	-8.6	5.1	-3.3	7.0	0.6	-7.8	-0.7	-1.9	-2.8
Revenue	8.8	15.8	-4.0	20.4	-6.4	-2.1	12.5	3.2	13.2	2.6	-4.9	0.8	4.2	4.8

	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09	Total Year	Aug YTD
Occ	-10.0	9.7	-2.0	-2.4	0.2	1.1	2.3	2.7	5.3	0.1	1.7	-0.6	0.8	0.4
ADR	0.1	1.5	-0.7	-4.1	-5.9	-4.1	-11.5	-13.5	-9.9	-9.9	-6.4	-5.5	-6.6	-5.7
RevPAR	-9.9	11.3	-2.7	-6.4	-5.7	-3.1	-9.5	-11.2	-5.1	-9.8	-4.8	-6.1	-5.8	-5.4
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	-10.0	9.7	-2.0	-2.4	0.2	1.1	2.3	2.7	5.3	0.1	1.7	-0.6	0.8	0.4
Revenue	-9.9	11.3	-2.7	-6.4	-5.7	-3.1	-9.5	-11.2	-5.1	-9.8	-4.8	-6.1	-5.8	-5.4

	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Total Year	Aug YTD
Occ	1.1	-14.7	6.4	1.0	11.7	9.7	7.2	8.9	3.4	6.0	11.9	16.4	6.0	4.6
ADR	-5.2	-4.7	0.4	-5.2	-5.3	-4.0	-2.6	0.2	-0.6	-1.1	-4.0	-2.5	-2.8	-3.1
RevPAR	-4.2	-18.7	6.8	-4.2	5.8	5.3	4.5	9.1	2.8	4.9	7.4	13.4	3.1	1.4
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	1.1	-14.7	6.4	1.0	11.7	9.7	7.2	8.9	3.4	6.0	11.9	16.4	6.0	4.6
Revenue	-4.2	-18.7	6.8	-4.2	5.8	5.3	4.5	9.1	2.8	4.9	7.4	13.4	3.1	1.4

	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Total Year	Aug YTD
Occ	12.8	19.4	17.4	20.8	3.7	0.3	1.4	-13.5	-3.8	-4.1	-7.8	-12.2	1.3	5.9
ADR	-2.1	-5.3	-7.4	-3.4	0.2	3.8	3.7	7.8	5.6	4.9	5.1	2.3	1.6	0.1
RevPAR	10.4	13.1	8.7	16.6	3.9	4.1	5.1	-6.8	1.5	0.6	-3.1	-10.2	3.0	5.9
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.6	15.6	15.6	15.6	15.6	6.6	2.0
Demand	12.8	19.4	17.4	20.8	3.7	0.3	1.4	0.0	11.2	10.9	6.7	1.5	8.0	8.0
Revenue	10.4	13.1	8.7	16.6	3.9	4.1	5.1	7.8	17.4	16.3	12.1	3.9	9.7	8.1

	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Total Year	Aug YTD
Occ	-8.6	-3.9	-4.4	-13.1	-10.2	0.1	-6.4	17.5	2.6	0.9	5.3	10.3	-0.8	-3.5
ADR	3.3	5.7	5.1	6.0	8.9	6.1	4.5	3.0	1.9	3.4	-0.1	3.2	4.3	5.5
RevPAR	-5.5	1.6	0.5	-7.9	-2.2	6.2	-2.2	21.0	4.5	4.3	5.2	13.8	3.5	1.8
Supply	15.6	15.6	15.6	15.6	15.6	15.6	15.6	0.0	0.0	0.0	0.0	0.0	8.5	13.4
Demand	5.7	11.1	10.5	0.5	3.8	15.7	8.3	17.5	2.6	0.9	5.3	10.3	7.7	9.4
Revenue	9.2	17.5	16.2	6.5	13.1	22.8	13.1	21.0	4.5	4.3	5.2	13.8	12.3	15.4

	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	Total Year	Aug YTD
Occ	11.2	2.5	1.2	8.5	10.0	0.8	3.6	-0.5						4.2
ADR	2.7	2.5	2.7	4.1	2.0	5.3	8.3	5.2						4.3
RevPAR	14.2	5.1	3.9	13.0	12.2	6.1	12.3	4.7						8.6
Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0						0.0
Demand	11.2	2.5	1.2	8.5	10.0	0.8	3.6	-0.5						4.2
Revenue	14.2	5.1	3.9	13.0	12.2	6.1	12.3	4.7						8.6

Tab 5 - Twelve Month Moving Average

Hyatt Place Buffalo
Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	70.7	71.0	70.3	70.8	69.9	69.4	69.7	69.5	69.9	69.9	69.4	69.4
2009	*68.9*	69.4	69.3	69.2	69.2	69.2	69.4	69.6	69.9	69.9	70.0	70.0
2010	70.0	69.3	69.6	69.7	70.4	71.0	71.5	72.1	72.4	72.8	73.4	74.2
2011	74.7	75.6	76.6	77.7	77.9	78.0	78.1	77.0	76.8	76.6	76.0	75.2
2012	74.5	74.2	73.9	73.1	72.5	72.6	72.4	73.5	73.7	73.8	74.1	74.6
2013	75.0	75.2	75.2	75.7	76.4	76.4	76.7	76.6				

ADR ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	121.49	122.05	122.88	123.78	124.47	125.28	126.21	127.07	127.69	127.94	128.28	128.41
2009	128.47	128.55	128.49	128.09	127.41	126.94	125.33	123.43	122.25	121.04	120.40	119.97
2010	119.59	119.20	119.26	118.78	118.19	117.75	117.45	117.51	117.44	117.33	116.93	116.66
2011	116.49	116.06	115.35	*115.01*	115.03	115.42	115.86	116.80	117.42	117.97	118.42	118.58
2012	118.79	119.18	119.66	120.19	121.10	121.82	122.40	122.95	123.16	123.54	123.51	123.67
2013	123.81	124.00	124.27	124.62	124.87	125.50	126.58	127.29				

RevPAR ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	85.94	86.70	86.43	87.60	87.06	86.89	87.96	88.26	89.21	89.43	89.07	89.12
2009	88.56	89.20	89.02	88.57	88.13	87.88	86.97	85.88	85.47	84.62	84.29	83.96
2010	83.75	*82.57*	83.02	82.75	83.18	83.59	83.98	84.77	84.98	85.36	85.85	86.54
2011	87.04	87.71	88.32	89.35	89.65	89.99	90.45	89.99	90.20	90.32	90.03	89.12
2012	88.48	88.43	88.48	87.88	87.80	88.49	88.57	90.41	90.76	91.12	91.47	92.20
2013	92.91	93.21	93.51	94.37	95.35	95.90	97.05	97.54				

Supply

	January	February	March	April	May	June	July	August	September	October	November	December
2008	*324,485*	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485
2009	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485
2010	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485	324,485
2011	324,485	324,485	324,485	324,485	324,485	324,485	324,485	328,794	332,964	337,273	341,443	345,752
2012	350,061	353,953	358,262	362,432	366,741	370,911	375,220	375,220	375,220	375,220	375,220	375,220
2013	375,220	375,220	375,220	375,220	375,220	375,220	375,220	375,220				

Demand

	January	February	March	April	May	June	July	August	September	October	November	December
2008	229,525	230,507	228,225	229,623	226,952	225,046	226,141	225,362	226,688	226,808	225,298	225,194
2009	*223,700*	225,166	224,808	224,387	224,433	224,650	225,167	225,774	226,850	226,871	227,171	227,075
2010	227,222	224,771	225,880	226,057	228,367	230,355	232,021	234,066	234,792	236,069	238,223	240,722
2011	242,465	245,222	248,449	252,092	252,916	252,987	253,328	253,329	255,792	258,243	259,592	259,860
2012	260,745	262,629	264,923	265,021	265,889	269,434	271,498	275,891	276,516	276,749	277,890	279,751
2013	281,572	282,051	282,332	284,143	286,509	286,711	287,692	287,534				

Revenue ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2008	27,884,862	28,134,366	28,043,691	28,423,697	28,249,394	28,193,136	28,541,021	28,637,534	28,945,726	29,017,413	28,902,057	28,916,629
2009	28,737,879	28,944,434	28,884,674	28,741,031	28,595,441	28,516,619	28,219,843	27,867,995	27,732,305	27,459,525	27,352,462	27,243,209
2010	27,174,561	*26,793,288*	26,938,420	26,850,504	26,990,731	27,123,975	27,251,100	27,505,705	27,574,856	27,697,392	27,856,403	28,081,919
2011	28,243,709	28,460,164	28,658,094	28,992,079	29,091,680	29,200,111	29,351,117	29,587,737	30,034,694	30,463,645	30,740,267	30,814,217
2012	30,973,255	31,299,696	31,699,738	31,851,983	32,198,294	32,822,043	33,232,094	33,921,972	34,056,531	34,189,316	34,322,873	34,596,629
2013	34,862,662	34,975,701	35,086,376	35,409,744	35,776,259	35,982,127	36,414,725	36,600,259				

High value is boxed. Low value is boxed and italicized.

Tab 6 - Twelve Month Moving Average with Percent Change

Hyatt Place Buffalo
Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 08	70.7		121.49		85.94		324,485		229,525		27,884,862	
Feb 08	71.0		122.05		86.70		324,485		230,507		28,134,366	
Mar 08	70.3		122.88		86.43		324,485		228,225		28,043,691	
Apr 08	70.8		123.78		87.60		324,485		229,623		28,423,697	
May 08	69.9		124.47		87.06		324,485		226,952		28,249,394	
Jun 08	69.4		125.28		86.89		324,485		225,046		28,193,136	
Jul 08	69.7		126.21		87.96		324,485		226,141		28,541,021	
Aug 08	69.5		127.07		88.26		324,485		225,362		28,637,534	
Sep 08	69.9		127.69		89.21		324,485		226,688		28,945,726	
Oct 08	69.9		127.94		89.43		324,485		226,808		29,017,413	
Nov 08	69.4		128.28		89.07		324,485		225,298		28,902,057	
Dec 08	69.4	-1.9	128.41	6.3	89.12	4.2	324,485	0.0	225,194	-1.9	28,916,629	4.2
Jan 09	68.9	-2.5	128.47	5.7	88.56	3.1	324,485	0.0	223,700	-2.5	28,737,879	3.1
Feb 09	69.4	-2.3	128.55	5.3	89.20	2.9	324,485	0.0	225,166	-2.3	28,944,434	2.9
Mar 09	69.3	-1.5	128.49	4.6	89.02	3.0	324,485	0.0	224,808	-1.5	28,884,674	3.0
Apr 09	69.2	-2.3	128.09	3.5	88.57	1.1	324,485	0.0	224,387	-2.3	28,741,031	1.1
May 09	69.2	-1.1	127.41	2.4	88.13	1.2	324,485	0.0	224,433	-1.1	28,595,441	1.2
Jun 09	69.2	-0.2	126.94	1.3	87.88	1.1	324,485	0.0	224,650	-0.2	28,516,619	1.1
Jul 09	69.4	-0.4	125.33	-0.7	86.97	-1.1	324,485	0.0	225,167	-0.4	28,219,843	-1.1
Aug 09	69.6	0.2	123.43	-2.9	85.88	-2.7	324,485	0.0	225,774	0.2	27,867,995	-2.7
Sep 09	69.9	0.1	122.25	-4.3	85.47	-4.2	324,485	0.0	226,850	0.1	27,732,305	-4.2
Oct 09	69.9	0.0	121.04	-5.4	84.62	-5.4	324,485	0.0	226,871	0.0	27,459,525	-5.4
Nov 09	70.0	0.8	120.40	-6.1	84.29	-5.4	324,485	0.0	227,171	0.8	27,352,462	-5.4
Dec 09	70.0	0.8	119.97	-6.6	83.96	-5.8	324,485	0.0	227,075	0.8	27,243,209	-5.8
Jan 10	70.0	1.6	119.59	-6.9	83.75	-5.4	324,485	0.0	227,222	1.6	27,174,561	-5.4
Feb 10	69.3	-0.2	119.20	-7.3	82.57	-7.4	324,485	0.0	224,771	-0.2	26,793,288	-7.4
Mar 10	69.6	0.5	119.26	-7.2	83.02	-6.7	324,485	0.0	225,880	0.5	26,938,420	-6.7
Apr 10	69.7	0.7	118.78	-7.3	82.75	-6.6	324,485	0.0	226,057	0.7	26,850,504	-6.6
May 10	70.4	1.8	118.19	-7.2	83.18	-5.6	324,485	0.0	228,367	1.8	26,990,731	-5.6
Jun 10	71.0	2.5	117.75	-7.2	83.59	-4.9	324,485	0.0	230,355	2.5	27,123,975	-4.9
Jul 10	71.5	3.0	117.45	-6.3	83.98	-3.4	324,485	0.0	232,021	3.0	27,251,100	-3.4
Aug 10	72.1	3.7	117.51	-4.8	84.77	-1.3	324,485	0.0	234,066	3.7	27,505,705	-1.3
Sep 10	72.4	3.5	117.44	-3.9	84.98	-0.6	324,485	0.0	234,792	3.5	27,574,856	-0.6
Oct 10	72.8	4.1	117.33	-3.1	85.36	0.9	324,485	0.0	236,069	4.1	27,697,392	0.9
Nov 10	73.4	4.9	116.93	-2.9	85.85	1.8	324,485	0.0	238,223	4.9	27,856,403	1.8
Dec 10	74.2	6.0	116.66	-2.8	86.54	3.1	324,485	0.0	240,722	6.0	28,081,919	3.1
Jan 11	74.7	6.7	116.49	-2.6	87.04	3.9	324,485	0.0	242,465	6.7	28,243,709	3.9
Feb 11	75.6	9.1	116.06	-2.6	87.71	6.2	324,485	0.0	245,222	9.1	28,460,164	6.2
Mar 11	76.6	10.0	115.35	-3.3	88.32	6.4	324,485	0.0	248,449	10.0	28,658,094	6.4
Apr 11	77.7	11.5	115.01	-3.2	89.35	8.0	324,485	0.0	252,092	11.5	28,992,079	8.0
May 11	77.9	10.7	115.03	-2.7	89.65	7.8	324,485	0.0	252,916	10.7	29,091,680	7.8
Jun 11	78.0	9.8	115.42	-2.0	89.99	7.7	324,485	0.0	252,987	9.8	29,200,111	7.7
Jul 11	78.1	9.2	115.86	-1.4	90.45	7.7	324,485	0.0	253,328	9.2	29,351,117	7.7
Aug 11	77.0	6.8	116.80	-0.6	89.99	6.2	328,794	1.3	253,329	8.2	29,587,737	7.6
Sep 11	76.8	6.2	117.42	-0.0	90.20	6.1	332,964	2.6	255,792	8.9	30,034,694	8.9

Tab 6 - Twelve Month Moving Average with Percent Change

Hyatt Place Buffalo
Job Number: 528335_SADIM   Staff: KK   Created: September 26, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Oct 11	76.6	5.2	117.97	0.5	90.32	5.8	337,273	3.9	258,243	9.4	30,463,645	10.0
Nov 11	76.0	3.6	118.42	1.3	90.03	4.9	341,443	5.2	259,592	9.0	30,740,267	10.4
Dec 11	75.2	1.3	118.58	1.6	89.12	3.0	345,752	6.6	259,860	8.0	30,814,217	9.7
Jan 12	74.5	-0.3	118.79	2.0	88.48	1.7	350,061	7.9	260,745	7.5	30,973,255	9.7
Feb 12	74.2	-1.8	119.18	2.7	88.43	0.8	353,953	9.1	262,629	7.1	31,299,696	10.0
Mar 12	73.9	-3.4	119.66	3.7	88.48	0.2	358,262	10.4	264,923	6.6	31,699,738	10.6
Apr 12	73.1	-5.9	120.19	4.5	87.88	-1.6	362,432	11.7	265,021	5.1	31,851,983	9.9
May 12	72.5	-7.0	121.10	5.3	87.80	-2.1	366,741	13.0	265,889	5.1	32,198,294	10.7
Jun 12	72.6	-6.8	121.82	5.5	88.49	-1.7	370,911	14.3	269,434	6.5	32,822,043	12.4
Jul 12	72.4	-7.3	122.40	5.6	88.57	-2.1	375,220	15.6	271,498	7.2	33,232,094	13.2
Aug 12	73.5	-4.6	122.95	5.3	90.41	0.5	375,220	14.1	275,891	8.9	33,921,972	14.6
Sep 12	73.7	-4.1	123.16	4.9	90.76	0.6	375,220	12.7	276,516	8.1	34,056,531	13.4
Oct 12	73.8	-3.7	123.54	4.7	91.12	0.9	375,220	11.3	276,749	7.2	34,189,316	12.2
Nov 12	74.1	-2.6	123.51	4.3	91.47	1.6	375,220	9.9	277,890	7.0	34,322,873	11.7
Dec 12	74.6	-0.8	123.67	4.3	92.20	3.5	375,220	8.5	279,751	7.7	34,596,629	12.3
Jan 13	75.0	0.7	123.81	4.2	92.91	5.0	375,220	7.2	281,572	8.0	34,862,662	12.6
Feb 13	75.2	1.3	124.00	4.0	93.21	5.4	375,220	6.0	282,051	7.4	34,975,701	11.7
Mar 13	75.2	1.8	124.27	3.9	93.51	5.7	375,220	4.7	282,332	6.6	35,086,376	10.7
Apr 13	75.7	3.6	124.62	3.7	94.37	7.4	375,220	3.5	284,143	7.2	35,409,744	11.2
May 13	76.4	5.3	124.87	3.1	95.35	8.6	375,220	2.3	286,509	7.8	35,776,259	11.1
Jun 13	76.4	5.2	125.50	3.0	95.90	8.4	375,220	1.2	286,711	6.4	35,982,127	9.6
Jul 13	76.7	6.0	126.58	3.4	97.05	9.6	375,220	0.0	287,692	6.0	36,414,725	9.6
Aug 13	76.6	4.2	127.29	3.5	97.54	7.9	375,220	0.0	287,534	4.2	36,600,259	7.9

Tab 7 - Day of Week Analysis

Hyatt Place Buffalo

Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

Occupancy (%)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Sep - 12	63.7	74.0	90.2	93.7	79.8	73.9	95.1	81.3
Oct - 12	56.7	76.9	85.8	86.9	79.2	78.4	87.2	79.2
Nov - 12	41.2	73.6	81.7	82.6	79.3	78.1	77.9	73.8
Dec - 12	44.5	66.5	75.2	74.3	61.5	51.4	65.4	62.3
Jan - 13	37.3	68.1	71.2	74.6	58.7	39.4	39.9	56.8
Feb - 13	45.1	76.0	91.4	86.2	66.0	49.3	55.6	67.1
Mar - 13	40.6	83.0	97.6	89.7	77.1	80.4	74.1	76.3
Apr - 13	48.6	79.3	90.4	90.4	75.0	63.9	71.6	74.9
May - 13	60.3	74.4	91.1	91.7	78.8	80.2	94.7	81.8
Jun - 13	56.2	89.7	98.2	94.4	87.7	83.9	91.6	85.2
Jul - 13	64.9	89.6	90.3	85.8	89.5	97.5	98.4	88.1
Aug - 13	70.9	96.3	98.3	97.2	87.8	94.5	99.2	92.2
Total Year	**52.4**	**78.9**	**88.1**	**87.1**	**76.6**	**73.4**	**79.8**	**76.6**

Three Year Occupancy (%)

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Sep 10 - Aug 11	54.9	77.3	87.5	86.3	76.0	75.8	81.3	77.0
Sep 11 - Aug 12	50.5	73.1	84.8	84.2	73.0	72.3	76.9	73.5
Sep 12 - Aug 13	52.4	78.9	88.1	87.1	76.6	73.4	79.8	76.6
Total 3 Yr	**52.5**	**76.4**	**86.8**	**85.8**	**75.1**	**73.7**	**79.3**	**75.7**

ADR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Sep - 12	116.31	133.03	136.22	134.71	127.47	112.54	118.94	125.63
Oct - 12	112.87	128.88	137.59	135.14	126.44	114.98	119.61	126.62
Nov - 12	105.96	127.59	131.35	132.24	120.78	106.55	102.74	118.80
Dec - 12	103.91	119.86	126.76	123.69	114.57	98.60	99.84	113.36
Jan - 13	114.03	125.72	125.98	125.69	118.67	98.85	96.01	118.50
Feb - 13	107.89	127.59	130.75	128.46	119.82	102.40	100.66	119.54
Mar - 13	113.49	128.92	134.37	134.74	124.80	109.37	109.11	122.42
Apr - 13	110.73	129.88	133.21	132.39	124.39	104.07	102.24	122.10
May - 13	116.87	131.50	137.20	136.83	129.82	120.02	126.05	129.00
Jun - 13	121.38	139.32	144.20	141.86	139.99	129.25	130.41	135.64
Jul - 13	129.90	143.25	145.78	143.64	139.78	138.47	142.79	141.26
Aug - 13	127.87	145.46	148.63	147.30	138.89	135.29	144.66	141.57
Total Year	**116.16**	**132.38**	**136.46**	**135.18**	**128.03**	**117.11**	**119.62**	**127.29**

Three Year ADR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Sep 10 - Aug 11	107.30	121.37	125.00	123.93	117.57	108.51	109.26	116.80
Sep 11 - Aug 12	110.97	127.04	131.68	130.74	124.09	114.21	116.07	122.95
Sep 12 - Aug 13	116.16	132.38	136.46	135.18	128.03	117.11	119.62	127.29
Total 3 Yr	**111.61**	**127.21**	**131.31**	**130.18**	**123.49**	**113.43**	**115.22**	**122.57**

RevPAR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Month
Sep - 12	74.05	98.43	122.88	126.28	101.76	83.21	113.06	102.19
Oct - 12	64.04	99.07	118.08	117.50	100.18	90.10	104.34	100.25
Nov - 12	43.68	93.89	107.30	109.19	95.76	83.19	80.06	87.71
Dec - 12	46.19	79.71	95.38	91.86	70.49	50.71	65.30	70.64
Jan - 13	42.57	85.61	89.70	93.75	69.61	38.99	38.34	67.33
Feb - 13	48.70	96.93	119.56	110.72	79.05	50.53	55.98	80.21
Mar - 13	46.13	107.07	131.20	120.88	96.27	87.90	80.87	93.43
Apr - 13	53.83	102.94	120.36	119.74	93.29	66.49	73.20	91.42
May - 13	70.43	97.83	124.92	125.46	102.24	96.20	119.43	105.48
Jun - 13	68.24	125.02	141.61	133.86	122.76	108.38	119.47	115.50
Jul - 13	84.32	128.37	131.66	123.27	125.06	135.00	140.47	124.38
Aug - 13	90.65	140.01	146.14	143.14	121.89	127.87	143.45	130.51
Total Year	**60.88**	**104.41**	**120.29**	**117.74**	**98.14**	**85.95**	**95.43**	**97.54**

Three Year RevPAR

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total Year
Sep 10 - Aug 11	58.90	93.85	109.32	106.99	89.33	82.27	88.81	89.99
Sep 11 - Aug 12	56.00	92.93	111.67	110.03	90.53	82.54	89.30	90.41
Sep 12 - Aug 13	60.88	104.41	120.29	117.74	98.14	85.95	95.43	97.54
Total 3 Yr	**58.58**	**97.21**	**113.95**	**111.76**	**92.80**	**83.64**	**91.31**	**92.76**

Tab 8 - Raw Data

Hyatt Place Buffalo
Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 07	54.9		109.78		60.22		27,559		15,117		1,659,585		5	889	100.0
Feb 07	57.0		111.16		63.39		24,892		14,196		1,578,011		5	889	100.0
Mar 07	72.8		113.41		82.51		27,559		20,050		2,273,953		5	889	100.0
Apr 07	61.4		113.61		69.80		26,670		16,385		1,861,433		5	889	79.0
May 07	81.0		122.28		99.02		27,559		22,315		2,728,780		5	889	79.0
Jun 07	83.0		118.58		98.46		26,670		22,144		2,625,917		5	889	79.0
Jul 07	77.6		130.48		101.31		27,559		21,397		2,791,932		5	889	79.0
Aug 07	84.4		130.98		110.59		27,559		23,269		3,047,790		5	889	100.0
Sep 07	70.8		123.38		87.30		26,670		18,871		2,328,397		5	889	100.0
Oct 07	76.7		128.34		98.40		27,559		21,129		2,711,696		5	889	100.0
Nov 07	72.5		121.97		88.42		26,670		19,333		2,358,058		5	889	100.0
Dec 07	56.0		114.88		64.32		27,559		15,430		1,772,560		5	889	100.0
Jan 08	54.5	-0.7	120.37	9.6	65.54	8.8	27,559	0.0	15,006	-0.7	1,806,335	8.8	5	889	100.0
Feb 08	61.0	6.9	120.41	8.3	73.42	15.8	24,892	0.0	15,178	6.9	1,827,515	15.8	5	889	100.0
Mar 08	64.5	-11.4	122.88	8.3	79.22	-4.0	27,559	0.0	17,768	-11.4	2,183,278	-4.0	5	889	100.0
Apr 08	66.7	8.5	126.04	10.9	84.04	20.4	26,670	0.0	17,783	8.5	2,241,439	20.4	5	889	100.0
May 08	71.3	-12.0	130.04	6.3	92.69	-6.4	27,559	0.0	19,644	-12.0	2,554,477	-6.4	5	889	100.0
Jun 08	75.9	-8.6	126.97	7.1	96.35	-2.1	26,670	0.0	20,238	-8.6	2,569,659	-2.1	5	889	100.0
Jul 08	81.6	5.1	139.60	7.0	113.93	12.5	27,559	0.0	22,492	5.1	3,139,817	12.5	5	889	100.0
Aug 08	81.6	-3.3	139.81	6.7	114.09	3.2	27,559	0.0	22,490	-3.3	3,144,303	3.2	5	889	100.0
Sep 08	75.7	7.0	130.54	5.8	98.86	13.2	26,670	0.0	20,197	7.0	2,636,589	13.2	5	889	100.0
Oct 08	77.1	0.6	130.99	2.1	101.00	2.6	27,559	0.0	21,249	0.6	2,783,383	2.6	5	889	100.0
Nov 08	66.8	-7.8	125.83	3.2	84.09	-4.9	26,670	0.0	17,823	-7.8	2,242,702	-4.9	5	889	100.0
Dec 08	55.6	-0.7	116.61	1.5	64.85	0.8	27,559	0.0	15,326	-0.7	1,787,132	0.8	5	889	100.0
Jan 09	49.0	-10.0	120.45	0.1	59.06	-9.9	27,559	0.0	13,512	-10.0	1,627,585	-9.9	5	889	100.0
Feb 09	66.9	9.7	122.21	1.5	81.72	11.3	24,892	0.0	16,644	9.7	2,034,070	11.3	5	889	100.0
Mar 09	63.2	-2.0	121.97	-0.7	77.05	-2.7	27,559	0.0	17,410	-2.0	2,123,518	-2.7	5	889	100.0
Apr 09	65.1	-2.4	120.83	-4.1	78.66	-6.4	26,670	0.0	17,362	-2.4	2,097,796	-6.4	5	889	100.0
May 09	71.4	0.2	122.34	-5.9	87.41	-5.7	27,559	0.0	19,690	0.2	2,408,887	-5.7	5	889	100.0
Jun 09	76.7	1.1	121.77	-4.1	93.39	-3.1	26,670	0.0	20,455	1.1	2,490,837	-3.1	5	889	100.0
Jul 09	83.5	2.3	123.56	-11.5	103.16	-9.5	27,559	0.0	23,009	2.3	2,843,041	-9.5	5	889	100.0
Aug 09	83.8	2.7	120.90	-13.5	101.33	-11.2	27,559	0.0	23,097	2.7	2,792,455	-11.2	5	889	100.0
Sep 09	79.8	5.3	117.56	-9.9	93.77	-5.1	26,670	0.0	21,273	5.3	2,500,899	-5.1	5	889	100.0
Oct 09	77.2	0.1	118.03	-9.9	91.10	-9.8	27,559	0.0	21,270	0.1	2,510,603	-9.8	5	889	100.0
Nov 09	68.0	1.7	117.84	-6.4	80.08	-4.8	26,670	0.0	18,123	1.7	2,135,639	-4.8	5	889	100.0
Dec 09	55.3	-0.6	110.17	-5.5	60.88	-6.1	27,559	0.0	15,230	-0.6	1,677,879	-6.1	5	889	100.0
Jan 10	49.6	1.1	114.13	-5.2	56.57	-4.2	27,559	0.0	13,659	1.1	1,558,937	-4.2	5	889	100.0
Feb 10	57.0	-14.7	116.45	-4.7	66.40	-18.7	24,892	0.0	14,193	-14.7	1,652,797	-18.7	5	889	100.0
Mar 10	67.2	6.4	122.50	0.4	82.32	6.8	27,559	0.0	18,519	6.4	2,268,650	6.8	5	889	100.0
Apr 10	65.8	1.0	114.59	-5.2	75.36	-4.2	26,670	0.0	17,539	1.0	2,009,880	-4.2	5	889	100.0
May 10	79.8	11.7	115.87	-5.3	92.50	5.8	27,559	0.0	22,000	11.7	2,549,114	5.8	5	889	100.0
Jun 10	84.2	9.7	116.92	-4.0	98.39	5.3	26,670	0.0	22,443	9.7	2,624,081	5.3	5	889	100.0
Jul 10	89.5	7.2	120.37	-2.6	107.77	4.5	27,559	0.0	24,675	7.2	2,970,166	4.5	5	889	100.0
Aug 10	91.2	8.9	121.19	0.2	110.56	9.1	27,559	0.0	25,142	8.9	3,047,060	9.1	5	889	100.0
Sep 10	82.5	3.4	116.83	-0.6	96.36	2.8	26,670	0.0	21,999	3.4	2,570,050	2.8	5	889	100.0
Oct 10	81.8	6.0	116.78	-1.1	95.55	4.9	27,559	0.0	22,547	6.0	2,633,139	4.9	5	889	100.0
Nov 10	76.0	11.9	113.17	-4.0	86.04	7.4	26,670	0.0	20,277	11.9	2,294,650	7.4	5	889	100.0
Dec 10	64.3	16.4	107.36	-2.5	69.07	13.4	27,559	0.0	17,729	16.4	1,903,395	13.4	5	889	100.0

Tab 8 - Raw Data

Hyatt Place Buffalo
Job Number: 528335_SADIM   Staff: KK   Created: September 26, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 11	55.9	12.8	111.72	-2.1	62.44	10.4	27,559	0.0	15,402	12.8	1,720,727	10.4	5	889	100.0
Feb 11	68.1	19.4	110.28	-5.3	75.09	13.1	24,892	0.0	16,950	19.4	1,869,252	13.1	5	889	100.0
Mar 11	78.9	17.4	113.43	-7.4	89.50	8.7	27,559	0.0	21,746	17.4	2,466,580	8.7	5	889	100.0
Apr 11	79.4	20.8	110.65	-3.4	87.88	16.6	26,670	0.0	21,182	20.8	2,343,865	16.6	5	889	100.0
May 11	82.8	3.7	116.05	0.2	96.11	3.9	27,559	0.0	22,824	3.7	2,648,715	3.9	5	889	100.0
Jun 11	84.4	0.3	121.37	3.8	102.46	4.1	26,670	0.0	22,514	0.3	2,732,512	4.1	5	889	100.0
Jul 11	90.8	1.4	124.77	3.7	113.25	5.1	27,559	0.0	25,016	1.4	3,121,172	5.1	5	889	100.0
Aug 11	78.9	-13.5	130.60	7.8	103.04	-6.8	31,868	15.6	25,143	0.0	3,283,680	7.8	6	1,028	100.0
Sep 11	79.3	-3.8	123.33	5.6	97.83	1.5	30,840	15.6	24,462	11.2	3,017,007	17.4	6	1,028	100.0
Oct 11	78.4	-4.1	122.49	4.9	96.09	0.6	31,868	15.6	24,998	10.9	3,062,090	16.3	6	1,028	100.0
Nov 11	70.1	-7.8	118.90	5.1	83.37	-3.1	30,840	15.6	21,626	6.7	2,571,272	12.1	6	1,028	100.0
Dec 11	56.5	-12.2	109.87	2.3	62.05	-10.2	31,868	15.6	17,997	1.5	1,977,345	3.9	6	1,028	100.0
Jan 12	51.1	-8.6	115.42	3.3	58.99	-5.5	31,868	15.6	16,287	5.7	1,879,765	9.2	6	1,028	100.0
Feb 12	65.4	-3.9	116.58	5.7	76.28	1.6	28,784	15.6	18,834	11.1	2,195,693	17.5	6	1,028	100.0
Mar 12	75.4	-4.4	119.24	5.1	89.95	0.5	31,868	15.6	24,040	10.5	2,866,622	16.2	6	1,028	100.0
Apr 12	69.0	-13.1	117.30	6.0	80.94	-7.9	30,840	15.6	21,280	0.5	2,496,110	6.5	6	1,028	100.0
May 12	74.3	-10.2	126.42	8.9	93.98	-2.2	31,868	15.6	23,692	3.8	2,995,026	13.1	6	1,028	100.0
Jun 12	84.5	0.1	128.79	6.1	108.83	6.2	30,840	15.6	26,059	15.7	3,356,261	22.8	6	1,028	100.0
Jul 12	85.0	-6.4	130.40	4.5	110.81	-2.2	31,868	15.6	27,080	8.3	3,531,223	13.1	6	1,028	100.0
Aug 12	92.7	17.5	134.53	3.0	124.69	21.0	31,868	0.0	29,536	17.5	3,973,558	21.0	6	1,028	100.0
Sep 12	81.3	2.6	125.63	1.9	102.19	4.5	30,840	0.0	25,087	2.6	3,151,566	4.5	6	1,028	100.0
Oct 12	79.2	0.9	126.62	3.4	100.25	4.3	31,868	0.0	25,231	0.9	3,194,875	4.3	6	1,028	100.0
Nov 12	73.8	5.3	118.80	-0.1	87.71	5.2	30,840	0.0	22,767	5.3	2,704,829	5.2	6	1,028	100.0
Dec 12	62.3	10.3	113.36	3.2	70.64	13.8	31,868	0.0	19,858	10.3	2,251,101	13.8	6	1,028	100.0
Jan 13	56.8	11.2	118.50	2.7	67.33	14.2	31,868	0.0	18,108	11.2	2,145,798	14.2	6	1,028	100.0
Feb 13	67.1	2.5	119.54	2.5	80.21	5.1	28,784	0.0	19,313	2.5	2,308,732	5.1	6	1,028	100.0
Mar 13	76.3	1.2	122.42	2.7	93.43	3.9	31,868	0.0	24,321	1.2	2,977,297	3.9	6	1,028	100.0
Apr 13	74.9	8.5	122.10	4.1	91.42	13.0	30,840	0.0	23,091	8.5	2,819,478	13.0	6	1,028	100.0
May 13	81.8	10.0	129.00	2.0	105.48	12.2	31,868	0.0	26,058	10.0	3,361,541	12.2	6	1,028	100.0
Jun 13	85.2	0.8	135.64	5.3	115.50	6.1	30,840	0.0	26,261	0.8	3,562,129	6.1	6	1,028	100.0
Jul 13	88.1	3.6	141.26	8.3	124.38	12.3	31,868	0.0	28,061	3.6	3,963,821	12.3	6	1,028	100.0
Aug 13	92.2	-0.5	141.57	5.2	130.51	4.7	31,868	0.0	29,378	-0.5	4,159,092	4.7	6	1,028	100.0

Tab 9 - Classic

Hyatt Place Buffalo
Job Number: 528335_SADIM   Staff: KK   Created: September 26, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Jan 07	54.9		109.78		60.22		27,559		15,117		1,659,585		5	889	100.0
Feb 07	57.0		111.16		63.39		24,892		14,196		1,578,011		5	889	100.0
Mar 07	72.8		113.41		82.51		27,559		20,050		2,273,953		5	889	100.0
Apr 07	61.4		113.61		69.80		26,670		16,385		1,861,433		5	889	79.0
May 07	81.0		122.28		99.02		27,559		22,315		2,728,780		5	889	79.0
Jun 07	83.0		118.58		98.46		26,670		22,144		2,625,917		5	889	79.0
Jul 07	77.6		130.48		101.31		27,559		21,397		2,791,932		5	889	79.0
Aug 07	84.4		130.98		110.59		27,559		23,269		3,047,790		5	889	100.0
Sep 07	70.8		123.38		87.30		26,670		18,871		2,328,397		5	889	100.0
Oct 07	76.7		128.34		98.40		27,559		21,129		2,711,696		5	889	100.0
Nov 07	72.5		121.97		88.42		26,670		19,333		2,358,058		5	889	100.0
Dec 07	56.0		114.88		64.32		27,559		15,430		1,772,560		5	889	100.0
Aug YTD 2007	71.7		119.89		85.95		216,027		154,873		18,567,401				
Total 2007	70.8		120.79		85.48		324,485		229,636		27,738,112				
Jan 08	54.5	-0.7	120.37	9.6	65.54	8.8	27,559	0.0	15,006	-0.7	1,806,335	8.8	5	889	100.0
Feb 08	61.0	6.9	120.41	8.3	73.42	15.8	24,892	0.0	15,178	6.9	1,827,515	15.8	5	889	100.0
Mar 08	64.5	-11.4	122.88	8.3	79.22	-4.0	27,559	0.0	17,768	-11.4	2,183,278	-4.0	5	889	100.0
Apr 08	66.7	8.5	126.04	10.9	84.04	20.4	26,670	0.0	17,783	8.5	2,241,439	20.4	5	889	100.0
May 08	71.3	-12.0	130.04	6.3	92.69	-6.4	27,559	0.0	19,644	-12.0	2,554,477	-6.4	5	889	100.0
Jun 08	75.9	-8.6	126.97	7.1	96.35	-2.1	26,670	0.0	20,238	-8.6	2,569,659	-2.1	5	889	100.0
Jul 08	81.6	5.1	139.60	7.0	113.93	12.5	27,559	0.0	22,492	5.1	3,139,817	12.5	5	889	100.0
Aug 08	81.6	-3.3	139.81	6.7	114.09	3.2	27,559	0.0	22,490	-3.3	3,144,303	3.2	5	889	100.0
Sep 08	75.7	7.0	130.54	5.8	98.86	13.2	26,670	0.0	20,197	7.0	2,636,589	13.2	5	889	100.0
Oct 08	77.1	0.6	130.99	2.1	101.00	2.6	27,559	0.0	21,249	0.6	2,783,383	2.6	5	889	100.0
Nov 08	66.8	-7.8	125.83	3.2	84.09	-4.9	26,670	0.0	17,823	-7.8	2,242,702	-4.9	5	889	100.0
Dec 08	55.6	-0.7	116.61	1.5	64.85	0.8	27,559	0.0	15,326	-0.7	1,787,132	0.8	5	889	100.0
Aug YTD 2008	69.7	-2.8	129.26	7.8	90.11	4.8	216,027	0.0	150,599	-2.8	19,466,823	4.8			
Total 2008	69.4	-1.9	128.41	6.3	89.12	4.2	324,485	0.0	225,194	-1.9	28,916,629	4.2			
Jan 09	49.0	-10.0	120.45	0.1	59.06	-9.9	27,559	0.0	13,512	-10.0	1,627,585	-9.9	5	889	100.0
Feb 09	66.9	9.7	122.21	1.5	81.72	11.3	24,892	0.0	16,644	9.7	2,034,070	11.3	5	889	100.0
Mar 09	63.2	-2.0	121.97	-0.7	77.05	-2.7	27,559	0.0	17,410	-2.0	2,123,518	-2.7	5	889	100.0
Apr 09	65.1	-2.4	120.83	-4.1	78.66	-6.4	26,670	0.0	17,362	-2.4	2,097,796	-6.4	5	889	100.0
May 09	71.4	0.2	122.34	-5.9	87.41	-5.7	27,559	0.0	19,690	0.2	2,408,887	-5.7	5	889	100.0
Jun 09	76.7	1.1	121.77	-4.1	93.39	-3.1	26,670	0.0	20,455	1.1	2,490,837	-3.1	5	889	100.0
Jul 09	83.5	2.3	123.56	-11.5	103.16	-9.5	27,559	0.0	23,009	2.3	2,843,041	-9.5	5	889	100.0
Aug 09	83.8	2.7	120.90	-13.5	101.33	-11.2	27,559	0.0	23,097	2.7	2,792,455	-11.2	5	889	100.0
Sep 09	79.8	5.3	117.56	-9.9	93.77	-5.1	26,670	0.0	21,273	5.3	2,500,899	-5.1	5	889	100.0
Oct 09	77.2	0.1	118.03	-9.9	91.10	-9.8	27,559	0.0	21,270	0.1	2,510,603	-9.8	5	889	100.0
Nov 09	68.0	1.7	117.84	-6.4	80.08	-4.8	26,670	0.0	18,123	1.7	2,135,639	-4.8	5	889	100.0
Dec 09	55.3	-0.6	110.17	-5.5	60.88	-6.1	27,559	0.0	15,230	-0.6	1,677,879	-6.1	5	889	100.0
Aug YTD 2009	70.0	0.4	121.83	-5.7	85.26	-5.4	216,027	0.0	151,179	0.4	18,418,189	-5.4			
Total 2009	70.0	0.8	119.97	-6.6	83.96	-5.8	324,485	0.0	227,075	0.8	27,243,209	-5.8			
Jan 10	49.6	1.1	114.13	-5.2	56.57	-4.2	27,559	0.0	13,659	1.1	1,558,937	-4.2	5	889	100.0
Feb 10	57.0	-14.7	116.45	-4.7	66.40	-18.7	24,892	0.0	14,193	-14.7	1,652,797	-18.7	5	889	100.0
Mar 10	67.2	6.4	122.50	0.4	82.32	6.8	27,559	0.0	18,519	6.4	2,268,650	6.8	5	889	100.0
Apr 10	65.8	1.0	114.59	-5.2	75.36	-4.2	26,670	0.0	17,539	1.0	2,009,880	-4.2	5	889	100.0
May 10	79.8	11.7	115.87	-5.3	92.50	5.8	27,559	0.0	22,000	11.7	2,549,114	5.8	5	889	100.0
Jun 10	84.2	9.7	116.92	-4.0	98.39	5.3	26,670	0.0	22,443	9.7	2,624,081	5.3	5	889	100.0
Jul 10	89.5	7.2	120.37	-2.6	107.77	4.5	27,559	0.0	24,675	7.2	2,970,166	4.5	5	889	100.0
Aug 10	91.2	8.9	121.19	0.2	110.56	9.1	27,559	0.0	25,142	8.9	3,047,060	9.1	5	889	100.0
Sep 10	82.5	3.4	116.83	-0.6	96.36	2.8	26,670	0.0	21,999	3.4	2,570,050	2.8	5	889	100.0
Oct 10	81.8	6.0	116.78	-1.1	95.55	4.9	27,559	0.0	22,547	6.0	2,633,139	4.9	5	889	100.0
Nov 10	76.0	11.9	113.17	-4.0	86.04	7.4	26,670	0.0	20,277	11.9	2,294,650	7.4	5	889	100.0

Tab 9 - Classic

Hyatt Place Buffalo
Job Number: 528335_SADIM   Staff: KK   Created: September 26, 2013

Date	Occupancy		ADR		RevPar		Supply		Demand		Revenue		Census & Sample %		
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	Census Props	Census Rooms	% Rooms STAR Participants
Dec 10	64.3	16.4	107.36	-2.5	69.07	13.4	27,559	0.0	17,729	16.4	1,903,395	13.4	5	889	100.0
Aug YTD 2010	73.2	4.6	118.11	-3.1	86.47	1.4	216,027	0.0	158,170	4.6	18,680,685	1.4			
Total 2010	74.2	6.0	116.66	-2.8	86.54	3.1	324,485	0.0	240,722	6.0	28,081,919	3.1			
Jan 11	55.9	12.8	111.72	-2.1	62.44	10.4	27,559	0.0	15,402	12.8	1,720,727	10.4	5	889	100.0
Feb 11	68.1	19.4	110.28	-5.3	75.09	13.1	24,892	0.0	16,950	19.4	1,869,252	13.1	5	889	100.0
Mar 11	78.9	17.4	113.43	-7.4	89.50	8.7	27,559	0.0	21,746	17.4	2,466,580	8.7	5	889	100.0
Apr 11	79.4	20.8	110.65	-3.4	87.88	16.6	26,670	0.0	21,182	20.8	2,343,865	16.6	5	889	100.0
May 11	82.8	3.7	116.05	0.2	96.11	3.9	27,559	0.0	22,824	3.7	2,648,715	3.9	5	889	100.0
Jun 11	84.4	0.3	121.37	3.8	102.46	4.1	26,670	0.0	22,514	0.3	2,732,512	4.1	5	889	100.0
Jul 11	90.8	1.4	124.77	3.7	113.25	5.1	27,559	0.0	25,016	1.4	3,121,172	5.1	5	889	100.0
Aug 11	78.9	-13.5	130.60	7.8	103.04	-6.8	31,868	15.6	25,143	0.0	3,283,680	7.8	6	1,028	100.0
Sep 11	79.3	-3.8	123.33	5.6	97.83	1.5	30,840	15.6	24,462	11.2	3,017,007	17.4	6	1,028	100.0
Oct 11	78.4	-4.1	122.49	4.9	96.09	0.6	31,868	15.6	24,998	10.9	3,062,090	16.3	6	1,028	100.0
Nov 11	70.1	-7.8	118.90	5.1	83.37	-3.1	30,840	15.6	21,626	6.7	2,571,272	12.1	6	1,028	100.0
Dec 11	56.5	-12.2	109.87	2.3	62.05	-10.2	31,868	15.6	17,997	1.5	1,977,345	3.9	6	1,028	100.0
Aug YTD 2011	77.5	5.9	118.20	0.1	91.62	5.9	220,336	2.0	170,777	8.0	20,186,503	8.1			
Total 2011	75.2	1.3	118.58	1.6	89.12	3.0	345,752	6.6	259,860	8.0	30,814,217	9.7			
Jan 12	51.1	-8.6	115.42	3.3	58.99	-5.5	31,868	15.6	16,287	5.7	1,879,765	9.2	6	1,028	100.0
Feb 12	65.4	-3.9	116.58	5.7	76.28	1.6	28,784	15.6	18,834	11.1	2,195,693	17.5	6	1,028	100.0
Mar 12	75.4	-4.4	119.24	5.1	89.95	0.5	31,868	15.6	24,040	10.5	2,866,622	16.2	6	1,028	100.0
Apr 12	69.0	-13.1	117.30	6.0	80.94	-7.9	30,840	15.6	21,280	0.5	2,496,110	6.5	6	1,028	100.0
May 12	74.3	-10.2	126.42	8.9	93.98	-2.2	31,868	15.6	23,692	3.8	2,995,026	13.1	6	1,028	100.0
Jun 12	84.5	0.1	128.79	6.1	108.83	6.2	30,840	15.6	26,059	15.7	3,356,261	22.8	6	1,028	100.0
Jul 12	85.0	-6.4	130.40	4.5	110.81	-2.2	31,868	15.6	27,080	8.3	3,531,223	13.1	6	1,028	100.0
Aug 12	92.7	17.5	134.53	3.0	124.69	21.0	31,868	0.0	29,536	17.5	3,973,558	21.0	6	1,028	100.0
Sep 12	81.3	2.6	125.63	1.9	102.19	4.5	30,840	0.0	25,087	2.6	3,151,566	4.5	6	1,028	100.0
Oct 12	79.2	0.9	126.62	3.4	100.25	4.3	31,868	0.0	25,231	0.9	3,194,875	4.3	6	1,028	100.0
Nov 12	73.8	5.3	118.80	-0.1	87.71	5.2	30,840	0.0	22,767	5.3	2,704,829	5.2	6	1,028	100.0
Dec 12	62.3	10.3	113.36	3.2	70.64	13.8	31,868	0.0	19,858	10.3	2,251,101	13.8	6	1,028	100.0
Aug YTD 2012	74.8	-3.5	124.70	5.5	93.25	1.8	249,804	13.4	186,808	9.4	23,294,258	15.4			
Total 2012	74.6	-0.8	123.67	4.3	92.20	3.5	375,220	8.5	279,751	7.7	34,596,629	12.3			
Jan 13	56.8	11.2	118.50	2.7	67.33	14.2	31,868	0.0	18,108	11.2	2,145,798	14.2	6	1,028	100.0
Feb 13	67.1	2.5	119.54	2.5	80.21	5.1	28,784	0.0	19,313	2.5	2,308,732	5.1	6	1,028	100.0
Mar 13	76.3	1.2	122.42	2.7	93.43	3.9	31,868	0.0	24,321	1.2	2,977,297	3.9	6	1,028	100.0
Apr 13	74.9	8.5	122.10	4.1	91.42	13.0	30,840	0.0	23,091	8.5	2,819,478	13.0	6	1,028	100.0
May 13	81.8	10.0	129.00	2.0	105.48	12.2	31,868	0.0	26,058	10.0	3,361,541	12.2	6	1,028	100.0
Jun 13	85.2	0.8	135.64	5.3	115.50	6.1	30,840	0.0	26,261	0.8	3,562,129	6.1	6	1,028	100.0
Jul 13	88.1	3.6	141.26	8.3	124.38	12.3	31,868	0.0	28,061	3.6	3,963,821	12.3	6	1,028	100.0
Aug 13	92.2	-0.5	141.57	5.2	130.51	4.7	31,868	0.0	29,378	-0.5	4,159,092	4.7	6	1,028	100.0
Aug YTD 2013	77.9	4.2	130.01	4.3	101.27	8.6	249,804	0.0	194,591	4.2	25,297,888	8.6			

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Tab 10 - Response Report

Hyatt Place Buffalo
Job Number: 528335_SADIM Staff: KK Created: September 26, 2013

STR Code	Name of Establishment	City & State	Zip Code	Class	Aff Date	Open Date	Rooms	Chg in Rms	2011												2012												2013											
									J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
37923	Courtyard Buffalo Amherst	Buffalo, NY	14221	Upscale Class	May 1999	May 1999	108		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
44425	Hampton Inn Buffalo Wiliamsville	Williamsville, NY	14221	Upper Midscale Class	Jul 2002	Jul 2002	80		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
6846	Marriott Buffalo Niagara	Amherst, NY	14221	Upper Upscale Class	Mar 1981	Mar 1981	356		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
53851	Hilton Garden Inn Buffalo Airport	Cheektowaga, NY	14225	Upscale Class	Oct 2005	Oct 2005	158		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
56815	Courtyard Buffalo Airport	Cheektowaga, NY	14225	Upscale Class	Aug 2011	Aug 2011	139									○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
24173	DoubleTree Buffalo Amherst	Amherst, NY	14226	Upscale Class	Jun 2012	May 1987	187		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
					Total Properties:	6	1028																																					

○ - Monthly data received by STR
● - Monthly and daily data received by STR
Blank - No data received by STR
Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report

Tab 11 - Help

Methodology

While virtually every chain in the United States provides STR with data on almost all of their properties, there are still some hotels that don't submit data. But we've got you covered.

Every year we examine guidebook listings and hotel directories for information on hotels that don't provide us with data. We don't stop there. We call each hotel in our database every year to obtain "published" rates for multiple categories. Based on this information we group all hotels - those that report data and those that don't - into groupings based off of price level and geographic proximity. We then estimate the non-respondents based off of nearby hotels with similar price levels.

Similarly, we sometimes obtain monthly data from a property, but not daily data. We use a similar process. We take the monthly data that the property has provided, and distribute it to the individual days based on the revenue and demand distribution patterns of similar hotels in the same location.

We believe it imperative to perform this analysis in order to provide interested parties with our best estimate of total lodging demand and room revenue on their areas of interest. Armed with this information a more informed decision can be made.

Glossary

ADR (Average Daily Rate)
Room revenue divided by rooms sold, displayed as the average rental rate for a single room.

Affiliation Date
Date the property affiliated with current chain/flag

Census (Properties and Rooms)
The number of properties and rooms that exist within the selected property set or segment.

Change in Rooms
Indicator of whether or not an individual hotel has added or removed rooms from their inventory.

Exchange Rate
The factor used to convert revenue from U.S. Dollars to the local currency. The exchange rate data is obtained from Oanda.com. Any aggregated number in the report (YTD, Running 3 month, Running 12 month) uses the exchange rate of each relative month when calculating the data.

Extended Historical Trend
Data on selected properties or segments starting in 2000.

Demand (Rooms Sold)
The number of rooms sold (excludes complimentary rooms).

Full Historical Trend
Data on selected properties or segments starting in 1987.

Occupancy
Rooms sold divided by rooms available. Occupancy is always displayed as a percentage of rooms occupied.

Open Date
Date the property opened as a lodging establishment.

Percent Change
Amount of growth, up, flat, or down from the same period last year (month, ytd, three months, twelve months). Calculated as ((TY-LY)/LY) * "100".

Revenue (Room Revenue)
Total room revenue generated from the sale or rental of rooms.

RevPAR (Revenue Per Available Room)
Room revenue divided by rooms available

Sample % (Rooms)
The % of rooms from which STR receives data. Calculated as (Sample Rooms/Census Rooms) * "100".

Standard Historical Trend
Data on selected properties or segments starting in 2005.

STR Code
Smith Travel Research's proprietary numbering system. Each hotel in the lodging census has a unique STR code.

Supply (Rooms Available)
The number of rooms times the number of days in the period.

Twelve Month Moving Average
The value of any given month is computed by taking the value of that month and the values of the eleven preceding months, adding them together and dividing by twelve.

Year to Date

Tab 12 - Terms and Conditions

Before purchasing this product you agreed to the following terms and conditions.

In consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Smith Travel Research, Inc. ("STR") and purchaser of this product ("Licensee") agree as follows:

1. LICENSE

1.1 Definitions.

(a) "Agreement" means these Standard Terms and Conditions and any additional terms specifically set out in writing in the document(s) (if any) to which these Standard Terms and Conditions are attached or in which they are incorporated by reference, and, if applicable, any additional terms specifically set out in writing in any Schedule attached hereto.

(b) "Licensed Materials" means the newsletters, reports, databases or other information resources, and all lodging industry data contained therein, provided to Licensee hereunder.

1.2 Grant of License. Subject to the terms and conditions of this Agreement, and except as may be expressly permitted elsewhere in this Agreement, STR hereby grants to Licensee a non-exclusive, non-transferable, indivisible, non-sublicensable license to use, copy, manipulate and extract data from the Licensed Materials for its own INTERNAL business purposes only.

1.3 Copies. Except as expressly permitted elsewhere in this Agreement, Licensee may make and maintain no more than two (2) copies of any Licensed Materials.

1.4 No Service Bureau Use. Licensee is prohibited from using the Licensed Materials in any way in connection with any service bureau or similar services. "Service bureau" means the processing of input data that is supplied by one or more third parties and the generation of output data (in the form of reports, charts, graphs or other pictorial representations, or the like) that is sold or licensed to any third parties.

1.5 No Distribution to Third Parties. Except as expressly permitted in this Agreement, Licensee is prohibited from distributing, republishing or otherwise making the Licensed Materials or any part thereof (including any excerpts of the data and any manipulations of the data) available in any form whatsoever to any third party, other than Licensee's accountants, attorneys, marketing professionals or other professional advisors who are bound by a duty of confidentiality not to disclose such information.

1.6 Security. Licensee shall use commercially reasonable efforts to protect against unauthorized access to the Licensed Materials.

1.7 Reservation of Rights. Licensee has no rights in connection with the Licensed Materials other than those rights expressly enumerated herein. All rights to the Licensed Materials not expressly enumerated herein are reserved to STR.

2. DISCLAIMERS AND LIMITATIONS OF LIABILITY

2.1 Disclaimer of Warranties. The licensed materials are provided to the licensee on an "as is" and "as available" basis. STR makes no representations or warranties of any kind, express or implied, with respect to the licensed materials, the services provided or the results of use thereof. Without limiting the foregoing, STR does not warrant that the licensed materials, the services provided or the use thereof are or will be accurate, error-free or uninterrupted. STR makes no implied warranties, including without limitation, any implied warranty of merchantability, noninfringement or fitness for any particular purpose or arising by usage of trade, course of dealing, course of performance or otherwise.

2.2 Disclaimers. STR shall have no liability with respect to its obligations under this agreement or otherwise for consequential, exemplary, special, incidental, or punitive damages even if STR has been advised of the possibility of such damages. Furthermore, STR shall have no liability whatsoever for any claim relating in any way to any decision made or action taken by licensee in reliance upon the licensed materials.

2.3 Limitation of Liability. STR's total liability to licensee for any reason and upon any cause of action including without limitation, infringement, breach of contract, negligence, strict liability, misrepresentations, and other torts, shall be limited to all fees paid to STR by the licensee during the twelve month period preceding the date on which such cause of action first arose.

3. MISCELLANEOUS

3.1 Liquidated Damages. In the event of a violation of Section 1.5 of these Standard Terms and Conditions, Licensee shall be required to pay STR an amount equal to the sum of (i) the highest aggregate price that STR, in accordance with its then-current published prices, could have charged the unauthorized recipients for the Licensed Materials that are the subject of the violation, and (ii) the full price of the lowest level of republishing rights that Licensee would have been required to purchase from STR in order to have the right to make the unauthorized distribution, regardless of whether Licensee has previously paid for any lower level of republishing rights, and (iii) fifteen percent (15%) of the total of the previous two items. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

3.2 Obligations on Termination. Within thirty (30) days of the termination or expiration of this Agreement for any reason, Licensee shall cease all use of the Licensed Materials and shall return or destroy, at STR's option, all copies of the Licensed Materials and all other information relating thereto in Licensee's possession or control as of the such date. This provision shall survive indefinitely the expiration or termination of this Agreement for any reason.

3.3 Governing Law; Jurisdiction and Venue. This Agreement shall be governed by the substantive laws of the State of Tennessee, without regard to its or any other jurisdiction's laws governing conflicts of law. Any claims or actions regarding or arising out of this Agreement shall be brought exclusively in a court of competent jurisdiction located in Nashville, Tennessee, and the parties expressly consent to personal jurisdiction thereof. The parties also expressly waive any objections to venue.

3.4 Assignment. Licensee is prohibited from assigning this Agreement or delegating any of its duties under this Agreement without the prior written consent of STR.

3.5 Independent Relationship. The relationship between the parties is that of an independent contractor. Nothing in this Agreement shall be deemed to create an employer/employee, principal/agent, partnership or joint venture relationship.

3.6 Notices. All notices required or permitted to be given hereunder shall be in writing and shall be deemed given i) when delivered in person, at the time of such delivery; ii) when delivered by facsimile transmission or e-mail, at the time of transmission (provided, however, that notice delivered by facsimile transmission shall only be effective if such notice is also delivered by hand or deposited in the United States mail, postage prepaid, registered, certified or express mail or by courier service within two (2) business days after its delivery by facsimile transmission); iii) when delivered by a courier service or by express mail, at the time of receipt; or iv) five (5) business days after being deposited in the United States mail, postage prepaid, registered or certified mail, addressed (in any such case) to the addresses listed on the first page of this Agreement or to such other address as either party may notify the other in writing.

3.7 Waiver. No waiver of any breach of this Agreement will be deemed to constitute a waiver of any subsequent breach of the same or any other provision.

3.8 Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the matters described herein, superseding in all respects any and all prior proposals, negotiations, understandings and other agreements, oral or written, between the parties.

3.9 Amendment. This Agreement may be amended only by the written agreement of both parties.

3.10 Recovery of Litigation Costs. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

3.11 Injunctive Relief. The parties agree that, in addition to any other rights or remedies which the other or STR may have, any party alleging breach or threatened breach of this Agreement will be entitled to such equitable and injunctive relief as may be available from any court of competent jurisdiction to restrain the other from breaching or threatening to breach any of the provisions of this Section, without posting bond or other surety.

3.12 Notice of Unauthorized Access. Licensee shall notify STR immediately upon Licensee's becoming aware of any facts indicating that a third party may have obtained or may be about to obtain unauthorized access to the Licensed Materials, and shall fully cooperate with STR in its efforts to mitigate the damages caused by any such breach or potential breach.

3.13 Conflicting Provisions. In the event that any provision of these Standard Terms and Conditions directly conflicts with any other provision of the Agreement, the conflicting terms of such other provision shall control.

3.14 Remedies. In addition to any other rights or remedies that STR may have, in the event of any termination by STR on account of a breach by Licensee, STR may, without refund, immediately terminate and discontinue any right of Licensee to receive additional Licensed Materials from STR.

ADDENDUM F

LEGAL DESCRIPTION

Schedule A

All that tract or parcel of land situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

Beginning at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

ADDENDUM G

PRÉCIS METRO REPORT - ECONOMY.COM, INC.

BUFFALO

EMPLOYMENT GROWTH RANK

2012-2014	2012-2017
292	292
4th quintile	4th quintile

Best=1, Worst=392

LIFE CYCLE PHASE

Mature/Decline

VITALITY

RELATIVE	RANK
79%	323
U.S.=100%	*Best=1, Worst=384*

RISK EXPOSURE

2013-2018

322

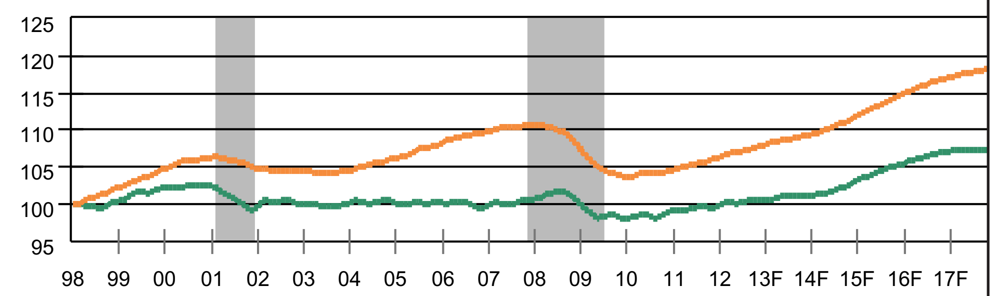
5th quintile

Highest=1, Lowest=384

RELATIVE COSTS *U.S.=100%*

LIVING	BUSINESS
90%	91%

RELATIVE EMPLOYMENT PERFORMANCE (1998=100)



Data Buffet® MSA code: *MBUF*

2006	2007	2008	2009	2010	2011	2012	INDICATORS	2013	2014	2015	2016	2017
55.3	55.5	55.1	53.6	55.5	55.8	55.7	**Gross metro product (C$B)**	56.4	57.4	59.5	61.3	62.7
3.1	*0.4*	*-0.8*	*-2.7*	*3.6*	*0.5*	*-0.1*	*% change*	*1.2*	*1.7*	*3.7*	*3.0*	*2.3*
546.1	547.7	552.5	538.0	537.9	543.2	547.7	**Total employment (000)**	551.7	556.8	570.3	581.1	586.2
-0.1	*0.3*	*0.9*	*-2.6*	*-0.0*	*1.0*	*0.8*	*% change*	*0.7*	*0.9*	*2.4*	*1.9*	*0.9*
5.1	4.9	5.9	8.4	8.5	8.1	8.5	**Unemployment rate**	8.4	7.9	6.8	6.2	5.8
5.2	6.2	4.8	-1.5	4.2	4.4	2.2	**Personal income growth**	2.7	5.6	7.4	6.9	5.1
1,141.7	1,137.7	1,136.4	1,135.4	1,135.6	1,135.5	1,134.2	**Population (000)**	1,132.2	1,130.6	1,128.8	1,127.0	1,125.4
1,473	1,388	1,017	993	1,037	790	899	**Single-family permits**	1,158	1,843	2,226	2,237	2,018
550	544	527	374	461	525	781	**Multifamily permits**	820	841	794	668	577
98.4	102.6	106.2	111.1	120.7	118.5	126.6	**Existing-home price ($ ths)**	137.5	144.2	149.4	153.0	157.5
2,686	2,743	2,172	2,985	2,139	3,250	4,115	**Mortgage originations ($ mil)**	3,220	2,815	2,891	3,000	3,535
-6.6	-4.4	-2.0	-1.6	-0.3	0.2	-1.1	**Net migration (000)**	-2.6	-2.4	-3.0	-3.0	-2.9
3,222	4,048	4,241	4,578	4,236	3,436	3,061	**Personal bankruptcies**	2,565	2,245	2,350	2,456	2,860

STRENGTHS & WEAKNESSES

STRENGTHS

- High level of housing affordability.
- Tourist attractions, including Niagara Falls and casinos.
- Strong trade linkages to Canada.

WEAKNESSES

- Poor demographic trends.
- Aging infrastructure, with poor fiscal prospects limiting funds for improvement.

CURRENT EMPLOYMENT TRENDS

% CHANGE YR AGO, 3-MO MA

	Aug 12	Dec 12	Apr 13
Total	0.9	0.9	0.4
Construction	-2.0	-6.4	-9.1
Manufacturing	0.5	0.1	-1.2
Trade	2.0	1.5	0.7
Trans/Utilities	0.3	-0.6	2.3
Information	3.7	-0.5	-2.7
Financial Activities	3.0	1.8	1.0
Prof & Business Svcs.	1.7	2.2	2.6
Edu & Health Svcs.	0.7	1.5	1.0
Leisure & Hospitality	3.4	3.7	4.7
Other Services	0.4	1.2	0.4
Government	-1.8	-1.1	-2.0

FORECAST RISKS

SHORT TERM ↓ LONG TERM ↓

UPSIDE

- U.S. dollar weakens, improving tourism and exports.
- University research facilities attract more high-tech employers to the area.
- Auto industry expands in western New York.

DOWNSIDE

- High gas prices hurt BUF's tourism industry.
- Local government fiscal conditions worsen.

ANALYSIS

Recent Performance. Buffalo's road to a full recovery has been made more difficult by local government fiscal problems and renewed weakness in manufacturing. The private sector has recouped nearly all of the jobs lost during the recession, but cuts in federal and local government payrolls are holding back a full labor market recovery. Consumer and tourism-related industries are doing the best along with healthcare and education; financial services are the sore thumb of the service sector.

Export growth is picking up again despite the strengthening of the U.S. dollar against the Canadian dollar, but this has not yet led to much job growth in trade-related industries. The housing market is doing fine: Prices are appreciating slowly and foreclosures are not much of an issue.

Finance. BUF's financial services industry will grow in fits and starts over the next year. The metro area is the banking hub of western New York, and First Niagara's purchase of HSBC branches throughout the region has prompted consolidation in the industry. Bank of America will close a mortgage processing office in BUF, laying off about 1,300 workers. M&T Bank has agreed to take over the lease and hire about 600 of the 1,300 workers. Still, the cutbacks will partially offset Geico's plans to add 1,000 employees at its local headquarters in 2013.

Finance has become a more important specialization of BUF over the last couple years, but this is likely a temporary phenomenon; longer term, population declines in western New York may force a downsizing there as the industry becomes too saturated for the shrinking population.

Tourism. Leisure/hospitality, retail and trade, particularly with Canada, have been the backbones of the recovery to date, and these industries will continue to drive growth this year and next. The exchange rate with the Canadian dollar is expected to turn more favorable for cross-border shopping and trade over the near term. In addition, with air travel becoming more expensive and less convenient, Niagara Falls is an attractive drive-to option. BUF also hopes to attract more international visitors as a result of the federally funded nonprofit Brand USA tourism campaign, which will include the region as one of its targeted markets.

All in. BUF's casinos are also a draw and a newly agreed-to pact with the Seneca nation will allow the state and BUF-area cities to collect back revenue payments. Governor Andrew Cuomo has also decided against locating any new private casinos in western New York. This is good for the Senecas, since it limits competition, but somewhat of a loss for the BUF economy, which would have benefited from the jobs a new casino brings.

Potential. The governor's new plan to create tax-free zones on and around SUNY campuses could stimulate greater private sector investment in BUF, which has the largest of the SUNY schools in the University at Buffalo. The investment would come at the expense of state tax revenue since the tax-free zones would exempt qualifying companies from paying any sales, property or corporate taxes for 10 years and also workers from paying state income taxes. But if the plan works, the additional high-paying, knowledge-based jobs would be a huge benefit to BUF, which has a disproportionate share of low-paying, low-skill jobs.

Buffalo's recovery will be slow but steady this year, and by early 2014 all of the jobs that were lost to the recession will have been recouped. Low-paying industries will contribute the most to growth in 2013, just as they have since the recovery began, but BUF will outperform Syracuse and Rochester this year. Longer term, the metro area will lag other parts of the state because of a declining population base.

Marisa Di Natale

May 2013

EMPLOYMENT & INDUSTRY

TOP EMPLOYERS

Kaleida Health	8,030
University at Buffalo	7,106
Catholic Health System	6,709
Employer Services Corp.	6,559
Tops Markets Inc.	5,058
Wegmans Food Markets Inc.	5,000
M&T Bank	4,987
Catholic Diocese of Buffalo	3,500
Roswell Park Cancer Institute	3,224
HSBC Bank USA, N.A.	3,000
Moog Inc.	2,950
ECMC Corp.	2,849
People Inc.	2,636
First Niagara Bank	2,600
GEICO	2,286
7-Eleven*	2,284
Dresser-Rand Co.	2,000
Bank of America Corp.	2,000
Seneca Niagara Casino & Hotel	1,949
Elderwood Senior Care	1,926

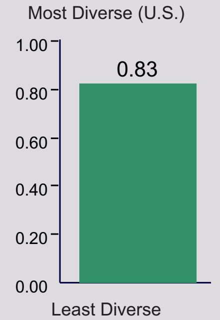
Sources: Buffalo Business First, 2011, Buffalo Business First, 2013*

PUBLIC

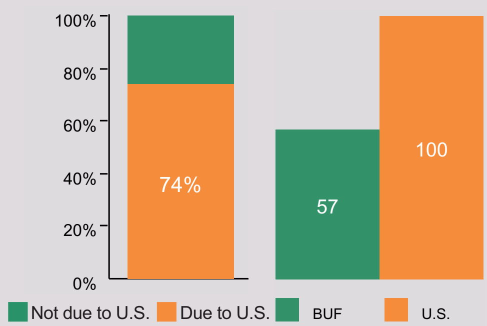
Federal	9,755
State	23,060
Local	59,099

2012

INDUSTRIAL DIVERSITY



EMPLOYMENT VOLATILITY



MIGRATION FLOWS

INTO BUFFALO, NY	NUMBER OF MIGRANTS
Rochester, NY	1,284
New York, NY	1,041
Syracuse, NY	349
Phoenix, AZ	246
Tampa, FL	246
Atlanta, GA	208
Orlando, FL	195
Nassau, NY	179
Philadelphia, PA	169
Las Vegas, NV	161
Total In-migration	*15,399*

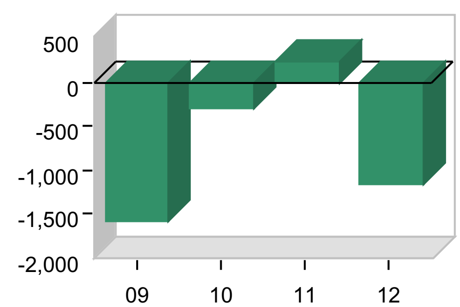
FROM BUFFALO, NY	
Rochester, NY	1,147
New York, NY	799
Tampa, FL	448
Syracuse, NY	331
Washington, DC	305
Charlotte, NC	291
Phoenix, AZ	247
Atlanta, GA	236
Pittsburgh, PA	197
Albany, NY	178
Total Out-migration	*17,402*
Net Migration	**-2,003**

COMPARATIVE EMPLOYMENT AND INCOME

Sector	% of Total Employment BUF	NY	U.S.	Average Annual Earnings BUF	NY	U.S.
Mining	0.1%	0.1%	0.6%	$66,272	$50,242	$80,442
Construction	3.5%	3.5%	4.2%	$57,617	$69,064	$57,059
Manufacturing	9.4%	5.2%	8.9%	$76,517	$76,488	$76,451
Durable	*61.4%*	*58.7%*	*62.6%*	*nd*	*$78,653*	*$78,378*
Nondurable	*38.6%*	*41.3%*	*37.4%*	*nd*	*$73,412*	*$73,303*
Transportation/Utilities	2.9%	3.0%	3.7%	$53,613	$58,557	$63,289
Wholesale Trade	4.0%	3.8%	4.2%	$64,738	$86,440	$78,458
Retail Trade	11.5%	10.4%	11.1%	$28,314	$36,418	$32,088
Information	1.4%	3.0%	2.0%	$59,218	$141,415	$96,383
Financial Activities	5.9%	7.8%	5.8%	$37,030	$112,715	$50,553
Prof. and Bus. Services	13.4%	13.3%	13.4%	$53,567	$84,671	$61,371
Educ. and Health Services	16.9%	20.0%	15.2%	$47,140	$51,684	$50,771
Leisure and Hosp. Services	10.1%	9.1%	10.3%	$23,717	$32,229	$24,149
Other Services	4.3%	4.3%	4.1%	$33,560	$38,601	$34,601
Government	16.8%	16.6%	16.4%	$70,103	$77,836	$68,458

Sources: Percent of total employment — Moody's Analytics & BLS, 2012; Average annual earnings — BEA, 2011

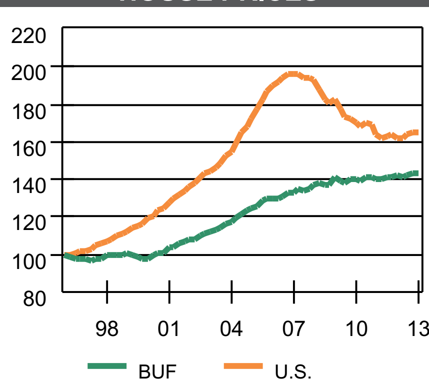
NET MIGRATION, MBUF



	2009	2010	2011	2012
Domestic	-3,807	-2,210	-2,119	-3,603
Foreign	2,233	1,922	2,353	2,454
Total	-1,575	-288	234	-1,149

Sources: IRS (top), 2010; Census Bureau, 2012

HOUSE PRICES



Source: FHFA, 1996Q1=100, NSA

MOODY'S RATING

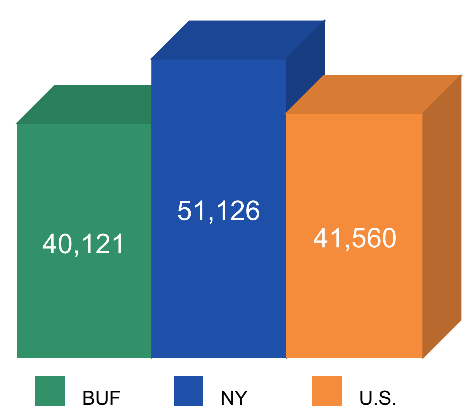
A1	**COUNTY AS OF APR 01, 2013**

LEADING INDUSTRIES

NAICS	INDUSTRY	EMPLOYEES (000)
GVSL	State & Local Government	**82.2**
7225	Restaurants & other eating places	**36.7**
6221	General medical & surgical hospitals	**15.0**
4451	Grocery stores	**13.7**
5511	Management of companies & enterprises	**13.2**
5613	Employment services	**12.0**
6211	Offices of physicians	**10.5**
6231	Nursing care facilities (skilled nursing facilities)	**9.9**
GVF	Federal Government	**9.8**
6113	Colleges; universities; & professional schools	**9.2**
5221	Depository credit intermediation	**8.3**
5614	Business support services	**8.0**
4521	Department stores	**7.2**
6241	Individual & family services	**6.5**
2382	Building equipment contractors	**6.5**
	High-tech employment	**23.8**
	As % of total employment	**4.3**

Sources: BLS, Moody's Analytics, 2012

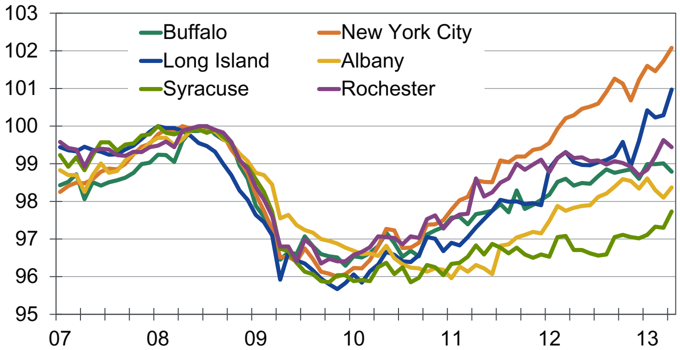
PER CAPITA INCOME



Source: Bureau of Economic Analysis, 2011

Buffalo Is Six Months From Full Jobs Recovery

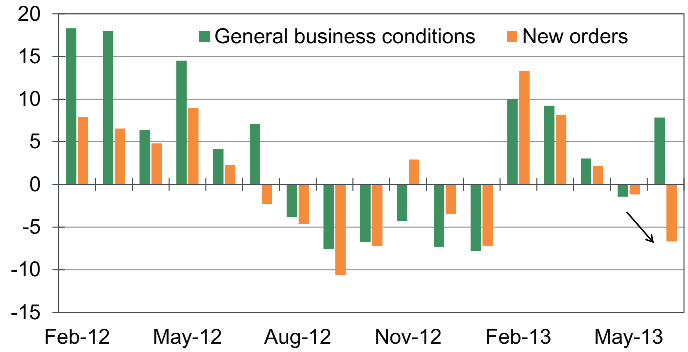
Payroll employment, prerecession peak=100



Sources: BLS, Moody's Analytics

Manufacturing Weakens Again

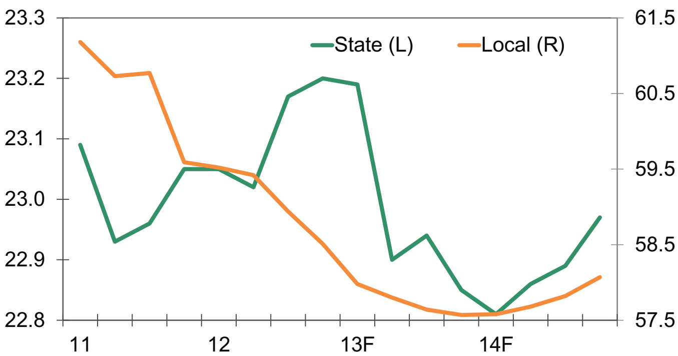
Diffusion index, >0=expansion



Sources: New York Fed, Moody's Analytics

Public Sector Outlook Improving Slowly

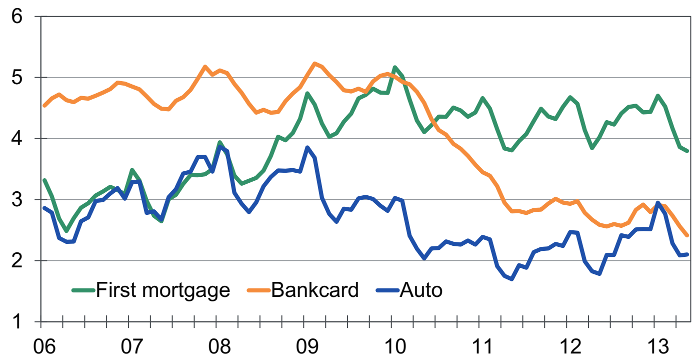
Government employment, ths



Sources: BLS, Moody's Analytics

Household Balance Sheets Are Solid

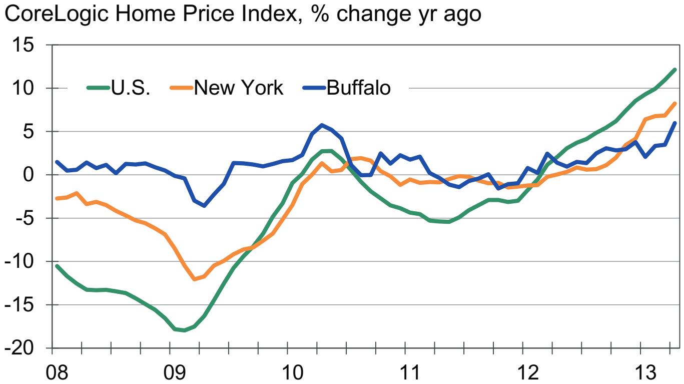
Delinquency rate, % by $ volume, NSA



Sources: Equifax, Moody's Analytics

No Boom, No Bust

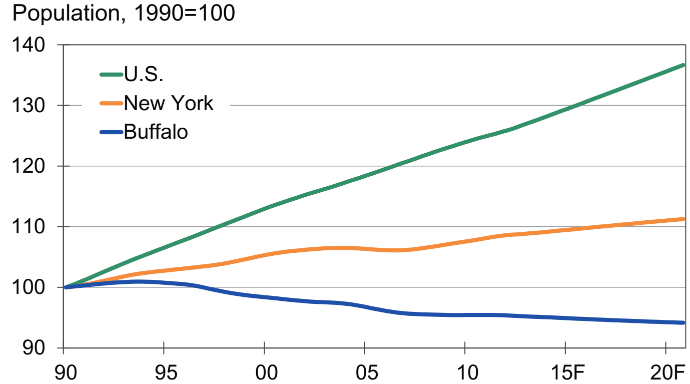
CoreLogic Home Price Index, % change yr ago



Sources: CoreLogic, Moody's Analytics

Population Decline Will Continue

Population, 1990=100



Sources: Census Bureau, Moody's Analytics

House prices are rising as they did through most of the recession despite large job losses in the metro area. The lack of a housing boom in BUF kept prices from declining when the economy soured. As a result, foreclosures did not become much of a weight on the housing market as they did in areas where steep price declines left homeowners with negative equity. Also, a higher than average share of BUF homeowners own outright and do not hold mortgages. House prices will continue to appreciate roughly at the rate of overall inflation through the forecast horizon.

