

DEVELOPMENT OF AN  
**ICONIC HOTEL AND MIXED USE PROJECT**  
ADJACENT TO THE MIAMI BEACH CONVENTION CENTER

City of Miami Beach- Department  
of Procurement Management  
**RFP No. 2015-103-ME**  
April 10, 2015



April 10, 2015

**RE: MBCC Headquarter Hotel Development RFP Response – Oxford Capital**

**Dear City Manager and the City of Miami Beach Evaluation Committee:**

Oxford Capital Group, LLC and RLB | Swerdling are excited to submit our proposal and business plan for the Miami Convention Center Hotel RFP. We have assembled a team of highly skilled professionals with local and national experience who we believe will best be able to execute this development. Our team has worked diligently to create a program that we believe will cater to the convention center and surrounding area within Miami Beach.

Oxford Capital Group, LLC and its predecessors and affiliates (“Oxford”) have been an opportunistic owner, developer and manager of real estate investments, primarily in the lodging sector, since the late 1980s. Based in Chicago, Oxford has significant experience acquiring, developing, and managing hotels, resorts and conference centers across the country. Oxford prides itself as being an agile sponsor, a disciplined investor, a creative developer and savvy operator. The company has participated in the acquisition, development, investment, management, and ownership of approximately \$2.5 billion of assets, including approximately 13,000 hotel rooms.

RLB | Swerdling’s experience in the P3 Convention Headquarter Hotel meetings market goes back over 15 years. Transactions on which they participated in the development effort include Austin’s Headquarter Hilton hotel. Other HQ Development experience include Denver’s 1,100 Hyatt Regency, Baltimore’s 750 key Hilton, Omaha’s 600 room Hilton among others. In all instances the Governments were interested in limiting the public financial participation as much as possible.

Oxford’s recent projects include (please see page 65 for a detailed list of Oxford projects over the past 20 years): the acquisition and adaptive reuse of the lower portion of the 1.5M SF landmark, Mies Van der Rohe designed former IBM Building in downtown Chicago into the ~\$250M LEED gold certified super luxury Langham Chicago Hotel, including 316 hotel rooms, 15,000SF of banquet and meeting space, 16,000SF Chuan Spa, and multiple food and beverage outlets; the ~\$250M acquisition and redevelopment of the landmark London Guarantee & Accident Building at 360 North Michigan Avenue in downtown Chicago into The LondonHouse Chicago, a 452-room luxury lifestyle hotel, two stories of upscale Michigan Avenue-facing retail, ~25,000 SF of banquet and meeting space, and multiple food and beverage outlets, including a tri-level rooftop lounge; the development of the ~\$135M luxury lifestyle hotel, The Godfrey Hotel Chicago, including 221 spacious guestrooms, spa boutique, and multiple food and beverage outlets, including IIO Urban Roofscape, the largest and most successful rooftop venue in downtown Chicago; the ~\$150M acquisition and conversion of two underutilized historic office buildings in downtown Boston into The Godfrey Hotel Boston, including 242 rooms and multiple food and beverage outlets; the \$60M acquisition and adaptive reuse of the Hotel Felix Chicago, including 225 high design hotel rooms; the ~\$350M acquisition and redevelopment of the 725 room Lexington Hotel in Midtown Manhattan; the ~\$350M acquisition, redevelopment, and operational repositioning of the Doubletree Metropolitan Hotel in Midtown Manhattan; and the ~\$115M acquisition and redevelopment of the National Conference Center in Virginia, including 951 rooms and ~1.4M SF of meeting space and ballrooms.

Our development plan is explained in detail throughout our RFP submission and includes a base case "Scenario A" 800 key flagship convention hotel, but also considers a second scenario, "Scenario B" with a 577 key flagship convention hotel and 223 key luxury lifestyle hotel. In either scenario, the development will feature over 90,000 SF of upscale banquet and meeting space, including a 35,000 SF double-height ballroom, and a 15,000 SF double height junior ballroom; a second floor world class chef-driven restaurant (approximately 15,000SF); two rooftop garden and event venues totaling 70,000+ SF featuring unique landscaping, water/fire features, multiple swimming pools, and multiple bar/lounge/restaurant spaces; ~11,000 SF of 17th street retail; ~500 parking spaces; an expansive fitness center; and a 5,000 SF luxury spa.

We believe that our development plan including the proposed wide array of amenities and world class restaurants, banquet space, and nightlife, as well as close proximity to the newly renovated convention center, will create an exciting 24-7 destination that will bring new energy to this part of Miami Beach that can be enjoyed by both visitors and locals.

