

**ACA Financial Guaranty Corporation**

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December 7, 2015

*via electronic mail and overnight delivery*

Amalgamated Bank of Chicago

Corporate Trust Services

One West Monroe Street

Chicago, Illinois 60603

Attention: Christine Linde, Senior Vice President

**Re: Lombard Public Facilities Corporation Conference Center and Hotel First Tier Revenue Bonds Series 2005A-2 (the "Series 2005A-2 Bonds")**

Ladies and Gentlemen:

Amalgamated Bank of Chicago serves as trustee (the "Trustee") under that certain Indenture of Trust (the "Indenture") made and entered into as of August 1, 2005, by and between the Lombard Public Facilities Corporation (the "Issuer") and the Trustee, as amended by that certain First Supplemental Trust Indenture, dated as of April 1, 2006, pertaining to the above referenced Series 2005A-2 Bonds and several other bond series, including the First Tier Revenue Bonds Series 2005A-1 (the "Series 2005A-1 Bonds" and collectively with the Series 2005A-2 Bonds, the "First Tier Bonds"), the Second Tier Revenue Bonds, Series 2005B (the "Second Tier Bonds"), and the Third Tier Revenue Bonds, Series 2005C-1, 2005C-3, Series 2006C-2, and Series 2006C-3 (collectively, the "Third Tier Bonds" and together with the First Tier Bonds and the Second Tier Bonds, the "Bonds"). Capitalized terms not otherwise defined herein shall be as defined in the Indenture.

Events of Default exist under Section 9.05 of the Indenture due to the Issuer's inability to fund sufficient payments on Second Tier Bonds on January 1, 2014, July 1, 2014, January 1, 2015 and July 1, 2015. Similarly, Events of Default exists due to the Issuer's inability to fund sufficient payments on the First Tier Bonds on January 1, 2015 and July 1, 2015.

As you know, ACA Financial Guaranty Corporation ("ACA") issued the Bond Insurance Policy with respect to the Series 2005A-2 Bonds and the Surety Bond with respect to the First Tier Supplemental Debt Service Reserve Fund. Pursuant to the Indenture, ACA is the Controlling Party with respect to the Bonds and is entitled to direct the Trustee with respect to remedies and

December 7, 2015

other matters following an Event of Default. This letter is being written to advise you that, the Trustee is to continue not to take any type of remedial action with respect to the Bonds unless expressly directed to do so by ACA. In addition, the Trustee is hereby instructed in accordance with Section 10.03 of the Indenture to send to Bondholders the notice entitled "Disclosure of October 7, 2015 Presentation" in the form attached hereto as Exhibit A. As the Controlling Party, ACA is continuing to review and analyze the situation and may provide additional instructions to the Trustee in the future, consistent with terms of the Indenture.

In addition to any other provision set forth herein, each of ACA and the Trustee hereby agrees that the paragraphs (a) through (e) set forth in the letter agreement, dated June 24, 2014, are incorporated herein by reference.

Nothing in this letter shall be construed as instructing or otherwise prohibiting the Trustee from taking any actions consistent with the terms of the Indenture, prior to the occurrence of an Event of Default.

**ACA FINANCIAL GUARANTY CORP.,  
as CONTROLLING PARTY**

By: 

Name: Maria Cheng

Title: Managing Director

CC: Warren S. Bloom  
[BY ELECTRONIC MAIL]

**EXHIBIT A**

**FORM OF DISCLOSURE OF OCTOBER 7, 2015 PRESENTATION**

**DISCLOSURE OF OCTOBER 7, 2015 PRESENTATION**

**\$63,915,000**

**Lombard Public Facilities Corporation  
Conference Center and Hotel First Tier Revenue Bonds, Series 2005A-1  
CUSIP#: 541589AC1  
CUSIP#: 541589AZ0**

**\$53,995,000**

**Lombard Public Facilities Corporation  
Conference Center and Hotel First Tier Revenue Bonds Series, 2005A-2  
CUSIP#: 541589BA4  
CUSIP#: 541589BB2  
CUSIP#: 541589BC0  
CUSIP#: 541589BD8  
CUSIP#: 541589BH9  
CUSIP#: 541589BN6  
CUSIP#: 541589BT3  
CUSIP#: 541589BZ9**

**\$43,340,000**

**Lombard Public Facilities Corporation  
Conference Center and Hotel Second Tier Revenue Bonds, Series 2005B  
CUSIP #541589CD7  
CUSIP #541589CF2  
CUSIP #541589CH8  
CUSIP #541589CN5  
CUSIP #541589CT2  
CUSIP #541589CZ8**

**DTC Participants: Each DTC Participant should forward this Notice to beneficial holders of the Bonds.**

Under that certain Indenture of Trust (the "Indenture") made and entered into as of August 1, 2005, by and between the Lombard Public Facilities Corporation (the "LPFC") and Amalgamated Bank of Chicago (the "Trustee"), as amended by that certain First Supplemental Trust Indenture, dated as of April 1, 2006, LPFC issued the First Tier Revenue Bonds Series 2005A-1 (the "Series 2005A-1 Bonds") and the First Tier Revenue Bonds Series 2005A-2 (the "Series 2005A-2 Bonds," collectively with the Series 2005A-1 Bonds, the "First Tier Bonds") and several other bond series, including the Second Tier Revenue Bonds, Series 2005B (the "Second Tier Bonds"), and the Third Tier Revenue Bonds, Series 2005C-1, 2005C-3, Series 2006C-2, and Series 2006C-3 (collectively, the "Third Tier Bonds" and together with the First Tier Bonds and the Second Tier Bonds, the "Bonds"). Capitalized terms not otherwise defined herein shall be as defined in the Indenture.

ACA Financial Guaranty Corporation ("ACA") issued the Bond Insurance Policy with respect to the Series 2005A-2 Bonds and the Surety Bond with respect to the First Tier Supplemental Debt Service Reserve Fund.

Based upon prior Trustee notices, holders of the Bonds should be aware that Events of Default currently exist under the Indenture. *See, e.g.*, Notice of Default, dated January 2, 2014; Second Notice of Default, dated July 1, 2014; Third Notice of Default, dated January 2, 2015; and Fourth Notice of Default, dated July 1, 2015. Pursuant to the Indenture, ACA is the Controlling Party with respect to the Bonds and is entitled to direct the Trustee with respect to remedies and other matters following an Event of Default.

As set forth in the Trustee's Meeting Notice, dated September 14, 2015, ACA, the LPFC, the Village of Lombard, DuPage County, Illinois (the "Village"), FTI Consulting, Inc. ("FTI") and certain other parties in interest (together, the "Parties") have been discussing the terms of a possible consensual restructuring of the Bonds and related contractual and/or operational arrangements (the "Restructuring"). On October 7, 2015, ACA and FTI, the Trustee's financial advisor, met with certain holders of the First Tier Bonds and Second Tier Bonds to discuss the Restructuring. Pursuant to the terms of a confidentiality agreement executed by ACA and such participating bondholders, certain confidential information (the "Presentation") was disclosed to the participating bondholders at the meeting, and ACA agreed to make the Presentation publically available on December 7, 2015.

Accordingly, and at the direction of ACA as Controlling Party, the Presentation is attached hereto as Exhibit A (Westin Lombard Summary, dated October 7, 2015) and Exhibit B (Westin Lombard Consolidated Projections, dated October 7, 2015).

The Presentation is being made available **FOR INFORMATIONAL PURPOSES ONLY**.<sup>1</sup> The Parties have not agreed to the Restructuring on any terms including those outlined in the Presentation, and each of the Parties have expressly reserved any and all rights, remedies or defenses under the Bond Documents or as otherwise available at law or equity.

The Presentation is based upon financial and other data provided by the Parties, their respective counsel and other third-party sources. Such information has not been subjected to an audit in accordance with generally accepted auditing or attestation standards or the Statement on Standards for Prospective Financial Information issued by the AICPA. The Presentation is not based upon a detailed review of any transactions, and was prepared solely to support the Restructuring discussions and cannot be relied upon to identify errors, irregularities or illegal acts, including fraud or defalcations that may exist. Accordingly, the Parties are not expressing an opinion or any other form of assurance on, and assume no responsibility for, the accuracy or correctness of the historical information on which the Presentation is based or the completeness and achievability of the possible Restructuring outlined therein.

Any statements and assumptions contained in the Presentation, whether forward-looking or historical, are based upon information provided as of its date and will through the passage of time become outdated; do not guarantee future performance; and involve certain risks, uncertainties, estimates, and other assumptions made in the Presentation. The economic and financial condition of the Hotel is affected by various financial, economic, environmental, and market factors. Future events and actual results may differ materially from any estimates,

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<sup>1</sup> Please note that if there are any conflicts between the disclaimers set forth herein and the Presentation, the disclaimers set forth herein shall control.

projections, or statements contained in the Presentation. The Parties have no responsibility to update the Presentation or any other forward-looking statements, or to present similar restructuring options in the future.

Nothing in the Presentation shall be considered a solicitation, recommendation or advice to any person to participate, pursue or support a particular course of action or transaction, to purchase or sell any security, or to make an investment decision. The Presentation does not offer tax, accounting or legal advice.

AMALGAMATED BANK OF CHICAGO,  
as Trustee

Dated: December 7, 2015

**EXHIBIT A**

Westin Lombard Summary, dated October 7, 2015



# Westin Lombard Summary

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**October 7, 2015**



# Statement of Limitations

## Limitations of Report

The information contained herein has been prepared based upon financial and other data provided to FTI Consulting, Inc. (“FTI”) by ACA Financial Guaranty Corporation (“ACA”), the Bond Insurer for the Series 2005 A-2 Bonds (the “A-2 Bonds”), by counsel for ACA (“Counsel”), hotel and restaurant management, representatives of the Lombard Public Facilities Corporation (“LPFC”, “Owner”, “Corporation”) and from other third-party sources to evaluate The Westin Lombard Yorktown Center (the “Westin Lombard” or the “Hotel”).

FTI has not subjected the information contained herein to an audit in accordance with generally accepted auditing or attestation standards or the Statement on Standards for Prospective Financial Information issued by the AICPA. Further, the work involved did not include a detailed review of any transactions, and cannot be expected to identify errors, irregularities or illegal acts, including fraud or defalcations that may exist. Accordingly, FTI cannot express an opinion or any other form of assurance on, and assumes no responsibility for, the accuracy or correctness of the historical information or the completeness and achievability of the projected financial data, information and assessments upon which the enclosed report (the “Report”) is presented.

Any statements and assumptions contained in this Report, whether forward-looking or historical, are not guarantees for future performance and involve certain risks, uncertainties, estimates, and other assumptions made in this Report. The economic and financial condition of the Hotel is affected by various financial, economic, environmental, and market factors. Future events and actual results may differ materially from any estimates, projections, or statements contained herein. Nothing in the Report shall be considered a solicitation, recommendation or advice to any person to participate, pursue or support a particular course of action or transaction, to purchase or sell any security, or to make an investment decision. FTI does not offer tax, accounting or legal advice herein.

## Limitations of Access and Distribution

The information contained herein is being provided to you subject to the terms and conditions of the Confidentiality Agreement entered by and between ACA and you as Bondholder or Representatives of the Bondholder (“Required Confidentiality Agreement”). By accepting a copy of this Report, the reader acknowledges executing the Required Confidentiality Agreement and agrees to keep all information contained herein confidential and will not distribute this Report or any portion thereof to any other party.

Each person that should obtain and read this Report agrees to the following terms:

- The reader acknowledges that much of the information contained in this Report is non-public and considered confidential.
- The reader agrees that he/she does not acquire any rights as a result of such access that the reader would not otherwise have had and acknowledges that FTI does not assume any duties or obligations to the reader in connection with such access.
- The reader agrees to release FTI and its personnel from any claim by the reader that arises as a result of the reader having inappropriate and/or unlawful access to the Report.
- FTI has no responsibility to update its report based upon events or circumstances occurring after the date of our report.

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# Executive Summary

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# Executive Summary

## Overview of Westin Lombard

### Business Overview

- The Westin Lombard Yorktown Center Hotel is a four-star, 500 room hotel and convention center in the suburban Village of Lombard (“Lombard”) adjacent to the Yorktown Mall, in DuPage County, approximately 20 miles west of Chicago and 3 miles west of Oakbrook.
  
- The Lombard Public Facilities Corporation is a tax-exempt organization, incorporated as a non-profit public facility corporation under the laws of the State of Illinois. The LPFC issued bonds in the total amount of \$183.71M to fund the development of the Project.
  
- In August 2007, the LPFC commenced operations of the Westin Lombard Yorktown Center Hotel (“Hotel”) and two restaurants (“the Restaurant”) in Lombard, Illinois (collectively the “Property” or “Project”). The Hotel’s amenities include:
  - Two restaurants, Harry Caray’s/Italian Steakhouse and Holy Mackerel!
  - 39,000 square feet of meeting/convention space
  - 25 meter indoor swimming pool and fitness center
  - 675 car, 4-story parking deck
  
- The Hotel is managed by an affiliate of Starwood Hotels & Resorts (“Starwood”) as a Westin hotel, and the Restaurants are managed by Harry Caray’s Restaurant Group (“Restaurant Management”). Mid-America Hotel Partners LLC provides asset management and hotel oversight.



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# Executive Summary

## Situation Overview

Current Issues	Description
<b>Market Conditions</b>	<ul style="list-style-type: none"> <li>■ The project anticipated future demand of consumers in this western suburb of Chicago and expected to spur commercial development in Lombard. Much of this growth did not materialize. The Hotel has not been a major catalyst for the market.</li> <li>■ A number of new hotels have opened in the Oak Brook and Chicago marketplaces, such as Le Méridien Oakbrook, Embassy Suite Naperville, and the reopening of the Drake Hotel (had previously closed in October 2009).</li> <li>■ Recent market prices for similar hotels indicate a sale of the Westin Lombard would generate proceeds well below the outstanding balance on the existing Series A debt.</li> </ul>
<b>Operational Performance</b>	<ul style="list-style-type: none"> <li>■ The Hotel has achieved its fair share of occupancy in the market at competitive rates largely by focusing on defensive strategies to maintain market share. As a 500-room convention hotel, management is challenged to fill all the rooms on a consistent basis without discounting significantly.</li> <li>■ Cash flow is insufficient to cover existing debt service. Given the market conditions and current operations, there is no forecasted catalyst for significant growth in Hotel and Restaurant performance.</li> <li>■ Given the current structure of the Bonds, contributions to FF&amp;E reserves and capital expenditures are paid after Debt Service, and have hence been unfunded. This has led to significant challenges with the Property's condition.</li> </ul>
<b>Capital Structure</b>	<ul style="list-style-type: none"> <li>■ Series A-1 and A-2 Bonds are secured by a first-lien pledge of net project revenues from the operation of the Hotel. The Series A-2 Bonds are also backed by an ACA bond insurance policy. Series B Bonds are secured by a first-lien on the sales, Hotel and Restaurant sales taxes according to a tax rebate agreement between LPFC and the Village (among other pledges) generated by the Property.</li> <li>■ Cash flow from the Hotel and Restaurant have been insufficient to service interest and principal on the Series A and Series B Bonds, resulting in unpaid and accrued interest. Debt service reserves have been fully depleted for both Series A Bonds and Series B Bonds as of January 2015.</li> <li>■ The Village has not appropriated additional revenues to fund the debt service shortfalls.</li> <li>■ The Series C interest shortfall has not been paid, increasing the Series C principal balance by that interest amount (PIK accrual).</li> <li>■ There remain unfunded liabilities, such as asset management fees and Starwood subordinate incentive fees. Starwood contributed \$3 million to the project as the "HMA loan", commonly known as "Key money" in industry practice.</li> </ul>

## Insufficient Cash Flow to Meet Operating & Debt Service Requirements

### Capital Structure

Bond Series	As of 12/31/2015		
	Original Principal	Principal Outstanding	Interest Due
2005 A-1	\$63,915	\$62,135	\$3,313
2005 A-2	53,995	52,520	2,142
<b>Series A</b>	<b>\$ 117,910</b>	<b>\$ 114,655</b>	<b>\$ 5,455</b>
<b>2005 B</b>	<b>\$ 43,340</b>	<b>\$ 43,135</b>	<b>\$ 3,464</b>
C - 1	6,000	8,983	7,102
C - 2	5,000	7,091	5,606
C - 3 2006	1,775	2,517	1,990
C - 3 2005	9,685	14,500	11,464
<b>Series C</b>	<b>\$ 22,460</b>	<b>\$ 33,092</b>	<b>\$ 26,162</b>
<b>Total</b>	<b>183,710</b>	<b>190,882</b>	
HMA Loan	\$3,000	\$3,000	
<b>Grand Total</b>	<b>\$ 186,710</b>	<b>\$ 193,882</b>	

### Reserve Balances as of October 6, 2015

Description	Amount
Lombard - Available Revenue Fund	\$ 2,917.4
Hotel Operating Reserve	2,250.0
Lombard - 2nd Tier Debt Service	443.1
Senior Hotel Capex Reserve	299.7
Restaurant Operating Reserve	250.0
Senior Restaurant FF&E/Capex	100.3
Lombard - Taxes & insurance	0.2
Lombard - 1st Tier Debt Service	0.1
<b>Total</b>	<b>\$ 6,260.8</b>

### Capital Structure

- Cash flow from the Hotel and Restaurant have been insufficient to service interest and principal on the Series A and Series B Bonds, resulting in unpaid and accrued interest. Debt service reserves were utilized for both payments and have been fully depleted as of January 2015.
- The Series C interest has not been paid, increasing the Series C principal balance by that interest amount (PIK accrual).
- The Indenture Trustee has sent various notices of default to LPFC, copies of which have been previously provided to the Bondholders.
- As a result of the insufficient cash flow, the Hotel has been unable to:
  - Allocate funds to the FF&E Reserve and address necessary capital improvements;
  - Pay unpaid hotel management fees (which are accruing);
  - Pay the asset manager; or
  - Fund Series C interest payments.
- If a restructuring plan is not undertaken to solve the default, the asset's value may further deteriorate, including the potential loss of the Westin brand.

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# Executive Summary

## Proposed Restructuring Plan

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**Given market conditions, the Hotel’s operational and financial performance and its inability to service the existing capital structure, a comprehensive restructuring is needed to preserve asset value and maximize bondholders’ return.**

**Certain parties, ACA\* as the Control Party for remedies under the security documents governing the Series A Bonds and FTI as the Financial Advisor to the Bond Trustee (“Restructuring Plan Proponents”) believe a proposed restructuring plan must address the following items:**

- A new capital structure that can be supported by the Hotel’s expected cash flows and:
  - Maintains existing Series A and Series B bondholder claims
  - Creates marketable and tradable securities
  - Maintains tax-exempt status
  
- A feasible long-term plan to ensure the continuation of Hotel and Restaurant operations, including exemption from real estate taxes.
  
- Initial funding of a much needed capital expenditure reserve fund and creation of a methodology to fund future capital improvements.
  
- The negotiation of key management agreements that are right-sized with fees and terms in-line with current Hotel operating performance and prevailing market conditions.

\* ACA, in addition to being the issuer of a bond issuance policy and acting as Controlling Party under the applicable documents, is also a beneficial owner of \$19.4 million in principal amount of Series A-2 Bonds.