The challenge ahead for the housing market is not foreclosures but rather very poor population trends. Aside from a brief reprieve in 2010, the population has been shrinking steadily since 1993—the last year that its population grew. BUF has one of the lowest birth rates in the nation owing to a much older than average population. In addition, out-migration has picked up in the last few years as the recovery has broadened to other parts of the country where job opportunities are more abundant. BUF's population will continue to shrink over the extended forecast horizon.

About Moody's Analytics
Economic & Consumer Credit Analytics

Moody's Analytics helps capital markets and credit risk management professionals worldwide respond to an evolving marketplace with confidence. Through its team of economists, Moody's Analytics is a leading independent provider of data, analysis, modeling and forecasts on national and regional economies, financial markets, and credit risk.

Moody's Analytics tracks and analyzes trends in consumer credit and spending, output and income, mortgage activity, population, central bank behavior, and prices. Our customized models, concise and timely reports, and one of the largest assembled financial, economic and demographic databases support firms and policymakers in strategic planning, product and sales forecasting, credit risk and sensitivity management, and investment research. Our customers include multinational corporations, governments at all levels, central banks and financial regulators, retailers, mutual funds, financial institutions, utilities, residential and commercial real estate firms, insurance companies, and professional investors.

Our web periodicals and special publications cover every U.S. state and metropolitan area; countries throughout Europe, Asia and the Americas; the world's major cities; and the U.S. housing market and other industries. From our offices in the U.S., the United Kingdom, the Czech Republic and Australia, we provide up-to-the-minute reporting and analysis on the world's major economies.

Moody's Analytics added Economy.com to its portfolio in 2005. Now called Economic & Consumer Credit Analytics, this arm is based in West Chester PA, a suburb of Philadelphia, with offices in London, Prague and Sydney. More information is available at www.economy.com.

ADDENDUM H

REQUIRED CLIENT INFORMATION

FIRST NIAGARA

LETTER OF ENGAGEMENT

First Niagara Bank, N.A.
726 Exchange Street 9th Floor
(P) 716-819-5989, (F)
(E) franz.ross@fnfg.com

Franz Ross

Collateral Valuation & Compliance

9/3/2013

Scott Biethan, MAI, CRE, FRICS.

CBRE, Inc.
1420 Fifth Avenue, Suite 1700
Seattle, WA 98101

RE:	**FNFG FILE #:**	**13-001212-02**
	APPLICANT:	**Paul Iskalo**
	PROPERTY:	**5020 Main Street, Williamsville, NY 14221**

Scott Biethan:

This letter will serve as First Niagara Bank's engagement of your firm to provide appraisal services for the property detailed herein. Included are the specifics of the engagement including the assignment fee and delivery date. Please review the Master Engagement Agreement for compliance and scope of work details. The following are the pertinent conditions of your assignment:

ASSIGNMENT CONDITIONS	
PURPOSE:	New Loan
VALUE TYPE(S):	Market Value - As-Is - Fee Simple Prospective Market Value - Upon Completion of Construction - Fee Simple Prospective Market Value - Upon Stabilization - Fee Simple
INTENDED USE:	Use - Loan Underwriting The intended use of this appraisal is for loan underwriting and-or credit decisions by Bank and-or participants
CLIENT(S):	First Niagara Bank, N.A.
INTENDED USER(S):	First Niagara Bank, N.A.
SCOPE OF WORK:	See Master Engagement Agreement
REPORT FORMAT:	Self-Contained - Narrative
APPROACH(ES) TO VALUE:	Sales Comparison Approach, Income Approach, Cost Approach
APPRAISER(S) APPROVED:	See RFP Comments
FEE:	$8,500.00
DELIVERY DATE:	9/30/2013
SITE CONTACT:	David Chiazza, Manager, 716-633-2096

PROPERTY DETAILS	
LEGAL ADDRESS:	5020 Main Street, Williamsville, NY 14221
SECTION, BLOCK & LOT:	
PROPERTY TYPE:	Lodging/Hospitality - Economy/Limited Service
DETAIL:	A to-be-built 137 room limited-service hotel located off Main Street in Williamsville, New York. The Project will also include an indoor pool and fitness center. Market

FIRST NIAGARA

	study provided to Franz Ross.
OCCUPANCY:	0%
GROSS BUILDING AREA:	137 Rooms (unconfirmed)
LAND AREA:	1 Acres (unconfirmed)
COMMENTS:	The subject vacant land is to be developed with a 134-Room "select service" Hyatt Place Hotel. This hotel will be adjacent to the old Lord Amherst Hotel which is currently being renovated. The gross building area and land area were not available as this RFP is being written. There will be an indoor swimming pool and complementary breakfast area. The appraiser should employ all three approaches to value, and allocations should be made to real estate, FF&E, and intangible assets (which include the value of the franchise and goodwill). You are required to make reasonable attempts to establish contact with the borrower/applicant/site contact within 36 hours of this engagement. Email the FNFG Appraisal Department job manager assigned to this project through rimscentral.com if you are not successful. Similarly, if access, information and property details are not provided to you in a timely fashion by the site contact, email the job manager who will address the issue immediately. When completed, please upload an electronic copy of your report to rimscentral.com. Please do not mail hard-copies until instructed to do so. Be sure to upload any invoices in a separate document to avoid any delays in payment.

Unless otherwise stated, First Niagara Bank is unaware of any encumbrances to the subject property at this time; however in the event that this is not the case, it will be necessary for you to opine market value for any and all of the appropriate real property interests that may exist. In this scenario, Franz Ross must be notified before proceeding.

Part of the scope of this assignment includes identifying if the subject property is impacted by a flood designation. Limitations to accuracy aside, should there be identification to the affirmative, the scope of this assignment must be increased to include the explicit enumeration of the insurable structures onsite, as well as separate analysis of Insurable Value.

The intended users of the report, and those whom must be able to rely on its conclusions, will be First Niagara Bank, N.A., its successors, assigns, and other possible participants in the loan transaction. First Niagara Bank, N.A. is the client; strict confidentiality must be adhered to. All discussions regarding this assignment are to be held with Franz Ross.

Should the appraisal report not be received by the due date, it is understood that you may incur a penalty of $100 per day for each day the report is late. This penalty may be waived or reduced should circumstances beyond your control preclude delivery, provided you obtain approval from Franz Ross prior to the date of delivery. All requests to extend the completion date of this assignment must be submitted in writing.

It is the understanding of First Niagara that your firm possesses a minimum of $1,000,000 Errors and Omissions Insurance coverage, and that there are no claims pending. If either condition is not met, Franz Ross must be notified before proceeding. Furthermore, it is implied that you and those in your employ stand behind your work product and value conclusions. Thus, those performing this service are liable to the fullest extent for any claim made; exposure is not limited to the appraisal fee alone.

If you agree to proceed, please visit www.rimscentral.com. You are required to upload a signed copy of

FIRST NIAGARA

this engagement letter to the website. If applicable, additional scope items and/or details pertaining to the subject property or general assignment, such as plans and specifications, will be available there. Upon the assignment's completion an electronic copy of the report, together with all applicable electronic files involved in the analysis (ARGUS, EXCEL, etc.), must be uploaded in a similar fashion. Reports must be properly addressed and signed. Draft reports are not acceptable and will be rejected. If during First Niagara's review process subsequent revisions are necessary, they must be submitted again (within three [3] business days) via this document upload.

The appraisal report should be addressed to:

Adam Alessi
726 Exchange St., 9th Flr.
Buffalo, NY 14210

Do not send hard copies until you have been authorized to do so by the First Niagara reviewer. At that time, you may be asked to expedite hard copies of the completed appraisal to the following address:

3 Hard Copies of Report
Marcia Janiga
726 Exchange Street 900
Buffalo, NY 14210

On your invoice, please reference the subject property's identification, FNFG File #, and the borrower's name. Any questions pertaining to this assignment should be addressed with Franz Ross.

ACCEPTANCE

The requested appraisal service will be performed in accordance with the terms and conditions of the Master Engagement Agreement and this short-form engagement letter. Please sign, date, and upload this document as soon as possible. This will serve as confirmation that you have received and accepted the terms and conditions of this assignment and those set forth by the Master Engagement Agreement.

Scott Biethan 9/3/13
Scott Biethan Date
As agent for CBRE, Inc.

Best Regards,

Franz Ross 9/3/2013
Franz Ross Date

RIMS Customer: First Niagara Bank
Project #: : 13-001212-02-1

Award Information

Date Awarded: 9/3/2013
Canceled: No — Directly Awarded: No
Fee: $8,500.00 — Delivery Date: 9/30/2013
Property Contact(s): David Chiazza, 716-633-2096, dchiazza@iskalo.com
Award Comments:

The subject vacant land is to be developed with a 134-Room "select service" Hyatt Place Hotel. This hotel will be adjacent to the old Lord Amherst Hotel which is currently being renovated. The gross building area and land area were not available as this RFP is being written. There will be an indoor swimming pool and complementary breakfast area.

The appraiser should employ all three approaches to value, and allocations should be made to real estate, FF&E, and intangible assets (which include the value of the franchise and goodwill).

You are required to make reasonable attempts to establish contact with the borrower/applicant/site contact within 36 hours of this engagement. Email the FNFG Appraisal Department job manager assigned to this project through rimscentral.com if you are not successful. Similarly, if access, information and property details are not provided to you in a timely fashion by the site contact, email the job manager who will address the issue immediately. When completed, please upload an electronic copy of your report to rimscentral.com. Please do not mail hard-copies until instructed to do so. Be sure to upload any invoices in a separate document to avoid any delays in payment.

Job Attachments:

There are currently no job attachments

Bid Information

Proposed Fee: $8,500.00 — Proposed Delivery Date: 9/24/2013
Signatory Information: Helene Jacobson, MAI — Office Location: New York
Prior Services: Have you performed or provided any services regarding the subject property within the prior three years, as an appraiser or in any other capacity? If Yes, please provide details in the Comments field.
Yes
Bid Comments: We previously appraised for M&T Bank but that included a residential component as well. For just the hotel, our fee would be $8,500 (includes travel). Thank you.

RFP Information

Purpose Of Request: New Loan
Response Deadline: 8/29/2013 — Bank Contact: Franz Ross
Desired Delivery Date: 9/24/2013 — Contact Phone: 716-819-5989

ADDRESSEES:

First name	Last name	Company	Address	
Adam	Alessi	FNFG	726 Exchange St., 9th Flr.	Buffalo, NY 14210

Total Addressees: 1

DISTRIBUTION:

Number Of Copies	First Name	Last Name	Company	Address	
3	Marcia	Janiga	First Niagara Bank	726 Exchange Street 900	Buffalo, NY 14210

Total # Hard Copies: 3

SCOPE OF SERVICES:

Intended Use

Use - Loan Underwriting
The intended use of this appraisal is for loan underwriting and-or credit decisions by Bank and-or participants

Intended User

User - Participants
The intended users of this report include Bank and participants as part of a structured financing package in which Bank is the agent
__Note__: First Niagara Bank and M&T Bank will be participants.

Approaches to Value	• Approach - Sales Comparison Sales Comparison Approach • Approach - Income Income Approach • Approach - Cost Cost Approach
Inspection Requirements	Inspect - Full Subject An interior and exterior inspection of the subject property in sufficient detail to determine marketability
Additional Work Scope	See Master Engagement Agreement - To view, login to RIMSCentral (www.rimscentral.com), click My Customers, Reference Documents, select First Niagara, then click view document.
Report distribution	Do not send hard copies without authorization from reviewer

Report Type: Self-Contained
Report Format: Narrative

VALUATION SCENARIOS:

Valuation Premise	Premise Qualifier	Property Interest	Comment
Market Value	As-Is	Fee Simple	
Prospective Market Value	Upon Completion of Construction	Fee Simple	
Prospective Market Value	Upon Stabilization	Fee Simple	

RFP Comments: .

The subject vacant land is to be developed with a 134-Room "select service" Hyatt Place Hotel. This hotel will be adjacent to the old Lord Amherst Hotel which is currently being renovated. The gross building area and land area were not available as this RFP is being written. There will be an indoor swimming pool and complementary breakfast area.

The appraiser should employ all three approaches to value, and allocations should be made to real estate, FF&E, and intangible assets (which include the value of the franchise and goodwill).

Please also name who the signers for the report will be.

WHEN SUBMITTING YOUR BID, PLEASE DO NOT ENTER A CALENDAR DATE; BUT INSTEAD THE NUMBER OF DAYS OR WEEKS FROM ENGAGEMENT THAT YOU CAN GUARANTEE DELIVERY.

Property Information

Project Name:	Iskalo - Hyatt Place Hotel
Property Description / Construction Type:	A to-be-built 137 room limited-service hotel located off Main Street in Williamsville, New York. The Project will also include an indoor pool and fitness center. Market study provided to Franz Ross.
Property Type:	FF1 - Lodging/Hospitality - Economy/Limited Service - Economy Hotel - A lodging facility that can offer substantially lower rates due to high volume, lower initial investment costs, and efficient operation. Limited Service - Guestroom rental only with limited services available.
Address:	5020 Main Street, Williamsville, NY 14221
County:	Erie
Improvement Size (Primary):	137Rooms
Land Size:	1Acres

		Occupancy:	0%
Current Use:	Vacant Land	Proposed Use:	Commercial - Hotel
Property Status:	Under Construction		
Property Tenancy:	income producing		
Ground Lease?:	No	Proposed Renovation?:	No
Listed for Sale?:	No		
Pending/Recent Sale?:	No		

ADDENDUM I

QUALIFICATIONS

QUALIFICATIONS OF

HELENE JACOBSON, MAI
Managing Director

CBRE, Inc.
One Penn Plaza, Suite 1835
New York, New York 10119
(212) 207-6106

EDUCATION

Master of Science in Real Estate: Valuation and Analysis, New York University New York, NY
Bachelor of Business Administration - Finance, George Washington University Washington, D.C.

Appraisal Institute Course work at NYU Masters Program fulfills all requirements for Appraisal Institute courses.

Standards of Professional Practice A & B.

LICENSES/CERTIFICATIONS

Certified Real Estate General Appraiser: State of New York State (#46000026005)
Certified Real Estate General Appraiser: State of New Jersey (RG 01924)
Certified General Real Estate Appraiser: Connecticut (RCG.0001334)

PROFESSIONAL

Appraisal Institute

Designated Member (MAI), Certificate No. 11050

EMPLOYMENT EXPERIENCE

20 years of Real Estate appraisal and Consulting experience throughout the Northeast region.

1992 - Present	CBRE, Inc.	New York, New York
1989-1991	Office of Thrift Supervision	Bowie, Maryland

Assignments include full and partial interest appraisals of office buildings, commercial lofts, malls, shopping centers, apartments, cooperatives, condominiums, townhouses, industrial facilities, residential and office market studies, portfolio valuations and multi-property assignments.

UNIQUE ID NUMBER
46000026005

State of New York
Department of State
DIVISION OF LICENSING SERVICES

FOR OFFICE USE ONLY
Control No. 68199

PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.

EFFECTIVE DATE

MO.	DAY	YR.
12	06	12

JACOBSON HELENE B
C/O CB RICHARD ELLIS INC
ONE PENN PLAZA
STE 1835
NEW YORK, NY 10119

EXPIRATION DATE

MO.	DAY	YR.
12	05	14

HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R. E. GENERAL APPRAISER

In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed.

CESAR A. PERALES
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

QUALIFICATIONS

EDWARD R. ESCHMANN, MAI
Director

CBRE, Inc
Valuation & Advisory Group
1 Penn Plaza, Suite 1835
New York, New York 10119
Tel: (212) 207-6092
Fax: (212 207-6169
Email: edward.eschmann@cbre.com

EDUCATIONAL

Bachelor of Science Degree, Environmental Science,
University of Massachusetts, Amherst, Massachusetts

Successfully completed all the necessary courses to qualify for the MAI designation.

LICENSES/CERTIFICATIONS

Certified General Real Estate Appraiser: State of New York (NY: 46000002842)
Certified General Real Estate Appraiser: State of New Jersey (NJ: 42RG00197300)
Certified General Real Estate Appraiser: State of Connecticut (CT: RCG 1264)

PROFESSIONAL

Designated Member of the Appraisal Institute (MAI) since 1995

EXPERIENCE

2000 – Present:	CBRE, Inc.	New York, NY
1998 – 2000:	Koeppel Tener Real Estate Services, Inc.	New York, NY
1984 – 1998:	Rogers & Taylor Appraisers, Inc.	Hauppauge, NY

Valuation assignments include a wide range of property types: Hotel, Office, Retail, Industrial, Residential, consulting and acquisitions/disposition advisory.

UNIQUE ID NUMBER
46000002842

State of New York
Department of State
DIVISION OF LICENSING SERVICES

FOR OFFICE USE ONLY
Control No. 65362

PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.

EFFECTIVE DATE

MO.	DAY	YR.
04	28	12

EXPIRATION DATE

MO.	DAY	YR.
04	27	14

ESCHMANN EDWARD R
C/O EDWARD ESCHMANN INC
112 E 83RD ST
APT 6A
NEW YORK, NY 10028

HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R. E. GENERAL APPRAISER

In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed.
CESAR A. PERALES
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

QUALIFICATIONS OF

Jeff Mayer
Appraiser

CBRE, Inc.
One Penn Plaza, Suite 1835
New York, New York 10119
(212) 207-6104

EDUCATION

Masters of Management in Hospitality, Cornell University, 2005
Bachelor of Science in Business Administration, University of Colorado, Boulder, 2000

APPRAISAL EDUCATION

Basic Appraisal Principles, Appraisal Institute (100GR)
Basic Appraisal Procedures, Appraisal Institute (101GR)
General Appraiser Income Approach/Part 1, Appraisal Institute (N403G)
General Appraiser Income Approach/Part 2, Appraisal Institute (N404G)
Business Practices and Ethics, Appraisal Institute (N420DM)

EMPLOYMENT EXPERIENCE

6/13 - Present	CBRE, Inc. Appraiser	New York, NY
4/11 – 6/13	HVS Senior Associate	Mineola, NY
1/07 – 3/11	That Burrito Place Director of Operations	Ithaca, NY

Assignments include appraisals more than 100 hotels throughout the United States including full-service to limited-service, mid-scale to luxury lodging properties.

Exhibit 15a

First Niagara Bank Commitment Letter

FIRST NIAGARA

December 19, 2013

ISKALO 5020 MAIN LLC
c/o Iskalo Development Corp.
5166 Main Street
Williamsville, New York 14221
Attn: Mr. Paul B. Iskalo, President

Subject: **Construction and Permanent Mortgage Loan Commitment for Hyatt Place Hotel**

Ladies and Gentlemen:

First Niagara Bank, N.A. as agent for the Lenders (as hereinafter defined), is pleased to advise you that your application for a loan has been approved, subject to the following terms and conditions.

SECTION 1 - TERMS

The terms of the loan (the "Loan") are as follows:

1.1 Agent and Lenders: First Niagara Bank, N.A., a national banking association having an address of 726 Exchange Street, Buffalo, NY 14210, Attention: Commercial Loan Administration (the "Agent"). The Agent will act in a representative capacity on behalf of one or more lending institutions (which may include Agent) which will be the parties severally advancing their pro rata share of the Loan (individually referred to herein as a "Lender" and collectively as the "Lenders"). Each Lender shall only be obligated to fund its pro rata share of any advance under the Loan. Agent, in its capacity as agent, shall have no obligation to advance proceeds of the Loan from its own funds nor any liability for any failure on the part of any Lender to fund its pro rata share of the Loan.

1.2 Borrower: Iskalo 5020 Main LLC, a single purpose limited liability company, with Paul B. Iskalo as the principal member (the "Borrower").

1.3 Guarantor: Unlimited, unconditional and joint and several guaranty of payment, performance and timely completion of construction from Paul B. Iskalo (the "Guarantor"). The Guarantor shall also guaranty the performance of all obligations of Borrower and each entity (the "Lord Amherst Affiliate(s)") designated as a borrower under the EB-5 Commitment (herein defined) and the Lord Amherst Commitment (herein defined) of their respective obligations under such commitments.

1.4 Purpose: The Loan is to be used for the construction of a 137-room Hyatt Place Hotel with an indoor pool, fitness center and related site improvements (collectively, the "Improvements"), to be located near Main Street and Interstate 290 in the Village of Williamsville, New York, and to include ingress and egress to and from Main Street, all of which is intended for hotel and related retail use (collectively, the "Property"). The Property and Improvements are sometimes collectively referred to herein as the "Project".

1.5 Term:

(a) The Loan shall have an initial term of thirty-six (36) months (the "Construction Term").

(b) At the expiration of the Construction Term, the Loan shall be due and payable unless the term is extended for an additional period of forty-eight (48) months (the "Permanent Term"). The Permanent Term shall be available only if the following conditions are met before the end of the Construction Term:

(i) The Borrower has provided written notice to the Agent, at least thirty (30) days but no more than ninety (90) days prior to the end of the Construction Term, of the Borrower's intent to convert the Loan to its Permanent Term.

(ii) Final completion of the construction of the Project shall have occurred in accordance with the terms of the documents governing, evidencing and securing the Loan (individually, a "Loan Document" and collectively, the "Loan Documents").

(iii) The Borrower shall have paid to the Agent, for the pro-rata benefit of the Lenders, a Permanent Term Commitment Fee equal to $22,500.00.

(iv) The EB-5 Loans (as herein defined) shall have been fully funded, pursuant to documentation in form and content acceptable to Agent, and the proceeds of the EB-5 Loans shall have been used to pay down the Loan, resulting in the outstanding principal balance of the Loan being reduced to no more than $9,000,000.00.

(v) The ratio of the aggregate maximum principal balances of the Loan and the EB-5 Senior Loan (as herein defined) to the value of the Project must not exceed sixty percent (60%), and the ratio of the aggregate maximum principal balances of the Loan, the EB-5 Senior Loan and the EB-5 Junior Loan (as herein defined) to the value of the Project must not exceed seventy percent (70%), as determined by the Agent based upon the appraisal reviewed and approved by the Agent in connection with the closing of the Loan.

(vi) No default or event of default under the Loan Documents shall exist.

(vii) The Project shall support a debt service coverage ratio ("DSCR"), as determined by the Agent, equal to or greater than 1.35 to 1 based on (i) the amount that would be required to make level debt service payments of principal and interest on the aggregate maximum amount of the Loan and the EB-5 Loans payable over a 20-year amortization schedule at an interest rate equal to the rate payable by Borrower under an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders) for the entire Loan or, if no such Interest Rate Protection Agreement is entered into, at an interest rate equal to the FHLB-Based Rate (as defined below) determined by Agent as of the commencement of the Permanent Term (regardless of whether Borrower actually selects the FHLB-Based Rate to apply to the Loan), and (ii) projected net operating income of the Project as determined by Agent. In determining such projected net operating income, Agent shall subtract from projected effective gross income (i) all projected operating expenses (excluding non-cash, one-time and/or capital expenditures, at the Agent's discretion), (ii) a management fee of no less than 3% of projected effective gross income, and (iii) a reserve for FF&E of no less than 4% of projected effective gross income.

1.6 Loan Amount: During the Construction Term, an amount not to exceed $18,000,000.00. The Loan Amount shall be advanced in accordance with the terms and conditions of a building loan contract executed by Agent and Borrower at closing ("Building Loan Contract"). During the Permanent Term, the Loan Amount shall not exceed $9,000,000.00.

1.7 Fees: The following fees shall be payable by Borrower in connection with the Loan:

a. Construction Term Commitment Fee - $90,000.00
b. Permanent Term Commitment Fee - $22,500.00
c. Arrangement Fee - $90,000.00

The Construction Term Commitment Fee and the Permanent Term Commitment Fee are for the pro rata benefit of the Lenders. The Arrangement Fee is for the sole benefit of the Agent. $22,500.00 of the Construction Term Commitment Fee has previously been paid, and an additional $22,500.00 of such fee shall be payable upon

Borrower's execution of this letter. The balance of such Construction Term Commitment Fee and the entire Arrangement Fee shall be payable upon the earlier to occur of closing or the Closing Date (as herein defined). The Permanent Term Commitment Fee shall be payable in connection with conversion of the Loan to the Permanent Term.

1.8 Construction Term Interest Rate:

(a) Interest Computation: Interest during the Construction Term shall be computed and shall accrue on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable), and shall be based upon the LIBOR Rate. The "LIBOR Rate" shall be defined as a rate of interest determined by Agent as the LIBOR rate which is published on Bloomberg Screen, BBAM1 (or a successor) at 11:00 a.m. London time two (2) business days prior to the commencement of the interest period for an interest period of one (1) month (the "Interest Period"), adjusted for Agent's reserve requirements.

(b) Construction Term Interest Rate: A floating rate equal to the LIBOR Rate plus 375 basis points per annum. The interest rate will be adjusted on the first day of each Interest Period to the then current LIBOR Rate plus 375 basis points, but in no event for longer than the remaining Construction Term (or if such yield is not available, a similar rate based upon a comparable index chosen by Agent in its sole discretion). At no time during the Construction Term will the rate at which interest accrues be less than 4.0% per annum.

1.9 Permanent Term Interest Rate:

(a) Interest Computation: Interest during the Permanent Term shall be computed and shall accrue on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable), and shall be based upon either the LIBOR Rate or the FHLB Rate. The FHLB Rate shall be defined as a fixed rate of interest determined by Agent based upon the Amortizing Advance Rate offered by the Federal Home Loan Bank of New York for instruments having a term of 4-year/20-year amortization most recently available on the day which is two (2) business days immediately preceding the date of conversion to the Permanent Term.

(b) Permanent Term Interest Rate: No later than two (2) business days prior to the expiration of the Construction Term, Borrower shall elect one of the following interest rate options:

(i) A fixed rate (the "FHLB-Based Rate") equal to the greater of FHLB Rate plus 350 basis points per annum or 4.75% per annum.

(ii) A floating rate (the "LIBOR-Based Rate") equal to the LIBOR Rate plus 350 basis points per annum. The LIBOR-Based Rate will be adjusted on the first day of each Interest Period to the then current LIBOR Rate, but in no event for longer than the remaining Permanent Term (or if such yield is not available, a similar rate based upon a comparable index chosen by Agent in its sole discretion).

1.10 Payments: Borrower's obligation to repay the Loan shall be evidenced by a note ("Note").

(a) Accrued interest only will be due and payable monthly on the first day of each month of the Construction Term. All outstanding principal, interest and other sums due under the Loan Documents will be due and payable on the last day of the Construction Term, if not sooner paid, unless the Loan is converted to the Permanent Term as set forth herein.

(b) If the Loan is converted to the Permanent Term, on the first day of the month following conversion, and on the first day of every month thereafter, monthly payments of principal plus interest shall be required, with the principal payment being in the amount equal to the sum of the principal component of a level monthly principal and interest payment on a loan of $9,000,000.00 being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the rates charged on the EB-5 Loans (as herein defined), plus (1) if Borrower has selected the FHLB-Based Rate for the Permanent Term, the principal component of a level monthly principal and interest payment on a loan of $9,000,000.00 being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the FHLB-

Based Rate, or (2) if Borrower has selected the LIBOR-Based Rate for the Permanent Term, (i) the principal component of a level monthly principal and interest payment on that portion of the Loan that is subject to an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders), being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the rate payable by Borrower under such Interest Rate Protection Agreement plus (ii) the principal component of a level monthly principal and interest payment on that portion of the Loan that is not subject to an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders), being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the rate of 7% per annum.

(c) All outstanding principal, interest and other sums due under the documents evidencing and securing the Loan will be due and payable on the last day of the Permanent Term, if not sooner paid.

1.11 Late Charge and Increase in Interest: The Note will require payment of a late charge of 6% of any installment payment not received within 10 days of when due; and will provide that the interest rate will increase by 6% per annum (i) if the Note is not paid within 10 days of when due, or (ii) if, and for so long as, there exists any uncured event of default under the Loan (after the expiration of any applicable notice and/or cure periods).

1.12 Prepayment:

(a) At any time that interest based on the LIBOR Rate is accruing during the Construction Term or the Permanent Term, the Loan may be prepaid, in whole or in part, only on ten (10) days prior written notice to Agent, provided Borrower shall pay to Agent the "LIBOR Breakage Charges" to be determined in accordance with Agent's standard formula, along with all other breakage or termination costs under any Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders) for the entire Loan. Amounts repaid or prepaid under the Loan may not be re-borrowed.

(b) If interest is accruing at the FHLB-Based Rate during the Permanent Term, prepayment may be made, in whole or in part, only on thirty (30) days prior written notice, along with the following prepayment premiums:

(i) Loan Year One – 4% of the amount prepaid.
(ii) Loan Year Two – 3% of the amount prepaid.
(iii) Loan Year Three – 2% of the amount prepaid.
(iv) Loan Year Four – 1% of the amount prepaid.

For purposes of this letter, Loan Year One shall be deemed to mean the first 12 full calendar months of the Permanent Term. Each 12-month period thereafter shall be deemed to be a Loan Year.

Provided, however, that if interest is accruing at the FHLB-Based Rate, in no event shall such prepayment premium be less than an amount computed as follows: the current rate for United States Treasury securities with a maturity date closest to the maturity of the Loan (the "Reinvestment Rate") shall be subtracted at the time of prepayment from the FHLB-Based Rate. If the FHLB-Based Rate is less than or equal to the Reinvestment Rate, no prepayment premium shall be due. If the Reinvestment Rate is less than the FHLB-Based Rate, then the excess percentage shall be multiplied by the amount of the principal balance being prepaid. The resulting amount shall be divided by 360 and multiplied by the number of days remaining until maturity, and the amount shall be reduced to present value calculated by using the number of days remaining in the designated term and using the above-referenced United States Treasury security rate and the number of days remaining until maturity. The resulting amount shall be the minimum prepayment premium due to Lender upon prepayment.

Notwithstanding the above, provided no event of default then exists under the Loan Documents, if interest is accruing at the FHLB-Based Rate, no prepayment premium shall be due if such prepayment is made within the last 90 days prior to the end of Loan Year 4.

1.13 EB-5 Loans: Borrower and the Lord Amherst Affiliates shall be required to obtain a commitment letter (the "EB-5 Commitment") from the EB-5 Regional Center ("EB-5") for a loan in the amount of not less than

$9,000,000.00. It is expected that a portion of such loan (the "EB-5 Senior Loan") will be secured by a mortgage lien on the Project of equal priority with the Mortgage (as herein defined), and the balance of such loan (the "EB-5 Junior Loan") will be secured by a mortgage lien on the Project of junior and inferior priority with the Mortgage (the EB-5 Senior Loan and the EB-5 Junior Loan are collectively referred to herein as the "EB-5 Loans"). The principal amount of the EB-5 Senior Loan shall be such amount that, when added to the outstanding principal balance of the Loan, results in a combined loan to value ratio of no greater than 60%. It is also anticipated that the proceeds of the EB-5 Loans will be used in whole to pay down the outstanding principal balance of the Loan. A condition of closing the Loan shall be the receipt, review and approval by Agent of the EB-5 Commitment, which must in form and content acceptable to Agent, and which must provide that: (i) the EB-5 Loans shall be closed to prepayment and have a maturity date that is subsequent to the end of the Permanent Term, and (ii) the EB-5 Loans shall be payable on an interest only basis until payment in full of the Loan. All documentation in connection with the EB-5 Loans, including but not limited to the terms and provisions of any document governing, evidencing or securing the EB-5 Loan, any modification to any such document, and any intercreditor arrangements with regard to the relative priority of liens, the priority of payment of debt, the enforcement of remedies, the realization on collateral, and any other matters, must be in form and content acceptable to the Agent in its absolute discretion.

1.14 Lord Amherst Improvments: It is expected that Borrower and the Lord Amherst Affiliates will be required to complete certain renovations to the Lord Amherst Hotel that is adjacent to the Project and to agree to comply with certain operational covenants after the completion of such renovations, as a condition to the disbursement of the EB-5 Loans. A condition to closing the Loan shall be the receipt, review and approval of an acceptable loan commitment (the "Lord Amherst Commitment") from a bona fide third party lender providing loan proceeds sufficient for such renovation of the Lord Amherst Hotel, and which contains such terms and conditions that will permit Borrower or the Lord Amherst Affiliates (as applicable) to satisfy all conditions of the EB-5 Commitment and allow the EB-5 Loans to be fully disbursed prior to the end of the Construction Term. Borrower and Guarantor shall guaranty the completion of such renovation work, compliance with such operational covenants, and all other commitments required by EB-5 in connection with the renovation of the Lord Amherst Hotel, to assure the timely disbursement of the proceeds of the EB-5 Loans prior to the end of the Construction Term.

SECTION 2 – LOAN ADMINISTRATION

2.1 Loan Administration:

(a) Financial Statements: Borrower and Guarantor will furnish to Agent financial statements for themselves and for all partnerships, limited liability companies, corporations and business activities in which they have an interest. "Financial Statements" shall consist of:

(i) Annual Financial Statements: Annual internally-prepared financial statements and federal tax returns of Borrower (including K-1s) within 120 days of fiscal year end (or within 10 days after the end of any applicable extension, with regard to tax returns).

(ii) Personal Financial Statements: Annual internally-prepared financial statements (including bank/brokerage statements verifying liquidity, if requested by Agent) and federal tax returns (including K-1s) of Guarantor within 120 days of calendar year end (or within 10 days after the end of any applicable extension, with regard to tax returns).

(iii) Liability/Cash Flow Statement: A statement of all contingent liabilities and global cash flow for Guarantor, within 120 days of calendar year end.

All financial reporting shall be in form and content satisfactory to Agent, certified to be true and correct by the party offering such statement or tax return, and include a representation that Agent may rely on the same. Copies of the most current versions of the above Financial Statements shall be submitted for review prior to closing.

(b) Real Property Tax and Insurance Payment:

(i) Real Property Tax Monitoring Service: Agent will engage and Borrower will pay for a monitoring service to monitor real property tax accounts affecting the Property in accordance with the term of the Loan.

(ii) Insurance Premium Payment: Borrower will annually submit to Agent, on or prior to the anniversary of the Loan, evidence of payment of premiums for Project insurance coverage required by Agent.

(c) Disbursement and Operating Account: Borrower will establish prior to closing and will maintain throughout the Loan Term its primary deposit and operating accounts and a construction disbursement account with Agent.

(d) FF&E Reserve Account: Starting in Loan Year 2, and in each Loan Year thereafter, on the first day of each calendar quarter (January 1, April 1, July 1 and October 1) Borrower shall deposit in an account with the Agent an amount equal to 1% of the Project's effective gross income for the immediately preceding calendar year. Provided no event of default then exists under the Loan Documents, such amounts shall be released by the Agent to the Borrower for costs incurred for furniture, fixtures and equipment for the Project, but only after receipt, review and approval by Agent of invoices and/or other acceptable documentation to support the Borrower's request for such funds. Such reserve account shall be pledged as additional collateral security for the Loan pursuant to documentation in form and content acceptable to Agent.

2.2 Inspecting Engineer: Property Evaluation Service, Inc.

2.3 Construction Manager: Iskalo Development Corp.

2.4 Cross Default/Cross Collateralization: This Loan will be cross-defaulted with the EB-5 Loans and all other debt of Borrower. The Loan will be cross collateralized with all other indebtedness owed from Borrower to Agent and/or any Lender under any Interest Rate Protection Agreement entered into with Agent (and/or the Lenders) in connection with the Loan.

2.5 Debt Service Coverage: At all times during the Permanent Term, the Project must support a DSCR, as determined by Agent, equal to or greater than 1.15 to 1, based on the amount that would be required to make level debt service payments of principal and interest on the aggregate maximum amount of the Loan and the EB-5 Loans payable over a 20-year amortization schedule at the interest rate payable on the Loan (if the FHLB-Based Rate is selected by the Borrower), the rate payable by Borrower under an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders) for the entire Loan (if such an Interest Rate Protection Agreement has been entered into), or in all other instances, 7% per annum, and (ii) actual net operating income of the Project as determined by Agent. In determining such net operating income, Agent shall subtract from effective gross income (i) all operating expenses (excluding non-cash, one-time and/or capital expenditures, at the Agent's discretion), (ii) a management fee of at least 3% of effective gross income, and (iii) a reserve for FF&E of at least 4% of effective gross income.

2.6 Guarantor Liquidity. Guarantor shall maintain a minimum liquidity of $3 million dollars in excess of encumbrances throughout the term of the Loan. For purposes of this covenant, liquidity shall mean (i) cash deposited in an account or accounts with Agent or another financial institution satisfactory to Agent, and (ii) the market value of marketable securities owned by Guarantor in excess of encumbrances.

2.7 Subordination of Developer Fees: Subordination agreement(s) to be executed by Borrower, Guarantor and any third-party developer of the Project, pursuant to which the parties (i) agree that no payment of developer fees shall be made by Borrower until the Project has been completed and the final advance of Loan proceeds has been made pursuant to the terms of the Building Loan Contract, and (ii) confirm that the recipient's rights to any such payments are fully subordinated to the Lender's right to repayment of the Loan.

SECTION 3 - COLLATERAL

The Loan and any Interest Rate Protection Agreement entered into with Agent and/or the Lender(s) will be secured by the following required collateral:

3.1 Mortgage: A mortgage, deed of trust, or equivalent instrument ("Mortgage") creating a first lien on the Project in the amount of the Loan insured by a title insurance policy issued pursuant to the provisions hereof. The Mortgage shall contain the following terms and conditions:

(a) No sale of, assignment, pledge or grant of a security interest in, or other transfer of interests in, the Property, the Improvements, or Borrower shall be permitted other than those approved by Agent.

(b) No secondary financing secured by the Project will be permitted unless approved by Agent.

(c) No assumption of the Mortgage will be permitted.

(d) Immediately upon notification by Agent, after an event of default under the Loan Documents or notice of non-payment of taxes/insurance, Borrower will be required to deposit real property taxes and casualty insurance premiums with Agent monthly, and to deposit with Agent a lump sum in the amount necessary to establish a fund for payment of such expenses when due.

3.2 Security Agreement: A security agreement granting Agent security interests in all of the following personal property, whether now owned or hereafter acquired, and all proceeds and products thereof, which security interests shall be first liens on such property, subject only to prior liens acceptable to Agent:

(a) All personal property and fixtures including any and all Equipment, Inventory, Accounts, Chattel Paper, General Intangibles, Fixtures, Documents and Instruments as defined in the Uniform Commercial Code in effect in the state where the Project is located, and including all proceeds and products thereof, all insurance and condemnation claims and proceeds and all building materials whether on or off the Property;

(b) All lease, rental and sale agreements covering any of the Project, including all hotel receipts, revenues and credit card receipts collected from guest rooms, restaurants, bars, meeting rooms, banquet rooms and recreational facilities, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Borrower or any operator or manager of the hotel or the commercial space located at the Project or acquired from others (including, without limitation, from the rental of any office space, retail space, guest rooms or other space, halls, stores and offices, and deposits securing reservations of such space), license, lease, sublease and concession fees and rentals, health club membership fees, food and beverage wholesale and retail sales, service charges, vending machine sales, and proceeds, if any, from business interruption or other loss of income insurance and all rights, title, and interest of Borrower in and to all license agreements, franchise agreements, management agreements and all other contracts or agreements relating to the operation of the Project, including, without limitation that certain Franchise Agreement dated October 24, 2012 made by and between Hyatt Place Franchising, LLC and Iskalo 5000 Main LLC (and assigned to Borrower), as the same may be amended, modified or supplemented from time to time, for operation of a Hyatt Place Hotel at the Project;

(c) All security deposits, down payments and other payments with respect to the sale or rental of any of the Project;

(d) All construction, marketing, management, engineering, architectural, service, and maintenance contracts and all other contracts relating to the Project;

(e) All books and records relating to the Project;

(f) All plans, specifications and permits for the construction of the Improvements;

(g) All options and agreements with respect to additional real property for use or development in connection with the Project; and

(h) All insurance proceeds and condemnation awards from the Project.

3.3 Assignment of Leases and Rentals: A first lien collateral assignment of all leases, rentals, and other agreements for the leasing or rental of the Project or any part thereof, now existing or hereafter made, and all proceeds of any of the foregoing.

3.4 Guaranties: Guaranty of the repayment of the Loan, the completion of construction of the Project, the performance of Borrower's obligations under the Loan Documents, and the performance of Borrower's and the Lord Amherst Affiliates' obligations under the EB-5 Commitment and the Lord Amherst Commitment, by Guarantor. Such guaranty obligations shall be unlimited.

3.5 Assignment of Contracts and Rights: A first lien collateral assignment of all contracts and zoning or other rights now existing or hereafter arising in connection with the Project; including without limitation, any contract of sale for lots in the Project.

3.6 Intercreditor Agreement: An agreement (the "EB-5 Intercreditor"), in recordable form, between Agent and EB-5, pursuant to which EB-5 agrees to such intercreditor arrangements as Agent may require in connection with EB-5's rights and remedies under the documents governing, evidencing or securing the EB-5 Loans (including, but not limited to, standstill provisions with regard to the enforcement of remedies, an agreement not to modify the terms of the EB-5 Loans or to accept prepayment thereof or payment in full thereof unless the Loan has been previously paid in full, an acknowledgement that Agent shall control the enforcement of all remedies under the Loan Documents and the documents governing, evidencing or securing the EB-5 Senior Loan and the realization on any collateral securing such loans, and notice and cure rights in favor of Agent prior to the exercise by EB-5 of any remedies or the realization by EB-5 on any collateral in connection with the EB-5 Junior Loan.

3.7 Tri-Party Agreement: An agreement among Borrower, Agent, and EB-5, pursuant to which (i) EB-5 consents to the collateral assignment by Borrower and the Lord Amherst Affiliates to Agent of the EB-5 Commitment, (ii) EB-5 approves certain documentation submitted by Borrower to Agent in connection with closing of the Loan (including, but not limited to, the plans and specifications, title insurance policy, survey, environmental reports and appraisal), (iii) EB-5 agrees to remit all EB-5 Loan proceeds directly to Agent if and when advanced, (iv) Agent is provided with notice and cure rights under the EB-5 Commitment, (v) EB-5 agrees to close the EB-5 Loans subject to punch list items, (vi) Agent receives such other assurances as Agent may require, and (vii) Borrower agrees to all of the foregoing.

3.8 Environmental Agreement: An Environmental Compliance and Indemnification Agreement (the "Environmental Agreement") from Borrower and Guarantor to Agent wherein and whereby Borrower and Guarantor, among other things, agree irrevocably and unconditionally to indemnify and hold Agent and Lenders harmless in respect of all environmental liability relative to the Project.

3.9 Loan Document Provisions: The Loan Documents will incorporate allowances and exceptions with respect to transfers of minority ownership interests, the required timing of financial statements and other document deliveries and similar matters consistent with prior mutually-negotiated changes to the Agent's standard form of loan documents.

SECTION 4 - DOCUMENTS REQUIRED PRIOR TO CLOSING

It shall be the obligation of Borrower to furnish the following documents to Agent, all in form, content and legal effect acceptable to Agent and Agent's counsel, as soon as possible but not less than ten (10) days before closing:

4.1 Title Insurance Binder: A title insurance binder or report issued by a title insurance company acceptable to Agent containing a complete and appropriate legal description of the Property and of all easements required for ingress and egress from Main Street, along with copies of all easements, restrictions, and other exceptions, committing the title insurance company to issue a policy in form satisfactory to Agent insuring the Mortgage to be a valid first lien on the Property in the amount of the Loan or so much thereof as shall be advanced from time to time free and clear of all liens, encumbrances and exceptions, excepting those which Agent has approved and otherwise meeting Agent's title requirements attached hereto as Schedule 1. Agent reserves the right to require co-insurance or re-insurance from additional title companies acceptable to Agent, with policies of coinsurance based upon independent examinations of title performed by such additional companies.

4.2 Survey: A current survey prepared in accordance with the Code of Practice for Land Surveys adopted by the New York State Association of Professional Land Surveyors, approved by and certified to the title insurers and Agent, showing the monuments, courses and distances of the Property, any structures thereon, encroachments, easements, rights-of-way and other customary and relevant information.

4.3 Tax Map: A copy of the tax map showing the Property and its tax account designation.

4.4 Appraisal: An appraisal paid for by Borrower, ordered by Agent, and prepared by an appraiser approved by Agent showing the completed value of the Project. The Loan amount shall not exceed 70% of said appraised value (with such ratio to include the present value of all grants, loans, and tax credits). Agent acknowledges receipt, review and approval of such appraisal.

4.5 Financial Statements: Agent has received and approved certain financial statements previously submitted by Borrower and Guarantor. Agent reserves the right to request, prior to closing, additional financial statements of Borrower and Guarantor and all corporations, limited liability companies and partnerships in which any such party has an interest, consisting of balance sheets, income statements, rent rolls (if applicable) schedule of real estate owned, cash flow statements, and statements of contingent liabilities, acceptable to Agent and certified as true and complete by the party to whom they pertain current as of the date of certification, and for the period of at least the immediately past four fiscal quarters.

4.6 Zoning: Upon Agent's request:

(a) A copy of the zoning map, ordinance, all variances and special permits applicable to the Project, which shall show that the use of the Improvements are permitted and that all conditions thereto have been met; or

(b) A letter from the applicable municipality indicating that all existing approvals are sufficient for use of the Property and that the Property is correctly zoned for its use; or if the current use of the Property constitutes a non-conforming pre-existing condition, that upon destruction it could be rebuilt for the same use at the same location. If requested, Borrower shall also provide information satisfactory to Agent to confirm satisfactory zoning, such as an endorsement to the title insurance policy.

4.7 Other Permits and Approvals: Copies of all approvals, consents, permits, authorizations, and licenses which are necessary for the construction of the Improvements, the use of the Project for the purposes for which constructed, and, if appropriate, for the marketing of the Project.

4.8 Counsel's Opinion: A draft of the opinion of Borrower's independent counsel that, in addition to such other matters as Agent may reasonably deem relevant:

(a) Borrower is duly and validly formed and organized, subsisting and authorized to do business in the state of its organization and in the state where the Project is located.

(b) Borrower and Guarantor are authorized to enter into the agreements and execute the documents by which the Loan is to be evidenced and secured.

(c) The documents that will be executed by Borrower and Guarantor are valid and enforceable.

(d) There are no actions or proceedings pending or threatened which could materially adversely affect Borrower, the Project or Guarantor.

(e) Other matters deemed relevant by Agent.

4.9 Insurance: Insurance policies in amounts and with insurers acceptable to Agent and cancelable only upon prompt written notice to Agent, and providing:

(a) An extended coverage casualty insurance non-reporting policy in an amount acceptable to Agent, and, as to the construction related to the Loan, extended coverage casualty insurance in the form of a "Builder's Risk" non-reporting policy to the extent not protected by the non-Builder's Risk policy, in an amount acceptable to Agent, and as to each with a New York Mortgagee endorsement or its equivalent, and each naming Agent as mortgagee at Agent's address as follows: 239 Van Rensselaer, Buffalo, NY 14210, Attention: Commercial Collateral Control Unit, without subjecting the mortgagee to defenses which may be available against Borrower. Neither policy will contain a coinsurance provision. Agent shall have the right to apply insurance proceeds to the unpaid balance of the Loan.

(b) Hazard insurance, naming Agent as first mortgagee and lender loss payee.

(c) Public liability and property damage insurance naming Agent as an additional insured party.

(d) Workers' Compensation insurance.

(e) Flood insurance, if the Property is located in an area identified as a flood hazard area by the U.S. Department of Housing and Urban Development, naming Agent as mortgagee.

(f) Such other coverage as Agent may require, including such coverage as is available for similar projects in the same locality.

4.10 Organizational Documents: A copy of Borrower's:

(i) Filed Articles of Organization and all amendments thereto.

(ii) Evidence of all filings and publications required by the laws of the state in which Borrower is organized and the state in which the Project is located.

(iii) Current Good Standing or Subsistence Certificate.

(iv) Operating Agreement and all amendments thereto (collectively the "Operating Agreement").

(v) Consents authorizing the execution and delivery of the documents evidencing and securing the Loan, as required under the terms of the Operating Agreement.

(vi) Evidence of authority to do business in the State in which the Project is located if other than the state of its organization, if applicable.

4.11 Federal Tax Identification Number/Social Security Number: Borrower's and Guarantor's federal tax identification number, and the social security number of every individual executing documents as or on behalf of Borrower or Guarantor.

4.12 Photo Identification: Copies of valid driver's licenses or other government issued photo identification acceptable to Agent for each individual executing documents as or on behalf of Borrower and Guarantor.

4.13 Flood Certificate: Certificate of a qualified entity indicating that the Project is not in a Special Flood Hazard area. The Certificate will be ordered by Agent and paid for by Borrower.

4.14 Environmental: Borrower shall provide evidence (including, without limitation, an environmental questionnaire and a "Phase I" environmental assessment) conducted by an environmental consultant under the most current ASTM standards, dated no earlier than ninety (90) days prior to the closing, in form and content acceptable to Agent, indicating that the Project is free from risk, in Agent's sole judgment, from all hazardous substances, toxic substances or hazardous wastes as defined by any federal, state, or local law, statute, ordinance or regulation and is free of all other contamination which, even if not so regulated, is known to pose a hazard to the health of any person on or about the Project, and that the land is not in a "Wetlands" area, and contains no underground storage tanks or oil or gas wells. The environmental consultant shall be directly engaged by Agent at Borrower's cost and shall report jointly to Agent and Borrower. Agent acknowledges receipt, review and approval of such Phase I environmental assessment. Borrower and each Guarantor acknowledge that Agent reserves the right to discuss any environmental report directly with the environmental firm that prepares it. Agent reserves the right, at Borrower's expense, to retain an independent consultant to review any such evidence submitted by Borrower or to conduct its own investigation of the land. Borrower will make certain environmental representations, warranties and covenants in the Loan Documents. Borrower and Guarantor shall be required to execute, jointly and severally, and deliver to Agent a Hazardous Substances Indemnity Agreement acceptable to Agent.

4.15 Site Plan: A site plan of the Project showing all required municipal approvals and identifying separate buildings and phases, as appropriate.

4.16 Plans and Specifications: A set of construction plans and specifications, including, without limitation, a plan with the divisions of the Project for purpose of sale or rental individually numbered. The Plans and Specifications shall have approvals noted thereon by all applicable municipal authorities and Borrower and the Construction Manager. Agent acknowledges receipt, review and approval of such plans and specifications. No changes shall be made in the submitted Plans and Specifications without Agent's prior written consent and, to the extent required by applicable law or regulation, the prior written consent of all governmental bodies having jurisdiction.

4.17 Soil Test Report: If required by Agent or Agent's Inspecting Engineer, soil test reports by engineers acceptable to Agent indicating the suitability of the Property for the construction of the Improvements without extraordinary land preparation. Agent acknowledges receipt of soil test reports, and is currently reviewing the same.

4.18 Budget and Trade Cost Breakdown: Detailed Project budget including construction schedule, trade cost breakdown and itemization of construction and non-construction expenses, showing all costs required to complete the Project according to the Plans and Specifications, detailed construction schedule, and cash flow projections ("Project Budget"). If the Project is to be developed in phases, a plan for such development showing the cost, timing and order of construction of each phase will be included. Agent acknowledges receipt, review and approval of the Project Budget.

4.19 Pre-Cost Analysis: An analysis by Agent's Inspecting Engineer of the sufficiency and reasonableness of the proposed Project Budget, the feasibility of the proposed construction schedule, and the completeness and conformity with applicable building codes of the Plans and Specifications. Agent acknowledges receipt, review and approval of such pre-cost analysis.

4.20 Construction Management Contract: A contract between Borrower and Construction Manager in form and content acceptable to Agent, covering the entire Project, providing for a guaranteed maximum price acceptable to Agent.

4.21 List of Subcontractors: A list of all contractors and subcontractors who will work on the Project, to be reviewed and approved by Agent.

4.22 Contracts and Subcontracts: Copies of executed contracts and subcontracts with contractors or subcontractors providing work with a value of $500,000.00 or more in the aggregate.

4.23 Construction Manager's Agreement: Agreement by the Construction Manager to continue to perform for Agent the services the Construction Manager has contracted to perform for Borrower notwithstanding any default under or Agent's foreclosure of the Mortgage, provided the Construction Manager receives future payments under its contract.

4.24 Intentionally omitted.

4.25 Architect's Consent and Certification: An agreement by the Project architect or engineer to the use by Agent and its designees of the Plans and Specifications without any further payment, and the architect's or engineer's certification that the Project, when completed according to the Plans and Specifications, will comply with all applicable laws, regulations and ordinances.

4.26 Utility Availability Letters: Letters from appropriate utility companies and municipalities assuring the availability of water, sewer, electric, gas and telephone service to the Property adequate for the occupancy and intended use of the completed Project, or such other evidence of utility service availability as may be acceptable to Agent.

4.27 Building and Other Permits: Copy of building permits for the construction of the improvements issued by the municipality in which the Project is located, and a list of all municipal or governmental permits, consents, authorizations and approvals necessary for the construction, operation and leasing of the Project certified by the architect or engineer and Borrower as true, correct and complete to the best of the certifying party's knowledge, information and belief.

4.28 Equity: Documentation satisfactory to Agent in its sole discretion evidencing Borrower's equity in the Project at Loan closing and the availability and timing of post-closing equity infusions.

4.29 IDA Documents: The Project will be receiving mortgage tax abatement, sales and use tax abatement, and real property tax abatement from the Town of Amherst Industrial Development Agency ("AIDA"). The AIDA tax abatements shall be documented either through an installment sale or lease arrangement with Borrower, with such documents to be in form and content acceptable to Agent. AIDA shall be required to join in the execution of the Mortgage that will secure the Loan, to subject AIDA's interest therein to the liens thereof. This commitment letter shall be conditioned upon Agent's receipt of satisfactory certified authorizing resolutions from AIDA, along with an opinion of AIDA's counsel, in form and content acceptable to Agent, with regard to the due authorization, execution and enforceability of the AIDA documents.

4.30 Federal Tax Identification Number: Borrower's and Guarantor's federal tax identification number/social security number.

4.31 Property Tax Information: The name and address of every tax authority having jurisdiction over the Project, the account number by which each such authority identifies the Project, and the dates by which all taxes may be paid without penalty, along with copies of receipted tax bills for the Project for the current tax fiscal year of each taxing jurisdiction.

4.32 UCC Search: A currently dated UCC search against Borrower at the County and State levels.

4.33 Franchise Agreement: Delivery of a satisfactory franchise agreement for the Project from Hyatt Place Franchising, LLC, authorizing the Project to be operated by Borrower as a Hyatt Place Hotel. As security for the Loan, Borrower shall execute a collateral assignment of such franchise agreement to Agent on terms and conditions satisfactory to Agent, and the franchisor must consent to such collateral assignment pursuant to documentation acceptable to Agent.

4.34 Hotel Management Agreement: Delivery of an acceptable agreement for the management of the Project with a hotel management company acceptable to Hyatt Place Franchising, LLC and Agent, and the collateral assignment by Borrower to Agent, as security for the Loan, of such agreement (with a consent to such collateral assignment and subordination of fees executed by such hotel management company), all in form and content acceptable to Agent.

4.35 Intentionally Omitted.

4.36 Satisfactory Resolution of Outstanding Litigation: All outstanding litigation involving the Project must be resolved to the Agent's satisfaction, or must otherwise be in a status that is satisfactory to Agent.

4.37 Other: Such other relevant documents or matters as Agent may reasonably require, including without limitation any documents or matters required by Borrower's application for the Loan, if not specifically enumerated above.

SECTION 5 - DISBURSEMENT OF THE LOAN

The Building Loan Contract will provide for the following matters:

5.1 Advances for Construction: The Loan will be disbursed in interim advances not more frequently than once each month based upon the value of work (including the value of architectural and engineering work) completed. Requests for advances must be submitted in writing signed by Borrower or its authorized representative and accompanied by AIA Form G702, with exhibits and substantiating documents in form required by Agent, executed by Borrower, Construction Manager and the Project architect and received by Agent at least ten (10) days prior to the day the advance is sought. Until the Project is complete, the Inspecting Engineer shall perform monthly inspections at Borrower's expense in scope satisfactory to Agent. Each advance will be conditioned upon (a) the determination of the Inspecting Engineer that completed construction has been in accordance with the approved Plans and Specifications, that the necessary percentage and nature of work has been completed in accordance with the Project Budget to justify the advance requested, and that the undisbursed portion of the Loan excluding any interest reserve and contingency reserve will be sufficient to complete the Project, (b) a clear continuation of title to the date of such advance, (c) evidence that the title insurance policy insures the priority of the lien of the Mortgage with respect to that advance, and (d) current lien waivers from the Construction Manager, and all contractors and subcontractors. Agent reserves the right to make advances through a title company or other disbursement agent. No loan proceeds shall be advanced until all other sources of funds for Project expenses as set forth on Schedule "B" have been fully advanced. Borrower shall deposit with Agent within ten (10) days of Agent's demand therefor an amount equal to the amouut by which the cost of lien-free completion of the Project exceeds the amount of undisbursed Loan funds (excluding Retainage, coutingency reserve and interest reserve, if any).

5.2 Retainage: Agent shall retain 10% of each advance for hard costs, other than the final advance ("Retainage"), and shall release the Retainage to Borrower when the conditions to the final advance have been met. Provided no default then exists under the Loan Documents, Agent agrees that once the Project reaches 50% completion (as determined by the Project architect and confirmed by the Construction Inspector), the Agent shall reduce the amount of such Retainage for subsequent advances to 5% of such advances for hard costs.

5.3 Final Advance: The final advance of the Loan shall be made only after receipt by Agent of (a) municipal approval of any off-site access roads or other components of the Project, (b) an "as- built" survey certified to Agent, (c) certificate of substantial completion from the Project architect, verified by the Inspecting Engineer, (d) affidavit of payment and lien waivers from Construction Mauager, (e) lien waivers from all contractors and subcontractors, (f) approval of final payment by performance and payment bond surety, if required under the terms of the bond, (g) final title insurance policy, if not previously issued, and (h) such other evidence of lien-free completion as Agent may require.

5.4 Use of Loan Proceeds: The Building Loan Contract shall require specific uses of advances substantially as shown on Schedule B hereto.

5.5 "As-Built" Survey: Borrower will provide to Agent a survey meeting the requirements of Section 4.2 and showing the completed Improvements as a condition to Agent's obligation to make the advance next following completion of the Improvements.

SECTION 6 - MISCELLANEOUS MATTERS

6.1 Terms: This letter contains the principal terms of the facility; however, the definitive terms will be contained in the Loan Documents.

6.2 Closing: The Loan will be closed in Buffalo, New York, on or before January 31, 2014 ("Closing Date") unless another place or date shall be mutually acceptable. All documents and matters pertaining to the Loan will be subject to the approval of Agent's counsel.

6.3 Assignability: This offer to commit is not assignable by Borrower. Agent may, at its election, assign this offer to commit all or part of the Loan to one or more other Lenders. Any agreement arising hereunder shall be solely for the benefit of the parties hereto and no third party shall have any right hereunder.

6.4 Termination of Obligations: At Agent's election, any obligation Agent may have following the acceptance of this offer to commit shall terminate upon the occurrence of any of the following:

(a) If any certificate, statement, representation, warranty or financial statement heretofore or hereafter furnished by or on behalf of Borrower or Guarantor pursuant to or in connection with the Project or as an inducement to Agent to enter into the Building Loan Contract or any other lending agreement with Borrower or Guarantor proves to have been false or misleading in any material respect at the time as of which the facts therein set forth were stated or certified, or to have omitted any substantial liability or claim against the party to which it pertains, or if there shall have been any material adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or financial statement.

(b) Upon the filing by or against Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable, of a request or a petition for liquidation, reorganization, adjustment of debts, arrangement, adjudication as a bankrupt or similar relief under the bankruptcy, insolvency or similar laws of the United States or any state or territory thereof or any foreign jurisdiction; or the institution by or against Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable, of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable.

(c) Upon the appointment of or authorization for a trustee or receiver of Borrower or any Guarantor, as applicable, or for a trustee, receiver or agent to take charge of any property of Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable.

(d) Upon the occurrence of any material adverse change in the financial condition of Borrower, any Guarantor or the condition of the Project between the date of any financial statement delivered to Agent with respect to any such party and the Closing Date.

(e) If Agent is advised before the Loan is closed of any law or regulation which prevents or prohibits Agent from making the Loan in accordance with the terms and conditions of this offer to commit, or which in Agent's judgment has a material adverse effect upon the profitability of, or Agent's ability to make, the Loan.

(f) Upon the commencement of any legal, equitable or administrative action or proceeding the outcome of which could adversely affect Borrower, the Project, or any Guarantor.

(g) Agent does not receive the Construction Term Commitment Fee or Arrangement Fee when and as due.

6.5 Costs and Expenses: All costs incidental to the Loan, including, without limitation, appraisers' fees, Agent's and Lenders' attorneys' fees and disbursements, title examination and insurance fees, surveyors' fees, mortgage tax, recording taxes or fees, and the fees of Agent's architects, engineers, appraisers, environmental consultants, and disbursing agents, if any, are to be paid by Borrower upon Agent's request. Each party accepting this offer to commit by the execution of this letter agrees to reimburse Agent and/or Lender upon request for all expenses and disbursements incurred by or on behalf of Agent and or any Lender in preparation for the closing of the Loan, whether or not the Loan is closed. Agent has not engaged any broker in connection herewith, and shall not be required to pay any brokerage or other fee or commission arising from the transactions contemplated hereby.

6.6 Indemnity: Each party accepting this offer to commit agrees to indemnify Agent and hereby hold Agent harmless against all claims, actions, suits, proceedings, costs, expenses, brokerage or other fees, losses, damages and liabilities of any kind including in tort, penalties and interest, which Agent may incur in any manner other than Agent's own gross negligence or willful misconduct, by reason of any matter relating, directly or indirectly, to the Mortgage or the ownership, condition, development, construction, sale, rental or financing of the Project or any part thereof. This indemnification shall continue in effect whether or not the Loan is partially or fully advanced and shall survive the repayment of the Loan.

6.7 Entire Understanding: This letter and any Schedules hereto represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof; supersede all prior negotiations and writings between the parties, including specifically but without limitation the application for the Loan and correspondence related thereto; cannot be amended, supplemented or modified orally, but only by an agreement in writing signed by the party against whom enforcement of any such amendment, supplement or modification is sought.

6.8 Acceptance: This offer to commit may be accepted only by execution and return to Agent of the enclosed copy(s) of this letter together with the portion of the Construction Term Commitment Fee due upon acceptance hereof on or before December 24, 2013 ("Acceptance Date"). This offer to commit will automatically expire if Agent has not received Borrower's acceptance and said payment by the Acceptance Date.

6.9 No Survival: It is understood that the terms and conditions of this Commitment Letter shall not survive the execution and delivery of the Loan Documents except that all indemnities and reimbursement obligations shall survive any such termination.

6.10 Governing Law and Jurisdiction: The Note and all other documents evidencing or securing the Loan, and the rights and obligations of the parties thereto, shall be construed and interpreted in accordance with the internal laws of the State of New York without regard to principles of conflicts of laws. The Loan Documents will contain consents to jurisdiction and waivers of rights to jury trial.

6.11 Termination: All of Agent's and Lender's obligations hereunder will automatically terminate if all of the conditions to the making of the Loan have not been satisfied by the Closing Date.

6.12 Contingency for Lender Participation:

(a) First Niagara Bank, N.A. has agreed to act as one of the Lenders under the Loan, and to severally fund, on a pro rata basis with other participating Lenders, up to $9,000,000.00 with regard to the Loan (the "FNB Committed Portion"), subject to all of the conditions set forth in this letter. Unless additional financial institutions acceptable to Agent commit to act as Lenders and to severally fund, on a pro rata basis with other participating Lenders, the balance of the Loan, as evidenced by such Lenders executing the applicable Loan Documents for the Loan, no Lenders (including First Niagara Bank, N.A.) shall have any obligation to fund any Loan proceeds.

(b) Notwithstanding the foregoing, First Niagara Bank, N.A., as Lender, may assign all or a portion of the FNB Committed Portion before closing to one or more financial institutions acceptable to Agent, which assignment shall be evidenced by such financial institution(s) executing the applicable Loan Documents for the Loan. Any such assignment shall reduce the pro-rata obligation on the part of First Niagara Bank, N.A., as Lender, to severally fund the Loan by the amount so assigned.

(c) Notwithstanding the foregoing, First Niagara Bank, N.A., as Lender, may grant participation interests in all or a portion of the FNB Committed Portion to one or more financial institutions acceptable to Agent.

6.13 Prior Commitment: This letter amends and restates in whole Lender's commitment letter with regard to the Project dated December 5, 2013 (the "Prior Commitment"), which Prior Commitment is hereby made null, void, and of no further force and effect.

If this offer is acceptable, please indicate your acceptance by signing and returning the enclosed copy of this letter along with $22,500, the portion of the Construction Term Commitment Fee payable upon execution of this letter. We look forward to working with you on successfully completing this transaction. We will begin documenting the credit after we have received your signed copy of this letter.

Very truly yours,

FIRST NIAGARA BANK, N.A.

By: Maria E. Barth
Name: Maria E. Barth
Its: Vice President

Accepted and agreed to this 23 day of December, 2013.

ISKALO 5020 MAIN LLC

By:Iskalo Development Corp, Manager

By: ______________________
Paul B. Iskalo, President

____
Paul B. Iskalo, Guarantor

SCHEDULE 1

AGENT'S TITLE INSURANCE REQUIREMENTS

1. Title Insurance Company Qualifications: The maximum single risk (i.e., the amount insured under any one policy) by a title insurer may not exceed 25% of that insurer's surplus and statutory reserves. Reinsurance must be obtained and satisfactory evidence of same must be provided at closing for any policy exceeding such amount. An insured closing letter must be provided when the title policy is issued by a title agent and not by the title insurer directly.

2. Loan Policy:

   (a) Forms: Standard 2006 American Land Title Association ("ALTA") form of loan title insurance policy must be used ("Title Policy").

   (b) Named Insured: The named insured under the Title Policy must be substantially the same as the following: "First Niagara Bank, N.A., as agent, a national banking association, its successors and assigns as their interests may appear."

   (c) Date: The effective date of the Title Policy must be as of the date and time of the recording.

3. Exception Documents: The first draft of the title commitment must include legible copies of all easements, encumbrances, or other restrictions shown as exceptions to title. The final Title Policy similarly must include a legible copy of all title exception documents.

4. Insurance Amount: The amount insured must equal the lesser of (a) the original principal amount of the Loan or (b) the appraised value of the premises.

5. Insured Real Estate:

   (a) Legal Description: The legal description of the property contained in the Title Policy, the legal description shown on the survey of the property, if any, and the legal description contained in the Mortgage must be the same. In addition, the Title Policy must include an endorsement to confirm that the insured legal description is the same as that shown on the survey.

   (b) Easements: Each Title Policy shall insure, as separate parcels: (i) all appurtenant easements and other estates benefiting the property, and (ii) all other rights, title, and interests of Borrower in real property under reciprocal easement agreements, access agreements, operating agreements, and agreements containing covenants, conditions, and restrictions relating to the Property.

   (c) Informational Matters: The Title Policy shall reference the recorded plat number together with recording information, and the property parcel number or the tax identification number, as applicable.

6. Exceptions to Coverage: With respect to the exceptions, each of the following applies:

   (a) The "standard" exceptions (such as for parties in possession or other matters not shown on public records) must be deleted.

   (b) If there are tenants, commercial tenants should be identified specifically and a subordination, nondisturbance and attornment agreement should be obtained. If there are residential tenants, the exception should refer to rights of parties in possession as tenant only and residential leases.

   (c) Instead of the "standard" survey exception, any particular exceptions described by the new survey shall be noted.

(d) The exception for taxes, assessments, or other lienable items must be limited to those not yet due and payable.

(e) In the case of encroachments, the Title Policy must affirmatively insure that the improvements do not encroach upon the insured fee, leasehold or easements, or insure against all loss or damage due to such encroachment.

(f) Borrower must arrange for deletion of mechanics' or materialmen's liens.

(g) In the case of any easements that are not located on the survey, the Title Policy must include ALTA Form 103.1 or an equivalent endorsement to insure against any loss resulting from the exercise by the holder of such easement of its right to use or maintain that easement.

7. Endorsements: With respect to endorsements, the following applies:

(a) Environmental protection lien endorsement on ALTA Form 8.2. If Form 8.2 takes exception for an entire statute, it must also reference any applicable specific sections.

(b) A comprehensive endorsement (ALTA Form 9), if a lien, encumbrance, condition, restriction, or easement is listed in Schedule B to the title insurance policy.

(c) Mortgage survey endorsement or mortgage same as survey.

(d) Agent may require the following endorsements where applicable and available:

-access	-due execution	-single tax lot
-address	-first loss	-subdivision
-assessments	-last dollar	-tie in
-assignment of leases and reuts	-leasehold	-usury
-assignment of loan documents	-mechanics lien	-variable rate
-contiguity	-mineral rights	-waiver of arbitration
-creditor's rights	-mortgage tax	-zoning (ALTA 3.1 - with parking)
-doing business	-reverter	

8. Other Coverages: Each Title Policy shall insure the following by endorsement or affirmative insurance to the extent such coverage is not afforded by the ALTA Form 9 or its equivalent in a particular jurisdiction:

(a) that no conditions, covenants, or restrictions of record affecting the property:

(i) have been violated,

(ii) create lien rights which prime the insured mortgage,

(iii) contain a right of reverter or forfeiture, a right of reentry, or power of termination, or

(iv) if violated in the future would result in the lien created by the insured mortgage or title to the property being lost, forfeited, or subordinated; and

(b) that except for temporary interference resulting solely from maintenance, repair, replacement, or alteration of lines, facilities, or equipment located in easements and rights of way taken as certain exceptions to each Title Policy, such exceptions do not and shall not prevent the use and operation of the Property or the improvements as used and operated on the effective date of the Title Policy.

SCHEDULE 2

INTENTIONALLY OMITTED

SCHEDULE "A"

ENVIRONMENTAL COMPLIANCE REQUIREMENTS

1. As used in this Schedule, the following capitalized terms shall have the meanings set forth below:

"Disposal" means the abandonment, discharge, deposit, injection, dumping, spilling, leaking or placing of any Hazardous Substance so that such Hazardous Substance or any related constituent thereof may enter the Environment except that done in full compliance with all Environmental Laws and an Environmental Permit. The term "Disposal" also means the thermal destruction of the Hazardous Substance and the burning of such as fuel for the purpose of recovering useable energy.

"Environment" means any water or water vapor, any land including land surface or subsurface, air, fish, wildlife, biota and all other natural resources.

"Environmental Laws" mean all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the Environment and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto.

"Environmental Permits" mean all licenses, permits, approvals, authorizations, consents or registrations required by any applicable Environmental Law and all applicable judicial and administrative orders in connection with the ownership, use and/or operation of the Property for the storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances.

"Hazardous Substance" means, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended 42 U.S.C. Section 6901, et seq.), Articles 15 and 27 of the New York State Environmental Conservation Act, if applicable, or the equivalent provisions, if any, of the laws or regulations of the state in which the Property is located, if other than New York, or any other applicable Environmental Law and in the regulations adopted pursuant thereto.

"Indemnitee" means Agent, any Lender, their respective participants, all subsequent holders of the mortgage securing the Loan, their respective successors and assigns and their respective officers, directors, employees, agents, representatives, contractors and subcontractors.

"Loan" means the credit facility or facilities which may be the subject of the offer to commit to which this Schedule is attached.

"Property" means the land and improvements to be encumbered by the mortgage securing the Loan.

"Release" has the same meaning as given to that term in the Comprehensive, Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. Sections 9601, et seq.) and the regulations promulgated thereunder. The term "Release" also includes Disposal but is not conditioned by an exclusion for acts done in full compliance with an Environmental Permit.

2. As a condition to making the Loan, Agent must be satisfied that, except to the extent permitted and allowed by the requirements, terms and conditions of all applicable Environmental Laws and Environmental Permits: (a) the Property neither is being nor has been used for the storage, treatment, generation, transportation, processing, handling or Disposal of any Hazardous Substance, (b) no Release of a Hazardous Substance has

occurred on, at or from the Property, (c) no underground storage tanks are located on the Property, (d) there is no radon, asbestos or urea formaldehyde foam insulation in or contaminating any of the buildings, structures or other improvements on the Property, (e) there are no polychlorinated biphenyls in concentrations which exceed amounts permitted by applicable Environmental Laws in any of the transformers, capacitators or other electrical equipment located on the Property including in said buildings, structures or other improvements, (f) all Environmental Permits necessary to the continued or intended use of the Property have been obtained or are fully transferrable to Borrower and are being complied with in their entirety and (g), if applicable, the requisite federal, state and local agencies and authorities have been given any required notice and have issued the appropriate Environmental Permits signing their consent or approval of the transfer of ownership and/or control of the Property to Borrower.

3. Borrower will be required to: (a) complete a questionnaire with respect to the environmental and ecological condition of the Property, (b) provide Agent with a history of the use of the Property, giving particular attention to past military, industrial or waste disposal use, and a list of any present tenants, subtenants, licensees and occupants and all prior owners and tenants of the Property of record, (c) certify to Agent that the Property, including the buildings, structures and other improvements thereon and the transformers, capacitators and other electrical equipment located in said buildings, structures and other improvements or on the Property show no visible or other signs of Hazardous Substances or their effects and that Borrower has no reason to believe that any environmental problem exists at the Property, and (d) enter into an Environmental Inquiry Authorization, Compliance and Indemnification Agreement with Agent.

4. Borrower or the environmental engineer will make oral and/or written inquiries of the appropriate regional office of the U.S. Environmental Protection Agency ("EPA"), the New York Department of Environmental Conservation, or other equivalent state agency of the State in which the Property is located ("DEC") and any other appropriate federal, state and local governmental agencies or authorities; requesting any information on file with the EPA, DEC and such other governmental agencies or authorities as to whether the Property is or has been identified as a site at which Hazardous Substances are being or have been used, stored, treated, generated, transported, processed, handled, produced, released or disposed of Borrower or environmental engineer will provide copies of such inquiries and responses to Agent.

5. Borrower agrees to provide, at its sole cost and expense, an environmental inspection and audit report with respect to the Property of a scope and level of detail and prepared by a professional engineer or other qualified person acceptable to Agent. The professional engineer or other qualified person shall be engaged by Agent, but compensated by Borrower, and shall report jointly to Agent and Borrower, and Agent and Borrower shall independently determine the acceptability of the services provided. Notwithstanding anything herein to the contrary, Agent does not adopt, ratio or vouch for the adequacy or reliability of said environmental inspection and audit report. Said audit shall include a physical inspection of the Property; a visual inspection of the surrounding area, personnel interviews and a review of all requisite Environmental Permits, both as to their existence, state of compliance and transferability.

If it appears that a Hazardous Substance may be present, or that there may have been a Release of a Hazardous Substance at or from the Property, or for other good cause shown, Agent may require that such inspection also include a recorded search and/or adequate sampling and analysis, including subsurface testing for the presence of Hazardous Substances in the soil, surface water and groundwater. In the event that Agent is desirous of undertaking such search, sampling and/or analysis or testing, Agent shall so notify Borrower and Borrower shall have the right to agree to the same or terminate this commitment. In the event of any such termination, the commitment fee shall be returned to Borrower, less Agent's expenses as provided in this commitment.

6. If said audit report indicates the presence of underground storage tanks, radon, asbestos, urea formaldehyde foam insulation or polychlorinated biphenyls or a Release of a Hazardous Substance, or the possibility that a Release or Disposal of a Hazardous Substance may have occurred at the Property, unless the identified Release or threat of Release has been contained, removed and remediated in a manner which satisfies the requirements of all applicable Environmental Laws and Environmental Permits and is acceptable to Agent, Agent shall have the right to terminate this offer to commit by giving written notice to Borrower.

7. At Agent's request, for good cause shown, Borrower shall provide Agent, at its sole cost and expense, with an opinion of an attorney specializing in environmental law matters and acceptable to Agent (which opinion shall be addressed to Agent and shall be satisfactory in form and substance to Agent) as to compliance of

the Property with all applicable Environmental Laws and the terms and conditions of all necessary Environmental Permits.

8. As part of the documentation for the Loan, Borrower shall make such representations and warranties and enter into such covenants with respect to (a) compliance by the Property with all applicable Environmental Laws, (b) the existence, status of compliance and transferability of all necessary Environmental Permits and (c) such other matters as Agent may require in order to assure itself of present and future legal compliance as to such laws and to protect itself against any and all liability associated therewith.

9. At Agent's request, for good cause shown, Borrower shall obtain and maintain in force such policies of environmental impairment liability insurance or such other policies of insurance insuring against loss on account of such environmentally related risks as Agent shall deem reasonably necessary, provided that such insurance is available at premiums which are commercially reasonable. Such policies shall reflect such limits of coverage as shall be reasonably required by Agent and shall be written by insurance companies which are approved by Agent and are qualified to do business in the State in which the Property is located.

10. Borrower and Guarantor will indemnify, defend and hold Agent, any Lender, their respective participants, all subsequent holders of the mortgage securing the Loan, their respective successors and assigns and their respective officers, directors, employees, agents, representatives, contractors and subcontractors harmless from and against all claims, suits, actions, proceedings, damages, expenses, losses, and costs of every name and description arising out of; relating to or resulting from a Release or threatened Release of any Hazardous Substance on, at or from the Property.

SCHEDULE "B"

USE OF PROCEEDS SCHEDULE

PROJECT NAME: Hyatt Place Hotel
LOCATION: Williamsville, NY
SIZE (sf)

DEVELOPMENT BUDGET

DESCRIPTION	LOAN AMOUNT	EQUITY	TOTAL COST
Land Acquisition	$675,000	$1,575,000	$2,250,000
HARD COSTS			
Building Shell & Exterior Work	$13,360,000	$1,640,000	$15,000,000
Architecture & Engineering	$475,000	$0	$475,000
FF&E	$2,950,000	$0	$2,950,000
Total Development Costs	$16,785,000	$1,640,000	$18,425,000
SOFT COSTS			
Closing Costs	$0	660,000	$660,000
Appraisal/ Phase I & Inspections	$0	25,000	$25,000
Developer Fee	$0	1,100,000	$1,100,000
Contingency Reserve	$0		
Interest Reserve	$540,000	0	$540,000
Total Soft Costs	$540,000	$1,785,000	$2,325,000
Total Costs	**$18,000,000**	**$5,000,000**	**$23,000,000**
Percent of Total Costs	**78.26%**	**21.74%**	**100.00%**

Land	**$2,250,000**	**10%**
Total Hard Costs	**$18,425,000**	**80%**
Total Soft Costs	**$2,325,000**	**10%**

Exhibit 15b

First Niagara Bank Loan Documents

FIRST NIAGARA

MULTIPLE DRAW TERM NOTE
(NONREVOLVING)

$18,000,000.00 January 31, 2014

FOR VALUE RECEIVED, and intending to be legally bound, **ISKALO 5020 MAIN LLC** ("Borrower"), a limited liability company organized under the laws of the State of New York, with its principal place of business at 5166 Main Street, Williamsville, New York 14221, promises to pay to **FIRST NIAGARA BANK, N.A., a national banking association,** as agent for the pro rata benefit of the Banks (as herein defined), with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration ("Agent"), or order, on or before Maturity (as defined herein), the lesser of the principal sum of **Eighteen Million and no/100 Dollars ($18,000,000.00)** or the aggregate unpaid principal amount of all advances made to Borrower hereunder, together with interest thereon until paid in full.