We have responded with the required information in the order and format requested in the RFP. Our team is extremely excited about this opportunity and looks forward to working with the MBCC and the City of Miami Beach on this project.

Sincerely,



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Oxford Capital Group, LLC  
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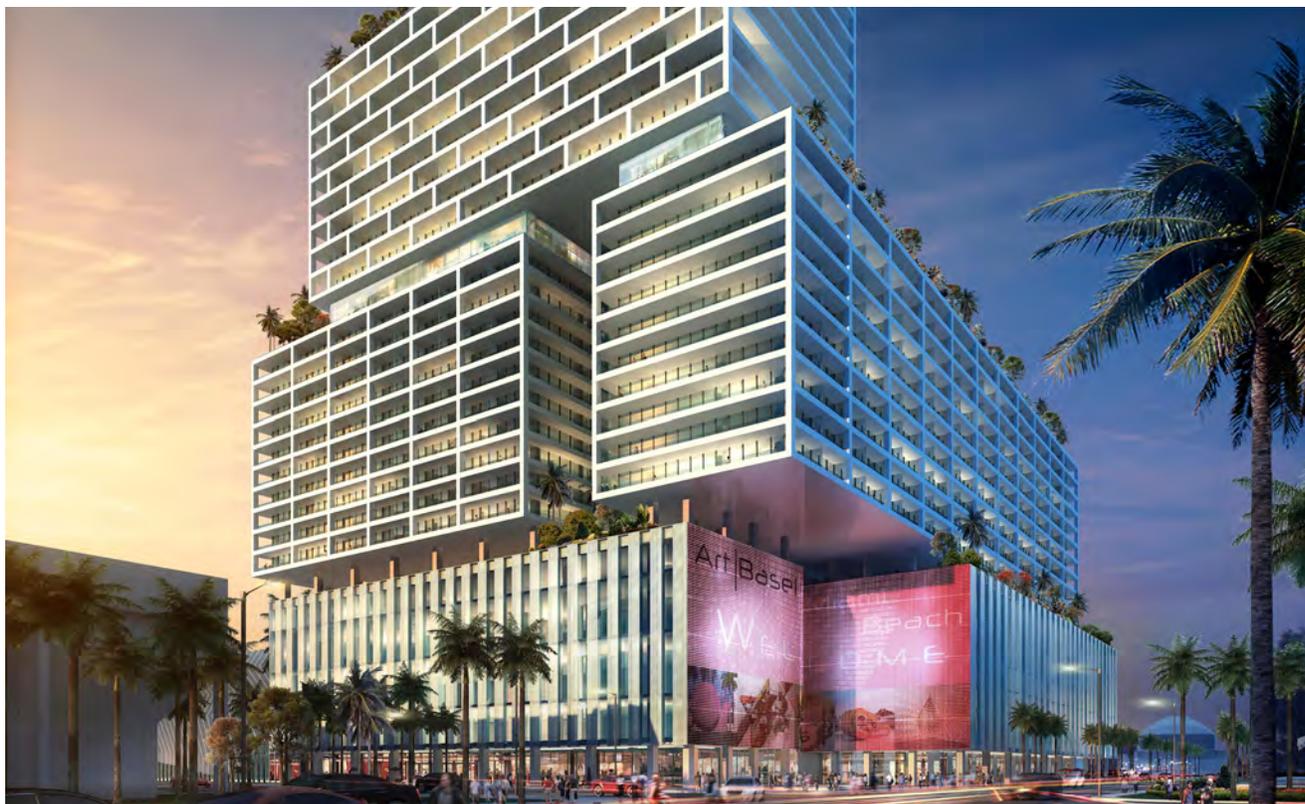
## **Proposal Overview**

Our development plan centers around an 800-key flagship convention hotel. We are in conversations with some of the major national brand families that have shown significant interest in creating a flagship location in Miami Beach. We are also strongly considering carving out a portion of the rooms to create a separate smaller lifestyle hotel that could be branded or independent (e.g. one of Oxford's luxury lifestyle brands such as The Godfrey or LondonHouse). Our team has been successful owning, developing, and/or operating a range of hotel products from national chain hotels (i.e. Hilton, Hyatt, Marriott, IHG, Starwood), to soft chains / collections (i.e. Marriott's Autograph Collection, Hilton's Curio Collection, Starwood's Luxury Collection), to independent hotels (e.g. Oxford's Godfrey, LondonHouse, and Felix brands).