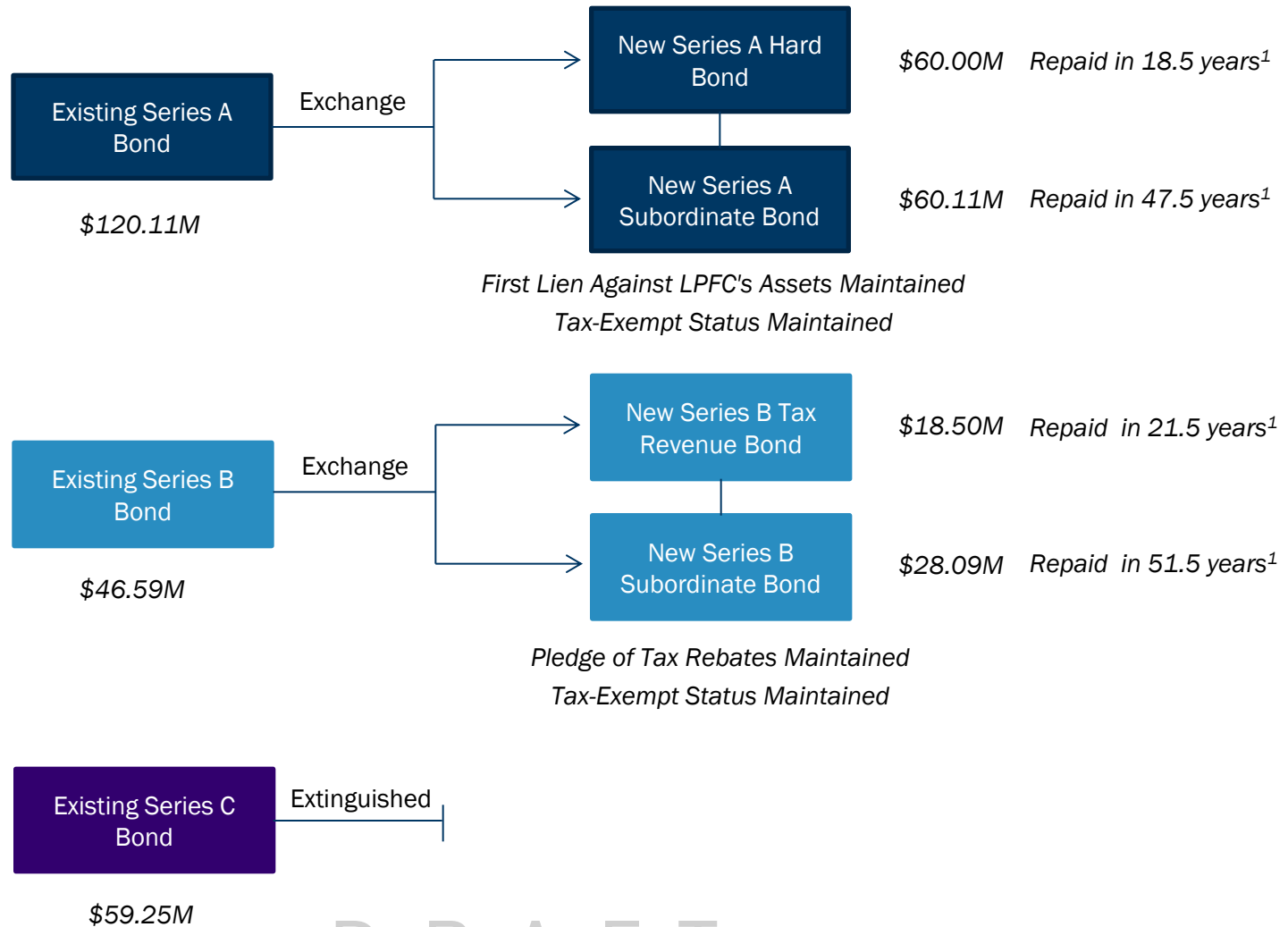
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# Executive Summary

## Proposed New Capital Structure

### Current Capital Structure

### Proposed Capital Structure



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<sup>1</sup> Under proforma assumptions discussed in greater detail herein

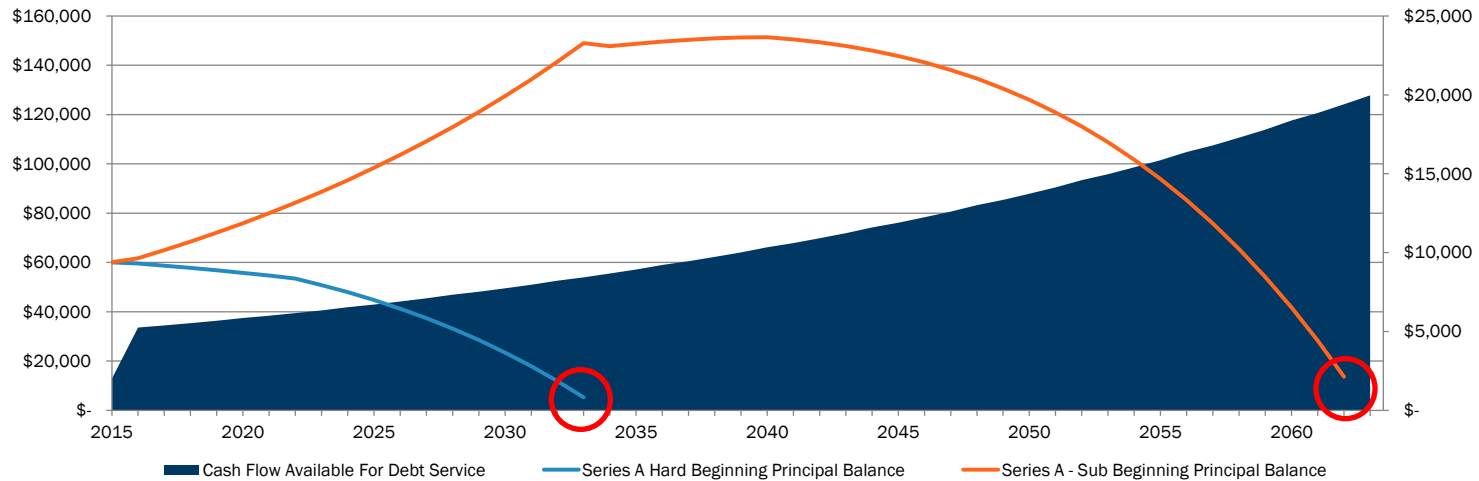


# Executive Summary

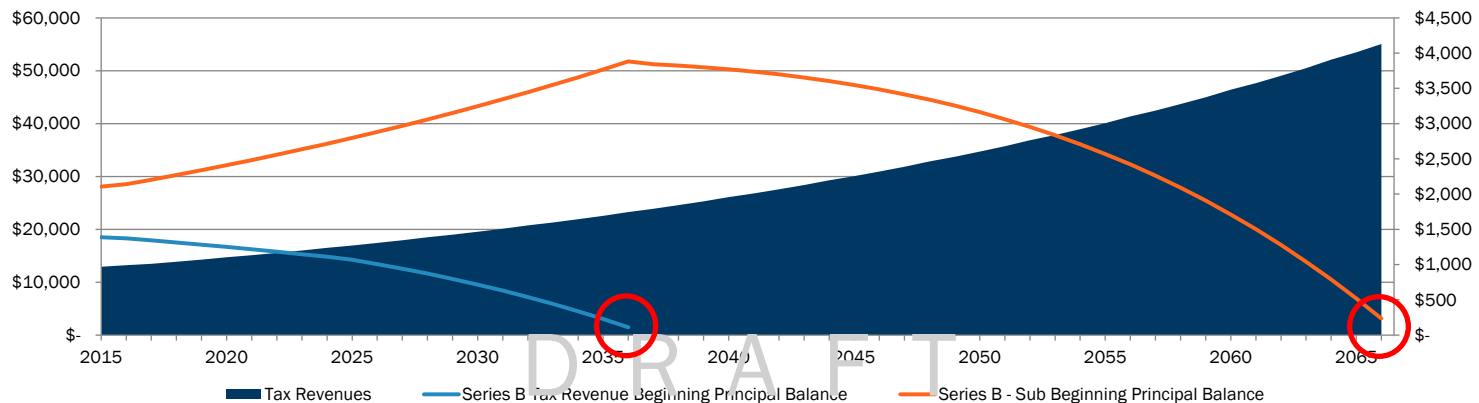
## Ability to Service New Capital Structure

The proposed restructuring plan provides a new capital structure with senior and subordinate components designed to capture cash flow from the Hotel and Restaurants for an extended period of time.

### Restructured Series A Bond Projections



### Restructured Series B Bond Projections



# Executive Summary

## Progress to Date and Next Steps

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**Next steps in the execution of the restructuring plan include hosting today’s discussion with bondholders and seeking cooperation on a Plan Support Agreement (“PSA”).**

### **Critical Steps towards Restructuring Performed to Date:**

- Re-negotiated Hotel Management Agreement with Starwood to reduce fees and maintain hotel operations through a potential restructuring/bankruptcy.
- Negotiated Restructuring Term Sheet with LPFC.
- Obtained a \$2.5M capital contribution from the Village of Lombard for Hotel renovations (subject to necessary approvals and releases) to expedite the Chapter 11 process.

### **Next Steps**

- Discuss key terms with Bondholders, obtain PSA with constituencies prior to filing if possible
- File consensual Chapter 11 Bankruptcy
- Reject or terminate agreements as appropriate, including Asset Manager
- Implement restructured operating agreements
- Emerge from Chapter 11 Bankruptcy with restructured & serviceable capital structure

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## Market Overview

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# Market Overview

## Key Takeaways

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- While the Westin Lombard opened in 2007, planning on the project began as early as 2002. As such, the project anticipated filling the expected future demand of consumers in this western suburb of Chicago and spurring commercial development in Lombard. Much of this growth did not materialize. The Hotel has not been a major catalyst for the market, demand growth has been weak, and supply has grown in both downtown Chicago and Oakbrook, effectively limiting the Hotel's trade area.
- Because of its large infrastructure, the Hotel's project costs and resultant capitalization cannot be economically justified in today's marketplace. Not only was the Hotel expensive to construct, but it also has higher than average operating expenses.
- The Hotel at 500 rooms is the largest hotel in the competitive set, 20% larger than the next largest hotel and approximately 50% larger than the average. Management is challenged to fill all 500 rooms on a consistent basis and resorts to discounting to maintain market share.
- The location of the Hotel requires management to focus west to Naperville or east towards Oak Brook for business demand generators. Guests of the Hotel are predominantly either in Lombard to attend specific local events or conferences (either business-orientated or social / conventions), or are guests whose first choice might be downtown Chicago; however, price sensitivity leads them to the neighboring suburbs.
- DuPage County has experienced relatively slow RevPAR growth over the last four quarters compared to other submarkets in the Chicago Metro area. As a result, the Hotel has adopted defensive strategies to maintain market share, including booking discounted airline crews, internet travel specials and promotions and discounted social conference and group business.
- While there have been a number of hotel sales in suburban Chicago over the last eight years, transactions of Upper Upscale<sup>1</sup> hotels have been limited. Market prices<sup>2</sup> for similar hotels indicate a sale of the Westin Lombard would generate proceeds well below the outstanding balance on existing Series A debt.

<sup>1</sup> As defined by Smith Travel Report

<sup>2</sup> See Recent hotel transactions on page 20

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# Market Overview

## Village of Lombard

### Overview of Lombard

- The Village of Lombard is a suburban community of ~43,000 residents in DuPage County located 20 miles west of Chicago.
- The Hotel's suburban location, with few demand generators in the immediate vicinity and increasing local hotel competition are key challenges. The Hotel is bordered by a regional mall, a seminary and several mid-size class B commercial office spaces.

### Economic Metrics

- Lombard's median household income is high compared with the state of Illinois (~\$73k, compared to ~\$56k per the most recent available U.S. Census Data, 2013), with unemployment also lower than both the State and US average (~5.1% in Lombard, 5.9% in Illinois, 5.3% US as of Q2 2015).
- Office rental rates in DuPage are third highest in the Chicago Metro area while vacancy rates in the NW area hover around ~17%.
- The high rental rates are likely to be somewhat negated by the attraction of lower taxes in DuPage County, which are approximately four times lower compared to Cook County (i.e. downtown Chicago).



### DuPage County Real Estate Market Comparison

County	Office			Industrial		
	Vacancy	Total Absorption YTD	Avg. Rate	Vacancy	Total Absorption YTD	Avg. Rate
Cook	12.8%	742,358	\$25.30/fs	7.7%	3,640,476	\$6.05/sf
<b>DuPage</b>	<b>16.9%</b>	<b>330,836</b>	<b>\$19.13/fs</b>	<b>5.7%</b>	<b>2,026,653</b>	<b>\$5.30/sf</b>
Kane	16.4%	285,346	\$17.68/fs	5.9%	2,277,429	\$4.55/sf
Lake	16.0%	609,433	\$20.10/fs	7.8%	16,465	\$5.33/sf
McHenry	20.3%	(27,511)	\$16.12/fs	10.2%	499,196	\$4.49/sf
Will	12.9%	150,631	\$18.57/fs	9.7%	3,903,791	\$4.34/sf

Source: Costar, June 2015

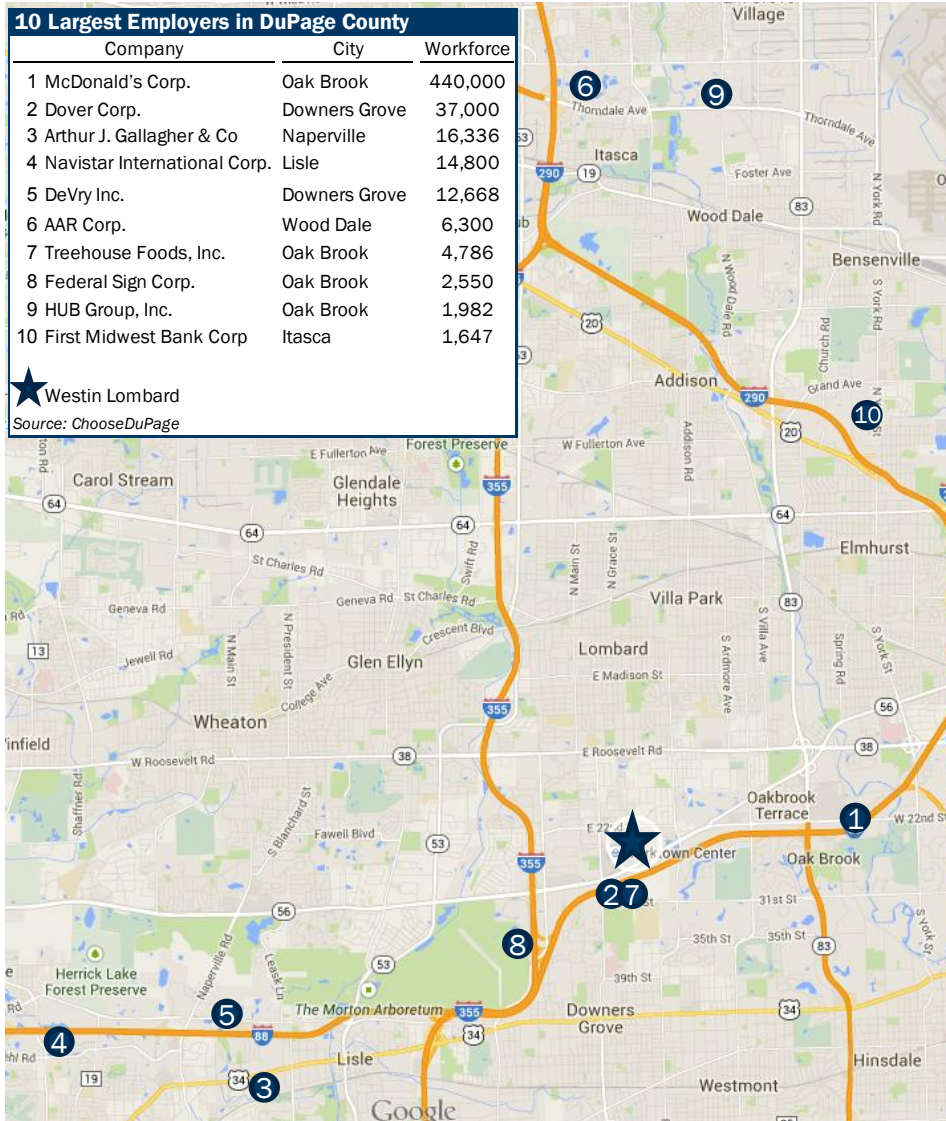
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# Market Overview

## Employment Statistics

10 Largest Employers in DuPage County		
Company	City	Workforce
1 McDonald's Corp.	Oak Brook	440,000
2 Dover Corp.	Downers Grove	37,000
3 Arthur J. Gallagher & Co	Naperville	16,336
4 Navistar International Corp.	Lisle	14,800
5 DeVry Inc.	Downers Grove	12,668
6 AAR Corp.	Wood Dale	6,300
7 Treehouse Foods, Inc.	Oak Brook	4,786
8 Federal Sign Corp.	Oak Brook	2,550
9 HUB Group, Inc.	Oak Brook	1,982
10 First Midwest Bank Corp	Itasca	1,647

★ Westin Lombard  
Source: ChooseDuPage



- Highlighted on the map, the 10 largest employers in DuPage County include management, professional and administrative services for large national corporations.
- DuPage also has a large construction presence with ~3,600 businesses. Over 2 million sq. ft. of industrial real estate was absorbed YTD June 2015 and reflects the large appetite by industrial business for that asset class.
- McDonald's Corporation has a significant presence in the County and has been a frequent account for the Hotel. However, there is a competing hotel next to the McDonald's campus in Oakbrook with similar offerings and meeting space. Given its own challenging financial conditions, McDonald's has significantly reduced its demand for hotel rooms and meeting space.
- Businesses within the immediate vicinity of the Hotel include the Yorktown Center Mall and various restaurants, small office buildings and retail centers located along Route 56, and offices of major corporations like Dover Corporation and DeVry Inc.

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# Market Overview

## DuPage County Hospitality Market

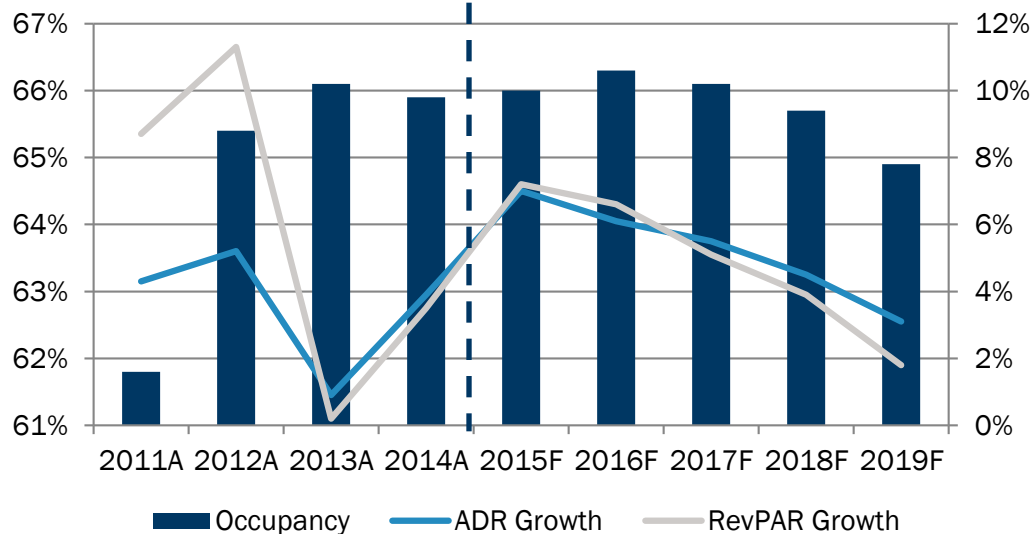
The overall DuPage County Hospitality market has reached stabilized levels of occupancy with moderate average daily rate (“ADR”) growth. The Hotel’s opportunities to outperform the market are limited.

DuPage County Performance - Upper Priced Hotels						
Year	Occupancy	% Δ	ADR	% Δ	RevPAR	% Δ
2010	58.90%		\$99.56		\$58.68	
2011	61.50%	4.40%	\$103.82	4.30%	\$63.85	8.80%
2012	64.90%	5.60%	\$109.17	5.20%	\$70.88	11.00%
2013	65.70%	1.20%	\$110.30	1.00%	\$72.47	2.20%
2014	65.90%	0.30%	\$114.80	4.10%	\$75.61	4.30%

Source: PKF Hotel Horizons Chicago Market Report, June - August 2015 edition

- The DuPage Hospitality market experienced a recovery since 2010 and has become stabilized with occupancy rates hovering around 65%. Rate growth has been moderating since the early stages of recovery.
- DuPage County has experienced relatively slow RevPAR growth over the last four quarters compared to other submarkets in the Chicago Metro area, with the airport hotels and areas south of downtown Chicago experiencing the greatest RevPAR growth.
- PKF Consulting forecasts Occupancy to stabilize in 2016 at 66.3% while ADR and RevPAR growth will steadily decrease inline with overall Chicago market growth rates.
- Increases in hotel supply throughout DuPage County will be relatively minimal with only one hotel (Hotel Indigo) under construction. Hotel Indigo is a boutique hotel that will be part of the river redevelopment in Lisle. The Embassy Suites Naperville (168 rooms) opened July 2015.

DuPage County Upper Priced Market Forecast








Source: PKF Hotel Horizons Chicago Market Report, March - May 2015 edition

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# Market Overview

## Competitive Set

Below is a comparison of the proposed HMA Competitive Set used to benchmark the Hotel's performance.



Description of Competitive Set							
Map No.	Hotel	Date Opened / Last Renovation	No. of Rooms	Chain Scale	Amenities	Meeting Space	Photo
★	<b>Westin Lombard</b>	2007	500	Upper Upscale	- Business Center - Fitness Center - Indoor Pool / Whirlpool	- 26 meeting rooms - 39,000 sf of meeting space - ~78 sf meeting space per room	
1	<b>Marriott Chicago Oak Brook</b>	2007	347	Upscale	- Business Center - Fitness Center - Indoor Pool / Whirlpool - Limousine Service	- 18 meeting rooms - 18,000 sf of meeting space - ~ 52 sf meeting space per room	
2	<b>Hilton Oak Brook Hills Resort (formerly Marriott)</b>	2007	386	Upscale	- Business Center - Fitness Center - Indoor and Outdoor Pools - Willow Crest Golf Club	- 39 meeting rooms - 42,000 sf of meeting space - ~ 109 sf meeting space per room	
3	<b>Le Meridien Oak Brook (formerly Renaissance)</b>	2014	172	Upscale	- Business Hub - Fitness Center - Spa - Local Area Transportation	- 2 meeting rooms - 3,500 sf of meeting space - ~ 20 sf meeting space per room	
4	<b>Hyatt Lodge Oak Brook</b>	2012	218	Upscale	- Business Center - Fitness Center - Indoor and Outdoor Pools - Near McDonald's Campus	- 44 meeting rooms - 47,000 sf of meeting space - ~ 216 sf meeting space per room	

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# Market Overview

## Competitive Set (cont.)

Description of Competitive Set							
Map No.	Hotel	Date Opened / Last Renovation	No. of Rooms	Chain Scale	Amenities	Meeting Space	Photo
5	<b>Embassy Suites Chicago Lombard Oak Brook</b>	2007	262	Upscale	- Business Center - Fitness Center - Pool - Local Area Transportation	- 6 meeting rooms - 4,046 sf of meeting space - ~15 sf meeting space per room	
6	<b>Hyatt Lisle</b>	2012	317	Upper Upscale	- Business Center - Fitness Center - Indoor Pool / Whirlpool - Local Area Transportation	- 17 meeting rooms - 13,200 sf of meeting space - ~42 sf meeting space per room	

**The Comp Set has significant attributes that highlight challenges faced by the Hotel:**

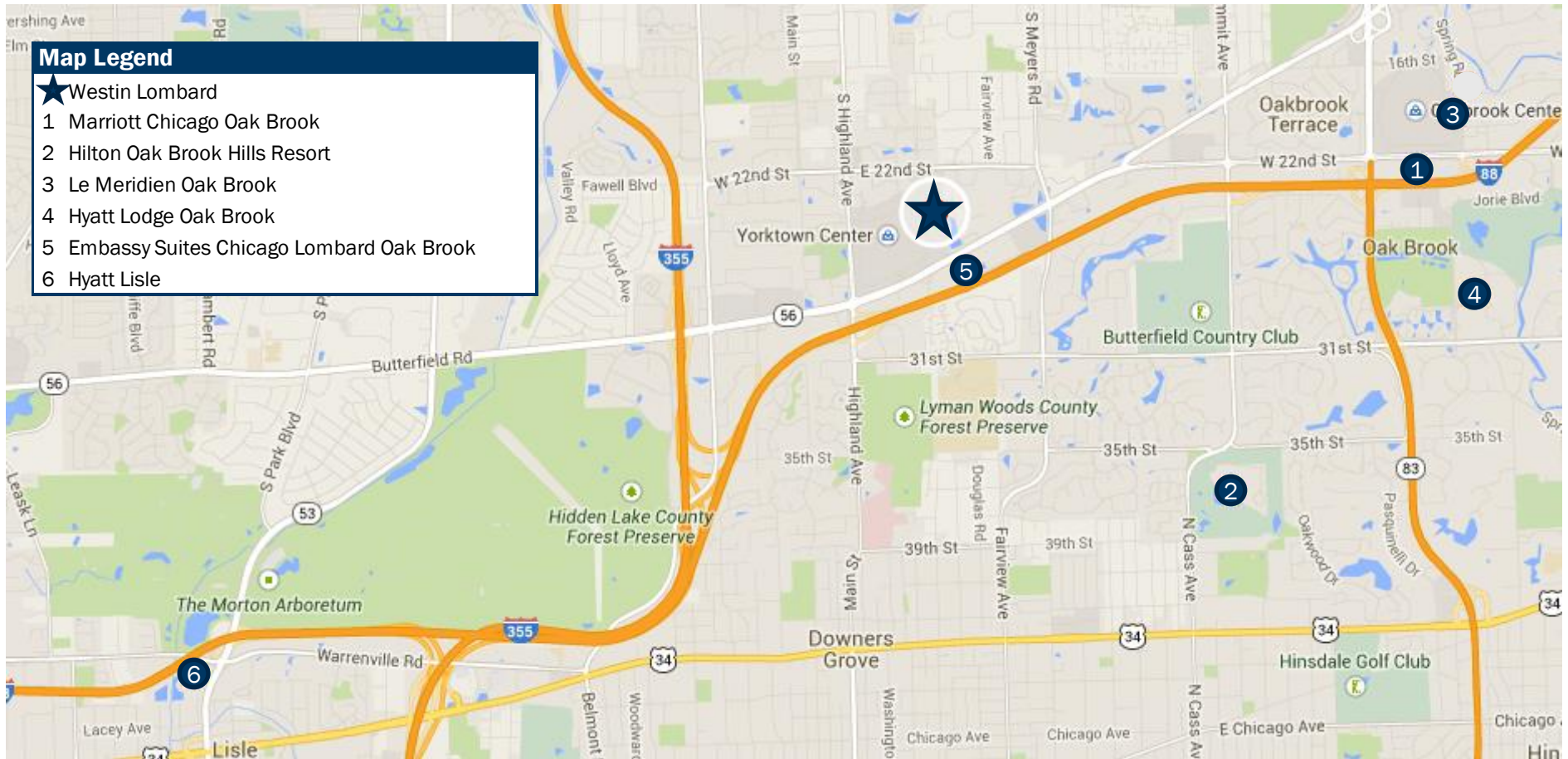
- Similar service offerings and business strategy
- Located closer to key business drivers and local attractions
- Smaller number of keys (Average of 315 rooms)
- Half of the Comp Set provides similar meeting space metrics
- All renovated recently

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# Market Overview

## Competitive Set (cont.)

Below is a map of the Competitive Set within an 8 mile radius



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# Market Overview

## Hotel Transactions

While there have been a number of hotel sales in suburban Chicago over the last eight years, transactions of Upper Upscale hotels have been limited. Market prices for similar hotels indicate a sale of the Westin Lombard would generate proceeds well below the existing Series A debt.