1. **DRAW PERIOD.** This Note evidences an arrangement (the "Commitment") whereby Borrower may, from the date hereof through and including January 31, 2017 (the "Conversion Date"), obtain from Agent advances as Borrower may request, which advances shall only be available in accordance and compliance with a certain Building Loan Agreement of even date among Borrower, First Niagara Bank, N.A. and M&T Bank (individually, a "Bank", and collectively, the "Banks") and Agent (as the same may be amended, modified, supplemented or replaced from time to time, the "Loan Agreement"). The aggregate amount of the Commitment shall not exceed the face amount of this Note, and whenever Borrower obtains any advance, the Commitment shall be automatically and permanently reduced by an amount equal to the amount of such advance. This Note evidences a nonrevolving loan.

2. **REQUESTS FOR LOANS.** Advances made hereunder (each a "Loan") shall be requested by Borrower pursuant to the provisions of the Loan Agreement. Each request for a Loan shall constitute, both when made and when honored, a representation and warranty by Borrower that Borrower is entitled to obtain such Loan. The aggregate unpaid principal amount of Loans under this Note shall not exceed the face amount of this Note. Agent may, in its sole discretion, make an advance to Borrower upon oral request; provided, however, Agent reserves the right to require that advance requests be in writing, accompanied by all documentation required therefor under the Loan Agreement. Each oral request shall be conclusively presumed to have been made by a person authorized by Borrower to do so, and any credit by Agent of a Loan to or for the account of Borrower shall conclusively establish Borrower's obligation to repay same. Agent shall incur no liability of any kind to any party by reason of making an advance upon an oral request.

3. **INTEREST RATE.**

(a) Prior to Conversion. From the date of this Note through and including the Conversion Date (such period, the "Draw Period"), interest shall accrue on the outstanding principal balance hereunder, based on the LIBOR Rate (established and adjusted in accordance with the terms of the Interest Rate Rider attached to this Note and made a part hereof) plus three and seventy-five hundredths percent (3.75%) per annum. Notwithstanding the foregoing, at no time during the Draw Period will the rate at which interest accrues be less than four percent (4.0%) per annum. Should Maturity (as defined herein) not be extended beyond the Conversion Date, interest shall continue to accrue on the unpaid principal balance hereof at the greater of four percent (4.0%) per annum or the LIBOR-Rate plus three and seventy-five hundredths percent (3.75%) per annum, plus any late charges or default interest as may be provided for in this Note, until payment in full is made.

(b) After the Conversion Date. Provided Maturity (as defined herein) has been extended pursuant to Section 2.2 of the Loan Agreement, commencing on February 1, 2017, and continuing until payment in full with this

Note (such period, the "Term Period"), interest shall accrue on the outstanding principal balance hereunder in accordance with Section 2 of the Interest Rate Rider attached hereto.

4. **INTEREST RATE PROVISIONS.**

(a) Borrower shall pay interest, calculated on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable), on the outstanding principal amount from and including the date of this Note to, but not including, the date the outstanding principal amount is paid in full. Until payment in full of this Note, such accrued and unpaid interest shall be due on the first day of each month.

(b) If pursuant to the terms of this Note, Borrower is at any time obligated to pay interest on the principal balance of this Note at a rate in excess of the maximum interest rate permitted by applicable law, the applicable interest rate shall be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder.

(c) If any interest rate index is not available, a similar rate based upon a comparable index selected by Agent, in its sole discretion, will be utilized.

(d) After the occurrence and during the continuance of an Event of Default (as such term is defined in the Loan Agreement), or if the Note is not paid within ten (10) days of when due, at Agent's option, interest shall accrue at a rate per annum equal to the aggregate of 6% plus the rate otherwise applicable (the "Default Rate"), and such rate shall continue to apply whether or not judgment shall be entered on this Note.

5. **REPAYMENT.** Borrower will make consecutive monthly payments of interest on the unpaid principal balance hereof, commencing on February 1, 2014 and continuing on the same day of each successive month thereafter until and including February 1, 2017, at which time all principal, interest and other amounts outstanding under this Note shall be immediately due and payable ("Maturity"). Notwithstanding the foregoing, if all conditions set forth in Section 2.2 of the Loan Agreement have been satisfied on or before the Conversion Date, (A) Maturity shall be extended to February 1, 2021, and (B) beginning on March 1, 2017, and on the first day of each month thereafter, Borrower will make (i) consecutive monthly payments of interest on the unpaid principal balance hereof, and (ii) consecutive monthly principal payments in an amount determined by Agent to be the sum of the principal component of a level monthly principal and interest payment on a loan of $10,000,000.00 being paid over a 19.5 year amortization period which commenced on February 1, 2017 with interest accruing at the rates charged on the EB-5 Loans (as defined in the Loan Agreement), plus (1) if Borrower has selected the FHLB-Based Rate for the Term Period in accordance with the terms of the Interest Rate Rider, the principal component of a level monthly principal and interest payment on a loan of $8,000,000.00 being paid over a 19.5 year amortization period which commenced on February 1, 2017 with interest accruing at the FHLB-Based Rate, or (2) if Borrower has selected the LIBOR-Based Rate for the Term Period in accordance with the terms of the Interest Rate Rider, (i) the principal component of a level monthly principal and interest payment on that portion of the Loan that is subject to an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Banks), being paid over a 19.5 year amortization period which commenced on February 1, 2017, with interest accruing at the rate payable by Borrower under such Interest Rate Protection Agreement plus (ii) the principal component of a level monthly principal and interest payment on that portion of the Loan that is not subject to an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Banks), being paid over a 19.5 year amortization period which commenced on February 1, 2017, with interest accruing at the rate of 7% per annum. Such interest and principal payments shall be payable on the same day of each successive month until Maturity, when the remaining unpaid principal and unpaid accrued interest shall be due and payable in full. At Maturity or the earlier acceleration of this Note, Borrower shall pay the entire principal balance, plus all accrued and unpaid interest and fees.

6. **APPLICATION; BUSINESS DAY.** Borrower shall make all payments on this Note to Agent at its address stated above or at such other place as the holder of this Note may designate. All payments shall be made absolutely net of, without deduction or offset and free and clear of taxes, deductions, charges or withholding of any kind. Agent shall apply all payments received on this Note to any accrued and unpaid interest then due and owing, then to the reduction of principal of this Note, then to other sums due hereunder in such order and in such amounts as Agent may determine from time to time. The sum or sums shown on Agent's records shall be evidence of the

correct unpaid balances of principal and interest on this Note, absent manifest error. If any payment comes due on a day that is not a Business Day, as defined below, Borrower may make the payment on the first Business Day following the payment date and pay the additional interest accrued to the date of payment. "Business Day" means a day of the year which is neither a Saturday or Sunday nor a legal holiday on which banks are required or authorized by law to close in New York State.

7. **PREPAYMENT.**

(a) This Note may be prepaid, in whole or in part at any time prior to or on the Conversion Date, and at any time after the Conversion Date when interest is accruing under this Note at the LIBOR-Based Rate, on ten (10) days' prior written notice to Agent, provided Borrower shall pay to Agent "LIBOR Breakage Charges" determined in accordance with Agent's standard formula, along with all other breakage or termination costs under any Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Banks) in connection with this Note.

(b) The Note may be prepaid, in whole or in part, at any time that interest is accruing at the FHLB-Based Rate, upon thirty (30) day's prior written notice to Agent of Borrower's intent to prepay and subject to and together with payment of a premium (the "Prepayment Premium"), as calculated below. The Prepayment Premium shall be calculated by multiplying the following percentages by the principal amount prepaid. For purposes of this Section, Loan Year One shall be deemed to mean the first twelve (12) full calendar months following the Conversion Date. Each twelve (12) month period thereafter shall be deemed a "Loan Year."

Loan Year One	- 4% of the amount prepaid
Loan Year Two	- 3% of the amount prepaid
Loan Year Three	- 2% of the amount prepaid
Loan Year Four	- 1% of the amount prepaid

Provided, however, that if interest is accruing at the FHLB-Based Rate, in no event shall such Prepayment Premium be less than an amount computed as follows: the current rate for United States Treasury securities with a maturity date closest to the maturity of the Loan (the "Reinvestment Rate") shall be subtracted at the time of prepayment from the FHLB-Based Rate. If the FHLB-Based Rate is less than or equal to the Reinvestment Rate, no Prepayment Premium shall be due. If the Reinvestment Rate is less than the FHLB-Based Rate, then the excess percentage shall be multiplied by the amount of the principal balance being prepaid. The resulting amount shall be divided by 360 and multiplied by the number of days remaining until Maturity, and the amount shall be reduced to present value calculated by using the number of days remaining in the designated term and using the above-referenced United States Treasury security rate and the number of days remaining until Maturity. The resulting amount shall be the minimum Prepayment Premium due to Lender upon prepayment.

Notwithstanding any of the foregoing, if interest is accruing at the FHLB-Based Rate, no Prepayment Premium will be assessed for prepayments made by Borrower which are made during the last 90 days prior to the end of the Loan Year Four.

8. **LATE FEE.** If any payment due under this Note is unpaid for ten (10) days or more, Borrower shall pay, in addition to any other sums due under this Note (and without limiting Agent's other remedies on account thereof), a late charge in an amount equal to 6% of such unpaid amount.

9. **USE OF PROCEEDS.** Any Loan made to Borrower and evidenced by this Note shall be used by Borrower for the purposes described in the Loan Agreement.

10. **SUBJECT TO LOAN AGREEMENT.** This Note is executed and delivered subject to the terms of the Loan Agreement and reference is hereby made to the Loan Agreement for the provisions relating to Agent's rights of acceleration of the principal hereof upon the occurrence of an Event of Default, as defined in the Loan Agreement, and Agent's remedies.

11. **SETOFF.** Without limiting its rights of setoff under New York law generally, if the unpaid principal amount of this Note, interest accrued on the unpaid principal amount thereof or other amount owing by Borrower

under this Note or the other loan documents shall have become due and payable (at maturity, by acceleration or otherwise), Agent will have the right, in addition to all other rights and remedies available to it, without notice to Borrower, to setoff against and to appropriate and apply to such due and payable amounts any obligations owing to, and any other funds held in any manner for the account of, Borrower by Agent, the Banks or any other direct or indirect subsidiary of First Niagara Financial Group, Inc. ("FNFG") or any affiliate with the Banks, including, without limitation, all funds in all deposit accounts (whether time or demand, general or special, provisionally credited or finally credited, or otherwise) now or in the future maintained by Borrower. Borrower consents to and confirms the foregoing arrangements and confirms the rights of banker's lien and setoff. Nothing in this Note will be deemed a waiver or prohibition of or restriction on such rights of banker's lien or setoff.

12. **CHANGE OF LAW.** If the adoption of, any change in or any change in the interpretation of, any law, regulation or guideline applicable to financial institutions by any governmental authority exercising control over Agent, the Banks or FNFG (a "Governmental Rule"), or the compliance by Agent or the Banks with the Governmental Rule (including, without limitation, Regulation D of the Board of Governors of the Federal Reserve System and regulations of the Securities Exchange Commission relating to financial instruments), imposes any reserve, deposit, allocation of capital or similar requirement or any tax (other than taxes on Agent's or the Banks' income) on Agent, the Banks or FNFG which reduces the rate of return on Agent's or Banks' capital then, and in each such case, Agent may require Borrower to pay the amount necessary to compensate Agent, the Banks or FNFG for such reduced rate of return. Agent will deliver to Borrower a statement of the justification for the payment(s), and the determination by Agent shall be conclusive absent obvious error and shall be payable by Borrower to Agent upon Agent's demand. In determining any such amount, Agent may use reasonable averaging and attribution methods.

13. **PAYMENT OF FEES AND EXPENSES.**

(a) Upon execution of this Note, Borrower shall pay Agent and the Banks all reasonable fees and charges for the preparation, negotiation and closing of this Note and all other related loan documents. In addition, Borrower shall pay all other costs incidental to making the Loan or in connection with the Loan, including, without limitation, expenses for lien searches, filing fees, taxes and costs and expenses in connection with the preparation of any amendments, modifications or renewals.

(b) Borrower agrees to pay, upon demand, costs of collection of all amounts due under this Note, including, without limitation, principal, interest and fees, or in connection with the enforcement of, or realization on, any security for this Note, including, without limitation, to the extent permitted by applicable law, reasonable attorneys' fees and expenses.

14. **GOVERNING LAW.** This Note shall be interpreted and the rights and liabilities of the parties shall be governed by the laws of the State of New York, without regard to principles of the conflict of laws. This Note has been delivered to and accepted by Agent and will be deemed to be made in the State of New York.

15. **GENERAL PROVISIONS.**

(a) Borrower waives presentment, demand, notice, protest and all other demands and notices in connection with delivery, acceptance, performance or enforcement of this Note.

(b) This Note, together with any related loan and security agreements, guaranties, and documents ancillary thereto contains the entire agreement between Agent and Borrower with respect to the subject matter hereof, and supersedes every course of dealing, other conduct, oral agreement, commitment letter or other correspondence related thereto and representation previously made by Agent.

(c) Borrower agrees that in any legal proceeding, a copy of this Note kept in Agent's course of business may be admitted into evidence as an original.

(d) This Note is a binding obligation enforceable against Borrower and its permitted successors and assigns and shall inure to the benefit of Agent and its successors and assigns. Borrower may not assign any of its rights or obligations hereunder without the prior written consent of Agent. If a court deems any provision of this Note invalid, the remainder of this Note shall remain in effect.

(e) At any time, promptly upon the reasonable request of Agent, Borrower shall furnish to Agent all information relating to Borrower's business, operations, assets and condition, including, without limitation, verification of liquidity on an ongoing basis.

(f) If there is more than one Borrower, each of them shall be jointly and severally liable for all amounts and obligations which become due under this Note and the term "Borrower" shall include each as well as all of them.

(g) If payment of this Note is secured by collateral, the collateral is specified in the collateral records of Agent.

(h) No failure by the holder hereof to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by such holder of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies of the holder hereof as herein specified are cumulative and not exclusive of any other rights or remedies which such holder may otherwise have.

(i) All notices, demands, or other communications hereunder must be in writing and will be effective when delivered or mailed to the address set forth herein or such other address as provided by such party via overnight delivery service or personal service or, if mailed, three (3) days after deposit, postage prepaid, in an official depository maintained by the United States Post Office.

(j) Borrower agrees to indemnify Agent, the Banks and their affiliates and their respective officers, directors and employees (collectively, "Indemnitees") and hereby holds Indemnitees harmless against all liabilities, claims, actions, suits, proceedings, penalties, costs, expenses, brokerage or other fees (including, without limitation, reasonable legal fees and expenses), losses, damages and liabilities of any kind or nature including in tort, penalties and interest, which such Indemnitees may incur in any manner other than, with respect to an Indemnitee, such Indemnitee's own active gross negligence or willful misconduct, by reason of any matter relating, directly or indirectly, to this Note and the related loan documents. This indemnity shall survive the termination of this Note.

(k) To the fullest extent permitted by applicable law, Borrower shall not assert, and hereby waives any claim against Agent and the Banks, on any theory of liability, for special, indirect, consequential or punitive damages (but excluding direct or actual damages) arising out of, in connection with or as a result of, this Note, any related loan documents, the transactions contemplated hereby or thereby or any Loan or the use of the proceeds.

(l) **USA Patriot Act.** Agent hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56), Agent is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Agent to identify Borrower in accordance with the USA Patriot Act.

(m) **Building Loan Note.** This Note is issued under the terms and provisions of the Loan Agreement, and this Note and the holder hereof is entitled to all of the benefits provided for by the Loan Agreement. Agent holds this Note for the benefit of the Banks, as more particularly set forth in the Loan Agreement. Agent has been appointed as agent pursuant to the Loan Agreement, and in acting under or by virtue of this Note, Agent shall be entitled to all the rights, authority, privileges and immunities provided for in Article IX of the Loan Agreement, all of which provisions are incorporated by reference herein with the same force and effect as if set forth herein.

16. JURISDICTION AND VENUE. BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (A) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY AGENT AND ARISING OUT OF OR OTHERWISE RELATING TO THIS NOTE OR ANY COLLATERAL RELATED HERETO TO THE JURISDICTION OF ANY COURT IN THE COUNTY OF ERIE, NEW YORK OR THE WESTERN DISTRICT OF NEW YORK AND (B) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

17. WAIVER OF JURY TRIAL. BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT BORROWER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (A) THIS NOTE, ANY RELATED LOAN DOCUMENT OR ANY COLLATERAL RELATED HERETO, (B) ANY TRANSACTION CONTEMPLATED BY ANY SUCH DOCUMENTS OR (C) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS NOTE, OR ANY COLLATERAL RELATED HERETO. BORROWER CERTIFIES THAT NEITHER AGENT NOR ANY REPRESENTATIVE OF AGENT HAS REPRESENTED TO BORROWER THAT AGENT WILL NOT SEEK TO ENFORCE THE WAIVER MADE BY BORROWER IN THIS PARAGRAPH. BORROWER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

Borrower: **ISKALO 5020 MAIN LLC**

By: Iskalo Development Corp., Manager

By: ______________________
Name: Paul B. Iskalo
Title: President

STATE OF NEW YORK)
) SS:
COUNTY OF ERIE)

On the 31st day of January, in the year 2014, before me, the undersigned, personally appeared Paul B. Iskalo, known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is are subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

CHRISTOPHER J. HURLEY
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 7-31-17

INTEREST RATE RIDER

to Multiple Draw Term Note dated January 31, 2014 (the "Note") from ISKALO 5020 MAIN LLC ("Borrower") to FIRST NIAGARA BANK, N.A., as agent ("Agent")

1. All capitalized terms used, but not defined in this Rider, shall have the meanings set forth in the Note. In addition, the following terms shall have the following meanings:

"Business Day" shall mean a day other than a Saturday, Sunday or legal holiday on which commercial banks in New York are required or authorized by law to close except, as used in the definition of "LIBOR Rate," it shall mean any day on which commercial banks are open for international business (including dealings in United States dollar deposits in the London Interbank Eurodollar market) in London, England.

"FHLB Rate" shall mean a fixed rate of interest determined by Agent based upon the Amortizing Advance Rate offered by the Federal Home Loan Bank of New York for instruments having a term of 4-year/20-year amortization most recently available on the day which is two (2) Business Days immediately preceding the date for such determination.

"Interest Period" shall mean with respect to any LIBOR Advance, the period commencing on the date a Loan is disbursed or continued and ending on the date that is one month thereafter.

"LIBOR Advance" shall mean any advance(s) under the Note bearing interest based upon the LIBOR-Based Rate.

"LIBOR-Based Rate" shall have the meaning set forth in Section 2, below.

"LIBOR Rate" shall mean a variable interest rate per annum (rounded upwards, if necessary) determined by Agent by dividing (a) the LIBOR rate which is published on Bloomberg Screen, BBAM1 (or any successor as may replace such page in said service for the purposes of display of the interbank interest rates offered on the London market) at 11:00 a.m. London time two (2) Business Days prior to the commencement of the Interest Period: provided, however, if such rate is not available, "LIBOR Rate" shall mean either (i) the rate of interest per annum determined by Agent to be the average rate per annum at which United States dollar deposits in a similar amount are offered for such Interest Period by major banks in the London interbank deposit market at approximately 11:00 a.m. London time two (2) Business Days prior to the commencement of the Interest Period or (ii) a similar rate based upon a comparable index chosen by Agent in its sole discretion, by (b) a number equal to 1.00 less the Reserve Requirement.

"Prime Rate" shall mean the variable rate of interest announced by Agent from time to time as its prime rate for calculating interest on certain loans. The Prime Rate may or may not be the most favorable rate charged by Agent to its customers from time to time.

"Reserve Requirement" shall mean the percentage which Agent determines to be the maximum reserve requirement (including, without limitation, any emergency, marginal, special or supplemental reserve requirement) prescribed for so-called "Eurocurrency liabilities" (or any other category of eurocurrency funding) prescribed by the Board of Governors of the Federal Reserve System (or under any successor regulation which Agent determines to be applicable) with each change in such maximum reserve requirement automatically, immediately and without notice changing the LIBOR Rate thereafter applicable to each LIBOR Advance.

"Variable Rate" shall mean the Prime Rate, plus .75% per annum. The Variable Rate shall change simultaneously with changes to the Prime Rate.

"Variable Rate Advance" shall mean any advance(s) under the Note bearing interest based upon the Variable Rate.

2. Prior to the occurrence and continuance of an Event of Default, subject to the terms of the Note, and provided that Maturity has been extended pursuant to Section 2.2 of the Loan Agreement, commencing on February 1, 2017 (the "Commencement Date") the outstanding principal balance of the Note shall bear interest at a rate per annum equal to:

(a) the LIBOR Rate for the Interest Period determined in accordance with this Rider and the other provisions of the Note plus 3.5% per annum (the "LIBOR-Based Rate"); or

(b) if Borrower so elects (or is deemed to have so elected) in accordance with Section 3 of this Interest Rate Rider, the FHLB Rate plus 3.5% per annum (the "FHLB-Based Rate"), provided that such FHLB-Based Rate shall in no event be less than 4.75% per annum.

3. No later than two (2) Business days prior to the Commencement Date, Borrower shall elect to have interest accrue on the entire principal balance of the Note at either the LIBOR-Based Rate or the FHLB-Based Rate, and should Borrower fail to make such election, Borrower shall be deemed to have elected the FHLB-Based Rate.

4. Interest on the amounts outstanding which bear interest based on the FHLB-Based Rate, shall be payable monthly in arrears on the first of each month until the principal balance shall be paid in full. Interest on all LIBOR Advances shall be payable, in arrears, on the first Business Day following the expiration of the applicable Interest Period or, at Agent's option, on the first day of each month commencing the month following the date of the Note and on the date the LIBOR Advances are paid in full.

5. Each Interest Period shall end on the last day of a calendar month; provided, however, that (a) any Interest Period that would otherwise extend beyond Maturity for payment of any amount shall end on Maturity; (b) the first Interest Period related to any LIBOR Advance not made on the first day of a month will be deemed to be terminated early on the last day of the calendar month in which such LIBOR Advance is initially disbursed, with no assessment of any "LIBOR Breakage Charges"; (c) any Interest Period that would otherwise end on a day which is not a Business Day shall be extended to the next Business Day unless such day falls in the next calendar month in which case the Interest Period shall end on the next preceding Business Day; and (d) each subsequent Interest Period, to the extent applicable, shall commence automatically and immediately following the last day of the preceding Interest Period for the same duration.

6. INTENTIONALLY OMITTED

7. In the event that Agent shall determine that by reason of circumstances affecting the London Interbank Eurodollar market, adequate and reasonable means do not exist for determining the LIBOR Rate are not available to Agent in the Interbank Eurodollar market with respect to a proposed LIBOR Advance or a proposed conversion of any Variable Rate Advance to a LIBOR Advance, Agent shall give Borrower notice of such determination. Until Borrower is notified by Agent that such circumstances no longer exist, (a) the LIBOR Rate will not be available; (b) any requested LIBOR Advance shall be made as a Variable Rate Advance, unless Borrower gives Agent three (3) Business Days' prior notice that its request for such borrowing is canceled; (c) any advance which was to have been converted to a LIBOR Advance shall be continued as a Variable Rate Advance; and (d) any outstanding LIBOR Advance shall be converted to a Variable Rate Advance either (i) on the last Business Day of the applicable Interest Period if Agent can lawfully maintain such loans or (ii) immediately, if Agent cannot lawfully maintain such loans. Agent shall be entitled to fund and maintain its funding of all or any part of any LIBOR Advance in any manner Agent may from time to time deem advisable, Borrower hereby acknowledging that all determinations relating to LIBOR Advances shall be made as if Agent had actually funded and maintained each such LIBOR Advance by the purchase of deposits in an amount similar to the amount of that advance, with a maturity similar to the Interest Period for that advance and bearing interest at LIBOR with respect to that advance.

8. If Agent shall determine that any applicable law, treaty, regulation or directive, or any change therein or in the interpretation or application thereof, shall make it unlawful for Agent to make or maintain any LIBOR Advance, the obligation of Agent hereunder to make or maintain such LIBOR Advance shall terminate. Until Borrower is notified otherwise by Agent, (a) the LIBOR Rate will not be available and (b) the interest rate on all LIBOR Advances shall be converted to a Variable Rate Advance either (i) on the last day of the then current Interest Period, if Agent can lawfully maintain such loans or (ii) immediately, if Agent cannot lawfully maintain such loans. If any such conversion is made on a day that is not the last Business Day of the then current Interest Period, Borrower shall pay Agent, upon Agent's request, any amount required under Section 10 of this Rider.

9. Upon the occurrence and during the continuance of an Event of Default, in Agent's sole discretion, Borrower's right to select pricing options, if applicable, shall cease, and, if Borrower would, but for the application of the preceding clause, have had the right to elect among interest rate options, notwithstanding anything to the contrary in the Note, interest shall accrue at a rate per annum equal to 6.0% plus the interest rate otherwise applicable.

10. INTENTIONALLY OMITTED.

Exhibit 16a

Bank of Castile Commitment Letter

THE BANK OF CASTILE
A Tompkins Community Bank

January 29, 2014

Iskalo 5000 Main, LLC
c/o Iskalo Development Corp.
5166 Main Street, Williamsville, NY 14221
Attention: Paul B. Iskalo

RE: Financing by The Bank of Castile (the "**Lender**") to Iskalo 5000 Main, LLC (the "**Borrower**") for the renovation of 5000 Main Street, Town of Amherst, County of Erie, State of New York (the "**Project**")

Dear Mr. Iskalo,

The Bank of Castile (the "Lender") is pleased to advise you that your application for the loan to finance the renovation of the above captioned real property has been approved, subject to the following terms and conditions:

SECTION 1 -- LOAN TERMS

The terms of the Loan the Lender offers to commit to make are as follows:

1.1 Borrower: Iskalo 5000 Main, LLC, a New York limited liability company to be formed with a place of business at 5166 Main Street, Williamsville, NY 14221, whose sole member is Paul B. Iskalo.

1.2 Loan Amount: Construction loan and a permanent loan in the original principal amount of up to $9,500,000.00, not, however to exceed (a) 65% of the appraised value as determined pursuant to paragraph 3.3 hereof or (b) 75% of the "loan to cost" at any time during the Construction Loan Term (excluding the Developer's Fee from "cost")

1.3 Purpose: Financing for the renovation into an 88 room hotel (totaling 45,790 SF), with 113 parking spaces and related amenities, together with related site improvements ("**Improvements**") of and to the real property located on 2.06 acres at 5000 Main Street, Town of Amherst, County of Erie, State of New York ("**Property**"). The Improvements and the Property are sometimes referred to herein as the "Project."

1.4 Construction Loan - Terms:

(a) Construction Loan Maturity Date: Up to Eighteen (18) months from the date of the closing of the Loan (the **"Closing Date"**)

(b) (b) Interest: Interest from the Closing Date until the Construction Loan Maturity Date shall be fixed and shall accrue at an Initial Interest Rate equal to the **"5 Year FHLB Rate" (defined below)** plus Two Hundred and Seventy (270) basis points per annum, not, however, to be less than Four and One-Quarter Percent (4.25%) per annum. Interest shall accrue on the outstanding principal balance of the Construction Loan and shall be computed on the basis of a 360 day year for the actual number of days of each year.

724 Long Pond Road • Rochester, New York 14612 • (585) 368-7510 • Fax (585) 225-7564

5 Year FHLB Rate. The 5-Year FHLB Rate shall be a fixed rate of interest determined by the Lender to be the then prevailing annualized five (5) year advance rate (as reported on a weekly-average basis) offered by the Federal Home Loan Bank of New York most recently available on a day which is one (1) week prior to the date upon which the interest rate is to be determined, rounded up to the next highest one-eighth of one percent (1/8%), adjusted for Lender's reserve requirements (or if such rate is not available, a similar rate based upon a comparable index chosen by the Lender in its sole discretion).

(c) Payment: Interest only in arrears, due and payable on the first day of each calendar month with the entire principal balance due and payable on the Construction Loan Maturity Date.

(d) Late Charge and Default Interest Rate: The Late Charge provisions set forth in paragraph 1.7 (g) and the Default Rate provisions set forth in paragraph 1.7 (h) shall also apply during the Construction Loan Term.

(e) Prepayment: A partial or full prepayment shall be permitted in accordance with the notice provisions and for the consideration set forth in paragraph 1.7 (f) below. Any amounts prepaid may not be reborrowed.

(f) Commitment Fee: A commitment fee (the **"Construction Loan Commitment Fee"**) equal to one half of one percent (.5%) of the amount of the Construction Loan shall be earned by the Lender upon acceptance of this Commitment Letter. The entire Construction Loan Commitment Fee shall be due and payable in full upon acceptance of this Commitment Letter. If for any reason the transaction does not close, other than because of a default of the Lender in making the Construction Loan, the Lender may retain the Construction Loan Commitment Fee as liquidated damages in view of the difficulty of establishing the actual damages incurred by the Lender as a result of such failure to close.

1.5 Scheduled Completion Date: Construction of the Improvements shall be completed within eighteen (18) months of the Closing Date.

1.6 Conditional Extension: One six-month conditional extension of the Construction Loan Maturity Date is available subject to the following:

(a) No defaults shall exist within the loan documents.

(b) The Borrower shall provide a written request for the extension period at least 45 days prior to the original Construction Loan Maturity Date.

(c) All construction shall be substantially complete.

(d) If necessary, the Interest Reserve shall be rebalanced within the remaining construction budget and any construction budget shortfall shall require equity injection from the Borrower.

(e) Borrower shall pay Lender an extension fee of 12.5 basis points of the Loan Amount at or prior to the effective extension date.

1.7 Permanent Loan – Terms:

(a) At the Construction Loan Maturity Date, the loan shall convert to a Permanent Mortgage Loan on the terms and conditions herein set forth provided that:

(i) no event of default has occurred and is continuing, and there shall have been full compliance with all terms and conditions contained in the Loan Documents, specifically including those in the Building loan Agreement,

(ii) The entire Project shall have attained a lien free completion status and a final Certificate of Occupancy shall have been obtained evidencing the same,

(iii) A final policy of title insurance acceptable to the Lender as herein required shall have been issued and delivered to Lender,

(iv) The Real Property 485 exemption for the Project shall have been approved on terms consistent with those provided to Lender prior to the Closing Date hereunder,

(v) Borrower shall pay Lender an extension fee of 12.5 basis points of the Loan Amount at least 30 days prior to the effective conversion date.

The Loan Documents will provide that on the date the conditions set forth in (a) above are satisfied (the **"Conversion Date"**) the Permanent Loan shall commence and continue in accordance with the terms of this commitment letter, including the following:

(b) Purpose: Conversion of the Construction Loan into a fully amortizing permanent term loan.

(c) Amount: The Construction Loan Amount being up to Nine Million Five Hundred Thousand Dollars ($9,500,000.00)

(d) Interest: The interest rate shall remain fixed for the remainder of the initial five year fixed rate period which commenced on the Closing Date. On the first day of the month five (5) years subsequent to the Closing Date (the **"Adjustment Date"**), the interest rate shall be adjusted and reset and fixed for the following five (5) years at the then existing "5 year FHLB Rate" plus 2.70% per annum subject to a 4.25% per annum floor rate. The then existing "5 year FLHB Rate" is the annualized Federal Home Loan Bank five year advance rate as it exists the week prior to the Adjustment Date (as reported by the Federal Reserve Board on a weekly-average basis) rounded up to the next highest one-eighth of one percent (1/8%), adjusted for Lender's reserve requirements (or if such rate is not available, a similar rate based upon a comparable index chosen by the Lender in its sole discretion).

(e) Payments: Monthly principal and interest payments shall be calculated at the Conversion Date to be amount required to amortize the Permanent Loan over twenty (20) years. The monthly payment will be adjusted on the Adjustment Date to amortize the remaining principal balance at the adjusted rate over the remaining years of the original twenty (20) year amortization of the Permanent Loan. The entire outstanding principal balance of the Loan, together with accrued and unpaid interest and all other charges, if any, due under the Loan Documents shall be due and payable in full on the last day of the Permanent Loan Term, as defined in paragraph 1.7 (i) , below

(f) Prepayment: Full or partial prepayment shall be permitted on any installment payment date provided the Borrower gives not less than five (5) business days prior irrevocable written notice and in consideration of the right to make such prepayment, the Borrower shall make an additional concurrent payment to the Lender equal to five percent (5%) of the principal amount prepaid if prepayment is made in the firsttwelve (12) month period following the Closing Date, which amount concurrently due and payable to the Lender shall be reduced by one percent (1.0%) for each twelve (12) month period thereafter through year 5 whereupon the additional amount due and payable to Lender shall reset as set forth above for the five years following the Interest Rate Adjustment Date. Notwithstanding the above there shall be no additional consideration for principal prepayments paid within the last 90 days of the fifth and tenth 12 month periods following the Closing Date. Any prepayment shall be applied in inverse order of maturity and shall be accompanied by accrued interest on the principal amount being prepaid to the date of prepayment.

(g) Late Charge: If any amount of principal or interest not paid on or before the tenth (10th) day after the date on which it is due, the Lender shall have the right to assess a late charge of five percent (5.0%) of the amount overdue with a minimum charge of $50.00. Late charges shall be payable on demand.

(h) Default Rate: The interest rate shall be increased by three percent (3.0%) per annum upon the occurrence of an event of default under the Loan Documents, which increased rate shall remain in effect from the date of event of until the time the default is cured.

(i) Permanent Loan Term: Eight and one-half (8.5) years from the Closing Date or Eight (8.0) years from the Closing Date if the Construction Loan Maturity Date is extended pursuant to paragraph 1.6 above

1.8 General Contractor: Iskalo Development Corp., or as approved by Lender.

1.9 Developer: Iskalo Development Corp.

1.10 Financial Statements: The Borrower and the Guarantors, as defined below, and their respective affiliates, as determined by the Lender, must submit timely and accurate financial information to the Lender. Annually, the Borrower and Iskalo Development Corp. shall provide annual budget, federal and state income tax returns, income and expense statements and review quality financial statements prepared by an independent Certified Public Accountant and must be received by the Lender within one hundred twenty (120) days after year-end. Upon Lender request, Borrower shall provide quarterly interim management prepared financial statements received by Lender within fifteen (15) days of request. Annually, personal Guarantor shall provide signed copy of his Federal Income Tax Return within 30 days of filing

Annually, within 150 days of calendar year end, personal Guarantor shall provide a signed, current personal financial statements to be completed on the Lender's form, including supporting annual income and expense and monthly debt service schedules for all real estate owned and listing of all Contingent Liabilities, all in detail satisfactory to the Lender. Lender and/or broker statements shall be supplied with an "as of" date(s) within 60 days of the date of the respective personal financial statement to confirm liquidity reported.

Borrower, Iskalo Development Corp. and Guarantor shall provide such other financial information as reasonably requested by the Lender within a reasonable timeframe from the date of request.

If the Borrower, Iskalo Development Corp. and/or the Guarantor fail to comply with this requirement, it will constitute an event of default under the Loan Documents.

1.11 Architect: Iskalo Development Corp. or as approved by Lender.

1.12 Inspecting Engineer: Construction Monitoring Consultants, Inc.

1.13 Loan Documents: The loan documents ("**Loan Documents**") for the Loan shall include, without limitation, the following provisions:

(a) It shall be an event of default, at the option of the Lender, in the event that, without the prior written consent of the Lender (i) any person other than the Lender shall further encumber the Property and/or the Improvements and/or any other collateral covered by the Lender's Loan Documents and/or any membership interest in the Borrower with any lien, encumbrance, pledge or other grant or security interest imposed in connection with any other financing, except for encumbrances, pledges, grants or interests expressly permitted by Lender pursuant to the Loan Documents , or (ii) the Borrower and/or members of the Borrower enter into any merger or consolidation or sell, transfer and/or convey (voluntarily or involuntarily) all or substantially all of its assets or otherwise fails to maintain its existence, or (iii) the Property and/or the Improvements and/or any other collateral covered by the Lender's Loan Documents or any part thereof or any interest therein shall, in any manner, by operation of law or otherwise, be sold, transferred or conveyed to any other person or entity, which restriction shall include (x) the sale or transfer of any managing member interest in the Borrower to any entity not otherwise consented to by the Lender, (y) the sale or transfer of any membership interests in the Borrower to any entity not otherwise consented to by the Lender, or (z) the dilution of the present control by the issuance of new membership interests in the Borrower or any member of the Borrower.

(b) The proceeds of the Loan shall be used in accordance with a sources and uses schedule included in the Project Budget agreed to by the Lender and the Borrower ("Sources and Uses Schedule"), with modifications thereto only as approved by the Lender. All other funding sources as set forth on the Sources and Uses Schedule shall be available to the

Project and documentation of the availability and timing of payment shall be provided to Lender and shall contain only such conditions as approved by Lender.

(c) The Project Budget shall reflect a hard and soft cost contingency reserve in an amount no less than $390,000.00 ("**Contingency Reserve**"), which shall be reserved to cover the payment of construction costs contingencies incurred in connection with the construction and completion of the Improvements and shall not be advanced for any other purpose unless otherwise agreed to by the Lender in its sole and absolute discretion. Lender's prior approval of payment from the Contingency Reserve in an amount exceeding $25,000 for any one item or series or related items shall require the prior consent of the Lender.

(d) The Borrower shall maintain all operating and any required escrow/operating and debt service/replacement reserves in connection with the Property in accounts established with the Lender prior to the Closing Date.

(e) The Project Budget shall reflect an interest reserve in the amount of $300,000.00 (the "**Interest Reserve**"), which shall be reserved to cover the payment of interest on the Loan and shall not be advanced for any other purpose unless otherwise agreed to by Lender in its sole and absolute discretion.

SECTION 2 -- COLLATERAL

The Loan will be secured by the following required collateral:

2.1 <u>Collateral</u>:

(a) First priority mortgage (the "**Mortgage**") on the Project from the Borrower, subject to no liens or encumbrances other than as approved by Lender.

(b) First in priority Assignment of Leases, Rents and Profits from the Borrower for the Property.

(c) First in priority Security Interest and UCC-1 filing on all of Borrower's personal property including and fixtures, including Accounts, Equipment, Inventory, Furniture, Fixtures and Equipment, along with contracts, agreements, plans, specifications, maps, permits, approvals, insurance proceeds and condemnation awards

(d) The Lender's collateral assignment of the Management Agreement between Borrower and Emerald. All contracts and agreements with the Architect, the General Contractor and any major subcontractors and all plans and specifications, permits, licenses, work product of every nature, together with all appraisals and agreements in connection with or relating to the construction, use, operation, or development of the Property, and/or the equipment and improvements installed at the Project shall be assigned to the Lender as additional collateral security for the Loan. The Property Manager, Architect and General Contractor shall consent to the collateral assignment of their respective contracts and shall agree to the continuation of the same for the benefit of the Lender if payment continues to be made by the Lender as a result of any default by the Borrower

2.2 Guaranties: Continuing Guaranty of Payment and the timely, lien free Completion of the Project (the "**Guaranties**") for the benefit of the Lender shall be ex4ecuted and delivered by PaulB. Iskalo (the **"Individual Guarantor"**) Iskalo Development Corp., shall execute and deliver for the benefit of the Lender a guaranty of the timely and lien free Completion of the Project, which is to be released upon Conversion to Permanent Loan. All Guaranties shall be joint and several, continuing, and in form and substance satisfactory in all respects to Lender and its counsel

2.3 Individual Guarantor: The Individual Guarantor may be reduced to an amount equal to 50% of the then unpaid principal balance of the Loan (plus all interests, costs and expenses as provided in the Guaranty) upon written request and providing suitable documentation acceptable to the Lender that the following have been satisfied:

(a) No defaults shall exist within or under any of the loan documents.

(b) The Project's operations shall have achieved in excess of 1.35x DSCR annually for the preceding 3 consecutive years as determined by the Lender.

(c) The loan shall be paid down to a maximum of 45% loan to value based upon a new Appraisal to be ordered by and acceptable to the Lender, and shall be subject to the Lender's independent review procedure. Cost of Appraisal and Appraisal Review shall be paid for by the Borrower..

SECTION 3 -- DOCUMENTS REQUIRED PRIOR TO CLOSING

It shall be the obligation of the Borrower to furnish the following documents to Lender, all in form, content and legal effect acceptable to Lender, as soon as possible, but not later than thirty (30) days before closing:

3.1 Title Insurance Binder: A title insurance binder or report issued by a title insurance company acceptable to Lender containing a complete and appropriate legal description of the Property and including copies of all easements, restrictions, and other exceptions, committing the title insurance company to issue a policy in form satisfactory to Lender insuring the Mortgage to be a valid first lien on the Project in the amount of the Loan or so much thereof as shall be advanced from time to time free and clear of all liens, encumbrances and exceptions, excepting those which Lender has approved. Borrower or Borrower's Attorney shall provide the Lender with a Preliminary Commitment for Title Insurance through an underwriter licensed to provide Title Insurance by the New York State Insurance Department.

3.2 Survey: Three (3) prints of a current ALTA survey approved by, and certified to, the title insurers and Lender showing the monuments, courses and distances of the Property, any structures thereon, encroachments, easements, rights-of-way and other customary and relevant information in accordance with Lender's Survey Standards, which shall be provided to Borrower.

3.3 Appraisal: The closing of the Loan shall be contingent on the Lender receiving and approving, in its sole discretion, an appraisal on the Property by an appraiser approved by the Lender. The full loan amount is contingent on the "as completed and as stabilized" appraisal demonstrating a maximum loan to value ratio of 65%.

3.4 Plans and Specifications: A signed set of construction plans and specifications, which shall have approvals noted thereon by the Borrower and the General Contractor or the construction manager, as applicable. No substantial changes in the submitted Plans and Specifications may be made without Lender's prior written consent. The Plans and Specifications and construction schedule shall be commented on and approved by the Inspecting Engineer.

3.5 Budget and Trade Cost Breakdown: Detailed Project Budget of all costs of the construction of the Improvements and acquisition of fixtures and equipment together with a detailed trade breakdown of all construction costs and project costs by line item verified and approved in writing by the Lender's Inspecting Engineer, including construction schedule, trade cost breakdown and itemization of construction and non-construction expenses, showing all costs required to complete the Project according to the Plans and Specifications, detailed construction schedule, and cash flow projections (**"Project Budget", attached hereto as "Schedule A"**). The Project Budget shall include a Sources and Uses Schedule as described in paragraph 1.12 (b) above.

3.6 Pre-Cost Analysis: An analysis by the Inspecting Engineer of the sufficiency and reasonability of the proposed Project Budget, the feasibility of the proposed construction schedule, and the completeness and conformity with applicable building codes of the Plans and Specifications.

3.7 List of Contractors and Subcontractors: The Borrower shall furnish the Lender with such information regarding the General Contractor and major subcontractors as the Lender may request, and the General Contractor and the major subcontractors shall be subject to approval by the Lender.

3.8 Construction Contracts: Assignment of the construction contracts for the Improvements which shall provide fixed guaranteed maximum prices and which shall be consistent with the Project Budget, together with all contract documents.

3.9 Contracts and Subcontracts: Assignment of, and true copies of, executed contracts and subcontracts.

3.10 General Contractor's Agreement: Agreement by the General Contractor to continue to perform for Lender the services the General Contractor has contracted to perform for the Borrower notwithstanding any default under or Lender's foreclosure of the Mortgage, without additional cost. It is understood that the General Contractor's contract shall be reviewed and approved in all respects by the Lender and its Inspecting Engineer and shall be reconciled with the Project Budget. The Borrower shall furnish or cause to furnish to the Lender such information regarding the General Contractor as the Lender may request, including but not limited to evidence that the General Contractor possesses insurance coverage in an amount customary for a project of this scope. The General Contractor shall be subject to approval by the Lender.

3.11 Major Subcontractors' Agreements: Agreements by each major subcontractor to continue to perform for Lender the services each major subcontractor has contracted to perform for the Borrower notwithstanding any default under or Lender's foreclosure of the Mortgage, without additional cost. It is understood that each major subcontractor's contract shall be reviewed and approved in all respects by the Lender and its Inspecting Engineer and shall be reconciled with the Project Budget. The Borrower shall furnish or cause to furnish to the Lender such information regarding each major subcontractor as the Lender may request, including but not limited to evidence that each major subcontractor possesses insurance coverage in an amount customary for a project of this scope. Each major subcontractor shall be subject to approval by the Lender.

3.12 Architect's Agreement and Certification: An agreement by the Architect to perform for Lender the Architect's contract with the Borrower notwithstanding any default thereunder or Lender's foreclosure of the Mortgage without additional cost, and the Architect's certification that the Project, when completed according to the Plans and Specifications, will comply with all applicable laws, regulations and ordinances. The Borrower shall furnish or cause to furnish to the Lender such information regarding the Architect as the Lender may request, including but not limited to evidence that the Architect possesses insurance coverage in an amount customary for a project of this scope. The Architect shall be subject to approval by the Lender.

3.13 Management Agreement and Certification: An agreement by the Property Manager to perform for Lender the Property Manager's contract with the Borrower notwithstanding any default thereunder or Lender's foreclosure of the Mortgage without additional cost. The Borrower shall furnish or cause to furnish to the Lender such information regarding the Property Manager as the Lender may request, including but not limited to evidence that the Property Manager possesses insurance coverage in an amount customary for a project of this scope.

3.14 Zoning: Evidence of compliance with or exemption from zoning, environmental and other laws, ordinances, rules, regulations and restrictions affecting or relating to the Project, construction of the Improvements, operation and use of the Improvements after completion, and consummation of the transaction. Copies of the agreements, ordinances, all variances and special permits applicable to the Project, which shall show that the construction and use of the Improvements are permitted and that all conditions thereto have been met.

3.15 Building Permits: Copies of all necessary building permits required for the construction of the Improvements issued by the municipality in which the Property is located and copies of all planning and zoning approvals, actions, resolutions, variances, or SEQR material preceding the building permit.

3.16 Other Permits and Approvals: Copies of all approvals, consents, permits, authorizations, and licenses which are necessary for the construction of the Improvements, the use of the Project for the purposes for which constructed, and, if appropriate, for the marketing of the Project, including, but not limited to, highway access and curb cut permits, discharge or storm water runoff permits; and a listing of all such approvals, consents, permits authorizations, and licenses which have not been obtained, if any.

3.17 Insurance: The Borrower must maintain Hazard, Liability and Flood Insurance, if applicable, with an established insurance company in at least the amount of the Loan. In addition, the insurance policy must name **The Bank of Castile, its successors and/or assigns** as mortgagee and loss payee with a thirty (30) day notice of cancellation clause. The Lender shall also require evidence of insurance from the Contractor, each major subcontractor and the Architect in such coverage and amounts deemed satisfactory by the Lender in its sole discretion.

3.18 Equity Payments: Documentation satisfactory to Lender, in its sole discretion, evidencing the Borrower or its members availability of funds and commitment to make an additional capital contributions to the meet the equity requirements of the Project, set forth on Sources and Uses statement as $4,020,000, exclusive of development fee.

3.19 Agreements: At or prior to the Closing Date, executed copies of all agreements of any nature, whatsoever affecting or relating to the use, operation, development, or construction of the Project, and/or the Improvements, which agreements shall be satisfactory in all respects to the Lender and its counsel.

3.20 Financial Resources: Satisfactory review of other financial resources which would be available to cover any cost overruns relating to the construction of Improvements.

3.21 Organizational Documents: Copies of the organizational documents, current operating agreements , current good standing certificates and the EIN of the Borrower and the Developer certified to be true, correct and complete and in form and content satisfactory to the Lender authorizing the Loan and the execution and delivery of the Loan Documents.

3.22 Guarantor Documents: Copies of the organizational documents, current operating agreements/by-laws, current good standing certificates and EIN of Iskalo Development Corp, certified to be true, correct and complete and in form and content satisfactory to the Lender, together with the resolutions of the Guarantor's managers and/or members, as required.

3.23 Guarantor Financial Statements: Annually, current personal financial statements and complete copies, signed, of federal income tax returns for the Individual Guarantor on the Lender's standard form and otherwise satisfactory to the Lender.

3.24 Real Property Tax Abatement: Documentation must be submitted to and approved by Lender evidencing the amount and terms of any real property tax abatement applicable to the Project, together with evidence of compliance with the requirements for any such abatement. To the extent permitted by law, such Tax Abatement shall continue for the benefit of the Project for the duration of the Permanent Loan Term.

3.25 Opinion of Counsel: An opinion of counsel for Borrower and all Guarantors shall provide to Lender a legal opinion acceptable to Lender opining on organization, good standing, authority, authorization, consent, enforceability and binding nature of the Loan Documents and such other matters as determined necessary and appropriate by Lender in rendering an opinion of the nature customarily required by a transaction of this nature.

SECTION 4 -- COMPLIANCE WITH HAZARDOUS MATERIALS, LAWS, RULES AND REGULATIONS

4.1 Environmental Compliance Analysis: The closing of this Loan is contingent on completion of the Lender's Phase I environmental assessment or such other environmental assessment in form and substance satisfactory to the Lender it its sole discretion. Any fees for the Phase I assessment or such other environmental assessment shall be payable by the Borrower and shall be performed by a qualified environmental consulting firm approved by the Lender. If the results of any environmental assessment are not acceptable to the Lender, in its sole discretion, the Lender may choose to decline this Loan and revoke this Commitment Letter. Notwithstanding the above, the Borrower and the Guarantors shall execute and deliver an Environmental Indemnity in favor of the Lender in form and substance satisfactory in all respects to the Lender and its counsel on or before the Closing Date.

SECTION 5 -- DISBURSEMENT OF THE LOAN

The Building Loan Agreement will provide for the following matters:

5.1 Advances for Construction: The Loan will be disbursed in interim advances not more frequently than once each month based upon the value of work completed not to exceed 85% of the documented costs (excluding the developer's fee) to the date of disbursement requests for advances must be submitted on AIA Forms G702 and G703, executed by Borrower, the General Contractor, the any major subcontractors, if applicable and the Architect and received by Lender at least ten (10) days prior to the day the advance is sought. Until the Project is complete, the Inspecting Engineer and Lender's representative shall perform at least monthly inspections in scope satisfactory to Lender. Each advance will be conditioned upon (a) the determination of the Inspecting Engineer that completed construction has been in accordance with the approved Plans and Specifications, that the necessary percentage and nature of work has been completed in accordance with the Project Budget to justify the advance requested, and that the undisbursed portion of the Loan will be sufficient to complete the Project; (b) a clear continuation of title to the date of such advance; (c) evidence that the title insurance policy insures the priority of the lien of the Mortgage with respect to that advance; and (d) current lien waivers from the General Contractor and all contractors and subcontractors to be identified by Lender. Lender reserves the right to make advances through a title company or other disbursement agent. Borrower shall deposit with Lender within ten (10) days of Lender's demand therefor an amount equal to the amount by which the cost of full lien-free completion of the Project exceeds the amount of undisbursed Loan funds (excluding Retainage and interest reserve).

5.2 Retainage: Ten percent (10%) of hard costs of then-completed construction as determined by Lender (**"Retainage"**). In no event, however, shall the retainage be less than the amount actually held back by the Borrower from the General Contractor and all of the subcontractors engaged in the construction of the Improvements. Lender shall release the Retainage to Borrower when the conditions to the final advance have been met. Notwithstanding the forgoing, at its discretion, Lender may release, prior to completion of construction of the Project portions of the Retainage relating to a particular Construction Contract upon (i) Borrower's written request, (ii) Lender's receipt of evidence of completion of the work to which such Construction Contract applies and, (iii) Lender's receipt of such other documentation as Lender or its Inspecting engineer may require relative to such release.

5.3 Final Advance: The final advance of the Loan shall be made only after receipt by Lender of (a) a final unconditional certificate of occupancy for the Project, (b) municipal approval of any off-site access roads or other components of the Project, (c) an "as-built" survey, if applicable (d) certificate of substantial completion from the Architect, verified by the Inspecting Engineer, (e) affidavit of payment and lien waivers from the General Contractor, (f) lien waivers from all other contractors and subcontractors, as required by Lender, (g) final title insurance policy, if not previously issued, and (h) such other evidence of lien-free completion as Lender may require. Lender reserves the right to invoke the above requirements in connection with final advances on individual buildings or phases of the Project.

Inspections by the Inspecting Engineer or a representative of Lender, or both are for the purpose of determining the state of completion only and in no way constitute a warranty or guaranty of the quality of construction.

5.4 Use of Loan Proceeds: The Building Loan Agreement shall require specific uses and amounts of advances, and the provision of a standard AIA form certified by the Architect. The proceeds of the Construction Loan shall only be used for items deemed costs of improvement under the Lien Law of the State of New York.

5.5 Minimum Amount of Advance: Without the prior approval of the Lender, the minimum amount of each advance shall be \$50,000.00 and must be justified in accordance with the terms of the Loan Documents and an advance may not be requested more frequently than one time per month.

5.6 Change Orders: All change orders require the prior approval of the Lender and Inspecting Engineer.

5.7 Lien Waivers: Waivers from all contractors engaged on the Project will be required. A clear lien search must be provided.

5.8 Inspection: Completed satisfactory inspection by the Lender or its agents.

SECTION 6 -- FINANCIAL COVENANTS

6.1 Borrower: The Loan Documents shall require that Borrower, commencing with the calendar year ending 12/31/16, annually maintain a ratio of Net Operating Income (**"NOI"**) to the sum of interest expense on all obligations and all regularly scheduled principal reductions under the Notes of not less than 1.25 to 1.0. If the Borrower fails to comply with this requirement, the Interest Rate on the Loan shall be increased by 0.25% per annum until such time as the requirement is met evidenced by the next annual review. Without regard to any increase in the Interest Rate, failure to comply with the above covenant will constitute an event of default under the Loan Documents and Lender may pursue any remedies as therein set forth..

SECTION 7 -- MISCELLANEOUS MATTERS

7.1 Approval: **The Bank of Castile** has approved the terms of this Commitment Letter and is issuing this Commitment Letter based on the financial information previously submitted by the Borrower and/or any Guarantor to the Lender. If there is any substantial adverse change in the financial condition of either the Borrower or any Guarantor prior to the Loan closing which indicates that the Borrower or such Guarantor would be unable to repay the Loan or if the Lender learns that any of the financial information submitted has not been accurate, the Lender may revoke this Commitment Letter without the Borrower having any claim or liability.

7.2 Survival: The Borrower and Guarantors agree that the terms and conditions of this Commitment Letter shall survive the execution and delivery of the Loan Documents at closing.

7.3 Publicity: At the request of the Lender, the Borrower shall permit Lender to place a sign at the Project and/or publicize the involvement of the Lender in this transaction.

7.4 Primary Deposit Relationship: The Borrower agrees during the term of the Loan to maintain a primary deposit relationship with the Lender.

7.5 Term of Commitment: Once this commitment has been accepted, the transaction must close no later than March 31, 2014 after which time the commitment to provide financing shall be null and void.

Borrower acknowledges that this Commitment constitutes the entire agreement between the Borrower and the Lender and any discussions or communications preceding this Commitment Letter are superseded hereby.

This Commitment may not be assigned by the Borrower without the prior written consent of the Lender.

Borrower and Guarantors hereby agree to cooperate with, and assist Lender with, signing and submitting all documentation requested by Lender prior to closing and after closing.

The Bank of Castile is pleased to offer this Loan to you. If the terms and conditions herein are satisfactory to you, please sign this Letter signifying your acceptance and return a signed copy to us within ten (10) days of the date of this Letter, along with your check payable to Bank of Castile for the Construction Loan Commitment Fee. Unless otherwise extended, this Commitment will expire ten (10) days of the date of this Letter.

Very truly yours,

The Bank of Castile

By: ______________________________
Peter W. Hin
Vice President

ACCEPTED AND AGREED TO THIS _____ DAY OF ________________, 2014.

(____) By checking this box, Borrower authorizes Bank to engage New York Bankers Title Agency West, LLC to provide the title insurance policy required for this transaction.

(____) By checking this box, Borrower indicates the title insurance policy required for this transaction will be provided by someone other than New York Bankers Title Agency West, LLC.

BORROWER:
Iskalo 5000 Main, LLC

By: ________________________________
Name: Paul B. Iskalo
Title:

GUARANTORS:

____
Paul B. Iskalo

ISKALO DEVELOPMENT CORP.

By: ________________________________
Name: Paul B. Iskalo
Title:

Use of Proceeds - Sched A
Preliminary Budget Schedule
Lord Amherst Hotel (88 rooms)
revised 01/28/2014

Itemized	Total Cost	Cost/Key	Funding Sources Loan	Equity
Hotel (Existing Bldg & Land)	$2,750,000	$31,250	$1,760,000	$990,000
Hotel Renovation (Shell, Rooms, Site Work)	$7,810,000	$88,750	$5,900,000	$1,910,000
Hotel FF&E	$1,570,000	$17,841	$1,050,000	$520,000
Architecture & Engineering	$400,000	$4,545	$0	$400,000
Interest Reserve Carry	$300,000	$3,409	$300,000	$0
Closing Costs - AIDA & Constr Loan	$200,000	$2,273	$100,000	$100,000
Contingency (5% of Renovation)	$390,000	$4,432	$390,000	$0
Totals	$13,420,000	$152,500	$9,500,000	$3,920,000

Use of Proceeds - Sched A
Preliminary Budget Schedule
Lord Amherst Hotel (88 rooms)
revised : 01/28/2014

Itemized	Total Cost	Cost/Key	Funding Sources Loan	Equity
Hotel (Existing Bldg & Land)	$2,750,000	$31,250	$1,760,000	$990,000
Hotel Renovation (Shell, Rooms, Site Work)	$7,810,000	$88,750	$5,900,000	$1,910,000
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Architecture & Engineering	$400,000	$4,545	$0	$400,000
Interest Reserve Carry	$300,000	$3,409	$300,000	$0
Closing Costs - AIDA & Constr Loan	$200,000	$2,273	$100,000	$100,000
Contingency (5% of Renovation)	$390,000	$4,432	$390,000	$0
Totals	$13,420,000	$152,500	$9,500,000	$3,920,000

Exhibit 16b

Bank of Castile Loan Documents

COPY

BUILDING LOAN AND PERMANENT LOAN PROMISSORY NOTE

$9,500,000.00

Buffalo, New York
March 26, 2014

FOR VALUE RECEIVED, the undersigned, **Iskalo 5000 Main LLC,** a New York limited liability company, having an address of 5166 Main Street, Williamsville, New York 14221 ("Borrower"), hereby promises to pay to the order of **The Bank of Castile** ("Lender"), at its principal office at 133 North Center Street, Perry, New York 14530 or at such other place as the holder hereof may from time to time designate in writing, the principal sum of up to **Nine Million Five Hundred Thousand and 00/100 Dollars** U.S. (**$9,500,000.00**), or so much thereof as may be advanced from time to time hereunder and /or pursuant to the terms of a Building Loan Agreement (herein after defined) together with interest on the unpaid principal balance thereon from time to time outstanding, at the rates and at the times hereinafter provided.

Definitions. When used in this Building Loan and Permanent Loan Promissory Note ("Note") the following terms shall have the meaning indicated for each of them:

(a) Building Loan Agreement: The Building Loan Agreement made by and between Borrower and Lender and dated on even date herewith, providing for terms, conditions and provisions for the advance of up to $9,500,000.00 of the principal amount and which will be filed in the office of the Clerk of the County of Erie.

(b) Business Day: A day on which commercial banks are not authorized or required to close in New York State.

(c) Construction Loan Term: Commencing on the date hereof and ending on the **earlier to occur** of (a) the Conversion Date, or (b) September 30, 2015, or (c) if all Conditions to the Extension of the Construction Loan Term have been satisfied as herein provided, March 31, 2016

(d) Conversion Date: The date on which all Conditions to Conversion set forth herein have, in the Lender's discretion, been satisfied and the Permanent Loan Term commences. The Conversion Date must occur on the first day of a calendar month.

(e) Extended Construction Loan Term: One (1) six (6) month period commencing on September 30, 2015 and continuing until March 31, 2016, only if, all of the Conditions to the Extension of Construction Loan Term set forth herein have been satisfied.

(f) 5-Year FHLB-NY Rate: The 5-Year FHLB Rate shall be a fixed rate of interest determined by the Lender to be the then prevailing annualized five (5) year advance rate (as reported on a weekly-average basis) offered by the Federal Home Loan Bank of New York most recently available on a day which is one (1) week prior to the date upon which the interest rate is to

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be determined, rounded up to the next highest one-eighth of one percent (1/8%), adjusted for Lender's reserve requirements (or if such rate is not available, a similar rate based upon a comparable index chosen by the Lender in its sole discretion).

(g) Interest Rate Floor At no time during the Loan Term shall the interest rate accrue at less than Four and One Quarter Percent (4.25%) per annum.

(j) Loan Term: The Construction Loan Term, the Extended Construction Loan Term and/or the Permanent Loan Term, if applicable, as the context so requires.

(k) Maturity Date: The last day of the Construction Loan Term, or the Extended Construction Loan Term , if applicable, unless the Permanent Loan Term set forth herein commences pursuant to the provisions hereof, in which event the Maturity Date shall be the last day of the Permanent Loan Term of March 31, 2024

(l) Permanent Loan Term: Commencing on the first day of the month subsequent to the date when all Conditions to Conversion set forth herein have been satisfied in full, and ending on March 31, 2024

Interest Rate.

(a) Interest shall accrue at the Rate of 4.95% per annum for the first full sixty (60) months of the Loan Term (the "Initial Interest Rate").

(b) On the first day of the sixty first (61st) month of the Loan Term ("Interest Adjustment Date"), the Interest Rate shall be adjusted to equal the 5-Year FHLB-NY Rate plus Two Hundred and Seventy (270) basis points per annum, not, however, to be less than the Interest Rate Floor of Four and One Quarter Percent (4.25%) per annum ("Adjusted Interest Rate), which shall remain in effect for the remainder of the Permanent Loan Term.

(c) It is intended that the rate of interest hereon shall never exceed the maximum rate, if any which may be legally charged on the loan evidenced by this Note ("Maximum Rate"), and if the provisions for interest contained in this Note would result in a rate higher than the Maximum Rate, interest shall nevertheless be limited to the Maximum Rate and any amounts which may be paid toward interest in excess of the Maximum Rate shall be applied to the reduction of principal, or, at the option of Lender, returned to Borrower.

Payments.

(a) During the Construction Loan Term, Borrower shall pay to Lender all accrued interest at the Initial Interest Rate monthly in arrears on the first day of each month.

(b) All outstanding principal, interest and other amounts due hereunder shall be paid by Borrower to Lender on the last day of the Construction Loan Term, if not sooner paid, unless the Construction Loan has been converted to a Permanent Loan as herein provided.

(c) Commencing on the first day of the second month of the Permanent Loan Term and continuing on the first day of each month thereafter through and including the month of the Interest Adjustment Date, Borrower shall pay to Lender fixed monthly payments in the amount necessary to repay the unpaid principal balance of the Loan and all accrued interest thereon at the Initial Interest Rate in equal amortizing payments based on a twenty (20) year amortization schedule, which payments shall be applied first to interest at the Initial Interest Rate and the remainder to principal.

(d) Commencing on the first day of the month following the Interest Adjustment Date, and continuing on the first day of each month thereafter through the remainder of the Loan Term, Borrower shall pay to Lender fixed monthly payments in the amount necessary to repay the unpaid principal balance of the Loan and all accrued interest thereon at the Adjusted Interest Rate in equal amortizing payments based on the remainder of the original twenty (20) year amortization schedule, which payments shall be applied first to interest at the Initial Interest Rate and the remainder to principal.

(e) All outstanding principal, interest and all other amounts due hereunder shall be paid by Borrower to Lender on the Maturity Date, if not sooner paid.

Prepayment. On any monthly installment date, the Borrower shall have the right at any time to prepay the unpaid principal balance of the Loan, in whole or in part, which must be accompanied by all accrued and unpaid interest thereon, upon at least five (5) business days irrevocable written notice to the Lender and payment to the Lender of a prepayment assessment in accordance with the schedule set forth below.

First full 12 months of the Loan Term	5% of principal amount prepaid
Months 13 – 24 of the Loan Term	4% of principal amount prepaid
Months 25 – 36 of the Loan Term	3% of principal amount prepaid
Months 37 - 48 of the Loan Term	2% of principal amount prepaid
Months 49 – 60 of the Loan Term	1% of principal amount prepaid
Months 61 – 72 of the Loan Term	5% of principal amount prepaid
Months 73 – 84 of the Loan Term	4% of principal amount prepaid
Months 84 – 96 of the Loan Term	3% of principal amount prepaid
Months 97 - 108 of the Loan Term	2% of the principal amount paid
Months 109 - 120 of the Loan Term	1% of the principal amount paid

Notwithstanding the above there shall be no prepayment assessment for principal prepayments paid within the last 90 days of the fifth and/or within the last 120 days of the tenth 12 month periods following the Closing Date.

The payment of any partial prepayment shall not relieve the Borrower from the obligation to make subsequent scheduled monthly installments of principal and interest due hereunder. All prepayments shall be applied to the reduction on principal in inverse order of maturity and shall not be reborrowed.

The application of insurance proceeds which become available, or any damages recovered in connection with any eminent domain proceeding, by Borrower in reduction of the indebtedness of the Loan shall not be deemed a voluntary prepayment and there shall be no prepayment premium due and payable as a result thereof.

Conversion to Permanent Loan Term. The Construction Loan Term shall be converted to the Permanent Loan Term subject to satisfaction of all of the following "Conditions to Conversion":

(a) Borrower shall request such conversion in writing not less than thirty (30) days prior to the expiration of the Construction Loan Term, which written request shall (i) be accompanied by the Conversion Fee equal to 12.5 basis points of the Permanent Loan Amount, and (ii) shall constitute a certification from the Borrower that no event of default exists on the date such notice is given and that no event or condition exists on such date which, with the giving of notice or the lapse of time, or both, would constitute an event of default under any of the Loan Documents and, in fact, no such event of default shall have occurred or shall occur during the Construction Loan Term, and

(b) Borrower shall have provided evidence satisfactory to Lender that (i) construction of the Project is substantially completed and the Lender's engineer so certifies; (ii) Borrower has provided Lender with a complete, as built survey map acceptable to Lender; along with a final policy of title insurance without change or exception since the Closing Date which is satisfactory to Lender, (iii) a final Certificate of Occupancy and all other permits, licenses and approvals necessary for the occupancy and use of the Project, have been issued; (iv) Borrower has performed all its obligations under the Building Loan Contract, including without limitation those respecting construction of the Project and the providing of required lien waivers and satisfactory evidence of lien free completion of the Project; (v) the PILOT agreement between the Borrower and the Amherst Industrial Development Agency providing property tax exemptions consistent with those provided to Lender prior to the date hereof shall be in force and effect and the Lender shall have been provided with a fully executed copy thereof, and (vi) the Conversion Fee equal to 12.5 basis points of the Permanent Loan Amount shall have been received by the Lender

(c) Upon satisfaction of all of the Conditions to Conversion, the full amount of this Note shall be advanced to Borrower.

Extension of Construction Loan Term. Borrower is provided an option to extend the Construction Loan Term for one (1) six (6) month period from September 30, 2015 until March 31, 2016 ("Extended Construction Loan Term") subject to satisfaction of the following "Conditions to Extension of Construction Loan Term" :

(a) Borrower shall request such extension of term in writing prior to August 15, 2015, which request constitute a certification from the Borrower that no event of default exists on the date such notice is given and that no event or condition exists on such date which, with the giving of notice or lapse of time, or both, would constitute and event of default under any of the Loan Documents and, in fact, no such event of default shall have occurred or shall occur during the Construction Loan Term.

(b) The construction of the Project shall be substantially completed and Lender's engineer must so certify ;

(c) If necessary, the Interest Reserve (as defined in the Building Loan Agreement) shall be rebalanced within the remaining construction budget and any construction budget shortfall shall require an equity injection from the Borrower to achieve the rebalance; and

(d) Borrower shall have delivered to Lender prior to September 30, 2015 an extension fee equal to 12.5 basis points calculated on the full Loan Amount evidenced by this Note ("Extension Fee").

Loan Documents. The Borrower and the Town of Amherst Industrial Development Agency ("AIDA") are executing simultaneously herewith or have executed a Building Loan and Permanent Loan Mortgage and Security Agreement (the "Mortgage"), Assignment of Leases and Rents, Financing Statements and, in addition, the Borrower shall execute or shall have executed an Indemnity Agreement and collateral assignments of contracts and agreements in favor of Lender (together with any and all other documents and instruments executed and/or delivered in connection with the loan evidenced by this Note, and all amendments and supplements thereof, the "Loan Documents"). The indebtedness evidenced by this Note is secured by certain of the Loan Documents and all of the covenants, conditions and agreements contained in all of the Loan Documents are hereby made a part of and incorporated into this Note by this reference. Reference is hereby made to the Loan Documents for a description of the security and description of the collateral (the "Property") covered thereby, and the rights of Lender and the obligations of Borrower and AIDA in respect thereto, but neither this reference to the Loan Documents nor any provisions thereof shall affect or impair the obligation of Borrower to pay the principal and interest of this Note and all other sums or charges hereunder when due and payable in accordance with the terms and conditions hereof.

Cross-Default. A default under this Note shall, at the option of Lender, also constitute a default under any or all of the other Loan Documents. In addition to, and not in limitation of, the foregoing, a default under any or all of the other Loan Documents shall, at the option of Lender, constitute a default under this Note.

Waiver of Marshalling of Assets. Borrower hereby waives for itself and, to the fullest extent not prohibited by applicable law, for any subsequent lienor, any right Borrower may now or hereafter have under the doctrine of marshalling of assets or otherwise which would require Lender to proceed against certain property covered by any of the Loan Documents before proceeding against any other property covered by any of the Loan Documents. Lender shall have the right to proceed, in its sole discretion, against the property secured by any of the Loan Documents in such order and in such portions as Lender may determine, without regard to the adequacy of value or other liens on any such property, and any such action shall not in any way be considered as a waiver of any of the rights, benefits, liens or security interests created by any of the Loan Documents.

Default Interest. Borrower hereby agrees that in the event any payment due hereunder is not paid when due or the entire indebtedness evidenced by this Note is not paid when due, then the rate of interest on this Note, at the election of Lender, without notice or demand, which is hereby expressly waived, shall be increased to be equal to the sum of three percentage points (3.0%) plus the interest rate otherwise applicable on the Loan (the "Default Rate"). Borrower shall be obligated thereafter to pay interest on the then unpaid principal balance of this Note at the Default Rate, to be computed from the due date through and including the date of actual receipt of the overdue payment, whether a monthly payment or the entire indebtedness. Nothing herein shall be construed as an agreement or privilege to accelerate or extend the date of the payment of any installment of, or the entire indebtedness, nor as a waiver of any other right or remedy accruing to Lender by reason of any such default. Once the default has been cured, the Default Rate shall expire and the interest rate on the Loan shall revert back to the then-applicable Interest Rate.

Late Charge. In the event that any regularly scheduled monthly payment of interest or principal and interest, as the case may be, as herein provided, shall not be received by Lender within ten (10) days after the date such payment is due as herein provided, and/or the unpaid principal balance together with all unpaid interest is not paid in full on the Maturity Date, Lender shall have the right, at its sole option and without notice to Borrower, such notice being expressly waived hereby, to assess Borrower a late payment charge equal to the greater of Fifty Dollars ($50.00) or Five Cents ($.05) for each dollar ($1.00) of such overdue payment, which shall become immediately due to Lender as agreed compensation to Lender for the additional costs and expenses reasonably expected to be incurred by Lender by reason of such nonpayment, such as in contacting Borrower and arranging for and processing remedial payment. Borrower acknowledges that the exact amount of such costs and expenses may be difficult, if not impossible, to determine with certainty, and further acknowledges and confesses the amount of such charge to be a consciously considered, good faith estimate of the actual damage to Lender by reason of such default. The payment of such late charge shall be secured by the Loan Documents, shall be payable on demand, but in any event not later than the due date of the next regularly scheduled monthly payment hereunder, and shall apply only to monthly installments due and payable hereunder prior to any acceleration by Lender of the indebtedness evidenced hereby. Whether or not expressed, this election shall not impair the Lender's further right to interest on the unpaid amount at the Default Rate from the date such payment was due through the date of actual payment

Financial Statements. The Borrower shall deliver and shall cause each entity and individual as set forth below to deliver to the Lender the financial statements, returns, and information set forth below within the time period so provided, along with such other information, documentation and/or schedules as the Lender may require to supplement and support the same. Borrower and Guarantors and the entities set forth below shall provide such other and additional financial information as reasonably requested by the Lender within a reasonable time from the date of request therefore.

Annually, the Borrower shall provide an internally prepared annual budget of income and expenses for the then current year and an internally prepared and certified balance sheet and income statement for the prior year then ended, which must be received by the Lender within ninety (90) days after fiscal year-end. Upon Lender request, Borrower shall provide quarterly interim management prepared financial statements which must be delivered to and received by Lender within thirty (30) days of request.

Annually, within 150 days of calendar year end, Paul B. Iskalo shall provide a signed, current personal financial statements to be completed on the Lender's form, including supporting annual income and expense and monthly debt service schedules for all real estate owned and listing of all Contingent Liabilities, all in detail satisfactory to the Lender. Lender and/or broker statements shall be supplied with an "as of" date(s) within 60 days of the date of the respective personal financial statement to confirm liquidity reported.

Borrower, Iskalo Development Corp., Iskalo Hospitality Campus LLC and Paul B. Iskalo shall provide complete and signed federal income tax returns within thirty (30) days of filing, together with such other financial information as reasonably requested by the Lender within a reasonable timeframe from the date of request.

If the Borrower, Iskalo Development Corp., Iskalo Hospitality Campus LLC and/or Paul B. Iskalo fail to comply with the financial statement reporting requirements set forth herein, it will constitute an event of default under the Loan Documents.

Financial Covenant: Commencing with the trailing twelve months that are two (2) years from the date hereof, and each calendar year end thereafter, measured annually, Borrower shall maintain a ratio of Net Operating Income ("**NOI**") to the sum of interest expense on all obligations and all regularly scheduled principal reductions under this Note of not less than 1.25 to 1.0. If the Borrower fails to comply with this requirement, the Interest Rate on the Loan shall be increased by 0.25% per annum until such time as the requirement is met evidenced by the next annual review. Without regard to any increase in the Interest Rate, failure to comply with the above covenant will constitute an Event of Default under the Loan Documents and Lender may pursue any remedies as therein set forth after the expiration of any application notice and cure period.

Additional Covenants: Borrower hereby covenants and agrees:

(a) Borrower shall maintain all operating accounts and any required escrow/operating and debt service/replacement reserves in connection with the Property in accounts established with The Bank of Castile prior to the date hereof and shall maintained the same with The Bank of Castile throughout the Loan Term.

(b) Borrower shall annually submit to Lender, on or prior to the anniversary of the date hereof, evidence of payment of the premiums for insurance required for the Premises.

(c) The Loan proceeds shall be used in accordance with the sources and uses schedule included in the Project Budget attached to the Building Loan Agreement.

Default. Upon any of the following events (each, an "Event of Default"), at the election of Lender, the entire unpaid principal balance of the indebtedness evidenced hereby, together with all accrued but unpaid interest thereon at the Default Rate and all other sums or charges due hereunder or secured by or required to be paid by Borrower under any of the Loan Documents, shall become immediately due and payable:

(a) If Borrower fails to pay any sum required to be paid by Borrower hereunder on or before the date which is ten (10) days after such payment is due as herein provided;

(b) If Borrower breaches any covenant or agreement herein, including but not limited to those under caption of "Financial Statements" and/or an Event of Default occurs under the Mortgage and/or there is any breach or non-compliance with any covenant or agreement contained in any of the Loan Documents and any such failure remains uncorrected at the expiration of any applicable grace period provided for in the Loan Documents;

(c) If in any creditor's proceeding Borrower shall consent to the appointment of a receiver or trustee for the property encumbered by any of the Loan Documents;

(d) If any order, judgment or decree shall be entered, without the consent of the Borrower, upon an application of a creditor approving the appointment of a receiver or trustee for the property encumbered by any of the Loan Documents, and any such order, judgment, decree, or appointment shall not be dismissed or stayed with appropriate appeal bond, or vacated or an action to vacate commencing within ninety (90) days following the entry or rendition thereof;

(e) If the Borrower (i) makes a general assignment for the benefit of creditors, (ii) fails to pay its debts generally as such debts become due, (iii) is found to be insolvent by a court of competent jurisdiction, (iv) voluntarily files a petition in voluntary bankruptcy or a petition or answer seeking a readjustment of debts under any federal bankruptcy law, or (v) has any such petition filed against the Borrower which is not vacated or dismissed within ninety (90) days after the filing thereof; or

(f) If Borrower, or any guarantor, shall for any reason cease to exist, or dies unless Borrower presents to Lender a substitute Guarantor along with all current and pertinent financial and identifying information reasonably acceptable to Lender within ninety (90) days after the death of the Guarantor. A substitute Guarantor shall be considered presented to Lender only when all financial information required by Lender to make a determination hereunder has been received by Lender. Lender shall advise within thirty (30) days of receipt of all financial information required whether such substitute is acceptable and , if not, the basis for such determination.

Notice of election by Lender pursuant to this section of the Note is hereby expressly waived as part of the consideration for this loan. Nothing contained herein shall be construed to restrict the exercise of any other rights or remedies granted to Lender hereunder or under any of the other Loan Documents upon the failure of Borrower to perform any provision hereof or of any of the other Loan Documents. No failure by Lender to exercise any right hereunder or under any of the other Loan Documents shall be construed as a waiver of the right to exercise the same or any other right at any time or from time to time thereafter.

Lender's Costs. If this Note is not paid when due, whether at maturity or by acceleration, Borrower promises to pay all costs of collection incurred by Lender, including without limitation, reasonable attorneys' fees to the fullest extent not prohibited by applicable law, and all expenses incurred in connection with the protection or realization of any collateral, whether or not suit is filed hereon or on any instrument granting a security interest.

Waiver. Borrower hereby waives demand, presentment for payment, protest, notice of protest, notice of nonpayment and any and all lack of diligence or delays in collection or enforcement of this Note or the other Loan Documents, and expressly consents to any extension of time of payment hereof, release of any party primarily or secondarily liable hereunder or of any of the security for this Note, acceptance of other parties to be liable for any of the indebtedness evidenced hereby or under the other Loan Documents or of other security therefor, or any other indulgence or forbearance which may be made, without notice to any party and without in any way affecting the liability of any party. The Borrower hereby waives, in favor of the holder hereof, any and all rights of contribution, subrogation, exoneration and any similar rights and interest so long as any amount evidenced by this Note, together with any additional amount secured by any of the Loan Documents, remains unpaid.

Defined Terms. The term "Borrower" as used herein shall include the undersigned, its successors (including successors in interest to the Property) and assigns; the term "Lender" as used herein shall include The Bank of Castile, its successors and assigns, and each subsequent holder of this Note from time to time.