Our proposed program also includes over 90,000 SF of upscale banquet and meeting space, including a 35,000 SF double-height ballroom, a 15,000 SF double height junior ballroom; a world class chef-driven restaurant (approximately 15,000SF; two rooftop garden and event venues totaling 70,000+ SF featuring unique landscaping, water/fire features, multiple swimming pools, and multiple bar/lounge/restaurant spaces; ~11,000 SF of 17th street retail; ~500 parking spaces; an expansive fitness center; and a 5,000 SF luxury spa. Each of the components to the development is described in detail on the following pages and in Section 5 on page 89. The property's attractive location within South Beach adjacent to the convention center and in close proximity to multiple Miami Beach destinations on Lincoln Road, Collins Avenue and along the beach will allow the mixed use property to draw demand from convention, leisure and business travelers looking for a unique hotel experience that offers a great room, incredible in house amenities, and close proximity to all that South Beach has to offer.



The project is anticipated to be connected to the Miami Beach Convention Center through an elevated skywalk, allowing guests to efficiently travel between the project and the convention center. The properties array of amenities and world class restaurants, banquet space, and nightlife will create a new 24-7 destination that will bring new energy to this part of Miami Beach that can be enjoyed by both visitors and locals. The property as designed will offer incredible ocean and skyline views with the opportunity to see both the morning sunrise and evening sunset, while allowing visitors the ability to optimize sunlight throughout the day on the rooftop pool/event space area.



### **577 4 Star+ Hotel Rooms**

We are in preliminary talks with multiple national chains and collections that are highly interested in this flagship opportunity, which our base case program shows on floors 4-13 with standard rooms averaging ~350 square feet including 42 suites that range from 525-1,600 square feet.

### **223 Room Luxury Lifestyle Rooms**

We are also strongly considering carving out a portion of the rooms to create a separate lifestyle hotel that could be branded or independent. Godfrey and LondonHouse are two of Oxford's luxury lifestyle hotel brands that would be an ideal fit. The Godfrey brand includes the award-winning Godfrey Hotel Chicago, which includes spacious and high design guestrooms, a boutique spa, a chef driven restaurant, and 110 Urban Roofscape, the largest hotel rooftop dining and event space in the city, with sweeping views of the Chicago skyline. The Godfrey Chicago will be joined by its sister property, the Godfrey Boston in late 2015, and Oxford is pursuing additional Godfrey Hotels in the major 24-7 markets around the country. The LondonHouse brand includes the 452 key under development LondonHouse Chicago, which upon completion, will feature spacious high design rooms and suites, two stories of upscale Michigan Avenue retail, expansive banquet and meeting space, and multiple food and beverage outlets, including a tri-level rooftop lounge featuring fantastic views of the Chicago River, Michigan Avenue and Lake Michigan. The Godfrey and LondonHouse brands caters to leisure, business and convention hotel guests, while also creating restaurant and nightlife destinations for local residents and visitors alike. The brands target the lifestyle guest seeking a high design, social, and stylish environment.

We feel that either one of these two popular luxury lifestyle brands would be successful as part of this development, allowing the overall project to cater to an even wider audience. Our base case program contemplates these rooms to be located on floors 15-23 featuring high design rooms averaging ~375 square feet including and 25 suites that range from 550-1,850 square feet.

**The two hotels (or potentially combined 1 hotel) will share multiple food and beverage outlets, meeting/event space, and amenities detailed below:**

- **Meeting Space:** The development will feature over 90,000 SF of luxury ballroom and meeting space, able to service the connected convention center. This space includes a ~35,000 SF column free double height ballroom that is divisible into 6 smaller rooms, a ~17,800 SF junior ballroom, and over 10,500 SF of breakout meeting spaces.
- **Food and Beverage and Bar Outlets:** The development will include approximately 15,400 SF of restaurant and bar space across a lobby bar and two restaurant/bar outlets located on the 2nd floor. There will be an additional 15,000 SF of rooftop restaurant/bar space on the 14th floor amenity area that is adjacent to the upper level pool. Oxford plans to develop these restaurant outlets into upscale chef driven 3 meal restaurants that will service the hotel as well as outside guests. The lobby bar will attract guests from the hotel and connected convention center and will contribute to the overall lively lobby experience.
- **Rooftop:** The hotel will feature 55,850 SF of rooftop garden space that will serve as outdoor event space and include unique landscaping as well as 15,450 SF of activated space including a pool and rooftop bar. Guests will be able to see the incredible views of the ocean and Miami skyline while enjoying the beautiful year round South Florida weather. There will be an additional ~15,000 SF rooftop space on the 14th floor amenity area which includes a pool and bar/restaurant/lounge space for guests and outside visitors to enjoy.
- **Spa:** The third floor will include a 5,000 SF luxury spa that is open to guests of both hotels as well as outside visitors.
- **Parking:** The hotel will have 3 floors of parking with approximately 493 spaces for hotel guests, restaurant guests, and meeting space and ballroom guests.
- **Additional Amenities:** Floor 14 of the hotel will feature a full amenity floor which will include an expansive fitness center, club room, and terraces that overlook the pool and roofdeck. As mentioned above, this floor will also include a second pool deck with a restaurant/bar and lounge space.