### Latest Hotel Transactions in Suburban Chicago

Date	Property Name	Address	City	Postal Code	Units	Year Built	Year Renovated	Price in \$	\$/Units	
Pending	Embassy Suites	707 E Butterfield Rd	Lombard	60148	262	1986	2007	Pending		
7/24/2015	Doubletree	1200 N Mittel Blvd	Wood Dale	60191	162	1986	1995	6,417,500	39,614	
6/19/2015	Hyatt Lisle	1400 Corporetum Dr	Lisle	60532	316	1988	2013	13,000,000	41,139	
Pending	Hyatt Regency Woodfield	1800 E Golf Rd	Schaumburg	60173	470	1981	2011	25,000,000	53,191	
3/16/2015	Holiday Inn & Suites Chicago O'Hare Rosemont	10233 W Higgins Rd	Des Plaines	60018	299	1999	2008	35,050,000	117,224	
3/5/2015	Westin Chicago Northwest	400 Park Blvd	Itasca	60143	408	1981	2007	27,000,000	66,176	
7/24/2014	Intercontinental Chicago O'Hare	5300 N River Rd	Des Plaines	60018	556	2008		102,560,000	184,460	
6/24/2014	fmr Waverton Hotel	624 N York Rd	Elmhurst	60126	237	1970	1999	2,625,000	11,076	
4/14/2014	Hilton Oak Brook Hills Resort (fmr Marriott)	3500 Midwest Rd	Oak Brook	60523	384	1987	2005	30,100,000	78,385	
1/29/2014	Ramada Inn & Suites Glendale Heights	780 E North Ave	Glendale Heights	60139	82		2011	2,700,000	32,927	
1/14/2014	Fairfield Inn & Suites Lombard	645 W North Ave	Lombard	60148	108	1999	2007	3,800,000	35,185	
10/28/2013	Wyndham	3000 Warrenville Rd	Lisle	60532	242	1986	2004	14,300,000	59,091	
10/7/2013	Holiday Inn Willowbrook	7800 Kingery Hwy	Willowbrook	60527	220	1970	2010	4,800,000	21,818	
8/1/2013	Country Inn & Suites Roselle	1490 W Lake Street	Roselle	60172	101	2008		4,675,000	46,287	
4/24/2013	Stay Inn	222 E 22nd St	Lombard	60148	128	1987	2006	3,600,000	28,125	
7/11/2012	Staybridge Suites Oakbrook Terrace	200 Royce Blvd	Villa Park	60181	112	2002		7,400,000	66,071	
5/17/2011	Hampton Inn Chicago Carol Stream	205 W North Ave	Carol Stream	60188	116	2000		3,000,000	25,862	
4/15/2011	Doubletree Esplanade	2001 Butterfield Rd	Downers Grove	60515	247			11,000,000	44,534	
1/3/2011	Chicago Marriott Naperville	1801 N Naper Blvd	Naperville	60563	426	1980	2006	14,500,000	34,038	
10/26/2010	Mayflower Motel	407 Ogden Ave	Clarendon Hills	60514	64	1960		3,075,000	48,047	
7/7/2009	The Oaks Hotel	300 S Frontage Rd	Willowbrook	60527	122	1970	2008	4,200,000	34,426	
2/25/2009	Holiday Inn	17w350 W 22nd St	Villa Park	60181	217	1973	2004	6,250,000	28,802	
9/22/2008	Hilton Garden Inn	551 N Swift Rd	Addison	60101	153	1999	2007	13,400,000	87,582	
7/11/2008	Holiday Inn Chicago West Itasca	860 W Irving Park Rd	Itasca	60143	161	1972		7,000,000	43,478	
1/14/2008	Wyndham Drake	2301 York Rd	Oak Brook	60523	160	1963		19,000,000	118,750	
					Average	230	1985	2006	\$ 15,185,521	\$ 56,095
					Median	217	1986	2007	\$ 7,200,000	\$ 44,006

Source: Real Capital Analytics

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## Operational and Financial Overview

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# Operational and Financial Overview

## Key Takeaways

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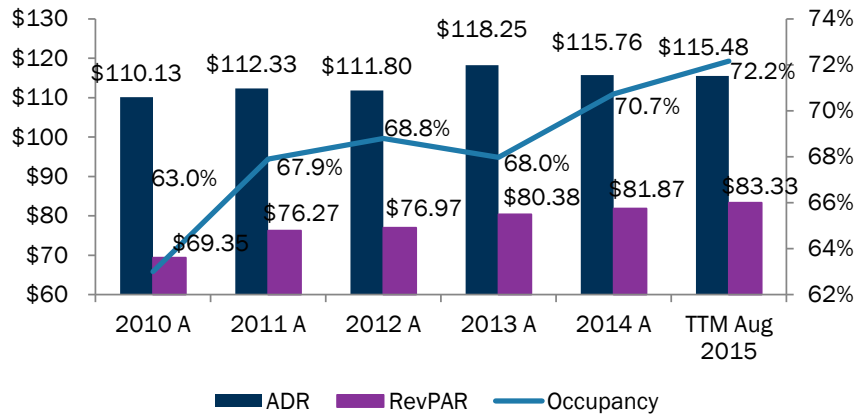
- Although Total Revenue and EBITDA have experienced compound average growth rates of 2.4% and 6.7% respectively over the last five years, cash flow has failed to cover debt service. Given market conditions and current operations, there is no forecasted catalyst for significant growth in performance.
- Because of the lack of corporate and convention demand, management has focused on defensive strategies, such as booking discounted airline crews, OTA/opaque business (discounted Priceline.com, Expedia) and SMERF (Social, Military, Education, Religious, Fraternal). Management has been able to maintain an occupancy rate of approximately 70%, generally above the nationwide and local market occupancy levels.
- While Harry Caray's has been well received in the marketplace, the restaurant has struggled to compete with the influx of freestanding restaurants developed in and around the Yorktown Center, including Capital Grille, Buca Di Beppo, and others.
- The Hotel is burdened with a Hotel Management Agreement ("HMA") that includes management fees in excess of market terms. This will be addressed as part of the restructuring with the implementation of a new HMA.
- Given the current structure of the Bonds, contributions to FF&E reserves and capital expenditures are made after Debt Service. As a direct result of a lack of capital re-investment, the condition of the Property has deteriorated. Both current capital deficiencies and a process to reserve for future contributions will be addressed as part of the restructuring.

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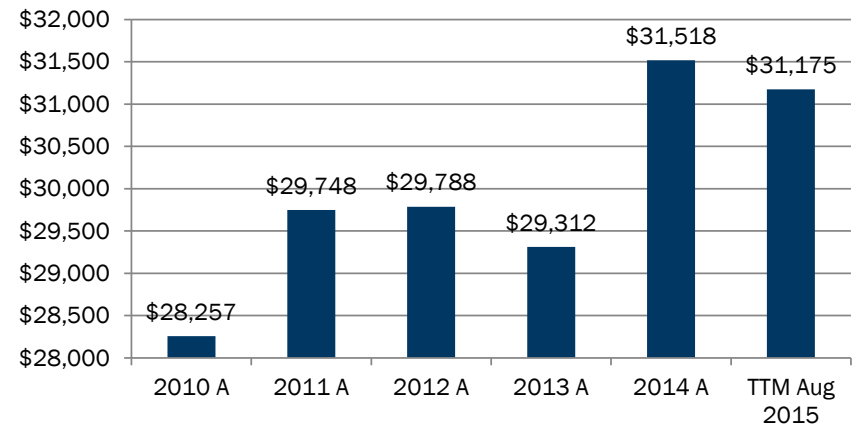
# Operational and Financial Overview

## Historical Financials

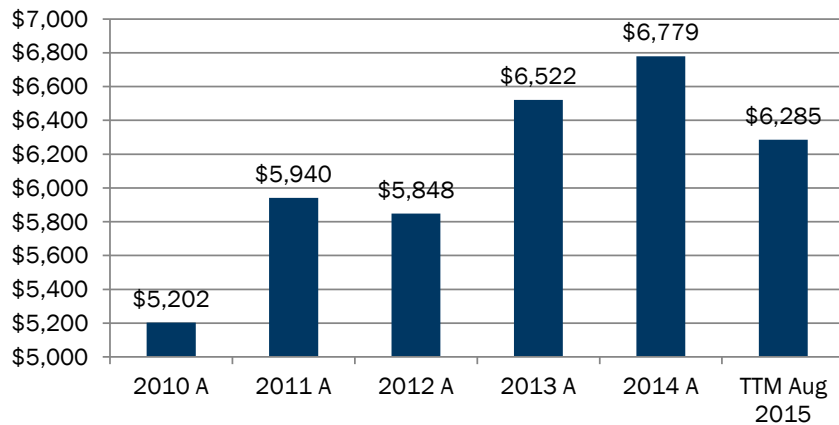
### Hotel Operating Statistics



### Total Revenue<sup>2</sup>



### EBITDA<sup>1,2</sup>



- Although Total Revenue and EBITDA have experienced compound average growth rates of 2.7% and 6.8% respectively from 2010 to 2014, cash flow has failed to cover debt service since 2014. Debt service reserves were historically a source of funds to cover shortfalls but have since been depleted.
- As a result of lower than expected F&B revenues and decreased group business, TTM August EBITDA is ~\$493,000 below 2014 actuals.

<sup>1</sup> Before a customary reserve for FF&E or capital expenditures

<sup>2</sup> Figures include hotel and restaurant performance

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# Proforma Cash Flow from Operations

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# Proforma Cash Flow from Operations

## Key Assumptions

### General Proforma Assumptions

- The proforma is based on a number of key assumptions, including the following:
  - Slightly more conservative than Starwood budgeted revenue figures for 2015, which are more reflective of goals and targets for management; the proforma allows for some anticipated disruption in operations from the contemplated bankruptcy filing. More conservative revenue growth assumptions reflect the challenges of maintaining large infrastructure and with achieving premium rates and reflective of Starwood's defensive marketing strategies to maintain competitive occupancy;
  - Consistent with historical operating margins reflecting a slow-growth/recovery of the DuPage County market;
  - Consistent Fixed Departmental and Undistributed Expense margins maintained throughout the proforma;
  - Re-negotiated Hotel Management fees pursuant to the new HMA to be implemented contemporaneously with the bankruptcy filing;
  - Implementation of an FF&E Reserve pursuant to the new HMA on the Effective Date;
  - Termination of the asset manager and the replacement with a new asset manager under a market fee structure;
  - Continued exemption from real estate tax payments; and
  - Some minor formatting changes associated with the change to the Uniform System of Accounts for Hotels.

### ADR & Occupancy Growth

- Projections for ADR growth are based upon PKF's long term growth rate for DuPage County upper priced hotel (3.1%). We have assumed a growth of 2.0% for the first two years of the proforma, reflective of necessary discounting to remain competitive and current marketing strategies, before achieving a 3.0% growth rate during stabilization. Given the lack of a catalyst in the market for growth, FTI assumed Occupancy is at stabilization for the entire proforma projections.

### Revenues and Operating Expenses

- Hotel F&B, Restaurant and Hotel Other revenue are based on 2014 Total Revenue and are constant throughout the proforma projection.
- Departmental expenses are based upon 2014 operating margins and are constant throughout the proforma projection. Undistributed expenses, except General and Administrative Expenses ("G&A") are based upon 2014 operating margins and are constant throughout the proforma projection. G&A Expense is increased from 2014 operating margins to compensate for employee wages historically included in the employee compensation pool, now reported in G&A.
- Base Hotel Management Fee assumed the negotiated annual fixed amounts per the new HMA. Employee compensation pool is comprised of bonuses and incentives for key employees of the Hotel per terms in the HMA and described herein. Asset management fee is based upon FTI's projected fee for a new asset manager and is increased yearly by an inflationary growth rate of 3%.

### Fixed Charges

- Rent, Taxes, and Insurance are based upon 2014 operating margins and are increased yearly by an inflationary growth rate of 3%, noting the current exemption from real estate taxes.
- LPFC Administrative expense are based upon LPFC's projected administrative expenses (audit, etc.), increased yearly by an inflationary growth rate of 3%.

### FF&E

- Hotel FF&E Reserve is 3% of Total Hotel Revenue, with a subordinate FF&E Reserve after Series A debt service of 1% of Total Hotel Revenue. Restaurant FF&E will continue to be paid out of restaurant operating expenses. Once Series A Hard Notes are retired, up to 2% of Gross Revenues will deposited into an Infrastructure FF&E Reserve. The Infrastructure FF&E Reserve shall not exceed \$5M, and FTI has assumed 1/3 of the potential infrastructure contributions are spent in a given year.

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# Proforma Cash Flow from Operations

## Restructuring Plan – Cash Flow Available for Debt Service

Reporting	Historical	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021
Proforma Year #		1	2	3	4	5	6	7
ADR Growth Rate		0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%
Occupancy Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ADR	\$ 115.76	\$ 115.11	\$ 117.41	\$ 119.76	\$ 123.35	\$ 127.05	\$ 130.86	\$ 134.79
Occupancy	70.7%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%
Available Rooms	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500
<b>Room Revenue</b>	<b>14,942</b>	<b>14,917</b>	<b>15,257</b>	<b>15,519</b>	<b>15,985</b>	<b>16,464</b>	<b>17,005</b>	<b>17,467</b>
Hotel F&B Revenue	10,201	9,549	9,767	10,117	10,420	10,733	11,085	11,386
Restaurants Revenue	5,777	5,777	5,893	6,010	6,131	6,253	6,378	6,506
Other Revenue	623	537	549	558	575	592	611	627
Total F&B & Other Revenue	16,601	15,863	16,208	16,685	17,126	17,578	18,074	18,520
<b>Total Revenues</b>	<b>31,543</b>	<b>30,779</b>	<b>31,465</b>	<b>32,205</b>	<b>33,110</b>	<b>34,042</b>	<b>35,079</b>	<b>35,987</b>
<b>Departmental Expenses</b>								
Rooms	(4,356)	(4,455)	(4,557)	(4,635)	(4,774)	(4,917)	(5,079)	(5,217)
Food & Beverage	(10,341)	(10,054)	(10,272)	(10,572)	(10,846)	(11,127)	(11,435)	(11,712)
Hotel Other	(487)	(342)	(340)	(346)	(356)	(367)	(379)	(389)
<b>Total Operating Expenses</b>	<b>(15,184)</b>	<b>(14,851)</b>	<b>(15,168)</b>	<b>(15,553)</b>	<b>(15,976)</b>	<b>(16,411)</b>	<b>(16,892)</b>	<b>(17,318)</b>
<b>Undistributed Expenses</b>								
General & Administrative	(2,416)	(2,321)	(2,964)	(3,016)	(3,100)	(3,187)	(3,283)	(3,368)
Sales & Marketing	(2,324)	(2,458)	(2,514)	(2,558)	(2,633)	(2,710)	(2,796)	(2,871)
Info&Telecom Systems	-	(302)	(309)	(314)	(323)	(333)	(344)	(353)
Maintenance	(1,627)	(1,626)	(1,663)	(1,692)	(1,741)	(1,792)	(1,849)	(1,898)
Utilities	(1,061)	(1,002)	(1,025)	(1,043)	(1,073)	(1,104)	(1,138)	(1,168)
Base Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-
Base Hotel Mgmt. Fee	(1,093)	(1,125)	(796)	(829)	(866)	(899)	(934)	(968)
Employee Compensation Pool	(752)	(752)	(176)	(181)	(187)	(192)	(198)	(204)
Incentive Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-
Asset Mgmt. Fee <sup>1</sup>	-	-	(300)	(309)	(318)	(328)	(338)	(348)
LPFC Admin Expenses <sup>1</sup>	-	-	(198)	(204)	(210)	(216)	(223)	(230)
<b>Total Undistributed Expenses</b>	<b>(9,273)</b>	<b>(9,585)</b>	<b>(9,944)</b>	<b>(10,146)</b>	<b>(10,452)</b>	<b>(10,761)</b>	<b>(11,103)</b>	<b>(11,406)</b>
<b>Fixed Expenses</b>								
Insurance	(307)	(305)	(312)	(318)	(327)	(337)	(348)	(358)
Real Estate Taxes	-	-	-	-	-	-	-	-
<b>Total Fixed Expenses</b>	<b>(307)</b>	<b>(305)</b>	<b>(312)</b>	<b>(318)</b>	<b>(327)</b>	<b>(337)</b>	<b>(348)</b>	<b>(358)</b>
<b>Cash Flow From Operations</b>	<b>\$ 6,779</b>	<b>\$ 6,038</b>	<b>\$ 6,040</b>	<b>\$ 6,188</b>	<b>\$ 6,355</b>	<b>\$ 6,533</b>	<b>\$ 6,736</b>	<b>\$ 6,904</b>
Hotel FF&E Reserve Contribution			(766)	(780)	(803)	(827)	(854)	(877)
Restaurant Capital Expenditure (For Illustrative Purposes)								
Restructuring Expenses/FF&E Top Off		(4,037)						
<b>Cash Flow Available for Series A Debt Service</b>	<b>\$ 6,779</b>	<b>\$ 2,001</b>	<b>\$ 5,274</b>	<b>\$ 5,408</b>	<b>\$ 5,552</b>	<b>\$ 5,706</b>	<b>\$ 5,881</b>	<b>\$ 6,027</b>

<sup>1</sup> Not currently being paid by Hotel or Restaurant, assumed to be paid in future

# Proforma Cash Flow from Operations

## Capital Expenditures

Starwood has provided a capital plan complying with Westin's brand standard funded by 1) the initial contributions to the FF&E Reserve, and 2) the contemplated future deposits to the FF&E Reserve.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
Total FF&E Contributions			5,022	1,039	1,071	1,103	1,139	1,170	1,205	1,241	12,990
<b>Capital Plan as of 3/5/15</b>											
Renovation - Rooms And Corridors		300	2,237	2,237	-	-	-	-	-	-	4,774
Renovation - Public/F&B		105	-	1,100	1,100	170	325	75	50	425	3,350
Discretionary		150	155	159	84	87	89	92	95	97	1,007
Custodial		115	-	45	-	190	145	1,605	950	1,085	4,135
Mandatory/Regulatory / Life Safety		130	-	-	-	-	-	-	-	-	130
Brand Standards		-	50	50	50	50	50	50	50	50	400
I.T. Systems		353	35	40	25	75	125	25	115	25	818
<b>Total Hotel Capital Plan</b>	<b>-</b>	<b>1,153</b>	<b>2,477</b>	<b>3,631</b>	<b>1,259</b>	<b>572</b>	<b>734</b>	<b>1,847</b>	<b>1,260</b>	<b>1,682</b>	<b>14,614</b>

- Given the timing of the potential restructuring, Starwood will need to provide an updated Hotel capital plan in line with total projected FF&E contributions.