Setoff. Without limiting its rights of setoff under New York law generally, upon and at any time and from time to time after any demand for payment of this Note, Lender shall have the right to place an administrative hold on, and setoff against each obligation of Borrower hereunder and each obligation of Lender in any capacity to Borrower, whether now existing or hereafter arising or accruing, whether or not then due and whether pursuant to any deposit account or certificate of deposit or otherwise. Such setoff shall become effective at the time Lender determines even though evidence thereof is not entered in the records of Lender until later.

Governing Law. This Note shall be construed and enforced according to, and governed by, the laws of the State of New York.

WAIVER OF JURY TRIAL/CONSENT TO JURISDICTION. BORROWER HEREBY, AND LENDER BY ITS ACCEPTANCE HEREOF, EACH WAIVE THE RIGHT OF A JURY

TRIAL IN EACH AND EVERY ACTION ON THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS, IT BEING ACKNOWLEDGED AND AGREED THAT ANY ISSUES OF FACT IN ANY SUCH ACTION ARE MORE APPROPRIATELY DETERMINED BY THE COURTS; FURTHER, BORROWER HEREBY CONSENTS AND SUBJECTS ITSELF TO THE JURISDICTION OF COURTS OF THE STATE OF NEW YORK AND, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, TO THE VENUE OF SUCH COURTS IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

__Notices__. Except for any notice required under applicable law to be given in another manner, any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered or if sent by telecopy, effective upon receipt, or (b) if delivered by overnight courier service, effective on the day following delivery to such courier service, or (c) if mailed by United States registered or certified mail, postage prepaid, return receipt requested, effective two (2) days after deposit in the United States mails; addressed in each case as follows:

If to the Borrower:
Iskalo 5000 Main LLC
5166 Main Street
Williamsville , New York 14221
Attention: Paul B. Iskalo

With a copy to:
Christofer C. Fattey, Esq
Hodgson Russ LLP
140 Pearl Street
Buffalo, New York 14202-4040

If to Bank:
The Bank of Castile
133 North Center Street
Perry, New York 14530
Attention: Peter W. Hin, Vice President

With a copy to:
Robert C. Johnson, Esq.
Phillips Lytle LLP
1400 First Federal Plaza
Rochester, New York 14614

or at such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

Cumulative Rights. No delay on the part of the holder of this Note in the exercise of any power or right under this Note, under the Mortgage, or any of the other Loan Documents or under any other instrument executed pursuant hereto, shall operate as a waiver thereof, nor shall a single or partial exercise of any other power or right. Enforcement by the holder of this Note or any security for the payment thereof shall not constitute any election by it of remedies so as to preclude the exercise of any other remedy available to it.

Liability; Binding Effect. If the Borrower consists of more than one person or party the obligations and liabilities of each such person or party hereunder shall be joint and several. This Note shall be the obligation of the Borrower, and shall be binding upon its personal representatives, successors and permitted assigns, whether expressed or not.

(Signature Page Follows)

IN WITNESS WHEREOF, the Borrower has executed this Note as of March 26 2014

BORROWER:
Iskalo 5000 Main LLC

By: Iskalo Development Corp.
Its: Manager

By: ____________________
Name: Paul B. Iskalo
Its: President

STATE OF NEW YORK) ss.:
COUNTY OF ERIE)

On the 26 day of March, in the year 2014, before me, the undersigned, personally appeared Paul B. Iskalo personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

____
Notary Public

ROBERT C. JOHNSON
Notary Public, State of New York
Qualified in Monroe County
My Commission Expires 2/28/15

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Exhibit 17

Tri-Party Agreement

AGREEMENT

AGREEMENT ("Agreement"), made as of the 31st day of January, 2014, by and among FIRST NIAGARA BANK, N.A., a national banking association, as agent for the Banks (defined below), having an address of 726 Exchange Street, Buffalo, New York 14210, Attn: Commercial Loan Administration ("Agent"), AMHERST HOSPITALITY, LLC, a limited liability company organized under the laws of the State of New York, with offices located at 640 Ellicott Street, Suite 404, Buffalo, New York 14203 ("EB-5"), ISKALO HOSPITALITY CAMPUS LLC, a limited liability company organized under the laws of the State of New York, with offices located at 5166 Main Street, Williamsville, New York 14210 (the "Lord Amherst Parent"), and ISKALO 5020 MAIN LLC, a limited liability company organized under the laws of the State of New York, with offices located at 5166 Main Street, Williamsville, New York 14210 (the "Borrower").

RECITALS:

A. Borrower is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A-1" annexed hereto (collectively, the "Premises").

B. Iskalo 5000 Main LLC, a New York limited liability company ("Lord Amherst Affiliate") is the owner of certain real property situated in the County of Erie, Town of Amherst, and State of New York, located at 5000 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A-2" annexed hereto (the "Lord Amherst Property")

C. Lord Amherst Parent is the owner of 100% of the membership interests in Borrower and Lord Amherst Affiliate.

D. Borrower has applied to Agent, as agent for First Niagara Bank, N.A. and M&T Bank (individually, a "Bank", and collectively, the "Banks"), for a loan to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements (collectively, the "Work"), in accordance with certain plans and specifications (the "Plans and Specifications"), a schedule of which is annexed hereto as Exhibit "B".

E. Based upon the Bank Commitment (as defined below) and EB-5 raising capital sufficient to fund the EB-5 Loans (as defined below), EB-5 has agreed to make and Lord Amherst Parent has agreed to accept one or more loans in an aggregate amount not to exceed $10,000,000.00 (the "EB-5 Loans") pursuant to a certain commitment letter, a copy of which is annexed hereto as Exhibit "C" (the "EB-5 Commitment").

F. In reliance on the EB-5 Commitment, the Banks have agreed to lend, and Borrower has agreed to borrow, the sum of $18,000,000.00 (the "Bank Loan") pursuant to and in accordance with the terms of a certain commitment letter dated December 19, 2013, as the same may be amended from time to time (the "Bank Commitment"), a copy of which is annexed hereto as Exhibit "D".

G. The Bank Loan will be: (i) evidenced by a Multiple Draw Term Note of even date in the principal amount of $18,000,000.00 executed by the Borrower (the "Bank Note") and secured by a Mortgage, Security Agreement, and Assignment of Leases and Rents of even date executed by Borrower and Town of Amherst Industrial Development Agency (the "Bank Mortgage"); (ii) advanced pursuant to the provisions of a certain Building Loan Agreement of even date among Borrower, the Banks and the Agent (the "Loan Agreement"); (iii) guaranteed by a certain Guaranty (the "Iskalo Guaranty") of even date from Paul B. Iskalo ("Iskalo") and by a certain Guaranty (the "Parent Guaranty") of even date from Lord Amherst Parent (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors", and the Iskalo Guaranty and the Parent Guaranty are referred to herein individually as a "Guaranty" and collectively as the "Guaranties"); and (iv) further secured by a Security Agreement of even date ("Security Agreement") from Borrower to Agent and by such financing statements and other documents as are specified in the Bank Commitment and/or customarily required by Agent (which Bank Note, Bank Mortgage, Loan Agreement, Guaranties, Security Agreement and other documents executed in connection therewith, as the same may be amended, supplemented, modified, increased or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

H. The making of the EB-5 Loans shall be accomplished at a closing subsequent to the date hereof in accordance with the EB-5 Commitment (the "EB-5 Loan Closing") at which time the Bank Loan shall be partially repaid from the proceeds of the EB-5 Loans. All subsequent advances of the proceeds of the EB-5 Loans will also be used to partially repay the Bank Loan. The parties acknowledge that the EB-5 Closing is conditioned upon EB-5 successfully raising EB-5 Capital (as defined below).

I. It is contemplated that (i) the EB-5 Loans will be also secured by the Bank Mortgage and the Security Agreement, (ii) the EB-5 Loans shall be closed to any principal prepayment and have a maturity date that is no earlier than the maturity date of the Bank Loan, (iii) the EB-5 Loans shall be payable on regularly scheduled interest-only basis until maturity of the Bank Loan, and (iv) all documentation in connection with the EB-5 Loans, including but not limited to the terms and provisions of any document governing, evidencing, securing or guaranteeing the EB-5 Loans, any material modification to any such document, and any intercreditor arrangements with regard to the relative priority of liens, the priority of payment of debt, the enforcement of remedies, the realization on collateral or guarantees, and any other matters, must be in form and content reasonably acceptable to the Agent.

J. The parties desire to confirm the form and content of an agreement to be entered into between Agent and EB-5 contemporaneously with the EB-5 Loan Closing, pursuant to which EB-5 and Agent will agree to such intercreditor arrangements as Agent and EB-5 may reasonably require in connection with EB-5's rights and remedies under the documents governing, evidencing, securing or guaranteeing the EB-5 Loans.

K. In connection with the closing of the Bank Loan, Hyatt Place Franchising, L.L.C. ("Hyatt"), the franchisor of the Hyatt Place hotel to be operated by Borrower at the Premises, has agreed to grant to Agent certain rights in connection with such hotel's Hyatt Place franchise should Borrower default under its agreement with Hyatt, as more particularly set forth in a letter agreement, a copy of which is annexed hereto as Exhibit J (the "Comfort Letter"). In consideration of the grant of rights under the Comfort Letter, Hyatt has required that Agent provide Hyatt with a right of first offer to purchase the loans secured or to be secured by the Bank Mortgage (which would include the Bank Loan and the EB-5 Loans subsequent to the EB-5 Loan Closing), pursuant to a certain Right of First Offer for Lender's Interest, a copy of which is annexed hereto as Exhibit K ("Right of First Offer"). EB-5 desires to confirm its approval of the provisions of the Comfort Letter and the Right of First Offer, and its agreement to be bound by the terms thereof.

L. Agent, EB-5, Borrower, and Lord Amherst Parent wish to agree on other terms and conditions under which EB-5 will close the EB-5 Loans and Agent will close the Bank Loan.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and the parties hereto covenant and agree as follows:

1. The foregoing introductory paragraph and Recitals, and the Exhibits to this Agreement, are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein.

2. EB-5, Borrower and Lord Amherst Parent hereby severally represent, warrant and agree that: (i) the EB-5 Commitment is in full force and effect and has not been further modified or amended in any respect, and they are not aware of any default thereunder; (ii) all fees, deposits and other sums, if any, required currently to be paid by Borrower or Lord Amherst Parent to EB-5, pursuant to the provisions of the EB-5 Commitment have been paid; and (iii) neither EB-5, Borrower, nor Lord Amherst Parent will hereinafter modify or amend the EB-5 Commitment without the prior written consent of Agent. Borrower and Lord Amherst Parent agree to maintain the EB-5 Commitment in full force and effect and shall not secure alternate financing to the EB-5 Commitment without Agent's prior written consent.

3. The parties agree that all documentation in connection with the EB-5 Loans, including but not limited to the terms and provisions of any document governing, evidencing or securing or guaranteeing the EB-5 Loans, any material modification to any such document, and any intercreditor arrangements with regard to the relative priority of liens, the priority of payment of debt, the enforcement of remedies, the realization on collateral, and any other matters, must be in form and content acceptable to the Agent. At least ten (10) business days prior to the EB-5 Loan Closing, EB-5, Borrower and Lord Amherst Parent shall deliver copies of the proposed documents governing, evidencing, securing or guaranteeing the EB-5 Loans to Agent for its review and comment, and copies of the executed counterparts of such documents shall be delivered by EB-5, Borrower and Lord Amherst Parent to Agent promptly after the EB-5 Closing. The note evidencing the EB-5 Loans shall be substantially in the form set forth on Exhibit I annexed hereto. The other documents evidencing, governing, securing or guaranteeing

the EB-5 Loans shall be in substantially the same form as the Bank Loan Documents and shall be otherwise acceptable to Agent and consistent with this Agreement, and such documents shall not be modified or altered in any material respect after their execution without the prior approval of Agent. All out-of-pocket costs and expenses incurred by Agent in connection with the EB-5 Loan Closing, including, but not limited to, title premiums and reasonable fees and disbursements of counsel, shall be payable by Borrower and Lord Amherst Parent upon demand therefor by Agent.

4. Simultaneously with the EB-5 Loan Closing, EB-5 and Agent shall enter into an Intercreditor Agreement (the "Intercreditor Agreement"), which shall be consented and agreed to by Borrower, Lord Amherst Parent and the Banks, and shall be substantially in the form attached hereto as Exhibit "E", with such modifications as the parties may agree to.

5. Borrower agrees that it will accept the Bank Loan and: (a) that it will diligently proceed toward the completion of the Work with absolute good faith and without undue delay so that the same will be fully completed on or before the date specified in the Bank Loan Documents and in accordance with the Plans and Specifications; (b) that it will perform all the covenants on its part to be performed as the same are contained in the Bank Loan Documents; (c) that it will repay the Bank Loan and satisfy the terms and condition of the Bank Loan Documents; and (d) that a default hereunder, under the EB-5 Commitment, or under the documents governing, evidencing or securing the EB-5 Loans, shall be deemed a default under the Bank Loan Documents (subject to all applicable notice and cure periods, if any). Borrower and Lord Amherst Parent agree that: (i) they will comply, or cause compliance, with the terms and conditions contained in the EB-5 Commitment, and cause EB-5 to advance the full amount of the EB-5 Loans on or before the Conversion Date (as defined in the Loan Agreement); (ii) they will cause Lord Amherst Affiliate to fully perform and comply with any obligations as may be required by EB-5; and (iii) they will cause all proceeds of the EB-5 Loans to be remitted by EB-5 directly to Agent, to be applied as a partial repayment of the Bank Loan as soon as such proceeds are available, and in any event on or before the Conversion Date (as defined in the Loan Agreement).

6. At the time of the EB-5 Loan Closing, EB-5 shall cause to be paid to Agent for the account of Borrower and Lord Amherst Parent, in same day Federal funds, a sum equal to all EB-5 Capital (as defined below) received from Foreign Investors (as defined below) to date whose I-526 Applications have been approved by the United States Citizenship and Immigration Service ("USCIS").

7. EB-5 hereby confirms to Agent with respect to the terms and conditions of the EB-5 Commitment that:

(a) the Plans and Specifications summarized on the attached Exhibit "B" have been accepted by EB-5, and satisfy the requirements of the EB-5 Commitment;

(b) The completion of the Work shall be deemed to have occurred when Borrower's architect/construction manager has notified EB-5 that the Work has been substantially completed and is ready for occupancy in accordance with the Plans and

Specifications and in accordance with any modifications and amendments thereto permitted under the Loan Agreement, and in compliance with the applicable requirements of law (including, without limitation, the issuance of a valid temporary or permanent certificate of occupancy) and receipt by EB-5 of the Certificate of Substantial Completion (AIA Form G704) from Borrower's architect/construction manager and an as-built survey of the Premises certified to EB-5 among others;

(c) The state of title and the marketability of the Premises reflected in the marked up Title Insurance Binder issued by Chicago Title Insurance Company ("Chicago"), bearing Title No. 1313-42387 attached hereto and made a part hereof as Exhibit F (hereinafter referred to as the "Policy"), is satisfactory, provided that at the time of the EB-5 Loan Closing, and the recording of the Modification Agreement contemplated by the Intercreditor Agreement, Borrower and Lord Amherst Parent shall cause Chicago to issue an endorsement to the Policy insuring that as of such date the Bank Mortgage, as modified by such Modification Agreement, constitutes a first mortgage on the Premises in the full amount of $18,000,000.00, subject only to: exceptions shown on Schedules B-1 and B-2 of the Policy; taxes not yet due and payable; and additional general utility easements, if any, granted by the Borrower, serving only the Premises, and not adversely affecting the value or intended use of the Premises, it being understood and agreed that the Borrower shall not grant any additional easements without the written consent of Agent and EB-5;

(d) The state of facts shown on the survey map of the Premises dated July 18, 2011, last revised November 15, 2013, survey # 11038, made by Lawrence J. Zygai, PLS, PC (the "Survey"), is acceptable to EB-5 provided the Survey is certified to EB-5;

(e) The documents, instruments, certificates, opinions, assurances, procedures or other matters which shall be required by EB-5 or its attorneys in connection with the EB-5 Loan Closing (collectively, the "EB-5 Loan Documents") shall be those ordinarily and reasonably required by commercial lenders in connection with the making of similar mortgage loans; provided that the Borrower, the Lord Amherst Parent and the Agent acknowledge and agree that, due to the unique nature of the EB-5 Program (as defined below) as administered by USCIS, the EB-5 Loan Documents may include such terms, conditions and provisions necessary to comply with USCIS regulations and guidelines and all such other laws, regulations and guidelines governing the EB-5 Program as decreed by the various agencies and departments of the federal government;

(f) The Environmental Reports for the Premises, more particularly described on Exhibit G, annexed hereto, have been accepted and approved by EB-5, and satisfy the conditions of the EB-5 Commitment;

(g) The appraisal of the Premises more particularly described on Exhibit H, annexed hereto, has been accepted and approved by EB-5, and satisfies the conditions of the EB-5 Commitment; and

(h) The organizational documents of the Borrower, Lord Amherst Parent and their affiliates delivered to EB-5 with Borrower's and Lord Amherst Parent's certificates dated of even date herewith, are satisfactory to EB-5, provided there are no changes to those documents.

8. Borrower and Lord Amherst Parent, to induce Agent to make the Bank Loan, hereby assign to Agent all of their respective right, title and interest to the proceeds of the EB-5 Loans, and EB-5 hereby consents to such assignment. Borrower and Lord Amherst Parent shall, notwithstanding such assignment, fulfill all of the terms and conditions of the EB-5 Commitment as and when they are to be fulfilled.

9. Subject to the provisions of the Intercreditor Agreement (once it has been executed by the parties thereto) and the Joinder Agreement and Modification Agreement contemplated to be executed contemporaneously with the Intercreditor Agreement pursuant to its terms, the parties, acknowledge and agree that upon the occurrence of a default under any of the terms, covenants or conditions of the Bank Loan Documents, subject to all applicable notice and cure periods, if any, Agent, so long as it shall hold the Bank Loan Documents, shall have the absolute and unconditional right, without the further consent of EB-5, to exercise all rights and remedies which may be available to Agent under the provisions of the Bank Loan Documents or otherwise, including but not limited to the right to foreclose or accept a deed in lieu of foreclosure. EB-5 hereby consents to the provisions of the Comfort Letter and the Right of First Offer, agrees to be bound by the terms thereof, and agrees to cooperate with Agent in connection therewith and to promptly execute and deliver such documents as Agent may require (including the EB-5 Note, duly endorsed) in connection with any sale of the Bank Loan and the EB-5 Loans to Hyatt as contemplated thereby.

10. EB-5 agrees that in the event of an insured casualty to the improvements on the Premises prior to the EB-5 Loan Closing, the time period or expiration date of the EB-5 Commitment may, at Agent's request, be extended for such reasonable period, as may be necessary to restore such improvements, provided that work for such restoration is commenced promptly and diligently pursued to completion and provided further, notwithstanding the delay, the EB-5 Capital raised for the EB-5 Loans remains available to EB-5 for making the EB-5 Loans. EB-5 shall not have any obligation to make the EB-5 Loans until such restoration and all the Work are completed.

11. EB-5 agrees that in the event of any delay in the completion of Work, caused by strikes or other labor disputes, material or labor shortages, governmental actions, war, riot, insurrections, rebellion, acts of God, storm, fire or flood, or any other acts or occurrences beyond the control of Agent, the time period or the expiration date of the EB-5 Commitment shall, at Agent's request, be extended for an equivalent period provided, notwithstanding the delay, the EB-5 Capital raised for the EB-5 Loans remains available to EB-5 for making the EB-5 Loans.

12. Notwithstanding anything contained in this Agreement to the contrary, the parties each agree that if there are unfinished items of Work (the "Punch-List Items") remaining to be completed after the issuance of substantial completion certificates, if any, from the Borrower's architect/construction manager or the inspecting engineer of Agent, EB-5 shall close the EB-5 Loans regardless of the existence of any Punch-List Items, provided such Punch-List Items are,

in the reasonable judgment of Borrower's architect/construction manager, nonessential to the use or occupancy of the Premises and involve nonsubstantial items of Work which do not affect the structural integrity of the Work or the number of jobs created.

13. For the purposes of carrying out the provisions of this Agreement, if Borrower or Lord Amherst Parent shall default hereunder or under the terms of the Bank Loan Documents or EB-5 Commitment, or if Borrower or Lord Amherst Parent shall fail to execute any additional documentation required by Agent or EB-5, Borrower and Lord Amherst Parent each hereby irrevocably constitute Agent as its true and lawful attorney-in-fact, with full power of substitution to execute, acknowledge and deliver any instrument and to do and perform, any acts such as are referred to in this Agreement, the Bank Loan Documents, and the EB-5 Commitment, in the name and on behalf of Borrower and/or Lord Amherst Parent, except for the sale and disposal of the Premises pursuant to foreclosure proceedings. Agent shall give EB-5, Borrower and Lord Amherst Parent ten (10) days' notice of its intention to act under the power of attorney granted by and executed pursuant to this Section. EB-5 shall not be liable and no claim shall arise to Borrower or Lord Amherst Parent due to actions taken by Agent, after receipt by EB-5 of such notice from Agent, with Agent acting on behalf of Borrower or Lord Amherst Parent under the EB-5 Commitment as set forth further in this Section. The power vested in Agent as attorney-in-fact pursuant to the provisions of this Section shall be deemed to be coupled with an interest and cannot be revoked.

14. EB-5 agrees that, notwithstanding anything to the contrary herein, in the event that the Borrower or Lord Amherst Parent defaults in the performance of any of its obligations under the EB-5 Commitment and fails to cure any such default within the applicable cure periods set forth herein (if any), EB-5 will refrain from terminating the EB-5 Commitment as a result of such event of default until it has given notice of such event of default to Agent, and has given Agent ten (10) days to cure monetary defaults and ninety (90) days to cure non-monetary defaults or, if such non-monetary default is not capable of being cured within ninety (90) days, such longer period of time as may be necessary to enable Agent to cure the default (not to exceed one hundred fifty (150) days) so long as Agent commences promptly to cure the default and thereafter diligently prosecutes such cure to completion.

15. The Borrower, Lord Amherst Parent and the Agent acknowledge that (i) the making of the EB-5 Loans is subject to EB-5 receiving legitimate funds ("EB-5 Capital") from foreign nationals (the "Foreign Investors") seeking visas to the United States of America under and pursuant to the EB-5 program administered by the USCIS (the "EB-5 Program"), (ii) EB-5 Capital is the sole source of funding for the EB-5 Loans, and (iii) notwithstanding anything in this Agreement, the principal amount of the EB-5 Loans shall be limited to the actual amount of EB-5 Capital collected by EB-5 from the Foreign Investors and shall be further limited by the number of jobs created by or otherwise projected to be created by the Premises and the Lord Amherst Property in accordance with EB-5 Program rules and regulations. Nothing contained in this Section or elsewhere in this Agreement shall modify the Borrower's obligation under the Bank Loan Documents to repay at least $10,000,000.00 of the principal balance of the Bank Note by the Conversion Date (as defined in the Loan Agreement).

16. The Borrower and Lord Amherst Parent acknowledge and agree that they will (i) cooperate with immigration counsel for the Foreign Investors in the preparation and the

submission of each Foreign Investor's I-526 application to USCIS, (ii) provide EB-5, its consultants or agents from time to time with all information, including specifically job creation at the Premises and Lord Amherst Property, required for the submission by EB-5 to USCIS of the I-924 forms; and (iii) immediately report to EB-5 any developments or circumstances concerning the Borrower, the Lord Amherst Parent or any affiliate thereof, the Premises or the Lord Amherst Property that could significantly affect the number of jobs created or otherwise projected to be created by the Premises or the Lord Amherst Property.

17. Any provision of this Agreement which may alter or vary the terms of the EB-5 Commitment, or would be so construed, shall not relieve Borrower or Lord Amherst Parent of any duties or obligations thereunder, but is intended to further mutual cooperation between Agent and EB-5 so that the terms of the EB-5 Commitment will be complied with and the Bank Loan will be repaid a part as herein provided. The liability of Borrower and Lord Amherst Parent shall be as provided under the Bank Commitment and EB-5 Commitment and shall be absolute and unconditional without regard to the liability of any other party hereto.

18. Any notices, demands, requests or the like required or permitted to be given hereunder shall be given by hand delivery or by registered or certified mail, postage prepaid, return receipt requested. Notice shall be deemed given when delivered if delivered by hand or two days after mailing if mailed or deposited with the post office registry clerk, as the case may be. Copies of all notices shall be mailed to the address indicated at the beginning of this Agreement or such other address as a party may designate by like notice to all other parties.

19. This agreement shall be construed in accordance with the laws of the State of New York.

20. This Agreement may not be changed, terminated or modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

21. This Agreement may not be assigned by any party without the prior written consent of the parties hereto.

22. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and all persons claiming by, through or under any of them, including a purchaser at a foreclosure sale of the Borrower's interest in the Premises.

23. This Agreement may be executed in one or more counterparts, each of which shall be considered an original and all of which together shall be deemed one instrument.

24. The Borrower hereby represents, warrants and agrees that (i) it is a duly organized limited liability company and in good standing under the laws of the State of New York, (ii) it has all requisite power and authority to execute and deliver this Agreement and the other agreements referred to herein to which it is or will be a party, and (iii) all instruments and documents so executed and delivered by it constitute legal, valid and binding obligations

enforceable in accordance with their respective terms, except as such enforcement may be limited by the rights and remedies of creditors or by general principles of equity, whether such enforceability is considered in a proceeding in equity or at law.

25. The Lord Amherst Parent hereby represents, warrants and agrees that (i) it is a duly organized limited liability company and in good standing under the laws of the State of New York, (ii) it has all requisite power and authority to execute and deliver this Agreement and the other agreements referred to herein to which it is or will be a party, and (iii) all instruments and documents so executed and delivered by it constitute legal, valid and binding obligations enforceable in accordance with their respective terms, except as such enforcement may be limited by the rights and remedies of creditors or by general principles of equity, whether such enforceability is considered in a proceeding in equity or at law.

26. Agent hereby represents, warrants and agrees that (i) it is a national banking association duly organized and in good standing under the laws of the United States, (ii) it has all requisite power and authority to execute and deliver this Agreement and the other agreements referred to herein to which it is or will be a party, and (iii) all instruments and documents so executed and delivered by it constitute legal, valid and binding obligations enforceable in accordance with their respective terms, except as such enforcement may be limited by the rights and remedies of creditors or by general principles of equity, whether such enforceability is considered in a proceeding in equity or at law.

27. EB-5 hereby represents, warrants and agrees that (i) it is a duly organized limited liability company and in good standing under the laws of the State of New York, (ii) it has all requisite power and authority to execute and deliver this Agreement and the other agreements referred to herein to which it is or will be a party, and (iii) all instruments and documents so executed and delivered by it constitute legal, valid and binding obligations enforceable in accordance with their respective terms, except as such enforcement may be limited by the rights and remedies of creditors or by general principles of equity, whether such enforceability is considered in a proceeding in equity or at law.

28. Agent has accepted this Agreement for its own benefit and for the benefit of the Banks, as more particularly set forth in the Loan Agreement. Agent has been appointed as agent pursuant to the Loan Agreement, and in acting under or by virtue of this Agreement, Agent shall be entitled to all the rights, authority, privileges and immunities provided in Article IX of the Loan Agreement, which provisions are incorporated by reference herein with the same force and effect as if set forth herein.

29. (a) EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (A) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY AGENT AND ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT, TO THE JURISDICTION OF ANY COURT IN THE COUNTY OF ERIE, NEW YORK OR THE WESTERN DISTRICT OF NEW YORK AND (B) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

(b) EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE RELATING TO (i) THIS AGREEMENT, (ii) ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR (iii) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

FIRST NIAGARA BANK, N.A.

By: Maria E. Barth
Maria E. Barth, Vice President

AMHERST HOSPITALITY, LLC

By:_____________________________
Name:
Title:

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:_____________________________
Name: Paul B. Iskalo
Title: President

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:_____________________________
Name: Paul B. Iskalo
Title: President

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

FIRST NIAGARA BANK, N.A.

By:______________________________
Maria E. Barth, Vice President

AMHERST HOSPITALITY, LLC
By: JobsNY, LLC, its managing member

By:______________________________
Name: William Gresser
Title: Manager

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 31st day of January, in the year 2014, before me, the undersigned, a Notary Public in and for said state, personally appeared Maria E. Barth, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

CHRISTOPHER J. HURLEY
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 7-31-17

STATE OF NEW YORK)
)ss:
COUNTY OF __________)

On the ____ day of January, in the year 2014, before me, the undersigned, personally appeared ____________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 31st day of January, in the year 2014, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

CHRISTOPHER J. HURLEY
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 7-31-17

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the ____ day of January, in the year 2014, before me, the undersigned, a Notary Public in and for said state, personally appeared Maria E. Barth, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
)ss:
COUNTY OF NEW YORK)

On the 30th day of January, in the year 2014, before me, the undersigned, personally appeared William Gresser, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Linda J Boehm
Notary Public

LINDA J. BOEHM
Notary Public, State of New York
No. 01BO4750467
Qualified in Westchester County
My Commission Expires Dec. 15, 2017

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the ____ day of January, in the year 2014, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 31st day of January, in the year 2014, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

CHRISTOPHER J. HURLEY
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 7-31-17

EXHIBIT A-1

Legal Description of Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

EXHIBIT A-2

Legal Description of Lord Amherst Property

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of Subdivision Lots No. 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in the north line of Main Street at a distance of 50.00 feet west of the west corner of Parcel 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence westerly along the north line of Main Street, a distance of 320.00 feet to its intersection with the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich, by deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479; thence northerly along the said west line of J. Harold Genrich and Willard A. Genrich and its northerly extension, a distance of 330.50 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line, a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of the west line of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at page 524; thence southerly parallel with said west line of Parcel 522, at an angle to the left of 114°02' 15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left with the previously described line of 113°14'29" a distance of 211.03 feet to the point or place of beginning containing 2.91 acres more or less.

EXHIBIT B

Schedule of Plans and Specifications

Hyatt Place
5020 Main Street
Amherst, NY 14226
Project Drawing & Document List - Attachment A (11.26.13)
Iskalo Development Corp.

Drawing No.	Description	Origin Date	Rev. #	Revision Date
N/A	Hyatt Place Project Manual - Specification Book	1.31.2013	9	7.16.13
	Addendums			
Various	Addendum #1 (Structural Drawings & Added Spec Sections)	3.5.13	N/A	N/A
Various	Addendum #2 (Architectural Drawings)	3.15.13	N/A	N/A
Various	Addendum #3 (Architectural Drawings)	3.19.13	N/A	N/A
Civil	Addendum #4 (Site Drawings & Written Addendum)	3.29.13	N/A	N/A
Various	Addendum #5 (MEP - Arch. Drawings & Written Addendum)	4.1.13	N/A	N/A
Various	Addendum #6 (Arch. Drawings & Written Addendum)	4.17.13	N/A	N/A
Various	Addendum #7 (Structural & Arch. Dwgs & Written Addendum)	5.3.13	N/A	N/A
Various	Addendum #8 (Arch. Drawings & Written Addendum)	5.31.13	N/A	N/A
Various	Addendum #9 (A, S, MEP & FP Dwgs & Written Addendum	7.16.13	N/A	N/A
Various	Addendum #10 (Architectural Drawings & Written Addendum)	10.10.13	N/A	N/A
Civil	Addendum #11 (Site Drawings & Written Addendum)	11.12.13	N/A	N/A
	Civil Engineering Documents			
N/A	Engineers Report	3.27.13		
Cvr & SC1- SC7	Storm water Pollution Prevention Plan (Dwgs & Docs.)	1.11.13	1	3.27.13
	Geotechnical Report by Ray Teeter (12 Pages Incl. Borings)	8.9.12		
	Civil Drawings			
	Topographic Map of Survey By Larry Zygaj	7.18.11		
C0.01	Site Signage	1.14.13	1	2.20.13
C1.01	Site Plan	1.14.13	5	11.4.13
C1.02	Plan : Sanitary and Water - South	1.14.13	3	3.27.13
C1.03	Plan : Sanitary and Water - North	1.14.13	3	6.11.13
C1.04	Plan : Sanitary - North (2)	1.14.13	3	6.11.13
C1.05	Plan Sanitary - North (3)	1.14.13	1	2.20.13
C1.06	Profile : Sanitary Sewer	1.14.13	3	6.11.13
C1.07	Details : Sanitary Sewer	1.14.13		
C1.08	Details : Water	1.14.13	1	2.20.13
C1.09	Plan : Paving And Drainage - South	1.14.13	4	11.4.13
C1.10	Plan : Paving And Drainage - North	1.14.13	3	7.22.13
C1.11	Details : Paving And Misc.	1.14.13	3	11.4.13
C1.11A	Details : Bioretention	3.26.13		
C1.11B	Dot Details: Paving and Misc.	1.14.13	1	11.4.13
C1.11C	Dot Details: Drainage and Misc.	1.14.13	1	11.4.13
C1.12	Details : Drainage Structures	1.14.13		
C1.13	Details : Drainage Treatment Chambers	1.14.13		
C1.14	Details : Stormtech Chambers - South	1.14.13		
C1.15	Details : Stormtech Chambers - North	1.14.13		
C1.16	Plan : Grading - South	1.14.13	2	3.27.13
C1.17	Plan : Grading - North	1.14.13	2	3.27.13
C1.18	Plan . Sed. And Erosion Control - South	1.14.13	2	11.14.13
C1.19	Plan : Sed. And Erosion Control - North	1.14.13	2	11.14.13
C1.20	Plan: Sed And Erosion Control - North (2)	1.14.13	1	2.20.13
C1.21	Plan: Sed And Erosion Control - North (3)	1.14.13	1	3.28.13
C1.22	Details: Sed. And Erosion Control - North (3)	1.14.13		
C2.1	Proposed Retaining Wall Profile	1.14.13		
C2.2	Proposed Retaining Wall Profile	1.14.13	1	11.4.13
C2.3	Proposed Retaining Wall Profile	1.14.13		
C2.4	Proposed Retaining Wall Profile	1.14.13		
C2.5	Proposed Retaining Wall Profile	1.14.13	1	11.4.13
C3.01	Plan: Work Zone Traffic Control	10.16.13		
L401	Site Planting Plan	1.14.13	3	4.8.13
L402	Site Planting Details	1.14.13	2	3.8.13
E1.01	Site Lighting Plan & Schedule	1.14.13	5	11.11.13

	Architectural Drawings			
	Cover Sheet	1.31.13	9	7.16.13
G0.0	Code Review	1.31.13	9	7.16.13
G0.1	Project Data	1.31.13	9	7.16.13
G0.1A	Drawing List	7.16.13	10	10.30.1
G0.3	Model Views	1.31.13	9	7.16.13
C1.01	Site Plan	1.31.13	9	7.16.13
C1.02	Enlarged Site Plan	1.31.13	9	7.16.13
C1.03	Exterior Details	3.18.13	9	7.16.13
A0.00	E.O. Slab/Foundation Plan	1.31.13	9	7.16.13
A0.00a	Enlarged Foundation Plan at Entry	5.31.13	9	7.16.13
A0.00b	Enlarged Foundation Plan at Pool	5.31.13	9	7.16.13
A0.01	E.O. Slab/Framing Plan - Ground Floor	1.31.12	9	7.16.13
A0.01a	Enlarged E.O. Slab Plan @ Entrance - Ground Floor	5.31.13	9	7.16.13
A0.01b	Enlarged E.O. Slab Plan @ Pool - Ground Floor	5.31.13	9	7.16.13
A0.02	E.O. Slab/Foundation Plan- Second Floor	1.31.13	9	7.16.13
A0.03	E.O. Slab/Foundation Plan- Third Floor	1.31.13	9	7.16.13
A0.04	E.O. Slab/Foundation Plan- Fourth Floor	1.31.13	9	7.16.13
A0.05	E.O. Slab/Foundation Plan- Fifth Floor	1.31.13	9	7.16.13
A0.06	E.O. Slab/Foundation Plan- Sixth Floor	1.31.13	9	7.16.13
A0.07	E.O. Slab/Foundation Plan- Roof	1.31.13	9	7.16.13
A1.01	Floor Plan - Ground Floor	1.31.13	9	7.16.13
A1.02	Floor Plan - Second Floor	1.31.13	9	7.16.13
A1.03	Floor Plan - Third Floor	1.31.13	9	7.16.13
A1.04	Floor Plan - Fourth Floor	1.31.13	9	7.16.13
A1.05	Floor Plan - Fifth Floor	1.31.13	9	7.16.13
A1.06	Floor Plan - Sixth Floor	1.31.13	9	7.16.13
A1.07	Floor Plan - Roof	1.31.13	9	7.16.13
A2.00	Enlarged Floor Plans		9	7.16.13
A2.01	Enlarged Floor Plans	1.31.13	9	7.16.13
A2.01a	Enlarged Electrical Plan - Lobby/Kitchen	1.31.13	9	7.16.13
A2.02	Enlarged Floor Plans	1.31.13	9	7.16.13
A2.02a	Electrical Location Plans	1.31.13	9	7.16.13
A2.03	Enlarged Floor Plans	1.31.13	9	7.16.13
A2.04	Enlarged Pool Floor Plan	1.31.13	9	7.16.13
A2.05	Low Roof Plans	1.31.13	9	7.16.13
A2.06	Enlarged Pool Drainage Plan		9	7.16.13
A2.10	Plan Details	1.31.13	9	7.16.13
A2.11	Plan Details	1.31.13	9	7.16.13
A2.12	Plan Details		9	7.16.13
A2.13	Plan Details		9	7.16.13
A2.14	Plan Details		9	7.16.13
A2.15	Plan Details		9	7.16.13
A2.16	Plan Details		9	7.16.13
A2.21	Interior Plan Details		9	7.16.13
A2.22	Interior Plan Details		9	7.16.13
A3.01	Exterior Elevations	1.31.13	10	10.30.13
A3.02	Exterior Elevations	1.31.13	10	10.30.13
A3.11	Enlarged Exterior Elevations	3.8.13	10	10.30.13
A3.12	Enlarged Exterior Elevations	3.8.13	10	10.30.13
A3.13	Enlarged Exterior Elevations	3.8.13	10	10.30.13
A3.14	Enlarged Exterior Elevations	1.31.13	10	10.30.13
A3.15	Enlarged Exterior Elevations	3.8.13	10	10.30.13
A3.16	Enlarged Exterior Elevations	1.31.13	10	10.30.13
A3.17	Enlarged Exterior Elevations	1.31.13	10	10.30.13
A3.18	Enlarged Exterior Elevations	1.31.13	10	10.30.13
A3.19	Enlarged Exterior Elevations	3.8.13	10	10.30.13
A3.20	Enlarged Exterior Elevations	3.8.13	10	10.30.13
A3.21	Enlarged Elevations - Entry CW	1.31.13	10	10.30.13
A3.22	Enlarged Exterior Elevations - Veranda	1.31.13	9	7.16.13
A3.23	Enlarged Exterior Elevations - Pool	3.8.13	9	7.16.13
A3.24	Enlarged Exterior Elevations - Edge	1.31.13	10	10.30.13
A3.25	Enlarged Ext Elevations - Precast Panels	3.19.13	9	7.16.13
A3.26	Enlarged Exterior Elevations - Front Entry		9	7.16.13
A4.01	Building Sections	1.31.13	10	10.30.13
A4.10	Wall Sections	1.31.13	10	10.30.13
A4.11	Wall Sections	1.31.13	10	10.30.13
A4.12	Wall Sections	1.31.13	10	10.30.13

A4.13	Wall Sections	1.31.13	10	10.30.13
A4.14	Wall Sections @ Pool		9	7.16.13
A4.15	Wall Sections @ Pool		9	7.16.13
A4.16	Wall Section @ Pool/Spa		9	7.16.13
A4.20	Section Details	1.31.13	9	7.16.13
A4.21	Section Details	1.31.13	10	10.30.13
A4.22	Section Details	1.31.13	10	10.30.13
A4.23	Section Details	1.31.13	10	10.30.13
A4.24	Section Details	1.31.13	9	7.16.13
A4.25	Section Details	1.31.13	10	10.30.13
A4.26	Section Details	1.31.13	10	10.30.13
A4.27	Section Details	3.29.13	10	10.30.13
A4.27a	Section Details		10	10.30.13
A4.28	Section Details	3.29.13	10	10.30.13
A4.29	Section Details	3.29.13	10	10.30.13
A4.30	Enlarged Window Details	1.31.13	10	10.30.13
A4.31	Enlarged Window Details	1.31.13	10	10.30.13
A4.32	Enlarged Window Details	1.31.13	10	10.30.13
A4.33	Enlarged Window Details	3.8.13	10	10.30.13
A4.34	Enlarged Window Jamb Details	3.13.13	10	10.30.13
A4.35	Enlarged Window Jamb Details	7.16.13	10	10.30.13
A4.40	Section Details Canopy	7.16.13	9	7.16.13
A4.41	Section Details Edge	7.16.13	10	10.30.13
A5.00	Architectural Lighting Legend	1.31.13	9	7.16.13
A5.01A	Partial Level 1 Enlarged RCP (A) - Public Areas	1.31.13	9	7.16.13
A5.01B	Partial Level 1 Enlarged RCP (B) - Public Areas	1.31.13	9	7.16.13
A5.01C	Partial Level 1 Enlarged RCP (C) - Public Areas	1.31.13	9	7.16.13
A5.02A	Partial Level 2 Enlarged RCP (A)	1.31.13	9	7.16.13
A5.02B	Partial Level 2 Enlarged RCP (B)	1.31.13	9	7.16.13
A5.03A	Partial Level 3 Enlarged RCP (A)	1.31.13	9	7.16.13
A5.03B	Partial Level 3 Enlarged RCP (B)	1.31.13	9	7.16.13
A5.04A	Partial Level 4 Enlarged RCP (A)	1.31.13	9	7.16.13
A5.04B	Partial Level 4 Enlarged RCP (B)	1.31.13	9	7.16.13
A5.05A	Partial Level 5 Enlarged RCP (A)	1.31.13	9	7.16.13
A5.05B	Partial Level 5 Enlarged RCP (B)	1.31.13	9	7.16.13
A5.06A	Partial Level 6 Enlarged RCP (A)	1.31.13	9	7.16.13
A5.06B	Partial Level 6 Enlarged RCP (B)	1.31.13	9	7.16.13
A5.10	Ceiling/Soffit Details	3.19.13	9	7.16.13
A6.01	Enlarged Guestroom Plans & Elevations - King Type KA	1.31.13	9	7.16.13
A6.02	Enlarged Guestroom Plans & Elevations - King Type KB	1.31.13	9	7.16.13
A6.03	Enlarged Guestroom Plans & Elevations - King Type KC	1.31.13	9	7.16.13
A6.04	Enlarged Guestroom Plans & Elevations - King Type KD	1.31.13	9	7.16.13
A6.05	Enlarged Guestroom Plans & Elevations - King Type KE	1.31.13	9	7.16.13
A6.06	Enlarged Guestroom Plans & Elevations - King Type KE	1.31.13	9	7.16.13
A6.07	Enlarged Guestroom Plans & Elevations - King Type KF	1.31.13	9	7.16.13
A6.08	Enlarged Guestroom Plans & Elevations - King Type KG	1.31.13	9	7.16.13
A6.09	Enlarged Guestroom Plans & Elevations - King Type KG	1.31.13	9	7.16.13
A6.10	Enlarged Guestroom Plans & Elevations - Queen Type QA	1.31.13	9	7.16.13
A6.11	Enlarged Guestroom Plans & Elevations - Queen Type QB	3.8.13	9	7.16.13
A6.12	Enlarged Guestroom Plans & Elevations - Queen Type QC	1.31.13	9	7.16.13
A6.13	Enlarged Guestroom Plans & Elevations - Queen Type QC	1.31.13	9	7.16.13
A6.20	Enlarged Guestroom Bathroom Plans	1.31.13	9	7.16.13
A6.21	Enlarged Guestroom Bathroom Elevations	1.31.13	9	7.16.13
A6.22	Enlarged Guestroom Bathroom Elevations	1.31.13	9	7.16.13
A6.23	Enlarged Guestroom Bathroom Elevations	1.31.13	9	7.16.13
A6.30	Wall Types	3.15.13	9	7.16.13
A6.31	Interior Details	3.20.13	9	7.16.13
A7.01	Interior Elevations - Lobby	1.31.13	9	7.16.13
A7.02	Interior Elevations - Lobby	1.31.13	9	7.16.13
A7.03	Interior Elevations - Lobby	1.31.13	9	7.16.13
A7.04	Interior Elevations - Restrooms	1.31.13	9	7.16.13
A7.05	Interior Elevations - Function	1.31.13	9	7.16.13
A7.06	Interior Elevations - Corridors	1.31.13	9	7.16.13
A7.07	Interior Elevations - Corridors	1.31.13	9	7.16.13
A7.08	Interior Elevations - Corridors	1.31.13	9	7.16.13
A7.09	Interior Elevations - Corridors	1.31.13	9	7.16.13
A7.10	Interior Elevations - Pool		9	7.16.13
A7.11	Interior Elevations - Fitness		9	7.16.13
A8.01	Millwork Drawings	1.31.13	9	7.16.13

A8.02	Millwork Drawings	1.31.13	9	7.16.13
A8.03	Millwork Drawings	3.15.13	9	7.16.13
A8.04	Millwork Drawings	3.15.13	9	7.16.13
A8.05	Millwork Drawings	3.15.13	9	7.16.13
A8.06	Millwork Drawings	3.15.13	9	7.16.13
A8.07	Millwork Drawings	3.19.13	9	7.16.13
A9.01A	Partial Level 1 - Finish Plan	1.31.13	9	7.16.13
A9.01B	Partial Level 1 - Finish Plan	1.31.13	9	7.16.13
A9.01C	Partial Level 1 - Finish Plan	3.15.13	9	7.16.13
A9.02A	Partial Level 2 - Finish Plan	1.31.13	9	7.16.13
A9.02B	Partial Level 2 - Finish Plan	1.31.13	9	7.16.13
A9.03A	Partial Level 3 - Finish Plan	1.31.13	9	7.16.13
A9.03B	Partial Level 3 - Finish Plan	1.31.13	9	7.16.13
A9.04A	Partial Level 4 - Finish Plan	1.31.13	9	7.16.13
A9.04B	Partial Level 4 - Finish Plan	1.31.13	9	7.16.13
A9.05A	Partial Level 5 - Finish Plan	1.31.13	9	7.16.13
A9.05B	Partial Level 5 - Finish Plan	1.31.13	9	7.16.13
A9.06A	Partial Level 6 - Finish Plan	1.31.13	9	7.16.13
A9.06B	Partial Level 6 - Finish Plan	1.31.13	9	7.16.13
A9.07	Finish Schedule - Public	1.31.13	9	7.16.13
A9.08	Finish Schedule - Public	1.31.13	9	7.16.13
A9.09	Finish Schedule - Guestrooms	1.31.13	9	7.16.13
A9.10	Door & Hardware Schedules	1.31.13	9	7.16.13
A9.11	Window Types - Fixed	3.8.13	10	10.30.13
A9.11a	Window Types	7.16.13	10	10.30.13
A9.12	Pool Skylight	3,8,13	9	7.16.13
A10.01	Elevator - Plans & Sections	1.31.13	10	10.30.13
A10.02	Stair #1 - Plans & Sections	3.8.13	9	7.16.13
A10.03	Stair #2 - Plans & Sections	1.31.13	9	7.16.13
A10.04	Stair Details	1.31.13	9	7.16.13
A10.05	Laundry Chute - Plan, Section & Details		9	7.16.13
AM1.01	Mock-Ups Plans & Elevations	5.31.13	9	7.16.13
AM1.02	Wall Sections (Mock Up)	5.31.13	9	7.16.13
K1.01	Kitchen Equipment Plan & Schedule	12.21.12	9	7.16.13
PC1.01	Porte Cochere	1.31.13	9	7.16.13
	Structural Drawings			
S0.01	Structural Notes	1.31.13	9	7.16.13
S1.01	Foundation Plan	1.31.13	9	7.16.13
S2.01	CMU Reinforcing Plan	1.31.13	9	7.16.13
S2.02	Second Floor Framing Plan	1.31.13	9	7.16.13
S2.03	Third Floor Framing	1.31.13	9	7.16.13
S2.04	Fourth Floor Framing	1.31.13	9	7.16.13
S2.05	Fifth Floor Framing	1.31.13	9	7.16.13
S2.06	Sixth Floor Framing	1.31.13	9	7.16.13
S2.07	Roof Framing Plan	1.31.13	9	7.16.13
S3.01	Foundation Sections	1.31.13	9	7.16.13
S4.01	Section & Details	1.31.13	9	7.16.13
S4.02	Sections & Details	1.31.13	9	7.16.13
S5.01	Typical Details	1.31.13	9	7.16.13
	Fire Protection Drawings			
FP100	Schedules and Details	3.11.13	9	7.16.13
FP101	First Floor Plan	3.11.13	9	7.16.13
FP102	Second Floor Plan	3.11.13	9	7.16.13
FP103	Third Floor Plan	3.11.13	9	7.16.13
FP104	Fourth Floor Plan	3.11.13	9	7.16.13
FP105	Fifth Floor Plan	3.11.13	9	7.16.13
FP106	Sixth Floor Plan	3.11.13	9	7.16.13
FP-107	Enlarged Plans		9	7.16.13
FP-108	Enlarged Plans		9	7.16.13
FP109	Fire Protection Riser	3.11.13	9	7.16.13

	Plumbing Drawings			
P100	Schedules	3.11.13	9	7.16.13
P101	1st Floor Plan - Underground	3.11.13	9	7.16.13
P102	1st Floor Plan - Water	3.11.13	9	7.16.13
P103	2nd Floor Plan	3.11.13	9	7.16.13
P104	3rd Floor Plan	3.11.13	9	7.16.13
P105	4th Floor Plan	3.11.13	9	7.16.13
P106	5th Floor Plan	3.11.13	9	7.16.13
P107	6th Floor Plan	3.11.13	9	7.16.13
P108	Roof Plan	3.11.13	9	7.16.13
P109	Partial Enlarged Plans	3.11.13	9	7.16.13
P110	Partial Enlarged Plans	3.11.13	9	7.16.13
P111	Enlarged Room Plans	3.11.13	9	7.16.13
P112	Enlarged Room Plans	3.11.13	9	7.16.13
P113	Waste and Vent Risers-1	3.11.13	9	7.16.13
P114	Waste and Vent Risers-2	3.11.13	9	7.16.13
P115	Domestic Water Risers-1	3.11.13	9	7.16.13
P116	Domestic Water Risers-2	3.11.13	9	7.16.13
P117	Natural Gas Risers	3.11.13	9	7.16.13
P118	Details-1	3.11.13	9	7.16.13
P119	Details-2	3.11.13	9	7.16.13
	Mechanical Drawings			
M001	Mechanical Schedules	3.11.13	9	7.16.13
M002	Mechanical Schedules	3.11.13	9	7.16.13
M101	First Floor Ductwork Plan	3.11.13	9	7.16.13
M102	Second Floor Plan	3.11.13	9	7.16.13
M103	Third Floor Plan	3.11.13	9	7.16.13
M104	Fourth Floor Plan	3.11.13	9	7.16.13
M105	Fifth Floor Plan	3.11.13	9	7.16.13
M106	Sixth Floor Plan	3.11.13	9	7.16.13
M107	Roof Plan	3.11.13	9	7.16.13
M108	Enlarged Plans	3.11.13	9	7.16.13
M109	Details	3.11.13	9	7.16.13
M110	Piping Schematic	3.11.13	9	7.16.13
M111	Mechanical Risers	3.11.13	9	7.16.13
M112	First Floor Piping Plan	3.11.13	9	7.16.13
M113	Snowmelt System	3.11.13	9	7.16.13
	Electrical Drawings			
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E101	First Floor Lighting Plan	3.11.13	9	7.16.13
E102	First Floor Power Plan	3.11.13	9	7.16.13
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E104	Third Floor Lighting/Power Plan	3.11.13	9	7.16.13
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E106	Fifth Floor Lighting/Power Plan	3.11.13	9	7.16.13
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EXHIBIT C

EB-5 Commitment

Amherst Hospitality, LLC
640 Ellicott St., Suite 404
Buffalo, NY 14203

January 30, 2014

Iskalo Development Corp.
5166 Main Street
Williamsville, NY 14221
Attn: Paul B. Iskalo, President

Re: $10,000,000 Mortgage Loan

Dear Paul:

The following Commitment Letter outlines the terms pursuant to which Amherst Hospitality, LLC ("EB-5 Lender") will make a loan or loans of EB-5 Capital (as defined below) to Iskalo Hospitality Campus LLC, a New York limited liability company (the "Borrower"), for the construction and operation of the Iskalo Hospitality Campus, which shall consist of (a) a new Hyatt Place Hotel at 5020 Main Street, Amherst, New York 14226 ("Hyatt Place Hotel"), (b) the renovation of the existing Lord Amherst Hotel at 5000 Main Street, Amherst, New York 14226 ("Lord Amherst Hotel") and (c) the renovation of the existing adjacent restaurant.

EB-5 Lender is affiliated with EB-5 New York State, LLC pursuant to the US EB-5 Regional Center program (the "EB-5 Program") administered by the United States Citizenship and Immigration Services ("USCIS"). Pursuant to the terms of this Commitment Letter, the EB-5 Lender will raise EB-5 Capital which will be lent to Borrower ("EB-5 Loan") to be used by the Borrower for (a) the new construction and operations of the Hyatt Place Hotel, (b) the renovation and operations of the Lord Amherst Hotel and (c) the renovation of the adjacent restaurant on the Iskalo Hospitality Campus (together the "Project"). The cost of the Project is currently estimated to be approximately $39 million. The Project will be constructed and operated by the Borrower, its affiliates - Iskalo 5000 Main LLC and Iskalo 5020 Main LLC, and or one or more other affiliated companies or subsidiaries of the Borrower of which the majority of the shares or membership interests thereof, as the case may be, are owned by Paul B. Iskalo. The staff working at the Hyatt Place Hotel and the Lord Amherst Hotel will be employees of Borrower or one or more of Borrower's affiliates.

The Borrower will raise equity and debt from a number of sources to finance the Project. In order to facilitate the Borrower's overall financing plan, the Borrower shall delegate ownership and development of certain components of the Project to one or more affiliated or subsidiary companies, which such affiliates and subsidiaries, as the case may be, shall be permitted to grant security interests in their portion of the Project to various lenders, including certain financial institutions (collectively, the "Bank Lenders").

The EB-5 Loan is necessary for the development of the entire Project, but represents only a portion of the Borrower's total financing needs. In order for the Borrower to secure the balance of its financing needs, the EB-5 Lender has agreed to restrict its collateral to collateral located at or existing in connection with the Hyatt Place Hotel. Notwithstanding the foregoing, EB-5 Lender requires and Borrower has agreed that all components of the Project be undertaken. The Bank Lender for the Hyatt Place Hotel will require that the Hyatt Place Hotel and the Lord Amherst Hotel be completed.

EB-5 Lender will raise funds ("EB-5 Capital") from foreign nationals ("Foreign Investors") seeking visas to the United States under the EB-5 Program ("EB-5 Capital"), which EB-5 Capital shall be the sole source of funds for the EB-5 Loan. Borrower acknowledges that EB-5 Lender does not control the timing of raising EB-5 Capital, or whether a sufficient amount of EB-5 Capital will be raised to fund the full amount of the EB-5 Loan. Borrower also agrees that, regardless of anything to the contrary contained in this Commitment Letter, the Confidential Term Sheet dated November 22, 2013 attached hereto as Exhibit A and made a part hereof (the "Summary of Terms") or any other related agreement executed by the Borrower, that Borrower will borrow all of the EB-5 Capital raised and offered to Borrower within three (3) years of the date of the closing of the construction loan described in the Construction Commitment (as defined below).

As a part of its overall financing plan, Borrower's affiliate, Iskalo 5020 Main LLC, has secured construction and permanent financing from First Niagara Bank, N.A., as agent for certain banks ("First Niagara Bank") pursuant to the Construction Commitment, for the construction of the Hyatt Place Hotel, a portion of which shall act as a bridge to the EB-5 Loan. The Borrower acknowledges and agrees that if instructed by First Niagara Bank, EB-5 shall advance the proceeds of the EB-5 Loan directly to First Niagara Bank for the Borrower's account for the repayment of the First Niagara Bank bridge financing. The EB-5 Loan will be advanced to the Borrower (or for the Borrower's account) in tranches of $500,000 upon (i) confirmation from USCIS that the Project has been approved for the EB-5 Program and (ii) receipt of a tranche of funds from a Foreign Investor and confirmation that such Foreign Investor's I-526 application has been approved by USCIS.

The commitment of the EB-5 Lender hereunder is subject to the satisfaction of each of the following conditions precedent in a manner acceptable to the EB-5 Lender: (a) the completion of all of the Borrower's requirements and obligations as set forth in the Summary of Terms, (b) the completion of all other confirmatory business and legal due diligence as set forth in the Summary of Terms; (b) the accuracy and completeness of all representations that the Borrower and its affiliates make to the EB-5 Lender and the Borrower's compliance with the terms of this Commitment Letter and the Summary of Terms; (c) the negotiation, execution and delivery of definitive documentation for the EB-5 Loan consistent with the Summary of Terms and otherwise satisfactory to the EB-5 Lender; (d) the satisfaction of those certain conditions set forth on Exhibit B attached hereto and (e) no change, occurrence or development that shall have occurred or become known to the EB-5 Lender that could reasonably be expected to have a material adverse effect on the business, assets, liabilities (actual or contingent), operations, condition (financial or otherwise, prospects or job creation of the Borrower or the Project and/or that in EB-5 Lender's sole opinion, may cause the EB-5 Loan or the Project to not comply with the requirements of the EB-5 Program.

The commitment of the EB-5 Lender hereunder is further subject to EB-5 Lender's satisfaction in its sole discretion that all conditions set forth in the commitment letter dated December 19, 2013 from First Niagara Bank (the "Construction Commitment")–including, without limitation, Section 4 of the Construction Commitment have been satisfied or otherwise waived by the Agent in its reasonable credit judgment.

The undersigned hereby represent, warrant and covenant that all information which has been or is hereafter made available to the EB-5 Lender by the undersigned or any of their representatives (or on the undersigned's or their representative's behalf) in connection with the transactions contemplated hereby is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading.

By executing this Commitment Letter, the undersigned agree to reimburse the EB-5 Lender from time to time on demand for all reasonable out-of-pocket fees and expenses (including, but not limited to, (a) the reasonable fees, disbursements and other charges of counsel to the EB-5 Lender in connection with the preparation of this Commitment Letter or in connection with the EB-5 Loan; (b) due diligence expenses incurred in connection with the EB-5 Loan, the preparation of the definitive documentation therefore and the other transactions contemplated hereby. The EB-5 Lender acknowledges that it has received the deposit of $20,000 required pursuant to the Summary of Terms to be used toward payment of EB-5 Lender's costs and expenses.

The undersigned hereby agree to indemnify and hold the EB-5 Lender and EB-5 New York State, LLC and their officers, directors, employees, agents, advisors, members, managers and other representatives (each, an "Indemnified Party") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, the reasonable fees, disbursements and other expenses of counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (a) any matters contemplated by this Commitment Letter or any related transaction or (b) the EB-5 Loan and any other financings or any use made or proposed to be made with the proceeds thereof, except to the extent such claim, damage, loss, liability or expense is found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct. In no event shall the EB-5 Lender's failure to raise sufficient EB-5 capital be considered gross negligence hereunder.

Notwithstanding anything to the contrary contained in the preceding two paragraphs or elsewhere in this Commitment Letter, EB-5 Lender agrees that the undersigned shall not be responsible under any circumstance for costs or expenses traditionally associated with, or indemnification obligations arising out of, the Foreign Investor investment portion of the EB-5 Program, including but not limited to costs, claims, damages, losses, liabilities and expenses arising out of the identification and solicitation of the Foreign Investors. This paragraph, however, shall not limit in any manner the undersigned's obligation to indemnify the Indemnified Parties with respect to any claims, damages, losses, liabilities and expenses arising from any material misrepresentation or omission by the undersigned or any affiliate thereof regarding the Project which was relied upon by EB-5 to approve the Project with USCIS or solicit the Foreign Investors.

This Commitment Letter and the contents hereof and thereof are confidential and, except for disclosure hereof or thereof on a confidential basis to the undersigned's accountants, attorneys and other professional advisors retained by the undersigned in connection with the EB-5 Loan or as otherwise required by law, may not be disclosed in whole or in part to any person or entity without our prior written consent; provided, however, it is understood and agreed that the undersigned may disclose this Commitment Letter (including the Summary of Terms), on a confidential basis, to their officers, agents and advisors, and to First Niagara Bank in connection with the financing contemplated under the Construction Commitment. Furthermore, the undersigned acknowledges that the EB-5 Lender may disclose the contents of this Commitment Letter and related disclosures by Borrower, related entities, and other financing, to various parties in order to comply with the EB-5 Program and raising of EB-5 capital to fund the EB-5 Loan.

This Commitment Letter may be executed in counterparts which, taken together, shall constitute an original. Delivery of an executed counterpart of this Commitment Letter by telecopier or facsimile shall be effective as delivery of a manually executed counterpart thereof.

This Commitment Letter shall be governed by, and construed in accordance with, the laws of the State of New York without resort to conflict of laws principles. The Borrower consents to the exclusive jurisdiction and venue of the state or federal courts located in Erie County, New York (and appellate courts thereof). Each of the undersigned, and the EB-5 Lender hereby irrevocably waives any and all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Commitment Letter (including, without limitation, the Summary of Terms), the transactions contemplated hereby and thereby or the actions of the EB-5 Lender in the negotiation, performance or enforcement hereof. The commitments and undertakings of the EB-5 Lender may be terminated by us, if any of the undersigned fail to perform its obligations under this Commitment Letter on a timely basis.

This Commitment Letter, together with the Summary of Terms, embodies the entire agreement and understanding among the EB-5 Lender, the undersigned and their affiliates with respect to the EB-5 Loan and supersedes all prior agreements and understandings relating to the specific matters hereof. However, please note that the terms and conditions of the commitment of the EB-5 Lender is not limited to those set forth herein or in the Summary of Terms. Those matters that are not covered or made clear herein or in the Summary of Terms are subject to mutual agreement of the parties. This Commitment Letter is not assignable by the Borrower without our prior written consent and is intended to be solely for the benefit of the parties hereto and the Indemnified Parties.

For the avoidance of doubt, pursuant to that certain letter dated January 22, 2014, from EB-5 New York State, LLC to Iskalo Development Corp., this Commitment Letter amends the Summary of Terms such that the maximum principal amount of the EB-5 Loan thereunder shall be $10,000,000.00.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS COMMITMENT LETTER OR THE CONSTRUCTION COMMITMENT, THE EB-5 LENDER SHALL HAVE NO OBLIGATION TO MAKE ANY ADVANCE UNDER THE EB-5 LOAN UNLESS EB-5 LENDER HAS RAISED EB-5 CAPITAL SUFFICIENT TO FUND THE EB-5 LOAN.

This offer will expire at 5:00 p.m. New York time on January 31, 2014 unless you execute this Commitment Letter and return it to us (which may be by facsimile transmission), prior to such time.

We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

AMHERST HOSPITALITY, LLC
By: JobsNY, LLC, its managing member

By:______________________
William Gresser, Manager

Accepted and Agreed to this
31st day of January, 2014

ISKALO HOSPITALITY CAMPUS LLC
By: Iskalo Development Corp., its Manager

By:______________________________
Paul B. Iskalo, President

____
Paul B. Iskalo, as Guarantor

ISKALO 5020 MAIN LLC
By: Iskalo Development Corp., its Manager

By:______________________________
Paul B. Iskalo, President

Exhibit A

Confidential Term Sheet

Exec.1
11-22-15

EB-5 NEW YORK STATE
REGIONAL CENTER

CONFIDENTIAL
TERM SHEET

NOVEMBER 22, 2013

The following are the terms pursuant to which EB-5 New York State, LLC, will make a loan or loans for the construction and operation of the Iskalo Hospitality Campus, consisting of 1) a new Hyatt Place Hotel, 2) the renovation of the existing Lord Amherst Hotel and 3) the renovation of the existing adjacent Restaurant.

Borrower	Iskalo Hospitality Campus, LLC, Paul Iskalo or an affiliated entity approved by the EB-5 Lender.
EB-5 Lender	EB-5 New York State, LLC ("EB5NYS") or any subsidiary or affiliate thereof, or any entity managed thereby.
Project	EB-5 Lender will raise EB-5 Capital which will be lent to Borrower ("EB-5 Loan") to be used by the Borrower for 1) the new construction and operations of a Hyatt Place Hotel, 2) the renovation and operations of the Lord Amherst Hotel and 3) the renovation of the adjacent restaurant at the Iskalo Hospitality Campus (together the "Project"). The Project will be built at 5000 to 5020 Main Street, Amherst, NY 14226. The Project will be operated by Iskalo Hospitality Campus, Iskalo Development or one or more affiliated companies. The staff working at the Hyatt Place Hotel and the Lord Amherst Hotel will be employees of Iskalo Hospitality Campus, Iskalo Development or one or more affiliated companies. The Project's construction started in July of 2013 and will be followed by its operation.
Project Cost	The Project's development cost will be approximately $39,000,000.
EB-5 Loan Amount	The amount of EB-5 capital provided by the EB-5 Lender may be up to $9,000,000 (the "EB-5 Loan Amount").
Security	In order to facilitate the Borrower's overall financing plan, the Borrower intends to undertake the Project's development in one or more subsidiary or related companies, and may grant security interests in components of the Project to different lenders. The EB-5 Loan Amount is necessary for the development of the entire Project. The EB-5 Lender, however, has agreed to restrict its security interest to the Hyatt Place Hotel in order to enable the Borrower to secure the

	balance of the Project's required financing from 3rd Party Lenders. In furtherance of this plan, the EB-5 Lender has agreed to the following security interests: First-position mortgage lien on the Hyatt Place Hotel and general security agreement with UCC-1 filings covering associated personal property. EB-5 Lender's security interest may be secured through a participation or co-loan with one or more third party lenders ("3rd Party Lender") to the Borrower or to one or more subsidiary or related companies. The total first-position mortgage from EB-5 Lender plus 3rd Party Lenders secured by the Hyatt Place Hotel will be no greater than \$15,540,000 of which the EB-5 Lender's portion will be no less than \$6,540,000. The EB-5 Loan Amount in excess of \$6,540,000 will be secured by a second-position mortgage on the Hyatt Place Hotel (the second position is currently estimated to be up to \$2,460,000). As described in the **Payment and Rate** section below, as the 3rd Party Lender's first position loan amortizes, the EB-5 Loan in second position will be moved into a first position security interest in an amount equal to the amortization of the 3rd Party Lender's loan. By the end of the Permanent Period, the entire EB-5 Loan will be in a first position, and none of the EB-5 Loan will remain in a second position. It is anticipated that relative lien priorities will be established through an intercreditor agreement between the EB-5 Lender and the 3rd Party Lender (the "Intercreditor Agreement"). The Intercreditor Agreement will provide, among other things, that so long as there is any outstanding balance on the 3rd Party Lender's loan, the EB-5 Lender will defer to the 3rd Party Lender with respect to decisions about any enforcement or waiver of remedies available in connection with the co-equal first-position mortgage and will cooperate with the 3rd Party Lender in connection with any such enforcement proceeding.
Borrower's Allocation of the EB-5 Loan Amount	The EB-5 Loan Amount may be allocated by the Borrower to: 1) the construction and operation of the new Hyatt Place Hotel, 2) the renovation and operation of the Lord Amherst Hotel, 3) the renovation of the adjacent Restaurant, or 4) a combination of the three activities consistent with the limitations described in this document. For each loan of EB-5 capital based on the Project Cost of the subject property, both of the following conditions apply: • Maximum loan-to-value (LTV) ratio of 70% based on the "Stabilized Value" of the proposed Project as contained in a Lender-commissioned appraisal. • Maximum Loan-to-Cost (LTC) ratio of 80%.

Bridge Financing	The Parties first met and discussed using EB-5 capital for the Project in April of 2012. The EB-5 Lender analyzed the Project and its job creation metrics at that time. Since then the Parties have had regular discussions about using EB-5 capital as a component of the Project financing, which culminated in this Term Sheet. In order to meet its construction requirements, the Borrower commenced construction in July 2013 using its own funds as a bridge until such time as the Borrower secures the Project's financing. The Borrower is currently finalizing the Project's financing, including EB-5 capital, 3rd Party Lender financing, equity and other funding. EB-5 Loans made pursuant to this Term Sheet are necessary for the Borrower to achieve its development objectives. Due to the time currently required to make the EB-5 capital available to the Borrower, the Parties anticipate that the Borrower will need to secure bridge or interim financing from one or more 3rd Party Lenders until the EB-5 Loan is available to the Borrower, in order for the Borrower to have the capital needed to meet its construction and operating schedule. The Parties are working together to identify suitable 3rd Party Lenders.
Financing Periods: **Construction Period Financing** **and** **Permanent Period Financing**	Construction Period financing. The Construction Period for the Project began in July 2013 and will end in December 2016 (unless earlier agreed by the Parties), during which time the new Hyatt Place Hotel will be constructed and the Lord Amherst Hotel and adjacent restaurant will be renovated. 3rd Party Lenders will provide a three year construction loan, of which a portion will act as a bridge for the EB-5 capital. In addition to the bridge loan the Borrower must also secure the financing which is necessary to complete the entire Project. Once the EB-5 capital has been made available to the Borrower, the Borrower will use the EB-5 capital for the construction or repay a portion of the bridge loan. Permanent Period financing. Permanent Period Financing will commence at the end of the Construction Period (but begin no later than January 1, 2017) and will last four years. The Parties anticipate that the EB-5 Lender will have raised EB-5 capital equal to the EB-5 Loan Amount which the Borrower will use to repay the bridge loan. The Borrower will borrow all of the EB-5 Capital raised by the EB-5 Lender and will look to a 3rd Party Lender to fund the difference between the Total Loan Amount and the EB-5 Loan Amount.
Payment and Rate	Construction Period Financing. If it participates in the Construction Period financing, the EB-5 Lender will participate with the 3rd Party Lender in financing the Project during the Construction Period on the same rate, fees, terms and conditions, as the 3rd Party Lender with interest-only payments. Permanent Period Financing. During the Permanent Period financing, the Borrower will make monthly interest-only payments to the EB-5 Lender on

	the EB-5 Loan Amount. The borrower agrees to make monthly principal payments to the 3rd Party Lender so that by the end of the Permanent Period Financing, the entire EB-5 Loan Amount will be in a first-position Mortgage. The interest rate during the Permanent Period shall be 5.0% fixed on the loan amount secured by a first-position mortgage and 6.5% on any amount which is secured by a second-position mortgage. The EB-5 Loan Amount plus any accrued interest shall be due at the end of the Permanent Period.
Loan Fee	A Loan Fee of 1.0% of the Loan Amount shall be payable at closing by Borrower to EB5NYS, which shall not be paid from the EB-5 Loan Amount.
Prepayment Blackout Period	Borrower agrees not to repay or otherwise refinance the EB-5 Loan until the earlier of: (1) the EB-5 Lender's notice to the Borrower that all the EB-5 immigrant investors I-829 petitions have been approved and repayment of the EB-5 Loan will not impact the immigrant investors' ability to achieve their immigration objectives or (2) the end of the Permanent Period. EB-5 Lender shall notify the Borrower when the first condition is met.
Real Estate	The project shall be constructed on land currently owned by the Borrower. The Borrower will disclose the value of the land and any indebtedness for which the land is pledged.
Financial and Project Reporting	Borrower shall be subject to certain customary financial and project reporting requirements that would be consistent with commercial bank construction and permanent loans; provided, however, that Borrower will not be required to furnish any financial statements other than internally prepared financial statements. The Borrower agrees to provide the same reports and notices to the EB-5 Lender as they do to the 3rd Party Lender at the same time. The Borrower also agrees to provide other information reasonably requested to comply with the requirements of the EB-5 program and US law or regulation governing the EB-5 Lender. The Borrower further agrees to allow the EB-5 Lender and the 3rd Party Lender to share any information regarding the Borrower, affiliated companies or persons and the Project.
Title Insurance and Survey	Borrower shall be obligated to furnish EB-5 Lender with a current survey prepared in accordance with the Code of Practice for Land Surveys adopted by the New York State Association of Professional Land Surveyors and a policy of mortgagee title insurance insuring priority of the Loan as a first lien on the Project to the extent provided in the Intercreditor Agreement.
Guarantor	A personal payment guaranty and environmental indemnities from Paul Iskalo ("Guarantor").

Completion Guaranty	The Guarantor shall unconditionally guaranty lien-free completion of all improvements with respect to the Project.
Expenses	The Borrower will be responsible for all costs and expenses incurred in connection with the loan, including but not limited to, EB-5 Lender's cost of loan administration such as attorney's fees, inspecting architect's fees, construction consultants, appraisal fees, environmental consultant fees, survey fees and title insurance premiums. Borrower is not responsible for EB-5 Lender's costs or expenses traditionally associated with the US EB-5 program, including but not limited to EB-5 expenses associated with Immigrant Investors', legal, travel and other similar expenses.
Good Faith Deposit	$20,000, which is due and payable upon Borrower's acceptance of this Term Sheet and will be applied towards EB-5 Lender's out-of-pocket expenses for which Borrower is responsible hereunder. Any balance over the actual expenses is not refundable.
Investment conditions	The following are certain of the preconditions to EB-5 Lender lending the EB-5 Loan Amount to the Borrower: • Borrower has provided information and documentation satisfactory to EB-5 Lender, showing that the Project is financially viable, but not limited to, a third-party market analysis acceptable to EB-5 Lender; • Execution of a term sheet and complete legal documents for the transaction; • Borrower equity is invested into the Project; • Borrower has committed funding for the entire Project in an amount sufficient to meet the Project's business plan, as determined by the EB-5 Lender. • EB-5 Lender has raised the required EB-5 capital; • EB-5 Lender has received tax, immigration and other advice satisfactory to EB-5 Lender; and other standard terms and conditions for a transaction of this nature; • EB-5 Lender is satisfied that the economic analysis projects an adequate number of new US jobs will be created. • Assignments including but not limited to, service agreements, construction, demolition, architectural, engineering, insurance and any other contracts or agreements related to the Project; • Resolution to EB-5 Lender's satisfaction of any litigation related to the Borrower and/or the Project which EB-5 Lender believes may impact the ability to meet the requirements of the EB-5 program. • Satisfactory completion by EB-5 Lender of its due diligence with

	respect to the Project, including but not limited to the receipt, review and approval of all relevant property documentation, including purchase contracts, property lease / ownership, survey, title, as-built appraisal, environmental review and costing analysis; and • EB-5 Lender review and approval of the terms and conditions of the construction contract.
Time to Raise EB-5 Loan Amount	Time to raise the EB-5 Loan Amount will be set by agreement among the Parties. The Borrower acknowledges the EB-5 Lender does not control the actual timing which follows US Government determination.
Draw Down Capital	Regardless of any other term of this Agreement, the Parties agree that if the Borrower develops the Project, the Borrower will borrow all the EB-5 Capital made available to be lent to the Borrower not later than January 1, 2017.
Binding Commitment to Provide Truthful Information	In addition, the Borrower affirms that all of the information it provides to the EB-5 Lender will be complete and truthful to its knowledge. The Borrower agrees these this term shall be binding upon Borrower and shall create a legal obligation in the Borrower.
Time to Accept	This Term Sheet may be accepted up to November 25, 2013.

THIS TERM SHEET AND THE ABOVE TERMS ARE CONFIDENTIAL AND SHALL NOT BE DISCLOSED TO ANY PERSON, WITHOUT EB-5 NEW YORK STATE, LLC'S CONSENT, OTHER THAN TO THE OFFICERS AND DIRECTORS OF THE BORROWER AND TO THEIR ACCOUNTANTS, ATTORNEYS AND OTHER ADVISORS, AND THEN ONLY ON A CONFIDENTIAL BASIS.

THIS TERM SHEET AND THE ABOVE TERMS ARE INTENDED AS AN OUTLINE OF CERTAIN MATERIAL TERMS OF THE INVESTMENT FACILITIES. EXCEPT FOR THE TERM "BINDING COMMITMENT TO PROVIDE TRUTHFUL INFORMATION" ABOVE, THE TERMS IN THIS TERM SHEET ARE NOT A BINDING COMMITMENT AND DO NOT PURPORT TO SUMMARIZE ALL OF THE CONDITIONS, REPRESENTATIONS AND WARRANTIES, COVENANTS AND OTHER PROVISIONS WHICH WOULD BE CONTAINED IN THE DEFINITIVE INVESTMENT DOCUMENTATION FOR THE INVESTMENT FACILITIES.

Agreed to this 22 day of November 2013.

030494.00088 Business 12186501v2

Borrower: Iskalo Hospitality Campus, LLC

By: Iskalo Development Corp., Its Manager

By: Paul B. Iskalo, President & CEO

EB-5 Lender

By: William P. Gresser Jr.

Its: President

Exhibit B

Reference is made to that certain Joinder Agreement to be entered into between Iskalo 5020 Main LLC, First Niagara Bank, N.A., as Agent, First Niagara Bank, N.A. and M&T Bank, as Banks and Amherst Hospitality, LLC (the "Joinder Agreement"). At the closing of the EB-5 Loan, the Borrower and EB-5 shall agree to an amortization schedule ("Amortization Schedule") of that certain loan from First Niagara Bank, N.A. as Agent, to Iskalo 5020 Main LLC (the "FNB Loan"), which would amortize the FNB Loan at a rate such that the entire EB-5 Loan would be a First Lien Amount (as defined in the Joinder Agreement) upon maturity of the FNB Loan in accordance with the terms of the Joinder Agreement. The Borrower shall also enter into pledge, control and other such agreements, as reasonably required by the EB-5 Lender, which shall require the Borrower to pledge cash, marketable securities or such other collateral acceptable to the EB-5 Lender ("Collateral") on a quarterly basis in the event that the payments made by Iskalo 5020 Main LLC on the FNB Loan are not sufficient to amortize the FNB in accordance with the Amortization Schedule. Upon the maturity of the FNB Loan, the Collateral shall be used to pay the EB-5 Junior Loan Amount (as defined in the Joinder Agreement), if any.

Doc #01-2743070.8

EXHIBIT D

Bank Commitment Letter

FIRST NIAGARA

December 19, 2013

ISKALO 5020 MAIN LLC
c/o Iskalo Development Corp.
5166 Main Street
Williamsville, New York 14221
Attn: Mr. Paul B. Iskalo, President

Subject: Construction and Permanent Mortgage Loan Commitment for Hyatt Place Hotel

Ladies and Gentlemen:

First Niagara Bank, N.A. as agent for the Lenders (as hereinafter defined), is pleased to advise you that your application for a loan has been approved, subject to the following terms and conditions.

SECTION 1 - TERMS

The terms of the loan (the "Loan") are as follows:

1.1 Agent and Lenders: First Niagara Bank, N.A., a national banking association having an address of 726 Exchange Street, Buffalo, NY 14210, Attention: Commercial Loan Administration (the "Agent"). The Agent will act in a representative capacity on behalf of one or more lending institutions (which may include Agent) which will be the parties severally advancing their pro rata share of the Loan (individually referred to herein as a "Lender" and collectively as the "Lenders"). Each Lender shall only be obligated to fund its pro rata share of any advance under the Loan. Agent, in its capacity as agent, shall have no obligation to advance proceeds of the Loan from its own funds nor any liability for any failure on the part of any Lender to fund its pro rata share of the Loan.

1.2 Borrower: Iskalo 5020 Main LLC, a single purpose limited liability company, with Paul B. Iskalo as the principal member (the "Borrower").

1.3 Guarantor: Unlimited, unconditional and joint and several guaranty of payment, performance and timely completion of construction from Paul B. Iskalo (the "Guarantor"). The Guarantor shall also guaranty the performance of all obligations of Borrower and each entity (the "Lord Amherst Affiliate(s)") designated as a borrower under the EB-5 Commitment (herein defined) and the Lord Amherst Commitment (herein defined) of their respective obligations under such commitments.