We have created pro formas for both a single flagship nation chain hotel encompassing all 800 rooms (Scenario A) as well as a dual branded project that includes a luxury lifestyle hotel (233 rooms) atop a flagship national chain hotel (577 rooms) (Scenario B). A preliminary proforma for each of these two scenarios can be seen in Section 6 on page 125 and will depend on further due diligence and continued discussions with potential brand collaborators.

## **Minimum Qualifications**

As previously noted, **RLB | Swerdling's** experience in the P3 Convention Headquarter Hotel meetings market goes back over 15 years. Transactions on which he participated in the development effort include Austin's Headquarter Hilton hotel which was financed with no public financial support. Other HQ Development experience include Denver's 1,100 Hyatt Regency, Baltimore's 750 key Hilton, Omaha's 600 room Hilton among others.

Prior to focusing on Convention Meetings Hospitality finance and development, Bob Swerdling (of RLB | Swerdling) worked as a capital advisor to the Governor of New Mexico, as a Director in municipal Ratings at S&P, and as a Public Finance banker.

**VOA/Oppenheim**, our architects and designers, have depth of experience designing hotels nationally and locally with over 500 keys, including the Cleveland Convention Center Hotel, the result of a public/private partnership that is set to open for the 2016 Republican National Convention; the Intercontinental Chicago O'Hare Hotel in Rosemont, Illinois; Westin Chicago North Shore in Wheeling, Illinois; Westin Lombard Yorktown Center in Lombard, Illinois; and Virgin Hotel in New York City.

VOA has a long history in the state of Florida, having operated an office in Orlando since 1969. The Orlando Business Journal ranked VOA among the best places to work in 2014.

Oppenheim is an architecture, interior design, and planning firm based in Miami, with offices in Los Angeles and Basel, Switzerland. With over 60 firm awards, including several 2014 AIA Miami Awards. Oppenheim is engaged with some of the largest and most influential hospitality companies including Mandarin Oriental, Morgans Hotel Group, Starwood Capital, KOR and Marriott Vacation Club to create new hotel/residential projects around the globe. The firm is currently designing multiple hotel and residential towers in New York City; eco-resorts in the desert of Wadi Rum, Jordan and the jungles of Costa Rica and Sanya, Hainan Island, China; and an 800- room hotel in Asia.