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# Debt Restructuring Plan

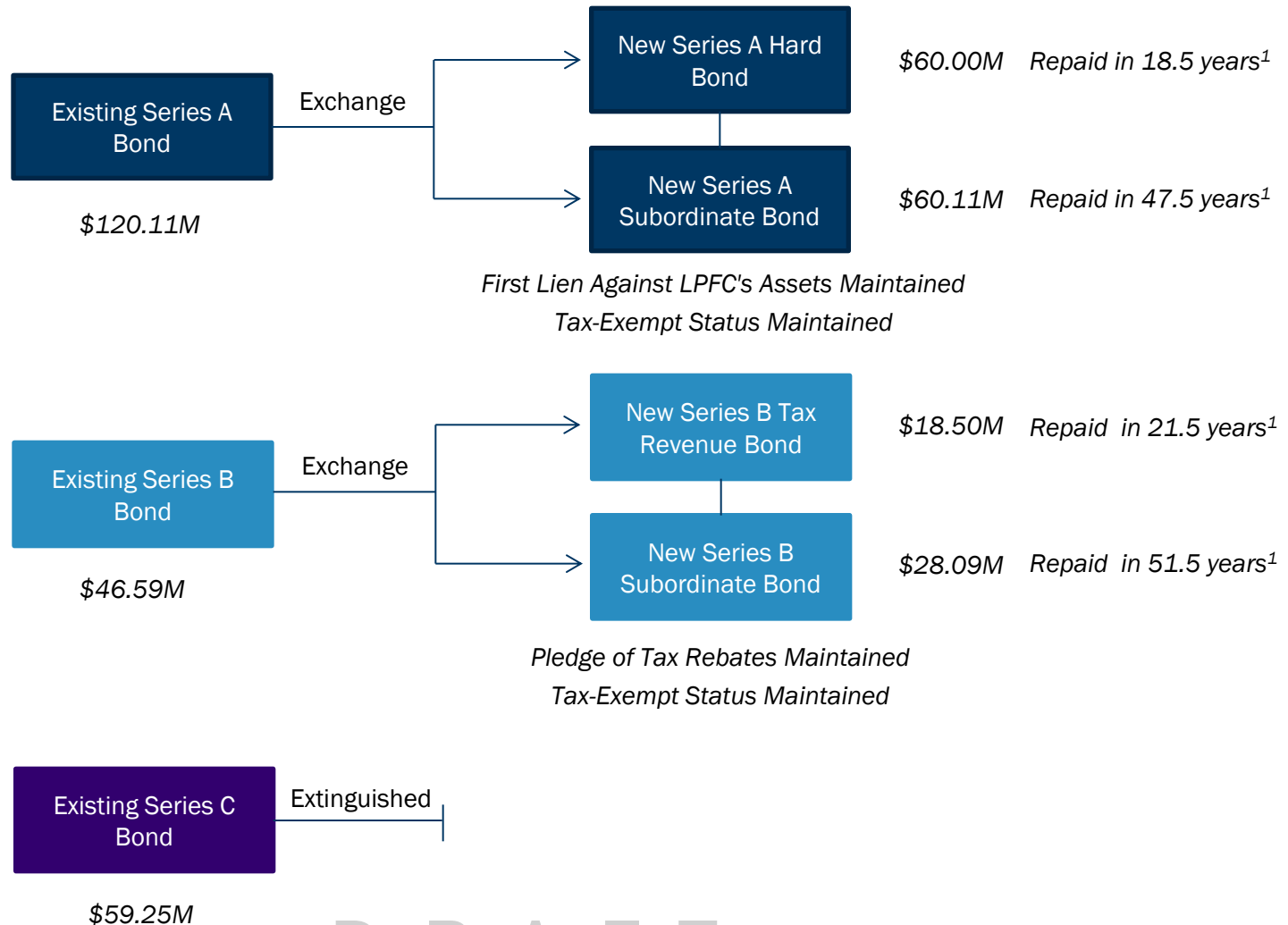
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# Debt Restructuring Plan

## Overview of New Capital Structure

### Current Capital Structure

### Proposed Capital Structure



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<sup>1</sup> Under proforma assumptions discussed in greater detail herein

# Debt Restructuring Plan

## Overview of New Capital Structure (cont.)

Given the shortfalls of cash flow available to meet current and future projected debt service, we propose the following Restructuring Plan (“Plan”)

### Key Terms:

- Exchange existing Series A-1 and A-2 Bonds for pro-rata share of a newly issued Series A Hard and Subordinate Bonds
- Exchange existing B Bonds for a newly issued Series B Tax Revenue Bonds and Subordinate Bonds
- Provide existing Series A and B Bondholders performing, tradable bonds
- Provide for potential commutation payments to Series A-2 Bondholders
- Increase cash flow through reduced hotel management fees; eliminate accrued subordinate fees; subordinate a portion of the fees through an “incentive” fee structure
- Fund FF&E contributions in a two-tier structure; a portion of which is senior to debt service
- Fund an infrastructure FF&E reserve after Series A Hard Notes are retired to address potential infrastructure needs as Property ages
- Reject or terminate the existing asset management agreement, eliminate accrued and unpaid fees, and replace asset manager post-emergence

(\$ in Thousands)

Capital Structure as of 12/31/2015				Proposed Capital Structure		
Bond Series	Existing Outstanding Principal	Expected Interest	Total Outstanding Amount	Hard A Bonds 5.25%	Sub A Bonds 5.25%	Total
2005 A-1	\$ 62,135	\$ 3,313	\$ 65,448	\$ 32,694	\$ 32,754	\$ 65,448
2005 A-2	52,520	2,142	54,662	27,306	27,356	54,662
<b>Series A</b>	<b>\$ 114,655</b>	<b>\$ 5,455</b>	<b>\$ 120,110</b>	<b>\$ 60,000</b>	<b>\$ 60,110</b>	<b>\$ 120,110</b>
Bond Series	Existing Outstanding Principal	Expected Interest	Total Outstanding Amount	B Tax Rev Bonds 3.0%	Sub B Bonds 3.0%	Total
2005 B	43,135	3,464	46,599	18,500	28,099	46,599
<b>Series B</b>	<b>\$ 43,135</b>	<b>\$ 3,464</b>	<b>\$ 46,599</b>	<b>\$ 18,500</b>	<b>\$ 28,099</b>	<b>\$ 46,599</b>
Bond Series	Existing Outstanding Principal	Expected Interest	Total Outstanding Amount	Hotel CAPEX Beginning Balance		
C - 1	8,983	7,102	16,085	\$ 4,000		
C - 2	7,091	5,606	12,697	Total Hotel CAPEX Contributions by Year 10 <sup>1</sup>		
C - 3 2006	2,517	1,990	4,508	14,272		
C - 3 2005	14,500	11,464	25,964	Total Hotel CAPEX Contributions by Year 40 <sup>1</sup>		
<b>Series C</b>	<b>\$ 33,092</b>	<b>\$ 26,162</b>	<b>\$ 59,254</b>	76,957		
<b>Total</b>	<b>\$ 190,882</b>	<b>\$ 35,081</b>	<b>\$ 225,962</b>			

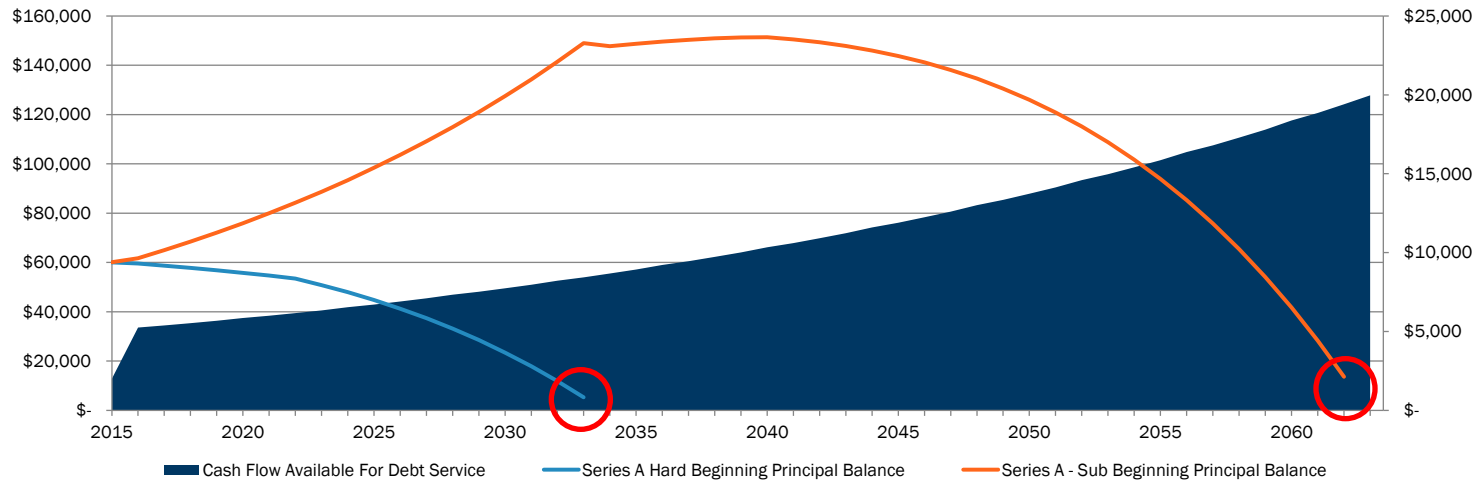
<sup>1</sup> Does not include Infrastructure FF&E contributions

# Debt Restructuring Plan

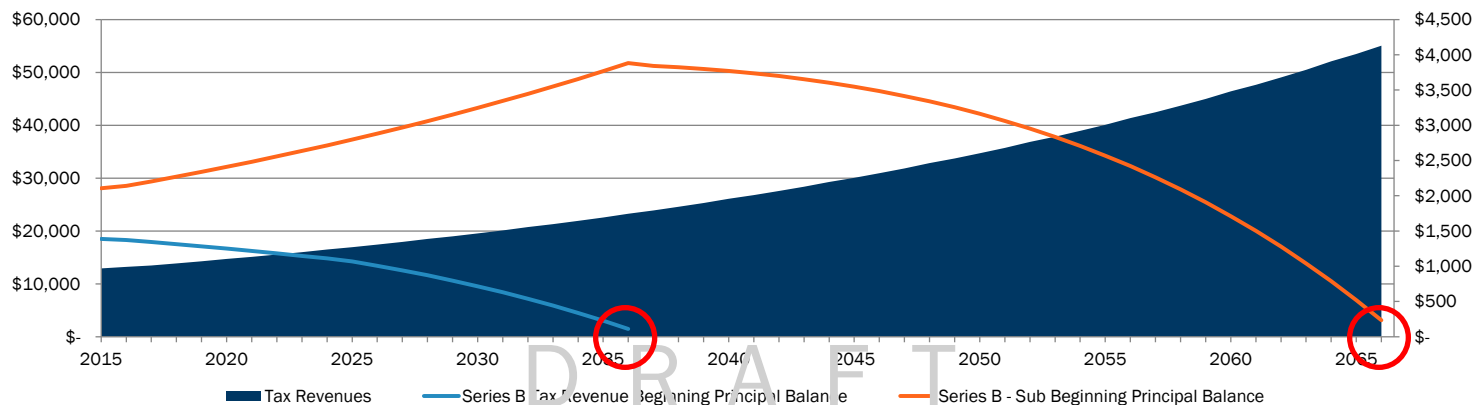
## Overview of New Capital Structure (cont.)

The proposed restructuring plan provides a new capital structure with senior and subordinate components designed to capture cash flow from the Hotel and Restaurants for an extended period of time.

**Restructured Series A Bond Projections**



**Restructured Series B Bond Projections**



# Debt Restructuring Plan

## Summary of Proposed Term Sheet

<b>Ownership of Project</b>	The LPFC will continue as Owner Post-Effective Date
<b>Village Contribution</b>	\$2.5M on Effective Date. The Village will be released from any requirements for future appropriations.
<b>First Tier Debt Service Reserve Fund</b>	Excess funds, if any, distributed to Series A Bond Holders after Effective Date
<b>Series A-1 Bonds</b>	<p>Existing Series A-1 Bonds will have an allowed secured claim of [\$65,448,212]. In satisfaction of their claims, the holders at Effective Date will receive:</p> <ul style="list-style-type: none"> <li>• [\$32,694,122] of Series A Hard Bonds, interest rate of 5.25% and a 30 year term</li> <li>• [\$32,754,089] of Series A Subordinate Bonds. interest rate of 5.25% and a max 55 year term</li> <li>• First lien against LPFC's assets maintained. Tax-Exempt status maintained.</li> <li>• Debt Service Reserve target will be 1.2X</li> <li>• Early Redemption of principal on the Series A Hard Bonds from excess cash flow</li> <li>• Once the Series A Hard Bonds are paid in full, any excess cash flow shall fund debt service on the Series A Subordinate Bonds.</li> </ul>
<b>Series A-2 Bonds</b>	<p>Existing Series A-2 Bonds will have an allowed secured claim of [\$54,661,839]. In satisfaction of their claims, the holders at Effective Date will receive:</p> <ul style="list-style-type: none"> <li>• [\$27,305,877] of Series A Hard Bonds, interest rate of 5.25% and a 30 year term</li> <li>• [\$27,355,962] of Series A Subordinate Bonds. interest rate of 5.25% and a max 55 year term</li> <li>• First lien against LPFC's assets maintained. Tax-Exempt status maintained.</li> <li>• Debt Service Reserve target will be 1.2X</li> <li>• Early Redemption of principal on the Series A Hard Bonds from excess cash flow</li> <li>• Once the Series A Hard Bonds are paid in full, any excess cash flow shall fund debt service on the Series A Subordinate Bonds.</li> </ul>
<b>Series B Bonds</b>	<p>Existing Series B Bonds will have an allowed secured claim of [\$46,598,681]. In satisfaction of their claims, the holders at Effective Date will receive:</p> <ul style="list-style-type: none"> <li>• [\$18,500,000] of Series B Tax Revenue Bonds, interest rate of 3.0% and a 30 year term</li> <li>• [\$28,098,682] of Series B Subordinate Bonds. interest rate of 3.0% and a max 55 year term</li> <li>• Pledge of tax rebates maintained. Tax-Exempt status maintained.</li> <li>• Debt Service Reserve target will be 1.2X</li> <li>• Early Redemption of principal on the Series B Tax Revenue Bonds from excess tax rebate revenue</li> <li>• Once the Series B Tax Revenue Bonds are paid in full, any excess tax rebate revenue shall fund debt service on the Series B Subordinate Bonds.</li> </ul>
<b>Series C Bonds</b>	Cancelled and extinguished on the Effective Date.
<b>Tax Rebate Agreement</b>	Will remain in effect Post-Effective Date.

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Claim amounts calculated assuming an Effective Date of 12/31/2015; actual claim amounts will depend on actual Effective Date

# Debt Restructuring Plan

## Summary of Proposed Term Sheet (cont.)

<b>Hotel Capital Expenditure (“CapEx”) Reserve Fund</b>	<p>The reserve for the replacement of FF&amp;E will be funded post-emergence from Chapter 11 Bankruptcy with \$4,000,000, funding partially by the Village contribution at the Effective Date, less amounts expended on capital improvements after 12/31/14 and less amounts in existing Hotel Capital Reserve funds.</p> <ul style="list-style-type: none"> <li>• 3% of the Hotel’s Total Revenue will be funded into the FF&amp;E/CapEx Reserve Fund, before Series A Hard Bonds debt service. 1% of the Hotel’s Total Revenue will be funded into the FF&amp;E/CapEx Reserve Fund after Series A Hard Bonds debt service</li> </ul>
<b>Infrastructure FF&amp;E Reserve Fund</b>	<p>Following the retirement of the Series A Hard Bonds, up to 2% of Gross Revenues will be deposited into an Infrastructure FF&amp;E Reserve Fund, provided however, (i) the need for such amount is supported by, or premised upon, a structural and, mechanical, and/or FF&amp;E inspection report of the Project prepared by a licensed engineer within the past five years, and (ii) such amount deposited shall not cause the total funds in the Infrastructure FF&amp;E Reserve Fund to exceed \$5,000,000.</p> <ul style="list-style-type: none"> <li>• The Infrastructure FF&amp;E Reserve will be funded after subordinate Hotel Capex and subordinate management fees.</li> </ul>
<b>Tax Exempt Status</b>	<p>Entity remains exempt from real estate taxes. Restructured bonds remain tax-exempt.</p>

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## Series A & B Proforma Waterfalls

D R A F T

# Series A & B Proforma Waterfalls

## Graphical Depiction of Waterfall – Series A Bonds

### Series A Hard Bond

Cash Flow from Operations

1. Cash flow from Operations used to fund FF&E Reserve



2. Used to pay Series A Hard Interest and Principal



3. Available cash flow used to fund Subordinate Management Fees



4. Available cash flow used to fund Subordinate FF&E<sup>1</sup>



5. Available cash flow used to contribute to Series A Reserve. If balance is greater than 1.2 times the next 12 months of Debt Service, available cash flow is used to contribute to Series A Redemption Fund



6. After Year 3, contribution to Series A Redemption Fund in current year used for redemption in subsequent year



### Series A Sub Bond

Cash Flow from Operations following Series A Hard Bond Retirement

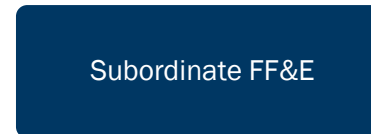
1. Once Series A Hard Bond is paid in full, cash flow from Operations used to fund FF&E Reserve



2. Available cash flow used to fund Subordinate Management Fees



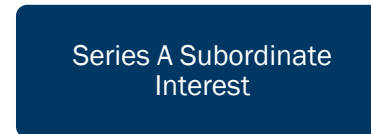
3. Available cash flow used to fund Subordinate FF&E



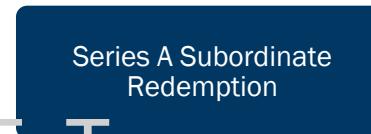
4. Available cash flow used to fund Infrastructure FF&E<sup>1</sup>



5. Available cash flow used to pay Series A Subordinate Interest



6. Contribution to Series A Subordinate Redemption Fund in current year used for redemption in subsequent year. At end of Plan Term, Sub Bond are extinguished whether paid in full or not



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<sup>1</sup> An amount, if any, in the discretion of the Trustee, shall be deposited into the Hotel Capital Expenditure Reserve Fund and/or the Restaurant Capital Expenditure Reserve Fund

# Series A & B Proforma Waterfalls

## Graphical Depiction of Waterfall – Series B Bonds

### Series B Tax Revenue Bond

Cash Available from Tax Revenues and Series B Reserve



Series B Tax Revenue Interest & Principal



Series B Reserve



Series B Redemption

1. Used to pay Series B Tax Revenue Interest and Principal

2. Available cash flow used to contribute to Series B Reserve. If balance is greater than 1.2 times the next 12 months of Debt Service, available cash flow is used to contribute to Series B Redemption Fund

3. After Year 3, contribution to Series B Redemption Fund in current year used for redemption in subsequent year

### Series B Sub Bond

Cash Available from Tax Revenues and Series B Reserve following Series B Tax Revenue Bond Retirement



Series B Subordinate Interest



Series B Subordinated Redemption

1. Once Series B Tax Revenue debt is paid in full, all available funds are used to pay Series B Subordinate Interest

2. Contribution to Series B Subordinate Redemption Fund in current year used for redemption in subsequent year. At end of Plan Term, Sub Notes are extinguished whether paid in full or not

D R A F T

# Series A & B Proforma Waterfalls

## Restructuring Plan – Series A Hard Bonds

Reporting	Historical	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021
Proforma Year #		1	2	3	4	5	6	7

### Series A Hard Bonds

<b>Series A Hard Beginning Principal Balance</b>	-	<b>60,000</b>	<b>59,578</b>	<b>58,709</b>	<b>57,786</b>	<b>56,813</b>	<b>55,788</b>	<b>54,717</b>
Series A Hard - Interest	-	(1,579)	(3,125)	(3,070)	(3,021)	(2,969)	(2,923)	(2,858)
Series A Hard - Principal	-	(422)	(869)	(924)	(973)	(1,025)	(1,071)	(1,136)
<b>Series A Hard Debt Service</b>	-	<b>(2,001)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>
DSCR > 1.2x	-	1.0x	1.3x	1.4x	1.4x	1.4x	1.5x	1.5x
<b>Series A Hard Ending Principal Balance</b>	-	<b>59,578</b>	<b>58,709</b>	<b>57,786</b>	<b>56,813</b>	<b>55,788</b>	<b>54,717</b>	<b>53,306</b>
<b>Cash Flow After Series A Hard DS</b>	-	<b>(0)</b>	<b>1,280</b>	<b>1,414</b>	<b>1,558</b>	<b>1,712</b>	<b>1,888</b>	<b>2,033</b>
Subordinated Management Fee	-	-	(265)	(276)	(289)	(300)	(311)	(323)
Subordinated Hotel FF&E Reserve Contribution	-	-	(255)	(260)	(268)	(276)	(285)	(292)
<b>Cash Flow After Subordinate FF&amp;E and Managemet Fees</b>	-	<b>(0)</b>	<b>759</b>	<b>878</b>	<b>1,002</b>	<b>1,136</b>	<b>1,292</b>	<b>1,418</b>
<b>Infrastructure FF&amp;E Beginning Balance</b>	-	-	-	-	-	-	-	-
Maximum Infrastructure FF&E Contribution	-	-	-	-	-	-	-	-
Infrastructure FF&E Spend	-	-	-	-	-	-	-	-
Excess funds Available for Series A Reserve	-	-	-	-	-	-	-	-
<b>Infrastructure FF&amp;E Ending Balance</b>	-	-	-	-	-	-	-	-
<b>Cash Flow Available For Series A Reserve</b>	-	<b>(0)</b>	<b>759</b>	<b>878</b>	<b>1,002</b>	<b>1,136</b>	<b>1,292</b>	<b>1,418</b>
<b>Series A Reserve Beginning Balance</b>	-	-	<b>(0)</b>	<b>759</b>	<b>1,637</b>	<b>2,640</b>	<b>3,776</b>	<b>4,792</b>
Contribution to Series A Reserve	-	(0)	759	878	1,002	1,136	1,292	1,418
<b>Series A Reserve Balance</b>	-	<b>(0)</b>	<b>759</b>	<b>1,637</b>	<b>2,640</b>	<b>3,776</b>	<b>5,068</b>	<b>6,211</b>
Series A Reserve Coverage for Next 12 Month DS 1.2x	-	(0.0x)	0.2x	0.4x	0.7x	0.9x	1.3x	1.6x
Contribution for Series A Redemption Fund (Excess 1.2x)	-	-	-	-	-	-	(275)	(1,418)
<b>Series A Reserve Ending Balance</b>	-	<b>(0)</b>	<b>759</b>	<b>1,637</b>	<b>2,640</b>	<b>3,776</b>	<b>4,792</b>	<b>4,792</b>
<b>Series A Redemption Fund Beginning Balance</b>	-	-	-	-	-	-	-	<b>275</b>
Series A Redemption	-	-	-	-	-	-	-	(275)
Contribution From Series A Reserve	-	-	-	-	-	-	275	1,418
<b>Series A Redemption Fund Ending Balance</b>	-	-	-	-	-	-	<b>275</b>	<b>1,418</b>

Series A Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months

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# Series A & B Proforma Waterfalls

## Restructuring Plan – Series A Subordinate Bonds

Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2030	2031	2032	2033	2034	2035	2036
Proforma Year #	16	17	18	19	20	21	22

### Series A Subordinate Bonds

<b>Series A Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-
Contribution From Series A Redemption Fund	-	-	-	9,994	6,771	6,968	7,197
Series A-Subordinated Cash Interest Payable (Below)	-	-	-	-	(7,713)	(7,762)	(7,826)
Series A-Subordinated Redemption	-	-	-	(9,994)	942	795	629
<b>Series A Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-