1.4 Purpose: The Loan is to be used for the construction of a 137-room Hyatt Place Hotel with an indoor pool, fitness center and related site improvements (collectively, the "Improvements"), to be located near Main Street and Interstate 290 in the Village of Williamsville, New York, and to include ingress and egress to and from Main Street, all of which is intended for hotel and related retail use (collectively, the "Property"). The Property and Improvements are sometimes collectively referred to herein as the "Project".

1.5 Term:

(a) The Loan shall have an initial term of thirty-six (36) months (the "Construction Term").

(b) At the expiration of the Construction Term, the Loan shall be due and payable unless the term is extended for an additional period of forty-eight (48) months (the "Permanent Term"). The Permanent Term shall be available only if the following conditions are met before the end of the Construction Term:

(i) The Borrower has provided written notice to the Agent, at least thirty (30) days but no more than ninety (90) days prior to the end of the Construction Term, of the Borrower's intent to convert the Loan to its Permanent Term.

(ii) Final completion of the construction of the Project shall have occurred in accordance with the terms of the documents governing, evidencing and securing the Loan (individually, a "Loan Document" and collectively, the "Loan Documents").

(iii) The Borrower shall have paid to the Agent, for the pro-rata benefit of the Lenders, a Permanent Term Commitment Fee equal to $22,500.00.

(iv) The EB-5 Loans (as herein defined) shall have been fully funded, pursuant to documentation in form and content acceptable to Agent, and the proceeds of the EB-5 Loans shall have been used to pay down the Loan, resulting in the outstanding principal balance of the Loan being reduced to no more than $9,000,000.00.

(v) The ratio of the aggregate maximum principal balances of the Loan and the EB-5 Senior Loan (as herein defined) to the value of the Project must not exceed sixty percent (60%), and the ratio of the aggregate maximum principal balances of the Loan, the EB-5 Senior Loan and the EB-5 Junior Loan (as herein defined) to the value of the Project must not exceed seventy percent (70%), as determined by the Agent based upon the appraisal reviewed and approved by the Agent in connection with the closing of the Loan.

(vi) No default or event of default under the Loan Documents shall exist.

(vii) The Project shall support a debt service coverage ratio ("DSCR"), as determined by the Agent, equal to or greater than 1.35 to 1 based on (i) the amount that would be required to make level debt service payments of principal and interest on the aggregate maximum amount of the Loan and the EB-5 Loans payable over a 20-year amortization schedule at an interest rate equal to the rate payable by Borrower under an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders) for the entire Loan or, if no such Interest Rate Protection Agreement is entered into, at an interest rate equal to the FHLB-Based Rate (as defined below) determined by Agent as of the commencement of the Permanent Term (regardless of whether Borrower actually selects the FHLB-Based Rate to apply to the Loan), and (ii) projected net operating income of the Project as determined by Agent. In determining such projected net operating income, Agent shall subtract from projected effective gross income (i) all projected operating expenses (excluding non-cash, one-time and/or capital expenditures, at the Agent's discretion), (ii) a management fee of no less than 3% of projected effective gross income, and (iii) a reserve for FF&E of no less than 4% of projected effective gross income.

1.6 Loan Amount: During the Construction Term, an amount not to exceed $18,000,000.00. The Loan Amount shall be advanced in accordance with the terms and conditions of a building loan contract executed by Agent and Borrower at closing ("Building Loan Contract"). During the Permanent Term, the Loan Amount shall not exceed $9,000,000.00.

1.7 Fees: The following fees shall be payable by Borrower in connection with the Loan:

a. Construction Term Commitment Fee - $90,000.00
b. Permanent Term Commitment Fee - $22,500.00
c. Arrangement Fee - $90,000.00

The Construction Term Commitment Fee and the Permanent Term Commitment Fee are for the pro rata benefit of the Lenders. The Arrangement Fee is for the sole benefit of the Agent. $22,500.00 of the Construction Term Commitment Fee has previously been paid, and an additional $22,500.00 of such fee shall be payable upon

Borrower's execution of this letter. The balance of such Construction Term Commitment Fee and the entire Arrangement Fee shall be payable upon the earlier to occur of closing or the Closing Date (as herein defined). The Permanent Term Commitment Fee shall be payable in connection with conversion of the Loan to the Permanent Term.

1.8 Construction Term Interest Rate:

(a) Interest Computation: Interest during the Construction Term shall be computed and shall accrue on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable), and shall be based upon the LIBOR Rate. The "LIBOR Rate" shall be defined as a rate of interest determined by Agent as the LIBOR rate which is published on Bloomberg Screen, BBAM1 (or a successor) at 11:00 a.m. London time two (2) business days prior to the commencement of the interest period for an interest period of one (1) month (the "Interest Period"), adjusted for Agent's reserve requirements.

(b) Construction Term Interest Rate: A floating rate equal to the LIBOR Rate plus 375 basis points per annum. The interest rate will be adjusted on the first day of each Interest Period to the then current LIBOR Rate plus 375 basis points, but in no event for longer than the remaining Construction Term (or if such yield is not available, a similar rate based upon a comparable index chosen by Agent in its sole discretion). At no time during the Construction Term will the rate at which interest accrues be less than 4.0% per annum.

1.9 Permanent Term Interest Rate:

(a) Interest Computation: Interest during the Permanent Term shall be computed and shall accrue on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable), and shall be based upon either the LIBOR Rate or the FHLB Rate. The FHLB Rate shall be defined as a fixed rate of interest determined by Agent based upon the Amortizing Advance Rate offered by the Federal Home Loan Bank of New York for instruments having a term of 4-year/20-year amortization most recently available on the day which is two (2) business days immediately preceding the date of conversion to the Permanent Term.

(b) Permanent Term Interest Rate: No later than two (2) business days prior to the expiration of the Construction Term, Borrower shall elect one of the following interest rate options:

(i) A fixed rate (the "FHLB-Based Rate") equal to the greater of FHLB Rate plus 350 basis points per annum or 4.75% per annum.

(ii) A floating rate (the "LIBOR-Based Rate") equal to the LIBOR Rate plus 350 basis points per annum. The LIBOR-Based Rate will be adjusted on the first day of each Interest Period to the then current LIBOR Rate, but in no event for longer than the remaining Permanent Term (or if such yield is not available, a similar rate based upon a comparable index chosen by Agent in its sole discretion).

1.10 Payments: Borrower's obligation to repay the Loan shall be evidenced by a note ("Note").

(a) Accrued interest only will be due and payable monthly on the first day of each month of the Construction Term. All outstanding principal, interest and other sums due under the Loan Documents will be due and payable on the last day of the Construction Term, if not sooner paid, unless the Loan is converted to the Permanent Term as set forth herein.

(b) If the Loan is converted to the Permanent Term, on the first day of the month following conversion, and on the first day of every month thereafter, monthly payments of principal plus interest shall be required, with the principal payment being in the amount equal to the sum of the principal component of a level monthly principal and interest payment on a loan of $9,000,000.00 being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the rates charged on the EB-5 Loans (as herein defined), plus (1) if Borrower has selected the FHLB-Based Rate for the Permanent Term, the principal component of a level monthly principal and interest payment on a loan of $9,000,000.00 being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the FHLB-

Based Rate, or (2) if Borrower has selected the LIBOR-Based Rate for the Permanent Term, (i) the principal component of a level monthly principal and interest payment on that portion of the Loan that is subject to an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders), being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the rate payable by Borrower under such Interest Rate Protection Agreement plus (ii) the principal component of a level monthly principal and interest payment on that portion of the Loan that is not subject to an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders), being paid over a 20 year amortization period which commences on the first day of the Permanent Term, with interest accruing at the rate of 7% per annum.

(c) All outstanding principal, interest and other sums due under the documents evidencing and securing the Loan will be due and payable on the last day of the Permanent Term, if not sooner paid.

1.11 Late Charge and Increase in Interest: The Note will require payment of a late charge of 6% of any installment payment not received within 10 days of when due; and will provide that the interest rate will increase by 6% per annum (i) if the Note is not paid within 10 days of when due, or (ii) if, and for so long as, there exists any uncured event of default under the Loan (after the expiration of any applicable notice and/or cure periods).

1.12 Prepayment:

(a) At any time that interest based on the LIBOR Rate is accruing during the Construction Term or the Permanent Term, the Loan may be prepaid, in whole or in part, only on ten (10) days prior written notice to Agent, provided Borrower shall pay to Agent the "LIBOR Breakage Charges" to be determined in accordance with Agent's standard formula, along with all other breakage or termination costs under any Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders) for the entire Loan. Amounts repaid or prepaid under the Loan may not be re-borrowed.

(b) If interest is accruing at the FHLB-Based Rate during the Permanent Term, prepayment may be made, in whole or in part, only on thirty (30) days prior written notice, along with the following prepayment premiums:

(i) Loan Year One – 4% of the amount prepaid.
(ii) Loan Year Two – 3% of the amount prepaid.
(iii) Loan Year Three – 2% of the amount prepaid.
(iv) Loan Year Four – 1% of the amount prepaid.

For purposes of this letter, Loan Year One shall be deemed to mean the first 12 full calendar months of the Permanent Term. Each 12-month period thereafter shall be deemed to be a Loan Year.

Provided, however, that if interest is accruing at the FHLB-Based Rate, in no event shall such prepayment premium be less than an amount computed as follows: the current rate for United States Treasury securities with a maturity date closest to the maturity of the Loan (the "Reinvestment Rate") shall be subtracted at the time of prepayment from the FHLB-Based Rate. If the FHLB-Based Rate is less than or equal to the Reinvestment Rate, no prepayment premium shall be due. If the Reinvestment Rate is less than the FHLB-Based Rate, then the excess percentage shall be multiplied by the amount of the principal balance being prepaid. The resulting amount shall be divided by 360 and multiplied by the number of days remaining until maturity, and the amount shall be reduced to present value calculated by using the number of days remaining in the designated term and using the above-referenced United States Treasury security rate and the number of days remaining until maturity. The resulting amount shall be the minimum prepayment premium due to Lender upon prepayment.

Notwithstanding the above, provided no event of default then exists under the Loan Documents, if interest is accruing at the FHLB-Based Rate, no prepayment premium shall be due if such prepayment is made within the last 90 days prior to the end of Loan Year 4.

1.13 EB-5 Loans: Borrower and the Lord Amherst Affiliates shall be required to obtain a commitment letter (the "EB-5 Commitment") from the EB-5 Regional Center ("EB-5") for a loan in the amount of not less than

$9,000,000.00. It is expected that a portion of such loan (the "EB-5 Senior Loan") will be secured by a mortgage lien on the Project of equal priority with the Mortgage (as herein defined), and the balance of such loan (the "EB-5 Junior Loan") will be secured by a mortgage lien on the Project of junior and inferior priority with the Mortgage (the EB-5 Senior Loan and the EB-5 Junior Loan are collectively referred to herein as the "EB-5 Loans"). The principal amount of the EB-5 Senior Loan shall be such amount that, when added to the outstanding principal balance of the Loan, results in a combined loan to value ratio of no greater than 60%. It is also anticipated that the proceeds of the EB-5 Loans will be used in whole to pay down the outstanding principal balance of the Loan. A condition of closing the Loan shall be the receipt, review and approval by Agent of the EB-5 Commitment, which must in form and content acceptable to Agent, and which must provide that: (i) the EB-5 Loans shall be closed to prepayment and have a maturity date that is subsequent to the end of the Permanent Term, and (ii) the EB-5 Loans shall be payable on an interest only basis until payment in full of the Loan. All documentation in connection with the EB-5 Loans, including but not limited to the terms and provisions of any document governing, evidencing or securing the EB-5 Loan, any modification to any such document, and any intercreditor arrangements with regard to the relative priority of liens, the priority of payment of debt, the enforcement of remedies, the realization on collateral, and any other matters, must be in form and content acceptable to the Agent in its absolute discretion.

1.14 Lord Amherst Improvments: It is expected that Borrower and the Lord Amherst Affiliates will be required to complete certain renovations to the Lord Amherst Hotel that is adjacent to the Project and to agree to comply with certain operational covenants after the completion of such renovations, as a condition to the disbursement of the EB-5 Loans. A condition to closing the Loan shall be the receipt, review and approval of an acceptable loan commitment (the "Lord Amherst Commitment") from a bona fide third party lender providing loan proceeds sufficient for such renovation of the Lord Amherst Hotel, and which contains such terms and conditions that will permit Borrower or the Lord Amherst Affiliates (as applicable) to satisfy all conditions of the EB-5 Commitment and allow the EB-5 Loans to be fully disbursed prior to the end of the Construction Term. Borrower and Guarantor shall guaranty the completion of such renovation work, compliance with such operational covenants, and all other commitments required by EB-5 in connection with the renovation of the Lord Amherst Hotel, to assure the timely disbursement of the proceeds of the EB-5 Loans prior to the end of the Construction Term.

SECTION 2 – LOAN ADMINISTRATION

2.1 Loan Administration:

(a) Financial Statements: Borrower and Guarantor will furnish to Agent financial statements for themselves and for all partnerships, limited liability companies, corporations and business activities in which they have an interest. "Financial Statements" shall consist of:

(i) Annual Financial Statements: Annual internally-prepared financial statements and federal tax returns of Borrower (including K-1s) within 120 days of fiscal year end (or within 10 days after the end of any applicable extension, with regard to tax returns).

(ii) Personal Financial Statements: Annual internally-prepared financial statements (including bank/brokerage statements verifying liquidity, if requested by Agent) and federal tax returns (including K-1s) of Guarantor within 120 days of calendar year end (or within 10 days after the end of any applicable extension, with regard to tax returns).

(iii) Liability/Cash Flow Statement: A statement of all contingent liabilities and global cash flow for Guarantor, within 120 days of calendar year end.

All financial reporting shall be in form and content satisfactory to Agent, certified to be true and correct by the party offering such statement or tax return, and include a representation that Agent may rely on the same. Copies of the most current versions of the above Financial Statements shall be submitted for review prior to closing.

(b) Real Property Tax and Insurance Payment:

(i) Real Property Tax Monitoring Service: Agent will engage and Borrower will pay for a monitoring service to monitor real property tax accounts affecting the Property in accordance with the term of the Loan.

(ii) Insurance Premium Payment: Borrower will annually submit to Agent, on or prior to the anniversary of the Loan, evidence of payment of premiums for Project insurance coverage required by Agent.

(c) Disbursement and Operating Account: Borrower will establish prior to closing and will maintain throughout the Loan Term its primary deposit and operating accounts and a construction disbursement account with Agent.

(d) FF&E Reserve Account: Starting in Loan Year 2, and in each Loan Year thereafter, on the first day of each calendar quarter (January 1, April 1, July 1 and October 1) Borrower shall deposit in an account with the Agent an amount equal to 1% of the Project's effective gross income for the immediately preceding calendar year. Provided no event of default then exists under the Loan Documents, such amounts shall be released by the Agent to the Borrower for costs incurred for furniture, fixtures and equipment for the Project, but only after receipt, review and approval by Agent of invoices and/or other acceptable documentation to support the Borrower's request for such funds. Such reserve account shall be pledged as additional collateral security for the Loan pursuant to documentation in form and content acceptable to Agent.

2.2 Inspecting Engineer: Property Evaluation Service, Inc.

2.3 Construction Manager: Iskalo Development Corp.

2.4 Cross Default/Cross Collateralization: This Loan will be cross-defaulted with the EB-5 Loans and all other debt of Borrower. The Loan will be cross collateralized with all other indebtedness owed from Borrower to Agent and/or any Lender under any Interest Rate Protection Agreement entered into with Agent (and/or the Lenders) in connection with the Loan.

2.5 Debt Service Coverage: At all times during the Permanent Term, the Project must support a DSCR, as determined by Agent, equal to or greater than 1.15 to 1, based on the amount that would be required to make level debt service payments of principal and interest on the aggregate maximum amount of the Loan and the EB-5 Loans payable over a 20-year amortization schedule at the interest rate payable on the Loan (if the FHLB-Based Rate is selected by the Borrower), the rate payable by Borrower under an Interest Rate Protection Agreement entered into by Borrower and Agent (and/or the Lenders) for the entire Loan (if such an Interest Rate Protection Agreement has been entered into), or in all other instances, 7% per annum, and (ii) actual net operating income of the Project as determined by Agent. In determining such net operating income, Agent shall subtract from effective gross income (i) all operating expenses (excluding non-cash, one-time and/or capital expenditures, at the Agent's discretion), (ii) a management fee of at least 3% of effective gross income, and (iii) a reserve for FF&E of at least 4% of effective gross income.

2.6 Guarantor Liquidity. Guarantor shall maintain a minimum liquidity of $3 million dollars in excess of encumbrances throughout the term of the Loan. For purposes of this covenant, liquidity shall mean (i) cash deposited in an account or accounts with Agent or another financial institution satisfactory to Agent, and (ii) the market value of marketable securities owned by Guarantor in excess of encumbrances.

2.7 Subordination of Developer Fees: Subordination agreement(s) to be executed by Borrower, Guarantor and any third-party developer of the Project, pursuant to which the parties (i) agree that no payment of developer fees shall be made by Borrower until the Project has been completed and the final advance of Loan proceeds has been made pursuant to the terms of the Building Loan Contract, and (ii) confirm that the recipient's rights to any such payments are fully subordinated to the Lender's right to repayment of the Loan.

SECTION 3 - COLLATERAL

The Loan and any Interest Rate Protection Agreement entered into with Agent and/or the Lender(s) will be secured by the following required collateral:

3.1 Mortgage: A mortgage, deed of trust, or equivalent instrument ("Mortgage") creating a first lien on the Project in the amount of the Loan insured by a title insurance policy issued pursuant to the provisions hereof. The Mortgage shall contain the following terms and conditions:

(a) No sale of, assignment, pledge or grant of a security interest in, or other transfer of interests in, the Property, the Improvements, or Borrower shall be permitted other than those approved by Agent.

(b) No secondary financing secured by the Project will be permitted unless approved by Agent.

(c) No assumption of the Mortgage will be permitted.

(d) Immediately upon notification by Agent, after an event of default under the Loan Documents or notice of non-payment of taxes/insurance, Borrower will be required to deposit real property taxes and casualty insurance premiums with Agent monthly, and to deposit with Agent a lump sum in the amount necessary to establish a fund for payment of such expenses when due.

3.2 Security Agreement: A security agreement granting Agent security interests in all of the following personal property, whether now owned or hereafter acquired, and all proceeds and products thereof, which security interests shall be first liens on such property, subject only to prior liens acceptable to Agent:

(a) All personal property and fixtures including any and all Equipment, Inventory, Accounts, Chattel Paper, General Intangibles, Fixtures, Documents and Instruments as defined in the Uniform Commercial Code in effect in the state where the Project is located, and including all proceeds and products thereof, all insurance and condemnation claims and proceeds and all building materials whether on or off the Property;

(b) All lease, rental and sale agreements covering any of the Project, including all hotel receipts, revenues and credit card receipts collected from guest rooms, restaurants, bars, meeting rooms, banquet rooms and recreational facilities, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Borrower or any operator or manager of the hotel or the commercial space located at the Project or acquired from others (including, without limitation, from the rental of any office space, retail space, guest rooms or other space, halls, stores and offices, and deposits securing reservations of such space), license, lease, sublease and concession fees and rentals, health club membership fees, food and beverage wholesale and retail sales, service charges, vending machine sales, and proceeds, if any, from business interruption or other loss of income insurance and all rights, title, and interest of Borrower in and to all license agreements, franchise agreements, management agreements and all other contracts or agreements relating to the operation of the Project, including, without limitation that certain Franchise Agreement dated October 24, 2012 made by and between Hyatt Place Franchising, LLC and Iskalo 5000 Main LLC (and assigned to Borrower), as the same may be amended, modified or supplemented from time to time, for operation of a Hyatt Place Hotel at the Project;

(c) All security deposits, down payments and other payments with respect to the sale or rental of any of the Project;

(d) All construction, marketing, management, engineering, architectural, service, and maintenance contracts and all other contracts relating to the Project;

(e) All books and records relating to the Project;

(f) All plans, specifications and permits for the construction of the Improvements;

(g) All options and agreements with respect to additional real property for use or development in connection with the Project; and

(h) All insurance proceeds and condemnation awards from the Project.

3.3 Assignment of Leases and Rentals: A first lien collateral assignment of all leases, rentals, and other agreements for the leasing or rental of the Project or any part thereof, now existing or hereafter made, and all proceeds of any of the foregoing.

3.4 Guaranties: Guaranty of the repayment of the Loan, the completion of construction of the Project, the performance of Borrower's obligations under the Loan Documents, and the performance of Borrower's and the Lord Amherst Affiliates' obligations under the EB-5 Commitment and the Lord Amherst Commitment, by Guarantor. Such guaranty obligations shall be unlimited.

3.5 Assignment of Contracts and Rights: A first lien collateral assignment of all contracts and zoning or other rights now existing or hereafter arising in connection with the Project; including without limitation, any contract of sale for lots in the Project.

3.6 Intercreditor Agreement: An agreement (the "EB-5 Intercreditor"), in recordable form, between Agent and EB-5, pursuant to which EB-5 agrees to such intercreditor arrangements as Agent may require in connection with EB-5's rights and remedies under the documents governing, evidencing or securing the EB-5 Loans (including, but not limited to, standstill provisions with regard to the enforcement of remedies, an agreement not to modify the terms of the EB-5 Loans or to accept prepayment thereof or payment in full thereof unless the Loan has been previously paid in full, an acknowledgement that Agent shall control the enforcement of all remedies under the Loan Documents and the documents governing, evidencing or securing the EB-5 Senior Loan and the realization on any collateral securing such loans, and notice and cure rights in favor of Agent prior to the exercise by EB-5 of any remedies or the realization by EB-5 on any collateral in connection with the EB-5 Junior Loan.

3.7 Tri-Party Agreement: An agreement among Borrower, Agent, and EB-5, pursuant to which (i) EB-5 consents to the collateral assignment by Borrower and the Lord Amherst Affiliates to Agent of the EB-5 Commitment, (ii) EB-5 approves certain documentation submitted by Borrower to Agent in connection with closing of the Loan (including, but not limited to, the plans and specifications, title insurance policy, survey, environmental reports and appraisal), (iii) EB-5 agrees to remit all EB-5 Loan proceeds directly to Agent if and when advanced, (iv) Agent is provided with notice and cure rights under the EB-5 Commitment, (v) EB-5 agrees to close the EB-5 Loans subject to punch list items, (vi) Agent receives such other assurances as Agent may require, and (vii) Borrower agrees to all of the foregoing.

3.8 Environmental Agreement: An Environmental Compliance and Indemnification Agreement (the "Environmental Agreement") from Borrower and Guarantor to Agent wherein and whereby Borrower and Guarantor, among other things, agree irrevocably and unconditionally to indemnify and hold Agent and Lenders harmless in respect of all environmental liability relative to the Project.

3.9 Loan Document Provisions: The Loan Documents will incorporate allowances and exceptions with respect to transfers of minority ownership interests, the required timing of financial statements and other document deliveries and similar matters consistent with prior mutually-negotiated changes to the Agent's standard form of loan documents.

SECTION 4 - DOCUMENTS REQUIRED PRIOR TO CLOSING

It shall be the obligation of Borrower to furnish the following documents to Agent, all in form, content and legal effect acceptable to Agent and Agent's counsel, as soon as possible but not less than ten (10) days before closing:

4.1 Title Insurance Binder: A title insurance binder or report issued by a title insurance company acceptable to Agent containing a complete and appropriate legal description of the Property and of all easements required for ingress and egress from Main Street, along with copies of all easements, restrictions, and other exceptions, committing the title insurance company to issue a policy in form satisfactory to Agent insuring the Mortgage to be a valid first lien on the Property in the amount of the Loan or so much thereof as shall be advanced from time to time free and clear of all liens, encumbrances and exceptions, excepting those which Agent has approved and otherwise meeting Agent's title requirements attached hereto as Schedule 1. Agent reserves the right to require co-insurance or re-insurance from additional title companies acceptable to Agent, with policies of coinsurance based upon independent examinations of title performed by such additional companies.

4.2 Survey: A current survey prepared in accordance with the Code of Practice for Land Surveys adopted by the New York State Association of Professional Land Surveyors, approved by and certified to the title insurers and Agent, showing the monuments, courses and distances of the Property, any structures thereon, encroachments, easements, rights-of-way and other customary and relevant information.

4.3 Tax Map: A copy of the tax map showing the Property and its tax account designation.

4.4 Appraisal: An appraisal paid for by Borrower, ordered by Agent, and prepared by an appraiser approved by Agent showing the completed value of the Project. The Loan amount shall not exceed 70% of said appraised value (with such ratio to include the present value of all grants, loans, and tax credits). Agent acknowledges receipt, review and approval of such appraisal.

4.5 Financial Statements: Agent has received and approved certain financial statements previously submitted by Borrower and Guarantor. Agent reserves the right to request, prior to closing, additional financial statements of Borrower and Guarantor and all corporations, limited liability companies and partnerships in which any such party has an interest, consisting of balance sheets, income statements, rent rolls (if applicable) schedule of real estate owned, cash flow statements, and statements of contingent liabilities, acceptable to Agent and certified as true and complete by the party to whom they pertain current as of the date of certification, and for the period of at least the immediately past four fiscal quarters.

4.6 Zoning: Upon Agent's request:

(a) A copy of the zoning map, ordinance, all variances and special permits applicable to the Project, which shall show that the use of the Improvements are permitted and that all conditions thereto have been met; or

(b) A letter from the applicable municipality indicating that all existing approvals are sufficient for use of the Property and that the Property is correctly zoned for its use; or if the current use of the Property constitutes a non-conforming pre-existing condition, that upon destruction it could be rebuilt for the same use at the same location. If requested, Borrower shall also provide information satisfactory to Agent to confirm satisfactory zoning, such as an endorsement to the title insurance policy.

4.7 Other Permits and Approvals: Copies of all approvals, consents, permits, authorizations, and licenses which are necessary for the construction of the Improvements, the use of the Project for the purposes for which constructed, and, if appropriate, for the marketing of the Project.

4.8 Counsel's Opinion: A draft of the opinion of Borrower's independent counsel that, in addition to such other matters as Agent may reasonably deem relevant:

(a) Borrower is duly and validly formed and organized, subsisting and authorized to do business in the state of its organization and in the state where the Project is located.

(b) Borrower and Guarantor are authorized to enter into the agreements and execute the documents by which the Loan is to be evidenced and secured.

(c) The documents that will be executed by Borrower and Guarantor are valid and enforceable.

(d) There are no actions or proceedings pending or threatened which could materially adversely affect Borrower, the Project or Guarantor.

(e) Other matters deemed relevant by Agent.

4.9 Insurance: Insurance policies in amounts and with insurers acceptable to Agent and cancelable only upon prompt written notice to Agent, and providing:

(a) An extended coverage casualty insurance non-reporting policy in an amount acceptable to Agent, and, as to the construction related to the Loan, extended coverage casualty insurance in the form of a "Builder's Risk" non-reporting policy to the extent not protected by the non-Builder's Risk policy, in an amount acceptable to Agent, and as to each with a New York Mortgagee endorsement or its equivalent, and each naming Agent as mortgagee at Agent's address as follows: 239 Van Rensselaer, Buffalo, NY 14210, Attention: Commercial Collateral Control Unit, without subjecting the mortgagee to defenses which may be available against Borrower. Neither policy will contain a coinsurance provision. Agent shall have the right to apply insurance proceeds to the unpaid balance of the Loan.

(b) Hazard insurance, naming Agent as first mortgagee and lender loss payee.

(c) Public liability and property damage insurance naming Agent as an additional insured party.

(d) Workers' Compensation insurance.

(e) Flood insurance, if the Property is located in an area identified as a flood hazard area by the U.S. Department of Housing and Urban Development, naming Agent as mortgagee.

(f) Such other coverage as Agent may require, including such coverage as is available for similar projects in the same locality.

4.10 Organizational Documents: A copy of Borrower's:

(i) Filed Articles of Organization and all amendments thereto.

(ii) Evidence of all filings and publications required by the laws of the state in which Borrower is organized and the state in which the Project is located.

(iii) Current Good Standing or Subsistence Certificate.

(iv) Operating Agreement and all amendments thereto (collectively the "Operating Agreement").

(v) Consents authorizing the execution and delivery of the documents evidencing and securing the Loan, as required under the terms of the Operating Agreement.

(vi) Evidence of authority to do business in the State in which the Project is located if other than the state of its organization, if applicable.

4.11 Federal Tax Identification Number/Social Security Number: Borrower's and Guarantor's federal tax identification number, and the social security number of every individual executing documents as or on behalf of Borrower or Guarantor.

4.12 Photo Identification: Copies of valid driver's licenses or other government issued photo identification acceptable to Agent for each individual executing documents as or on behalf of Borrower and Guarantor.

4.13 Flood Certificate: Certificate of a qualified entity indicating that the Project is not in a Special Flood Hazard area. The Certificate will be ordered by Agent and paid for by Borrower.

4.14 Environmental: Borrower shall provide evidence (including, without limitation, an environmental questionnaire and a "Phase I" environmental assessment) conducted by an environmental consultant under the most current ASTM standards, dated no earlier than ninety (90) days prior to the closing, in form and content acceptable to Agent, indicating that the Project is free from risk, in Agent's sole judgment, from all hazardous substances, toxic substances or hazardous wastes as defined by any federal, state, or local law, statute, ordinance or regulation and is free of all other contamination which, even if not so regulated, is known to pose a hazard to the health of any person on or about the Project, and that the land is not in a "Wetlands" area, and contains no underground storage tanks or oil or gas wells. The environmental consultant shall be directly engaged by Agent at Borrower's cost and shall report jointly to Agent and Borrower. Agent acknowledges receipt, review and approval of such Phase I environmental assessment. Borrower and each Guarantor acknowledge that Agent reserves the right to discuss any environmental report directly with the environmental firm that prepares it. Agent reserves the right, at Borrower's expense, to retain an independent consultant to review any such evidence submitted by Borrower or to conduct its own investigation of the land. Borrower will make certain environmental representations, warranties and covenants in the Loan Documents. Borrower and Guarantor shall be required to execute, jointly and severally, and deliver to Agent a Hazardous Substances Indemnity Agreement acceptable to Agent.

4.15 Site Plan: A site plan of the Project showing all required municipal approvals and identifying separate buildings and phases, as appropriate.

4.16 Plans and Specifications: A set of construction plans and specifications, including, without limitation, a plan with the divisions of the Project for purpose of sale or rental individually numbered. The Plans and Specifications shall have approvals noted thereon by all applicable municipal authorities and Borrower and the Construction Manager. Agent acknowledges receipt, review and approval of such plans and specifications. No changes shall be made in the submitted Plans and Specifications without Agent's prior written consent and, to the extent required by applicable law or regulation, the prior written consent of all governmental bodies having jurisdiction.

4.17 Soil Test Report: If required by Agent or Agent's Inspecting Engineer, soil test reports by engineers acceptable to Agent indicating the suitability of the Property for the construction of the Improvements without extraordinary land preparation. Agent acknowledges receipt of soil test reports, and is currently reviewing the same.

4.18 Budget and Trade Cost Breakdown: Detailed Project budget including construction schedule, trade cost breakdown and itemization of construction and non-construction expenses, showing all costs required to complete the Project according to the Plans and Specifications, detailed construction schedule, and cash flow projections ("Project Budget"). If the Project is to be developed in phases, a plan for such development showing the cost, timing and order of construction of each phase will be included. Agent acknowledges receipt, review and approval of the Project Budget.

4.19 Pre-Cost Analysis: An analysis by Agent's Inspecting Engineer of the sufficiency and reasonableness of the proposed Project Budget, the feasibility of the proposed construction schedule, and the completeness and conformity with applicable building codes of the Plans and Specifications. Agent acknowledges receipt, review and approval of such pre-cost analysis.

4.20 Construction Management Contract: A contract between Borrower and Construction Manager in form and content acceptable to Agent, covering the entire Project, providing for a guaranteed maximum price acceptable to Agent.

4.21 List of Subcontractors: A list of all contractors and subcontractors who will work on the Project, to be reviewed and approved by Agent.

4.22 Contracts and Subcontracts: Copies of executed contracts and subcontracts with contractors or subcontractors providing work with a value of $500,000.00 or more in the aggregate.

4.23 Construction Manager's Agreement: Agreement by the Construction Manager to continue to perform for Agent the services the Construction Manager has contracted to perform for Borrower notwithstanding any default under or Agent's foreclosure of the Mortgage, provided the Construction Manager receives future payments under its contract.

4.24 Intentionally omitted.

4.25 Architect's Consent and Certification: An agreement by the Project architect or engineer to the use by Agent and its designees of the Plans and Specifications without any further payment, and the architect's or engineer's certification that the Project, when completed according to the Plans and Specifications, will comply with all applicable laws, regulations and ordinances.

4.26 Utility Availability Letters: Letters from appropriate utility companies and municipalities assuring the availability of water, sewer, electric, gas and telephone service to the Property adequate for the occupancy and intended use of the completed Project, or such other evidence of utility service availability as may be acceptable to Agent.

4.27 Building and Other Permits: Copy of building permits for the construction of the improvements issued by the municipality in which the Project is located, and a list of all municipal or governmental permits, consents, authorizations and approvals necessary for the construction, operation and leasing of the Project certified by the architect or engineer and Borrower as true, correct and complete to the best of the certifying party's knowledge, information and belief.

4.28 Equity: Documentation satisfactory to Agent in its sole discretion evidencing Borrower's equity in the Project at Loan closing and the availability and timing of post-closing equity infusions.

4.29 IDA Documents: The Project will be receiving mortgage tax abatement, sales and use tax abatement, and real property tax abatement from the Town of Amherst Industrial Development Agency ("AIDA"). The AIDA tax abatements shall be documented either through an installment sale or lease arrangement with Borrower, with such documents to be in form and content acceptable to Agent. AIDA shall be required to join in the execution of the Mortgage that will secure the Loan, to subject AIDA's interest therein to the liens thereof. This commitment letter shall be conditioned upon Agent's receipt of satisfactory certified authorizing resolutions from AIDA, along with an opinion of AIDA's counsel, in form and content acceptable to Agent, with regard to the due authorization, execution and enforceability of the AIDA documents.

4.30 Federal Tax Identification Number: Borrower's and Guarantor's federal tax identification number/social security number.

4.31 Property Tax Information: The name and address of every tax authority having jurisdiction over the Project, the account number by which each such authority identifies the Project, and the dates by which all taxes may be paid without penalty, along with copies of receipted tax bills for the Project for the current tax fiscal year of each taxing jurisdiction.

4.32 UCC Search: A currently dated UCC search against Borrower at the County and State levels.

4.33 Franchise Agreement: Delivery of a satisfactory franchise agreement for the Project from Hyatt Place Franchising, LLC, authorizing the Project to be operated by Borrower as a Hyatt Place Hotel. As security for the Loan, Borrower shall execute a collateral assignment of such franchise agreement to Agent on terms and conditions satisfactory to Agent, and the franchisor must consent to such collateral assignment pursuant to documentation acceptable to Agent.

4.34 Hotel Management Agreement: Delivery of an acceptable agreement for the management of the Project with a hotel management company acceptable to Hyatt Place Franchising, LLC and Agent, and the collateral assignment by Borrower to Agent, as security for the Loan, of such agreement (with a consent to such collateral assignment and subordination of fees executed by such hotel management company), all in form and content acceptable to Agent.

4.35 Intentionally Omitted.

4.36 Satisfactory Resolution of Outstanding Litigation: All outstanding litigation involving the Project must be resolved to the Agent's satisfaction, or must otherwise be in a status that is satisfactory to Agent.

4.37 Other: Such other relevant documents or matters as Agent may reasonably require, including without limitation any documents or matters required by Borrower's application for the Loan, if not specifically enumerated above.

SECTION 5 - DISBURSEMENT OF THE LOAN

The Building Loan Contract will provide for the following matters:

5.1 Advances for Construction: The Loan will be disbursed in interim advances not more frequently than once each month based upon the value of work (including the value of architectural and engineering work) completed. Requests for advances must be submitted in writing signed by Borrower or its authorized representative and accompanied by AIA Form G702, with exhibits and substantiating documents in form required by Agent, executed by Borrower, Construction Manager and the Project architect and received by Agent at least ten (10) days prior to the day the advance is sought. Until the Project is complete, the Inspecting Engineer shall perform monthly inspections at Borrower's expense in scope satisfactory to Agent. Each advance will be conditioned upon (a) the determination of the Inspecting Engineer that completed construction has been in accordance with the approved Plans and Specifications, that the necessary percentage and nature of work has been completed in accordance with the Project Budget to justify the advance requested, and that the undisbursed portion of the Loan excluding any interest reserve and contingency reserve will be sufficient to complete the Project, (b) a clear continuation of title to the date of such advance, (c) evidence that the title insurance policy insures the priority of the lien of the Mortgage with respect to that advance, and (d) current lien waivers from the Construction Manager, and all contractors and subcontractors. Agent reserves the right to make advances through a title company or other disbursement agent. No loan proceeds shall be advanced until all other sources of funds for Project expenses as set forth on Schedule "B" have been fully advanced. Borrower shall deposit with Agent within ten (10) days of Agent's demand therefor an amount equal to the amouut by which the cost of lien-free completion of the Project exceeds the amount of undisbursed Loan funds (excluding Retainage, coutingency reserve and interest reserve, if any).

5.2 Retainage: Agent shall retain 10% of each advance for hard costs, other than the final advance ("Retainage"), and shall release the Retainage to Borrower when the conditions to the final advance have been met. Provided no default then exists under the Loan Documents, Agent agrees that once the Project reaches 50% completion (as determined by the Project architect and confirmed by the Construction Inspector), the Agent shall reduce the amount of such Retainage for subsequent advances to 5% of such advances for hard costs.

5.3 Final Advance: The final advance of the Loan shall be made only after receipt by Agent of (a) municipal approval of any off-site access roads or other components of the Project, (b) an "as- built" survey certified to Agent, (c) certificate of substantial completion from the Project architect, verified by the Inspecting Engineer, (d) affidavit of payment and lien waivers from Construction Mauager, (e) lien waivers from all contractors and subcontractors, (f) approval of final payment by performance and payment bond surety, if required under the terms of the bond, (g) final title insurance policy, if not previously issued, and (h) such other evidence of lien-free completion as Agent may require.

5.4 Use of Loan Proceeds: The Building Loan Contract shall require specific uses of advances substantially as shown on Schedule B hereto.

5.5 "As-Built" Survey: Borrower will provide to Agent a survey meeting the requirements of Section 4.2 and showing the completed Improvements as a condition to Agent's obligation to make the advance next following completion of the Improvements.

SECTION 6 - MISCELLANEOUS MATTERS

6.1 Terms: This letter contains the principal terms of the facility; however, the definitive terms will be contained in the Loan Documents.

6.2 Closing: The Loan will be closed in Buffalo, New York, on or before January 31, 2014 ("Closing Date") unless another place or date shall be mutually acceptable. All documents and matters pertaining to the Loan will be subject to the approval of Agent's counsel.

6.3 Assignability: This offer to commit is not assignable by Borrower. Agent may, at its election, assign this offer to commit all or part of the Loan to one or more other Lenders. Any agreement arising hereunder shall be solely for the benefit of the parties hereto and no third party shall have any right hereunder.

6.4 Termination of Obligations: At Agent's election, any obligation Agent may have following the acceptance of this offer to commit shall terminate upon the occurrence of any of the following:

(a) If any certificate, statement, representation, warranty or financial statement heretofore or hereafter furnished by or on behalf of Borrower or Guarantor pursuant to or in connection with the Project or as an inducement to Agent to enter into the Building Loan Contract or any other lending agreement with Borrower or Guarantor proves to have been false or misleading in any material respect at the time as of which the facts therein set forth were stated or certified, or to have omitted any substantial liability or claim against the party to which it pertains, or if there shall have been any material adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or financial statement.

(b) Upon the filing by or against Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable, of a request or a petition for liquidation, reorganization, adjustment of debts, arrangement, adjudication as a bankrupt or similar relief under the bankruptcy, insolvency or similar laws of the United States or any state or territory thereof or any foreign jurisdiction; or the institution by or against Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable, of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable.

(c) Upon the appointment of or authorization for a trustee or receiver of Borrower or any Guarantor, as applicable, or for a trustee, receiver or agent to take charge of any property of Borrower, any Guarantor, or any member, partner or majority shareholder of either as applicable.

(d) Upon the occurrence of any material adverse change in the financial condition of Borrower, any Guarantor or the condition of the Project between the date of any financial statement delivered to Agent with respect to any such party and the Closing Date.

(e) If Agent is advised before the Loan is closed of any law or regulation which prevents or prohibits Agent from making the Loan in accordance with the terms and conditions of this offer to commit, or which in Agent's judgment has a material adverse effect upon the profitability of, or Agent's ability to make, the Loan.

(f) Upon the commencement of any legal, equitable or administrative action or proceeding the outcome of which could adversely affect Borrower, the Project, or any Guarantor.

(g) Agent does not receive the Construction Term Commitment Fee or Arrangement Fee when and as due.

6.5 Costs and Expenses: All costs incidental to the Loan, including, without limitation, appraisers' fees, Agent's and Lenders' attorneys' fees and disbursements, title examination and insurance fees, surveyors' fees, mortgage tax, recording taxes or fees, and the fees of Agent's architects, engineers, appraisers, environmental consultants, and disbursing agents, if any, are to be paid by Borrower upon Agent's request. Each party accepting this offer to commit by the execution of this letter agrees to reimburse Agent and/or Lender upon request for all expenses and disbursements incurred by or on behalf of Agent and or any Lender in preparation for the closing of the Loan, whether or not the Loan is closed. Agent has not engaged any broker in connection herewith, and shall not be required to pay any brokerage or other fee or commission arising from the transactions contemplated hereby.

6.6 Indemnity: Each party accepting this offer to commit agrees to indemnify Agent and hereby hold Agent harmless against all claims, actions, suits, proceedings, costs, expenses, brokerage or other fees, losses, damages and liabilities of any kind including in tort, penalties and interest, which Agent may incur in any manner other than Agent's own gross negligence or willful misconduct, by reason of any matter relating, directly or indirectly, to the Mortgage or the ownership, condition, development, construction, sale, rental or financing of the Project or any part thereof. This indemnification shall continue in effect whether or not the Loan is partially or fully advanced and shall survive the repayment of the Loan.

6.7 Entire Understanding: This letter and any Schedules hereto represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof; supersede all prior negotiations and writings between the parties, including specifically but without limitation the application for the Loan and correspondence related thereto; cannot be amended, supplemented or modified orally, but only by an agreement in writing signed by the party against whom enforcement of any such amendment, supplement or modification is sought.

6.8 Acceptance: This offer to commit may be accepted only by execution and return to Agent of the enclosed copy(s) of this letter together with the portion of the Construction Term Commitment Fee due upon acceptance hereof on or before December 24, 2013 ("Acceptance Date"). This offer to commit will automatically expire if Agent has not received Borrower's acceptance and said payment by the Acceptance Date.

6.9 No Survival: It is understood that the terms and conditions of this Commitment Letter shall not survive the execution and delivery of the Loan Documents except that all indemnities and reimbursement obligations shall survive any such termination.

6.10 Governing Law and Jurisdiction: The Note and all other documents evidencing or securing the Loan, and the rights and obligations of the parties thereto, shall be construed and interpreted in accordance with the internal laws of the State of New York without regard to principles of conflicts of laws. The Loan Documents will contain consents to jurisdiction and waivers of rights to jury trial.

6.11 Termination: All of Agent's and Lender's obligations hereunder will automatically terminate if all of the conditions to the making of the Loan have not been satisfied by the Closing Date.

6.12 Contingency for Lender Participation:

(a) First Niagara Bank, N.A. has agreed to act as one of the Lenders under the Loan, and to severally fund, on a pro rata basis with other participating Lenders, up to $9,000,000.00 with regard to the Loan (the "FNB Committed Portion"), subject to all of the conditions set forth in this letter. Unless additional financial institutions acceptable to Agent commit to act as Lenders and to severally fund, on a pro rata basis with other participating Lenders, the balance of the Loan, as evidenced by such Lenders executing the applicable Loan Documents for the Loan, no Lenders (including First Niagara Bank, N.A.) shall have any obligation to fund any Loan proceeds.

(b) Notwithstanding the foregoing, First Niagara Bank, N.A., as Lender, may assign all or a portion of the FNB Committed Portion before closing to one or more financial institutions acceptable to Agent, which assignment shall be evidenced by such financial institution(s) executing the applicable Loan Documents for the Loan. Any such assignment shall reduce the pro-rata obligation on the part of First Niagara Bank, N.A., as Lender, to severally fund the Loan by the amount so assigned.

(c) Notwithstanding the foregoing, First Niagara Bank, N.A., as Lender, may grant participation interests in all or a portion of the FNB Committed Portion to one or more financial institutions acceptable to Agent.

6.13 Prior Commitment: This letter amends and restates in whole Lender's commitment letter with regard to the Project dated December 5, 2013 (the "Prior Commitment"), which Prior Commitment is hereby made null, void, and of no further force and effect.

If this offer is acceptable, please indicate your acceptance by signing and returning the enclosed copy of this letter along with $22,500, the portion of the Construction Term Commitment Fee payable upon execution of this letter. We look forward to working with you on successfully completing this transaction. We will begin documenting the credit after we have received your signed copy of this letter.

Very truly yours,

FIRST NIAGARA BANK, N.A.

By: Maria E. Barth
Name: Maria E. Barth
Its: Vice President

Accepted and agreed to this 23 day of December, 2013.

ISKALO 5020 MAIN LLC

By:Iskalo Development Corp, Manager

By: ____________________
Paul B. Iskalo, President

____
Paul B. Iskalo, Guarantor

SCHEDULE 1

AGENT'S TITLE INSURANCE REQUIREMENTS

1. Title Insurance Company Qualifications: The maximum single risk (i.e., the amount insured under any one policy) by a title insurer may not exceed 25% of that insurer's surplus and statutory reserves. Reinsurance must be obtained and satisfactory evidence of same must be provided at closing for any policy exceeding such amount. An insured closing letter must be provided when the title policy is issued by a title agent and not by the title insurer directly.

2. Loan Policy:

   (a) Forms: Standard 2006 American Land Title Association ("ALTA") form of loan title insurance policy must be used ("Title Policy").

   (b) Named Insured: The named insured under the Title Policy must be substantially the same as the following: "First Niagara Bank, N.A., as agent, a national banking association, its successors and assigns as their interests may appear."

   (c) Date: The effective date of the Title Policy must be as of the date and time of the recording.

3. Exception Documents: The first draft of the title commitment must include legible copies of all easements, encumbrances, or other restrictions shown as exceptions to title. The final Title Policy similarly must include a legible copy of all title exception documents.

4. Insurance Amount: The amount insured must equal the lesser of (a) the original principal amount of the Loan or (b) the appraised value of the premises.

5. Insured Real Estate:

   (a) Legal Description: The legal description of the property contained in the Title Policy, the legal description shown on the survey of the property, if any, and the legal description contained in the Mortgage must be the same. In addition, the Title Policy must include an endorsement to confirm that the insured legal description is the same as that shown on the survey.

   (b) Easements: Each Title Policy shall insure, as separate parcels: (i) all appurtenant easements and other estates benefiting the property, and (ii) all other rights, title, and interests of Borrower in real property under reciprocal easement agreements, access agreements, operating agreements, and agreements containing covenants, conditions, and restrictions relating to the Property.

   (c) Informational Matters: The Title Policy shall reference the recorded plat number together with recording information, and the property parcel number or the tax identification number, as applicable.

6. Exceptions to Coverage: With respect to the exceptions, each of the following applies:

   (a) The "standard" exceptions (such as for parties in possession or other matters not shown on public records) must be deleted.

   (b) If there are tenants, commercial tenants should be identified specifically and a subordination, nondisturbance and attornment agreement should be obtained. If there are residential tenants, the exception should refer to rights of parties in possession as tenant only and residential leases.

   (c) Instead of the "standard" survey exception, any particular exceptions described by the new survey shall be noted.

(d) The exception for taxes, assessments, or other lienable items must be limited to those not yet due and payable.

(e) In the case of encroachments, the Title Policy must affirmatively insure that the improvements do not encroach upon the insured fee, leasehold or easements, or insure against all loss or damage due to such encroachment.

(f) Borrower must arrange for deletion of mechanics' or materialmen's liens.

(g) In the case of any easements that are not located on the survey, the Title Policy must include ALTA Form 103.1 or an equivalent endorsement to insure against any loss resulting from the exercise by the holder of such easement of its right to use or maintain that easement.

7. Endorsements: With respect to endorsements, the following applies:

(a) Environmental protection lien endorsement on ALTA Form 8.2. If Form 8.2 takes exception for an entire statute, it must also reference any applicable specific sections.

(b) A comprehensive endorsement (ALTA Form 9), if a lien, encumbrance, condition, restriction, or easement is listed in Schedule B to the title insurance policy.

(c) Mortgage survey endorsement or mortgage same as survey.

(d) Agent may require the following endorsements where applicable and available:

-access	-due execution	-single tax lot
-address	-first loss	-subdivision
-assessments	-last dollar	-tie in
-assignment of leases and reuts	-leasehold	-usury
-assignment of loan documents	-mechanics lien	-variable rate
-contiguity	-mineral rights	-waiver of arbitration
-creditor's rights	-mortgage tax	-zoning (ALTA 3.1 - with parking)
-doing business	-reverter	

8. Other Coverages: Each Title Policy shall insure the following by endorsement or affirmative insurance to the extent such coverage is not afforded by the ALTA Form 9 or its equivalent in a particular jurisdiction:

(a) that no conditions, covenants, or restrictions of record affecting the property:

(i) have been violated,

(ii) create lien rights which prime the insured mortgage,

(iii) contain a right of reverter or forfeiture, a right of reentry, or power of termination, or

(iv) if violated in the future would result in the lien created by the insured mortgage or title to the property being lost, forfeited, or subordinated; and

(b) that except for temporary interference resulting solely from maintenance, repair, replacement, or alteration of lines, facilities, or equipment located in easements and rights of way taken as certain exceptions to each Title Policy, such exceptions do not and shall not prevent the use and operation of the Property or the improvements as used and operated on the effective date of the Title Policy.

SCHEDULE 2

INTENTIONALLY OMITTED

SCHEDULE "A"

ENVIRONMENTAL COMPLIANCE REQUIREMENTS

1. As used in this Schedule, the following capitalized terms shall have the meanings set forth below:

"Disposal" means the abandonment, discharge, deposit, injection, dumping, spilling, leaking or placing of any Hazardous Substance so that such Hazardous Substance or any related constituent thereof may enter the Environment except that done in full compliance with all Environmental Laws and an Environmental Permit. The term "Disposal" also means the thermal destruction of the Hazardous Substance and the burning of such as fuel for the purpose of recovering useable energy.

"Environment" means any water or water vapor, any land including land surface or subsurface, air, fish, wildlife, biota and all other natural resources.

"Environmental Laws" mean all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the Environment and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto.

"Environmental Permits" mean all licenses, permits, approvals, authorizations, consents or registrations required by any applicable Environmental Law and all applicable judicial and administrative orders in connection with the ownership, use and/or operation of the Property for the storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances.

"Hazardous Substance" means, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended 42 U.S.C. Section 6901, et seq.), Articles 15 and 27 of the New York State Environmental Conservation Act, if applicable, or the equivalent provisions, if any, of the laws or regulations of the state in which the Property is located, if other than New York, or any other applicable Environmental Law and in the regulations adopted pursuant thereto.

"Indemnitee" means Agent, any Lender, their respective participants, all subsequent holders of the mortgage securing the Loan, their respective successors and assigns and their respective officers, directors, employees, agents, representatives, contractors and subcontractors.

"Loan" means the credit facility or facilities which may be the subject of the offer to commit to which this Schedule is attached.

"Property" means the land and improvements to be encumbered by the mortgage securing the Loan.

"Release" has the same meaning as given to that term in the Comprehensive, Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. Sections 9601, et seq.) and the regulations promulgated thereunder. The term "Release" also includes Disposal but is not conditioned by an exclusion for acts done in full compliance with an Environmental Permit.

2. As a condition to making the Loan, Agent must be satisfied that, except to the extent permitted and allowed by the requirements, terms and conditions of all applicable Environmental Laws and Environmental Permits: (a) the Property neither is being nor has been used for the storage, treatment, generation, transportation, processing, handling or Disposal of any Hazardous Substance, (b) no Release of a Hazardous Substance has

occurred on, at or from the Property, (c) no underground storage tanks are located on the Property, (d) there is no radon, asbestos or urea formaldehyde foam insulation in or contaminating any of the buildings, structures or other improvements on the Property, (e) there are no polychlorinated biphenyls in concentrations which exceed amounts permitted by applicable Environmental Laws in any of the transformers, capacitators or other electrical equipment located on the Property including in said buildings, structures or other improvements, (f) all Environmental Permits necessary to the continued or intended use of the Property have been obtained or are fully transferrable to Borrower and are being complied with in their entirety and (g), if applicable, the requisite federal, state and local agencies and authorities have been given any required notice and have issued the appropriate Environmental Permits signing their consent or approval of the transfer of ownership and/or control of the Property to Borrower.

3. Borrower will be required to: (a) complete a questionnaire with respect to the environmental and ecological condition of the Property, (b) provide Agent with a history of the use of the Property, giving particular attention to past military, industrial or waste disposal use, and a list of any present tenants, subtenants, licensees and occupants and all prior owners and tenants of the Property of record, (c) certify to Agent that the Property, including the buildings, structures and other improvements thereon and the transformers, capacitators and other electrical equipment located in said buildings, structures and other improvements or on the Property show no visible or other signs of Hazardous Substances or their effects and that Borrower has no reason to believe that any environmental problem exists at the Property, and (d) enter into an Environmental Inquiry Authorization, Compliance and Indemnification Agreement with Agent.

4. Borrower or the environmental engineer will make oral and/or written inquiries of the appropriate regional office of the U.S. Environmental Protection Agency ("EPA"), the New York Department of Environmental Conservation, or other equivalent state agency of the State in which the Property is located ("DEC") and any other appropriate federal, state and local governmental agencies or authorities; requesting any information on file with the EPA, DEC and such other governmental agencies or authorities as to whether the Property is or has been identified as a site at which Hazardous Substances are being or have been used, stored, treated, generated, transported, processed, handled, produced, released or disposed of Borrower or environmental engineer will provide copies of such inquiries and responses to Agent.

5. Borrower agrees to provide, at its sole cost and expense, an environmental inspection and audit report with respect to the Property of a scope and level of detail and prepared by a professional engineer or other qualified person acceptable to Agent. The professional engineer or other qualified person shall be engaged by Agent, but compensated by Borrower, and shall report jointly to Agent and Borrower, and Agent and Borrower shall independently determine the acceptability of the services provided. Notwithstanding anything herein to the contrary, Agent does not adopt, ratio or vouch for the adequacy or reliability of said environmental inspection and audit report. Said audit shall include a physical inspection of the Property; a visual inspection of the surrounding area, personnel interviews and a review of all requisite Environmental Permits, both as to their existence, state of compliance and transferability.

If it appears that a Hazardous Substance may be present, or that there may have been a Release of a Hazardous Substance at or from the Property, or for other good cause shown, Agent may require that such inspection also include a recorded search and/or adequate sampling and analysis, including subsurface testing for the presence of Hazardous Substances in the soil, surface water and groundwater. In the event that Agent is desirous of undertaking such search, sampling and/or analysis or testing, Agent shall so notify Borrower and Borrower shall have the right to agree to the same or terminate this commitment. In the event of any such termination, the commitment fee shall be returned to Borrower, less Agent's expenses as provided in this commitment.

6. If said audit report indicates the presence of underground storage tanks, radon, asbestos, urea formaldehyde foam insulation or polychlorinated biphenyls or a Release of a Hazardous Substance, or the possibility that a Release or Disposal of a Hazardous Substance may have occurred at the Property, unless the identified Release or threat of Release has been contained, removed and remediated in a manner which satisfies the requirements of all applicable Environmental Laws and Environmental Permits and is acceptable to Agent, Agent shall have the right to terminate this offer to commit by giving written notice to Borrower.

7. At Agent's request, for good cause shown, Borrower shall provide Agent, at its sole cost and expense, with an opinion of an attorney specializing in environmental law matters and acceptable to Agent (which opinion shall be addressed to Agent and shall be satisfactory in form and substance to Agent) as to compliance of

the Property with all applicable Environmental Laws and the terms and conditions of all necessary Environmental Permits.

8. As part of the documentation for the Loan, Borrower shall make such representations and warranties and enter into such covenants with respect to (a) compliance by the Property with all applicable Environmental Laws, (b) the existence, status of compliance and transferability of all necessary Environmental Permits and (c) such other matters as Agent may require in order to assure itself of present and future legal compliance as to such laws and to protect itself against any and all liability associated therewith.

9. At Agent's request, for good cause shown, Borrower shall obtain and maintain in force such policies of environmental impairment liability insurance or such other policies of insurance insuring against loss on account of such environmentally related risks as Agent shall deem reasonably necessary, provided that such insurance is available at premiums which are commercially reasonable. Such policies shall reflect such limits of coverage as shall be reasonably required by Agent and shall be written by insurance companies which are approved by Agent and are qualified to do business in the State in which the Property is located.

10. Borrower and Guarantor will indemnify, defend and hold Agent, any Lender, their respective participants, all subsequent holders of the mortgage securing the Loan, their respective successors and assigns and their respective officers, directors, employees, agents, representatives, contractors and subcontractors harmless from and against all claims, suits, actions, proceedings, damages, expenses, losses, and costs of every name and description arising out of; relating to or resulting from a Release or threatened Release of any Hazardous Substance on, at or from the Property.

SCHEDULE “B”

USE OF PROCEEDS SCHEDULE

PROJECT NAME: Hyatt Place Hotel
LOCATION: Williamsville, NY
SIZE (sf)

DEVELOPMENT BUDGET

DESCRIPTION	LOAN AMOUNT	EQUITY	TOTAL COST
Land Acquisition	$675,000	$1,575,000	$2,250,000
HARD COSTS			
Building Shell & Exterior Work	$13,360,000	$1,640,000	$15,000,000
Architecture & Engineering	$475,000	$0	$475,000
FF&E	$2,950,000	$0	$2,950,000
Total Development Costs	$16,785,000	$1,640,000	$18,425,000
SOFT COSTS			
Closing Costs	$0	660,000	$660,000
Appraisal/ Phase I & Inspections	$0	25,000	$25,000
Developer Fee	$0	1,100,000	$1,100,000
Contingency Reserve	$0		
Interest Reserve	$540,000	0	$540,000
Total Soft Costs	$540,000	$1,785,000	$2,325,000
Total Costs	**$18,000,000**	**$5,000,000**	**$23,000,000**
Percent of Total Costs	**78.26%**	**21.74%**	**100.00%**

Land	**$2,250,000**	**10%**
Total Hard Costs	**$18,425,000**	**80%**
Total Soft Costs	**$2,325,000**	**10%**

EXHIBIT E

Form of Intercreditor Agreement

INTERCREDITOR AGREEMENT

THIS INTERCREDITOR AGREEMENT ("Agreement"), made as of the ____ day of ___________, 20___, by and among FIRST NIAGARA BANK, N.A., a national banking association, as agent for the Banks (defined below), having an address of 726 Exchange Street, Buffalo, New York 14210, Attn: Commercial Loan Administration ("Agent"), and AMHERST HOSPITALITY, LLC, a limited liability company organized under the laws of the State of New York, with offices located at 604 Ellicott Street, Suite 404, Buffalo, New York 14203 ("EB-5").

RECITALS:

A. ISKALO 5020 MAIN, LLC, a New York limited liability company ("Borrower") is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A" annexed hereto (collectively, the "Premises").

B. Agent, as agent for First Niagara Bank, N.A. and M&T Bank (individually, a "Bank", and collectively, the "Banks") has extended a loan to Borrower in the principal amount of $18,000,000.00 (the "Bank Loan"), to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements, pursuant to a certain Building Loan Agreement dated as of January 31, 2014 by and among Borrower, the Banks, and Agent (the "Loan Agreement").

C. The Bank Loan is: (i) evidenced by a Multiple Draw Term Note of even date with the Loan Agreement in the principal amount of $18,000,000.00 executed by the Borrower ("Bank Note"), and secured by a Mortgage, Security Agreement and Assignment of Leases and Rents of even date with the Loan Agreement executed by Borrower and Town of Amherst Industrial Development Agency ("Bank Mortgage") which encumbers the Premises; (ii) guaranteed by Paul B. Iskalo ("Iskalo") and Iskalo Hospitality Campus LLC ("Lord Amherst Parent") (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors") pursuant to separate Guaranty agreements of even date with the Loan Agreement (individually a "Guaranty Agreement", and collectively the "Guaranty Agreements"); and (iv) further secured by a Security Agreement of even date with the Loan Agreement ("Security Agreement") from Borrower to Agent and by such financing statements and other documents as have been required by Agent (which Bank Note, Bank Mortgage, Loan Agreement, Guaranty Agreements, Security Agreement and other documents executed in connection therewith, as the same may be amended, modified, supplemented or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

D. Lord Amherst Parent owns 100% of the membership interests in Borrower, and Iskalo owns the majority of the membership interests in Lord Amherst Parent.

E. Contemporaneously with the execution of this Agreement, EB-5 will make loans to Lord Amherst Parent (collectively, the "EB-5 Loans") in the aggregate amount not to exceed $10,000.000.00, as evidenced by a certain Promissory Note given by the Lord Amherst Parent to

EB-5 dated as of the date hereof (the "EB-5 Note"). The documents evidencing, governing, securing and guaranteeing the EB-5 Loans are more particularly described on Exhibit B, attached hereto, and are collectively referred to herein as the "EB-5 Loan Documents".

F. A condition of the extension of the EB-5 Loans and such partial payment of the Bank Loan is an agreement by Agent that the Bank Mortgage and the Security Agreement will also secure repayment of the EB-5 Loans. Agent is willing to so agree provided that the Bank Mortgage and Security Agreement secure the Bank Loan and the EB-5 Loans in the order of priority designated in the Joinder Agreement of even date among Borrower, Agent, the Banks and EB-5 ("Joinder Agreement"), the form of which is attached to this Agreement and made a part hereof as Exhibit C, and provided further that EB-5 agrees to certain other limitations and restrictions required by Agent with regard to the EB-5 Loan Documents as set forth herein, in the Joinder Agreement, and in the Modification Agreement of even date among Borrower, Town of Amherst Industrial Development Agency and Agent ("Modification Agreement"), the form of which is attached to this Agreement and made a part hereof as Exhibit D.

H. Agent, EB-5, Lord Amherst Parent, and Borrower previously entered into an Agreement dated January 31, 2014, which, among other things, requires Agent and EB-5 enter into this Intercreditor Agreement contemporaneously with the closing of the EB-5 Loans.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing Recitals and any Exhibits to this Agreement are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein.

2. Notwithstanding anything contained in the EB-5 Loan Documents to the contrary, the parties agree that until the Bank Loan has been repaid in full: (i) the EB-5 Loans are closed to any principal prepayment, (ii) the EB-5 Loans shall be payable on a regularly scheduled interest-only basis, and (iii) the provisions of the EB-5 Loan Documents shall not be amended or modified in any material respect without the prior written consent of Agent.

3. Agent covenants that upon any acceleration of the maturity of the Bank Loan by Agent under the Bank Loan Documents, Agent shall promptly notify EB-5 of such event. EB-5 covenants that upon any failure by Lord Amherst Parent to make any regularly scheduled payment under the EB-5 Note, EB-5 shall promptly notify Agent of such failure.

4. Simultaneously with the execution of this Agreement, (i) Borrower, the Banks, Agent and EB-5 have entered into the Joinder Agreement, and (ii) Borrower, Town of Amherst Industrial Development Agency, and Agent have entered into the Modification Agreement. Enforcement of certain remedies by Agent under the EB-5 Loan Documents, as well as the disposition of any amounts recovered in connection with such enforcement of remedies or otherwise received by Agent and/or EB-5 after maturity of the Bank Loan (whether by acceleration or otherwise), shall be governed by the provisions of the Joinder Agreement.

5. Unless the Bank Loan has been paid in full, any principal payments received by EB-5 at any time, and any amounts received by EB-5 from Borrower or any Guarantor **[add EB-5 Guarantors]**, upon or after maturity of the Bank Loan (whether by acceleration or otherwise) shall be held in trust by EB-5 for the Agent, shall be remitted to the Agent by EB-5 within one (1) business day of receipt thereof in the same form as received, and shall be applied by Agent in accordance with the provisions of the Joinder Agreement. Any amounts received by Agent (and received by EB-5 and remitted to Agent as required by this Section) from Borrower or any Guarantor **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loan (whether by acceleration or otherwise), and any amounts received from the enforcement of remedies under the Bank Loan Documents and any EB-5 Loan Documents, shall be held in trust by Agent and distributed as provided for in the Joinder Agreement.

6. As a condition to the execution and delivery of the Joinder Agreement and the Modification Agreement, EB-5 and the Agent have required that Borrower and Lord Amherst Parent deliver an endorsement to Title Policy #___________________ issued by Chicago Title Insurance Company insuring the Bank Mortgage (the "Policy"), which insures that the Bank Mortgage, as modified by such Modification Agreement, constitutes a first mortgage on the Premises in the full amount of $18,000,000.00, subject only to the exceptions shown on Schedules B-1 and B-2 of the Policy, taxes not yet due and payable, and additional general utility easements, if any, granted by Borrower, serving only the Premises, not adversely affecting the value or intended use of the Premises, and previously approved by Agent and EB-5. By executing the attached Borrower's Agreement, Lord Amherst Parent agrees to deliver such endorsement and to pay all premiums in connection therewith.

7. The EB-5 Note shall bear the following legend on its signature page:

> "Payment of the indebtedness evidenced by this instrument and the enforcement of any remedies hereunder and under documents evidencing, governing, securing or guaranteeing such indebtedness are subject to that certain Intercreditor Agreement dated ______________, 20___ between First Niagara Bank, N.A., as Agent and Amherst Hospitality, LLC ("Intercreditor Agreement"). Reference is hereby made to the Intercreditor Agreement for the specific terms of any limitations or restrictions on the payment of such indebtedness."

EB-5 agrees not to demand or receive any new note or other instrument evidencing the EB-5 Loans or any part thereof while this Agreement is in effect without the prior written consent of Agent (other than a replacement note in the event that a note evidencing the EB-5 Loans is stolen, destroyed or lost). EB-5 agrees to cause the foregoing endorsement to be written on the signature page of any such replacement note and on the signature page of any and all notes or instruments which may be received by EB-5 with or without demand by EB-5, with or without prior written consent of Agent, or for the acceptance of which Agent may hereafter so consent.

8. Subject to the terms and conditions of the Joinder Agreement, EB-5 hereby covenants, as long as this Agreement is in effect, that EB-5 will not, unless and until the Agent has completed its efforts (as provided for in the Joinder Agreement) to enforce repayment of the Bank Note, the EB-5 Note, and any other amounts payable under the Bank Loan Documents and

the EB-5 Loan Documents: (i) request, demand, take, accept, or receive from or on behalf of Borrower, Lord Amherst Parent, or any Guarantor **[add any guarantor of EB-5 Loans]** by setoff or in any other manner, any monies representing all or any part of the EB-5 Loans except as may be expressly permitted by this Agreement; (ii) initiate or participate with others in any suit, action, or proceeding, including, without limitation, any bankruptcy, reorganization, or insolvency proceeding against Borrower, Lord Amherst Parent, or any Guarantor **[add any guarantor of EB-5 Loans]**or exercise any other rights or remedies to collect or enforce the EB-5 Loans; (iii) repossess, foreclose upon, or otherwise take any action against, or exercise any rights or remedies with respect to, any collateral securing or any guaranty agreement guaranteeing all or any part of the EB-5 Loans; (iv) request, demand, take, accept, or receive any security for the EB-5 Loans, other than as provided in any EB-5 Loan Documents in effect on the date hereof; (v) enter into any subordination agreement with respect to any of the EB-5 Loans or assign, transfer, pledge or otherwise dispose of the EB-5 Loans or any portion thereof, other than with Agent; or (vi) release, surrender, exchange, or permit a discharge of, or change any term or condition of, any of the EB-5 Loans. Without in any way limiting the general application of the covenants above, EB-5 hereby specifically agrees that EB-5 shall not, at any time: (i) assert, claim or raise any challenge or objection to the relative priority as set forth in this Agreement or the Joinder Agreement with respect to debts owed by, and liens on assets of, Borrower, Lord Amherst Parent, or any Guarantor **[add any guarantor of EB-5 Loans]** as provided for in this Agreement and the Joinder Agreement; (ii) assert, claim or raise any challenge or objection to, or take any action to delay, any sale, liquidation or other disposition, supported by Agent, of any assets that constitute, or purportedly constitute, collateral securing the Bank Loan or the EB-5 Loans; (iii) in the context of any bankruptcy, reorganization or insolvency proceeding involving Borrower, Lord Amherst Parent, any Guarantor**[add any guarantor of EB-5 Loans]**, or any of their respective assets, assert, claim or raise any challenge or objection to (a) any cash collateral or adequate protection arrangement supported by Agent, (b) any debtor-in-possession financing arrangement supported by Agent, or (c) any reorganization plan supported by Agent, nor shall EB-5 support or vote in favor of any such arrangement or plan that Agent opposes. Nothing herein shall prohibit EB-5 from declaring a default under the EB-5 Note for non-payment by Lord Amherst Parent.

9. EB-5 hereby represents and warrants as follows:

a. There exists no event of default under the EB-5 Loan Documents, nor any events or conditions which with the passage of time, the giving of notice, or both, would constitute an event of default under the EB-5 Loan Documents.

b. The EB-5 Loans are not subject to any offset, counterclaim or defense.

c. The outstanding principal amount of the EB-5 Loans as of the date of this Agreement is $__________________.

10. Agent and EB-5 hereby authorized to demand specific performance of this Agreement at any time when the other party shall have failed to comply with any of the provisions of this Agreement. Agent and EB-5 hereby irrevocably waive any defense based on the adequacy of a remedy at law, or any other defense which might be asserted as a bar to such remedy of specific performance. Further, the parties acknowledge that breach of this Agreement

by Agent or EB-5 could cause irreparable harm to the other party for which there may be no adequate remedy at law; and, therefore, Agent and EB-5 are entitled to injunctive relief in the event of an anticipated or actual breach by Agent or EB-5 of the terms hereof.

11. Any demand or notice hereunder or under any applicable law pertaining hereto shall be in writing and duly given if delivered to EB-5 or to the Agent at the addresses on page one. Such notice or demand shall be deemed sufficiently given for all purposes when delivered (i) by personal delivery and shall be deemed effective when delivered, or (ii) by mail or courier and shall be deemed effective three (3) business days after deposit in an official depository maintained by the United States Post Office for the collection of mail or one (1) business day after delivery to a nationally recognized overnight courier service (e.g., Federal Express). Notice by e-mail is not valid notice under this or any other agreement between EB-5 and the Agent.

12. This Agreement contains the entire agreement between Agent and EB-5 with respect to the matters addressed herein, and supersedes every course of dealing, other conduct, oral agreement and representation previously made by Agent. All rights and remedies of Agent under applicable law and this Agreement are cumulative and not exclusive. No course of dealing between EB-5 and the Agent and no delay or omission by the Agent in exercising any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy, Agent and EB-5 as used herein shall include the heirs, executors or administrators, or successors or assigns, of those parties. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement subscribed by EB-5 and by a duly authorized officer of Agent. If a court deems any provision of this Agreement to be void, the remainder of the Agreement shall remain in effect. Singular number includes plural and neuter gender includes masculine and feminine as appropriate.

13. EB-5 has, to the extent deemed necessary by EB-5, reviewed the existing Agreements between Agent and Borrower, as such have been presented to EB-5 by Borrower, and understands that there is no commitment or obligation on Agent's part to make any loans or advances or to extend credit to Borrower except as may be contained in current and presently effective written agreements between Agent and Borrower; provided, however, that EB-5 further understands that such agreements may be modified, altered, or amended, without notice to or consent of EB-5. Notwithstanding the foregoing, the Agent shall not (i) increase the principal amount of the Bank Loan, other than in connection with advances under the Loan Agreement (but excluding readvances), the capitalization of past-due interest, or any "Protective Advances" as defined in the Loan Agreement, (ii) increase the interest rate charged under the Bank Note, except for default rates of interest and late charges as contemplated under the terms of the Bank Note, (iii) release any collateral secured by the Bank Mortgage or the Security Agreement except as may otherwise be permitted under the terms of the Loan Agreement, or (iv) consent to any additional financing for the Premises except as may otherwise be permitted under the terms of the Loan Agreement.

14. This Agreement has been delivered to and accepted by the Agent and will be deemed to be made in the State of New York. Unless provided otherwise under federal law, this

Agreement will be interpreted in accordance with the laws of the State of New York excluding its conflict of laws rules.

15. Agent has accepted this Agreement for its own benefit and for the benefit of the Banks, as more particularly set forth in the Loan Agreement. Agent has been appointed as agent pursuant to the Loan Agreement, and in acting under or by virtue of this Agreement, Agent shall be entitled to all the rights, authority, privileges and immunities provided in Article IX of the Loan Agreement, which provisions are incorporated by reference herein with the same force and effect as if set forth herein.

16. EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (A) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY AGENT AND ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT, TO THE JURISDICTION OF ANY COURT IN THE COUNTY OF ERIE, NEW YORK OR THE WESTERN DISTRICT OF NEW YORK AND (B) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

17. EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (i) THIS AGREEMENT, (ii) ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR (iii) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

FIRST NIAGARA BANK, N.A., as Agent

By:_______________________________
Name:
Title:

AMHERST HOSPITALITY, LLC

By:_______________________________
Name:
Title:

Consented and agreed to this _____ day of ________________, 20___.

FIRST NIAGARA BANK, N.A.

By:_______________________________
Name:
Title:

M&T BANK

By:_______________________________
Name:
Title:

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared__________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared__________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared__________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared_________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

BORROWERS' AGREEMENT

The undersigned, the Borrower and Lord Amherst Parent mentioned in the foregoing Intercreditor Agreement, hereby acknowledge receipt of a copy thereof, acknowledge and agree to be bound by the terms thereof and acknowledge that their obligations hereunder and under the Intercreditor Agreement shall be joint and several.

Date: _____________, 20___

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:_________________________________
Name: Paul B. Iskalo
Title: President

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:_________________________________
Name: Paul B. Iskalo
Title: President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

GUARANTORS' AGREEMENT

The undersigned, Guarantors mentioned in the foregoing Intercreditor Agreement, hereby acknowledge receipt of a copy thereof, acknowledge and agree to be bound by the terms thereof, and acknowledge that their obligations hereunder and under the Intercreditor Agreement shall be joint and several.

Date: _______________, 20___

____

Name: Paul B. Iskalo

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:_________________________________
Name: Paul B. Iskalo
Title: President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____

Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____

Notary Public

Exhibit A

Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

Exhibit B

<u>EB-5 Loan Documents</u>

Exhibit C to Intercreditor Agreement

JOINDER AGREEMENT

THIS JOINDER AGREEMENT ("Agreement"), made as of the ____ day of ___________, 20___, by and among ISKALO 5020 MAIN LLC, a limited liability company organized and existing under the laws of the State of New York, with its principal place of business at 5166 Main Street, Williamsville, New York 14221 ("Borrower"), FIRST NIAGARA BANK, N.A., a national banking association with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration ("FNB"), M&T BANK, a New York banking corporation with offices located at One M&T Plaza, Buffalo, New York 14203, Attn: Office of General Counsel ("M&T") (FNB and M&T are referred to herein individually as a "Bank" and collectively as the "Banks"), FIRST NIAGARA BANK, N.A., a national banking association, as agent for the pro rata benefit to the Banks, with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration (together with its successors and assigns, "Agent"), and AMHERST HOSPITALITY, LLC, a limited liability company organized under the laws of the State of New York, with offices located at 640 Ellicott Street, Suite 404, Buffalo, New York 14203 ("EB-5").

RECITALS:

A. Borrower is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A" annexed hereto (collectively, the "Premises").

B. Agent, as agent for the Banks, has extended a loan to Borrower in the principal amount of $18,000,000.00 (the "Bank Loan"), to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements, pursuant to a certain Building Loan Agreement dated as of January 31, 2014 by and among Borrower, the Banks, and Agent (the "Loan Agreement").

C. The Bank Loan is: (i) evidenced by a Multiple Draw Term Note of even date with the Loan Agreement in the principal amount of $18,000,000.00 executed by the Borrower ("Bank Note"), and secured by a Mortgage, Security Agreement and Assignment of Leases and Rents of even date with the Loan Agreement executed by Borrower and Town of Amherst Industrial Development Agency ("Bank Mortgage") which encumbers the Premises; (ii) guaranteed by Paul B. Iskalo ("Iskalo") and Iskalo Hospitality Campus LLC ("Lord Amherst Parent") (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors") pursuant to separate Guaranty agreements of even date with the Loan Agreement (individually a "Guaranty Agreement", and collectively the "Guaranty Agreements"); and (iv) further secured by a Security Agreement of even date with the Loan Agreement ("Security Agreement") from Borrower to Agent and by such financing statements and other documents as have been required by Agent (which Bank Note, Bank Mortgage, Loan Agreement, Guaranty Agreements, Security Agreement and other documents executed in connection therewith, as the same may be amended, modified, supplemented or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

D. Lord Amherst Parent owns 100% of the membership interests in Borrower, and Iskalo owns the majority of the membership interests in Lord Amherst Parent.

E. Contemporaneously with the execution of this Agreement, EB-5 will make loans to Lord Amherst Parent (collectively, the "EB-5 Loans") in the aggregate amount not to exceed $10,000,000.00, as evidenced by that certain Promissory Note given by Lord Amherst Parent to EB-5 dated as of the date hereof (the "EB-5 Note"). The proceeds of EB-5 Loans will be used to repay, in part, the Bank Loan.

F. A condition of the extension of the EB-5 Loans and such partial payment of the Bank Loan is an agreement by Agent, Banks and Borrower that the Bank Mortgage and the Security Agreement also secure repayment of the EB-5 Loans. Agent, Banks, and Borrower are willing to so agree provided that (i) the Bank Mortgage and the Security Agreement secure the Bank Loan and the EB-5 Loans ratably on a co-equal first lien priority basis, subject to the payment priority established in this Agreement for the Bank Loan, the EB-5 Senior Loan Amount and the EB-5 Junior Loan Amount (as such terms are defined herein), (ii) Agent controls all enforcement proceedings under the EB-5 Note, **[add any guarantees of the EB-5 Loans]**, the Bank Mortgage and the Security Agreement, and (iii) EB-5 defers all enforcement proceedings against Borrower, Lord Amherst Parent, Iskalo, **[add any other guarantors of the EB-5 Loans]**, and any of their respective assets until Agent either completes or suspends all of its efforts to enforce repayment of the EB-5 Note, the EB-5 Loan Documents, the Bank Note and the Bank Loan Documents.

G. Contemporaneously with the execution of this Agreement, Borrower, Town of Amherst Industrial Development Agency and Agent are entering into a certain Modification Agreement of even date herewith, pursuant to which such parties have, among other things, (i) acknowledged that Agent, in its Agent's capacity as "Mortgagee" under the Bank Mortgage and as "Secured Party" under the Security Agreement, is acting as agent for the Banks and EB-5, and (ii) amended the Bank Mortgage and the Security Agreement to provide that the indebtedness secured thereby includes the EB-5 Loans.

H. In order to effectuate the foregoing, EB-5 desires to designate Agent as EB-5's agent for the enforcement of the EB-5 Note **[add any guarantees of the EB-5 Loans]**, the Bank Mortgage and the Security Agreement, including (i) any foreclosure or other related proceedings under the Bank Mortgage and the Security Agreement (or the acceptance of a deed and/or a bill of sale in lieu of foreclosure), or otherwise and (ii) the disposition of (a) the net proceeds of any such enforcement efforts and (b) amounts received by Agent from Borrower, Lord Amherst Parent, Iskalo **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loans (whether by acceleration or otherwise) and amounts remitted by EB-5 to Agent as required by the Intercreditor Agreement.