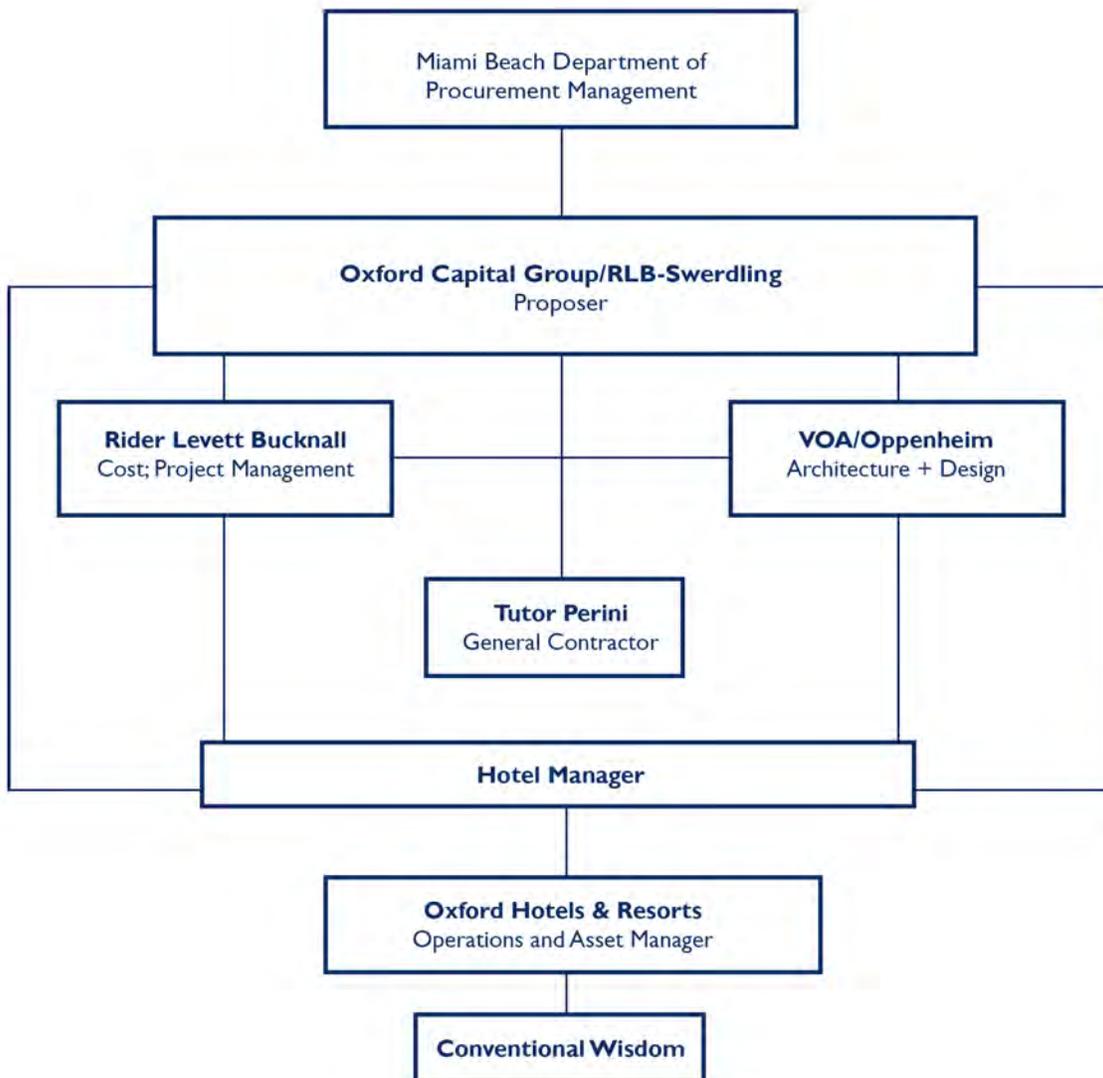
**Tutor Perini** and **Conventional Wisdom** are both located in Florida and have a vast amount of experience to bring to the team. Tutor Perini has worked on multiple projects locally in Miami and Orlando such as: Panorama Tower, Dual Branded Hilton Hotel- Dolphin Mall, Seminole Tribe Hard Rock Hotel and Casino.

Conventional Wisdom is a subsidiary of RLB. Their co-founders developed the roots of its convention facility consulting practice in 1990 at the Orange County Convention Center in Orlando, Florida. In the ensuing years, Conventional Wisdom has researched industry trends, collected and analyzed event data, interviewed event planners and building managers - all to build the intellectual database to supports their facility programming and management consulting expertise. We feel their extensive knowledge on convention facilities will be greatly beneficial when planning our design, operation, and construction phases of development.



### The Development of a Convention Headquarter Hotel Adjacent to the Miami Beach Convention Center

Organizational Chart



## **Organization Chart**

Based on the preceding Organization Chart, it is our intent to appoint Rider Levett Bucknall's Project Management and Cost and Quantity Surveying divisions – collectively RLB - to lead our project management efforts as the Owner's Representative. It will be RLB's responsibility to work with the Community for communications on behalf of the Developer to the Community and from the Community to the Developer and construction Team. RLB will develop an on-site project office that will house RLB, the contractors, architects, engineers and other consultants accessible to the City of Miami Beach and its agents.

Our partners supporting Oxford Capital Group/RLB Swerdling will be VOA/Oppenheim as our design and lead architects and architect of record, Tutor Perini as our general contractor, Oxford Hotel & Resorts as the hotel manager and Conventional Wisdom as our liaison to work related to the Miami Beach Convention Center Expansion Project and interface.