*Series A Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full*

<b>Series A - Sub Beginning Principal Balance</b>	<b>127,515</b>	<b>134,298</b>	<b>141,441</b>	<b>148,985</b>	<b>146,915</b>	<b>147,857</b>	<b>148,652</b>
Series A - Sub PIK Interest (semi-annually)	6,782	7,143	7,544	7,924	-	-	-
Series A - Sub Cash Interest (semi-annually)	-	-	-	-	(7,713)	(7,762)	(7,826)
Series A - Sub Redemption	-	-	-	(9,994)	942	795	629
<b>Series A - Sub Ending Principal Balance</b>	<b>134,298</b>	<b>141,441</b>	<b>148,985</b>	<b>146,915</b>	<b>147,857</b>	<b>148,652</b>	<b>149,281</b>

*Series A Sub Notes PIK until Series A Hard Notes are paid in full*

D R A F T

# Series A & B Proforma Waterfalls

## Restructuring Plan – Series B Tax Revenue Bonds

Reporting	Historical	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021
Proforma Year #		1	2	3	4	5	6	7

### Series B Tax Revenue Bonds

Hotel/Motel Tax Revenue		741	758	771	794	818	845	868
Hotel F&B Tax Revenue (Places of Eating & Sales Tax)		125	128	133	137	141	145	149
Restaurant Tax Revenue (Places of Eating & Sales Tax)		103	105	107	109	111	114	116
<b>Total Tax Revenue</b>		<b>969</b>	<b>991</b>	<b>1,011</b>	<b>1,040</b>	<b>1,070</b>	<b>1,104</b>	<b>1,133</b>
<b>Balance Available for Series B Debt Service</b>		<b>969</b>	<b>991</b>	<b>1,062</b>	<b>1,163</b>	<b>1,293</b>	<b>1,458</b>	<b>1,651</b>
<b>Series B Tax Revenue Beginning Principal Balance</b>		<b>18,500</b>	<b>18,308</b>	<b>17,916</b>	<b>17,511</b>	<b>17,093</b>	<b>16,663</b>	<b>16,222</b>
Series B Interest Payable		(278)	(548)	(534)	(522)	(510)	(498)	(483)
Series B Principal Payable		(192)	(392)	(405)	(417)	(430)	(442)	(456)
<b>Series B Debt Service</b>		<b>(471)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>
Unpaid Principal Balance Due To Insufficient Funds		-	-	-	-	-	-	-
<b>Series B Tax Revenue Ending Principal Balance</b>		<b>18,308</b>	<b>17,916</b>	<b>17,511</b>	<b>17,093</b>	<b>16,663</b>	<b>16,222</b>	<b>15,765</b>
<b>Series B Reserve Beginning Balance</b>	-	-	-	<b>52</b>	<b>123</b>	<b>223</b>	<b>354</b>	<b>518</b>
Series B Cash Flow After Debt Service	-	-	52	71	101	131	164	194
<b>Series B Reserve Balance</b>	-	-	<b>52</b>	<b>123</b>	<b>223</b>	<b>354</b>	<b>518</b>	<b>712</b>
Series B Reserve Coverage for Next 12 Month DS 1.2x	-	-	0.1x	0.1x	0.2x	0.4x	0.6x	0.8x
Contribution for Series B Redemption Fund (Excess 1.2x)	-	-	-	-	-	-	-	-
<b>Series B Reserve Ending Balance</b>	-	-	<b>52</b>	<b>123</b>	<b>223</b>	<b>354</b>	<b>518</b>	<b>712</b>
<b>Series B Redemption Fund Beginning Balance</b>	-	-	-	-	-	-	-	-
Series B Redemption	-	-	-	-	-	-	-	-
Contribution From Series B Reserve	-	-	-	-	-	-	-	-
<b>Series B Redemption Fund Ending Balance</b>	-	-	-	-	-	-	-	-

Series B Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months

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# Series A & B Proforma Waterfalls

## Restructuring Plan – Series B Subordinate Bonds

Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2033	2034	2035	2036	2037	2038	2039
Proforma Year #	19	20	21	22	23	24	25

### Series B Subordinate Bonds

<b>Series B Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-
Contribution to Series B Sub-Revenue Stream	-	-	-	2,110	1,791	1,844	1,897
Series B-Sub Cash Interest	-	-	-	-	(1,537)	(1,529)	(1,519)
Series B-Sub Redemption	-	-	-	(2,110)	(255)	(315)	(378)
<b>Series B Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-

*Series B Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full*

<b>Series B - Sub Beginning Principal Balance</b>	<b>47,336</b>	<b>48,767</b>	<b>50,241</b>	<b>51,759</b>	<b>51,218</b>	<b>50,963</b>	<b>50,649</b>
Series B - Sub PIK Interest (semi-annually)	1,431	1,474	1,519	1,569	-	-	-
Series B - Sub Cash Interest (semi-annually)	-	-	-	-	(1,537)	(1,529)	(1,519)
Series B - Sub Redemption	-	-	-	(2,110)	(255)	(315)	(378)
<b>Series B - Sub Ending Principal Balance</b>	<b>48,767</b>	<b>50,241</b>	<b>51,759</b>	<b>51,218</b>	<b>50,963</b>	<b>50,649</b>	<b>50,271</b>

*Series B Sub Notes PIK until Series B Hard Notes are paid in full*

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Questions

D R A F T





# ACA Commutation Offer for Series A-2 Bondholders

D R A F T

# ACA Commutation Offer

ACA recently purchased \$19.4M in principal of the A-2 bonds, which is expected to result in a claim vs. the Borrower of \$20.2M as of 12/31/15. As part of the restructuring, ACA will provide commuting A-2 holders a proportionate share of up to \$10.1M of its holdings. This offer is designed to deliver commuting bondholders a premium to recent A-2 trading levels, while eliminating ACA creditworthiness as a risk to future bondholder recovery.

## The Commutation Offer

- ACA will relinquish to commuting third parties (on a pro-rata basis of the non-ACA A-2 holdings) up to:
  - i. 50% of its A-2 Hard Notes; PLUS
  - ii. 50% of its A-2 Sub Notes

### NO COMMUTATION

<u>Nominal Cash Flows – A-2 Bondholders (Non-ACA)</u>	<u>2016 – 2022</u>	<u>2023 – 2029</u>	<u>2030 – 2036</u>	<u>2037 – 2063</u>	<u>Total</u>
Original A-2 Amortization Schedule	\$ 16.9	\$ 19.1	\$ 20.2	\$ -	\$ 56.2
Restructured P&I Cash Flows	\$ 8.1	\$ 11.8	\$ 17.1	\$ -	\$ 37.0
<i>New Series A Hard Bonds</i>	8.1	11.8	8.7	-	28.6
<i>New Series A Subordinated Bonds</i>	-	-	8.4	-	8.4
Required ACA Insurance Payment	\$ 8.8	\$ 7.2	\$ 3.1	\$ -	\$ 19.2
<b>Present Value of Cash Flows – A-2 Bondholders (Non-ACA)</b>	<b>2016 – 2022</b>	<b>2023 – 2029</b>	<b>2030 – 2036</b>	<b>2037 – 2063</b>	<b>Total</b>
Restructured P&I Cash Flows	\$ 6.7	\$ 6.8	\$ 5.3	\$ -	\$ 18.9
<i>New Series A Hard Bonds</i> <sup>1</sup>	6.7	6.8	3.8	-	17.3
<i>New Series A Subordinated Bonds</i> <sup>2</sup>	-	-	1.6	-	1.6
Required ACA Insurance Payment <sup>2</sup>	\$ 6.9	\$ 2.6	\$ 0.7	\$ -	\$ 10.1
<b>Total Present Value</b>	<b>\$ 13.6</b>	<b>\$ 9.5</b>	<b>\$ 6.0</b>	<b>\$ -</b>	<b>\$ 29.0</b>

Recovery as % of estimated 12/31/15 Claim **84.3%**

### COMMUTATION SCENARIO

<u>Nominal Cash Flows – A-2 Bondholders (Non-ACA)</u>	<u>2016 – 2022</u>	<u>2023 – 2029</u>	<u>2030 – 2036</u>	<u>2037 – 2063</u>	<u>Total</u>
Restructured P&I Cash Flows	\$ 10.5	\$ 15.3	\$ 22.1	\$ 112.3	\$ 160.1
<i>New Series A Hard Bonds</i>	10.5	15.3	11.2	-	37.0
<i>New Series A Subordinated Bonds</i>	-	-	10.9	112.3	123.2
<b>Present Value of Non-ACA A-2 Cash Flows</b>	<b>2016 – 2022</b>	<b>2023 – 2029</b>	<b>2030 – 2036</b>	<b>2037 – 2063</b>	<b>Total</b>
Restructured P&I Cash Flows	\$ 8.7	\$ 8.9	\$ 6.9	\$ 6.2	\$ 30.6
<i>New Series A Hard Bonds</i> <sup>1</sup>	8.7	8.9	4.9	-	22.4
<i>New Series A Subordinated Bonds</i> <sup>2</sup>	-	-	2.0	6.2	8.2
<b>Total Present Value</b>	<b>\$ 8.7</b>	<b>\$ 8.9</b>	<b>\$ 6.9</b>	<b>\$ 6.2</b>	<b>\$ 30.6</b>

Recovery as % of estimated 12/31/15 Claim **89.0%**

(1) Discount Rate of 5.25%

(2) Discount Rate of 9.00%



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**EXHIBIT B**

Westin Lombard Consolidated Projections, dated October 7, 2015

OCTOBER 7, 2015



# WESTIN LOMBARD CONSOLIDATED PROJECTIONS

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DRAFT – SUBJECT TO MATERIAL CHANGE  
PRIVILEGED AND CONFIDENTIAL; NOT FOR FURTHER  
DISTRIBUTION; SUBJECT TO NDA

CRITICAL THINKING  
AT THE CRITICAL TIME™

**Westin Lombard**  
**Consolidated FTI Proforma**  
Draft as of 10/7/2015  
(\$ in Thousands)

Reporting Fiscal Year	Historical 2014	Proforma 2015	Proforma 2016	Proforma 2017	Proforma 2018	Proforma 2019	Proforma 2020	Proforma 2021	Proforma 2022	Proforma 2023	Proforma 2024	Proforma 2025	Proforma 2026	Proforma 2027
Proforma Year #	1	2	3	4	5	6	7	8	9	10	11	12	13	
ADR Growth Rate		0.0%	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Occupancy Growth Rate		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%
1 ADR	\$ 115.76	\$ 115.11	\$ 117.41	\$ 119.76	\$ 123.35	\$ 127.05	\$ 130.86	\$ 134.79	\$ 138.83	\$ 143.00	\$ 147.29	\$ 151.71	\$ 156.26	\$ 160.95
2 Occupancy	70.7%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%
3 Available Rooms	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500
4 <b>Room Revenue</b>	<b>14,942</b>	<b>14,917</b>	<b>15,257</b>	<b>15,519</b>	<b>15,985</b>	<b>16,464</b>	<b>17,005</b>	<b>17,467</b>	<b>17,991</b>	<b>18,531</b>	<b>19,139</b>	<b>19,659</b>	<b>20,249</b>	<b>20,856</b>
5 Hotel F&B Revenue	10,201	9,549	9,767	10,117	10,420	10,733	11,085	11,386	11,728	12,080	12,476	12,815	13,200	13,596
6 Restaurants Revenue	5,777	5,777	5,893	6,010	6,131	6,253	6,378	6,506	6,636	6,769	6,904	7,042	7,183	7,327
7 Other Revenue	623	537	549	558	575	592	611	627	646	665	687	705	726	747
8 Total F&B & Other Revenue	16,601	15,863	16,208	16,685	17,126	17,578	18,074	18,520	19,010	19,513	20,067	20,562	21,109	21,670
9 <b>Total Revenues</b>	<b>31,543</b>	<b>30,779</b>	<b>31,465</b>	<b>32,205</b>	<b>33,110</b>	<b>34,042</b>	<b>35,079</b>	<b>35,987</b>	<b>37,001</b>	<b>38,044</b>	<b>39,206</b>	<b>40,222</b>	<b>41,358</b>	<b>42,526</b>
<b>Departmental Expenses</b>														
10 Rooms	(4,356)	(4,455)	(4,557)	(4,635)	(4,774)	(4,917)	(5,079)	(5,217)	(5,373)	(5,535)	(5,716)	(5,872)	(6,048)	(6,229)
11 Food & Beverage	(10,341)	(10,054)	(10,272)	(10,572)	(10,846)	(11,127)	(11,435)	(11,712)	(12,017)	(12,329)	(12,672)	(12,980)	(13,319)	(13,667)
12 Hotel Other	(487)	(342)	(340)	(346)	(356)	(367)	(379)	(389)	(401)	(413)	(426)	(438)	(451)	(464)
13 <b>Total Operating Expenses</b>	<b>(15,184)</b>	<b>(14,851)</b>	<b>(15,168)</b>	<b>(15,553)</b>	<b>(15,976)</b>	<b>(16,411)</b>	<b>(16,892)</b>	<b>(17,318)</b>	<b>(17,791)</b>	<b>(18,277)</b>	<b>(18,814)</b>	<b>(19,290)</b>	<b>(19,817)</b>	<b>(20,360)</b>
<b>Undistributed Expenses</b>														
14 General & Administrative	(2,416)	(2,321)	(2,964)	(3,016)	(3,100)	(3,187)	(3,283)	(3,368)	(3,462)	(3,559)	(3,666)	(3,761)	(3,866)	(3,975)
15 Sales & Marketing	(2,324)	(2,458)	(2,514)	(2,558)	(2,633)	(2,710)	(2,796)	(2,871)	(2,955)	(3,042)	(3,139)	(3,222)	(3,317)	(3,414)
16 Info&Telecom Systems	-	(302)	(309)	(314)	(323)	(333)	(344)	(353)	(364)	(375)	(387)	(398)	(410)	(422)
17 Maintenance	(1,627)	(1,626)	(1,663)	(1,692)	(1,741)	(1,792)	(1,849)	(1,898)	(1,953)	(2,010)	(2,074)	(2,129)	(2,191)	(2,255)
18 Utilities	(1,061)	(1,002)	(1,025)	(1,043)	(1,073)	(1,104)	(1,138)	(1,168)	(1,201)	(1,236)	(1,274)	(1,308)	(1,345)	(1,384)
19 Base Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20 Base Hotel Mgmt. Fee	(1,093)	(1,125)	(796)	(829)	(866)	(899)	(934)	(968)	(1,004)	(1,043)	(1,075)	(1,107)	(1,140)	(1,175)
21 Employee Compensation Pool	(752)	(752)	(176)	(181)	(187)	(192)	(198)	(204)	(210)	(216)	(223)	(230)	(236)	(244)
22 Incentive Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23 Asset Mgmt. Fee <sup>1</sup>	-	-	(300)	(309)	(318)	(328)	(338)	(348)	(358)	(369)	(380)	(391)	(403)	(415)
24 LPFC Admin Expenses <sup>1</sup>	-	-	(198)	(204)	(210)	(216)	(223)	(230)	(236)	(244)	(251)	(258)	(266)	(274)
23 <b>Total Undistributed Expenses</b>	<b>(9,273)</b>	<b>(9,585)</b>	<b>(9,944)</b>	<b>(10,146)</b>	<b>(10,452)</b>	<b>(10,761)</b>	<b>(11,103)</b>	<b>(11,406)</b>	<b>(11,744)</b>	<b>(12,093)</b>	<b>(12,469)</b>	<b>(12,804)</b>	<b>(13,175)</b>	<b>(13,557)</b>
<b>Fixed Expenses</b>														
25 Insurance	(307)	(305)	(312)	(318)	(327)	(337)	(348)	(358)	(368)	(379)	(392)	(402)	(414)	(427)
26 Real Estate Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27 <b>Total Fixed Expenses</b>	<b>(307)</b>	<b>(305)</b>	<b>(312)</b>	<b>(318)</b>	<b>(327)</b>	<b>(337)</b>	<b>(348)</b>	<b>(358)</b>	<b>(368)</b>	<b>(379)</b>	<b>(392)</b>	<b>(402)</b>	<b>(414)</b>	<b>(427)</b>
28 <b>Cash Flow From Operations</b>	<b>\$ 6,779</b>	<b>\$ 6,038</b>	<b>\$ 6,040</b>	<b>\$ 6,188</b>	<b>\$ 6,355</b>	<b>\$ 6,533</b>	<b>\$ 6,736</b>	<b>\$ 6,904</b>	<b>\$ 7,097</b>	<b>\$ 7,295</b>	<b>\$ 7,531</b>	<b>\$ 7,725</b>	<b>\$ 7,950</b>	<b>\$ 8,182</b>
29 Hotel FF&E Reserve Contribution	-	-	(766)	(780)	(803)	(827)	(854)	(877)	(904)	(931)	(961)	(988)	(1,017)	(1,048)
30 Restaurant Capital Expenditure (For Illustrative Purposes)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 Restructuring Expenses/FF&E Top Off	-	(4,037)	-	-	-	-	-	-	-	-	-	-	-	-
32 <b>Cash Flow Available for Series A Debt Service</b>	<b>\$ 6,779</b>	<b>\$ 2,001</b>	<b>\$ 5,274</b>	<b>\$ 5,408</b>	<b>\$ 5,552</b>	<b>\$ 5,706</b>	<b>\$ 5,881</b>	<b>\$ 6,027</b>	<b>\$ 6,194</b>	<b>\$ 6,364</b>	<b>\$ 6,570</b>	<b>\$ 6,738</b>	<b>\$ 6,933</b>	<b>\$ 7,134</b>

<sup>1</sup> Not currently being paid by Hotel or Restaurant, assumed to be paid in future

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 (\$ in Thousands)

Reporting Fiscal Year	Historical 2014	Proforma 2015	Proforma 2016	Proforma 2017	Proforma 2018	Proforma 2019	Proforma 2020	Proforma 2021	Proforma 2022	Proforma 2023	Proforma 2024	Proforma 2025	Proforma 2026	Proforma 2027
Proforma Year #		1	2	3	4	5	6	7	8	9	10	11	12	13
<b>Series A Hard Bonds</b>														
33	Series A Hard Beginning Principal Balance	60,000	59,578	58,709	57,786	56,813	55,788	54,717	53,306	50,677	47,762	44,551	40,977	37,064
34	Series A Hard - Interest	(1,579)	(3,125)	(3,070)	(3,021)	(2,969)	(2,923)	(2,858)	(2,783)	(2,643)	(2,495)	(2,317)	(2,127)	(1,919)
35	Series A Hard - Principal	(422)	(869)	(924)	(973)	(1,025)	(1,071)	(1,136)	(1,211)	(1,351)	(1,499)	(1,677)	(1,867)	(2,075)
36	Series A Hard Debt Service	(2,001)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)	(3,994)
37	DSCR > 1.2x	1.0x	1.3x	1.4x	1.4x	1.4x	1.5x	1.5x	1.6x	1.6x	1.6x	1.7x	1.7x	1.8x
38	Series A Hard Ending Principal Balance	59,578	58,709	57,786	56,813	55,788	54,717	53,306	50,677	47,762	44,551	40,977	37,064	32,768
39	Cash Flow After Series A Hard DS	(0)	1,280	1,414	1,558	1,712	1,888	2,033	2,200	2,370	2,576	2,744	2,939	3,140
40	Subordinated Management Fee	-	-	(265)	(276)	(289)	(300)	(311)	(323)	(335)	(348)	(358)	(369)	(380)
41	Subordinated Hotel FF&E Reserve Contribution	-	-	(255)	(260)	(268)	(276)	(285)	(292)	(301)	(310)	(320)	(329)	(339)
42	Cash Flow After Subordinate FF&E and Managemet Fees	(0)	759	878	1,002	1,136	1,292	1,418	1,564	1,712	1,897	2,046	2,220	2,400
43	Infrastructure FF&E Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
44	Maximum Infrastructure FF&E Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Infrastructure FF&E Spend	-	-	-	-	-	-	-	-	-	-	-	-	-
46	Excess funds Available for Series A Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
47	Infrastructure FF&E Ending Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Cash Flow Available For Series A Reserve	(0)	759	878	1,002	1,136	1,292	1,418	1,564	1,712	1,897	2,046	2,220	2,400
49	Series A Reserve Beginning Balance	-	(0)	759	1,637	2,640	3,776	4,792	4,792	4,792	4,792	4,792	4,792	4,792
50	Contribution to Series A Reserve	(0)	759	878	1,002	1,136	1,292	1,418	1,564	1,712	1,897	2,046	2,220	2,400
51	Series A Reserve Balance	(0)	759	1,637	2,640	3,776	5,068	6,211	6,356	6,505	6,690	6,838	7,013	7,192
52	Series A Reserve Coverage for Next 12 Month DS 1.2x	(0.0x)	0.2x	0.4x	0.7x	0.9x	1.3x	1.6x	1.6x	1.6x	1.7x	1.7x	1.8x	1.8x
53	Contribution for Series A Redemption Fund (Excess 1.2x)	-	-	-	-	-	(275)	(1,418)	(1,564)	(1,712)	(1,897)	(2,046)	(2,220)	(2,400)
54	Series A Reserve Ending Balance	(0)	759	1,637	2,640	3,776	4,792	4,792	4,792	4,792	4,792	4,792	4,792	4,792
55	Series A Redemption Fund Beginning Balance	-	-	-	-	-	-	275	1,418	1,564	1,712	1,897	2,046	2,220
56	Series A Redemption	-	-	-	-	-	-	(275)	(1,418)	(1,564)	(1,712)	(1,897)	(2,046)	(2,220)
57	Contribution From Series A Reserve	-	-	-	-	-	275	1,418	1,564	1,712	1,897	2,046	2,220	2,400
58	Series A Redemption Fund Ending Balance	-	-	-	-	-	275	1,418	1,564	1,712	1,897	2,046	2,220	2,400
<i>Series A Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>														
<b>Series A Subordinate Bonds</b>														
59	Series A Subordinated Revenue Stream Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
60	Contribution From Series A Redemption Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
61	Series A-Subordinated Cash Interest Payable (Below)	-	-	-	-	-	-	-	-	-	-	-	-	-
62	Series A-Subordinated Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-
63	Series A Subordinated Revenue Ending Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Series A Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>														
64	Series A - Sub Beginning Principal Balance	60,110	61,692	64,983	68,439	72,079	75,913	79,962	84,215	88,695	93,412	98,394	103,628	109,140
65	Series A - Sub PIK Interest (semi-annually)	1,582	3,290	3,456	3,640	3,834	4,049	4,253	4,479	4,718	4,982	5,233	5,512	5,805
66	Series A - Sub Cash Interest (semi-annually)	-	-	-	-	-	-	-	-	-	-	-	-	-
67	Series A - Sub Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-
68	Series A - Sub Ending Principal Balance	61,692	64,983	68,439	72,079	75,913	79,962	84,215	88,695	93,412	98,394	103,628	109,140	114,945
<i>Series A Sub Notes PIK until Series A Hard Notes are paid in full</i>														