I. In order to effectuate the foregoing, Borrower, Agent and the Banks desire to amend certain provisions of the Loan Agreement, and EB-5 desires and agrees to incorporate by reference herein and to be bound by certain provisions of the Loan Agreement as indicated herein notwithstanding that EB-5 is not a party thereto.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing Recitals and any Exhibits to this Agreement are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein. Terms with initial capital letters shall have the meanings assigned to them when they first appear herein.

2. A. EB-5 hereby irrevocably designates Agent as its agent for the enforcement of the EB-5 Note, **[add any guarantees of the EB-5 Loans]**, the Bank Mortgage and the Security Agreement, including (i) any foreclosure or other related proceedings under the Bank Mortgage and the Security Agreement (or the acceptance of a deed and/or bill of sale in lieu of foreclosure), or otherwise and (ii) the disposition of the net proceeds of any such enforcement efforts and the disposition of any amounts received by Agent from the Borrower, Lord Amherst Parent, Iskalo **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loan (whether by acceleration or otherwise)) and amounts remitted by EB-5 to Agent as required by the Intercreditor Agreement. EB-5 hereby irrevocably authorizes the Agent to take such action on its behalf under the provisions of such documents and to exercise such powers and to perform such duties hereunder and under the provisions of such documents as are specifically delegated to or required of the Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Agent may perform any of its duties hereunder or thereunder by or through its officers, directors, agents or employees.

B. Agent shall have no other duties or responsibilities except those expressly set forth in this Agreement. Agent shall perform any of its obligations under this Agreement with the same degree of care as required of the Agent under the Loan Agreement. Agent shall be entitled to assume that no "Event of Default" under the EB-5 Loan Documents exists, and that no matter exists which with the giving of notice or passage of time or both would constitute such an "Event of Default", unless it is advised to the contrary by EB-5. Agent may without further inquiry on its part, accept all instruments and documents delivered to it as accurate, genuine and properly authorized. Neither Agent nor any of its officers, directors, agents or employees shall be liable for any action taken or omitted by it or them hereunder or under the Bank Loan Documents or the EB-5 Loan Documents in connection herewith or therewith, unless caused by its or their gross negligence or willful misconduct. Agent shall not have by reason of this Agreement, the Bank Loan Documents or the EB-5 Loan Documents, or by course of conduct hereunder or thereunder, a fiduciary relationship in respect of EB-5; and nothing in this Agreement, the Bank Loan Documents or the EB-5 Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Agent any obligations except as expressly set forth herein.

3. EB-5 shall promptly notify Agent of any failure by the Lord Amherst Parent to make any regularly scheduled payment under the EB-5 Note (an "EB-5 Payment Default Notice"). Except as otherwise set forth in this Section, the Agent shall not be under any obligation to undertake any action to enforce EB-5's rights under the EB-5 Note or **[add references to guaranties of EB-5 Note]**, or to exercise any remedies available to it under the Bank Mortgage or the Security Agreement, unless and until Agent elects to attempt to collect the

Bank Loan through the exercise of its remedies under the Bank Loan Documents. Notwithstanding the foregoing, should the nonpayment specified in the EB-5 Payment Default Notice fail to be waived by EB-5 or cured (with Agent having the right, but not the obligation, to cure such default) within six (6) months of Agent's receipt of such notice, then upon the written request of EB-5, Agent shall take all necessary steps to accelerate the outstanding principal balance of the Bank Note and, subject to the provisions of the Loan Agreement, enforce its remedies under the Bank Loan Documents and the EB-5 Loan Documents. EB-5 acknowledges and agrees that (i) all decisions relative to enforcement of remedies shall be made by the Agent and the Banks pursuant to the Loan Agreement, (ii) EB-5 consents and agrees to any decisions so made by Agent and the Banks and to any action taken by Agent (or to action that Agent refrains from taking), whether in connection with the enforcement of remedies or otherwise, provided that such actions are permitted under the Loan Agreement. Notwithstanding the generality of the foregoing, Agent shall be permitted to undertake any action contemplated by Article IX of the Loan Agreement with regard to the Bank Loan Documents without any further consent from EB-5.

4. Each of the following terms have the meanings set forth below, and the Loan Agreement is hereby modified to add each of the following as defined terms therein.

"Bank Loan Pro Rata Share" - (i) Until the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, a percentage determined by dividing the outstanding principal balance of the Bank Loan by the aggregate outstanding principal balance of the Bank Loan and the EB-5 Loans, and (ii) after the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, a percentage determined by dividing the outstanding principal balance of the Bank Loan by the lesser of $15,540,000.00 or the aggregate outstanding principal balance of the Bank Loan and the EB-5 Loans.

"EB-5 Junior Loan Amount" – That portion of the aggregate outstanding principal balance of the EB-5 Loans equal to $10,000,000.00 minus the EB-5 Senior Loan Amount.

"EB-5 Senior Loan Amount" – (i) Until the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, the aggregate outstanding balance of the EB-5 Loans, and (ii) after the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, that portion of the aggregate outstanding principal balance of the EB-5 Loans equal to $15,540,000.00 minus the outstanding principal balance of the Bank Loan (but in no event shall such amount be greater than the outstanding principal balance of the EB-5 Loans).

"EB-5 Senior Loan Pro Rata Share" – A percentage determined by subtracting the Bank Loan Pro Rata Share from 100%.

"First Lien Amount" – The sum of (i) the outstanding principal balance of the Bank Loan, (ii) all interest, late charges, costs, expenses (including amounts due under any interest rate protection agreement related to the Bank Note), and other amounts owing to Agent and/or the Banks under the Bank Loan Documents that are secured by the Bank Mortgage and Security

Agreement, and/or guaranteed under the Guaranty Agreements, (iii) the EB-5 Senior Loan Amount, and (iv) all interest and late charges allocable to the EB-5 Senior Loan Amount.

"Junior Lien Amount" – The EB-5 Junior Loan Amount and all interest and late charges allocable to the EB-5 Junior Loan Amount.

5. Any amounts received by Agent from Borrower, Iskalo, Lord Amherst Parent **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loan (whether by acceleration or otherwise), any amounts received by EB-5 and remitted to Agent as required under the provisions of the Intercreditor Agreement, and any amounts received from the enforcement of remedies under the Bank Loan Documents and any EB-5 Loan Documents, after deduction of all costs and expenses of Agent and all other amounts payable to Agent pursuant to the terms of the Loan Agreement, shall be remitted by Agent as follows:

(1) First, towards the First Lien Amount, ratably to the Banks and EB-5, with the Banks to receive the Bank Loan Pro Rata Share and EB-5 to receive the EB-5 Senior Loan Pro Rata Share. Agent shall apply such net proceeds in such fashion until the entire First Lien Amount has been remitted by Agent to the Banks and EB-5.

(2) Second, to EB-5, to be applied toward the Junior Lien Amount, until such time as the entire Junior Lien Amount has been remitted by Agent to EB-5.

(3) Third, to whoever shall be so entitled to any surplus, if any.

6. Section 9.17 of the Loan Agreement is hereby amended and restated as follows:

9.17 Proceeds of Collateral

9.17.1 Upon the receipt of any proceeds from the sale or other disposition of any collateral for the Bank Loan and the EB-5 Loans by the Agent, the Agent will deliver such proceeds to the Banks and/or EB-5 in the amounts specified in Subsection 9.17.4 hereof. Title to any collateral acquired in connection with the exercise of the Agent's remedies under the Bank Loan Documents and any EB-5 Loan Document shall be held as determined by the Majority Banks or by such nominee as the Agent shall appoint, in either case, for the pro rata benefit of all of the Banks and EB-5.

9.17.2 If Agent or the Banks' nominee acquires title to any property (collectively, "Foreclosed Real Property") as to which a collateral or security interest had been taken to secure the Bank Loan and the EB-5 Loans, the Agent will consult with the Banks and EB-5 for the purpose of developing a plan (a "Post Foreclosure Plan") for dealing with the Foreclosed Real Property that is acceptable to the Majority Banks and EB-5 and each of the Banks and EB-5 agrees to attempt to reach agreement on a reasonable Post Foreclosure Plan. If within a reasonable time (in no event to exceed sixty (60) days after Agent first notifies Banks and EB-5 that it desires to consult with them for this purpose) the Majority Banks are unable to agree on a Post-Foreclosure Plan, then Agent will deliver to the Banks and EB-5 a Post Foreclosure Plan acceptable to Agent, which will serve as the Post-Foreclosure Plan until such time as the Majority Banks and EB-5 approve a replacement plan. If title to any Foreclosed Real Property is obtained by Agent or the Bank's nominee and the Majority Banks and EB-5 do not approve a Post Foreclosure Plan relating thereto within the time specified above, such Foreclosed Real Property will not be held as a permanent investment but will be liquidated at arms length to a third party as soon as, in the reasonable judgment of Agent (without the consent or approval of any other Bank or EB-5), it is reasonably practicable and appropriate to do so, taking into account the then-current economic and market conditions and the objective of minimizing the losses to the Banks and EB-5; provided, however, that if the Majority Banks and EB-5 agree on a Post-Foreclosure Plan before Agent is committed to sell the Foreclosed Real Property, such Post-Foreclosure Plan will be implemented in accordance with this Section 9.17. If a Post-Foreclosure Plan has been approved by the Majority Banks and EB-5, such Post-Foreclosure Plan may be amended, modified or replaced by the same procedure, i.e., by agreement of Majority Banks and EB-5. Upon demand by Agent therefor from time to time to the extent not otherwise reimbursed by the Borrower, each Bank and EB-5 will contribute its pro rata share (in accordance with the outstanding principal balance of the Loan and the EB-5 Loans) of all reasonable costs and expenses paid, incurred or required by Agent pursuant to such Post-Foreclosure Plan in connection with the operation, management, maintenance, repair, leasing or sale of the Foreclosed Real Property, to the extent permitted by law. After the commencement of any foreclosure proceeding or the acquisition of title through such foreclosure, deed in lieu of foreclosure or otherwise, all net proceeds of rents, profits and other proceeds actually received by Agent from the operation or sale of the Foreclosed Real Property or any other collateral, or from Borrower or any Guarantor **[add any guarantor of EB-5 Loans]**, remaining after all costs and expenses paid or incurred by Agent, shall be divided among the Banks and EB-5 as provided for in Subsection 9.17.4.

9.17.3 Agent shall manage, operate, repair, maintain, administer, lease, restore or otherwise deal with the Foreclosed Real Property and administer all transactions relating thereto (or shall cause the same to be done), including, without limitation, employing a managing agent, leasing agent, sales agent or broker, and other agents, contractors and employees, collecting rent and other sums from the Foreclosed Real Property and paying expenses of the Foreclosed Real Property. Agent shall render (or cause to be rendered by an appropriate agent) to each Bank and EB-5, not less frequently than quarterly, an income and expense statement for the Foreclosed Real Property. Each Bank and EB-5 shall promptly contribute its pro rata share of any operating loss for the Foreclosed Real Property and such other expenses and operating reserves as Agent shall deem reasonably necessary pursuant to and in accordance with the budget adopted in the Post-Foreclosure Plan. To the extent there is net operating income from the Foreclosed Real Property, Agent shall determine the amount and timing of distributions to the Banks and EB-5 pro rata and pursuant to the Foreclosure Plan. All such distributions shall be made to the Banks and EB-5 in the amounts specified in Subsection 9.17.4 hereof.

9.17.4 Any amounts received by Agent from Borrower or any Guarantor **[add guarantor of EB-5 Loans]** after maturity of the Bank Loans (whether by acceleration or otherwise), any amounts received by EB-5 and remitted to Agent as required under the provisions of the Intercreditor Agreement, and any amounts received from the enforcement of remedies under the Bank Loan Documents and any EB-5 Loan Documents, after deduction of all costs and expenses of Agent and all other amounts payable to Agent pursuant to the terms of this Agreement, shall be remitted by Agent as follows:

(1) First, towards the First Lien Amount, ratably to the Banks and EB-5, with the Banks to receive the Bank Loan Pro Rata Share and EB-5 to receive the EB-5 Senior Loan Pro Rata Share. Agent shall apply such net proceeds in such fashion until the entire First Lien Amount has been remitted by Agent to the Banks and EB-5.

(2) Second, to EB-5, to be applied toward the Junior Lien Amount, until such time as the entire Junior Lien Amount has been remitted by Agent to EB-5.

(3) Third, to whoever shall be so entitled to any surplus, if any.

9.17.5 Borrower, Banks and Agent agree that the provisions of this Section 9.17 may not be modified without the consent of EB-5.

7. EB-5 hereby acknowledges the provisions of Section 9.17 of the Loan Agreement (as amended pursuant to Section 6 of this Agreement), agrees that such provisions are hereby incorporated into this Agreement and made a part hereof, and agrees to be bound thereby. EB-5 further acknowledges that it shall not be considered to be a party to the Loan Agreement and shall have no rights or remedies thereunder (other than as specifically set forth in such Section

9.17 of the Loan Agreement and in this Agreement). The Agent and the Borrower hereby agree that Section 9.17 of the Loan Agreement shall not be amended or modified in any respect without the prior written consent of EB-5.

8. EB-5 agrees to cooperate with Agent, to promptly execute and deliver any further documentation reasonably requested by Agent, and to promptly comply with any reasonable request made by Agent, to permit Agent to satisfy its responsibilities hereunder, under the Bank Loan Documents, and under the Intercreditor Agreement of even date between Agent and EB-5 ("Intercreditor Agreement"). Without limiting the generality of the foregoing, within five (5) business days of any request by Agent, EB-5 shall deliver a true, accurate and complete written statement specifying, as of a date requested by Agent, the outstanding principal balance of the EB-5 Loans, all accrued and unpaid interest on the EB-5 Loans (including a per diem amount for each day after the date so requested by Agent), and all other sums owing to EB-5 under the EB-5 Loan Documents. Agent shall be permitted to rely on such statement while carrying out any of its responsibilities under this Agreement, the Intercreditor Agreement or any Bank Loan Document, including, but not limited to, the execution and delivery by Agent of any termination, cancellation, discharge or assignment documentation in connection with the Bank Loan Documents and the EB-5 Note.

9. Pursuant to the terms of a certain Agreement dated January 31, 2014 among Agent, EB-5, Borrower and Lord Amherst Parent (the "Estoppel Agreement"), EB-5 has consented to the terms of a certain "Comfort Letter" and "Right of First Offer" (true and correct copies of which are annexed hereto as Exhibit B and Exhibit C, respectively), has agreed to be bound by the terms thereof, and has agreed to promptly execute and deliver such documents as Agent may require (including the EB-5 Note, duly endorsed) in connection with any sale of the Bank Loan and the EB-5 Loan contemplated thereby. EB-5 hereby ratifies and confirms all of its covenants and agreements as set forth in the Estoppel Agreement, including the foregoing consent and agreements. The Agent hereby agrees that the "Right of First Offer" shall not be amended or modified in any respect without the prior written consent of EB-5.

10. Agent shall give EB-5 written notice should Agent resign from the performance of all of its functions and duties under the Loan Agreement and the Bank Loan Documents pursuant to Section 9.14 of the Loan Agreement, along with the name and contact information of the successor agent appointed pursuant to Section 9.14 of the Loan Agreement. From and after the effective date of any such resignation, Agent shall have no continuing obligations or responsibility to the parties hereto under this Agreement or to EB-5 under the Intercreditor Agreement, and such parties agree that from such date the successor agent shall constitute the "Agent" for purposes of this Agreement and the Intercreditor Agreement.

11. For the specific purposes of carrying out the provisions of this Agreement with respect to the Agent's obligation to act as agent for EB-5 as established by and to the extent set forth in Section 2 hereof, if EB-5 shall fail to execute and/or deliver any documentation or to perform any act required to be executed, delivered or performed hereunder or under the Intercreditor Agreement, the Bank Loan Documents, or the EB-5 Loan Documents, EB-5 hereby irrevocably constitutes Agent as its true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge and deliver any documentation and to do and perform any such acts as are referred to in this Agreement, the Intercreditor Agreement, the Bank Loan

Documents, and EB-5 Loan Documents, in the name and on behalf of EB-5. The parties hereunto covenant and agree that any instruments executed, acknowledged and delivered and any acts performed by Agent pursuant to the power of attorney granted by and executed pursuant to this Section shall be acceptable to them to the same extent as if executed or performed by EB-5, provided Agent acts in good faith. The power vested in Agent as attorney-in-fact pursuant to the provisions of this Section shall be deemed to be coupled with an interest and cannot be revoked. Notwithstanding the foregoing, Agent agrees to give EB-5 five (5) days written notice prior to executing or delivering any documents or performing any acts on EB-5's behalf pursuant to the foregoing power of attorney.

12. Agent and EB-5 are hereby authorized to demand specific performance of this Agreement at any time when the other party shall have failed to comply with any of the provisions of this Agreement. Agent and EB-5 hereby irrevocably waive any defense based on the adequacy of a remedy at law, or any other defense which might be asserted as a bar to such remedy of specific performance. Further, the parties acknowledge that breach of this Agreement by Agent or EB-5 could cause irreparable harm to the other party for which there may be no adequate remedy at law; and, therefore, Agent and EB-5 are entitled to injunctive relief in the event of an anticipated or actual breach Agent or by EB-5 of the terms hereof.

13. Any demand or notice hereunder or under any applicable law pertaining hereto shall be in writing and duly given if delivered to the party hereto at the addresses on page one. Such notice or demand shall be deemed sufficiently given for all purposes when delivered (i) by personal delivery and shall be deemed effective when delivered, or (ii) by mail or courier and shall be deemed effective three (3) business days after deposit in an official depository maintained by the United States Post Office for the collection of mail or one (1) business day after delivery to a nationally recognized overnight courier service (e.g., Federal Express).

14. This Agreement has been delivered to and accepted by the Agent and will be deemed to be made in the State of New York. Unless provided otherwise under federal law, this Agreement will be interpreted in accordance with the laws of the State of New York excluding its conflict of laws rules.

15. Agent has accepted this Agreement for its own benefit and for the benefit of the Banks, as more particularly set forth in the Loan Agreement. Agent has been appointed as agent pursuant to the Loan Agreement, and in acting under or by virtue of this Agreement, Agent shall be entitled to all the rights, authority, privileges and immunities provided in Article IX of the Loan Agreement, which provisions are incorporated by reference herein with the same force and effect as if set forth herein.

16. (a) EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (A) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY AGENT AND ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT TO THE JURISDICTION OF ANY COURT IN THE COUNTY OF ERIE, NEW YORK OR THE WESTERN DISTRICT OF NEW YORK AND (B) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

17. (b) EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (i) THIS AGREEMENT, (ii) ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR (iii) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT. EACH PARTY AKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:____________________________
Name: Paul B. Iskalo
Title: President

FIRST NIAGARA BANK, N.A.

By:____________________________
Name:
Title:

M&T BANK

By:____________________________
Name:
Title:

FIRST NIAGARA BANK, N.A., as Agent

By:____________________________
Name:
Title:

AMHERST HOSPITALITY, LLC

By:____________________________
Name:
Title:

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared__________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared__________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared_________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared_________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

GUARANTOR'S AGREEMENT

The undersigned, Guarantors mentioned in the foregoing Joinder Agreement, hereby acknowledge receipt of a copy thereof, and consent to the terms and conditions thereof.

Date: _______________, 2014

____

Name: Paul B. Iskalo

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:_______________________________
Name: Paul B. Iskalo
Title: President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____

Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____

Notary Public

Exhibit A

Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

Exhibit B

<u>Comfort Letter</u>

Exhibit C

Right of First Offer

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT ("Agreement"), made as of the ____ day of ___________, 20___, by and among ISKALO 5020 MAIN LLC, a limited liability company organized under the law of New York with an address of 5166 Main Street, Williamsville, New York 14221 ("Mortgagor"), TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY, a New York public benefit corporation with offices located at 4287 Main Street, Amherst, New York 14226 ("AIDA"), and FIRST NIAGARA BANK, N.A., a national banking association, as Agent for the pro rata benefit of the Banks and EB-5 (as both are defined herein), with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration ("Mortgagee").

RECITALS:

A. Mortgagor is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A" annexed hereto (collectively, the "Premises").

B. Mortgagee, as agent for First Niagara Bank, N.A. and M&T Bank (individually, a "Bank", and collectively, the "Banks") has extended a loan to Mortgagor in the principal amount of $18,000,000.00 (the "Bank Loan"), to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements, pursuant to a certain Building Loan Agreement dated as of January 31, 2014 by and among Mortgagor, the Banks, and Mortgagee (the "Loan Agreement").

C. The Bank Loan is: (i) evidenced by a Multiple Draw Term Note of even date with the Loan Agreement in the principal amount of $18,000,000.00 executed by the Mortgagor ("Bank Note"), and secured by a Mortgage, Security Agreement, and Assignment of Leases and Rents of even date with the Loan Agreement executed by Mortgagor and AIDA ("Bank Mortgage") which encumbers the Premises, and which was recorded on ________ ____, 2014 with the Erie County Clerk in Liber ______ of Deeds at Page _____ and in Liber _____ of Mortgages at Page _____; (ii) guaranteed by Paul B. Iskalo ("Iskalo") and Iskalo Hospitality Campus LLC ("Lord Amherst Parent") (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors") pursuant to separate Guaranty agreements of even date with the Loan Agreement (individually a "Guaranty Agreement", and collectively the "Guaranty Agreements"); and (iii) further secured by a Security Agreement of even date with the Loan Agreement ("Security Agreement") from Mortgagor to Mortgagee and by such financing statements and other documents as have been required by Mortgagee (which Bank Note, Bank Mortgage, Loan Agreement, Guaranty Agreements, Security Agreement and other documents executed in connection therewith, as the same may be amended, modified, supplemented or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

D. Lord Amherst Parent owns 100% of the membership interests in Mortgagor, and Iskalo owns the majority of the membership interests in Lord Amherst Parent.

E. Contemporaneously with the execution of this Agreement, Amherst Hospitality, LLC, a New York limited liability company ("EB-5"), will make loans to Lord Amherst Parent (collectively, the "EB-5 Loans") in the aggregate amount not to exceed $10,000,000.00, as evidenced by that certain Promissory Note given by Lord Amherst Parent to EB-5 dated as of the date hereof (the "EB-5 Note"). The proceeds of the EB-5 Loans will be used to repay, in part, the Bank Loan.

F. Mortgagor, Mortgagee, the Banks and EB-5 have entered into a certain Joinder Agreement of even date herewith (the "Joinder Agreement") pursuant to which EB-5 has designated Mortgagee as EB-5's agent for, among other things, (i) the enforcement of the EB-5 Note **[add any guarantees of EB-5 Loans]** by foreclosure or other related proceedings under the Bank Mortgage and the Security Agreement (or the acceptance of a deed and/or a bill of sale in lieu of foreclosure), or otherwise, and (ii) the disposition of any net proceeds of any such enforcement efforts.

G. Accordingly, the parties desire to modify the Bank Mortgage and Security Agreement to provide that the indebtedness secured thereby includes the EB-5 Loans.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing Recitals and any Exhibits to this Agreement are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein.

2. The parties acknowledge and agree from the date hereof Agent shall act as "Mortgagee" under the Bank Mortgage and as "Secured Party" under the Security Agreement as agent for the Banks under the Loan Agreement and as agent for EB-5 under the Joinder Agreement.

3. Section 1.5 of the Bank Mortgage is hereby amended and restated in full as follows:

> **1.5** <u>**Indebtedness:**</u> All indebtedness and other liabilities of Mortgagor and Iskalo Hospitality Campus, LLC, a New York limited liability company with offices located at 5166 Main Street, Williamsville, New York 14221 ("Lord Amherst Parent") to Mortgagee, any Bank, Amherst Hospitality, LLC, a New York limited liability company with offices located at 604 Ellicott Street, Suite 404, Buffalo, New York 14023 ("EB-5"), and the respective affiliates thereof, of every kind and character, arising under the Note, this Mortgage, that certain Promissory Note given by Lord Amherst Parent to EB-5 dated as of __________________, 20__ ("EB-5 Note"), or any other loan documents evidencing or securing any such debt and all amendments, extensions, renewals and replacements of any of the foregoing, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, and any and all obligations and liabilities of Mortgagor, to Mortgagee, any Bank, EB-5 and the respective affiliates thereof, whether absolute or contingent, whether now existing or hereafter created,

arising, evidenced or acquired under any agreement, device or arrangement designed to protect such Mortgagor, any Bank, EB-5 and the respective affiliates thereof, from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing obligations and reasonable attorneys' fees and expenses related to collection of the foregoing and any other amount payable by Mortgagor under this Mortgage and any other agreement between the parties executed in connection herewith; provided, however, that the maximum principal amount secured by this Mortgage does not, and shall not under any contingency, exceed EIGHTEEN MILLION AND 00/100 U.S. DOLLARS ($18,000,000.00).

4. The Bank Mortgage is hereby amended such that the following paragraph shall be added thereto as Section 6.16:

6.16 Collateral Security Mortgage. Mortgagor acknowledges and agrees that this Mortgage may secure debts of another person, specifically, to the extent this Mortgage secures obligations of Lord Amherst Parent to EB-5 under the EB-5 Note and such other instruments and documents executed and delivered by Lord Amherst Parent in connection therewith, this Mortgage shall be deemed a collateral security mortgage

5. The Bank Mortgage is hereby amended such that the following paragraph shall be added thereto as Section 6.17:

6.17 Agency: Mortgagee shall act as agent for the Banks and EB-5 hereunder.

6. Section 2(b) of the Security Agreement is hereby amended and restated in full as follows:

(b) The Security Interest granted by Debtor secures the full payment of the Loan, those certain loans given by Amherst Hospitality, LLC, a New York limited liability company ("EB-5"), to Iskalo Hospitality Campus LLC, a New York limited liability company ("Lord Amherst Parent") in the aggregate amount not to exceed $10,000,000.00 (collectively, the "EB-5 Loans") and of all other loans, advances, debts, liabilities, indebtedness, obligations, and credit of any kind or character owing by Debtor and Lord Amherst Parent to Secured Party and/or any Bank and/or EB-5 of any kind or nature, present or future, whether as borrower or guarantor, however evidenced, whether arising under this Agreement, the Loan Documents, that certain Promissory Note given by Lord Amherst Parent to EB-5 to evidence the EB-5 Loans (the "EB-5 Note") and all other documents evidencing or securing the EB-5 Loans, or any other loan, note, letter of credit, guaranty, collateral or other agreement or by operation of law, and whether direct or indirect, absolute or contingent, due or to become due, now owing or existing or hereafter arising or created and however acquired, and any amendments, extensions, renewals or increases thereof, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, treasury management obligations, foreign exchange obligations, obligations due pursuant to any Interest Rate Protection Agreement entered into by Debtor, reasonable attorneys' fees and expenses related to the collection of the foregoing, and any other amounts payable by Debtor under this Agreement or any other agreements between Debtor and Secured Party and/or any Bank and/or EB-5 whether executed in connection herewith or otherwise (collectively, the "Indebtedness"). "Interest Rate Protection Agreement" shall mean any agreement, device or arrangement designed to protect such Debtor from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing.

7. The Security Agreement is hereby amended such that the following paragraph shall be added as Section 12 thereto:

12. COLLATERAL SECURITY. Debtor acknowledges and agrees that this Security Agreement may secure debts of another person, specifically, to the extent this Security Agreement secures the obligations of Lord Amherst Parent to EB-5 under the EB-5 Note and such other instruments and documents executed and delivered by Lord Amherst Parent in connection therewith, this Security Agreement shall serve as collateral security therefor.

8. The Security Agreement is hereby amended such that the following paragraph shall be added thereto as Section 13:

13. AGENCY. The Secured Party shall act as agent for the Banks and EB-5 hereunder:

9. As of the date hereof, (i) the outstanding principal balance of the Bank Loan is $______________________________, with an additional $_________________________ available to be advanced to Mortgagor in compliance with the provisions of the Loan Agreement, (ii) the outstanding principal balance under the EB-5 Loans is $________________, with an additional $______________________ available to be advanced to Lord Amherst Parent under the EB-5 Note, and (iii) the total principal amount secured or to be secured by the Bank Mortgage and the Security Agreement is $18,000,000.00, plus interest and other amounts as set forth in the Bank Loan Documents and the documents evidencing or securing the EB-5 Loans.

10. Except as amended herein, the Bank Mortgage and the Security Agreement remain unmodified, and in full force and effect.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:___________________________
Name: Paul B. Iskalo
Title: President

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

By:________________________________
Name:
Title:

FIRST NIAGARA BANK, N.A., as Agent

By:_________________________________
Name:
Title:

The terms and conditions hereof are further consented to by:

ISKALO HOSPITALITY CAMPUS LLC
By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

Exhibit A

Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

EXHIBIT F

Marked-up Title Insurance Binder

AMERICAN LAND TITLE ASSOCIATION | Commitment

ALTA Standard Form (1986)

Chicago Title Insurance Company

Providing Title Related Services Since 1847

SECOND AMENDED COMMITMENT FOR TITLE INSURANCE

CHICAGO TITLE INSURANCE COMPANY, a corporation of Missouri, herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefore; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations which are hereby incorporated by reference and are made a part of the Commitment.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six (6) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

IN WITNESS WHEREOF, Chicago Title Insurance Company has caused this Commitment to be signed and sealed as of the effective date of Commitment shown in Schedule A, the Commitment to become valid when countersigned by an authorized signatory.

Chicago Title Insurance Company Abstract of Title No. 1313-05212

Issued By: Terrence Gilbride - Hodgson Russ LLP

Redated: 1/31/14

Dated: 12/16/13

Countersigned

Chicago Title Insurance Company

By:

President

By:

Secretary

No: 1313-42387

030494.00089 Business 12391623v3

CHICAGO TITLE INSURANCE COMPANY

ALTA 6-17-06 Owner's Coverage

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, Chicago Title Insurance Company, a Nebraska Corporation (The Company), insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13 and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection
   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
11. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has not been or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy.

EXCLUSIONS FROM COVERAGE - OWNER'S

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
      (i) the occupancy, use, or enjoyment of the Land;
      (ii) the character, dimensions, or location of any improvement erected on the Land;
      (iii) the subdivision of land; or
      (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A

Provision is made in the rate manual of this company filed with the Superintendent of Insurance of the State of New York for continuation of liability to grantees of the insured in certain specific circumstances only. In no circumstance provided for in this sub-section shall this company be deemed to have insured the sufficiency of the instrument of conveyance or to have assumed any liability for sufficiency of any proceedings after the date of this policy.

AMG

Conditions and Stipulations

1. The term "mortgage," when used herein, shall include charge, mortgage, deed of trust, trust deed, or other security instrument.

2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.

3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in -Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.

4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

CHICAGO TITLE INSURANCE COMPANY
SCHEDULE A

Title No.: 1313-42387

Effective Date: December 16, 2013

Owner's Policy to be issued:
ALTA 06-17-06 Owner's Policy

$ NA

Proposed Insured:

____

Leasehold Policy to be issued:
ALTA 06-17-06 Leasehold Policy

$ NA

Proposed Insured:

____

Mortgage Loan Policy to be issued:
ALTA 06-17-06 Loan Policy

$18,000,000.00

Proposed Insured:
First Niagara Bank, N.A., as agent, its successors and assigns as their interests may appear

Borrower:
Iskalo 5020 Main LLC

The estate or interest in the land described or referred to in this certificate and covered herein is:
Fee Simple

Title to said estate or interest in said land at the effective date hereof is vested in:

Iskalo 5020 Main LLC

-by-

Quit Claim Deed given by Iskalo 5000 Main LLC to Iskalo 5020 Main LLC, dated May 10, 2013 and recorded in the Erie County Clerk's Office on May 15, 2013 in Liber 11246 of Deeds at page 89, as corrected by a Correcting Quit Claim Deed made as of January 1, 2014 by Iskalo 5000 Main LLC to Iskalo 5020 Main LLC recorded in the Erie County Clerk's Office on January 22, 2014 in Liber 11259 of Deeds at page 4383.

TMG

SCHEDULE A DESCRIPTION

Title No. 1313-42387

1. The land referred to in this Commitment is described as follows:
   Address: 5020 Main Street
   City/Town: Amherst
   County: Erie
   State: New York

   (Legal Description continued on Attached Page)

This Commitment is valid only if Schedule B is attached.

SCHEDULE A DESCRIPTION (Continued)

Title No.: 1313-42387

The land referred to in this Commitment is described as follows:

insure

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00° 35' 07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524;

THENCE along said parcel 522 the (3) following courses and distances:

(1) North 72° 30' 27" East, 110.81 feet to a point;
(2) North 06° 30' 10" West, 664.90 feet to a point;
(3) North 01° 12' 19" West, 59.09 feet to a point;

THENCE North 89° 24' 53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945;

THENCE westerly, at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324;

THENCE southerly and westerly, along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324;

THENCE southwesterly, along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324;

THENCE southeasterly, along the southwest line of said Subdivision Lot No. 181, a distance of 40 feet to a point;

THENCE northerly, along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at page 479, a distance of 5.97 feet to a point;

THENCE easterly, at right angles to the previously described line, a distance of 290.00 feet to a point;

THENCE southerly, at right angles to the previously described line, a distance of 75.00 feet to a point;

THENCE easterly, at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York;

THENCE southerly, parallel with the said course #2 , at an angle to the left of 114° 02' 15" with the previously described line, a distance of 110.00 feet to a point;

TMG

SCHEDULE A DESCRIPTION

insure THENCE southwesterly, at an angle to the left of 113° 14' 29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8;

THENCE easterly, along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520;

THENCE easterly, along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11;

THENCE northerly, along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning.

TOGETHER WITH THE BENEFITS AND SUBJECT TO THE BURDENS of:

(a) a Reciprocal Access and Parking Easement between Iskalo 5000 Main LLC and Iskalo 5020 Main LLC, dated May 10, 2013 and recorded in the Erie County Clerk's Office on May 15, 2013 in Liber 11246 of Deeds at page 92, as amended by First Amendment to Reciprocal Access and Parking Easement dated January 1, 2014 and recorded in the Erie County Clerk's Office on January 22, 2014 in Liber 11259 of Deeds at page 4378, and

(b) an Easement Agreement between Iskalo 5000 Main LLC and Iskalo 5020 Main LLC, dated August 16, 2013 and recorded in the Erie County Clerk's Office on August 16, 2013 in Liber 11251 of Deeds at page 5842, as amended by First Amendment to Easement Agreement dated January 1, 2014 and recorded in the Erie County Clerk's Office on January 22, 2014 in Liber 11259 of Deeds at page 4373.

TMS

SCHEDULE B1, REQUIREMENTS

Matters to be disposed of at or prior to closing:

omit

1. Continuation of all searches to date of closing.

2. Proper execution, delivery and recordation of conveyance and/or mortgage necessary to consummate the transaction contemplated herein.

3. Lien Clause pursuant to Section 13 of Lien Law in all deeds and mortgages to be recorded.

4. Compliance with Section 253-B of the Tax Law, as amended by Chapter 925 of the Session Laws of 1985, is required before an instrument evidencing a sale or transfer of this real property can be recorded.

5. Proof of payment of the 2013 County and Town Real Property Taxes. (Parts of SBL Nos. 80.06-7-9.111 and 80.06-7-8.12)

6. Proof of payment of the 2013 - 2014 School Taxes. (Parts of SBL Nos. 80.06-7-9.111 and 80.06-7-8.12)

7. If the proposed transaction closes after January 1, 2014, consideration must be given to the lien of the 2014 County and Town Real Property Taxes (Parts of SBL Nos. 80.06-7-9.111 and 80.06-7-8.12)

8. Mortgage for $3,250,000.00 and interest made by Iskalo 5000 Main LLC and Town of Amherst Industrial Development Agency to Manufacturers and Traders Trust Company dated October 6, 2011 and recorded October 6, 2011 in Liber 13549 of Mortgages at page 6095.

9. General Assignment of Rents made by Iskalo 5000 Main LLC and Town of Amherst Industrial Development Agency to Manufacturers and Traders Trust Company dated October 6, 2011 and recorded October 6, 2011 in Liber 13549 of Mortgages at page 6107.

10. Memorandum of Lease by Iskalo 5000 Main LLC to Town of Amherst Industrial Development Agency dated October 1, 2011 and recorded on October 6, 2011 in Liber 11209 of Deeds at page 6648.

11. Memorandum of Leaseback by Town of Amherst Industrial Development Agency to Iskalo 5000 Main LLC dated October 1, 2011 and recorded on October 6, 2011 in Liber 11209 of Deeds at page 6655.

12. Financing Statement No. 240 9137 affecting premises described in Schedule A.

SCHEDULE B1, REQUIREMENTS

omit

Debtor : Iskalo 5000 Main LLC

Secured Party : Manufacturers and Traders Trust Company

Date Filed : October 6, 2011

13. With respect to Iskalo 5020 Main LLC, a limited liability company, the following proofs and documents must be submitted to this Company for examination prior to closing and upon review additional exceptions may thereafter be raised:

Proof that the limited liability company has been validly formed and remains in existence.

NOTE: This may be established by an affidavit from a member, manager, or attorney representing the limited liability company with knowledge of the facts and should include the submission to this Company of a status letter or other evidence from the Secretary of State to the effect that the limited liability company remains in existence.

In addition to the above required proof:

1. Articles of Organization, together with any amendments thereto;

2. Operating Agreement, together with any amendments thereto, and proof of adoption of same as the current version.

3. Resolution of the limited liability company executed by a duly authorized member or manager approving the subject transaction, which resolution identifies the person(s) authorized and directed to act for said limited liability company together with proof that the resolution was adopted in accordance with the Operating Agreement and the Articles of Organization. If the subject transaction involves the sale, exchange, lease or mortgage of all or substantially all of the assets of said limited liability company, then absent provisions to the contrary in the Operating Agreement, such resolution must also be adopted by the vote of at least two-thirds of the members entitled to vote therein.

4. Proof that said limited liability company has not elected to be treated as a corporation for New York State corporate franchise tax purposes.

14. Documents must be executed by all of the authorized agents of any limited liability company in accordance with the Operating Agreement.

NOTE: In case of corporate signatories, documents must be signed by the President or Vice President and the Treasurer or Assistant Treasurer of the respective corporations. Alternatively, corporate resolutions which authorize the signatories on the documents, must be obtained and recorded with a clerk's certificate of incumbency.

SCHEDULE B 2, EXCEPTIONS

The Owner's Policy will be subject to the mortgage, if any, shown on Schedule A hereof. Schedule B of the Policy or Policies to be issued will contain exceptions to the following matters unless they are taken care of to our satisfaction:

omit

1. Rights and claims of parties in possession not shown of record.

2. Future installments of special assessments for improvements payable with County taxes.

3. Any state of facts an inspection of the premises would disclose.

4. Unpaid water bills, if any.

Ex + ins

5. Exceptions as disclosed by Draft of Map of Survey (Job No. 11038) made by Lawrence J. Zygaj, PLS, PC, dated July 18, 2011 and last revised November 15, 2013, as follows:

   a. Fences running along and at variance with the two most easterly lot lines.

   b. Discrepancy between the deed distances (21.00 +/- feet and 27.80 +/- feet) and the measured distance (21.45 feet) of the most easterly northerly lot line.

   c. Intentionally omitted.

   d. Discrepancy of 4.00 +/- feet between the deed distance (80.00 feet) and the measured distance (76.00 feet) of the most northwesterly lot line.

   e. Fences running along and at variance with the most northwesterly and most southwesterly lot lines.

   f. Found rebar located near and at variance with the most westerly corner of premises.

   g. Found rebar and pipe located near and at variance with the corner formed by the most westerly southwesterly lot line and the west line of lands conveyed by Deed recorded in Liber 6683 of Deeds at page 479, with poles, overhead wires, and notation "Easement to NMP Co. and NYT Co. L.6696 of Deeds at page 69 (no specific width)" near said corner.

   h. Approximate centerline of a 20 foot wide easement to Niagara Mohawk Power Corp.- Liber 11256 of Deeds page 6279 running northeasterly to the central portion of the insured premises.

   i. Discrepancy of .08 +/- feet between the deed distance (86.09 +/- feet) and the measured distance (86.17 +/- feet) of the most southerly lot line.

TMG

SCHEDULE B 2, EXCEPTIONS

Ex + Ins.

NOTE: This policy insures that the survey exceptions set forth in subparagraphs a. through i. above (including any fence misplacements and the correction thereof), will not interfere with the use or enjoyment of the proposed 6 story hotel to be erected on the insured premises as shown on the Site Plan for Proposed Hyatt Place Hotel, 5000-5010 Main Street, Amherst, New York 14226 as prepared by Greenman-Pedersen, Inc. Consulting Engineers (Project No. 11-595), dated January 14, 2013 and last revised March 27, 2013 and approved by the Town of Amherst on April 26, 2013.

Ex + Ins.

6. Terms, covenants, and restrictions contained in Declaration of Restrictions recorded in Liber 6514 of Deeds at page 157 on January 11, 1960, as amended by Change of Restrictions recorded in Liber 6683 of Deeds at page 535 on July 31, 1961.

NOTE: This policy insures that the terms, covenants and restrictions as contained in the above Declaration will not be violated by the proposed improvements to be erected on the insured premises as shown on the Site Plan for Proposed Hyatt Place Hotel, 5000-5010 Main Street, Amherst, New York 14226 as prepared by Greenman-Pedersen, Inc. Consulting Engineers (Project No. 11-595), dated January 14, 2013 and last revised March 27, 2013 and approved by the Town of Amherst on April 26, 2013, and that such Declaration does not contain any condition, right of re-entry or other provision for forfeiture under which the rights of the insured can be cut off, subordinated or disturbed.

Ex + Ins.

7. Easement granted to Niagara Mohawk Power Corporation and New York Telephone Company and recorded in Liber 6696 of Deeds at page 69 on September 5, 1961.

8. Easement granted to Verizon New York Inc., National Fuel Gas Distribution Corporation, Niagara Mohawk Power Corporation, and Adelphia Cable, recorded in Liber 10986 of Deeds at page 1929 on July 30, 2001.

9. Reciprocal Access and Parking Easement between Iskalo 5000 Main, LLC and Iskalo 5020 Main, LLC, dated May 10, 2013, and recorded May 15, 2013, in Liber 11246 of Deeds at page 92, as amended by First Amendment to Reciprocal Access and Parking Easement dated January 1, 2014, and recorded in Liber 11259 of Deeds at page 4378 on January 22, 2014.

10. Easement Agreement between Iskalo 5000 Main, LLC and Iskalo 5020 Main, LLC, dated August 16, 2013, and recorded August 16, 2013, in Liber 11251 of Deeds, at page 5842, as amended by First Amendment to Easement Agreement dated January 1, 2014, and recorded in Liber 11259 of Deeds at page 4373 on January 22, 2014.

11. Grant of Easement given by Iskalo 5000 Main, LLC and Iskalo 5020 Main, LLC to Niagara Mohawk Power Corporation, by instrument dated August 16, 2013, and recorded November 22, 2013, in Liber 11256 of Deeds at page 6279.

TMS

SCHEDULE B 2, EXCEPTIONS

Ex + Ins.

NOTE: This policy insures that the easements set forth in paragraphs 7. through 11. above, will not interfere with the use or enjoyment of the proposed improvements to be erected on the insured premises as shown on the Site Plan for Proposed Hyatt Place Hotel, 5000-5010 Main Street, Amherst, New York 14226 as prepared by Greenman-Pedersen, Inc. Consulting Engineers (Project No. 11-595), dated January 14, 2013 and last revised March 27, 2013 and approved by the Town of Amherst on April 26, 2013.

Ex + Ins.

12. Declaration of Restrictive Covenant made by 5000 Main Street, LLC, Willard A Genrich, Jr., Willa G. Long, Ellen G. Rusling and Jeffrey M. Genrich dated September 30, 2011 and recorded on October 6, 2011 in Liber 11209 of Deeds at page 6613

NOTE: This policy insures that the terms, covenants and restrictions as contained in the above Declaration will not be violated by the proposed improvements to be erected on the insured premises as shown on the Site Plan for Proposed Hyatt Place Hotel, 5000-5010 Main Street, Amherst, New York 14226 as prepared by Greenman-Pedersen, Inc. Consulting Engineers (Project No. 11-595), dated January 14, 2013 and last revised March 27, 2013 and approved by the Town of Amherst on April 26, 2013, and that such Declaration does not contain any condition, right of re-entry or other provision for forfeiture under which the rights of the insured can be cut off, subordinated or disturbed.

Ex.

13. Pending the disbursement of the full proceeds of the loan secured by the mortgage described herein, this Policy insures only to the extent of the amount actually disbursed plus interest accrued thereon but increases as disbursements are made in good faith and without knowledge of any defects in, or objections to the title up to the face amount of the policy. Title shall be continued down to the date of each disbursement and the company shall furnish to the mortgagee a continuation report, stating whether, since the date hereof or since the date of the last preceding continuation report, any liens or encumbrances have been recorded, whether any taxes, assessments or any other charges of whatever nature which have become due and payable have been paid, whether there are survey variations, encroachments or violations of setback and whether there are any additional title exceptions or objections.

14. Policy to be issued will contain the following endorsements:

Endorse

New York standard endorsement

Land Same as Survey

Access Endorsement

Variable Rate Mortgage

Mortgage Tax

Environmental Lien

Waiver of Arbitration

Tax Parcel

TMG

Ex + Sub

SCHEDULE B 2, EXCEPTIONS

15. Memorandum of Lease by Iskalo 5020 Main LLC to Town of Amherst Industrial Development Agency dated as of January 1, 2014 and recorded on ______________, 2014 in Liber ___________ of Deeds at page _________.

16. Memorandum of Leaseback by Town of Amherst Industrial Development Agency to Iskalo 5020 Main LLC dated as of January 1, 2014 and recorded on ______________, 2014 in Liber ___________ of Deeds at page _________.

TMG/ CCF

SCHEDULE B 2, EXCEPTIONS

If Closed by examining counsel the certification on the reverse side hereof must also be completed and signed by said examining councel.

Title No.

REPORT OF CLOSING

By whom closed ____________________ Date closed ____________

Transaction closed at office of ____________________

The persons present were: ____________________

Name	Address	Interest

The identity of the persons executing the papers delivered on closing was established by the following evidence:

____

Title policy to be sent (Fee) - To ____________________

Fee ☐ Mtge. ☐ policy Address ____________________

delivered on closing (Mtge.) - To ____________________

Address ____________________

The following instruments were executed and delivered:

1. Kind of instrument ____________________

By ____________________

To or With ____________________

Dated __________ Recorded __________

L. ______ p. ______ Trust Clause? __________

Consideration or amount $ __________

2. Kind of instrument ____________________

By ____________________

To or With ____________________

Dated __________ Recorded __________

L. ______ p. ______ Trust Clause? __________

Consideration or amount $ __________

CLOSER: (a) Always PRINT Name of insured fully and completely and write all other names legibly. (b) where there are two persons, indicate whether husband or wife. (c) If first names are unusual indicate whether male or female. Abstract fully terms of payment of any mortgage delivered on closing. Show addresses - of all grantees and individual mortgages.

Other information and recitals

Stamps affixed $ __________

Stamps affixed $ __________

030494.00089 Business 12391623v3

TMS

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

EXHIBIT G

Environmental Reports

Phase I Environmental Site Assessment (ASTM E1527-05) dated October 17, 2013 prepared by RJS Environmental (RJS Project No. 13-001212-01) with regard to Future Hyatt Place Hotel, 5020 Main Street, Amherst, New York.

EXHIBIT H

Appraisal

Valuation Report for Proposed Amherst Hyatt Place, 5020 Main Street, Amherst, Erie County, New York 14221, dated September 30, 2013, prepared by CBRE, Inc. (CBRE File No. 13-047NY-1660 / Client Reference No. 13-001212-02)

EXHIBIT I

Form of EB-5 Note

PROMISSORY NOTE

$10,000,000.00 ___________, 20__

I. PROMISE TO PAY

FOR VALUE RECEIVED, and intending to be legally bound, **ISKALO HOSPITALITY CAMPUS LLC**, a limited liability company organized under the laws of New York, having a principal place of business at 5166 Main Street, Williamsville, New York 14221 ("Borrower") promises to pay to the order of **AMHERST HOSPITALITY, LLC**, a limited liability company organized under the laws of New York, having a principal place of business at 640 Tupper Street, Suite 404, Buffalo, New York 14203 ("Lender") or order, on or before the Maturity Date (as hereinafter defined), in lawful money of the United States of America, the principal sum of Ten Million Dollars ($10,000,000.00) (the "Loan") plus interest thereon from the date hereof, until the indebtedness evidenced hereby is paid in full.

II. DEFINITIONS

When used in this Note, the following terms shall have the meanings indicated for each of them:

2.1 Agent: First Niagara Bank, N.A., as agent for the banks under the Building Loan Agreement.

2.2 Building Loan Agreement: That certain Building Loan Agreement by Agent, as agent for the banks thereunder, First Niagara Bank, N.A., M&T Bank and Iskalo 5020 Main dated January 31, 2014, as the same may be amended, supplemented, renewed, replaced or otherwise modified.

2.3 Business Day: Any day other than a Saturday, Sunday or legal holiday on which commercial banks in New York are required or permitted by law to close.

2.4 Conversion Date: January 31, 2017.

2.5 EB-5 Capital: Those particular funds invested by a Foreign Investor in the Lender pursuant to and in accordance with the EB-5 Program, the Investment Documents and the Operating Agreement.

2.6 EB-5 Program: The EB-5 Regional Center immigrant investors program established by Section 203(b)(5) of the Immigration and Nationality Act, as amended, and administered by the USCIS.

2.7 FNB Loan: That certain loan given to Iskalo 5020 Main under the Building Loan Agreement in the principal amount of Eighteen Million Dollars ($18,000,000.00), which shall act as a bridge or interim financing until such is paid down by the Loan.

2.8 Foreign Investors: Those specific foreign nationals seeking visas to the United States of America by investing EB-5 Capital in the Lender pursuant to the EB-5 Program.

2.9 Guarantor: Paul Iskalo, an individual.

2.10 Hyatt Place Hotel Project: The construction and development by Iskalo 5020 Main of a Hyatt Place Hotel to be located at 5020 Main Street, Amherst, New York 14226.

2.11 Indebtedness: Collectively, all loans, advances, debts, liabilities, indebtedness, obligations, and credit owing by Borrower to Lender of any kind or nature, present or future, whether as borrower or guarantor, however evidenced, whether arising hereunder or any other loan, note, letter of credit, guaranty, collateral or other agreement or by operation of law, and whether direct or indirect, absolute or contingent, due or to become due, now owing or existing or hereafter arising or created and however acquired, and any amendments, extensions, renewals or increases thereof, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, treasury management obligations, obligations due pursuant to any interest rate protection agreement, reasonable attorneys' fees and expenses related to the collection of the foregoing, and any other amounts payable by Borrower whether executed in connection herewith or otherwise.

2.12 Interest Rate: Collectively, the rates of interest set forth in Section 4 hereof.

2.13 Investment Documents: The Private Placement Memorandum, Subscription Agreement, Escrow Agreement and such other documents or instruments now or hereafter executed and/or delivered in connection with the Foreign Investors' investment of EB-5 Capital in the Lender, as each may be amended, supplemented, renewed, replaced or otherwise modified.

2.14 Iskalo 5020 Main: Iskalo 5020 Main LLC, a New York limited liability company.

2.15 Libor Rate: A variable interest rate per annum equal to the BBA Libor USD 1 Month rate published by Bloomberg Markets at http://www.bloomberg.com/quote/US0001M:IND (or any successor webpage or if at any time such webpage is no longer available, a similar webpage that provides quotes for a one (1) month Libor rate chosen by the Lender in its reasonable discretion).

2.16 Loan Documents: This Note, the Mortgage and any other documents or instruments now or hereafter executed and/or delivered in connection with the Loan or otherwise evidencing or guaranteeing the Loan

2.17 Loan Term: Commencing on the date hereof and ending on the Maturity Date.

2.18 Lord Amherst Hotel Project: The renovation by one or more affiliates of the Borrower of the Lord Amherst Hotel at 5000 Main Street, Amherst, New York 14226.

2.19 Lord Amherst Restaurant Project: The renovation by one or more affiliates of the Borrower of the restaurant adjacent to the Lord Amherst Hotel.

2.20 Maturity Date: The Conversion Date, unless the Agent has extended the FNB Loan for the Term Period, in which case February 1, 2021.

2.21 Note: This promissory note and all amendments, supplements, renewals, replacements or modifications thereof.

2.22 Operating Agreement: The operating agreement of the Lender, as the same may be amended, supplemented, renewed, replaced or otherwise modified.

2.23 Mortgage: The Mortgage, Security Agreement and Assignment of Leases and Rents, as amended, by Iskalo 5020 Main and the Town of Amherst Industrial Development Agency to Lender and Agent, given in part to secure this Note, as the same may be amended, supplemented, renewed, replaced or otherwise modified.

2.24 Post-Conversion Junior Priority Portion: Following the Conversion Date, that portion of the Loan equal to all amounts advanced under this Note in excess of the Post-Conversion Senior Priority Portion.

2.25 Post-Conversion Senior Priority Portion: Following the Conversion Date, that portion of the Loan equal to all amounts advanced under this Note up to but not to exceed Seven Million Five Hundred Forty Thousand Dollars ($7,540,000.00).

2.26 Prime Based Rate: The Prime Rate plus three quarters of one percent (.75%) per annum.

2.27 Prime Rate: A variable interest rate per annum equal to the PRIME:IND rate published by Bloomberg Markets at http://www.bloomberg.com/quote/PRIME:IND (or any successor webpage or if at any time such webpage is no longer available, a similar webpage that provides quotes for the United States Prime Rate chosen by the Lender in its reasonable discretion).

2.28 Project: Collectively, the Hyatt Place Hotel Project, the Lord Amherst Hotel Project and the Lord Amherst Restaurant Project.

2.29 Term Period: As such term is defined in the Building Loan Agreement.

2.30 USCIS: The United States Citizenship and Immigration Services.

III. ADVANCES

3.1 Advances: Subject to (i) no Event of Default then existing under the Loan Documents, (ii) confirmation of approval by USCIS of the Project for the EB-5 Program, and (iii) receipt by the Lender of EB-5 Capital from a Foreign Investor and confirmation of USCIS's approval of such Foreign Investor's I-526 Application, upon request by the Borrower, Lender shall make an advance of the Loan to the Borrower in the amount of the EB-5 Capital invested in the Lender. Lender may in its sole discretion, make an advance to the Borrower upon oral request; provided, however, Lender reserves the right to require that advance requests be in writing, accompanied by all documentation required under the Loan Documents. Each oral request shall be conclusively presumed to have been made by a person authorized by the Borrower to do so. Lender shall incur no liability of any kind to any party by reason of making any advance upon an oral request.

3.2 Advances to Agent for the Account of Borrower: Unless notified otherwise in writing by the Agent, any and all advances of the Loan made by the Lender hereunder shall be made directly to the Agent, at an address (or account) specified in writing to the Lender from time to time by the Agent, for the account of the Borrower for the purpose of repaying that portion of the FNB Loan that is acting as a bridge or interim financing for the Loan. The Borrower hereby consents to the foregoing and acknowledges and agrees that any advance of the Loan to the Agent for the account of Borrower shall conclusively establish Borrower's obligation to repay the same.

3.3 Termination of Lender's Obligation to Make Advances: The Lender's obligation to make advances of the Loan to the Borrower shall terminate upon the earlier of (a) the date in which the aggregate amount of advances made to the Borrower hereunder equal the principal amount of the Loan and (b) the Maturity Date.

IV. INTEREST RATE AND ACCRUAL

4.1 Interest Accrual: Interest shall accrue at the applicable Interest Rate on the outstanding principal balance hereof until paid in full. Borrower shall pay interest, calculated on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable) on the outstanding principal amount from and including the date of this Note to, but not including, the date the outstanding principal amount is paid in full. Until payment in full of this Note, such accrued and unpaid interest shall be due on the first day of each month.

4.2 Interest Rate - Prior to Conversion.

(a) From the date of this Note through and including the Conversion Date, interest shall accrue on the outstanding principal balance hereunder, at the Libor Rate plus three and seventy-five hundredths percent (3.75%) per annum. The Libor Rate shall be determined by the Lender as of the date hereof and shall adjust on the first day of each month thereafter.

(b) Notwithstanding Section 4.2(a) above or any other terms of this Note, at no time from the date of this Note through the Conversion Date shall the rate at which interest accrues on the outstanding principal balance hereunder be less than four percent (4.0%) per annum.

4.3 Interest Rate - After Conversion. Provided the Agent has extended the maturity date of the FNB Loan to the Term Period pursuant to Section 2.2 of the Building Loan Agreement, commencing on February 1, 2017 and continuing until payment in full of this Note:

(a) interest shall accrue on the outstanding principal balance of the Post-Conversion Senior Priority Portion of the Loan at a fixed rate equal to five percent (5.0%) per annum.

(b) interest shall accrue on the outstanding principal balance of the Post-Conversion Junior Priority Portion of the Loan at a fixed rate equal to six and one half percent (6.5%) per annum.

4.4 Maximum Rate of Interest: It is intended that the rate of interest hereon shall never exceed the maximum rate, if any which may be legally charged on the loan evidenced by this Note ("Maximum Rate"), and if the provisions for interest contained in this Note would result in a rate higher than the Maximum Rate, interest shall nevertheless be limited to the Maximum Rate and any amounts which may be paid toward interest in excess of the Maximum Rate shall be applied to the reduction of principal, or, at the option of Lender, returned to Borrower.

V. PAYMENT TERMS AND RENEWAL TERM

5.1 Payments:

(a) Commencing on ___________, 20___ and continuing on the first day of each month thereafter until the Maturity Date, Borrower shall pay to Lender all accrued interest in arrears.

(b) All outstanding principal, interest and all other amounts due hereunder and the documents securing the Loan shall be due and payable on the Maturity Date, if no sooner paid.

5.2 Due Date: All Indebtedness owed to Lender hereunder and not paid before the Maturity Date shall be due and payable on the Maturity Date.

5.3 Prepayment:

(a) This Note may not be prepaid in whole or in part, at any time, until (i) the Lender has notified the Borrower that each Foreign Investor's I-829 application has been approved by USCIS, and (ii) the FNB Loan has been paid in full.

(b) Following satisfaction of the conditions set forth in Section 5.3(a) above, this Note may be prepaid in whole or in part without penalty or premium upon thirty (30) days' advance notice to Lender of Borrower's intent to prepay.

(c) No amounts prepaid by the Borrower hereunder shall be re-advanced by the Lender.

5.4 Application; Business Day: All payments hereon shall be made, and all notices to Lender required or authorized hereby shall be given, at the office of Lender at the address designated in the heading of this Note, or to such other place as Lender may from time to time direct by written notice to Borrower. All payments shall be made absolutely net of, without deduction or offset and free and clear of taxes, deductions, charges or withholding of any kind. Lender shall apply all payments received on this Note to any accrued and unpaid interest then due and owing, then to the reduction of the Post-Conversion Junior Priority Portion of the principal of this Note, then to the reduction of the Post-Conversion Senior Priority Portion of the principal of this Note, then to other sums due hereunder in such order and in such amounts as Lender may determine from time to time. The sum or sums shown on Lender's records shall be evidence of the correct unpaid balances of principal and interest on this Note, absent manifest error. If any payment comes due on a day that is not a Business Day, Borrower may make the payment on the first Business Day following the payment date and pay the additional interest accrued to the date of payment.

5.5 Costs and Expenses: Borrower agrees to pay on demand all reasonable costs and expenses of every kind and nature, including, without limitation, fees and disbursements of outside counsel for advice, suit, appeal, insolvency proceedings, or any other purpose described in this Section or incurred by Lender (a) in enforcing this Note, (b) in collecting any Indebtedness evidenced hereby from Borrower or any Guarantor, (c) in realizing upon or protecting any collateral for the payment of this Note, and (d) for any other purpose related hereto.

5.6 Collection Periods: Any check, draft, money order or other instrument given in payment of all or any portion hereof may be accepted by Lender and handled for collection in the customary manner, but the same shall not constitute payment hereunder or diminish any rights of Lender except to the extent that actual cash proceeds of such instrument are unconditionally received by Lender; provided, however, that this Note shall not be in default as the result of normal collection periods on such instruments.

5.7 Late Payment Charge: If any payment due under this Note is unpaid for ten (10) days or more, Borrower shall pay, in addition to any other sums due under this Note (and without limiting Lender's other remedies on account thereof), a late charge in an amount equal to six percent (6.0%) of such unpaid amount.

5.8 Default Interest: After the occurrence and during the continuance of an Event of Default, at Lender's option, interest shall accrue at a rate per annum equal to the aggregate of six percent (6.0%) plus the applicable rate otherwise provided for herein, and such rate shall continue to apply whether or not judgment shall be entered on this Note.

VI. EVENTS OF DEFAULT

The happening of any of the following events or occurrence of the following conditions, shall be events of default hereunder (individually, an "Event of Default" and collectively "Events of Default"):

(a) Nonpayment: Nonpayment of principal of, interest on, or any fee or premium provided for under, this Note within ten (10) days of when such amount is due.

(b) Default under Related Documents: The occurrence of an Event of Default, uncured at the end of any applicable cure period, under the Mortgage, any loan agreement, security agreement or other document evidencing or securing this Note.

(c) Death; Incompetency: If an individual, the death, incarceration or judicial declaration of incompetency of any Obligor (as defined below).

(d) Bankruptcy Proceedings: (i) If Borrower, any guarantor hereof, or any managing member or manager of Borrower or such guarantor (each a "Loan Party") shall (A) file a petition or request for liquidation, reorganization, adjustment of debts, arrangement, adjudication as a bankrupt or similar relief under the bankruptcy, insolvency or similar laws of the United States of America or any state or territory thereof or any foreign jurisdiction now or hereafter in effect, (B) consent to the filing of a petition in any bankruptcy, liquidation, reorganization or insolvency proceedings, (C) consent to the appointment of a receiver, trustee, agent or officer performing similar functions with respect to any substantial part of its assets, (D) make a general assignment for the benefit of its creditors, or (E) institute or execute a consent to any other type of insolvency proceedings (under the federal Bankruptcy Code or otherwise) or any formal or informal proceeding for the dissolution or liquidation of, or settlement of claims against or winding up of affairs of Loan Party; or (ii) the appointment of a receiver, custodian, trustee or officer performing similar functions for Borrower or any other Loan Party or for any of their respective assets; or the filing against Borrower or any guarantor hereof, or any general partner of Borrower or such guarantor of a request or petition for liquidation, reorganization, arrangement or adjudication as a bankrupt or other relief under the bankruptcy, insolvency or similar laws of the United States of America, or any state or territory thereof, or any foreign jurisdiction, now or hereafter in effect or the institution against Borrower or any other Loan Party of any other type of insolvency proceedings (under the federal Bankruptcy Code or otherwise) or any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Borrower or any other Loan Party, and the failure to have such appointment vacated or such petition or proceeding dismissed within 90 days after such appointment, filing or institution.

(e) Insolvency: If Borrower or any Loan Party shall (i) become "insolvent" as defined in any applicable state or federal statute; (ii) engage in any business or transaction for which the assets retained by it shall constitute an unreasonably small capital, taking into consideration the obligations to Lender under this Note and any other document evidencing indebtedness of such person; (iii) incur debts beyond its ability to pay them as they mature; or (iv) fail to own property having a value at both fair valuation and at fair salable value in the ordinary course of its business greater than the amount required to pay its debts as they become due.

(g) Representations: If any certificate, statement, representation, warranty or financial statement furnished by or on behalf of Borrower pursuant to or in connection with this Note (including, without limitation, representations and warranties contained herein and all information) or as an inducement to Lender or any Lender affiliate to enter into any lending agreement with Borrower shall prove to have been false in any material respect at the time as of which the facts therein set forth were certified, or to have omitted any material contingent or unliquidated liability or claim against Borrower, or if on the date of the execution of this Note there shall have been any materially adverse change in any of the facts disclosed by any such statement or certificate, which change shall not have been disclosed by Borrower to Lender at or prior to the time of such execution.

(h) Cross Default: Nonpayment by Borrower any indebtedness owing by Borrower when due (or, if permitted by the terms of the applicable document, within any applicable grace period) whether such indebtedness shall become due by scheduled maturity, by required prepayment, by acceleration, by demand or otherwise, or failure to perform any material term, covenant or agreement on its part to be performed under any agreement or instrument (other than this Note) evidencing or securing or relating to any indebtedness owing by Borrower when required to be performed if the effect of such failure is to permit the holder to accelerate the maturity of such indebtedness; or any default by Borrower or Iskalo 5020 Main or otherwise under any documents or agreements evidencing, governing or securing the FNB Loan, and the expiration of any applicable notice and/or cure period contained therein.

(i) Judgments: If any judgment or judgments for the payment of money in excess of One Hundred Thousand Dollars ($100,000.00) shall have been issued against Borrower.

(j) Guarantor Default: Any guaranty of this Note shall cease, for any reason, to be in effect without the prior consent of Lender, or any guarantor or Borrower shall so assert in writing; or any guarantor shall die or become incapacitated, incarcerated and, if requested by Lender, in its sole discretion, Borrower shall have failed to agree to a replacement guaranty, cash collateral or other arrangement satisfactory to Lender as an adequate substitution for the guaranty of such guarantor; or any guarantor shall fail to perform or observe any covenant contained in the guaranty to which such guarantor is a party; or any representation, warranty or financial statement made or furnished by a guarantor in connection with this Note or the applicable guaranty shall prove to have been false in any material respect, or to have omitted any material contingent or unliquidated liability.

(k) Challenge to Collateral Documents: If Borrower, or any guarantor, or any other Person providing collateral support for Borrower's obligations hereunder (the "Obligor") directly or indirectly, shall challenge, or indicate their intention to challenge, the validity and binding effect of any provision of this Note or any document evidencing or securing Borrower's indebtedness under this Note (each a "Collateral Document" and collectively, the "Collateral Documents") or this Note or the Collateral Documents shall for any reason (except to the extent permitted by their express terms) cease to be effective or cease to have the priority lien position required by the terms thereof or the collateral is no longer available, for any reason.

(l) Change of Ownership: If the Guarantor fails to directly or indirectly Control (as such term is defined in the Building Loan Agreement) the Borrower.

(m) Termination of Business: Any Obligor terminates its business or ceases to operate as a going concern.

(n) Material Adverse Change: There shall occur any event or condition with respect to the Borrower's business, operations or financial condition that has, or in the Lender's reasonable judgment, is likely to have a material adverse effect on the Project including without limitation the creation of jobs at the Project.

(o) Request for Information: If the Borrower shall fail to provide within sixty (60) days of written demand by the Lender any information reasonably required by the Lender to comply with the EB-5 Program, including but not limited to information regarding the construction spending, the operations of the Project, the number of jobs created or otherwise projected to be created at the Project and such other information required by the Lender, as determined in its sole discretion, to comply with the EB-5 Program or in relation to the Investment Documents.

Upon the occurrence of any Event of Default (other than an Event of Default under paragraphs (d) or (e) above), Lender shall have the absolute right, at its option and in its sole discretion, to declare immediately due and payable all unpaid amounts of principal and interest on this Note, and all other sums payable at the time of, or as the result of, such declaration under this Note or any other document securing this Note and Borrower shall no longer be permitted to obtain Loans hereunder. Upon the happening of one or more Events of Default under paragraphs (d) or (e) hereof, Lender's obligations hereunder shall be cancelled immediately, automatically and without notice, and all amounts outstanding under this Note, and all other sums payable at the time of, or as the result of, such declaration under this Note or any other document securing this Note, shall become immediately due and payable without presentation, demand or notice of any kind to Borrower. Lender may, in its sole discretion, exercise alternately or cumulatively any of the remedies available under this Note or any other document securing this Note, or at law or equity. The failure to exercise one or more of such remedies upon the happening of an Event of Default shall not constitute a waiver of the right to exercise the same at any subsequent time in respect of the same Event of Default or any other Event of Default. Neither the acceptance by Lender of any payment hereunder which is less than payment in full of all amounts due and payable at the time of such payment, or any negotiation or discussion with Borrower, shall constitute a waiver of the right to exercise one or more of such remedies at that time or at any subsequent time or nullify any prior exercise of any remedy, except as and to the extent otherwise provided by law.

VII. LIBOR PROVISIONS

7.1 Unavailability: Prior to the Conversion Date, in the event that Lender shall determine that by reason of certain circumstances affecting the London Interbank Eurodollar market, the LIBOR Rate is not available to Lender for the purposes of this Note, the Lender shall give Borrower notice of such determination. Until Borrower is notified by Lender that such circumstances no longer exist and the LIBOR Rate is available to Lender for the purposes of this Note, the outstanding principal balance of the Loan shall accrue interest at the Prime Based Rate.

7.2 Change in Law: If the Lender shall determine that any applicable law, treaty, regulation or directive, or any change therein or in the interpretation or application thereof, shall make it unlawful for the Lender to charge interest based on the LIBOR Rate, the Lender shall not be obligated to charge interest based on the LIBOR Rate. Until Borrower is notified otherwise by Lender (a) the LIBOR Rate will not be available and (b) the outstanding principal balance of the Loan shall accrue interest at the Prime Based Rate.

VIII. MISCELLANEOUS PROVISIONS

8.1 Notice: The giving and effectiveness of notices, elections or demands permitted or required hereby shall be governed by the provisions of the Mortgage.

8.2 Entire Agreement; Binding Effect; Severability: This Note, together with any related loan and security agreements, guaranties, and documents ancillary thereto contains the entire agreement between Lender and Borrower with respect to this Note, and supersedes every course of dealing, other conduct, oral agreement, commitment letter and representation previously made by Lender. Borrower agrees that in any legal proceeding, a copy of this Note kept in Lender's course of business may be admitted into evidence as an original. This Note is a binding obligation enforceable against Borrower and its heirs, executors, administrators and permitted successors and assigns and shall inure to the benefit of Lender and its successors and assigns. If a court deems any provision of this Note invalid, the remainder of this Note shall remain in effect.

8.3 Information: At any time, promptly upon the request of Lender, Borrower shall furnish to Lender all information relating to Borrower's business, operations, assets and condition, including, without limitation, information Lender deems relevant to determine job creation, verification of liquidity on an ongoing basis and all such information Lender deems relevant to comply with the rules and regulations of the EB-5 Program and other legal requirements associated with the Loan or the Investment Documents. Without limiting the foregoing, the Borrower shall provide copies to the Lender of all financial statements and other financial reports (including reports and information verifying the construction expenditures) and/or tax returns delivered to the Agent pursuant to the Building Loan Agreement at such times as set forth therein.

8.4 Governmental Rules: If the adoption of, any change in or any change in the interpretation of, any law, regulation or guideline applicable to the EB-5 Program (a "Governmental Rule"), or the compliance by Lender with the Governmental Rule, imposes any taxes or fees on Lender, Lender may require Borrower to pay the amount necessary to compensate Lender for such taxes or fees. Lender will deliver to Borrower a statement of the justification for the payment(s), and the determination by Lender shall be conclusive absent obvious error and shall be payable by Borrower to Lender upon Lender's demand.

8.5 Indemnification: Borrower agrees to indemnify Lender, EB-5 New York State, LLC and their affiliates and their respective officers, directors, shareholders, members and employees (collectively, "Indemnitees") and hereby holds Indemnitees harmless against all liabilities, claims, actions, suits, proceedings, penalties, costs, expenses, brokerage or other fees (including, without limitation, reasonable legal fees and expenses), losses, damages and liabilities of any kind or nature including in tort, penalties and interest, which Lender may incur in any manner other than Lender's own active gross negligence or willful misconduct, by reason of any matter relating, directly or indirectly, to this Note and the related loan documents. This indemnity shall survive the termination of this Note. Notwithstanding anything to the contrary, the Lender agrees that the Borrower shall not be responsible under any circumstance for costs or expenses traditionally associated with, or indemnification obligations arising out of, the Foreign Investor investment portion of the EB-5 Program, including but not limited to costs, claims, damages, losses, liabilities and expenses arising out of the identification and solicitation of the Foreign Investors. This paragraph, however, shall not limit in any manner the Borrower's obligation to indemnify the Indemnified Parties with respect to any claims, damages, losses, liabilities and expenses arising from any material misrepresentation, omission or otherwise by the Borrower or any affiliate thereof regarding the Project which was relied upon by EB-5 to approve the Project with USCIS or solicit the Foreign Investors.

8.6 Governing Law: This Note shall be interpreted and the rights and liabilities of the parties shall be governed by the laws of the State of New York, without regard to principles of the conflict of laws. This Note has been delivered to and accepted by Lender and will be deemed to be made in the State of New York.

8.7 Limitation of Liability: To the fullest extent permitted by applicable law, Borrower shall not assert, and hereby waives any claim against Lender, on any theory of liability, for special, indirect, consequential or punitive damages (but excluding direct or actual damages) arising out of, in connection with or as a result of, this Note, any related loan documents, the transactions contemplated hereby or thereby or any Loan or the use of the proceeds. The Borrower acknowledges that the Lender shall have no obligation to make any advance under the Loan unless the Lender has raised sufficient EB-5 Capital to fund such advance.

8.8 CONSENT TO JURISDICTION: BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (a) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY LENDER AND ARISING OUT OF OR OTHERWISE RELATING TO THIS NOTE OR ANY COLLATERAL RELATED HERETO TO THE JURISDICTION OF ANY COURT THAT IS EITHER A COURT OF RECORD OF THE STATE OF NEW YORK OR A COURT OF THE UNITED STATES LOCATED IN THE STATE OF NEW YORK AND (b) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

8.9 WAIVER OF JURY TRIAL: BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT BORROWER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (a) THIS NOTE, ANY RELATED LOAN DOCUMENT OR ANY COLLATERAL RELATED HERETO, (b) ANY TRANSACTION CONTEMPLATED BY ANY SUCH DOCUMENTS OR (c) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS NOTE, OR ANY COLLATERAL RELATED HERETO. BORROWER CERTIFIES THAT NEITHER LENDER NOR ANY REPRESENTATIVE OF LENDER HAS REPRESENTED TO BORROWER THAT LENDER WILL NOT SEEK TO ENFORCE THE WAIVER MADE BY BORROWER IN THIS PARAGRAPH. BORROWER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[Signature Page Follows]

Doc #02-339858.3

Borrower:

ISKALO HOSPITALITY CAMPUS LLC
By: Iskalo Development Corp., Manager

By: ____________________________________
Name: __________________________________
Title: __________________________________

STATE OF NEW YORK)
) SS:
COUNTY OF ____________________________)

On the ______ day of ________________ in the year 20__, before me, the undersigned, personally appeared _______________, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

____
Notary Public

Payment of the indebtedness evidenced by this instrument and the enforcement of any remedies hereunder and under documents evidencing, governing, securing or guaranteeing such indebtedness are subject to that certain Intercreditor Agreement dated _____________, 20__ between First Niagara Bank, N.A., as Agent and Amherst Hospitality, LLC (the "Intercreditor Agreement"). Reference is hereby made to the Intercreditor Agreement for the specific terms of any limitations or restrictions on payment of such indebtedness.

EXHIBIT J

Comfort Letter

HYATT

January 31, 2014

First Niagara Bank, N.A.
726 Exchange Street
Buffalo, New York 14210
Attention: Maria E. Barth, Vice President

Re: Franchise Agreement dated as of October 24, 2012, as amended by that certain Rider to Franchise Agreement dated as of October 24, 2012, by and between Iskalo 5000 Main LLC and Hyatt Place Franchising, L.L.C., a Delaware limited liability company, ("Franchisor"), as assigned to and assumed by Iskalo 5020 Main LLC ("Franchisee") and as amended pursuant to an Assignment and Assumption Agreement for Hyatt Place Franchise Agreement effective as of January 1, 2014 (as amended, the "Franchise Agreement").

Dear Sir or Madam:

Reference is made to the Franchise Agreement pursuant to which Franchisee operates or will operate the Hyatt Place Hotel located at 5020 Main Street, Amherst, New York (the "Hotel"). The arrangement represented by the Franchise Agreement is called the "Franchise." Franchisee has represented that (1) First Niagara Bank, N.A., as administrative agent for itself and other lenders (in its capacity as administrative agent, the "Lender") entered into, or is about to enter into (together with such other lenders) a Building Loan Agreement (together with any extensions, renewals, amendments, replacements, supplements, or other modifications thereto, the "Loan Agreement") and a Mortgage, Security Agreement, and Assignment of Rents and Leases (together with any extensions, renewal, amendments, replacements, supplements, or other modifications thereto, the "Mortgage") pursuant to which the Hotel will secure certain indebtedness of Franchisee or its affiliates in an aggregate principal amount up to $18,000,000.00 and (2) the loan proceeds will be used for the direct benefit of the Hotel. Franchisee and Lender have requested that Franchisor enter into this Comfort Letter.

Franchisor, Franchisee, and Lender agree as follows:

1. While the Mortgage is a lien on the Hotel, Franchisor agrees to give Lender thirty (30) days prior written notice of any voluntary surrender by Franchisee of the Franchise (to the extent that Franchisor is aware in advance of any such voluntary surrender). Franchisor further agrees to furnish Lender with copies of default

notices sent by Franchisor to Franchisee simultaneously with delivery of such notices to Franchisee. Lender shall have the right, but not the obligation, to cure the default within a cure period of thirty (30) days beyond any cure period given to Franchisee; provided, however, in the event of a health or life safety default, the cure period shall be three (3) days.

2. If the default by Franchisee under the Franchise Agreement is a default which (i) cannot be cured solely by the payment of money and which can only be cured by Lender acquiring possession and/or ownership of the Hotel or (ii) is personal to Franchisee or otherwise not curable by Lender, Lender shall have an additional cure period not to exceed one (1) year, in which to complete its acquisition of the Hotel through foreclosure, deed in lieu of foreclosure, or other appropriate proceedings, which, to the extent the Right of First Offer described below is in effect shall run concurrently with the period allowed for acquisition of the Hotel thereunder and to the extent the Right of First Offer is not in effect, shall commence on expiration of the cure period allowed Lender under paragraph 1 above. This additional cure period may be extended by Franchisor upon request of Lender. Provided that Lender has commenced and is diligently pursuing such proceedings and completes its acquisition of the Hotel within the additional cure period (as it may be extended) and provided that Lender agrees, to the extent that it has gained control of the revenues generated by the Hotel and such revenues are sufficient, to pay monetary obligations arising under the Franchise Agreement during such additional cure period, Franchisor shall not terminate the Franchise Agreement by reason of such default.

3. Lender and Franchisor are simultaneously entering into a Right of First Offer for Lender's Interest (the "Right of First Offer"), which provides Franchisor with certain rights in the event that Lender determines to acquire the Hotel through foreclosure, conveyance in lieu of foreclosure, or any other transaction. If Lender should acquire the Hotel through foreclosure or conveyance in lieu of foreclosure or other transaction due to Franchisor's election not to exercise its right of first offer pursuant to the Right of First Offer, then Lender shall have the option of terminating the Franchise Agreement, upon written notice to Franchisor, and Lender shall not be liable for any liquidated or other damages or any penalty for early termination under the Franchise Agreement. In the event Lender elects not to terminate the Franchise Agreement, Franchisor shall have the option to require Lender to either (a) sign an assignment and assumption agreement in a form that Franchisor reasonably specifies under which Lender shall take an assignment of and assume all of Franchisee's rights and obligations under the Franchise Agreement; or (b) enter into a new Franchise Agreement with Franchisor to operate the Hotel for a term equal to Franchisee's remaining term in accordance

with Franchisor's then prevailing standards, rates, requirements, and terms, except that Lender shall not be charged any Application Fee (as same is described in Franchisor's then current Franchise Disclosure Document for Prospective Franchisees) and Lender shall not be required to perform a renovation or upgrading of the Hotel (although Lender will be required to cure any quality deficiencies as shown on the most current quality inspection report and shall be subject to any renovation or upgrading requirements that are required of other franchisees then already in Franchisor's franchise system). The acquisition of the Hotel by the Lender shall not constitute a "transfer" and is not subject to the provisions of Section 12.4 of the Franchise Agreement.