RLB will be the single source responsible for managing and reporting on behalf of the Proposer and team as outlined above and on the chart. While the contractual arrangements will not be the same, it is our intent to create an Integrated Project Delivery environment with input from all primary team members gathered real time in one environment for mutual use on the project's advancement. The Team will conduct weekly job progress Owner/Architect/ Contractor meetings and RLB will provide its monthly project summary report detailing the past month's progress, efforts relative to expectations, costs, schedule updates, exposures and predictions. These monthly summary reports, and other reports as may be requested, will be housed in the Project Office.

To manage this office and supplement RLB's on site staff for project monitoring, reporting, accounting, quality control and other necessary efforts it is our intent to reach into the local 33139 area code, Miami Beach and Miami-Dade as a whole to find and employ capable local talent. It will also be this office's responsibility to develop a plan for the protection of the local environs during the construction period and especially put into place the plan to protect the Filmore Theater. We will work with the local governing agencies, building managers, residents and tenants in the areas immediately and secondarily affected by the construction project and materials deliveries to ensure all are on the same page with our means and methods, and that all safety and protection procedures are understood and agreed on by those who will be affected.

RLB has a long and successful history of delivering highly visible and complex high rise new construction, expansion and renovation projects in tight, dense urban environments. We have specialists who have been delivering hospitality projects for over 100 years around the globe, in North America, the Pacific and Caribbean Islands and are currently working in the Miami-Dade area on the CitiCentre and the Mall at Miami Worldcenter projects as cost and construction consultants. As will be outlined later RLB with its affiliates has delivered numerous convention center hotel projects as well. Specifically, for the Miami Beach Convention Center Hotel RLB will provide:

### **Project Management - Pre-Development**

- Assist with selection and contracting for specialty consultants: Projects of this size have an extensive need for specialists. Assist the Owner in preparing RFP's and conducting selection and negotiation.
- Assist in matters of analyzing Financing scenarios
- Propose and report upon prospective additional team members
- Develop options for phasing strategies: Analyze the division of work into separate contracts by phases. Determine the influences, needs and goals as well as anticipate risks and challenges. Develop a rough concept, budget and schedule to meet the Owners goals in order to test the overall feasibility of the project,
- Assist with market studies
- Assist with City and stake holder negotiations
- Coordinate code and zoning meetings: Manage the Owner, attorney and real estate advisor meetings in order to expedite approvals.
- Establish and conduct meetings with the political entities: Assist with all meetings with the City in order to accomplish the accelerated schedule.
- Assist with selection and contracting for specialty consultants: Projects of this size have an extensive need for specialists. Assist the Owner in preparing RFP's and conducting selection and negotiation.
- Develop project delivery strategies: Analyze project requirements for function, quality, cost and time. Evaluate operational

- and legal constraints. Recommend design, procurement, and construction strategies.
- **Document procedures:** Prepare a project directory with names, addresses and responsibilities of all individuals and organizations associated with the project. Document procedures for decisions, communications, distribution of reports, billings, etc.
- **Develop master schedule:** Prepare a master schedule showing duration, responsibility and precedence for major activities.
- **Develop decision tracking system:** Identify, monitor and report on the status of key decisions and issues which influence the progress of the project.
- **Establish owner expectations, goals and requirements:** Document and involve the entire team in clarifying expectations and document for all parties to reference throughout the project Evaluate contractors proposed methodology to ensure compliance: Evaluate, test and challenge to make sure entire team understands their responsibilities to achieve the goals and obtain buy-in from each member.
- **Establish and maintain reporting systems:** Review options and determine type/brand of project management systems to meet reporting needs.
- **Document all meetings:** Develop all the meeting agendas in conjunction with the Owner and respective participants, provide minutes and follow up on any issues.
- **Coordinate utility services meetings:** Assist Owner with establishing the meetings with the respective utilities. Set up agenda and minute the proceedings.

### **Project Management - Design Phase**

- **Monitor design schedule:** Expand the design schedule indicating milestones for each phase. Monitor and report on progress or problems.
- **Establish charts of account:** Based on the final budget, initiate a reporting system which includes detailed budget categories for consultant fees, construction costs, client costs, contingencies and reserves.
- **Review design alternatives:** Review alternate building systems in order to finalize selections prior to design development. Evaluate materials and techniques appropriate for the project. Review function, price and local construction practices to determine compatibility with the facility program.
- **Review project cost estimates:** Review estimates of the design by the contractor and design team, and compare to preliminary cost models.
- **Identify value engineering opportunities:** Identify areas for value engineering study as the design progresses. Perform life-cycle costing studies to evaluate the most cost effective systems where energy, maintenance and operational considerations dictate.