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Reporting Fiscal Year	Historical 2014	Proforma 2015	Proforma 2016	Proforma 2017	Proforma 2018	Proforma 2019	Proforma 2020	Proforma 2021	Proforma 2022	Proforma 2023	Proforma 2024	Proforma 2025	Proforma 2026	Proforma 2027
Proforma Year #		1	2	3	4	5	6	7	8	9	10	11	12	13
<b>Series B Tax Revenue Bonds</b>														
69	Hotel/Motel Tax Revenue	741	758	771	794	818	845	868	894	921	951	977	1,006	1,037
70	Hotel F&B Tax Revenue (Places of Eating & Sales Tax)	125	128	133	137	141	145	149	154	158	163	168	173	178
71	Restaurant Tax Revenue (Places of Eating & Sales Tax)	103	105	107	109	111	114	116	118	120	123	125	128	130
72	<b>Total Tax Revenue</b>	<b>969</b>	<b>991</b>	<b>1,011</b>	<b>1,040</b>	<b>1,070</b>	<b>1,104</b>	<b>1,133</b>	<b>1,166</b>	<b>1,200</b>	<b>1,238</b>	<b>1,270</b>	<b>1,307</b>	<b>1,345</b>
73	<b>Balance Available for Series B Debt Service</b>	<b>969</b>	<b>991</b>	<b>1,062</b>	<b>1,163</b>	<b>1,293</b>	<b>1,458</b>	<b>1,651</b>	<b>1,878</b>	<b>2,138</b>	<b>2,365</b>	<b>2,398</b>	<b>2,435</b>	<b>2,473</b>
74	<b>Series B Tax Revenue Beginning Principal Balance</b>	<b>18,500</b>	<b>18,308</b>	<b>17,916</b>	<b>17,511</b>	<b>17,093</b>	<b>16,663</b>	<b>16,222</b>	<b>15,765</b>	<b>15,295</b>	<b>14,811</b>	<b>14,242</b>	<b>13,428</b>	<b>12,557</b>
75	Series B Interest Payable	(278)	(548)	(534)	(522)	(510)	(498)	(483)	(469)	(455)	(442)	(423)	(399)	(372)
76	Series B Principal Payable	(192)	(392)	(405)	(417)	(430)	(442)	(456)	(470)	(484)	(498)	(516)	(541)	(567)
77	<b>Series B Debt Service</b>	<b>(471)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>
78	Unpaid Principal Balance Due To Insufficient Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
80	<b>Series B Tax Revenue Ending Principal Balance</b>	<b>18,308</b>	<b>17,916</b>	<b>17,511</b>	<b>17,093</b>	<b>16,663</b>	<b>16,222</b>	<b>15,765</b>	<b>15,295</b>	<b>14,811</b>	<b>14,242</b>	<b>13,428</b>	<b>12,557</b>	<b>11,622</b>
81	<b>Series B Reserve Beginning Balance</b>	-	-	<b>52</b>	<b>123</b>	<b>223</b>	<b>354</b>	<b>518</b>	<b>712</b>	<b>938</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>
82	Series B Cash Flow After Debt Service	-	52	71	101	131	164	194	226	260	298	331	368	406
83	<b>Series B Reserve Balance</b>	-	<b>52</b>	<b>123</b>	<b>223</b>	<b>354</b>	<b>518</b>	<b>712</b>	<b>938</b>	<b>1,198</b>	<b>1,425</b>	<b>1,458</b>	<b>1,495</b>	<b>1,533</b>
84	Series B Reserve Coverage for Next 12 Month DS 1.2x	-	0.1x	0.1x	0.2x	0.4x	0.6x	0.8x	1.0x	1.3x	1.5x	1.6x	1.6x	1.6x
85	Contribution for Series B Redemption Fund (Excess 1.2x)	-	-	-	-	-	-	-	(71)	(298)	(331)	(368)	(406)	
86	<b>Series B Reserve Ending Balance</b>	-	<b>52</b>	<b>123</b>	<b>223</b>	<b>354</b>	<b>518</b>	<b>712</b>	<b>938</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>
87	<b>Series B Redemption Fund Beginning Balance</b>	-	-	-	-	-	-	-	-	-	<b>71</b>	<b>298</b>	<b>331</b>	<b>368</b>
88	Series B Redemption	-	-	-	-	-	-	-	-	(71)	(298)	(331)	(368)	(368)
89	Contribution From Series B Reserve	-	-	-	-	-	-	-	-	71	298	331	368	406
90	<b>Series B Redemption Fund Ending Balance</b>	-	-	-	-	-	-	-	-	<b>71</b>	<b>298</b>	<b>331</b>	<b>368</b>	<b>406</b>
	<i>Series B Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>													
<b>Series B Subordinate Bonds</b>														
91	<b>Series B Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
92	Contribution to Series B Sub-Revenue Stream	-	-	-	-	-	-	-	-	-	-	-	-	-
93	Series B-Sub Cash Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
94	Series B-Sub Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-
95	<b>Series B Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
	<i>Series B Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>													
96	<b>Series B - Sub Beginning Principal Balance</b>	<b>28,099</b>	<b>28,521</b>	<b>29,386</b>	<b>30,274</b>	<b>31,189</b>	<b>32,132</b>	<b>33,106</b>	<b>34,106</b>	<b>35,137</b>	<b>36,199</b>	<b>37,296</b>	<b>38,423</b>	<b>39,585</b>
97	Series B - Sub PIK Interest (semi-annually)	423	864	888	915	943	974	1,001	1,031	1,062	1,097	1,127	1,161	1,196
98	Series B - Sub Cash Interest (semi-annually)	-	-	-	-	-	-	-	-	-	-	-	-	-
99	Series B - Sub Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-
##	<b>Series B - Sub Ending Principal Balance</b>	<b>28,521</b>	<b>29,386</b>	<b>30,274</b>	<b>31,189</b>	<b>32,132</b>	<b>33,106</b>	<b>34,106</b>	<b>35,137</b>	<b>36,199</b>	<b>37,296</b>	<b>38,423</b>	<b>39,585</b>	<b>40,781</b>
	<i>Series B Sub Notes PIK until Series B Hard Notes are paid in full</i>													

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Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	
Proforma Year #	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
ADR Growth Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Occupancy Growth Rate	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%	0.0%	
1 ADR	\$ 165.78	\$ 170.75	\$ 175.87	\$ 181.15	\$ 186.58	\$ 192.18	\$ 197.94	\$ 203.88	\$ 210.00	\$ 216.30	\$ 222.79	\$ 229.47	\$ 236.36	\$ 243.45	\$ 250.75	
2 Occupancy	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	
3 Available Rooms	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	
4 <b>Room Revenue</b>	<b>21,541</b>	<b>22,127</b>	<b>22,790</b>	<b>23,474</b>	<b>24,245</b>	<b>24,904</b>	<b>25,651</b>	<b>26,420</b>	<b>27,288</b>	<b>28,029</b>	<b>28,870</b>	<b>29,736</b>	<b>30,712</b>	<b>31,547</b>	<b>32,494</b>	
5 Hotel F&B Revenue	14,042	14,424	14,857	15,302	15,804	16,234	16,721	17,223	17,788	18,272	18,820	19,384	20,021	20,565	21,182	
6 Restaurants Revenue	7,473	7,623	7,775	7,931	8,089	8,251	8,416	8,584	8,756	8,931	9,110	9,292	9,478	9,667	9,861	
7 Other Revenue	771	792	816	840	867	890	917	944	974	1,000	1,030	1,060	1,095	1,124	1,158	
8 Total F&B & Other Revenue	22,287	22,839	23,447	24,073	24,761	25,375	26,054	26,751	27,518	28,203	28,960	29,737	30,593	31,356	32,200	
9 <b>Total Revenues</b>	<b>43,828</b>	<b>44,965</b>	<b>46,238</b>	<b>47,547</b>	<b>49,005</b>	<b>50,279</b>	<b>51,704</b>	<b>53,171</b>	<b>54,806</b>	<b>56,232</b>	<b>57,830</b>	<b>59,473</b>	<b>61,306</b>	<b>62,904</b>	<b>64,694</b>	
<b>Departmental Expenses</b>																
10 Rooms	(6,434)	(6,609)	(6,807)	(7,011)	(7,241)	(7,438)	(7,661)	(7,891)	(8,150)	(8,372)	(8,623)	(8,881)	(9,173)	(9,422)	(9,705)	
11 Food & Beverage	(14,047)	(14,390)	(14,767)	(15,154)	(15,578)	(15,960)	(16,379)	(16,809)	(17,282)	(17,706)	(18,173)	(18,652)	(19,179)	(19,651)	(20,171)	
12 Hotel Other	(480)	(493)	(507)	(523)	(540)	(555)	(571)	(588)	(608)	(624)	(643)	(662)	(684)	(702)	(724)	
13 <b>Total Operating Expenses</b>	<b>(20,961)</b>	<b>(21,492)</b>	<b>(22,081)</b>	<b>(22,688)</b>	<b>(23,359)</b>	<b>(23,952)</b>	<b>(24,611)</b>	<b>(25,289)</b>	<b>(26,039)</b>	<b>(26,702)</b>	<b>(27,439)</b>	<b>(28,196)</b>	<b>(29,035)</b>	<b>(29,776)</b>	<b>(30,599)</b>	
<b>Undistributed Expenses</b>																
14 General & Administrative	(4,095)	(4,201)	(4,319)	(4,441)	(4,576)	(4,694)	(4,826)	(4,962)	(5,113)	(5,246)	(5,394)	(5,546)	(5,716)	(5,864)	(6,030)	
15 Sales & Marketing	(3,523)	(3,618)	(3,724)	(3,833)	(3,956)	(4,061)	(4,181)	(4,304)	(4,441)	(4,560)	(4,694)	(4,832)	(4,987)	(5,121)	(5,271)	
16 Info&Telecom Systems	(436)	(448)	(461)	(475)	(490)	(504)	(519)	(534)	(552)	(567)	(584)	(601)	(621)	(638)	(657)	
17 Maintenance	(2,326)	(2,388)	(2,458)	(2,530)	(2,610)	(2,680)	(2,758)	(2,838)	(2,929)	(3,007)	(3,095)	(3,185)	(3,287)	(3,374)	(3,473)	
18 Utilities	(1,427)	(1,465)	(1,507)	(1,550)	(1,599)	(1,641)	(1,688)	(1,737)	(1,791)	(1,838)	(1,891)	(1,946)	(2,007)	(2,060)	(2,119)	
19 Base Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20 Base Hotel Mgmt. Fee	(1,210)	(1,246)	(1,284)	(1,322)	(1,362)	(1,403)	(1,445)	(1,488)	(1,533)	(1,579)	(1,626)	(1,675)	(1,725)	(1,777)	(1,830)	
21 Employee Compensation Pool	(251)	(258)	(266)	(274)	(282)	(291)	(299)	(308)	(318)	(327)	(337)	(347)	(358)	(368)	(379)	
22 Incentive Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23 Asset Mgmt. Fee <sup>1</sup>	(428)	(441)	(454)	(467)	(481)	(496)	(511)	(526)	(542)	(558)	(575)	(592)	(610)	(628)	(647)	
24 LPFC Admin Expenses <sup>1</sup>	(282)	(291)	(299)	(308)	(318)	(327)	(337)	(347)	(358)	(368)	(379)	(391)	(402)	(415)	(427)	
23 <b>Total Undistributed Expenses</b>	<b>(13,979)</b>	<b>(14,355)</b>	<b>(14,772)</b>	<b>(15,200)</b>	<b>(15,674)</b>	<b>(16,096)</b>	<b>(16,563)</b>	<b>(17,045)</b>	<b>(17,576)</b>	<b>(18,050)</b>	<b>(18,575)</b>	<b>(19,116)</b>	<b>(19,712)</b>	<b>(20,244)</b>	<b>(20,834)</b>	
<b>Fixed Expenses</b>																
25 Insurance	(441)	(453)	(467)	(481)	(496)	(510)	(525)	(541)	(559)	(574)	(591)	(609)	(629)	(646)	(665)	
26 Real Estate Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27 <b>Total Fixed Expenses</b>	<b>(441)</b>	<b>(453)</b>	<b>(467)</b>	<b>(481)</b>	<b>(496)</b>	<b>(510)</b>	<b>(525)</b>	<b>(541)</b>	<b>(559)</b>	<b>(574)</b>	<b>(591)</b>	<b>(609)</b>	<b>(629)</b>	<b>(646)</b>	<b>(665)</b>	
28 <b>Cash Flow From Operations</b>	<b>\$ 8,447</b>	<b>\$ 8,666</b>	<b>\$ 8,918</b>	<b>\$ 9,178</b>	<b>\$ 9,476</b>	<b>\$ 9,721</b>	<b>\$ 10,005</b>	<b>\$ 10,297</b>	<b>\$ 10,631</b>	<b>\$ 10,907</b>	<b>\$ 11,225</b>	<b>\$ 11,553</b>	<b>\$ 11,929</b>	<b>\$ 12,238</b>	<b>\$ 12,596</b>	
29 Hotel FF&E Reserve Contribution	(1,082)	(1,112)	(1,145)	(1,179)	(1,218)	(1,251)	(1,289)	(1,327)	(1,371)	(1,408)	(1,450)	(1,494)	(1,543)	(1,585)	(1,632)	
30 Restaurant Capital Expenditure (For Illustrative Purposes)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31 Restructuring Expenses/FF&E Top Off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32 <b>Cash Flow Available for Series A Debt Service</b>	<b>\$ 7,365</b>	<b>\$ 7,554</b>	<b>\$ 7,773</b>	<b>\$ 7,999</b>	<b>\$ 8,258</b>	<b>\$ 8,470</b>	<b>\$ 8,716</b>	<b>\$ 8,969</b>	<b>\$ 9,261</b>	<b>\$ 9,499</b>	<b>\$ 9,775</b>	<b>\$ 10,059</b>	<b>\$ 10,386</b>	<b>\$ 10,653</b>	<b>\$ 10,963</b>	

<sup>1</sup> Not currently being paid by Hotel or Restaurant, assumed to be paid in



**Westin Lombard**  
**Consolidated FTI Proforma**  
Draft as of 10/7/2015  
(\$ in Thousands)

Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	
Proforma Year #	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
<b>Series A Hard Bonds</b>																
33	<b>Series A Hard Beginning Principal Balance</b>	<b>32,768</b>	<b>28,070</b>	<b>22,909</b>	<b>17,307</b>	<b>11,211</b>	<b>4,591</b>	-	-	-	-	-	-	-	-	-
34	Series A Hard - Interest	(1,695)	(1,440)	(1,166)	(868)	(545)	(191)	-	-	-	-	-	-	-	-	-
35	Series A Hard - Principal	(2,299)	(2,553)	(2,828)	(3,126)	(3,448)	(3,802)	-	-	-	-	-	-	-	-	-
36	<b>Series A Hard Debt Service</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	<b>(3,994)</b>	-	-	-	-	-	-	-	-	-
37	DSCR > 1.2x	1.8x	1.9x	1.9x	2.0x	2.1x	2.1x	-	-	-	-	-	-	-	-	-
38	<b>Series A Hard Ending Principal Balance</b>	<b>28,070</b>	<b>22,909</b>	<b>17,307</b>	<b>11,211</b>	<b>4,591</b>	-	-	-	-	-	-	-	-	-	-
39	<b>Cash Flow After Series A Hard DS</b>	<b>3,371</b>	<b>3,560</b>	<b>3,780</b>	<b>4,005</b>	<b>4,264</b>	<b>4,476</b>	<b>8,716</b>	<b>8,969</b>	<b>9,261</b>	<b>9,499</b>	<b>9,775</b>	<b>10,059</b>	<b>10,386</b>	<b>10,653</b>	<b>10,963</b>
40	Subordinated Management Fee	(403)	(416)	(428)	(441)	(454)	(468)	(482)	(496)	(511)	(526)	(542)	(558)	(575)	(592)	(610)
41	Subordinated Hotel FF&E Reserve Contribution	(361)	(371)	(382)	(393)	(406)	(417)	(430)	(442)	(457)	(469)	(483)	(498)	(514)	(528)	(544)
42	<b>Cash Flow After Subordinate FF&amp;E and Management Fees</b>	<b>2,607</b>	<b>2,774</b>	<b>2,970</b>	<b>3,171</b>	<b>3,405</b>	<b>3,592</b>	<b>7,805</b>	<b>8,031</b>	<b>8,293</b>	<b>8,503</b>	<b>8,749</b>	<b>9,003</b>	<b>9,297</b>	<b>9,533</b>	<b>9,809</b>
43	<b>Infrastructure FF&amp;E Beginning Balance</b>	-	-	-	-	-	670	1,360	2,069	2,799	3,549	4,320	5,000	5,000	5,000	5,000
44	Maximum Infrastructure FF&E Contribution	-	-	-	-	1,006	1,034	1,063	1,096	1,125	1,157	1,189	1,226	1,258	1,294	1,294
45	Infrastructure FF&E Spend	-	-	-	-	(335)	(345)	(354)	(365)	(375)	(386)	(396)	(409)	(419)	(431)	(431)
46	Excess funds Available for Series A Reserve	-	-	-	-	-	-	-	-	-	-	(113)	(817)	(839)	(863)	(863)
47	<b>Infrastructure FF&amp;E Ending Balance</b>	-	-	-	-	670	1,360	2,069	2,799	3,549	4,320	5,000	5,000	5,000	5,000	5,000
48	<b>Cash Flow Available For Series A Reserve</b>	<b>2,607</b>	<b>2,774</b>	<b>2,970</b>	<b>3,171</b>	<b>3,405</b>	<b>2,586</b>	<b>6,771</b>	<b>6,968</b>	<b>7,197</b>	<b>7,378</b>	<b>7,593</b>	<b>7,927</b>	<b>8,888</b>	<b>9,113</b>	<b>9,378</b>
49	<b>Series A Reserve Beginning Balance</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	-	-	-	-	-	-	-	-	-
50	Contribution to Series A Reserve	2,607	2,774	2,970	3,171	3,405	2,586	6,771	6,968	7,197	7,378	7,593	7,927	8,888	9,113	9,378
51	<b>Series A Reserve Balance</b>	<b>7,400</b>	<b>7,566</b>	<b>7,763</b>	<b>7,964</b>	<b>8,197</b>	<b>7,379</b>	<b>6,771</b>	<b>6,968</b>	<b>7,197</b>	<b>7,378</b>	<b>7,593</b>	<b>7,927</b>	<b>8,888</b>	<b>9,113</b>	<b>9,378</b>
52	Series A Reserve Coverage for Next 12 Month DS 1.2x	1.9x	1.9x	1.9x	2.0x	2.1x	2.1x	-	-	-	-	-	-	-	-	-
53	Contribution for Series A Redemption Fund (Excess 1.2x)	(2,607)	(2,774)	(2,970)	(3,171)	(3,405)	(7,379)	(6,771)	(6,968)	(7,197)	(7,378)	(7,593)	(7,927)	(8,888)	(9,113)	(9,378)
54	<b>Series A Reserve Ending Balance</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	<b>4,792</b>	-	-	-	-	-	-	-	-	-	-
55	<b>Series A Redemption Fund Beginning Balance</b>	<b>2,400</b>	<b>2,607</b>	<b>2,774</b>	<b>2,970</b>	<b>3,171</b>	<b>3,405</b>	-	-	-	-	-	-	-	-	-
56	Series A Redemption	(2,400)	(2,607)	(2,774)	(2,970)	(3,171)	(789)	-	-	-	-	-	-	-	-	-
57	Contribution From Series A Reserve	2,607	2,774	2,970	3,171	3,405	7,379	6,771	6,968	7,197	7,378	7,593	7,927	8,888	9,113	9,378
58	<b>Series A Redemption Fund Ending Balance</b>	<b>2,607</b>	<b>2,774</b>	<b>2,970</b>	<b>3,171</b>	<b>3,405</b>	<b>9,994</b>	<b>6,771</b>	<b>6,968</b>	<b>7,197</b>	<b>7,378</b>	<b>7,593</b>	<b>7,927</b>	<b>8,888</b>	<b>9,113</b>	<b>9,378</b>
	<i>Series A Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>															
<b>Series A Subordinate Bonds</b>																
59	<b>Series A Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60	Contribution From Series A Redemption Fund	-	-	-	-	-	9,994	6,771	6,968	7,197	7,378	7,593	7,927	8,888	9,113	9,378
61	Series A-Subordinated Cash Interest Payable (Below)	-	-	-	-	-	(7,713)	(7,762)	(7,826)	(7,837)	(7,861)	(7,875)	(7,894)	(7,821)	(7,753)	(7,753)
62	Series A-Subordinated Redemption	-	-	-	-	-	(9,994)	942	795	629	459	268	(51)	(994)	(1,293)	(1,625)
63	<b>Series A Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<i>Series A Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>															
64	<b>Series A - Sub Beginning Principal Balance</b>	<b>114,945</b>	<b>121,076</b>	<b>127,515</b>	<b>134,298</b>	<b>141,441</b>	<b>148,985</b>	<b>146,915</b>	<b>147,857</b>	<b>148,652</b>	<b>149,281</b>	<b>149,739</b>	<b>150,008</b>	<b>149,957</b>	<b>148,963</b>	<b>147,670</b>
65	Series A - Sub PIK Interest (semi-annually)	6,131	6,440	6,782	7,143	7,544	7,924	-	-	-	-	-	-	-	-	-
66	Series A - Sub Cash Interest (semi-annually)	-	-	-	-	-	-	(7,713)	(7,762)	(7,826)	(7,837)	(7,861)	(7,875)	(7,894)	(7,821)	(7,753)
67	Series A - Sub Redemption	-	-	-	-	-	(9,994)	942	795	629	459	268	(51)	(994)	(1,293)	(1,625)
68	<b>Series A - Sub Ending Principal Balance</b>	<b>121,076</b>	<b>127,515</b>	<b>134,298</b>	<b>141,441</b>	<b>148,985</b>	<b>146,915</b>	<b>147,857</b>	<b>148,652</b>	<b>149,281</b>	<b>149,739</b>	<b>150,008</b>	<b>149,957</b>	<b>148,963</b>	<b>147,670</b>	<b>146,044</b>
	<i>Series A Sub Notes PIK until Series A Hard Notes are paid in full</i>															