4. Lender agrees to the following:

(i) To notify Franchisor, by mail, ten (10) days in advance of any action to: (a) commence foreclosure proceedings regarding the Hotel; (b) petition for appointment of a receiver, obtain the entry of an order for relief or take any action under federal or state bankruptcy laws or similar laws with regard to the Hotel; (c) accept a deed for the Hotel in lieu of foreclosure; or (d) take ownership or possession of the Hotel in any manner;

(ii) To notify Franchisor in writing of the commencement by another party of foreclosure proceedings or the filing of an action for the appointment of a receiver or petition for relief under state or federal bankruptcy laws within thirty (30) days after Lender receives notice of commencement of such proceedings;

(iii) In the event Lender elects not to terminate the Franchise Agreement and either assumes the Franchise Agreement or enters into a new Franchise Agreement in accordance herewith, Lender shall agree to cure any existing defaults under the Franchise Agreement by Franchisee, except for any defaults which are personal to Franchisee or otherwise uncurable by Lender, within the times specified by Franchisor and bring current all payments due and owing to Franchisor and its affiliated companies.

Franchisor is not obligated to enter into a Franchise Agreement with Lender hereunder if Lender fails to comply with the requirements of (i) or (iii) above within the times provided. If Lender should acquire the Hotel, Lender shall appoint an agent or management company to operate the Hotel under the Franchise Agreement with Franchisor, provided that such agent or management company (i) is approved in writing by Franchisor; (ii) meets Franchisor's then current requirements for such agents or management companies, including by signing such agreements and other documents as Franchisor periodically specifies; and (iii) the Hotel's general manager and other management personnel complete or have completed Franchisor's then current training requirements in accordance with the Franchise Agreement.

5. In the event that Lender acquires the Hotel and wishes to sell or transfer the Hotel to a third-party who wishes to enter into a franchise agreement with Franchisor, Franchisor agrees to not unreasonably withhold its consent to the new franchise agreement, which shall be executed on Franchisor's then-current form, provided that such prospective franchisee is not a Brand Owner, as defined in the Franchise Agreement. Upon the execution and delivery of the new franchise agreement, Lender shall be released from any liability under the Franchise Agreement or any replacement franchise agreement to which it is a party.

6. Except as otherwise set forth herein, this Comfort Letter and the rights hereunder are not assignable by Lender or Franchisee. Lender agrees that neither Franchisee nor Lender has any right or authority to sell, transfer, or assign, or in any manner convey to any third party the Franchise Agreement or any rights under this Comfort Letter, except as provided herein or in the Franchise Agreement. Notwithstanding the foregoing, Lender may assign the Comfort Letter to any successor designated pursuant to the Loan Agreement and to the holder or holders of all or any portion of the debt secured by the Mortgage (the "Assignee") without Franchisor's consent; provided that the Assignee (i) is a commercial bank, investment bank, pension fund, finance company, insurance company, trustee in a securitization or other financial company, or other financial institution or such other type of established organization (so long as such established organization is not a Brand Owner as defined in the Franchise Agreement or does not exclusively lend to a Brand Owner) primarily engaged in the business of making or holding loans and any fund or trust managed or serviced by any of the foregoing and (ii) does not own, directly or indirectly, any equity interest in Franchisee or its constituent owners; provided further that upon any such assignment (other than an assignment to M&T Bank), Assignor pays to Franchisor a processing charge of $7,500 and that promptly upon such assignment, Lender, Assignee, and Franchisee shall execute and deliver to Franchisor an assignment and assumption agreement (the "Assignment"), and provided further that, in the event there is more than one Assignee, such Assignees shall have (i) designated one representative to receive notices, negotiate on behalf of and bind each such Assignee in connection with this letter agreement and any Assignment thereof, and (ii) acknowledge that Franchisor shall be entitled to rely on such designation and deal solely with such representative without the necessity of notifying,

negotiating with, or obtaining the consent of, each such Assignee. Any of the foregoing notwithstanding, Franchisor acknowledges that the financing described in this Comfort Letter is an "agented credit" and that there are various participating lenders who have the ability to transfer, or issue participations in, their interests in the financing, and that, from time to time, other lenders whose loans are secured by the Mortgage may designate Lender as collateral agent with respect to the Hotel, and that any of the foregoing shall not be subject to any restrictions hereunder or payment of any fees above which Lender is subject to.

7. Franchisor hereby (i) consents to Franchisee's collateral assignment of the Franchise Agreement to Lender in accordance with the Loan Documents, provided that effectuating the assignment (other than for collateral purposes) of the Franchise Agreement to Lender or any other exercise of rights pursuant to, that collateral assignment is subject to the terms and conditions of the Franchise Agreement and this Comfort Letter, (ii) acknowledges and agrees that, to the extent the Franchise Agreement creates an interest in the Hotel, it is subject and subordinate to the Mortgage, and (iii) confirms that Franchisor's approval of Emerald Hospitality Associates, Inc. as manager of the Hotel remains in full force and effect and has not be revoked or rescinded.

8. The rights which accrue to Lender under this Comfort Letter upon the taking of title to the Hotel's premises by foreclosure or deed in lieu thereof shall also accrue to any wholly-owned subsidiary that takes title to the premises by foreclosure or deed in lieu thereof provided that Lender guarantees all obligations to Franchisor of such subsidiary.

9. All notices required under this Comfort Letter shall be in writing, sent by certified mail, return receipt requested, or by Federal Express or other express service and addressed, if to Lender, to First Niagara Bank, N.A., 726 Exchange Street, Buffalo, NY 14210 Attention: Commercial Loan Administration, if to Franchisor, to Hyatt Place Franchising, L.L.C., 71 South Wacker Drive, 12th Floor, Chicago, Illinois 60606, and if to Franchisee, Iskalo 5020 Main LLC, 5166 Main Street, Williamsville, New York 14221, Attention Paul B. Iskalo, President. Any notice sent pursuant to this Comfort Letter shall be deemed to be given three (3) days after mailing or on the day of delivery by hand.

10. By its signature below, Franchisee acknowledges that this Comfort Letter was provided to Lender at Franchisee's request and in consideration thereof, Franchisee hereby (i) releases Lender and Franchisor, as well as each of their respective subsidiaries, parents, divisions, successors, assigns, heirs and representatives, including but not limited to their respective employees, agents,

officers, directors and owners, of and from any and all actions, causes of action, suits, claims, demands, contingencies, debts, accounts and judgments whatsoever, at law or in equity, whether known or unknown, arising from the exercise by Lender of any of the rights granted hereunder and the recognition and compliance with such exercise by Franchisor and (ii) agrees that Lender and Franchisor may discuss and agree to the terms of a franchise agreement or any of the matters to which the Lender is entitled to notice.

11. The provisions of this Comfort Letter are not intended to, and do not in any way, alter, modify or amend the Franchise as between Franchisor and Franchisee.

12. It is further acknowledged and agreed that Franchisor shall be entitled to rely upon any written notice or request by Lender made pursuant to the provisions hereof without requirement of necessitating the accuracy or authenticity of such written notice or any facts or allegations contained therein. Lender shall notify Franchisor promptly upon the satisfaction or cancellation of Lender's mortgage on the Hotel.

13. This Comfort Letter constitutes an offer which shall be deemed revoked and null and void unless the duplicate originals hereof are signed by both Lender and Franchisee and received by Franchisor on or before the 28th day of February, 2014. An executed copy will be returned to both Lender and Franchisee.

[Signatures are on following page]

FRANCHISOR

HYATT PLACE FRANCHISING, L.L.C.
a Delaware limited liability company

By: ____________________
Name: James [illegible]
Title: SVP - Franchising

FRANCHISEE

ISKALO 5020 MAIN LLC
By: Iskalo Development Corp., manager

By: ____________________
Name: Paul B. Iskalo
Title: President

LENDER

FIRST NIAGARA BANK, N.A., as Agent

By: ____________________
Name: Maria E. Barth
Title: Vice President

FRANCHISOR

HYATT PLACE FRANCHISING, L.L.C.
a Delaware limited liability company

By:______________________________
Name: ____________________________
Title: ____________________________

FRANCHISEE

ISKALO 5020 MAIN LLC
By: Iskalo Development Corp., manager

By: ______________________________
Name: Paul B. Iskalo
Title: President

LENDER

FIRST NIAGARA BANK, N.A., as Agent

By: ______________________________
Name: Maria E. Barth
Title: Vice President

EXHIBIT K

Right of First Offer for Lender's Interest

RIGHT OF FIRST OFFER FOR LENDER'S INTEREST

THIS RIGHT OF FIRST OFFER AGREEMENT (this "**Agreement**") is made and entered into as of January 31, 2014 by and between **FIRST NIAGARA BANK, N.A.**, a national banking association, as Agent ("**Lender**") and **HYATT PLACE FRANCHISING, L.L.C.**, a Delaware limited liability company ("**Hyatt**").

PRELIMINARY STATEMENT

Iskalo 5020 Main LLC ("**Franchisee**"), and Hyatt are parties to that certain Hyatt Place Franchise Agreement dated as of October 24, 2012, as amended by that certain Rider to Franchise Agreement dated as of October 24, 2012, between Hyatt and Iskalo 5000 Main LLC, as assigned to and assumed by Franchisee and as amended pursuant to an Assignment and Assumption Agreement for Hyatt Place Franchise Agreement effective as of January 1, 2014 (the "**Franchise Agreement**") under which Franchisee will operate a Hyatt Place® hotel at 5020 Main Street, Amherst, New York (the "**Hotel**"). Lender has entered into, or is about to enter into, the Loan Documents (defined below), as agent for one or more lenders. In connection with the Loan Documents, Lender has requested that Franchisee and Hyatt sign a comfort letter addressing (among other things) certain of Lender's rights in connection with its exercise of its remedies under the Loan Documents (the "Comfort Letter"). As a condition to Hyatt's signing that Comfort Letter and providing financial assistance to Franchisee and the Hotel under the Franchise Agreement, Hyatt has required Lender to provide Hyatt the rights described in this Agreement.

NOW, THEREFORE, Lender and Hyatt agree as follows:

1. Definitions. In this Agreement, in addition to the terms defined elsewhere in this Agreement, the following terms shall have the following meanings:

(a) "**Closing**" means the closing of the transactions under which Hyatt acquires Lender's interest under the Loan and the Loan Documents pursuant to this Agreement.

(b) "**Loan**" means, collectively, those certain indebtednesses of Franchisee, Iskalo Hospitality Campus, LLC ("**Lord Amherst Parent**") or its affiliates, as the case may be, in an aggregate principal amount up to $18,000,000.00 which may be secured, from time to time, by one or more mortgages on the Hotel, together with any extensions, renewals, amendments, re-issuances, supplements or other modifications thereto.

(c) "**Loan Documents**" means the promissory note(s) evidencing the Loan, the mortgage, security agreement, and assignment of rents and leases securing the Loan and all other agreements, instruments and documents evidencing, securing or guarantying obligations of any party under the Loan, together with any extensions, renewals, amendments, replacements, supplements or other modifications to any of the foregoing.

(d) "**Option Price**" means an amount equal to (i) all past due principal and interest (accruing at the non-default rate) that Franchisee and Lord Amherst Parent owes under the Loan as of the Closing, but not any late fees or default interest, plus (ii) the face value of the unpaid principal due under the Loan for the period following the Closing, plus (iii) all reasonable, documented, out-of-pocket costs and expenses (including, without limitation, attorneys' fees) that Lender or other parties to the Loan Documents incurred in connection with any Franchisee or Lord Amherst Parent default under the Loan Documents which Lender does not recover from Franchisee or Lord Amherst Parent (provided that Lender assigns to Hyatt its rights to collect such amounts from Franchisee or Lord Amherst Parent in writing).

(e) "**ROFO Term**" means the period beginning on the date of this Agreement and ending on the earliest to occur of the following: (i) the payment in full of the Loan and satisfaction of all obligations under the Loan Documents in accordance with their terms, provided that this Agreement and the ROFO Term shall continue in full force and effect with respect to any extension, renewal, or amendment to the Loan; (ii) the closing of Lender's acquisition of the Hotel (directly or through any agent, representative or designee) in compliance with Section 2; or (iii) Hyatt's delivery of written notice to Lender that Hyatt does not intend to exercise its option under Section 2 or Hyatt's failure to notify Lender in writing of Hyatt's decision whether to exercise such option within the ten (10) business day period described in Section 2.

2. Right of First Offer Upon Foreclosure.

(a) If Lender (directly or through any agent, representative or designee) at any time during the ROFO Term determines to acquire the Hotel through foreclosure, conveyance in lieu of foreclosure, or any other transaction, then Lender must first give Hyatt the opportunity to acquire Lender's interest under the Loan and the Loan Documents by delivering written notice to Hyatt, together with a description of the details of such transaction and a good faith estimate of the Option Price. Hyatt will then have fifteen (15) business days after receiving such notice to notify Lender whether Hyatt elects to acquire such interest for an amount equal to the Option Price.

(b) If Hyatt exercises the right of first offer, the Closing will take place at a location and on a date (within thirty (30) days after Hyatt delivers its notice of exercise to Lender) to which Hyatt and Lender mutually agree. As part of the Closing, Lender shall assign (or, to the extent necessary, cause any other party to the Loan Documents to assign) to Hyatt the Loan Documents, without recourse, representation or warranty other than as to the amount of the then outstanding balance of the Loan (including principal and accrued and unpaid interest) and the amount of all other monetary obligations then due and payable under the Loan Documents, which assignment shall be conditioned upon receipt of the Option Price by Lender in good funds by wire transfer. Hyatt and Lender shall bear their own closing costs. If Hyatt notifies Lender in writing that Hyatt does not intend to exercise its right of first offer, or fails to notify Lender of Hyatt's decision within the ten (10) business day period described above, then Lender may (directly or through any agent, representative or designee) at any time during the six (6)-month period thereafter acquire the Hotel (or commence legal action to acquire the Hotel) through foreclosure, conveyance in lieu of foreclosure, or any other transaction. However, if Lender does not so acquire the Hotel (or commence legal action to acquire the Hotel) during the six (6)-month period described above, or if Lender commences legal action to acquire the Hotel within that six (6)-month period but does not complete the acquisition (directly or through any agent, representative or designee) within six (6) months after that six (6)-month period ends (with the intent that Lender shall have up to one (1) year in which to acquire the Hotel) then Lender must once again comply with the right of first offer procedures described above.

3. Agency. Hyatt acknowledges that Agent is operating hereunder for itself and as agent for (i) certain banks under that certain Building Loan Agreement dated as of the date hereof among Agent, Franchisee and the Banks (as defined therein) and (ii) upon the closing of that certain loan from Amherst Hospitality, LLC ("EB-5") to Lord Amherst Parent, for EB-5 pursuant to a certain Joinder Agreement to be entered into among the Franchisee, the Agent, the Banks and EB-5.

4. Intentionally deleted.

5. Governing Law and Consent to Jurisdiction. This Agreement and all claims and disputes arising from or relating to this Agreement or the relationship of the parties hereto shall be construed and interpreted in accordance with and governed by the laws of the State of Illinois, without regard to its conflicts of law principles. All actions arising from or relating to this Agreement or the relationship of the parties hereto shall be brought exclusively in the state or federal courts of general jurisdiction in Chicago, Illinois. Hyatt and Lender each hereby irrevocably submits to the jurisdiction of such courts and waives any objection that any of them might have to either the jurisdiction or venue of such courts.

6. Construction. The Recitals are a part of this Agreement, which, together with the Comfort Letter, constitute the entire agreement between Hyatt and Lender, and other than the Comfort Letter there are no other oral or written representations, understandings or agreements among them, relating to the subject matter of this Agreement. The captions and headings are only for convenience of reference, are not a part of this Agreement, and will not limit or construe the provisions to which they apply.

7. Assignment. This Agreement inures to the benefit of the parties hereto and their respective successors and assigns and will be binding upon the parties hereto and each of their respective successors, assigns, and legal representatives. Hyatt may transfer all or any part of its interest under this Agreement to any of its affiliates or to any party who acquires Hyatt's interest in the Franchise Agreement at any time. Lender agrees that it will assign this Agreement to any successor designated pursuant to the Loan Documents and to any other permitted assignee of the Comfort Letter.

8. Waiver and Amendment. No modification, waiver, amendment or change of this Agreement shall be valid unless it is in writing and signed by each of the parties hereto.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the dates set forth by their signatures, to be effective as of the date stated on the first page of this Agreement.

FIRST NIAGARA BANK, N.A., as Agent

By: Maria E. Barth
Name: Maria E. Barth
Title: Vice President

Date: January 31, 2014

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________
Senior Vice President

Date: January 31, 2014

By signing below, Franchisee acknowledges the rights granted to Hyatt under this Agreement and agrees to cooperate in good faith with Lender and Hyatt in connection with Hyatt's exercise of any rights under this Agreement.

ISKALO 5020 MAIN LLC
By: Iskalo Development Corp., manager

By: ______________________
Name: Paul B. Iskalo
Title: President

IN WITNESS WHEREOF, the parties have signed this Agreement as of the dates set forth by their signatures, to be effective as of the date stated on the first page of this Agreement.

FIRST NIAGARA BANK, N.A., as Agent

By: ______________________________

Name: Maria E. Barth

Title: Vice President

Date: January 31, 2014

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________________

Senior Vice President

Date: January 31, 2014

By signing below, Franchisee acknowledges the rights granted to Hyatt under this Agreement and agrees to cooperate in good faith with Lender and Hyatt in connection with Hyatt's exercise of any rights under this Agreement.

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., manager

By: ______________________________

Name: Paul B. Iskalo

Title: President

IN WITNESS WHEREOF, the parties have signed this Agreement as of the dates set forth by their signatures, to be effective as of the date stated on the first page of this Agreement.

FIRST NIAGARA BANK, N.A., as Agent

By: ______________________________
Name: Maria E. Barth
Title: Vice President

Date: January 31, 2014

HYATT PLACE FRANCHISING, L.L.C.

By: ______________________________
Senior Vice President

Date: January 31, 2014

By signing below, Franchisee acknowledges the rights granted to Hyatt under this Agreement and agrees to cooperate in good faith with Lender and Hyatt in connection with Hyatt's exercise of any rights under this Agreement.

ISKALO 5020 MAIN LLC
By: Iskalo Development Corp., manager

By: ______________________________
Name: Paul B. Iskalo
Title: President

Exhibit 18

Form-of Intercreditor Agreement

INTERCREDITOR AGREEMENT

THIS INTERCREDITOR AGREEMENT ("Agreement"), made as of the ____ day of ___________, 20___, by and among FIRST NIAGARA BANK, N.A., a national banking association, as agent for the Banks (defined below), having an address of 726 Exchange Street, Buffalo, New York 14210, Attn: Commercial Loan Administration ("Agent"), and AMHERST HOSPITALITY, LLC, a limited liability company organized under the laws of the State of New York, with offices located at 604 Ellicott Street, Suite 404, Buffalo, New York 14203 ("EB-5").

RECITALS:

A. ISKALO 5020 MAIN, LLC, a New York limited liability company ("Borrower") is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A" annexed hereto (collectively, the "Premises").

B. Agent, as agent for First Niagara Bank, N.A. and M&T Bank (individually, a "Bank", and collectively, the "Banks") has extended a loan to Borrower in the principal amount of $18,000,000.00 (the "Bank Loan"), to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements, pursuant to a certain Building Loan Agreement dated as of January 31, 2014 by and among Borrower, the Banks, and Agent (the "Loan Agreement").

C. The Bank Loan is: (i) evidenced by a Multiple Draw Term Note of even date with the Loan Agreement in the principal amount of $18,000,000.00 executed by the Borrower ("Bank Note"), and secured by a Mortgage, Security Agreement and Assignment of Leases and Rents of even date with the Loan Agreement executed by Borrower and Town of Amherst Industrial Development Agency ("Bank Mortgage") which encumbers the Premises; (ii) guaranteed by Paul B. Iskalo ("Iskalo") and Iskalo Hospitality Campus LLC ("Lord Amherst Parent") (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors") pursuant to separate Guaranty agreements of even date with the Loan Agreement (individually a "Guaranty Agreement", and collectively the "Guaranty Agreements"); and (iv) further secured by a Security Agreement of even date with the Loan Agreement ("Security Agreement") from Borrower to Agent and by such financing statements and other documents as have been required by Agent (which Bank Note, Bank Mortgage, Loan Agreement, Guaranty Agreements, Security Agreement and other documents executed in connection therewith, as the same may be amended, modified, supplemented or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

D. Lord Amherst Parent owns 100% of the membership interests in Borrower, and Iskalo owns the majority of the membership interests in Lord Amherst Parent.

E. Contemporaneously with the execution of this Agreement, EB-5 will make loans to Lord Amherst Parent (collectively, the "EB-5 Loans") in the aggregate amount not to exceed $10,000.000.00, as evidenced by a certain Promissory Note given by the Lord Amherst Parent to

EB-5 dated as of the date hereof (the "EB-5 Note"). The documents evidencing, governing, securing and guaranteeing the EB-5 Loans are more particularly described on Exhibit B, attached hereto, and are collectively referred to herein as the "EB-5 Loan Documents".

F. A condition of the extension of the EB-5 Loans and such partial payment of the Bank Loan is an agreement by Agent that the Bank Mortgage and the Security Agreement will also secure repayment of the EB-5 Loans. Agent is willing to so agree provided that the Bank Mortgage and Security Agreement secure the Bank Loan and the EB-5 Loans in the order of priority designated in the Joinder Agreement of even date among Borrower, Agent, the Banks and EB-5 ("Joinder Agreement"), the form of which is attached to this Agreement and made a part hereof as Exhibit C, and provided further that EB-5 agrees to certain other limitations and restrictions required by Agent with regard to the EB-5 Loan Documents as set forth herein, in the Joinder Agreement, and in the Modification Agreement of even date among Borrower, Town of Amherst Industrial Development Agency and Agent ("Modification Agreement"), the form of which is attached to this Agreement and made a part hereof as Exhibit D.

H. Agent, EB-5, Lord Amherst Parent, and Borrower previously entered into an Agreement dated January 31, 2014, which, among other things, requires Agent and EB-5 enter into this Intercreditor Agreement contemporaneously with the closing of the EB-5 Loans.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing Recitals and any Exhibits to this Agreement are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein.

2. Notwithstanding anything contained in the EB-5 Loan Documents to the contrary, the parties agree that until the Bank Loan has been repaid in full: (i) the EB-5 Loans are closed to any principal prepayment, (ii) the EB-5 Loans shall be payable on a regularly scheduled interest-only basis, and (iii) the provisions of the EB-5 Loan Documents shall not be amended or modified in any material respect without the prior written consent of Agent.

3. Agent covenants that upon any acceleration of the maturity of the Bank Loan by Agent under the Bank Loan Documents, Agent shall promptly notify EB-5 of such event. EB-5 covenants that upon any failure by Lord Amherst Parent to make any regularly scheduled payment under the EB-5 Note, EB-5 shall promptly notify Agent of such failure.

4. Simultaneously with the execution of this Agreement, (i) Borrower, the Banks, Agent and EB-5 have entered into the Joinder Agreement, and (ii) Borrower, Town of Amherst Industrial Development Agency, and Agent have entered into the Modification Agreement. Enforcement of certain remedies by Agent under the EB-5 Loan Documents, as well as the disposition of any amounts recovered in connection with such enforcement of remedies or otherwise received by Agent and/or EB-5 after maturity of the Bank Loan (whether by acceleration or otherwise), shall be governed by the provisions of the Joinder Agreement.

5. Unless the Bank Loan has been paid in full, any principal payments received by EB-5 at any time, and any amounts received by EB-5 from Borrower or any Guarantor **[add EB-5 Guarantors]**, upon or after maturity of the Bank Loan (whether by acceleration or otherwise) shall be held in trust by EB-5 for the Agent, shall be remitted to the Agent by EB-5 within one (1) business day of receipt thereof in the same form as received, and shall be applied by Agent in accordance with the provisions of the Joinder Agreement. Any amounts received by Agent (and received by EB-5 and remitted to Agent as required by this Section) from Borrower or any Guarantor **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loan (whether by acceleration or otherwise), and any amounts received from the enforcement of remedies under the Bank Loan Documents and any EB-5 Loan Documents, shall be held in trust by Agent and distributed as provided for in the Joinder Agreement.

6. As a condition to the execution and delivery of the Joinder Agreement and the Modification Agreement, EB-5 and the Agent have required that Borrower and Lord Amherst Parent deliver an endorsement to Title Policy #___________________ issued by Chicago Title Insurance Company insuring the Bank Mortgage (the "Policy"), which insures that the Bank Mortgage, as modified by such Modification Agreement, constitutes a first mortgage on the Premises in the full amount of $18,000,000.00, subject only to the exceptions shown on Schedules B-1 and B-2 of the Policy, taxes not yet due and payable, and additional general utility easements, if any, granted by Borrower, serving only the Premises, not adversely affecting the value or intended use of the Premises, and previously approved by Agent and EB-5. By executing the attached Borrower's Agreement, Lord Amherst Parent agrees to deliver such endorsement and to pay all premiums in connection therewith.

7. The EB-5 Note shall bear the following legend on its signature page:

> "Payment of the indebtedness evidenced by this instrument and the enforcement of any remedies hereunder and under documents evidencing, governing, securing or guaranteeing such indebtedness are subject to that certain Intercreditor Agreement dated ______________, 20___ between First Niagara Bank, N.A., as Agent and Amherst Hospitality, LLC ("Intercreditor Agreement"). Reference is hereby made to the Intercreditor Agreement for the specific terms of any limitations or restrictions on the payment of such indebtedness."

EB-5 agrees not to demand or receive any new note or other instrument evidencing the EB-5 Loans or any part thereof while this Agreement is in effect without the prior written consent of Agent (other than a replacement note in the event that a note evidencing the EB-5 Loans is stolen, destroyed or lost). EB-5 agrees to cause the foregoing endorsement to be written on the signature page of any such replacement note and on the signature page of any and all notes or instruments which may be received by EB-5 with or without demand by EB-5, with or without prior written consent of Agent, or for the acceptance of which Agent may hereafter so consent.

8. Subject to the terms and conditions of the Joinder Agreement, EB-5 hereby covenants, as long as this Agreement is in effect, that EB-5 will not, unless and until the Agent has completed its efforts (as provided for in the Joinder Agreement) to enforce repayment of the Bank Note, the EB-5 Note, and any other amounts payable under the Bank Loan Documents and

the EB-5 Loan Documents: (i) request, demand, take, accept, or receive from or on behalf of Borrower, Lord Amherst Parent, or any Guarantor **[add any guarantor of EB-5 Loans]** by setoff or in any other manner, any monies representing all or any part of the EB-5 Loans except as may be expressly permitted by this Agreement; (ii) initiate or participate with others in any suit, action, or proceeding, including, without limitation, any bankruptcy, reorganization, or insolvency proceeding against Borrower, Lord Amherst Parent, or any Guarantor **[add any guarantor of EB-5 Loans]**or exercise any other rights or remedies to collect or enforce the EB-5 Loans; (iii) repossess, foreclose upon, or otherwise take any action against, or exercise any rights or remedies with respect to, any collateral securing or any guaranty agreement guaranteeing all or any part of the EB-5 Loans; (iv) request, demand, take, accept, or receive any security for the EB-5 Loans, other than as provided in any EB-5 Loan Documents in effect on the date hereof; (v) enter into any subordination agreement with respect to any of the EB-5 Loans or assign, transfer, pledge or otherwise dispose of the EB-5 Loans or any portion thereof, other than with Agent; or (vi) release, surrender, exchange, or permit a discharge of, or change any term or condition of, any of the EB-5 Loans. Without in any way limiting the general application of the covenants above, EB-5 hereby specifically agrees that EB-5 shall not, at any time: (i) assert, claim or raise any challenge or objection to the relative priority as set forth in this Agreement or the Joinder Agreement with respect to debts owed by, and liens on assets of, Borrower, Lord Amherst Parent, or any Guarantor **[add any guarantor of EB-5 Loans]** as provided for in this Agreement and the Joinder Agreement; (ii) assert, claim or raise any challenge or objection to, or take any action to delay, any sale, liquidation or other disposition, supported by Agent, of any assets that constitute, or purportedly constitute, collateral securing the Bank Loan or the EB-5 Loans; (iii) in the context of any bankruptcy, reorganization or insolvency proceeding involving Borrower, Lord Amherst Parent, any Guarantor**[add any guarantor of EB-5 Loans]**, or any of their respective assets, assert, claim or raise any challenge or objection to (a) any cash collateral or adequate protection arrangement supported by Agent, (b) any debtor-in-possession financing arrangement supported by Agent, or (c) any reorganization plan supported by Agent, nor shall EB-5 support or vote in favor of any such arrangement or plan that Agent opposes. Nothing herein shall prohibit EB-5 from declaring a default under the EB-5 Note for non-payment by Lord Amherst Parent.

9. EB-5 hereby represents and warrants as follows:

a. There exists no event of default under the EB-5 Loan Documents, nor any events or conditions which with the passage of time, the giving of notice, or both, would constitute an event of default under the EB-5 Loan Documents.

b. The EB-5 Loans are not subject to any offset, counterclaim or defense.

c. The outstanding principal amount of the EB-5 Loans as of the date of this Agreement is $___________________.

10. Agent and EB-5 hereby authorized to demand specific performance of this Agreement at any time when the other party shall have failed to comply with any of the provisions of this Agreement. Agent and EB-5 hereby irrevocably waive any defense based on the adequacy of a remedy at law, or any other defense which might be asserted as a bar to such remedy of specific performance. Further, the parties acknowledge that breach of this Agreement

by Agent or EB-5 could cause irreparable harm to the other party for which there may be no adequate remedy at law; and, therefore, Agent and EB-5 are entitled to injunctive relief in the event of an anticipated or actual breach by Agent or EB-5 of the terms hereof.

11. Any demand or notice hereunder or under any applicable law pertaining hereto shall be in writing and duly given if delivered to EB-5 or to the Agent at the addresses on page one. Such notice or demand shall be deemed sufficiently given for all purposes when delivered (i) by personal delivery and shall be deemed effective when delivered, or (ii) by mail or courier and shall be deemed effective three (3) business days after deposit in an official depository maintained by the United States Post Office for the collection of mail or one (1) business day after delivery to a nationally recognized overnight courier service (e.g., Federal Express). Notice by e-mail is not valid notice under this or any other agreement between EB-5 and the Agent.

12. This Agreement contains the entire agreement between Agent and EB-5 with respect to the matters addressed herein, and supersedes every course of dealing, other conduct, oral agreement and representation previously made by Agent. All rights and remedies of Agent under applicable law and this Agreement are cumulative and not exclusive. No course of dealing between EB-5 and the Agent and no delay or omission by the Agent in exercising any right or remedy hereunder shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy, Agent and EB-5 as used herein shall include the heirs, executors or administrators, or successors or assigns, of those parties. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement subscribed by EB-5 and by a duly authorized officer of Agent. If a court deems any provision of this Agreement to be void, the remainder of the Agreement shall remain in effect. Singular number includes plural and neuter gender includes masculine and feminine as appropriate.

13. EB-5 has, to the extent deemed necessary by EB-5, reviewed the existing Agreements between Agent and Borrower, as such have been presented to EB-5 by Borrower, and understands that there is no commitment or obligation on Agent's part to make any loans or advances or to extend credit to Borrower except as may be contained in current and presently effective written agreements between Agent and Borrower; provided, however, that EB-5 further understands that such agreements may be modified, altered, or amended, without notice to or consent of EB-5. Notwithstanding the foregoing, the Agent shall not (i) increase the principal amount of the Bank Loan, other than in connection with advances under the Loan Agreement (but excluding readvances), the capitalization of past-due interest, or any "Protective Advances" as defined in the Loan Agreement, (ii) increase the interest rate charged under the Bank Note, except for default rates of interest and late charges as contemplated under the terms of the Bank Note, (iii) release any collateral secured by the Bank Mortgage or the Security Agreement except as may otherwise be permitted under the terms of the Loan Agreement, or (iv) consent to any additional financing for the Premises except as may otherwise be permitted under the terms of the Loan Agreement.

14. This Agreement has been delivered to and accepted by the Agent and will be deemed to be made in the State of New York. Unless provided otherwise under federal law, this

Agreement will be interpreted in accordance with the laws of the State of New York excluding its conflict of laws rules.

15. Agent has accepted this Agreement for its own benefit and for the benefit of the Banks, as more particularly set forth in the Loan Agreement. Agent has been appointed as agent pursuant to the Loan Agreement, and in acting under or by virtue of this Agreement, Agent shall be entitled to all the rights, authority, privileges and immunities provided in Article IX of the Loan Agreement, which provisions are incorporated by reference herein with the same force and effect as if set forth herein.

16. EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (A) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY AGENT AND ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT, TO THE JURISDICTION OF ANY COURT IN THE COUNTY OF ERIE, NEW YORK OR THE WESTERN DISTRICT OF NEW YORK AND (B) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

17. EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (i) THIS AGREEMENT, (ii) ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR (iii) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

FIRST NIAGARA BANK, N.A., as Agent

By:________________________________
Name:
Title:

AMHERST HOSPITALITY, LLC

By:________________________________
Name:
Title:

Consented and agreed to this _____ day of ________________, 20___.

FIRST NIAGARA BANK, N.A.

By:________________________________
Name:
Title:

M&T BANK

By:________________________________
Name:
Title:

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared_________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

BORROWERS' AGREEMENT

The undersigned, the Borrower and Lord Amherst Parent mentioned in the foregoing Intercreditor Agreement, hereby acknowledge receipt of a copy thereof, acknowledge and agree to be bound by the terms thereof and acknowledge that their obligations hereunder and under the Intercreditor Agreement shall be joint and several.

Date: ______________, 20___

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

GUARANTORS' AGREEMENT

The undersigned, Guarantors mentioned in the foregoing Intercreditor Agreement, hereby acknowledge receipt of a copy thereof, acknowledge and agree to be bound by the terms thereof, and acknowledge that their obligations hereunder and under the Intercreditor Agreement shall be joint and several.

Date: ______________, 20___

____

Name: Paul B. Iskalo

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____

Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____

Notary Public

Exhibit A

Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

Exhibit B

EB-5 Loan Documents

Exhibit C to Intercreditor Agreement

JOINDER AGREEMENT

THIS JOINDER AGREEMENT ("Agreement"), made as of the ____ day of ___________, 20___, by and among ISKALO 5020 MAIN LLC, a limited liability company organized and existing under the laws of the State of New York, with its principal place of business at 5166 Main Street, Williamsville, New York 14221 ("Borrower"), FIRST NIAGARA BANK, N.A., a national banking association with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration ("FNB"), M&T BANK, a New York banking corporation with offices located at One M&T Plaza, Buffalo, New York 14203, Attn: Office of General Counsel ("M&T") (FNB and M&T are referred to herein individually as a "Bank" and collectively as the "Banks"), FIRST NIAGARA BANK, N.A., a national banking association, as agent for the pro rata benefit to the Banks, with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration (together with its successors and assigns, "Agent"), and AMHERST HOSPITALITY, LLC, a limited liability company organized under the laws of the State of New York, with offices located at 640 Ellicott Street, Suite 404, Buffalo, New York 14203 ("EB-5").

RECITALS:

A. Borrower is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A" annexed hereto (collectively, the "Premises").

B. Agent, as agent for the Banks, has extended a loan to Borrower in the principal amount of $18,000,000.00 (the "Bank Loan"), to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements, pursuant to a certain Building Loan Agreement dated as of January 31, 2014 by and among Borrower, the Banks, and Agent (the "Loan Agreement").

C. The Bank Loan is: (i) evidenced by a Multiple Draw Term Note of even date with the Loan Agreement in the principal amount of $18,000,000.00 executed by the Borrower ("Bank Note"), and secured by a Mortgage, Security Agreement and Assignment of Leases and Rents of even date with the Loan Agreement executed by Borrower and Town of Amherst Industrial Development Agency ("Bank Mortgage") which encumbers the Premises; (ii) guaranteed by Paul B. Iskalo ("Iskalo") and Iskalo Hospitality Campus LLC ("Lord Amherst Parent") (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors") pursuant to separate Guaranty agreements of even date with the Loan Agreement (individually a "Guaranty Agreement", and collectively the "Guaranty Agreements"); and (iv) further secured by a Security Agreement of even date with the Loan Agreement ("Security Agreement") from Borrower to Agent and by such financing statements and other documents as have been required by Agent (which Bank Note, Bank Mortgage, Loan Agreement, Guaranty Agreements, Security Agreement and other documents executed in connection therewith, as the same may be amended, modified, supplemented or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

D. Lord Amherst Parent owns 100% of the membership interests in Borrower, and Iskalo owns the majority of the membership interests in Lord Amherst Parent.

E. Contemporaneously with the execution of this Agreement, EB-5 will make loans to Lord Amherst Parent (collectively, the "EB-5 Loans") in the aggregate amount not to exceed $10,000,000.00, as evidenced by that certain Promissory Note given by Lord Amherst Parent to EB-5 dated as of the date hereof (the "EB-5 Note"). The proceeds of EB-5 Loans will be used to repay, in part, the Bank Loan.

F. A condition of the extension of the EB-5 Loans and such partial payment of the Bank Loan is an agreement by Agent, Banks and Borrower that the Bank Mortgage and the Security Agreement also secure repayment of the EB-5 Loans. Agent, Banks, and Borrower are willing to so agree provided that (i) the Bank Mortgage and the Security Agreement secure the Bank Loan and the EB-5 Loans ratably on a co-equal first lien priority basis, subject to the payment priority established in this Agreement for the Bank Loan, the EB-5 Senior Loan Amount and the EB-5 Junior Loan Amount (as such terms are defined herein), (ii) Agent controls all enforcement proceedings under the EB-5 Note, **[add any guarantees of the EB-5 Loans]**, the Bank Mortgage and the Security Agreement, and (iii) EB-5 defers all enforcement proceedings against Borrower, Lord Amherst Parent, Iskalo, **[add any other guarantors of the EB-5 Loans]**, and any of their respective assets until Agent either completes or suspends all of its efforts to enforce repayment of the EB-5 Note, the EB-5 Loan Documents, the Bank Note and the Bank Loan Documents.

G. Contemporaneously with the execution of this Agreement, Borrower, Town of Amherst Industrial Development Agency and Agent are entering into a certain Modification Agreement of even date herewith, pursuant to which such parties have, among other things, (i) acknowledged that Agent, in its Agent's capacity as "Mortgagee" under the Bank Mortgage and as "Secured Party" under the Security Agreement, is acting as agent for the Banks and EB-5, and (ii) amended the Bank Mortgage and the Security Agreement to provide that the indebtedness secured thereby includes the EB-5 Loans.

H. In order to effectuate the foregoing, EB-5 desires to designate Agent as EB-5's agent for the enforcement of the EB-5 Note **[add any guarantees of the EB-5 Loans]**, the Bank Mortgage and the Security Agreement, including (i) any foreclosure or other related proceedings under the Bank Mortgage and the Security Agreement (or the acceptance of a deed and/or a bill of sale in lieu of foreclosure), or otherwise and (ii) the disposition of (a) the net proceeds of any such enforcement efforts and (b) amounts received by Agent from Borrower, Lord Amherst Parent, Iskalo **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loans (whether by acceleration or otherwise) and amounts remitted by EB-5 to Agent as required by the Intercreditor Agreement.

I. In order to effectuate the foregoing, Borrower, Agent and the Banks desire to amend certain provisions of the Loan Agreement, and EB-5 desires and agrees to incorporate by reference herein and to be bound by certain provisions of the Loan Agreement as indicated herein notwithstanding that EB-5 is not a party thereto.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing Recitals and any Exhibits to this Agreement are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein. Terms with initial capital letters shall have the meanings assigned to them when they first appear herein.

2. A. EB-5 hereby irrevocably designates Agent as its agent for the enforcement of the EB-5 Note, **[add any guarantees of the EB-5 Loans]**, the Bank Mortgage and the Security Agreement, including (i) any foreclosure or other related proceedings under the Bank Mortgage and the Security Agreement (or the acceptance of a deed and/or bill of sale in lieu of foreclosure), or otherwise and (ii) the disposition of the net proceeds of any such enforcement efforts and the disposition of any amounts received by Agent from the Borrower, Lord Amherst Parent, Iskalo **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loan (whether by acceleration or otherwise)) and amounts remitted by EB-5 to Agent as required by the Intercreditor Agreement. EB-5 hereby irrevocably authorizes the Agent to take such action on its behalf under the provisions of such documents and to exercise such powers and to perform such duties hereunder and under the provisions of such documents as are specifically delegated to or required of the Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Agent may perform any of its duties hereunder or thereunder by or through its officers, directors, agents or employees.

B. Agent shall have no other duties or responsibilities except those expressly set forth in this Agreement. Agent shall perform any of its obligations under this Agreement with the same degree of care as required of the Agent under the Loan Agreement. Agent shall be entitled to assume that no "Event of Default" under the EB-5 Loan Documents exists, and that no matter exists which with the giving of notice or passage of time or both would constitute such an "Event of Default", unless it is advised to the contrary by EB-5. Agent may without further inquiry on its part, accept all instruments and documents delivered to it as accurate, genuine and properly authorized. Neither Agent nor any of its officers, directors, agents or employees shall be liable for any action taken or omitted by it or them hereunder or under the Bank Loan Documents or the EB-5 Loan Documents in connection herewith or therewith, unless caused by its or their gross negligence or willful misconduct. Agent shall not have by reason of this Agreement, the Bank Loan Documents or the EB-5 Loan Documents, or by course of conduct hereunder or thereunder, a fiduciary relationship in respect of EB-5; and nothing in this Agreement, the Bank Loan Documents or the EB-5 Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Agent any obligations except as expressly set forth herein.

3. EB-5 shall promptly notify Agent of any failure by the Lord Amherst Parent to make any regularly scheduled payment under the EB-5 Note (an "EB-5 Payment Default Notice"). Except as otherwise set forth in this Section, the Agent shall not be under any obligation to undertake any action to enforce EB-5's rights under the EB-5 Note or **[add references to guaranties of EB-5 Note]**, or to exercise any remedies available to it under the Bank Mortgage or the Security Agreement, unless and until Agent elects to attempt to collect the

Bank Loan through the exercise of its remedies under the Bank Loan Documents. Notwithstanding the foregoing, should the nonpayment specified in the EB-5 Payment Default Notice fail to be waived by EB-5 or cured (with Agent having the right, but not the obligation, to cure such default) within six (6) months of Agent's receipt of such notice, then upon the written request of EB-5, Agent shall take all necessary steps to accelerate the outstanding principal balance of the Bank Note and, subject to the provisions of the Loan Agreement, enforce its remedies under the Bank Loan Documents and the EB-5 Loan Documents. EB-5 acknowledges and agrees that (i) all decisions relative to enforcement of remedies shall be made by the Agent and the Banks pursuant to the Loan Agreement, (ii) EB-5 consents and agrees to any decisions so made by Agent and the Banks and to any action taken by Agent (or to action that Agent refrains from taking), whether in connection with the enforcement of remedies or otherwise, provided that such actions are permitted under the Loan Agreement. Notwithstanding the generality of the foregoing, Agent shall be permitted to undertake any action contemplated by Article IX of the Loan Agreement with regard to the Bank Loan Documents without any further consent from EB-5.

4. Each of the following terms have the meanings set forth below, and the Loan Agreement is hereby modified to add each of the following as defined terms therein.

"<u>Bank Loan Pro Rata Share</u>" - (i) Until the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, a percentage determined by dividing the outstanding principal balance of the Bank Loan by the aggregate outstanding principal balance of the Bank Loan and the EB-5 Loans, and (ii) after the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, a percentage determined by dividing the outstanding principal balance of the Bank Loan by the lesser of $15,540,000.00 or the aggregate outstanding principal balance of the Bank Loan and the EB-5 Loans.

"<u>EB-5 Junior Loan Amount</u>" – That portion of the aggregate outstanding principal balance of the EB-5 Loans equal to $10,000,000.00 minus the EB-5 Senior Loan Amount.

"<u>EB-5 Senior Loan Amount</u>" – (i) Until the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, the aggregate outstanding balance of the EB-5 Loans, and (ii) after the Bank Loan converts to the "Term Period" pursuant to Section 2.2 of the Loan Agreement, that portion of the aggregate outstanding principal balance of the EB-5 Loans equal to $15,540,000.00 minus the outstanding principal balance of the Bank Loan (but in no event shall such amount be greater than the outstanding principal balance of the EB-5 Loans).

"<u>EB-5 Senior Loan Pro Rata Share</u>" – A percentage determined by subtracting the Bank Loan Pro Rata Share from 100%.

"<u>First Lien Amount</u>" – The sum of (i) the outstanding principal balance of the Bank Loan, (ii) all interest, late charges, costs, expenses (including amounts due under any interest rate protection agreement related to the Bank Note), and other amounts owing to Agent and/or the Banks under the Bank Loan Documents that are secured by the Bank Mortgage and Security

Agreement, and/or guaranteed under the Guaranty Agreements, (iii) the EB-5 Senior Loan Amount, and (iv) all interest and late charges allocable to the EB-5 Senior Loan Amount.

"Junior Lien Amount" – The EB-5 Junior Loan Amount and all interest and late charges allocable to the EB-5 Junior Loan Amount.

5. Any amounts received by Agent from Borrower, Iskalo, Lord Amherst Parent **[add any other guarantors of the EB-5 Loans]** after maturity of the Bank Loan (whether by acceleration or otherwise), any amounts received by EB-5 and remitted to Agent as required under the provisions of the Intercreditor Agreement, and any amounts received from the enforcement of remedies under the Bank Loan Documents and any EB-5 Loan Documents, after deduction of all costs and expenses of Agent and all other amounts payable to Agent pursuant to the terms of the Loan Agreement, shall be remitted by Agent as follows:

(1) First, towards the First Lien Amount, ratably to the Banks and EB-5, with the Banks to receive the Bank Loan Pro Rata Share and EB-5 to receive the EB-5 Senior Loan Pro Rata Share. Agent shall apply such net proceeds in such fashion until the entire First Lien Amount has been remitted by Agent to the Banks and EB-5.

(2) Second, to EB-5, to be applied toward the Junior Lien Amount, until such time as the entire Junior Lien Amount has been remitted by Agent to EB-5.

(3) Third, to whoever shall be so entitled to any surplus, if any.

6. Section 9.17 of the Loan Agreement is hereby amended and restated as follows:

9.17 Proceeds of Collateral

9.17.1 Upon the receipt of any proceeds from the sale or other disposition of any collateral for the Bank Loan and the EB-5 Loans by the Agent, the Agent will deliver such proceeds to the Banks and/or EB-5 in the amounts specified in Subsection 9.17.4 hereof. Title to any collateral acquired in connection with the exercise of the Agent's remedies under the Bank Loan Documents and any EB-5 Loan Document shall be held as determined by the Majority Banks or by such nominee as the Agent shall appoint, in either case, for the pro rata benefit of all of the Banks and EB-5.

9.17.2 If Agent or the Banks' nominee acquires title to any property (collectively, "Foreclosed Real Property") as to which a collateral or security interest had been taken to secure the Bank Loan and the EB-5 Loans, the Agent will consult with the Banks and EB-5 for the purpose of developing a plan (a "Post Foreclosure Plan") for dealing with the Foreclosed Real Property that is acceptable to the Majority Banks and EB-5 and each of the Banks and EB-5 agrees to attempt to reach agreement on a reasonable Post Foreclosure Plan. If within a reasonable time (in no event to exceed sixty (60) days after Agent first notifies Banks and EB-5 that it desires to consult with them for this purpose) the Majority Banks are unable to agree on a Post-Foreclosure Plan, then Agent will deliver to the Banks and EB-5 a Post Foreclosure Plan acceptable to Agent, which will serve as the Post-Foreclosure Plan until such time as the Majority Banks and EB-5 approve a replacement plan. If title to any Foreclosed Real Property is obtained by Agent or the Bank's nominee and the Majority Banks and EB-5 do not approve a Post Foreclosure Plan relating thereto within the time specified above, such Foreclosed Real Property will not be held as a permanent investment but will be liquidated at arms length to a third party as soon as, in the reasonable judgment of Agent (without the consent or approval of any other Bank or EB-5), it is reasonably practicable and appropriate to do so, taking into account the then-current economic and market conditions and the objective of minimizing the losses to the Banks and EB-5; provided, however, that if the Majority Banks and EB-5 agree on a Post-Foreclosure Plan before Agent is committed to sell the Foreclosed Real Property, such Post-Foreclosure Plan will be implemented in accordance with this Section 9.17. If a Post-Foreclosure Plan has been approved by the Majority Banks and EB-5, such Post-Foreclosure Plan may be amended, modified or replaced by the same procedure, i.e., by agreement of Majority Banks and EB-5. Upon demand by Agent therefor from time to time to the extent not otherwise reimbursed by the Borrower, each Bank and EB-5 will contribute its pro rata share (in accordance with the outstanding principal balance of the Loan and the EB-5 Loans) of all reasonable costs and expenses paid, incurred or required by Agent pursuant to such Post-Foreclosure Plan in connection with the operation, management, maintenance, repair, leasing or sale of the Foreclosed Real Property, to the extent permitted by law. After the commencement of any foreclosure proceeding or the acquisition of title through such foreclosure, deed in lieu of foreclosure or otherwise, all net proceeds of rents, profits and other proceeds actually received by Agent from the operation or sale of the Foreclosed Real Property or any other collateral, or from Borrower or any Guarantor **[add any guarantor of EB-5 Loans]**, remaining after all costs and expenses paid or incurred by Agent, shall be divided among the Banks and EB-5 as provided for in Subsection 9.17.4.

9.17.3 Agent shall manage, operate, repair, maintain, administer, lease, restore or otherwise deal with the Foreclosed Real Property and administer all transactions relating thereto (or shall cause the same to be done), including, without limitation, employing a managing agent, leasing agent, sales agent or broker, and other agents, contractors and employees, collecting rent and other sums from the Foreclosed Real Property and paying expenses of the Foreclosed Real Property. Agent shall render (or cause to be rendered by an appropriate agent) to each Bank and EB-5, not less frequently than quarterly, an income and expense statement for the Foreclosed Real Property. Each Bank and EB-5 shall promptly contribute its pro rata share of any operating loss for the Foreclosed Real Property and such other expenses and operating reserves as Agent shall deem reasonably necessary pursuant to and in accordance with the budget adopted in the Post-Foreclosure Plan. To the extent there is net operating income from the Foreclosed Real Property, Agent shall determine the amount and timing of distributions to the Banks and EB-5 pro rata and pursuant to the Foreclosure Plan. All such distributions shall be made to the Banks and EB-5 in the amounts specified in Subsection 9.17.4 hereof.

9.17.4 Any amounts received by Agent from Borrower or any Guarantor **[add guarantor of EB-5 Loans]** after maturity of the Bank Loans (whether by acceleration or otherwise), any amounts received by EB-5 and remitted to Agent as required under the provisions of the Intercreditor Agreement, and any amounts received from the enforcement of remedies under the Bank Loan Documents and any EB-5 Loan Documents, after deduction of all costs and expenses of Agent and all other amounts payable to Agent pursuant to the terms of this Agreement, shall be remitted by Agent as follows:

(1) First, towards the First Lien Amount, ratably to the Banks and EB-5, with the Banks to receive the Bank Loan Pro Rata Share and EB-5 to receive the EB-5 Senior Loan Pro Rata Share. Agent shall apply such net proceeds in such fashion until the entire First Lien Amount has been remitted by Agent to the Banks and EB-5.

(2) Second, to EB-5, to be applied toward the Junior Lien Amount, until such time as the entire Junior Lien Amount has been remitted by Agent to EB-5.

(3) Third, to whoever shall be so entitled to any surplus, if any.

9.17.5 Borrower, Banks and Agent agree that the provisions of this Section 9.17 may not be modified without the consent of EB-5.

7. EB-5 hereby acknowledges the provisions of Section 9.17 of the Loan Agreement (as amended pursuant to Section 6 of this Agreement), agrees that such provisions are hereby incorporated into this Agreement and made a part hereof, and agrees to be bound thereby. EB-5 further acknowledges that it shall not be considered to be a party to the Loan Agreement and shall have no rights or remedies thereunder (other than as specifically set forth in such Section

9.17 of the Loan Agreement and in this Agreement). The Agent and the Borrower hereby agree that Section 9.17 of the Loan Agreement shall not be amended or modified in any respect without the prior written consent of EB-5.

8. EB-5 agrees to cooperate with Agent, to promptly execute and deliver any further documentation reasonably requested by Agent, and to promptly comply with any reasonable request made by Agent, to permit Agent to satisfy its responsibilities hereunder, under the Bank Loan Documents, and under the Intercreditor Agreement of even date between Agent and EB-5 ("Intercreditor Agreement"). Without limiting the generality of the foregoing, within five (5) business days of any request by Agent, EB-5 shall deliver a true, accurate and complete written statement specifying, as of a date requested by Agent, the outstanding principal balance of the EB-5 Loans, all accrued and unpaid interest on the EB-5 Loans (including a per diem amount for each day after the date so requested by Agent), and all other sums owing to EB-5 under the EB-5 Loan Documents. Agent shall be permitted to rely on such statement while carrying out any of its responsibilities under this Agreement, the Intercreditor Agreement or any Bank Loan Document, including, but not limited to, the execution and delivery by Agent of any termination, cancellation, discharge or assignment documentation in connection with the Bank Loan Documents and the EB-5 Note.

9. Pursuant to the terms of a certain Agreement dated January 31, 2014 among Agent, EB-5, Borrower and Lord Amherst Parent (the "Estoppel Agreement"), EB-5 has consented to the terms of a certain "Comfort Letter" and "Right of First Offer" (true and correct copies of which are annexed hereto as Exhibit B and Exhibit C, respectively), has agreed to be bound by the terms thereof, and has agreed to promptly execute and deliver such documents as Agent may require (including the EB-5 Note, duly endorsed) in connection with any sale of the Bank Loan and the EB-5 Loan contemplated thereby. EB-5 hereby ratifies and confirms all of its covenants and agreements as set forth in the Estoppel Agreement, including the foregoing consent and agreements. The Agent hereby agrees that the "Right of First Offer" shall not be amended or modified in any respect without the prior written consent of EB-5.

10. Agent shall give EB-5 written notice should Agent resign from the performance of all of its functions and duties under the Loan Agreement and the Bank Loan Documents pursuant to Section 9.14 of the Loan Agreement, along with the name and contact information of the successor agent appointed pursuant to Section 9.14 of the Loan Agreement. From and after the effective date of any such resignation, Agent shall have no continuing obligations or responsibility to the parties hereto under this Agreement or to EB-5 under the Intercreditor Agreement, and such parties agree that from such date the successor agent shall constitute the "Agent" for purposes of this Agreement and the Intercreditor Agreement.

11. For the specific purposes of carrying out the provisions of this Agreement with respect to the Agent's obligation to act as agent for EB-5 as established by and to the extent set forth in Section 2 hereof, if EB-5 shall fail to execute and/or deliver any documentation or to perform any act required to be executed, delivered or performed hereunder or under the Intercreditor Agreement, the Bank Loan Documents, or the EB-5 Loan Documents, EB-5 hereby irrevocably constitutes Agent as its true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge and deliver any documentation and to do and perform any such acts as are referred to in this Agreement, the Intercreditor Agreement, the Bank Loan

Documents, and EB-5 Loan Documents, in the name and on behalf of EB-5. The parties hereunto covenant and agree that any instruments executed, acknowledged and delivered and any acts performed by Agent pursuant to the power of attorney granted by and executed pursuant to this Section shall be acceptable to them to the same extent as if executed or performed by EB-5, provided Agent acts in good faith. The power vested in Agent as attorney-in-fact pursuant to the provisions of this Section shall be deemed to be coupled with an interest and cannot be revoked. Notwithstanding the foregoing, Agent agrees to give EB-5 five (5) days written notice prior to executing or delivering any documents or performing any acts on EB-5's behalf pursuant to the foregoing power of attorney.

12. Agent and EB-5 are hereby authorized to demand specific performance of this Agreement at any time when the other party shall have failed to comply with any of the provisions of this Agreement. Agent and EB-5 hereby irrevocably waive any defense based on the adequacy of a remedy at law, or any other defense which might be asserted as a bar to such remedy of specific performance. Further, the parties acknowledge that breach of this Agreement by Agent or EB-5 could cause irreparable harm to the other party for which there may be no adequate remedy at law; and, therefore, Agent and EB-5 are entitled to injunctive relief in the event of an anticipated or actual breach Agent or by EB-5 of the terms hereof.

13. Any demand or notice hereunder or under any applicable law pertaining hereto shall be in writing and duly given if delivered to the party hereto at the addresses on page one. Such notice or demand shall be deemed sufficiently given for all purposes when delivered (i) by personal delivery and shall be deemed effective when delivered, or (ii) by mail or courier and shall be deemed effective three (3) business days after deposit in an official depository maintained by the United States Post Office for the collection of mail or one (1) business day after delivery to a nationally recognized overnight courier service (e.g., Federal Express).

14. This Agreement has been delivered to and accepted by the Agent and will be deemed to be made in the State of New York. Unless provided otherwise under federal law, this Agreement will be interpreted in accordance with the laws of the State of New York excluding its conflict of laws rules.

15. Agent has accepted this Agreement for its own benefit and for the benefit of the Banks, as more particularly set forth in the Loan Agreement. Agent has been appointed as agent pursuant to the Loan Agreement, and in acting under or by virtue of this Agreement, Agent shall be entitled to all the rights, authority, privileges and immunities provided in Article IX of the Loan Agreement, which provisions are incorporated by reference herein with the same force and effect as if set forth herein.

16. (a) EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (A) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY AGENT AND ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT TO THE JURISDICTION OF ANY COURT IN THE COUNTY OF ERIE, NEW YORK OR THE WESTERN DISTRICT OF NEW YORK AND (B) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

17. (b) EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (i) THIS AGREEMENT, (ii) ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR (iii) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT. EACH PARTY AKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:____________________________
Name: Paul B. Iskalo
Title: President

FIRST NIAGARA BANK, N.A.

By:____________________________
Name:
Title:

M&T BANK

By:____________________________
Name:
Title:

FIRST NIAGARA BANK, N.A., as Agent

By:____________________________
Name:
Title:

AMHERST HOSPITALITY, LLC

By:____________________________
Name:
Title:

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared__________________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

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Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

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____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

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____
Notary Public

GUARANTOR'S AGREEMENT

The undersigned, Guarantors mentioned in the foregoing Joinder Agreement, hereby acknowledge receipt of a copy thereof, and consent to the terms and conditions thereof.

Date: _______________, 2014

____
Name: Paul B. Iskalo

ISKALO HOSPITALITY CAMPUS LLC

By: Iskalo Development Corp., Manager

By:_________________________________
Name: Paul B. Iskalo
Title: President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of _____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

Exhibit A

Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

Exhibit B

Comfort Letter

Exhibit C

Right of First Offer

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT ("Agreement"), made as of the ____ day of ___________, 20___, by and among ISKALO 5020 MAIN LLC, a limited liability company organized under the law of New York with an address of 5166 Main Street, Williamsville, New York 14221 ("Mortgagor"), TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY, a New York public benefit corporation with offices located at 4287 Main Street, Amherst, New York 14226 ("AIDA"), and FIRST NIAGARA BANK, N.A., a national banking association, as Agent for the pro rata benefit of the Banks and EB-5 (as both are defined herein), with a banking office at 726 Exchange Street, Buffalo, New York 14210, Attention: Commercial Loan Administration ("Mortgagee").

RECITALS:

A. Mortgagor is the owner of certain real property situated in the County of Erie, Town of Amherst and State of New York, located at 5020 Main Street, Amherst, New York, and the buildings and improvements now or hereafter located thereon, as more particularly described in Exhibit "A" annexed hereto (collectively, the "Premises").

B. Mortgagee, as agent for First Niagara Bank, N.A. and M&T Bank (individually, a "Bank", and collectively, the "Banks") has extended a loan to Mortgagor in the principal amount of $18,000,000.00 (the "Bank Loan"), to finance the construction of a new 137-room Hyatt Place Hotel on the Premises, with an indoor pool, fitness center and related improvements, pursuant to a certain Building Loan Agreement dated as of January 31, 2014 by and among Mortgagor, the Banks, and Mortgagee (the "Loan Agreement").

C. The Bank Loan is: (i) evidenced by a Multiple Draw Term Note of even date with the Loan Agreement in the principal amount of $18,000,000.00 executed by the Mortgagor ("Bank Note"), and secured by a Mortgage, Security Agreement, and Assignment of Leases and Rents of even date with the Loan Agreement executed by Mortgagor and AIDA ("Bank Mortgage") which encumbers the Premises, and which was recorded on ________ ____, 2014 with the Erie County Clerk in Liber ______ of Deeds at Page _____ and in Liber _____ of Mortgages at Page _____; (ii) guaranteed by Paul B. Iskalo ("Iskalo") and Iskalo Hospitality Campus LLC ("Lord Amherst Parent") (Iskalo and Lord Amherst Parent are referred to herein individually as a "Guarantor" and collectively as the "Guarantors") pursuant to separate Guaranty agreements of even date with the Loan Agreement (individually a "Guaranty Agreement", and collectively the "Guaranty Agreements"); and (iii) further secured by a Security Agreement of even date with the Loan Agreement ("Security Agreement") from Mortgagor to Mortgagee and by such financing statements and other documents as have been required by Mortgagee (which Bank Note, Bank Mortgage, Loan Agreement, Guaranty Agreements, Security Agreement and other documents executed in connection therewith, as the same may be amended, modified, supplemented or replaced from time to time, are collectively referred to as the "Bank Loan Documents").

D. Lord Amherst Parent owns 100% of the membership interests in Mortgagor, and Iskalo owns the majority of the membership interests in Lord Amherst Parent.

E. Contemporaneously with the execution of this Agreement, Amherst Hospitality, LLC, a New York limited liability company ("EB-5"), will make loans to Lord Amherst Parent (collectively, the "EB-5 Loans") in the aggregate amount not to exceed $10,000,000.00, as evidenced by that certain Promissory Note given by Lord Amherst Parent to EB-5 dated as of the date hereof (the "EB-5 Note"). The proceeds of the EB-5 Loans will be used to repay, in part, the Bank Loan.

F. Mortgagor, Mortgagee, the Banks and EB-5 have entered into a certain Joinder Agreement of even date herewith (the "Joinder Agreement") pursuant to which EB-5 has designated Mortgagee as EB-5's agent for, among other things, (i) the enforcement of the EB-5 Note **[add any guarantees of EB-5 Loans]** by foreclosure or other related proceedings under the Bank Mortgage and the Security Agreement (or the acceptance of a deed and/or a bill of sale in lieu of foreclosure), or otherwise, and (ii) the disposition of any net proceeds of any such enforcement efforts.

G. Accordingly, the parties desire to modify the Bank Mortgage and Security Agreement to provide that the indebtedness secured thereby includes the EB-5 Loans.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing Recitals and any Exhibits to this Agreement are hereby incorporated into this Agreement and made a part hereof as if fully set forth herein.

2. The parties acknowledge and agree from the date hereof Agent shall act as "Mortgagee" under the Bank Mortgage and as "Secured Party" under the Security Agreement as agent for the Banks under the Loan Agreement and as agent for EB-5 under the Joinder Agreement.

3. Section 1.5 of the Bank Mortgage is hereby amended and restated in full as follows:

> **1.5 <u>Indebtedness</u>:** All indebtedness and other liabilities of Mortgagor and Iskalo Hospitality Campus, LLC, a New York limited liability company with offices located at 5166 Main Street, Williamsville, New York 14221 ("Lord Amherst Parent") to Mortgagee, any Bank, Amherst Hospitality, LLC, a New York limited liability company with offices located at 604 Ellicott Street, Suite 404, Buffalo, New York 14023 ("EB-5"), and the respective affiliates thereof, of every kind and character, arising under the Note, this Mortgage, that certain Promissory Note given by Lord Amherst Parent to EB-5 dated as of ____________________, 20__ ("EB-5 Note"), or any other loan documents evidencing or securing any such debt and all amendments, extensions, renewals and replacements of any of the foregoing, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, and any and all obligations and liabilities of Mortgagor, to Mortgagee, any Bank, EB-5 and the respective affiliates thereof, whether absolute or contingent, whether now existing or hereafter created,

arising, evidenced or acquired under any agreement, device or arrangement designed to protect such Mortgagor, any Bank, EB-5 and the respective affiliates thereof, from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing obligations and reasonable attorneys' fees and expenses related to collection of the foregoing and any other amount payable by Mortgagor under this Mortgage and any other agreement between the parties executed in connection herewith; provided, however, that the maximum principal amount secured by this Mortgage does not, and shall not under any contingency, exceed EIGHTEEN MILLION AND 00/100 U.S. DOLLARS ($18,000,000.00).

4. The Bank Mortgage is hereby amended such that the following paragraph shall be added thereto as Section 6.16:

6.16 Collateral Security Mortgage. Mortgagor acknowledges and agrees that this Mortgage may secure debts of another person, specifically, to the extent this Mortgage secures obligations of Lord Amherst Parent to EB-5 under the EB-5 Note and such other instruments and documents executed and delivered by Lord Amherst Parent in connection therewith, this Mortgage shall be deemed a collateral security mortgage

5. The Bank Mortgage is hereby amended such that the following paragraph shall be added thereto as Section 6.17:

6.17 Agency: Mortgagee shall act as agent for the Banks and EB-5 hereunder.

6. Section 2(b) of the Security Agreement is hereby amended and restated in full as follows:

(b) The Security Interest granted by Debtor secures the full payment of the Loan, those certain loans given by Amherst Hospitality, LLC, a New York limited liability company ("EB-5"), to Iskalo Hospitality Campus LLC, a New York limited liability company ("Lord Amherst Parent") in the aggregate amount not to exceed $10,000,000.00 (collectively, the "EB-5 Loans") and of all other loans, advances, debts, liabilities, indebtedness, obligations, and credit of any kind or character owing by Debtor and Lord Amherst Parent to Secured Party and/or any Bank and/or EB-5 of any kind or nature, present or future, whether as borrower or guarantor, however evidenced, whether arising under this Agreement, the Loan Documents, that certain Promissory Note given by Lord Amherst Parent to EB-5 to evidence the EB-5 Loans (the "EB-5 Note") and all other documents evidencing or securing the EB-5 Loans, or any other loan, note, letter of credit, guaranty, collateral or other agreement or by operation of law, and whether direct or indirect, absolute or contingent, due or to become due, now owing or existing or hereafter arising or created and however acquired, and any amendments, extensions, renewals or increases thereof, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, treasury management obligations, foreign exchange obligations, obligations due pursuant to any Interest Rate Protection Agreement entered into by Debtor, reasonable attorneys' fees and expenses related to the collection of the foregoing, and any other amounts payable by Debtor under this Agreement or any other agreements between Debtor and Secured Party and/or any Bank and/or EB-5 whether executed in connection herewith or otherwise (collectively, the "Indebtedness"). "Interest Rate Protection Agreement" shall mean any agreement, device or arrangement designed to protect such Debtor from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing.

7. The Security Agreement is hereby amended such that the following paragraph shall be added as Section 12 thereto:

12. COLLATERAL SECURITY. Debtor acknowledges and agrees that this Security Agreement may secure debts of another person, specifically, to the extent this Security Agreement secures the obligations of Lord Amherst Parent to EB-5 under the EB-5 Note and such other instruments and documents executed and delivered by Lord Amherst Parent in connection therewith, this Security Agreement shall serve as collateral security therefor.

8. The Security Agreement is hereby amended such that the following paragraph shall be added thereto as Section 13:

13. AGENCY. The Secured Party shall act as agent for the Banks and EB-5 hereunder:

9. As of the date hereof, (i) the outstanding principal balance of the Bank Loan is $______________________________, with an additional $__________________________ available to be advanced to Mortgagor in compliance with the provisions of the Loan Agreement, (ii) the outstanding principal balance under the EB-5 Loans is $________________, with an additional $______________________ available to be advanced to Lord Amherst Parent under the EB-5 Note, and (iii) the total principal amount secured or to be secured by the Bank Mortgage and the Security Agreement is $18,000,000.00, plus interest and other amounts as set forth in the Bank Loan Documents and the documents evidencing or securing the EB-5 Loans.

10. Except as amended herein, the Bank Mortgage and the Security Agreement remain unmodified, and in full force and effect.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

ISKALO 5020 MAIN LLC

By: Iskalo Development Corp., Manager

By:____________________________
Name: Paul B. Iskalo
Title: President

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

By:________________________________
Name:
Title:

FIRST NIAGARA BANK, N.A., as Agent

By:________________________________
Name:
Title:

The terms and conditions hereof are further consented to by:

ISKALO HOSPITALITY CAMPUS LLC
By: Iskalo Development Corp., Manager

By:______________________________
Name: Paul B. Iskalo
Title: President

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the _____ day of ____________, in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul B. Iskalo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

____
Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

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Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

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Notary Public

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

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____
Notary Public

Exhibit A

Premises

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot Nos. 10 and 11, Township 12, Range 7 of the Holland Land Company's Survey and being parts of subdivision Lots Nos. 176 and 181 as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324, and other lands, bounded and described as follows:

BEGINNING at a point in west line of Lot 10, which is also the east line of Lot 11, Township 12, Range 7 of the Holland Land Company's survey, 67 feet N 00°35'07" E from the intersection of the west line of Lot 10 with the north line of Main Street (99' wide), said point of beginning being at a corner of Parcel 522 acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6580 of Deeds at Page 524; thence along said parcel 522 the (3) following courses and distances: (1) North 72°30'27" East, 110.81 feet to a point; (2) North 06°30'10" West, 664.90 feet to a point; (3) North 01°12'19" West, 59.09 feet to a point; thence North 89°24'53" West, 21.45 feet to a point in the west line of Lot 10, also being the northeast corner of lands conveyed to 5000 Main Street, LLC by a deed recorded in Erie County Clerk's Office in Liber 10986 of Deeds at Page 945; thence westerly at right angles to the west line of Lot 10, a distance of 75 feet, more or less, to a point on the east line of "Lake" as shown on a map filed in the Erie County Clerk's Office under Cover No. 2324; thence southerly and westerly along the east line of said "Lake" to a point which is the northeast extension of the southeast line of Subdivision Lot No. 182, as shown on said Cover No. 2324; thence southwesterly along said extended line a distance of 80.00 feet to its intersection with the southwest line of subdivision Lot No. 181 as shown on said Cover No. 2324; thence southeasterly along the southwest line of said Subdivision Lot No. 181 a distance of 40 feet to a point; thence northerly along the northerly extension of the west line of lands conveyed to J. Harold Genrich and Willard A. Genrich by a deed recorded in the Erie County Clerk's Office in Liber 6683 of Deeds at Page 479, a distance of 5.97 feet to a point; thence easterly at right angles to the previously described line, a distance of 290.00 feet to a point; thence southerly at right angles to the previously described line , a distance of 75.00 feet to a point; thence easterly at right angles to the previously described line, a distance of 128.37 feet to a point in a line being 51.00 feet west of course #2 mentioned above for Parcel 522 acquired by the State of New York; thence southerly parallel with the said course #2 , at an angle to the left of 114°02'15" with the previously described line, a distance of 110.00 feet to a point; thence southwesterly at an angle to the left of 113°14'29" with the previously described line, a distance of 211.03 feet to a point in the north line of Main Street at a distance of 50.00 west of the west corner of Parcel No. 520, acquired by the State of New York by instrument recorded in the Erie County Clerk's Office in Liber 6610 of Deeds at Page 8; thence easterly along the said north line of Main Street a distance of 50.00 feet to the said west corner of Parcel No. 520; thence easterly along the north line of said Parcel No. 520, a distance of 86.17 feet to a point in the east line of Lot No. 11; thence northerly along the east line of Lot No. 11, a distance of 37.00 feet to the point or place of beginning, containing 3.28 acres more or less.

Exhibit 19

Form-of Company Loan Agreement

PROMISSORY NOTE

$10,000,000.00 ____________, 20__

I. PROMISE TO PAY

FOR VALUE RECEIVED, and intending to be legally bound, **ISKALO HOSPITALITY CAMPUS LLC**, a limited liability company organized under the laws of New York, having a principal place of business at 5166 Main Street, Williamsville, New York 14221 ("Borrower") promises to pay to the order of **AMHERST HOSPITALITY, LLC**, a limited liability company organized under the laws of New York, having a principal place of business at 640 Tupper Street, Suite 404, Buffalo, New York 14203 ("Lender") or order, on or before the Maturity Date (as hereinafter defined), in lawful money of the United States of America, the principal sum of Ten Million Dollars ($10,000,000.00) (the "Loan") plus interest thereon from the date hereof, until the indebtedness evidenced hereby is paid in full.

II. DEFINITIONS

When used in this Note, the following terms shall have the meanings indicated for each of them:

2.1 Agent: First Niagara Bank, N.A., as agent for the banks under the Building Loan Agreement.

2.2 Building Loan Agreement: That certain Building Loan Agreement by Agent, as agent for the banks thereunder, First Niagara Bank, N.A., M&T Bank and Iskalo 5020 Main dated January 31, 2014, as the same may be amended, supplemented, renewed, replaced or otherwise modified.

2.3 Business Day: Any day other than a Saturday, Sunday or legal holiday on which commercial banks in New York are required or permitted by law to close.

2.4 Conversion Date: January 31, 2017.

2.5 EB-5 Capital: Those particular funds invested by a Foreign Investor in the Lender pursuant to and in accordance with the EB-5 Program, the Investment Documents and the Operating Agreement.

2.6 EB-5 Program: The EB-5 Regional Center immigrant investors program established by Section 203(b)(5) of the Immigration and Nationality Act, as amended, and administered by the USCIS.

2.7 FNB Loan: That certain loan given to Iskalo 5020 Main under the Building Loan Agreement in the principal amount of Eighteen Million Dollars ($18,000,000.00), which shall act as a bridge or interim financing until such is paid down by the Loan.

2.8 Foreign Investors: Those specific foreign nationals seeking visas to the United States of America by investing EB-5 Capital in the Lender pursuant to the EB-5 Program.

2.9 Guarantor: Paul Iskalo, an individual.

2.10 Hyatt Place Hotel Project: The construction and development by Iskalo 5020 Main of a Hyatt Place Hotel to be located at 5020 Main Street, Amherst, New York 14226.

2.11 Indebtedness: Collectively, all loans, advances, debts, liabilities, indebtedness, obligations, and credit owing by Borrower to Lender of any kind or nature, present or future, whether as borrower or guarantor, however evidenced, whether arising hereunder or any other loan, note, letter of credit, guaranty, collateral or other agreement or by operation of law, and whether direct or indirect, absolute or contingent, due or to become due, now owing or existing or hereafter arising or created and however acquired, and any amendments, extensions, renewals or increases thereof, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, treasury management obligations, obligations due pursuant to any interest rate protection agreement, reasonable attorneys' fees and expenses related to the collection of the foregoing, and any other amounts payable by Borrower whether executed in connection herewith or otherwise.

2.12 Interest Rate: Collectively, the rates of interest set forth in Section 4 hereof.

2.13 Investment Documents: The Private Placement Memorandum, Subscription Agreement, Escrow Agreement and such other documents or instruments now or hereafter executed and/or delivered in connection with the Foreign Investors' investment of EB-5 Capital in the Lender, as each may be amended, supplemented, renewed, replaced or otherwise modified.

2.14 Iskalo 5020 Main: Iskalo 5020 Main LLC, a New York limited liability company.

2.15 Libor Rate: A variable interest rate per annum equal to the BBA Libor USD 1 Month rate published by Bloomberg Markets at http://www.bloomberg.com/quote/US0001M:IND (or any successor webpage or if at any time such webpage is no longer available, a similar webpage that provides quotes for a one (1) month Libor rate chosen by the Lender in its reasonable discretion).

2.16 Loan Documents: This Note, the Mortgage and any other documents or instruments now or hereafter executed and/or delivered in connection with the Loan or otherwise evidencing or guaranteeing the Loan

2.17 Loan Term: Commencing on the date hereof and ending on the Maturity Date.

2.18 Lord Amherst Hotel Project: The renovation by one or more affiliates of the Borrower of the Lord Amherst Hotel at 5000 Main Street, Amherst, New York 14226.

2.19 Lord Amherst Restaurant Project: The renovation by one or more affiliates of the Borrower of the restaurant adjacent to the Lord Amherst Hotel.

2.20 Maturity Date: The Conversion Date, unless the Agent has extended the FNB Loan for the Term Period, in which case February 1, 2021.

2.21 Note: This promissory note and all amendments, supplements, renewals, replacements or modifications thereof.

2.22 Operating Agreement: The operating agreement of the Lender, as the same may be amended, supplemented, renewed, replaced or otherwise modified.

2.23 Mortgage: The Mortgage, Security Agreement and Assignment of Leases and Rents, as amended, by Iskalo 5020 Main and the Town of Amherst Industrial Development Agency to Lender and Agent, given in part to secure this Note, as the same may be amended, supplemented, renewed, replaced or otherwise modified.

2.24 Post-Conversion Junior Priority Portion: Following the Conversion Date, that portion of the Loan equal to all amounts advanced under this Note in excess of the Post-Conversion Senior Priority Portion.

2.25 Post-Conversion Senior Priority Portion: Following the Conversion Date, that portion of the Loan equal to all amounts advanced under this Note up to but not to exceed Seven Million Five Hundred Forty Thousand Dollars ($7,540,000.00).

2.26 Prime Based Rate: The Prime Rate plus three quarters of one percent (.75%) per annum.

2.27 Prime Rate: A variable interest rate per annum equal to the PRIME:IND rate published by Bloomberg Markets at http://www.bloomberg.com/quote/PRIME:IND (or any successor webpage or if at any time such webpage is no longer available, a similar webpage that provides quotes for the United States Prime Rate chosen by the Lender in its reasonable discretion).

2.28 Project: Collectively, the Hyatt Place Hotel Project, the Lord Amherst Hotel Project and the Lord Amherst Restaurant Project.

2.29 Term Period: As such term is defined in the Building Loan Agreement.

2.30 USCIS: The United States Citizenship and Immigration Services.

III. ADVANCES

3.1 Advances: Subject to (i) no Event of Default then existing under the Loan Documents, (ii) confirmation of approval by USCIS of the Project for the EB-5 Program, and (iii) receipt by the Lender of EB-5 Capital from a Foreign Investor and confirmation of USCIS's approval of such Foreign Investor's I-526 Application, upon request by the Borrower, Lender shall make an advance of the Loan to the Borrower in the amount of the EB-5 Capital invested in the Lender. Lender may in its sole discretion, make an advance to the Borrower upon oral request; provided, however, Lender reserves the right to require that advance requests be in writing, accompanied by all documentation required under the Loan Documents. Each oral request shall be conclusively presumed to have been made by a person authorized by the Borrower to do so. Lender shall incur no liability of any kind to any party by reason of making any advance upon an oral request.

3.2 Advances to Agent for the Account of Borrower: Unless notified otherwise in writing by the Agent, any and all advances of the Loan made by the Lender hereunder shall be made directly to the Agent, at an address (or account) specified in writing to the Lender from time to time by the Agent, for the account of the Borrower for the purpose of repaying that portion of the FNB Loan that is acting as a bridge or interim financing for the Loan. The Borrower hereby consents to the foregoing and acknowledges and agrees that any advance of the Loan to the Agent for the account of Borrower shall conclusively establish Borrower's obligation to repay the same.

3.3 Termination of Lender's Obligation to Make Advances: The Lender's obligation to make advances of the Loan to the Borrower shall terminate upon the earlier of (a) the date in which the aggregate amount of advances made to the Borrower hereunder equal the principal amount of the Loan and (b) the Maturity Date.