### **Project Management - Construction Phase**

- **Assign on-site staff:** Maintain field staff to monitor the work of the construction contractors, to see that the work conforms to plans and specifications.
- **Manage independent testing:** Assist in the selection of independent testing agencies. Coordinate their work, review their reports and make recommendations regarding their findings.
- **Monitor progress of construction:** Review contractor's construction schedules. Observe construction progress and report deviations from the schedule that will jeopardize job progress. Work with contractors to develop recovery plans.
- **Coordinate quality control procedures:** Evaluate proposed procedures and equipment prior to use. Observe work in progress and see to the correction of defects and deficiencies.
- **Maintain project records:** Maintain a current record of contracts, drawings and specifications. Log shop drawings and samples. File correspondence, directives and meeting minutes.
- **Recommend desirable modifications:** Make recommendations for modifications in the work, which save time or money or improve quality.
- **Maintain charts of account:** Maintain an accurate, up-to-date construction cost accounting system. Include costs of contracts, direct purchased materials and other appropriate items.
- **Conduct regular project meetings:** Schedule and conduct regular meetings at the job site. Include all client and contractor representatives and appropriate consultants. Track and record decisions.
- **Prepare field reports:** Maintain daily job site reports. Prepare monthly status reports that record the progress of the work and comment on quality, cost and timing issues.
- **Monitor safety programs:** Confirm that safety programs are developed by each of the contractors.
- **Manage insurance program:** Manage the processing of claims, payments and rebates for project insurance programs.

### **Project Management – Close-Out Phase**

- **Develop close-out schedule:** Produce a detailed schedule of close-out activities including punch lists, equipment testing, start-up procedures and phased occupancy.
- **Assemble building systems data:** Collect and catalogue all procedures manuals and instructions for the operation of mechanical, plumbing, electrical and special equipment. Collect all warranties.
- **Coordinate system tests and inspections:** Organize and manage the testing of mechanical, plumbing, electrical and special building systems.
- **Implement start-up procedures:** Plan and monitor the start-up and adjustment of all building systems.
- **Coordinate warranty work:** Work with the client and the designers to ensure that the contractors honor their warranty responsibilities in a timely manner.

### **Cost Management**

Through a systematic approach, RLB will assist in creating a realistic and accurate initial budget and a structure in order to maintain that budget throughout the pre-construction, construction and post-construction phases.

### **Phase One, Pre-Construction Cost Services**

- **Develop project budget:** Revisit our initial pre-concept budget (previously prepared) and review the document to verify that we captured all known costs and project parameters. The importance of creating an initial budget that is both realistic and complete cannot be understated and sets the tone for the remainder of the project. This budget would be compared and benchmarked against other known and comparable projects in order to cross check accuracy.
- **Review preliminary estimates:** Establish or review a preliminary construction estimate by the contractor for the project, based on a statistical analysis of completed projects adjusted for current conditions.
- **Develop cost models:** Develop budgets for each major building system and other elements of construction. Compare cost models with design estimates as the project progresses.
- **Value Engineering:** RLB would conduct value engineering workshops at the early stages of design and prepare life cycle costs for key systems and materials.
- **Prepare milestone estimates:** RLB would prepare milestone estimates as the design progresses and reconcile our estimates with the construction management team ensuring that they are not overly conservative with their estimating process.
- **Milestone cost updates:** This cost planning approach would be continued through the full project cycle whereby we cross check each milestone cost update (schematic design, design development etc) against the original cost plan to see what has changed and what is required to get back within budget.

### **Phase Two, Construction Cost Services**

- **Prepare bidding documents:** Assist in the preparation of bidding documents (excluding bills of quantities) and prepare a bid analysis against our earlier budget, leading any further value engineering as required.
- **Monthly pay applications:** Prepare monthly pay application formats and financial reports so that America Modern Green Development (Houston) LLC is kept informed on the projects progress and cash flow together with an evaluation of any potential risks.
- **Change order review:** Assist our project management team with the review, independent evaluation and resolution of any change orders or claims throughout the project.
- **Financial close-out:** As the project nears completion, RLB would assist the project management team with a financial close out of all consultants, contractors, vendors and suppliers of America Modern Green Development (Houston) LLC.

### **Advisory Services**

- **Assist with developing and formalizing contracts:** Determine which contract form and modifications meet the Owners expectations and obtain agreement from the contractor and consultants.
- **Dispute avoidance:** Consider an alternative to the claims process by establishing a disputes resolution board. This minimizes delays and change orders.