**Westin Lombard**  
**Consolidated FTI Proforma**  
Draft as of 10/7/2015  
(\$ in Thousands)

Reporting Fiscal Year	Proforma 2028	Proforma 2029	Proforma 2030	Proforma 2031	Proforma 2032	Proforma 2033	Proforma 2034	Proforma 2035	Proforma 2036	Proforma 2037	Proforma 2038	Proforma 2039	Proforma 2040	Proforma 2041	Proforma 2042	
Proforma Year #	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
<b>Series B Tax Revenue Bonds</b>																
69 Hotel/Motel Tax Revenue	1,071	1,100	1,133	1,167	1,205	1,238	1,275	1,313	1,356	1,393	1,435	1,478	1,526	1,568	1,615	
70 Hotel F&B Tax Revenue (Places of Eating & Sales Tax)	184	189	195	200	207	213	219	226	233	239	247	254	262	269	277	
71 Restaurant Tax Revenue (Places of Eating & Sales Tax)	133	136	138	141	144	147	150	153	156	159	162	165	169	172	176	
72 <b>Total Tax Revenue</b>	<b>1,388</b>	<b>1,424</b>	<b>1,466</b>	<b>1,508</b>	<b>1,556</b>	<b>1,597</b>	<b>1,644</b>	<b>1,692</b>	<b>1,745</b>	<b>1,791</b>	<b>1,844</b>	<b>1,897</b>	<b>1,957</b>	<b>2,009</b>	<b>2,068</b>	
73 <b>Balance Available for Series B Debt Service</b>	<b>2,515</b>	<b>2,552</b>	<b>2,593</b>	<b>2,636</b>	<b>2,683</b>	<b>2,725</b>	<b>2,771</b>	<b>2,819</b>	<b>2,873</b>	<b>1,791</b>	<b>1,844</b>	<b>1,897</b>	<b>1,957</b>	<b>2,009</b>	<b>2,068</b>	
74 <b>Series B Tax Revenue Beginning Principal Balance</b>	<b>11,622</b>	<b>10,622</b>	<b>9,549</b>	<b>8,406</b>	<b>7,187</b>	<b>5,889</b>	<b>4,504</b>	<b>3,036</b>	<b>1,477</b>	-	-	-	-	-	-	
75 Series B Interest Payable	(345)	(314)	(282)	(247)	(211)	(171)	(129)	(85)	(38)	-	-	-	-	-	-	
76 Series B Principal Payable	(594)	(626)	(658)	(693)	(729)	(769)	(811)	(855)	(902)	-	-	-	-	-	-	
77 <b>Series B Debt Service</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	<b>(940)</b>	-	-	-	-	-	-	
78 Unpaid Principal Balance Due To Insufficient Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
80 <b>Series B Tax Revenue Ending Principal Balance</b>	<b>10,622</b>	<b>9,549</b>	<b>8,406</b>	<b>7,187</b>	<b>5,889</b>	<b>4,504</b>	<b>3,036</b>	<b>1,477</b>	-	-	-	-	-	-	-	
81 <b>Series B Reserve Beginning Balance</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	-	-	-	-	-	-	
82 Series B Cash Flow After Debt Service	448	485	526	569	616	658	704	752	806	1,791	1,844	1,897	1,957	2,009	2,068	
83 <b>Series B Reserve Balance</b>	<b>1,575</b>	<b>1,612</b>	<b>1,654</b>	<b>1,696</b>	<b>1,744</b>	<b>1,785</b>	<b>1,832</b>	<b>1,879</b>	<b>1,933</b>	<b>1,791</b>	<b>1,844</b>	<b>1,897</b>	<b>1,957</b>	<b>2,009</b>	<b>2,068</b>	
84 Series B Reserve Coverage for Next 12 Month DS 1.2x	1.7x	1.7x	1.8x	1.8x	1.9x	1.9x	1.9x	2.0x	-	-	-	-	-	-	-	
85 Contribution for Series B Redemption Fund (Excess 1.2x)	(448)	(485)	(526)	(569)	(616)	(658)	(704)	(752)	(1,933)	(1,791)	(1,844)	(1,897)	(1,957)	(2,009)	(2,068)	
86 <b>Series B Reserve Ending Balance</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	-	-	-	-	-	-	-	
87 <b>Series B Redemption Fund Beginning Balance</b>	<b>406</b>	<b>448</b>	<b>485</b>	<b>526</b>	<b>569</b>	<b>616</b>	<b>658</b>	<b>704</b>	<b>752</b>	-	-	-	-	-	-	
88 Series B Redemption	(406)	(448)	(485)	(526)	(569)	(616)	(658)	(704)	(752)	-	-	-	-	-	-	
89 Contribution From Series B Reserve	448	485	526	569	616	658	704	752	1,933	1,791	1,844	1,897	1,957	2,009	2,068	
90 <b>Series B Redemption Fund Ending Balance</b>	<b>448</b>	<b>485</b>	<b>526</b>	<b>569</b>	<b>616</b>	<b>658</b>	<b>704</b>	<b>752</b>	<b>2,110</b>	<b>1,791</b>	<b>1,844</b>	<b>1,897</b>	<b>1,957</b>	<b>2,009</b>	<b>2,068</b>	
<i>Series B Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>																
<b>Series B Subordinate Bonds</b>																
91 <b>Series B Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
92 Contribution to Series B Sub-Revenue Stream	-	-	-	-	-	-	-	-	2,110	1,791	1,844	1,897	1,957	2,009	2,068	
93 Series B-Sub Cash Interest	-	-	-	-	-	-	-	-	-	(1,537)	(1,529)	(1,519)	(1,512)	(1,495)	(1,479)	
94 Series B-Sub Redemption	-	-	-	-	-	-	-	-	(2,110)	(255)	(315)	(378)	(445)	(515)	(589)	
95 <b>Series B Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Series B Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>																
96 <b>Series B - Sub Beginning Principal Balance</b>	<b>40,781</b>	<b>42,017</b>	<b>43,287</b>	<b>44,596</b>	<b>45,943</b>	<b>47,336</b>	<b>48,767</b>	<b>50,241</b>	<b>51,759</b>	<b>51,218</b>	<b>50,963</b>	<b>50,649</b>	<b>50,271</b>	<b>49,826</b>	<b>49,311</b>	
97 Series B - Sub PIK Interest (semi-annually)	1,236	1,270	1,308	1,348	1,392	1,431	1,474	1,519	1,569	-	-	-	-	-	-	
98 Series B - Sub Cash Interest (semi-annually)	-	-	-	-	-	-	-	-	-	(1,537)	(1,529)	(1,519)	(1,512)	(1,495)	(1,479)	
99 Series B - Sub Redemption	-	-	-	-	-	-	-	-	(2,110)	(255)	(315)	(378)	(445)	(515)	(589)	
## <b>Series B - Sub Ending Principal Balance</b>	<b>42,017</b>	<b>43,287</b>	<b>44,596</b>	<b>45,943</b>	<b>47,336</b>	<b>48,767</b>	<b>50,241</b>	<b>51,759</b>	<b>51,218</b>	<b>50,963</b>	<b>50,649</b>	<b>50,271</b>	<b>49,826</b>	<b>49,311</b>	<b>48,723</b>	
<i>Series B Sub Notes PIK until Series B Hard Notes are paid in full</i>																

**Westin Lombard**  
**Consolidated FTI Proforma**  
Draft as of 10/7/2015  
(\$ in Thousands)

Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	
Proforma Year #	29	30	31	32	33	34	35	36	37	38	39	40	41	42	
ADR Growth Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Occupancy Growth Rate	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%	
1 ADR	\$ 258.27	\$ 266.02	\$ 274.00	\$ 282.22	\$ 290.69	\$ 299.41	\$ 308.39	\$ 317.64	\$ 327.17	\$ 336.99	\$ 347.10	\$ 357.51	\$ 368.23	\$ 379.28	
2 Occupancy	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	
3 Available Rooms	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500	183,000	
4 <b>Room Revenue</b>	<b>33,468</b>	<b>34,567</b>	<b>35,507</b>	<b>36,572</b>	<b>37,669</b>	<b>38,905</b>	<b>39,963</b>	<b>41,162</b>	<b>42,397</b>	<b>43,788</b>	<b>44,979</b>	<b>46,328</b>	<b>47,718</b>	<b>49,284</b>	
5 Hotel F&B Revenue	21,817	22,533	23,146	23,840	24,556	25,362	26,051	26,833	27,638	28,545	29,321	30,200	31,106	32,127	
6 Restaurants Revenue	10,058	10,259	10,464	10,674	10,887	11,105	11,327	11,553	11,784	12,020	12,261	12,506	12,756	13,011	
7 Other Revenue	1,192	1,230	1,264	1,301	1,340	1,383	1,420	1,462	1,506	1,554	1,596	1,644	1,692	1,747	
8 Total F&B & Other Revenue	33,067	34,023	34,874	35,815	36,782	37,849	38,798	39,848	40,928	42,119	43,177	44,350	45,555	46,885	
9 <b>Total Revenues</b>	<b>66,536</b>	<b>68,590</b>	<b>70,380</b>	<b>72,387</b>	<b>74,451</b>	<b>76,755</b>	<b>78,761</b>	<b>81,010</b>	<b>83,324</b>	<b>85,908</b>	<b>88,156</b>	<b>90,678</b>	<b>93,273</b>	<b>96,170</b>	
<b>Departmental Expenses</b>															
10 Rooms	(9,996)	(10,324)	(10,605)	(10,923)	(11,251)	(11,620)	(11,936)	(12,294)	(12,663)	(13,078)	(13,434)	(13,837)	(14,252)	(14,720)	
11 Food & Beverage	(20,705)	(21,291)	(21,817)	(22,396)	(22,991)	(23,644)	(24,230)	(24,875)	(25,538)	(26,267)	(26,919)	(27,638)	(28,377)	(29,190)	
12 Hotel Other	(745)	(770)	(791)	(814)	(839)	(866)	(890)	(917)	(944)	(975)	(1,002)	(1,032)	(1,063)	(1,097)	
13 <b>Total Operating Expenses</b>	<b>(31,446)</b>	<b>(32,385)</b>	<b>(33,212)</b>	<b>(34,133)</b>	<b>(35,080)</b>	<b>(36,131)</b>	<b>(37,055)</b>	<b>(38,085)</b>	<b>(39,144)</b>	<b>(40,320)</b>	<b>(41,354)</b>	<b>(42,506)</b>	<b>(43,691)</b>	<b>(45,007)</b>	
<b>Undistributed Expenses</b>															
14 General & Administrative	(6,200)	(6,390)	(6,556)	(6,742)	(6,933)	(7,146)	(7,332)	(7,540)	(7,754)	(7,992)	(8,200)	(8,434)	(8,674)	(8,941)	
15 Sales & Marketing	(5,427)	(5,601)	(5,751)	(5,920)	(6,094)	(6,290)	(6,459)	(6,649)	(6,845)	(7,065)	(7,254)	(7,468)	(7,688)	(7,936)	
16 Info&Telecom Systems	(677)	(699)	(718)	(740)	(762)	(787)	(808)	(833)	(858)	(886)	(910)	(937)	(965)	(997)	
17 Maintenance	(3,575)	(3,689)	(3,787)	(3,898)	(4,012)	(4,141)	(4,251)	(4,376)	(4,504)	(4,648)	(4,772)	(4,912)	(5,056)	(5,218)	
18 Utilities	(2,180)	(2,249)	(2,308)	(2,375)	(2,444)	(2,520)	(2,587)	(2,662)	(2,739)	(2,825)	(2,900)	(2,984)	(3,071)	(3,167)	
19 Base Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20 Base Hotel Mgmt. Fee	(1,885)	(1,941)	(2,000)	(2,060)	(2,121)	(2,185)	(2,251)	(2,318)	(2,388)	(2,459)	(2,533)	(2,609)	(2,687)	(2,768)	
21 Employee Compensation Pool	(391)	(402)	(415)	(427)	(440)	(453)	(467)	(481)	(495)	(510)	(525)	(541)	(557)	(574)	
22 Incentive Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23 Asset Mgmt. Fee <sup>1</sup>	(666)	(686)	(707)	(728)	(750)	(773)	(796)	(820)	(844)	(869)	(896)	(922)	(950)	(979)	
24 LPFC Admin Expenses <sup>1</sup>	(440)	(453)	(467)	(481)	(495)	(510)	(525)	(541)	(557)	(574)	(591)	(609)	(627)	(646)	
23 <b>Total Undistributed Expenses</b>	<b>(21,441)</b>	<b>(22,111)</b>	<b>(22,708)</b>	<b>(23,370)</b>	<b>(24,051)</b>	<b>(24,804)</b>	<b>(25,475)</b>	<b>(26,218)</b>	<b>(26,983)</b>	<b>(27,829)</b>	<b>(28,581)</b>	<b>(29,416)</b>	<b>(30,276)</b>	<b>(31,225)</b>	
<b>Fixed Expenses</b>															
25 Insurance	(685)	(708)	(727)	(749)	(771)	(796)	(818)	(843)	(868)	(896)	(921)	(948)	(977)	(1,009)	
26 Real Estate Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27 <b>Total Fixed Expenses</b>	<b>(685)</b>	<b>(708)</b>	<b>(727)</b>	<b>(749)</b>	<b>(771)</b>	<b>(796)</b>	<b>(818)</b>	<b>(843)</b>	<b>(868)</b>	<b>(896)</b>	<b>(921)</b>	<b>(948)</b>	<b>(977)</b>	<b>(1,009)</b>	
28 <b>Cash Flow From Operations</b>	<b>\$ 12,964</b>	<b>\$ 13,386</b>	<b>\$ 13,733</b>	<b>\$ 14,135</b>	<b>\$ 14,549</b>	<b>\$ 15,024</b>	<b>\$ 15,413</b>	<b>\$ 15,865</b>	<b>\$ 16,329</b>	<b>\$ 16,863</b>	<b>\$ 17,300</b>	<b>\$ 17,807</b>	<b>\$ 18,329</b>	<b>\$ 18,928</b>	
29 Hotel FF&E Reserve Contribution	(1,681)	(1,736)	(1,784)	(1,837)	(1,892)	(1,954)	(2,008)	(2,068)	(2,130)	(2,200)	(2,259)	(2,327)	(2,397)	(2,476)	
30 Restaurant Capital Expenditure (For Illustrative Purposes)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31 Restructuring Expenses/FF&E Top Off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32 <b>Cash Flow Available for Series A Debt Service</b>	<b>\$ 11,283</b>	<b>\$ 11,650</b>	<b>\$ 11,950</b>	<b>\$ 12,298</b>	<b>\$ 12,657</b>	<b>\$ 13,069</b>	<b>\$ 13,406</b>	<b>\$ 13,797</b>	<b>\$ 14,199</b>	<b>\$ 14,663</b>	<b>\$ 15,041</b>	<b>\$ 15,480</b>	<b>\$ 15,932</b>	<b>\$ 16,453</b>	

<sup>1</sup> Not currently being paid by Hotel or Restaurant, assumed to be paid in

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Reporting Fiscal Year	Proforma 2043	Proforma 2044	Proforma 2045	Proforma 2046	Proforma 2047	Proforma 2048	Proforma 2049	Proforma 2050	Proforma 2051	Proforma 2052	Proforma 2053	Proforma 2054	Proforma 2055	Proforma 2056
Proforma Year #	29	30	31	32	33	34	35	36	37	38	39	40	41	42
<b>Series A Hard Bonds</b>														
33 Series A Hard Beginning Principal Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34 Series A Hard - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35 Series A Hard - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36 <b>Series A Hard Debt Service</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 <i>DSCR &gt; 1.2x</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38 <b>Series A Hard Ending Principal Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39 <b>Cash Flow After Series A Hard DS</b>	<b>11,283</b>	<b>11,650</b>	<b>11,950</b>	<b>12,298</b>	<b>12,657</b>	<b>13,069</b>	<b>13,406</b>	<b>13,797</b>	<b>14,199</b>	<b>14,663</b>	<b>15,041</b>	<b>15,480</b>	<b>15,932</b>	<b>16,453</b>
40 Subordinated Management Fee	(628)	(647)	(667)	(687)	(707)	(728)	(750)	(773)	(796)	(820)	(844)	(870)	(896)	(923)
41 Subordinated Hotel FF&E Reserve Contribution	(560)	(579)	(595)	(612)	(631)	(651)	(669)	(689)	(710)	(733)	(753)	(776)	(799)	(825)
42 <b>Cash Flow After Subordinate FF&amp;E and Management Fees</b>	<b>10,094</b>	<b>10,424</b>	<b>10,689</b>	<b>10,999</b>	<b>11,319</b>	<b>11,689</b>	<b>11,986</b>	<b>12,335</b>	<b>12,694</b>	<b>13,110</b>	<b>13,443</b>	<b>13,834</b>	<b>14,237</b>	<b>14,705</b>
43 <b>Infrastructure FF&amp;E Beginning Balance</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
44 Maximum Infrastructure FF&E Contribution	1,331	1,372	1,408	1,448	1,489	1,535	1,575	1,620	1,666	1,718	1,763	1,814	1,865	1,923
45 Infrastructure FF&E Spend	(444)	(457)	(469)	(483)	(496)	(512)	(525)	(540)	(555)	(573)	(588)	(605)	(622)	(641)
46 Excess funds Available for Series A Reserve	(887)	(915)	(938)	(965)	(993)	(1,023)	(1,050)	(1,080)	(1,111)	(1,145)	(1,175)	(1,209)	(1,244)	(1,282)
47 <b>Infrastructure FF&amp;E Ending Balance</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
48 <b>Cash Flow Available For Series A Reserve</b>	<b>9,650</b>	<b>9,967</b>	<b>10,219</b>	<b>10,517</b>	<b>10,822</b>	<b>11,178</b>	<b>11,461</b>	<b>11,795</b>	<b>12,138</b>	<b>12,537</b>	<b>12,855</b>	<b>13,230</b>	<b>13,615</b>	<b>14,064</b>
49 <b>Series A Reserve Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50 Contribution to Series A Reserve	9,650	9,967	10,219	10,517	10,822	11,178	11,461	11,795	12,138	12,537	12,855	13,230	13,615	14,064
51 <b>Series A Reserve Balance</b>	<b>9,650</b>	<b>9,967</b>	<b>10,219</b>	<b>10,517</b>	<b>10,822</b>	<b>11,178</b>	<b>11,461</b>	<b>11,795</b>	<b>12,138</b>	<b>12,537</b>	<b>12,855</b>	<b>13,230</b>	<b>13,615</b>	<b>14,064</b>
52 <i>Series A Reserve Coverage for Next 12 Month DS 1.2x</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53 Contribution for Series A Redemption Fund (Excess 1.2x)	(9,650)	(9,967)	(10,219)	(10,517)	(10,822)	(11,178)	(11,461)	(11,795)	(12,138)	(12,537)	(12,855)	(13,230)	(13,615)	(14,064)
54 <b>Series A Reserve Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55 <b>Series A Redemption Fund Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56 Series A Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57 Contribution From Series A Reserve	9,650	9,967	10,219	10,517	10,822	11,178	11,461	11,795	12,138	12,537	12,855	13,230	13,615	14,064
58 <b>Series A Redemption Fund Ending Balance</b>	<b>9,650</b>	<b>9,967</b>	<b>10,219</b>	<b>10,517</b>	<b>10,822</b>	<b>11,178</b>	<b>11,461</b>	<b>11,795</b>	<b>12,138</b>	<b>12,537</b>	<b>12,855</b>	<b>13,230</b>	<b>13,615</b>	<b>14,064</b>
<i>Series A Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>														
<b>Series A Subordinate Bonds</b>														
59 <b>Series A Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 Contribution From Series A Redemption Fund	9,650	9,967	10,219	10,517	10,822	11,178	11,461	11,795	12,138	12,537	12,855	13,230	13,615	14,064
61 Series A-Subordinated Cash Interest Payable (Below)	(7,667)	(7,584)	(7,438)	(7,292)	(7,123)	(6,948)	(6,707)	(6,457)	(6,177)	(5,880)	(5,514)	(5,129)	(4,703)	(4,247)
62 Series A-Subordinated Redemption	(1,983)	(2,383)	(2,781)	(3,224)	(3,700)	(4,230)	(4,755)	(5,338)	(5,961)	(6,657)	(7,341)	(8,101)	(8,912)	(9,816)
63 <b>Series A Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Series A Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>														
64 <b>Series A - Sub Beginning Principal Balance</b>	<b>146,044</b>	<b>144,061</b>	<b>141,678</b>	<b>138,897</b>	<b>135,673</b>	<b>131,973</b>	<b>127,743</b>	<b>122,988</b>	<b>117,650</b>	<b>111,689</b>	<b>105,032</b>	<b>97,690</b>	<b>89,589</b>	<b>80,677</b>
65 Series A - Sub PIK Interest (semi-annually)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66 Series A - Sub Cash Interest (semi-annually)	(7,667)	(7,584)	(7,438)	(7,292)	(7,123)	(6,948)	(6,707)	(6,457)	(6,177)	(5,880)	(5,514)	(5,129)	(4,703)	(4,247)
67 Series A - Sub Redemption	(1,983)	(2,383)	(2,781)	(3,224)	(3,700)	(4,230)	(4,755)	(5,338)	(5,961)	(6,657)	(7,341)	(8,101)	(8,912)	(9,816)
68 <b>Series A - Sub Ending Principal Balance</b>	<b>144,061</b>	<b>141,678</b>	<b>138,897</b>	<b>135,673</b>	<b>131,973</b>	<b>127,743</b>	<b>122,988</b>	<b>117,650</b>	<b>111,689</b>	<b>105,032</b>	<b>97,690</b>	<b>89,589</b>	<b>80,677</b>	<b>70,861</b>
<i>Series A Sub Notes PIK until Series A Hard Notes are paid in full</i>														