IV. INTEREST RATE AND ACCRUAL

4.1 Interest Accrual: Interest shall accrue at the applicable Interest Rate on the outstanding principal balance hereof until paid in full. Borrower shall pay interest, calculated on the basis of a 360-day year for the actual number of days of each year (365 or 366, as applicable) on the outstanding principal amount from and including the date of this Note to, but not including, the date the outstanding principal amount is paid in full. Until payment in full of this Note, such accrued and unpaid interest shall be due on the first day of each month.

4.2 Interest Rate - Prior to Conversion.

(a) From the date of this Note through and including the Conversion Date, interest shall accrue on the outstanding principal balance hereunder, at the Libor Rate plus three and seventy-five hundredths percent (3.75%) per annum. The Libor Rate shall be determined by the Lender as of the date hereof and shall adjust on the first day of each month thereafter.

(b) Notwithstanding Section 4.2(a) above or any other terms of this Note, at no time from the date of this Note through the Conversion Date shall the rate at which interest accrues on the outstanding principal balance hereunder be less than four percent (4.0%) per annum.

4.3 Interest Rate - After Conversion. Provided the Agent has extended the maturity date of the FNB Loan to the Term Period pursuant to Section 2.2 of the Building Loan Agreement, commencing on February 1, 2017 and continuing until payment in full of this Note:

(a) interest shall accrue on the outstanding principal balance of the Post-Conversion Senior Priority Portion of the Loan at a fixed rate equal to five percent (5.0%) per annum.

(b) interest shall accrue on the outstanding principal balance of the Post-Conversion Junior Priority Portion of the Loan at a fixed rate equal to six and one half percent (6.5%) per annum.

4.4 Maximum Rate of Interest: It is intended that the rate of interest hereon shall never exceed the maximum rate, if any which may be legally charged on the loan evidenced by this Note ("Maximum Rate"), and if the provisions for interest contained in this Note would result in a rate higher than the Maximum Rate, interest shall nevertheless be limited to the Maximum Rate and any amounts which may be paid toward interest in excess of the Maximum Rate shall be applied to the reduction of principal, or, at the option of Lender, returned to Borrower.

V. PAYMENT TERMS AND RENEWAL TERM

5.1 Payments:

(a) Commencing on ___________, 20___ and continuing on the first day of each month thereafter until the Maturity Date, Borrower shall pay to Lender all accrued interest in arrears.

(b) All outstanding principal, interest and all other amounts due hereunder and the documents securing the Loan shall be due and payable on the Maturity Date, if no sooner paid.

5.2 Due Date: All Indebtedness owed to Lender hereunder and not paid before the Maturity Date shall be due and payable on the Maturity Date.

5.3 Prepayment:

(a) This Note may not be prepaid in whole or in part, at any time, until (i) the Lender has notified the Borrower that each Foreign Investor's I-829 application has been approved by USCIS, and (ii) the FNB Loan has been paid in full.

(b) Following satisfaction of the conditions set forth in Section 5.3(a) above, this Note may be prepaid in whole or in part without penalty or premium upon thirty (30) days' advance notice to Lender of Borrower's intent to prepay.

(c) No amounts prepaid by the Borrower hereunder shall be re-advanced by the Lender.

5.4 Application; Business Day: All payments hereon shall be made, and all notices to Lender required or authorized hereby shall be given, at the office of Lender at the address designated in the heading of this Note, or to such other place as Lender may from time to time direct by written notice to Borrower. All payments shall be made absolutely net of, without deduction or offset and free and clear of taxes, deductions, charges or withholding of any kind. Lender shall apply all payments received on this Note to any accrued and unpaid interest then due and owing, then to the reduction of the Post-Conversion Junior Priority Portion of the principal of this Note, then to the reduction of the Post-Conversion Senior Priority Portion of the principal of this Note, then to other sums due hereunder in such order and in such amounts as Lender may determine from time to time. The sum or sums shown on Lender's records shall be evidence of the correct unpaid balances of principal and interest on this Note, absent manifest error. If any payment comes due on a day that is not a Business Day, Borrower may make the payment on the first Business Day following the payment date and pay the additional interest accrued to the date of payment.

5.5 Costs and Expenses: Borrower agrees to pay on demand all reasonable costs and expenses of every kind and nature, including, without limitation, fees and disbursements of outside counsel for advice, suit, appeal, insolvency proceedings, or any other purpose described in this Section or incurred by Lender (a) in enforcing this Note, (b) in collecting any Indebtedness evidenced hereby from Borrower or any Guarantor, (c) in realizing upon or protecting any collateral for the payment of this Note, and (d) for any other purpose related hereto.

5.6 Collection Periods: Any check, draft, money order or other instrument given in payment of all or any portion hereof may be accepted by Lender and handled for collection in the customary manner, but the same shall not constitute payment hereunder or diminish any rights of Lender except to the extent that actual cash proceeds of such instrument are unconditionally received by Lender; provided, however, that this Note shall not be in default as the result of normal collection periods on such instruments.

5.7 Late Payment Charge: If any payment due under this Note is unpaid for ten (10) days or more, Borrower shall pay, in addition to any other sums due under this Note (and without limiting Lender's other remedies on account thereof), a late charge in an amount equal to six percent (6.0%) of such unpaid amount.

5.8 Default Interest: After the occurrence and during the continuance of an Event of Default, at Lender's option, interest shall accrue at a rate per annum equal to the aggregate of six percent (6.0%) plus the applicable rate otherwise provided for herein, and such rate shall continue to apply whether or not judgment shall be entered on this Note.

VI. EVENTS OF DEFAULT

The happening of any of the following events or occurrence of the following conditions, shall be events of default hereunder (individually, an "Event of Default" and collectively "Events of Default"):

(a) Nonpayment: Nonpayment of principal of, interest on, or any fee or premium provided for under, this Note within ten (10) days of when such amount is due.

(b) Default under Related Documents: The occurrence of an Event of Default, uncured at the end of any applicable cure period, under the Mortgage, any loan agreement, security agreement or other document evidencing or securing this Note.

(c) Death; Incompetency: If an individual, the death, incarceration or judicial declaration of incompetency of any Obligor (as defined below).

(d) Bankruptcy Proceedings: (i) If Borrower, any guarantor hereof, or any managing member or manager of Borrower or such guarantor (each a "Loan Party") shall (A) file a petition or request for liquidation, reorganization, adjustment of debts, arrangement, adjudication as a bankrupt or similar relief under the bankruptcy, insolvency or similar laws of the United States of America or any state or territory thereof or any foreign jurisdiction now or hereafter in effect, (B) consent to the filing of a petition in any bankruptcy, liquidation, reorganization or insolvency proceedings, (C) consent to the appointment of a receiver, trustee, agent or officer performing similar functions with respect to any substantial part of its assets, (D) make a general assignment for the benefit of its creditors, or (E) institute or execute a consent to any other type of insolvency proceedings (under the federal Bankruptcy Code or otherwise) or any formal or informal proceeding for the dissolution or liquidation of, or settlement of claims against or winding up of affairs of Loan Party; or (ii) the appointment of a receiver, custodian, trustee or officer performing similar functions for Borrower or any other Loan Party or for any of their respective assets; or the filing against Borrower or any guarantor hereof, or any general partner of Borrower or such guarantor of a request or petition for liquidation, reorganization, arrangement or adjudication as a bankrupt or other relief under the bankruptcy, insolvency or similar laws of the United States of America, or any state or territory thereof, or any foreign jurisdiction, now or hereafter in effect or the institution against Borrower or any other Loan Party of any other type of insolvency proceedings (under the federal Bankruptcy Code or otherwise) or any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Borrower or any other Loan Party, and the failure to have such appointment vacated or such petition or proceeding dismissed within 90 days after such appointment, filing or institution.

(e) Insolvency: If Borrower or any Loan Party shall (i) become "insolvent" as defined in any applicable state or federal statute; (ii) engage in any business or transaction for which the assets retained by it shall constitute an unreasonably small capital, taking into consideration the obligations to Lender under this Note and any other document evidencing indebtedness of such person; (iii) incur debts beyond its ability to pay them as they mature; or (iv) fail to own property having a value at both fair valuation and at fair salable value in the ordinary course of its business greater than the amount required to pay its debts as they become due.

(g) Representations: If any certificate, statement, representation, warranty or financial statement furnished by or on behalf of Borrower pursuant to or in connection with this Note (including, without limitation, representations and warranties contained herein and all information) or as an inducement to Lender or any Lender affiliate to enter into any lending agreement with Borrower shall prove to have been false in any material respect at the time as of which the facts therein set forth were certified, or to have omitted any material contingent or unliquidated liability or claim against Borrower, or if on the date of the execution of this Note there shall have been any materially adverse change in any of the facts disclosed by any such statement or certificate, which change shall not have been disclosed by Borrower to Lender at or prior to the time of such execution.

(h) Cross Default: Nonpayment by Borrower any indebtedness owing by Borrower when due (or, if permitted by the terms of the applicable document, within any applicable grace period) whether such indebtedness shall become due by scheduled maturity, by required prepayment, by acceleration, by demand or otherwise, or failure to perform any material term, covenant or agreement on its part to be performed under any agreement or instrument (other than this Note) evidencing or securing or relating to any indebtedness owing by Borrower when required to be performed if the effect of such failure is to permit the holder to accelerate the maturity of such indebtedness; or any default by Borrower or Iskalo 5020 Main or otherwise under any documents or agreements evidencing, governing or securing the FNB Loan, and the expiration of any applicable notice and/or cure period contained therein.

(i) Judgments: If any judgment or judgments for the payment of money in excess of One Hundred Thousand Dollars ($100,000.00) shall have been issued against Borrower.

(j) Guarantor Default: Any guaranty of this Note shall cease, for any reason, to be in effect without the prior consent of Lender, or any guarantor or Borrower shall so assert in writing; or any guarantor shall die or become incapacitated, incarcerated and, if requested by Lender, in its sole discretion, Borrower shall have failed to agree to a replacement guaranty, cash collateral or other arrangement satisfactory to Lender as an adequate substitution for the guaranty of such guarantor; or any guarantor shall fail to perform or observe any covenant contained in the guaranty to which such guarantor is a party; or any representation, warranty or financial statement made or furnished by a guarantor in connection with this Note or the applicable guaranty shall prove to have been false in any material respect, or to have omitted any material contingent or unliquidated liability.

(k) Challenge to Collateral Documents: If Borrower, or any guarantor, or any other Person providing collateral support for Borrower's obligations hereunder (the "Obligor") directly or indirectly, shall challenge, or indicate their intention to challenge, the validity and binding effect of any provision of this Note or any document evidencing or securing Borrower's indebtedness under this Note (each a "Collateral Document" and collectively, the "Collateral Documents") or this Note or the Collateral Documents shall for any reason (except to the extent permitted by their express terms) cease to be effective or cease to have the priority lien position required by the terms thereof or the collateral is no longer available, for any reason.

(l) Change of Ownership: If the Guarantor fails to directly or indirectly Control (as such term is defined in the Building Loan Agreement) the Borrower.

(m) Termination of Business: Any Obligor terminates its business or ceases to operate as a going concern.

(n) Material Adverse Change: There shall occur any event or condition with respect to the Borrower's business, operations or financial condition that has, or in the Lender's reasonable judgment, is likely to have a material adverse effect on the Project including without limitation the creation of jobs at the Project.

(o) Request for Information: If the Borrower shall fail to provide within sixty (60) days of written demand by the Lender any information reasonably required by the Lender to comply with the EB-5 Program, including but not limited to information regarding the construction spending, the operations of the Project, the number of jobs created or otherwise projected to be created at the Project and such other information required by the Lender, as determined in its sole discretion, to comply with the EB-5 Program or in relation to the Investment Documents.

Upon the occurrence of any Event of Default (other than an Event of Default under paragraphs (d) or (e) above), Lender shall have the absolute right, at its option and in its sole discretion, to declare immediately due and payable all unpaid amounts of principal and interest on this Note, and all other sums payable at the time of, or as the result of, such declaration under this Note or any other document securing this Note and Borrower shall no longer be permitted to obtain Loans hereunder. Upon the happening of one or more Events of Default under paragraphs (d) or (e) hereof, Lender's obligations hereunder shall be cancelled immediately, automatically and without notice, and all amounts outstanding under this Note, and all other sums payable at the time of, or as the result of, such declaration under this Note or any other document securing this Note, shall become immediately due and payable without presentation, demand or notice of any kind to Borrower. Lender may, in its sole discretion, exercise alternately or cumulatively any of the remedies available under this Note or any other document securing this Note, or at law or equity. The failure to exercise one or more of such remedies upon the happening of an Event of Default shall not constitute a waiver of the right to exercise the same at any subsequent time in respect of the same Event of Default or any other Event of Default. Neither the acceptance by Lender of any payment hereunder which is less than payment in full of all amounts due and payable at the time of such payment, or any negotiation or discussion with Borrower, shall constitute a waiver of the right to exercise one or more of such remedies at that time or at any subsequent time or nullify any prior exercise of any remedy, except as and to the extent otherwise provided by law.

VII. LIBOR PROVISIONS

7.1 Unavailability: Prior to the Conversion Date, in the event that Lender shall determine that by reason of certain circumstances affecting the London Interbank Eurodollar market, the LIBOR Rate is not available to Lender for the purposes of this Note, the Lender shall give Borrower notice of such determination. Until Borrower is notified by Lender that such circumstances no longer exist and the LIBOR Rate is available to Lender for the purposes of this Note, the outstanding principal balance of the Loan shall accrue interest at the Prime Based Rate.

7.2 Change in Law: If the Lender shall determine that any applicable law, treaty, regulation or directive, or any change therein or in the interpretation or application thereof, shall make it unlawful for the Lender to charge interest based on the LIBOR Rate, the Lender shall not be obligated to charge interest based on the LIBOR Rate. Until Borrower is notified otherwise by Lender (a) the LIBOR Rate will not be available and (b) the outstanding principal balance of the Loan shall accrue interest at the Prime Based Rate.

VIII. MISCELLANEOUS PROVISIONS

8.1 Notice: The giving and effectiveness of notices, elections or demands permitted or required hereby shall be governed by the provisions of the Mortgage.

8.2 Entire Agreement; Binding Effect; Severability: This Note, together with any related loan and security agreements, guaranties, and documents ancillary thereto contains the entire agreement between Lender and Borrower with respect to this Note, and supersedes every course of dealing, other conduct, oral agreement, commitment letter and representation previously made by Lender. Borrower agrees that in any legal proceeding, a copy of this Note kept in Lender's course of business may be admitted into evidence as an original. This Note is a binding obligation enforceable against Borrower and its heirs, executors, administrators and permitted successors and assigns and shall inure to the benefit of Lender and its successors and assigns. If a court deems any provision of this Note invalid, the remainder of this Note shall remain in effect.

8.3 Information: At any time, promptly upon the request of Lender, Borrower shall furnish to Lender all information relating to Borrower's business, operations, assets and condition, including, without limitation, information Lender deems relevant to determine job creation, verification of liquidity on an ongoing basis and all such information Lender deems relevant to comply with the rules and regulations of the EB-5 Program and other legal requirements associated with the Loan or the Investment Documents. Without limiting the foregoing, the Borrower shall provide copies to the Lender of all financial statements and other financial reports (including reports and information verifying the construction expenditures) and/or tax returns delivered to the Agent pursuant to the Building Loan Agreement at such times as set forth therein.

8.4 Governmental Rules: If the adoption of, any change in or any change in the interpretation of, any law, regulation or guideline applicable to the EB-5 Program (a "Governmental Rule"), or the compliance by Lender with the Governmental Rule, imposes any taxes or fees on Lender, Lender may require Borrower to pay the amount necessary to compensate Lender for such taxes or fees. Lender will deliver to Borrower a statement of the justification for the payment(s), and the determination by Lender shall be conclusive absent obvious error and shall be payable by Borrower to Lender upon Lender's demand.

8.5 Indemnification: Borrower agrees to indemnify Lender, EB-5 New York State, LLC and their affiliates and their respective officers, directors, shareholders, members and employees (collectively, "Indemnitees") and hereby holds Indemnitees harmless against all liabilities, claims, actions, suits, proceedings, penalties, costs, expenses, brokerage or other fees (including, without limitation, reasonable legal fees and expenses), losses, damages and liabilities of any kind or nature including in tort, penalties and interest, which Lender may incur in any manner other than Lender's own active gross negligence or willful misconduct, by reason of any matter relating, directly or indirectly, to this Note and the related loan documents. This indemnity shall survive the termination of this Note. Notwithstanding anything to the contrary, the Lender agrees that the Borrower shall not be responsible under any circumstance for costs or expenses traditionally associated with, or indemnification obligations arising out of, the Foreign Investor investment portion of the EB-5 Program, including but not limited to costs, claims, damages, losses, liabilities and expenses arising out of the identification and solicitation of the Foreign Investors. This paragraph, however, shall not limit in any manner the Borrower's obligation to indemnify the Indemnified Parties with respect to any claims, damages, losses, liabilities and expenses arising from any material misrepresentation, omission or otherwise by the Borrower or any affiliate thereof regarding the Project which was relied upon by EB-5 to approve the Project with USCIS or solicit the Foreign Investors.

8.6 Governing Law: This Note shall be interpreted and the rights and liabilities of the parties shall be governed by the laws of the State of New York, without regard to principles of the conflict of laws. This Note has been delivered to and accepted by Lender and will be deemed to be made in the State of New York.

8.7 Limitation of Liability: To the fullest extent permitted by applicable law, Borrower shall not assert, and hereby waives any claim against Lender, on any theory of liability, for special, indirect, consequential or punitive damages (but excluding direct or actual damages) arising out of, in connection with or as a result of, this Note, any related loan documents, the transactions contemplated hereby or thereby or any Loan or the use of the proceeds. The Borrower acknowledges that the Lender shall have no obligation to make any advance under the Loan unless the Lender has raised sufficient EB-5 Capital to fund such advance.

8.8 CONSENT TO JURISDICTION: BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (a) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY LENDER AND ARISING OUT OF OR OTHERWISE RELATING TO THIS NOTE OR ANY COLLATERAL RELATED HERETO TO THE JURISDICTION OF ANY COURT THAT IS EITHER A COURT OF RECORD OF THE STATE OF NEW YORK OR A COURT OF THE UNITED STATES LOCATED IN THE STATE OF NEW YORK AND (b) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING.

8.9 WAIVER OF JURY TRIAL: BORROWER KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT BORROWER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (a) THIS NOTE, ANY RELATED LOAN DOCUMENT OR ANY COLLATERAL RELATED HERETO, (b) ANY TRANSACTION CONTEMPLATED BY ANY SUCH DOCUMENTS OR (c) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS NOTE, OR ANY COLLATERAL RELATED HERETO. BORROWER CERTIFIES THAT NEITHER LENDER NOR ANY REPRESENTATIVE OF LENDER HAS REPRESENTED TO BORROWER THAT LENDER WILL NOT SEEK TO ENFORCE THE WAIVER MADE BY BORROWER IN THIS PARAGRAPH. BORROWER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

[Signature Page Follows]

Doc #02-339858.3

Borrower:

ISKALO HOSPITALITY CAMPUS LLC
By: Iskalo Development Corp., Manager

By: ________________________________
Name: ______________________________
Title: _______________________________

STATE OF NEW YORK)
) SS:
COUNTY OF __________________________)

On the _____ day of _______________ in the year 20__, before me, the undersigned, personally appeared ______________, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

____
Notary Public

Payment of the indebtedness evidenced by this instrument and the enforcement of any remedies hereunder and under documents evidencing, governing, securing or guaranteeing such indebtedness are subject to that certain Intercreditor Agreement dated _____________, 20__ between First Niagara Bank, N.A., as Agent and Amherst Hospitality, LLC (the "Intercreditor Agreement"). Reference is hereby made to the Intercreditor Agreement for the specific terms of any limitations or restrictions on payment of such indebtedness.

Exhibit 20

Iskalo Signed Engagement Letter

EB-5 NEW YORK STATE
REGIONAL CENTER

Mr. Paul Iskalo
Iskalo Development Corp
Harbinger Square
5166 Main Street
Williamsville, NY 14221

March 5, 2013

Dear Paul:

Thank you for your interest in working with EB-5 New York State, LLC ("EB5NYS") to explore EB-5 financing for your project. Signing this letter confirms your intention to engage EB5NYS to explore EB-5 financing on behalf of your project and documents our intention to:

- conduct a detailed due diligence review of your project,
- analyze the project economics and related job creation, and
- underwrite the credit of the borrowing entity and associated individuals.

This letter will also help to set appropriate expectations for the cost and timeline associated with our evaluation and, if we are able to a reach a mutually agreeable term sheet, the process of raising EB-5 capital for your project. This letter does not obligate EB5NYS to finalize any of the above steps or to raise capital on behalf of your project nor does it commit you to utilizing EB-5 capital for your project. We may elect to discontinue our evaluation at any time and we understand that you may direct us to discontinue our evaluation at any time.

While we understand that you may be pursuing other financing options, may need to cancel this project entirely or may decide to not pursue EB-5 capital for the project, by signing this engagement letter you agree to work exclusively with EB-5 New York State on the EB-5 capital portion of your financing plan until we have expressed our intention not to participate in your project. If you do choose not to use EB-5 capital, we ask that you notify us as soon as possible.

About EB-5 New York State, LLC

EB5NYS is a Regional Center under the US Citizenship and Immigration Service ("USCIS") Immigrant Investor Pilot Program. The Company was formed in 2007 and was designated by the US government as a Regional Center in 2009. Our Regional Center designation allows us to invest EB-5 capital into job-creating projects anywhere in New York State. Since inception, our firm has successfully financed 100% of the projects we have agreed to finance and we have helped numerous families gain US residency through to the EB-5 program.

Our company has completed EB-5 projects in the healthcare and education industries. While we are developing additional EB-5 projects in healthcare and education, we are also working with developers in the hospitality, residential, tourism, retail and other industry segments. Our past projects have included raising funds for a hospital, infrastructure on a medical campus, the development of a New York State charter school, and student housing at university campuses in New York. Many of our projects include a real estate component, but we have also lent capital for equipment finance, working capital and other uses. The investment of EB-5 capital is almost always structured as a secured loan. The form can include a loan to a developer, a not-for-profit, and others, as a traditional loan, a purchase of tax exempt municipals, participation with other financing sources, and many other forms.

Most developers use EB-5 financing for two reasons. The first is flexibility. EB-5 capital has few restrictions on the manner in which it is deployed to finance job creating projects. The second is competitive rates in a sometimes difficult financing environment. The objective is to use EB-5 capital as a component of the capital stack to help finance job-creating projects in New York State.

Upon request, we can provide:

- Overviews of Past Projects
- Samples of Marketing Materials We Have Used in Past Investments
- References from Past Project Sponsors
- A Summary of the Benefits of EB-5 Finance

Process Overview

Due Diligence and Analysis. The first step in pursuing EB-5 financing with EB5NYS is a detailed evaluation of your project to determine if it meets the requirements of the US Government's EB-5 program and our own underwriting standards. The time required for the due diligence is 30 to 90 days which largely depends on how quickly you can provide the required documentation. During due diligence, we will address the factors which determine whether your project meets the requirements of the EB-5 program, our underwriting standards and the other factors which influence our ability sell the financing of your project to potential foreign investors. At the conclusion of due diligence, we will provide you with a proposed term sheet describing the conditions under which we would be able pursue financing for your project or a letter explaining why we cannot pursue the financing of your project at this time.

Raising EB-5 Capital. Assuming we are able to reach an agreement to raise EB-5 capital, EB5NYS will do the following to begin the process of raising the required EB-5 capital:

- create a New Commercial Enterprise (NCE) into which foreign investors will invest (this is the entity which will lend money to your project),
- create the required investment documentation to comply with US Government EB-5 and securities related requirements, EB5NYS standards and customary investor expectations,
- potentially assist with your preparations and negotiations related to bridge or other sources of project financing, equity investors, or financial institutions,
- prepare marketing materials describing the project in English and the native language of investors in targeted countries,
- create training materials for our team of agents and professionals who will be working with individual foreign investors,
- complete local training of agents and notify affiliated professionals that investment in your project is available, and finally,
- begin the process of raising the EB-5 capital.

Investments by Foreign Investors. It generally takes approximately 6 months to identify the foreign investors for a project. Once an investor has subscribed, he/she will put $500,000 into an EB5NYS escrow account. EB5NYS will then work with the investor and their advisors to file required documentation with the USCIS. The USCIS reviews and adjudicates each investor individually. When an investor is approved, his or her funds are released to the NCE and are available for you to borrow (according to the terms of the loan documentation). If for any reason an investor withdraws or is not approved, EB5NYS would attempt to find a replacement investor.

During the term of the Loan. During the term of the loan, EB5NYS acts in the interests of the investors, monitoring job creation metrics, financial performance and covenant compliance. All payments for debt service and are paid to the NCE. If for any reason the borrower does not comply with covenants or pay as agreed, EB5NYS acts on behalf of the NCE investors to secure and protect their interests. At the end of the loan term, which is typically 5 to 7 years, EB5NYS collects the final payments, repays investors, and closes the NCE.

The following is a short overview of the timing:

	Generalized Process Overview							
Step	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Ongoing
Due Diligence								
Term Sheet Executed								
Prepare Documents and Materials								
Initial Filing with USCIS								
EB-5 Investor Process								
USCIS Investor Approvals								
Funds Available to Developer								
Manage Investment per Agreement								

Due Diligence Requirements

During the due diligence process, EB5NYS will review the project and document each key attribute and assumption. Our due diligence and underwriting is comprehensive and thorough to ensure that we accurately represent the risks of the project to investors and so that we may provide you accurate advice on how the financing should be structured to raise EB-5 capital from foreign investors in a competitive marketplace. The following is a list of information and documents that are typically required during due diligence, but additional information may be requested as necessary:

- ☐ Project Business Plan and Pro-forma Financial Statements
- ☐ Third Party Market Study which Validates Financial Assumptions
- ☐ Completed Economic Model Questionnaire
- ☐ Interview with Category Specialists and Responses to their Follow-up Questions
- ☐ Project Organization Chart
- ☐ Source and Uses of Funds Documents
- ☐ Copy of Any Other Loan / Equity Agreements and Term Sheets with the Developer and Other Sources of Funds in the Capital Stack Each of Which Should Acknowledge EB-5 Financing
- ☐ Copy of Any Land Use Agreements
- ☐ Proof of Collateral Ownership and Related Appraisals
- ☐ Copy of Any Lease Agreements Signed with the Tenants

- ☐ Copy of the Signed Agreements with General Contractors and the Construction Company
- ☐ Copies of Applicable Permits
- ☐ Copy of Agreements with Municipalities, etc. for Financing, Zoning, PILOT and Similar Arrangements
- ☐ Copy of the Agreements with Operators Such as Management Companies, Together with Background on Their Experience, Other Operations, etc.
- ☐ Site plan
- ☐ Architectural Renderings, Images, Logo Graphics of the Project, Other Investors/Financing Sources, Developers, Key Service Providers, and Principles
- ☐ Developer History and Financials, Including Up-to-Date Resumes and Personal Financial Statements of Owners and Individual Equity Sources
- ☐ Signed Term Sheet
- ☐ Signed Binding Agreement to Use EB-5 Funds Once They Have Been Raised
- ☐ Pre-Payment for Closing Costs / Transaction Expenses per the Term Sheet

Gathering and providing us with this information will be your responsibility and any costs you incur to do so will be your responsibility as well.

Anticipated Costs of Financing

<u>Initial Discussions</u>. There is no cost for exploring EB-5 financing provided by EB5NYS until you engage our company to formally begin the due diligence process by signing and returning this engagement letter. We are happy to review appropriate project documents, meet with you and other project sponsors about the project and provide our insights about financing with EB-5 capital before your engage our firm.

<u>Application Fee</u>. There is a fee to initiate the required due diligence. Along with this a signed copy of this letter we require a non-refundable $5,000 application fee to offset our cost of completing the analysis and engaging economists and specialists to review your project.

<u>Upon signing Term Sheet</u>. Once we have agreed to a term sheet, a $15,000 pre-payment will be required to cover the customary out-of-pocket transaction-related expenses such as legal costs for the transaction with your company, document preparation, expert testimony and other due diligence activities. EB5NYS will be responsible for all costs of preparing the EB-5 related legal and other documentation, and overseas marketing.

<u>Loan Fee</u>. When the loan closes and the initial draw has occurred, the loan fee will be assessed. The amount of the loan fee will be determined during underwriting and will be itemized in the

term sheet. Typically the amount of the loan fee is 1% to 2% of the total amount of EB-5 financing we provide.

Interest Rate. Each financing requires the borrower to pay a market rate of interest. The rate of interest, triggers which would change the interest rate (if any) and the payment terms will be determined during underwriting based on your needs, the project attributes and negotiated with you prior to the finalizing the term sheet.

There will be no additional fees or costs of financing as long as the borrower remains in compliance with the terms and covenants of the loan agreement. Non-compliance may trigger additional fees and changes in the interest rate and or terms of repayment.

Summary of Typical Borrowing Costs

	Application Fee	Prepayment for Transaction Expenses	Closing Costs	Borrowing Cost	Default Costs
When	With Engagement Letter	With Signed Term Sheet	At Closing	Monthly After Closing	Monthly After Default
Amount	$5,000	$15,000	1% - 2% of the EB-5 Financing	Market Rate	Default Market Rate + Out-of-Pocket Expenses

Acknowledgement

We the undersigned acknowledge that "The Client" has engaged EB5NYS to complete a formal due diligence review of "The Project" and that "The Client" has agreed to provide the documentation required by EB5NYS for review. "The Client" understands that a non-refundable application fee is required before the due diligence review begins. EB5NYS will use commercially reasonable efforts to evaluate "The Project" on the proposed timeline and provide timely feedback to "The Client". EB5NYS does not guarantee that The Project will be appropriate for EB-5 Financing, and even if it is deemed to be appropriate, EB5NYS makes no guarantee that it will attempt to or actually secure EB-5 funding for the Project.

"The Client"

Iskalo 5020 Main LLC, by Iskalo Development Corp., Its Manager

"The Project"

Proposed Hyatt Place Hotel anchored hospitality campus, Amherst, NY

Authorized Signer

Paul B. Iskalo, President & CEO

Date: 3-13-13

Iskalo 5020 Main LLC EB-5 New York State, LLC

DATE	INVOICE NO	DESCRIPTION	INVOICE AMOUNT	DEDUCTION	BALANCE
3-05-13	3/13-5020M	5020M Application Fee	5000.00	.00	5000.00
CHECK DATE 3-12-13	CHECK NUMBER 39	TOTAL >	5000.00	.00	5000.00

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

WARNING - THIS CHECK IS PROTECTED BY SPECIAL SECURITY FEATURES

Iskalo 5020 Main LLC
5166 Main Street
Williamsville, NY 14221

M&T Bank
Manufacturers & Traders Trust Company
One M&T Plaza
Buffalo, NY 14201

10-4
220

DATE	CHECK NO.	AMOUNT
March 12, 2013	39	$******5,000.00

Pay: **Five thousand dollars and no cents

PAY TO THE ORDER OF
EB-5 New York State, LLC
640 Ellicott Street
Buffalo, NY 14203

SECURITY FEATURES INCLUDE MICROPRINTING • VOID PANTOGRAPH • ENDORSEMENT BACKER • BROWNSTAIN CHEMICAL REACTANT

⑈0000000039⑈ ⑆022000046⑆98596927 67⑈

Amherst Hospitality, LLC
#025 Michael Gibson
USAdvisors.org

Exhibit 21

Signed Term Sheet

EB-5 NEW YORK STATE
REGIONAL CENTER

CONFIDENTIAL
TERM SHEET

NOVEMBER 22, 2013

The following are the terms pursuant to which EB-5 New York State, LLC, will make a loan or loans for the construction and operation of the Iskalo Hospitality Campus, consisting of 1) a new Hyatt Place Hotel, 2) the renovation of the existing Lord Amherst Hotel and 3) the renovation of the existing adjacent Restaurant.

Borrower	Iskalo Hospitality Campus, LLC, Paul Iskalo or an affiliated entity approved by the EB-5 Lender.
EB-5 Lender	EB-5 New York State, LLC ("EB5NYS") or any subsidiary or affiliate thereof, or any entity managed thereby.
Project	EB-5 Lender will raise EB-5 Capital which will be lent to Borrower ("EB-5 Loan") to be used by the Borrower for 1) the new construction and operations of a Hyatt Place Hotel, 2) the renovation and operations of the Lord Amherst Hotel and 3) the renovation of the adjacent restaurant at the Iskalo Hospitality Campus (together the "Project"). The Project will be built at 5000 to 5020 Main Street, Amherst, NY 14226. The Project will be operated by Iskalo Hospitality Campus, Iskalo Development or one or more affiliated companies. The staff working at the Hyatt Place Hotel and the Lord Amherst Hotel will be employees of Iskalo Hospitality Campus, Iskalo Development or one or more affiliated companies. The Project's construction started in July of 2013 and will be followed by its operation.
Project Cost	The Project's development cost will be approximately $39,000,000.
EB-5 Loan Amount	The amount of EB-5 capital provided by the EB-5 Lender may be up to $9,000,000 (the "EB-5 Loan Amount").
Security	In order to facilitate the Borrower's overall financing plan, the Borrower intends to undertake the Project's development in one or more subsidiary or related companies, and may grant security interests in components of the Project to different lenders. The EB-5 Loan Amount is necessary for the development of the entire Project. The EB-5 Lender, however, has agreed to restrict its security interest to the Hyatt Place Hotel in order to enable the Borrower to secure the

	balance of the Project's required financing from 3rd Party Lenders. In furtherance of this plan, the EB-5 Lender has agreed to the following security interests: First-position mortgage lien on the Hyatt Place Hotel and general security agreement with UCC-1 filings covering associated personal property. EB-5 Lender's security interest may be secured through a participation or co-loan with one or more third party lenders ("3rd Party Lender") to the Borrower or to one or more subsidiary or related companies. The total first-position mortgage from EB-5 Lender plus 3rd Party Lenders secured by the Hyatt Place Hotel will be no greater than \$15,540,000 of which the EB-5 Lender's portion will be no less than \$6,540,000. The EB-5 Loan Amount in excess of \$6,540,000 will be secured by a second-position mortgage on the Hyatt Place Hotel (the second position is currently estimated to be up to \$2,460,000). As described in the **Payment and Rate** section below, as the 3rd Party Lender's first position loan amortizes, the EB-5 Loan in second position will be moved into a first position security interest in an amount equal to the amortization of the 3rd Party Lender's loan. By the end of the Permanent Period, the entire EB-5 Loan will be in a first position, and none of the EB-5 Loan will remain in a second position. It is anticipated that relative lien priorities will be established through an intercreditor agreement between the EB-5 Lender and the 3rd Party Lender (the "Intercreditor Agreement"). The Intercreditor Agreement will provide, among other things, that so long as there is any outstanding balance on the 3rd Party Lender's loan, the EB-5 Lender will defer to the 3rd Party Lender with respect to decisions about any enforcement or waiver of remedies available in connection with the co-equal first-position mortgage and will cooperate with the 3rd Party Lender in connection with any such enforcement proceeding.
Borrower's Allocation of the EB-5 Loan Amount	The EB-5 Loan Amount may be allocated by the Borrower to: 1) the construction and operation of the new Hyatt Place Hotel, 2) the renovation and operation of the Lord Amherst Hotel, 3) the renovation of the adjacent Restaurant, or 4) a combination of the three activities consistent with the limitations described in this document. For each loan of EB-5 capital based on the Project Cost of the subject property, both of the following conditions apply: • Maximum loan-to-value (LTV) ratio of 70% based on the "Stabilized Value" of the proposed Project as contained in a Lender-commissioned appraisal. • Maximum Loan-to-Cost (LTC) ratio of 80%.

Bridge Financing	The Parties first met and discussed using EB-5 capital for the Project in April of 2012. The EB-5 Lender analyzed the Project and its job creation metrics at that time. Since then the Parties have had regular discussions about using EB-5 capital as a component of the Project financing, which culminated in this Term Sheet. In order to meet its construction requirements, the Borrower commenced construction in July 2013 using its own funds as a bridge until such time as the Borrower secures the Project's financing. The Borrower is currently finalizing the Project's financing, including EB-5 capital, 3rd Party Lender financing, equity and other funding. EB-5 Loans made pursuant to this Term Sheet are necessary for the Borrower to achieve its development objectives. Due to the time currently required to make the EB-5 capital available to the Borrower, the Parties anticipate that the Borrower will need to secure bridge or interim financing from one or more 3rd Party Lenders until the EB-5 Loan is available to the Borrower, in order for the Borrower to have the capital needed to meet its construction and operating schedule. The Parties are working together to identify suitable 3rd Party Lenders.
Financing Periods: **Construction Period Financing** **and** **Permanent Period Financing**	<u>Construction Period financing</u>. The Construction Period for the Project began in July 2013 and will end in December 2016 (unless earlier agreed by the Parties), during which time the new Hyatt Place Hotel will be constructed and the Lord Amherst Hotel and adjacent restaurant will be renovated. 3rd Party Lenders will provide a three year construction loan, of which a portion will act as a bridge for the EB-5 capital. In addition to the bridge loan the Borrower must also secure the financing which is necessary to complete the entire Project. Once the EB-5 capital has been made available to the Borrower, the Borrower will use the EB-5 capital for the construction or repay a portion of the bridge loan. <u>Permanent Period financing</u>. Permanent Period Financing will commence at the end of the Construction Period (but begin no later than January 1, 2017) and will last four years. The Parties anticipate that the EB-5 Lender will have raised EB-5 capital equal to the EB-5 Loan Amount which the Borrower will use to repay the bridge loan. The Borrower will borrow all of the EB-5 Capital raised by the EB-5 Lender and will look to a 3rd Party Lender to fund the difference between the Total Loan Amount and the EB-5 Loan Amount.
Payment and Rate	<u>Construction Period Financing.</u> If it participates in the Construction Period financing, the EB-5 Lender will participate with the 3rd Party Lender in financing the Project during the Construction Period on the same rate, fees, terms and conditions, as the 3rd Party Lender with interest-only payments. <u>Permanent Period Financing</u>. During the Permanent Period financing, the Borrower will make monthly interest-only payments to the EB-5 Lender on

	the EB-5 Loan Amount. The borrower agrees to make monthly principal payments to the 3rd Party Lender so that by the end of the Permanent Period Financing, the entire EB-5 Loan Amount will be in a first-position Mortgage. The interest rate during the Permanent Period shall be 5.0% fixed on the loan amount secured by a first-position mortgage and 6.5% on any amount which is secured by a second-position mortgage. The EB-5 Loan Amount plus any accrued interest shall be due at the end of the Permanent Period.
Loan Fee	A Loan Fee of 1.0% of the Loan Amount shall be payable at closing by Borrower to EB5NYS, which shall not be paid from the EB-5 Loan Amount.
Prepayment Blackout Period	Borrower agrees not to repay or otherwise refinance the EB-5 Loan until the earlier of: (1) the EB-5 Lender's notice to the Borrower that all the EB-5 immigrant investors I-829 petitions have been approved and repayment of the EB-5 Loan will not impact the immigrant investors' ability to achieve their immigration objectives or (2) the end of the Permanent Period. EB-5 Lender shall notify the Borrower when the first condition is met.
Real Estate	The project shall be constructed on land currently owned by the Borrower. The Borrower will disclose the value of the land and any indebtedness for which the land is pledged.
Financial and Project Reporting	Borrower shall be subject to certain customary financial and project reporting requirements that would be consistent with commercial bank construction and permanent loans; provided, however, that Borrower will not be required to furnish any financial statements other than internally prepared financial statements. The Borrower agrees to provide the same reports and notices to the EB-5 Lender as they do to the 3rd Party Lender at the same time. The Borrower also agrees to provide other information reasonably requested to comply with the requirements of the EB-5 program and US law or regulation governing the EB-5 Lender. The Borrower further agrees to allow the EB-5 Lender and the 3rd Party Lender to share any information regarding the Borrower, affiliated companies or persons and the Project.
Title Insurance and Survey	Borrower shall be obligated to furnish EB-5 Lender with a current survey prepared in accordance with the Code of Practice for Land Surveys adopted by the New York State Association of Professional Land Surveyors and a policy of mortgagee title insurance insuring priority of the Loan as a first lien on the Project to the extent provided in the Intercreditor Agreement.
Guarantor	A personal payment guaranty and environmental indemnities from Paul Iskalo ("Guarantor").

Completion Guaranty	The Guarantor shall unconditionally guaranty lien-free completion of all improvements with respect to the Project.
Expenses	The Borrower will be responsible for all costs and expenses incurred in connection with the loan, including but not limited to, EB-5 Lender's cost of loan administration such as attorney's fees, inspecting architect's fees, construction consultants, appraisal fees, environmental consultant fees, survey fees and title insurance premiums. Borrower is not responsible for EB-5 Lender's costs or expenses traditionally associated with the US EB-5 program, including but not limited to EB-5 expenses associated with Immigrant Investors', legal, travel and other similar expenses.
Good Faith Deposit	$20,000, which is due and payable upon Borrower's acceptance of this Term Sheet and will be applied towards EB-5 Lender's out-of-pocket expenses for which Borrower is responsible hereunder. Any balance over the actual expenses is not refundable.
Investment conditions	The following are certain of the preconditions to EB-5 Lender lending the EB-5 Loan Amount to the Borrower: • Borrower has provided information and documentation satisfactory to EB-5 Lender, showing that the Project is financially viable, but not limited to, a third-party market analysis acceptable to EB-5 Lender; • Execution of a term sheet and complete legal documents for the transaction; • Borrower equity is invested into the Project; • Borrower has committed funding for the entire Project in an amount sufficient to meet the Project's business plan, as determined by the EB-5 Lender. • EB-5 Lender has raised the required EB-5 capital; • EB-5 Lender has received tax, immigration and other advice satisfactory to EB-5 Lender; and other standard terms and conditions for a transaction of this nature; • EB-5 Lender is satisfied that the economic analysis projects an adequate number of new US jobs will be created. • Assignments including but not limited to, service agreements, construction, demolition, architectural, engineering, insurance and any other contracts or agreements related to the Project; • Resolution to EB-5 Lender's satisfaction of any litigation related to the Borrower and/or the Project which EB-5 Lender believes may impact the ability to meet the requirements of the EB-5 program. • Satisfactory completion by EB-5 Lender of its due diligence with

	respect to the Project, including but not limited to the receipt, review and approval of all relevant property documentation, including purchase contracts, property lease / ownership, survey, title, as-built appraisal, environmental review and costing analysis; and • EB-5 Lender review and approval of the terms and conditions of the construction contract.
Time to Raise EB-5 Loan Amount	Time to raise the EB-5 Loan Amount will be set by agreement among the Parties. The Borrower acknowledges the EB-5 Lender does not control the actual timing which follows US Government determination.
Draw Down Capital	Regardless of any other term of this Agreement, the Parties agree that if the Borrower develops the Project, the Borrower will borrow all the EB-5 Capital made available to be lent to the Borrower not later than January 1, 2017.
Binding Commitment to Provide Truthful Information	In addition, the Borrower affirms that all of the information it provides to the EB-5 Lender will be complete and truthful to its knowledge. The Borrower agrees these this term shall be binding upon Borrower and shall create a legal obligation in the Borrower.
Time to Accept	This Term Sheet may be accepted up to November 25, 2013.

THIS TERM SHEET AND THE ABOVE TERMS ARE CONFIDENTIAL AND SHALL NOT BE DISCLOSED TO ANY PERSON, WITHOUT EB-5 NEW YORK STATE, LLC'S CONSENT, OTHER THAN TO THE OFFICERS AND DIRECTORS OF THE BORROWER AND TO THEIR ACCOUNTANTS, ATTORNEYS AND OTHER ADVISORS, AND THEN ONLY ON A CONFIDENTIAL BASIS.

THIS TERM SHEET AND THE ABOVE TERMS ARE INTENDED AS AN OUTLINE OF CERTAIN MATERIAL TERMS OF THE INVESTMENT FACILITIES. EXCEPT FOR THE TERM "BINDING COMMITMENT TO PROVIDE TRUTHFUL INFORMATION" ABOVE, THE TERMS IN THIS TERM SHEET ARE NOT A BINDING COMMITMENT AND DO NOT PURPORT TO SUMMARIZE ALL OF THE CONDITIONS, REPRESENTATIONS AND WARRANTIES, COVENANTS AND OTHER PROVISIONS WHICH WOULD BE CONTAINED IN THE DEFINITIVE INVESTMENT DOCUMENTATION FOR THE INVESTMENT FACILITIES.

Agreed to this ___ day of ____________, 2013.

Borrower: Iskalo Hospitality Campus, LLC

By: Iskalo Development Corp., Its Manager

By: Paul B. Iskalo, President & CEO

EB-5 Lender

William P. Gresser, Jr.

By: EB-5 New York State LLC

Its: President

Exhibit 22

Company Commitment Letter

Amherst Hospitality, LLC
640 Ellicott St., Suite 404
Buffalo, NY 14203

January 30, 2014

Iskalo Development Corp.
5166 Main Street
Williamsville, NY 14221
Attn: Paul B. Iskalo, President

Re: $10,000,000 Mortgage Loan

Dear Paul:

The following Commitment Letter outlines the terms pursuant to which Amherst Hospitality, LLC ("EB-5 Lender") will make a loan or loans of EB-5 Capital (as defined below) to Iskalo Hospitality Campus LLC, a New York limited liability company (the "Borrower"), for the construction and operation of the Iskalo Hospitality Campus, which shall consist of (a) a new Hyatt Place Hotel at 5020 Main Street, Amherst, New York 14226 ("Hyatt Place Hotel"), (b) the renovation of the existing Lord Amherst Hotel at 5000 Main Street, Amherst, New York 14226 ("Lord Amherst Hotel") and (c) the renovation of the existing adjacent restaurant.

EB-5 Lender is affiliated with EB-5 New York State, LLC pursuant to the US EB-5 Regional Center program (the "EB-5 Program") administered by the United States Citizenship and Immigration Services ("USCIS"). Pursuant to the terms of this Commitment Letter, the EB-5 Lender will raise EB-5 Capital which will be lent to Borrower ("EB-5 Loan") to be used by the Borrower for (a) the new construction and operations of the Hyatt Place Hotel, (b) the renovation and operations of the Lord Amherst Hotel and (c) the renovation of the adjacent restaurant on the Iskalo Hospitality Campus (together the "Project"). The cost of the Project is currently estimated to be approximately $39 million. The Project will be constructed and operated by the Borrower, its affiliates - Iskalo 5000 Main LLC and Iskalo 5020 Main LLC, and or one or more other affiliated companies or subsidiaries of the Borrower of which the majority of the shares or membership interests thereof, as the case may be, are owned by Paul B. Iskalo. The staff working at the Hyatt Place Hotel and the Lord Amherst Hotel will be employees of Borrower or one or more of Borrower's affiliates.

The Borrower will raise equity and debt from a number of sources to finance the Project. In order to facilitate the Borrower's overall financing plan, the Borrower shall delegate ownership and development of certain components of the Project to one or more affiliated or subsidiary companies, which such affiliates and subsidiaries, as the case may be, shall be permitted to grant security interests in their portion of the Project to various lenders, including certain financial institutions (collectively, the "Bank Lenders").

The EB-5 Loan is necessary for the development of the entire Project, but represents only a portion of the Borrower's total financing needs. In order for the Borrower to secure the balance of its financing needs, the EB-5 Lender has agreed to restrict its collateral to collateral located at or existing in connection with the Hyatt Place Hotel. Notwithstanding the foregoing, EB-5 Lender requires and Borrower has agreed that all components of the Project be undertaken. The Bank Lender for the Hyatt Place Hotel will require that the Hyatt Place Hotel and the Lord Amherst Hotel be completed.

EB-5 Lender will raise funds ("EB-5 Capital") from foreign nationals ("Foreign Investors") seeking visas to the United States under the EB-5 Program ("EB-5 Capital"), which EB-5 Capital shall be the sole source of funds for the EB-5 Loan. Borrower acknowledges that EB-5 Lender does not control the timing of raising EB-5 Capital, or whether a sufficient amount of EB-5 Capital will be raised to fund the full amount of the EB-5 Loan. Borrower also agrees that, regardless of anything to the contrary contained in this Commitment Letter, the Confidential Term Sheet dated November 22, 2013 attached hereto as Exhibit A and made a part hereof (the "Summary of Terms") or any other related agreement executed by the Borrower, that Borrower will borrow all of the EB-5 Capital raised and offered to Borrower within three (3) years of the date of the closing of the construction loan described in the Construction Commitment (as defined below).

As a part of its overall financing plan, Borrower's affiliate, Iskalo 5020 Main LLC, has secured construction and permanent financing from First Niagara Bank, N.A., as agent for certain banks ("First Niagara Bank") pursuant to the Construction Commitment, for the construction of the Hyatt Place Hotel, a portion of which shall act as a bridge to the EB-5 Loan. The Borrower acknowledges and agrees that if instructed by First Niagara Bank, EB-5 shall advance the proceeds of the EB-5 Loan directly to First Niagara Bank for the Borrower's account for the repayment of the First Niagara Bank bridge financing. The EB-5 Loan will be advanced to the Borrower (or for the Borrower's account) in tranches of $500,000 upon (i) confirmation from USCIS that the Project has been approved for the EB-5 Program and (ii) receipt of a tranche of funds from a Foreign Investor and confirmation that such Foreign Investor's I-526 application has been approved by USCIS.

The commitment of the EB-5 Lender hereunder is subject to the satisfaction of each of the following conditions precedent in a manner acceptable to the EB-5 Lender: (a) the completion of all of the Borrower's requirements and obligations as set forth in the Summary of Terms, (b) the completion of all other confirmatory business and legal due diligence as set forth in the Summary of Terms; (b) the accuracy and completeness of all representations that the Borrower and its affiliates make to the EB-5 Lender and the Borrower's compliance with the terms of this Commitment Letter and the Summary of Terms; (c) the negotiation, execution and delivery of definitive documentation for the EB-5 Loan consistent with the Summary of Terms and otherwise satisfactory to the EB-5 Lender; (d) the satisfaction of those certain conditions set forth on Exhibit B attached hereto and (e) no change, occurrence or development that shall have occurred or become known to the EB-5 Lender that could reasonably be expected to have a material adverse effect on the business, assets, liabilities (actual or contingent), operations, condition (financial or otherwise, prospects or job creation of the Borrower or the Project and/or that in EB-5 Lender's sole opinion, may cause the EB-5 Loan or the Project to not comply with the requirements of the EB-5 Program.

The commitment of the EB-5 Lender hereunder is further subject to EB-5 Lender's satisfaction in its sole discretion that all conditions set forth in the commitment letter dated December 19, 2013 from First Niagara Bank (the "Construction Commitment")–including, without limitation, Section 4 of the Construction Commitment have been satisfied or otherwise waived by the Agent in its reasonable credit judgment.

The undersigned hereby represent, warrant and covenant that all information which has been or is hereafter made available to the EB-5 Lender by the undersigned or any of their representatives (or on the undersigned's or their representative's behalf) in connection with the transactions contemplated hereby is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading.

By executing this Commitment Letter, the undersigned agree to reimburse the EB-5 Lender from time to time on demand for all reasonable out-of-pocket fees and expenses (including, but not limited to, (a) the reasonable fees, disbursements and other charges of counsel to the EB-5 Lender in connection with the preparation of this Commitment Letter or in connection with the EB-5 Loan; (b) due diligence expenses incurred in connection with the EB-5 Loan, the preparation of the definitive documentation therefore and the other transactions contemplated hereby. The EB-5 Lender acknowledges that it has received the deposit of $20,000 required pursuant to the Summary of Terms to be used toward payment of EB-5 Lender's costs and expenses.

The undersigned hereby agree to indemnify and hold the EB-5 Lender and EB-5 New York State, LLC and their officers, directors, employees, agents, advisors, members, managers and other representatives (each, an "Indemnified Party") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, the reasonable fees, disbursements and other expenses of counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (a) any matters contemplated by this Commitment Letter or any related transaction or (b) the EB-5 Loan and any other financings or any use made or proposed to be made with the proceeds thereof, except to the extent such claim, damage, loss, liability or expense is found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct. In no event shall the EB-5 Lender's failure to raise sufficient EB-5 capital be considered gross negligence hereunder.

Notwithstanding anything to the contrary contained in the preceding two paragraphs or elsewhere in this Commitment Letter, EB-5 Lender agrees that the undersigned shall not be responsible under any circumstance for costs or expenses traditionally associated with, or indemnification obligations arising out of, the Foreign Investor investment portion of the EB-5 Program, including but not limited to costs, claims, damages, losses, liabilities and expenses arising out of the identification and solicitation of the Foreign Investors. This paragraph, however, shall not limit in any manner the undersigned's obligation to indemnify the Indemnified Parties with respect to any claims, damages, losses, liabilities and expenses arising from any material misrepresentation or omission by the undersigned or any affiliate thereof regarding the Project which was relied upon by EB-5 to approve the Project with USCIS or solicit the Foreign Investors.

This Commitment Letter and the contents hereof and thereof are confidential and, except for disclosure hereof or thereof on a confidential basis to the undersigned's accountants, attorneys and other professional advisors retained by the undersigned in connection with the EB-5 Loan or as otherwise required by law, may not be disclosed in whole or in part to any person or entity without our prior written consent; provided, however, it is understood and agreed that the undersigned may disclose this Commitment Letter (including the Summary of Terms), on a confidential basis, to their officers, agents and advisors, and to First Niagara Bank in connection with the financing contemplated under the Construction Commitment. Furthermore, the undersigned acknowledges that the EB-5 Lender may disclose the contents of this Commitment Letter and related disclosures by Borrower, related entities, and other financing, to various parties in order to comply with the EB-5 Program and raising of EB-5 capital to fund the EB-5 Loan.

This Commitment Letter may be executed in counterparts which, taken together, shall constitute an original. Delivery of an executed counterpart of this Commitment Letter by telecopier or facsimile shall be effective as delivery of a manually executed counterpart thereof.

This Commitment Letter shall be governed by, and construed in accordance with, the laws of the State of New York without resort to conflict of laws principles. The Borrower consents to the exclusive jurisdiction and venue of the state or federal courts located in Erie County, New York (and appellate courts thereof). Each of the undersigned, and the EB-5 Lender hereby irrevocably waives any and all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Commitment Letter (including, without limitation, the Summary of Terms), the transactions contemplated hereby and thereby or the actions of the EB-5 Lender in the negotiation, performance or enforcement hereof. The commitments and undertakings of the EB-5 Lender may be terminated by us, if any of the undersigned fail to perform its obligations under this Commitment Letter on a timely basis.

This Commitment Letter, together with the Summary of Terms, embodies the entire agreement and understanding among the EB-5 Lender, the undersigned and their affiliates with respect to the EB-5 Loan and supersedes all prior agreements and understandings relating to the specific matters hereof. However, please note that the terms and conditions of the commitment of the EB-5 Lender is not limited to those set forth herein or in the Summary of Terms. Those matters that are not covered or made clear herein or in the Summary of Terms are subject to mutual agreement of the parties. This Commitment Letter is not assignable by the Borrower without our prior written consent and is intended to be solely for the benefit of the parties hereto and the Indemnified Parties.

For the avoidance of doubt, pursuant to that certain letter dated January 22, 2014, from EB-5 New York State, LLC to Iskalo Development Corp., this Commitment Letter amends the Summary of Terms such that the maximum principal amount of the EB-5 Loan thereunder shall be $10,000,000.00.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS COMMITMENT LETTER OR THE CONSTRUCTION COMMITMENT, THE EB-5 LENDER SHALL HAVE NO OBLIGATION TO MAKE ANY ADVANCE UNDER THE EB-5 LOAN UNLESS EB-5 LENDER HAS RAISED EB-5 CAPITAL SUFFICIENT TO FUND THE EB-5 LOAN.

This offer will expire at 5:00 p.m. New York time on January 31, 2014 unless you execute this Commitment Letter and return it to us (which may be by facsimile transmission), prior to such time.

We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

AMHERST HOSPITALITY, LLC
By: JobsNY, LLC, its managing member

By:_________________________
William Gresser, Manager

Accepted and Agreed to this
31st day of January, 2014

ISKALO HOSPITALITY CAMPUS LLC
By: Iskalo Development Corp., its Manager

By:__________________________
Paul B. Iskalo, President

____
Paul B. Iskalo, as Guarantor

ISKALO 5020 MAIN LLC
By: Iskalo Development Corp., its Manager

By:__________________________
Paul B. Iskalo, President

Exhibit A

Confidential Term Sheet

Exec. I
11-22-13

EB-5 NEW YORK STATE REGIONAL CENTER

CONFIDENTIAL
TERM SHEET

NOVEMBER 22, 2013

The following are the terms pursuant to which EB-5 New York State, LLC, will make a loan or loans for the construction and operation of the Iskalo Hospitality Campus, consisting of 1) a new Hyatt Place Hotel, 2) the renovation of the existing Lord Amherst Hotel and 3) the renovation of the existing adjacent Restaurant.

Borrower	Iskalo Hospitality Campus, LLC, Paul Iskalo or an affiliated entity approved by the EB-5 Lender.
EB-5 Lender	EB-5 New York State, LLC ("EB5NYS") or any subsidiary or affiliate thereof, or any entity managed thereby.
Project	EB-5 Lender will raise EB-5 Capital which will be lent to Borrower ("EB-5 Loan") to be used by the Borrower for 1) the new construction and operations of a Hyatt Place Hotel, 2) the renovation and operations of the Lord Amherst Hotel and 3) the renovation of the adjacent restaurant at the Iskalo Hospitality Campus (together the "Project"). The Project will be built at 5000 to 5020 Main Street, Amherst, NY 14226. The Project will be operated by Iskalo Hospitality Campus, Iskalo Development or one or more affiliated companies. The staff working at the Hyatt Place Hotel and the Lord Amherst Hotel will be employees of Iskalo Hospitality Campus, Iskalo Development or one or more affiliated companies. The Project's construction started in July of 2013 and will be followed by its operation.
Project Cost	The Project's development cost will be approximately $39,000,000.
EB-5 Loan Amount	The amount of EB-5 capital provided by the EB-5 Lender may be up to $9,000,000 (the "EB-5 Loan Amount").
Security	In order to facilitate the Borrower's overall financing plan, the Borrower intends to undertake the Project's development in one or more subsidiary or related companies, and may grant security interests in components of the Project to different lenders. The EB-5 Loan Amount is necessary for the development of the entire Project. The EB-5 Lender, however, has agreed to restrict its security interest to the Hyatt Place Hotel in order to enable the Borrower to secure the

	balance of the Project's required financing from 3rd Party Lenders. In furtherance of this plan, the EB-5 Lender has agreed to the following security interests: First-position mortgage lien on the Hyatt Place Hotel and general security agreement with UCC-1 filings covering associated personal property. EB-5 Lender's security interest may be secured through a participation or co-loan with one or more third party lenders ("3rd Party Lender") to the Borrower or to one or more subsidiary or related companies. The total first-position mortgage from EB-5 Lender plus 3rd Party Lenders secured by the Hyatt Place Hotel will be no greater than $15,540,000 of which the EB-5 Lender's portion will be no less than $6,540,000. The EB-5 Loan Amount in excess of $6,540,000 will be secured by a second-position mortgage on the Hyatt Place Hotel (the second position is currently estimated to be up to $2,460,000). As described in the **Payment and Rate** section below, as the 3rd Party Lender's first position loan amortizes, the EB-5 Loan in second position will be moved into a first position security interest in an amount equal to the amortization of the 3rd Party Lender's loan. By the end of the Permanent Period, the entire EB-5 Loan will be in a first position, and none of the EB-5 Loan will remain in a second position. It is anticipated that relative lien priorities will be established through an intercreditor agreement between the EB-5 Lender and the 3rd Party Lender (the "Intercreditor Agreement"). The Intercreditor Agreement will provide, among other things, that so long as there is any outstanding balance on the 3rd Party Lender's loan, the EB-5 Lender will defer to the 3rd Party Lender with respect to decisions about any enforcement or waiver of remedies available in connection with the co-equal first-position mortgage and will cooperate with the 3rd Party Lender in connection with any such enforcement proceeding.
Borrower's Allocation of the EB-5 Loan Amount	The EB-5 Loan Amount may be allocated by the Borrower to: 1) the construction and operation of the new Hyatt Place Hotel, 2) the renovation and operation of the Lord Amherst Hotel, 3) the renovation of the adjacent Restaurant, or 4) a combination of the three activities consistent with the limitations described in this document. For each loan of EB-5 capital based on the Project Cost of the subject property, both of the following conditions apply: • Maximum loan-to-value (LTV) ratio of 70% based on the "Stabilized Value" of the proposed Project as contained in a Lender-commissioned appraisal. • Maximum Loan-to-Cost (LTC) ratio of 80%.

Bridge Financing	The Parties first met and discussed using EB-5 capital for the Project in April of 2012. The EB-5 Lender analyzed the Project and its job creation metrics at that time. Since then the Parties have had regular discussions about using EB-5 capital as a component of the Project financing, which culminated in this Term Sheet. In order to meet its construction requirements, the Borrower commenced construction in July 2013 using its own funds as a bridge until such time as the Borrower secures the Project's financing. The Borrower is currently finalizing the Project's financing, including EB-5 capital, 3rd Party Lender financing, equity and other funding. EB-5 Loans made pursuant to this Term Sheet are necessary for the Borrower to achieve its development objectives. Due to the time currently required to make the EB-5 capital available to the Borrower, the Parties anticipate that the Borrower will need to secure bridge or interim financing from one or more 3rd Party Lenders until the EB-5 Loan is available to the Borrower, in order for the Borrower to have the capital needed to meet its construction and operating schedule. The Parties are working together to identify suitable 3rd Party Lenders.
Financing Periods: **Construction Period Financing** **and** **Permanent Period Financing**	Construction Period financing. The Construction Period for the Project began in July 2013 and will end in December 2016 (unless earlier agreed by the Parties), during which time the new Hyatt Place Hotel will be constructed and the Lord Amherst Hotel and adjacent restaurant will be renovated. 3rd Party Lenders will provide a three year construction loan, of which a portion will act as a bridge for the EB-5 capital. In addition to the bridge loan the Borrower must also secure the financing which is necessary to complete the entire Project. Once the EB-5 capital has been made available to the Borrower, the Borrower will use the EB-5 capital for the construction or repay a portion of the bridge loan. Permanent Period financing. Permanent Period Financing will commence at the end of the Construction Period (but begin no later than January 1, 2017) and will last four years. The Parties anticipate that the EB-5 Lender will have raised EB-5 capital equal to the EB-5 Loan Amount which the Borrower will use to repay the bridge loan. The Borrower will borrow all of the EB-5 Capital raised by the EB-5 Lender and will look to a 3rd Party Lender to fund the difference between the Total Loan Amount and the EB-5 Loan Amount.
Payment and Rate	Construction Period Financing. If it participates in the Construction Period financing, the EB-5 Lender will participate with the 3rd Party Lender in financing the Project during the Construction Period on the same rate, fees, terms and conditions, as the 3rd Party Lender with interest-only payments. Permanent Period Financing. During the Permanent Period financing, the Borrower will make monthly interest-only payments to the EB-5 Lender on

	the EB-5 Loan Amount. The borrower agrees to make monthly principal payments to the 3rd Party Lender so that by the end of the Permanent Period Financing, the entire EB-5 Loan Amount will be in a first-position Mortgage. The interest rate during the Permanent Period shall be 5.0% fixed on the loan amount secured by a first-position mortgage and 6.5% on any amount which is secured by a second-position mortgage. The EB-5 Loan Amount plus any accrued interest shall be due at the end of the Permanent Period.
Loan Fee	A Loan Fee of 1.0% of the Loan Amount shall be payable at closing by Borrower to EB5NYS, which shall not be paid from the EB-5 Loan Amount.
Prepayment Blackout Period	Borrower agrees not to repay or otherwise refinance the EB-5 Loan until the earlier of: (1) the EB-5 Lender's notice to the Borrower that all the EB-5 immigrant investors I-829 petitions have been approved and repayment of the EB-5 Loan will not impact the immigrant investors' ability to achieve their immigration objectives or (2) the end of the Permanent Period. EB-5 Lender shall notify the Borrower when the first condition is met.
Real Estate	The project shall be constructed on land currently owned by the Borrower. The Borrower will disclose the value of the land and any indebtedness for which the land is pledged.
Financial and Project Reporting	Borrower shall be subject to certain customary financial and project reporting requirements that would be consistent with commercial bank construction and permanent loans; provided, however, that Borrower will not be required to furnish any financial statements other than internally prepared financial statements. The Borrower agrees to provide the same reports and notices to the EB-5 Lender as they do to the 3rd Party Lender at the same time. The Borrower also agrees to provide other information reasonably requested to comply with the requirements of the EB-5 program and US law or regulation governing the EB-5 Lender. The Borrower further agrees to allow the EB-5 Lender and the 3rd Party Lender to share any information regarding the Borrower, affiliated companies or persons and the Project.
Title Insurance and Survey	Borrower shall be obligated to furnish EB-5 Lender with a current survey prepared in accordance with the Code of Practice for Land Surveys adopted by the New York State Association of Professional Land Surveyors and a policy of mortgagee title insurance insuring priority of the Loan as a first lien on the Project to the extent provided in the Intercreditor Agreement.
Guarantor	A personal payment guaranty and environmental indemnities from Paul Iskalo ("Guarantor").

Completion Guaranty	The Guarantor shall unconditionally guaranty lien-free completion of all improvements with respect to the Project.
Expenses	The Borrower will be responsible for all costs and expenses incurred in connection with the loan, including but not limited to, EB-5 Lender's cost of loan administration such as attorney's fees, inspecting architect's fees, construction consultants, appraisal fees, environmental consultant fees, survey fees and title insurance premiums. Borrower is not responsible for EB-5 Lender's costs or expenses traditionally associated with the US EB-5 program, including but not limited to EB-5 expenses associated with Immigrant Investors', legal, travel and other similar expenses.
Good Faith Deposit	$20,000, which is due and payable upon Borrower's acceptance of this Term Sheet and will be applied towards EB-5 Lender's out-of-pocket expenses for which Borrower is responsible hereunder. Any balance over the actual expenses is not refundable.
Investment conditions	The following are certain of the preconditions to EB-5 Lender lending the EB-5 Loan Amount to the Borrower: • Borrower has provided information and documentation satisfactory to EB-5 Lender, showing that the Project is financially viable, but not limited to, a third-party market analysis acceptable to EB-5 Lender; • Execution of a term sheet and complete legal documents for the transaction; • Borrower equity is invested into the Project; • Borrower has committed funding for the entire Project in an amount sufficient to meet the Project's business plan, as determined by the EB-5 Lender. • EB-5 Lender has raised the required EB-5 capital; • EB-5 Lender has received tax, immigration and other advice satisfactory to EB-5 Lender; and other standard terms and conditions for a transaction of this nature; • EB-5 Lender is satisfied that the economic analysis projects an adequate number of new US jobs will be created. • Assignments including but not limited to, service agreements, construction, demolition, architectural, engineering, insurance and any other contracts or agreements related to the Project; • Resolution to EB-5 Lender's satisfaction of any litigation related to the Borrower and/or the Project which EB-5 Lender believes may impact the ability to meet the requirements of the EB-5 program. • Satisfactory completion by EB-5 Lender of its due diligence with

	respect to the Project, including but not limited to the receipt, review and approval of all relevant property documentation, including purchase contracts, property lease / ownership, survey, title, as-built appraisal, environmental review and costing analysis; and • EB-5 Lender review and approval of the terms and conditions of the construction contract.
Time to Raise EB-5 Loan Amount	Time to raise the EB-5 Loan Amount will be set by agreement among the Parties. The Borrower acknowledges the EB-5 Lender does not control the actual timing which follows US Government determination.
Draw Down Capital	Regardless of any other term of this Agreement, the Parties agree that if the Borrower develops the Project, the Borrower will borrow all the EB-5 Capital made available to be lent to the Borrower not later than January 1, 2017.
Binding Commitment to Provide Truthful Information	In addition, the Borrower affirms that all of the information it provides to the EB-5 Lender will be complete and truthful to its knowledge. The Borrower agrees these this term shall be binding upon Borrower and shall create a legal obligation in the Borrower.
Time to Accept	This Term Sheet may be accepted up to November 25, 2013.

THIS TERM SHEET AND THE ABOVE TERMS ARE CONFIDENTIAL AND SHALL NOT BE DISCLOSED TO ANY PERSON, WITHOUT EB-5 NEW YORK STATE, LLC'S CONSENT, OTHER THAN TO THE OFFICERS AND DIRECTORS OF THE BORROWER AND TO THEIR ACCOUNTANTS, ATTORNEYS AND OTHER ADVISORS, AND THEN ONLY ON A CONFIDENTIAL BASIS.

THIS TERM SHEET AND THE ABOVE TERMS ARE INTENDED AS AN OUTLINE OF CERTAIN MATERIAL TERMS OF THE INVESTMENT FACILITIES. EXCEPT FOR THE TERM "BINDING COMMITMENT TO PROVIDE TRUTHFUL INFORMATION" ABOVE, THE TERMS IN THIS TERM SHEET ARE NOT A BINDING COMMITMENT AND DO NOT PURPORT TO SUMMARIZE ALL OF THE CONDITIONS, REPRESENTATIONS AND WARRANTIES, COVENANTS AND OTHER PROVISIONS WHICH WOULD BE CONTAINED IN THE DEFINITIVE INVESTMENT DOCUMENTATION FOR THE INVESTMENT FACILITIES.

Agreed to this 22 day of November, 2013.

Borrower: Iskalo Hospitality Campus, LLC	**EB-5 Lender**
By: Iskalo Development Corp., Its Manager	By: William P. Gresser Jr.
By: Paul B. Iskalo, President & CEO	Its: President

Exhibit B

Reference is made to that certain Joinder Agreement to be entered into between Iskalo 5020 Main LLC, First Niagara Bank, N.A., as Agent, First Niagara Bank, N.A. and M&T Bank, as Banks and Amherst Hospitality, LLC (the "Joinder Agreement"). At the closing of the EB-5 Loan, the Borrower and EB-5 shall agree to an amortization schedule ("Amortization Schedule") of that certain loan from First Niagara Bank, N.A. as Agent, to Iskalo 5020 Main LLC (the "FNB Loan"), which would amortize the FNB Loan at a rate such that the entire EB-5 Loan would be a First Lien Amount (as defined in the Joinder Agreement) upon maturity of the FNB Loan in accordance with the terms of the Joinder Agreement. The Borrower shall also enter into pledge, control and other such agreements, as reasonably required by the EB-5 Lender, which shall require the Borrower to pledge cash, marketable securities or such other collateral acceptable to the EB-5 Lender ("Collateral") on a quarterly basis in the event that the payments made by Iskalo 5020 Main LLC on the FNB Loan are not sufficient to amortize the FNB in accordance with the Amortization Schedule. Upon the maturity of the FNB Loan, the Collateral shall be used to pay the EB-5 Junior Loan Amount (as defined in the Joinder Agreement), if any.

Doc #01-2743070.8

Exhibit 23

Company Proforma Income Statement

Amherst Hospitality, LLC
Proforma Income Statement

Transaction Assumptions

EB-5 Loan Amount:	$10,000,000						
Blended Permanent Interest Rate:			5.44%	5.31%	5.19%	5.06%	
Construction Interest Rate:		3.50%					

	2015	2016	2017	2018	2019	Total
Average Construction Loan Balance	$10,000,000					
Average Permanent Loan Balance		$10,000,000	$10,000,000	$10,000,000	$10,000,000	
Interest Revenue	$350,000	$544,000	$531,000	$519,000	$506,000	$2,450,000
Total Revenue	$350,000	$544,000	$531,000	$519,000	$506,000	$2,450,000
Expenses	$200,000	$150,000	$150,000	$220,000	$150,000	$870,000
Profit	$150,000	$394,000	$381,000	$299,000	$356,000	$1,580,000
Profit Share to Investors (30% Share w/ 1% Max Total)	$45,000	$100,000	$100,000	$89,700	$100,000	$434,700
Per Investor	$1,406	$3,125	$3,125	$2,803	$3,125	$13,584
Balance to the Manager	$105,000	$294,000	$281,000	$209,300	$256,000	$1,145,300

Exhibit 24

Lord Amherst and Sonoma Grill 2013 Income Statement

ISKALO DEVELOPMENT CORP.

ISKALO 5000 MAIN LLC

FINANCIAL STATEMENTS

YEAR ENDED

DECEMBER 31, 2013

ISKALO 5000 MAIN LLC
BALANCE SHEET
YEAR ENDED DECEMBER 31, 2013

ASSETS

CURRENT ASSETS		
Cash Two Bank Accounts	$	1,212.51
Accounts receivable		2,240.32
Accounts Receiveable Iskalo 5020 Main LLC		511,218.91
Prepaid expenses		35,739.04
Total current assets		550,410.78
PROPERTY AND EQUIPMENT		
Land		480,604.00
Buildings		3,000,000.00
Building Improvements		667,343.46
Building Improvements Sonoma		11,715.62
Developer Fee		175,000.00
Equipment		64,900.24
Hotel Software		7,983.81
FF & E		85,109.77
Less accumulated depreciation		(241,601.07)
Net property and equipment		4,251,055.83
OTHER ASSETS		
Finance Costs		92,242.82
Closing Costs		155,114.91
Acquisition Cost		208,836.24
Less accumulated Amortization		(65,585.48)
Net other assets		390,608.49
	$	5,192,075.10

ISKALO 5000 MAIN LLC
BALANCE SHEET
(CONTINUED)

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES		
Mortgage payable	$	3,250,000.00
Sonoma Hospitality Inc		275,000.00
Tenant security deposits		-
Guest Advance Deposits		440.99
Accrued Payroll and Taxes		9,781.67
Accrued Expenses		2,304.14
Sales Tax and Occupancy Tax		4,752.55
N/P Paul B Iskalo		1,168,205.13
N/P Alliance Laundry		47,298.42
Accounts payable		23,927.65
Accounts payable		913,159.12
Accounts payable - Iskalo Development		73,134.96
Total current liabilities		5,768,004.63
STOCKHOLDER'S EQUITY		
Common stock		
Paid in capital		
Dividends		
Retained earnings		(277,195.41)
Net income (loss)		(298,734.12)
Total stockholder's equity		(575,929.53)
	$	5,192,075.10
		-

Short Term Debt

Long Term Debt

ISKALO 5000 MAIN LLC
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2013

ROOM REVENUE	$	913,624.37
RENTAL INCOME SONOMA		(24,546.71)
TELEPHONE REVENUE		1,185.81
OTHER REVENUE		17,384.74
OTHER REVENUE LATE CHARGES		
TOTAL REVENUE		907,648.21
DEPARTMENTAL EXPENSES		(782,016.37)
INCOME FROM OPERATIONS		125,631.84
GROSS PROFIT		125,631.84
FIXED EXPENSES		(169,843.33)
OTHER INCOME (EXPENSE)		
INTEREST EXPENSE		(106,215.51)
DEPRECIATION EXPENSE		(148,307.12)
NET INCOME (LOSS)	$	(298,734.12)

Exhibit 25

USCIS Q&A: EB-5 Economic Methodologies

U.S. Citizenship and Immigration Services

Questions and Answers: EB-5 Economic Methodologies

Release Date: July 03, 2012

On June 22, 2012, USCIS hosted a public engagement featuring two economists who work on the EB-5 Immigrant Investor program. Following that engagement, some stakeholders sought clarification as to certain points raised by the economists. USCIS is now pleased to provide clarification as to two of the primary questions raised.

EB-5 Projects Involving Hotel or Resort Development

Q: When an EB-5 project involves the development of a hotel or resort, when is it economically reasonable to input projected funds spent by visitors into economic models to project indirect and induced job creation resulting from the spending of these potential hotel occupants (e.g. on rental cars, dining, etc.)?

A: In general, job credit based on “visitor spending” is appropriate only where the applicant or petitioner can show by a preponderance of the evidence that the development of the EB-5 project or resort will result in an increase in visitor arrivals or spending in the area. Applicants or petitioners should provide reasonable estimates of how new visitor spending and tourism demand is driven by the specific project that is the subject of the application or petition. If the applicant or petitioner presents a reasonable case that the visitor spending and demand for tourism generated by a project is new then it may be reasonable to conclude that the specific project has generated an increase in demand, and thus, has generated increased employment in the region resulting from the projected increase in visitor spending. If the applicant or petitioner meets this burden and the application or petition can otherwise be considered reasonable, new visitor spending revenue can be considered an eligible input to an appropriate regional input-output model.

Regardless of whether visitor spending is shown to be attributable to a particular project, jobs created from construction (lasting over two years), management, and operation of the hotel or resort, including hotel revenues, can be considered eligible inputs to an appropriate regional input-output model assuming that the application or petition can otherwise be considered reasonable.

Acquiring Real Estate

Q: May a regional center use funds from EB-5 investors to acquire real estate?

A: In general, yes, subject to the requirement of Matter of Izummi, 22 I & N Dec. 169 (Comm’r 1998), that the “full amount of money must be made available to the business(es) most closely responsible for creating the employment upon which the petition is based.” For example, a job-creating enterprise may propose to allocate some EB-5 funds to purchasing land and allocate other EB-5 funds to developing and operating a business on the purchased land, and the jobs created by the enterprise can be apportioned among all the EB-5 investors. It is important to note, however, that real estate acquisition is not generally recognized as a job-creating activity in and of itself. Thus, it is not generally reasonable to treat funds spent on real estate acquisition as inputs to an employment impact model. Where some EB-5 funds will be used for real estate acquisition, such apportionment should be detailed in the business plan.

USCIS does recognize that certain soft costs directly related to real estate transactions may reasonably be counted as valid job-creating expenditures and inputs to regional input-output models. In addition, soft costs related to the development and construction of EB-5-supported projects on designated land parcels may be considered on a case-by-case basis. If the input-output model utilized in the economic impact analysis provides specific categories for the soft costs, the multiplier categories specific to these costs should be used instead of bundling such costs under general construction expenditures.

Last Reviewed/Updated: 07/03/2012

Exhibit 26

TEA Letter

Empire State Development

September 15, 2014

Mr. Bill Gresser
President
EB-5 New York State, LLC
120 W. Tupper Street
Buffalo, New York 14201

Dear Mr. Gresser:

Attached is a letter from Mr. Joseph Nardone, of the New York State Department of Labor, identifying an area including census tract 94.02 in Erie County. Based on 2013 annual average labor force data, the Department of Labor has determined that this area meets the minimum threshold of unemployment to qualify as a Targeted Employment Area.

Based on the Labor Department's determination, I am able to certify that the area described in the attached letter qualifies as a Targeted Employment Area.

Census tract 94.02, in Erie County, contains 5000 Main Street, Amherst, New York 14226.

Please feel free to contact me if you have any questions.

Sincerely,

Ms. Kay Alison Wilkie
Director for International Policy

cc: Joseph Nardone, DOL

New York State Department of Labor
Andrew M. Cuomo, *Governor*
Peter M. Rivera, *Commissioner*

September 15, 2014

Kay Alison Wilkie
Director for International Policy
Division of Business Advocacy and Research
Empire State Development | NYS Department of Economic Development
625 Broadway
Albany, NY 12245

Dear Ms. Wilkie:

The 2013 average unemployment rate for census tract 94.02 in Erie County that contains the address, 5000 Main Street, Amherst, NY 14226, as you requested is 4.1 percent. The current minimum threshold to qualify as a Targeted Employment Area is 11.1 percent.

For your consideration, we developed an alternative area composed of census tracts 27.02, 35, 36, 39.02, 42, 43, 94.02, and 95.01 in Erie County with an annual average unemployment rate of 11.1 percent.

These data were estimated using census share methodology as stipulated by the U.S. Bureau of Labor Statistics in LAUS Technical Memorandum No. S-05-21. Census2000 tract boundaries, Census2000 household-only labor force data, and 2013 annual average Local Area Unemployment Statistics (LAUS) data were used in this estimate.

Please feel free to contact me if you have any questions.

Sincerely,

Joseph Nardone

Joseph Nardone

W. Averell Harriman State Office Campus
Building 12, Room 490, Albany, NY 12240
518-457-1350
www.labor.ny.gov