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Reporting Fiscal Year	Proforma 2043	Proforma 2044	Proforma 2045	Proforma 2046	Proforma 2047	Proforma 2048	Proforma 2049	Proforma 2050	Proforma 2051	Proforma 2052	Proforma 2053	Proforma 2054	Proforma 2055	Proforma 2056	
Proforma Year #	29	30	31	32	33	34	35	36	37	38	39	40	41	42	
<b>Series B Tax Revenue Bonds</b>															
69	Hotel/Motel Tax Revenue	1,663	1,718	1,765	1,818	1,872	1,934	1,986	2,046	2,107	2,176	2,235	2,303	2,372	2,449
70	Hotel F&B Tax Revenue (Places of Eating & Sales Tax)	286	295	303	312	322	332	341	352	362	374	384	396	407	421
71	Restaurant Tax Revenue (Places of Eating & Sales Tax)	179	183	186	190	194	198	202	206	210	214	218	223	227	232
72	<b>Total Tax Revenue</b>	<b>2,128</b>	<b>2,196</b>	<b>2,254</b>	<b>2,320</b>	<b>2,388</b>	<b>2,464</b>	<b>2,529</b>	<b>2,603</b>	<b>2,679</b>	<b>2,764</b>	<b>2,838</b>	<b>2,921</b>	<b>3,006</b>	<b>3,102</b>
73	<b>Balance Available for Series B Debt Service</b>	<b>2,128</b>	<b>2,196</b>	<b>2,254</b>	<b>2,320</b>	<b>2,388</b>	<b>2,464</b>	<b>2,529</b>	<b>2,603</b>	<b>2,679</b>	<b>2,764</b>	<b>2,838</b>	<b>2,921</b>	<b>3,006</b>	<b>3,102</b>
74	<b>Series B Tax Revenue Beginning Principal Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	Series B Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
76	Series B Principal Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
77	<b>Series B Debt Service</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
78	Unpaid Principal Balance Due To Insufficient Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
80	<b>Series B Tax Revenue Ending Principal Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
81	<b>Series B Reserve Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
82	Series B Cash Flow After Debt Service	2,128	2,196	2,254	2,320	2,388	2,464	2,529	2,603	2,679	2,764	2,838	2,921	3,006	3,102
83	<b>Series B Reserve Balance</b>	<b>2,128</b>	<b>2,196</b>	<b>2,254</b>	<b>2,320</b>	<b>2,388</b>	<b>2,464</b>	<b>2,529</b>	<b>2,603</b>	<b>2,679</b>	<b>2,764</b>	<b>2,838</b>	<b>2,921</b>	<b>3,006</b>	<b>3,102</b>
84	Series B Reserve Coverage for Next 12 Month DS 1.2x	-	-	-	-	-	-	-	-	-	-	-	-	-	-
85	Contribution for Series B Redemption Fund (Excess 1.2x)	(2,128)	(2,196)	(2,254)	(2,320)	(2,388)	(2,464)	(2,529)	(2,603)	(2,679)	(2,764)	(2,838)	(2,921)	(3,006)	(3,102)
86	<b>Series B Reserve Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	<b>Series B Redemption Fund Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	Series B Redemption	-	-	-	-	-	-	-	-	-	-	-	-	-	-
89	Contribution From Series B Reserve	2,128	2,196	2,254	2,320	2,388	2,464	2,529	2,603	2,679	2,764	2,838	2,921	3,006	3,102
90	<b>Series B Redemption Fund Ending Balance</b>	<b>2,128</b>	<b>2,196</b>	<b>2,254</b>	<b>2,320</b>	<b>2,388</b>	<b>2,464</b>	<b>2,529</b>	<b>2,603</b>	<b>2,679</b>	<b>2,764</b>	<b>2,838</b>	<b>2,921</b>	<b>3,006</b>	<b>3,102</b>
	<i>Series B Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>														
<b>Series B Subordinate Bonds</b>															
91	<b>Series B Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
92	Contribution to Series B Sub-Revenue Stream	2,128	2,196	2,254	2,320	2,388	2,464	2,529	2,603	2,679	2,764	2,838	2,921	3,006	3,102
93	Series B-Sub Cash Interest	(1,462)	(1,446)	(1,419)	(1,394)	(1,366)	(1,339)	(1,302)	(1,265)	(1,225)	(1,185)	(1,134)	(1,083)	(1,028)	(971)
94	Series B-Sub Redemption	(667)	(750)	(835)	(926)	(1,021)	(1,124)	(1,227)	(1,338)	(1,454)	(1,580)	(1,704)	(1,838)	(1,978)	(2,131)
95	<b>Series B Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<i>Series B Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>														
96	<b>Series B - Sub Beginning Principal Balance</b>	<b>48,723</b>	<b>48,056</b>	<b>47,306</b>	<b>46,471</b>	<b>45,545</b>	<b>44,524</b>	<b>43,400</b>	<b>42,173</b>	<b>40,835</b>	<b>39,381</b>	<b>37,802</b>	<b>36,098</b>	<b>34,260</b>	<b>32,282</b>
97	Series B - Sub PIK Interest (semi-annually)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
98	Series B - Sub Cash Interest (semi-annually)	(1,462)	(1,446)	(1,419)	(1,394)	(1,366)	(1,339)	(1,302)	(1,265)	(1,225)	(1,185)	(1,134)	(1,083)	(1,028)	(971)
99	Series B - Sub Redemption	(667)	(750)	(835)	(926)	(1,021)	(1,124)	(1,227)	(1,338)	(1,454)	(1,580)	(1,704)	(1,838)	(1,978)	(2,131)
##	<b>Series B - Sub Ending Principal Balance</b>	<b>48,056</b>	<b>47,306</b>	<b>46,471</b>	<b>45,545</b>	<b>44,524</b>	<b>43,400</b>	<b>42,173</b>	<b>40,835</b>	<b>39,381</b>	<b>37,802</b>	<b>36,098</b>	<b>34,260</b>	<b>32,282</b>	<b>30,151</b>
	<i>Series B Sub Notes PIK until Series B Hard Notes are paid in full</i>														

**Westin Lombard**  
**Consolidated FTI Proforma**  
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(\$ in Thousands)

Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2066
Proforma Year #	43	44	45	46	47	48	49	50	51	52	52
ADR Growth Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Occupancy Growth Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
1 ADR	\$ 390.66	\$ 402.38	\$ 414.45	\$ 426.89	\$ 439.69	\$ 452.88	\$ 466.47	\$ 480.46	\$ 494.88	\$ 509.72	\$ 509.72
2 Occupancy	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%
3 Available Rooms	182,500	182,500	182,500	183,000	182,500	182,500	182,500	183,000	182,500	182,500	182,500
4 <b>Room Revenue</b>	<b>50,624</b>	<b>52,143</b>	<b>53,707</b>	<b>55,470</b>	<b>56,978</b>	<b>58,687</b>	<b>60,448</b>	<b>62,432</b>	<b>64,129</b>	<b>66,053</b>	<b>66,053</b>
5 Hotel F&B Revenue	33,001	33,991	35,010	36,159	37,142	38,257	39,404	40,698	41,804	43,058	43,058
6 Restaurants Revenue	13,271	13,537	13,807	14,084	14,365	14,652	14,946	15,244	15,549	15,860	15,860
7 Other Revenue	1,794	1,848	1,902	1,964	2,017	2,077	2,139	2,208	2,268	2,335	2,335
8 Total F&B & Other Revenue	48,066	49,375	50,720	52,207	53,525	54,986	56,489	58,150	59,621	61,254	61,254
9 <b>Total Revenues</b>	<b>98,690</b>	<b>101,518</b>	<b>104,427</b>	<b>107,677</b>	<b>110,503</b>	<b>113,673</b>	<b>116,936</b>	<b>120,582</b>	<b>123,750</b>	<b>127,307</b>	<b>127,307</b>
<b>Departmental Expenses</b>											
10 Rooms	(15,120)	(15,574)	(16,041)	(16,567)	(17,018)	(17,528)	(18,054)	(18,647)	(19,154)	(19,728)	(19,728)
11 Food & Beverage	(29,916)	(30,718)	(31,542)	(32,449)	(33,258)	(34,152)	(35,071)	(36,084)	(36,986)	(37,983)	(37,983)
12 Hotel Other	(1,127)	(1,161)	(1,196)	(1,235)	(1,269)	(1,307)	(1,346)	(1,390)	(1,428)	(1,471)	(1,471)
13 <b>Total Operating Expenses</b>	<b>(46,163)</b>	<b>(47,452)</b>	<b>(48,778)</b>	<b>(50,251)</b>	<b>(51,545)</b>	<b>(52,987)</b>	<b>(54,471)</b>	<b>(56,121)</b>	<b>(57,567)</b>	<b>(59,182)</b>	<b>(59,182)</b>
<b>Undistributed Expenses</b>											
14 General & Administrative	(9,174)	(9,436)	(9,704)	(10,004)	(10,266)	(10,559)	(10,860)	(11,196)	(11,489)	(11,818)	(11,818)
15 Sales & Marketing	(8,148)	(8,389)	(8,636)	(8,914)	(9,153)	(9,424)	(9,702)	(10,014)	(10,283)	(10,587)	(10,587)
16 Info&Telecom Systems	(1,024)	(1,055)	(1,086)	(1,122)	(1,152)	(1,187)	(1,223)	(1,263)	(1,297)	(1,336)	(1,336)
17 Maintenance	(5,358)	(5,515)	(5,677)	(5,859)	(6,015)	(6,192)	(6,374)	(6,579)	(6,755)	(6,953)	(6,953)
18 Utilities	(3,251)	(3,346)	(3,443)	(3,552)	(3,646)	(3,752)	(3,861)	(3,983)	(4,088)	(4,207)	(4,207)
19 Base Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-
20 Base Hotel Mgmt. Fee	(2,851)	(2,937)	(3,025)	(3,115)	(3,209)	(3,305)	(3,404)	(3,506)	(3,612)	(3,720)	(3,720)
21 Employee Compensation Pool	(591)	(609)	(627)	(646)	(665)	(685)	(706)	(727)	(749)	(771)	(771)
22 Incentive Restaurant Mgmt. Fee	-	-	-	-	-	-	-	-	-	-	-
23 Asset Mgmt. Fee <sup>1</sup>	(1,008)	(1,038)	(1,069)	(1,101)	(1,134)	(1,169)	(1,204)	(1,240)	(1,277)	(1,315)	(1,315)
24 LPFC Admin Expenses <sup>1</sup>	(665)	(685)	(706)	(727)	(749)	(771)	(794)	(818)	(843)	(868)	(868)
25 <b>Total Undistributed Expenses</b>	<b>(32,071)</b>	<b>(33,008)</b>	<b>(33,974)</b>	<b>(35,041)</b>	<b>(35,990)</b>	<b>(37,043)</b>	<b>(38,127)</b>	<b>(39,326)</b>	<b>(40,393)</b>	<b>(41,576)</b>	<b>(41,576)</b>
<b>Fixed Expenses</b>											
25 Insurance	(1,036)	(1,067)	(1,099)	(1,135)	(1,166)	(1,201)	(1,237)	(1,278)	(1,313)	(1,352)	(1,352)
26 Real Estate Taxes	-	-	-	-	-	-	-	-	-	-	-
27 <b>Total Fixed Expenses</b>	<b>(1,036)</b>	<b>(1,067)</b>	<b>(1,099)</b>	<b>(1,135)</b>	<b>(1,166)</b>	<b>(1,201)</b>	<b>(1,237)</b>	<b>(1,278)</b>	<b>(1,313)</b>	<b>(1,352)</b>	<b>(1,352)</b>
28 <b>Cash Flow From Operations</b>	<b>\$ 19,420</b>	<b>\$ 19,990</b>	<b>\$ 20,576</b>	<b>\$ 21,250</b>	<b>\$ 21,802</b>	<b>\$ 22,442</b>	<b>\$ 23,101</b>	<b>\$ 23,857</b>	<b>\$ 24,478</b>	<b>\$ 25,197</b>	<b>\$ 25,197</b>
29 Hotel FF&E Reserve Contribution	(2,543)	(2,619)	(2,698)	(2,786)	(2,862)	(2,948)	(3,037)	(3,136)	(3,221)	(3,318)	(3,318)
30 Restaurant Capital Expenditure (For Illustrative Purposes)	-	-	-	-	-	-	-	-	-	-	-
31 Restructuring Expenses/FF&E Top Off	-	-	-	-	-	-	-	-	-	-	-
32 <b>Cash Flow Available for Series A Debt Service</b>	<b>\$ 16,877</b>	<b>\$ 17,370</b>	<b>\$ 17,878</b>	<b>\$ 18,463</b>	<b>\$ 18,939</b>	<b>\$ 19,494</b>	<b>\$ 20,064</b>	<b>\$ 20,721</b>	<b>\$ 21,256</b>	<b>\$ 21,879</b>	<b>\$ 21,879</b>

<sup>1</sup> Not currently being paid by Hotel or Restaurant, assumed to be paid in

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Reporting	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma	Proforma
Fiscal Year	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066
Proforma Year #	43	44	45	46	47	48	49	50	51	52
<b>Series A Hard Bonds</b>										
33	<b>Series A Hard Beginning Principal Balance</b>	-	-	-	-	-	-	-	-	-
34	Series A Hard - Interest	-	-	-	-	-	-	-	-	-
35	Series A Hard - Principal	-	-	-	-	-	-	-	-	-
36	<b>Series A Hard Debt Service</b>	-	-	-	-	-	-	-	-	-
37	<i>DSCR &gt; 1.2x</i>	-	-	-	-	-	-	-	-	-
38	<b>Series A Hard Ending Principal Balance</b>	-	-	-	-	-	-	-	-	-
39	<b>Cash Flow After Series A Hard DS</b>	<b>16,877</b>	<b>17,370</b>	<b>17,878</b>	<b>18,463</b>	<b>18,939</b>	<b>19,494</b>			
40	Subordinated Management Fee	(950)	(979)	(1,008)	(1,038)	(1,070)	(1,102)			
41	Subordinated Hotel FF&E Reserve Contribution	(848)	(873)	(899)	(929)	(954)	(983)			
42	<b>Cash Flow After Subordinate FF&amp;E and Managemet Fees</b>	<b>15,079</b>	<b>15,518</b>	<b>15,971</b>	<b>16,496</b>	<b>16,916</b>	<b>17,409</b>			
43	<b>Infrastructure FF&amp;E Beginning Balance</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>			
44	Maximum Infrastructure FF&E Contribution	1,974	2,030	2,089	2,154	2,210	2,273			
45	Infrastructure FF&E Spend	(658)	(677)	(696)	(718)	(737)	(758)			
46	Excess funds Available for Series A Reserve	(1,316)	(1,354)	(1,392)	(1,436)	(1,473)	(1,516)			
47	<b>Infrastructure FF&amp;E Ending Balance</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>			
48	<b>Cash Flow Available For Series A Reserve</b>	<b>14,421</b>	<b>14,841</b>	<b>15,274</b>	<b>15,778</b>	<b>16,179</b>	<b>16,651</b>			
49	<b>Series A Reserve Beginning Balance</b>	-	-	-	-	-	-			
50	Contribution to Series A Reserve	14,421	14,841	15,274	15,778	16,179	16,651			
51	<b>Series A Reserve Balance</b>	<b>14,421</b>	<b>14,841</b>	<b>15,274</b>	<b>15,778</b>	<b>16,179</b>	<b>16,651</b>			
52	<i>Series A Reserve Coverage for Next 12 Month DS 1.2x</i>									
53	Contribution for Series A Redemption Fund (Excess 1.2x)	(14,421)	(14,841)	(15,274)	(15,778)	(16,179)	(16,651)			
54	<b>Series A Reserve Ending Balance</b>	-	-	-	-	-	-			
55	<b>Series A Redemption Fund Beginning Balance</b>	-	-	-	-	-	-			
56	Series A Redemption	-	-	-	-	-	-			
57	Contribution From Series A Reserve	14,421	14,841	15,274	15,778	16,179	16,651			
58	<b>Series A Redemption Fund Ending Balance</b>	<b>14,421</b>	<b>14,841</b>	<b>15,274</b>	<b>15,778</b>	<b>16,179</b>	<b>16,651</b>			
	<i>Series A Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>									
<b>Series A Subordinate Bonds</b>										
59	<b>Series A Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-			
60	Contribution From Series A Redemption Fund	14,421	14,841	15,274	15,778	16,179	16,651			
61	Series A-Subordinated Cash Interest Payable (Below)	(3,720)	(3,158)	(2,545)	(1,882)	(1,147)	(358)			
62	Series A-Subordinated Redemption	(10,701)	(11,683)	(12,729)	(13,896)	(15,032)	(6,820)			
63	<b>Series A Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-			
	<i>Series A Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>									
64	<b>Series A - Sub Beginning Principal Balance</b>	<b>70,861</b>	<b>60,160</b>	<b>48,477</b>	<b>35,748</b>	<b>21,852</b>	<b>6,820</b>			
65	Series A - Sub PIK Interest (semi-annually)	-	-	-	-	-	-			
66	Series A - Sub Cash Interest (semi-annually)	(3,720)	(3,158)	(2,545)	(1,882)	(1,147)	(358)			
67	Series A - Sub Redemption	(10,701)	(11,683)	(12,729)	(13,896)	(15,032)	(6,820)			
68	<b>Series A - Sub Ending Principal Balance</b>	<b>60,160</b>	<b>48,477</b>	<b>35,748</b>	<b>21,852</b>	<b>6,820</b>	<b>(0)</b>			
	<i>Series A Sub Notes PIK until Series A Hard Notes are paid in full</i>									

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Draft as of 10/7/2015  
(\$ in Thousands)

Reporting Fiscal Year	Proforma 2057	Proforma 2058	Proforma 2059	Proforma 2060	Proforma 2061	Proforma 2062	Proforma 2063	Proforma 2064	Proforma 2065	Proforma 2066
Proforma Year #	43	44	45	46	47	48	49	50	51	52
<b>Series B Tax Revenue Bonds</b>										
69 Hotel/Motel Tax Revenue	2,516	2,591	2,669	2,757	2,832	2,917	3,004	3,103	3,187	3,283
70 Hotel F&B Tax Revenue (Places of Eating & Sales Tax)	432	445	459	474	487	501	516	533	548	564
71 Restaurant Tax Revenue (Places of Eating & Sales Tax)	236	241	246	251	256	261	266	271	277	282
72 <b>Total Tax Revenue</b>	<b>3,185</b>	<b>3,278</b>	<b>3,374</b>	<b>3,481</b>	<b>3,574</b>	<b>3,679</b>	<b>3,786</b>	<b>3,907</b>	<b>4,012</b>	<b>4,129</b>
73 <b>Balance Available for Series B Debt Service</b>	<b>3,185</b>	<b>3,278</b>	<b>3,374</b>	<b>3,481</b>	<b>3,574</b>	<b>3,679</b>	<b>3,786</b>	<b>3,907</b>	<b>4,012</b>	<b>4,129</b>
74 <b>Series B Tax Revenue Beginning Principal Balance</b>	-	-	-	-	-	-	-	-	-	-
75 Series B Interest Payable	-	-	-	-	-	-	-	-	-	-
76 Series B Principal Payable	-	-	-	-	-	-	-	-	-	-
77 <b>Series B Debt Service</b>	-	-	-	-	-	-	-	-	-	-
78 Unpaid Principal Balance Due To Insufficient Funds	-	-	-	-	-	-	-	-	-	-
80 <b>Series B Tax Revenue Ending Principal Balance</b>	-	-	-	-	-	-	-	-	-	-
81 <b>Series B Reserve Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-
82 Series B Cash Flow After Debt Service	3,185	3,278	3,374	3,481	3,574	3,679	3,786	3,907	4,012	4,129
83 <b>Series B Reserve Balance</b>	<b>3,185</b>	<b>3,278</b>	<b>3,374</b>	<b>3,481</b>	<b>3,574</b>	<b>3,679</b>	<b>3,786</b>	<b>3,907</b>	<b>4,012</b>	<b>4,129</b>
84 <i>Series B Reserve Coverage for Next 12 Month DS 1.2x</i>										
85 Contribution for Series B Redemption Fund (Excess 1.2x)	(3,185)	(3,278)	(3,374)	(3,481)	(3,574)	(3,679)	(3,786)	(3,907)	(4,012)	(4,129)
86 <b>Series B Reserve Ending Balance</b>	-	-	-	-	-	-	-	-	-	-
87 <b>Series B Redemption Fund Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-
88 Series B Redemption	-	-	-	-	-	-	-	-	-	-
89 Contribution From Series B Reserve	3,185	3,278	3,374	3,481	3,574	3,679	3,786	3,907	4,012	4,129
90 <b>Series B Redemption Fund Ending Balance</b>	<b>3,185</b>	<b>3,278</b>	<b>3,374</b>	<b>3,481</b>	<b>3,574</b>	<b>3,679</b>	<b>3,786</b>	<b>3,907</b>	<b>4,012</b>	<b>4,129</b>
<i>Series B Redemptions are paid after reserving sufficient funds to cover 1.2 times debt service for the next 12 months</i>										
<b>Series B Subordinate Bonds</b>										
91 <b>Series B Subordinated Revenue Stream Beginning Balance</b>	-	-	-	-	-	-	-	-	-	-
92 Contribution to Series B Sub-Revenue Stream	3,185	3,278	3,374	3,481	3,574	3,679	3,786	3,907	4,012	4,129
93 Series B-Sub Cash Interest	(905)	(836)	(763)	(686)	(601)	(512)	(416)	(316)	(208)	(94)
94 Series B-Sub Redemption	(2,280)	(2,442)	(2,611)	(2,795)	(2,973)	(3,167)	(3,370)	(3,591)	(3,804)	(3,118)
95 <b>Series B Subordinated Revenue Ending Balance</b>	-	-	-	-	-	-	-	-	-	-
<i>Series B Sub Redemption is funded from Series A Redemption Fund after Series A Hard Notes are paid in full</i>										
96 <b>Series B - Sub Beginning Principal Balance</b>	<b>30,151</b>	<b>27,871</b>	<b>25,429</b>	<b>22,818</b>	<b>20,024</b>	<b>17,050</b>	<b>13,883</b>	<b>10,513</b>	<b>6,922</b>	<b>3,118</b>
97 Series B - Sub PIK Interest (semi-annually)	-	-	-	-	-	-	-	-	-	-
98 Series B - Sub Cash Interest (semi-annually)	(905)	(836)	(763)	(686)	(601)	(512)	(416)	(316)	(208)	(94)
99 Series B - Sub Redemption	(2,280)	(2,442)	(2,611)	(2,795)	(2,973)	(3,167)	(3,370)	(3,591)	(3,804)	(3,118)
<b>## Series B - Sub Ending Principal Balance</b>	<b>27,871</b>	<b>25,429</b>	<b>22,818</b>	<b>20,024</b>	<b>17,050</b>	<b>13,883</b>	<b>10,513</b>	<b>6,922</b>	<b>3,118</b>	<b>(0)</b>
<i>Series B Sub Notes PIK until Series B Hard Notes are paid in full</i>										