# Oxford

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## **John W. Rutledge, Founder, President & CEO**

### **Education**

Master Of Business Administration  
International Finance and Economics  
University of Chicago's Graduate School of Business

Northwestern University  
Oxford University, Christ Church  
Harvard College

### **Years of Experience**

30 years



**John W. Rutledge**, Founder, President and CEO of Oxford Capital Group, national real estate private equity, asset management, property management and development firm headquartered in Chicago, Illinois. He is also the Founder, President and CEO of its primary hotel operating affiliate, Oxford Hotels and Resorts, LLC.

Mr. Rutledge co-founded his first company, Oxford Realty Corporation at age 24. He co-founded his second company, Oxford Capital Partners, Inc. during his second year of business school in 1994 while simultaneously completing an extended internship at the Wall Street mergers & acquisitions and merchant banking firm of Wasserstein Perella & Co. His third company, Oxford Capital Group, LLC, a successor company to Oxford Capital Partners, Inc., was founded during the 2004-2006 timeframe.

Mr. Rutledge is a member of the advisory board (and a founding investor) of Metropolitan Capital Bank Corporation; the World President's Organization (WPO) and previously Young Presidents' Organization (YPO); the Economic Club of Chicago; an Emeritus member of the Auxiliary Board of the Art Institute of Chicago; the Advisory Board for the Polsky Center of Entrepreneurship at the University of Chicago's Graduate School of Business; The Urban Land Institute (ULI); and the Fourth Presbyterian Church of Chicago. He is also a Trustee of The Chicago Architectural Foundation. A graduate of New Trier High School in Winnetka, Illinois, Mr. Rutledge graduated from the University of Michigan, Ann Arbor with a bachelor's degree in Economics and an emphasis in Real Estate.

### **Project Experience**

Please see Oxford's Project Overview on page 65.

### **References**

For a full list of references please see the Capital Partner/Lender/Intermediary list. on page 123.



## Sarang (Sar) Peruri, Principal

### Education

Master Of Business Administration, Finance and Real Estate  
Wharton School at the University of Pennsylvania

Bachelors of Science, Finance  
College of Business at the University of Illinois Urbana-Champaign

### Years of Experience

15 years



While at Oxford Capital Group, LLC, **Sar Peruri** has been involved in approximately \$1 billion of new investments. Sar Peruri's primary investment responsibilities include deal origination, acquisitions underwriting, due diligence coordination, project financing, and strategic asset management. His development and construction project management responsibilities include project budget analysis, bid review and design and construction process management. He is responsible for investment opportunities across the real estate spectrum and also in the corporate private equity area.

Prior to joining Oxford Capital Group, LLC, Sar Peruri worked in acquisitions and asset management at Equity International focused primarily on real estate related investments in South America and Asia. He began his career working in the investment banking division of Morgan Stanley and completed the analyst training program.

Sar Peruri graduated with an M.B.A. in Finance and Real Estate from the Wharton School at the University of Pennsylvania, was a recipient of the Pension Real Estate Association Scholarship and the Robert Toigo Fellowship, and served as teaching assistant to Professor Jeremy Siegel. He also holds a B.S. in Finance from the College of Business at the University of Illinois at Urbana-Champaign, graduating with Highest Honors and awarded the Bronze Tablet, and completed the year-long General Course program at the London School of Economics.

### Project Experience

Please see Oxford's Project Overview on page 65.

### References

For a full list of references please see the Capital Partner/Lender/Intermediary list. on page 123.



## Brad D. Mulvihill, Principal

### Education

Bachelor of Business Administration  
Real Estate and Finance  
University of Michigan Ross School of Business

### Years of Experience

15 years



While at Oxford Capital Group, LLC, **Brad Mulvihill** has been involved in over \$1 Billion of hospitality transactions. Mr. Mulvihill's primary hotel investment responsibilities include acquisitions underwriting, due diligence coordination, deal origination and strategic asset management. His development/construction project management responsibilities include project budget analysis, bid review and construction process management. He is also responsible for select investment opportunities across the real estate spectrum and in the corporate private equity area.

Prior to joining Oxford Capital Group, LLC, Mr. Mulvihill acquired six years of real estate principal investing experience with General Growth Properties and Hyatt International Corporation, which is now known as Global Hyatt. At General Growth Properties, he coordinated the underwriting, transaction structuring and due diligence for international shopping center acquisitions, developments and Joint Venture partnerships. At Hyatt International, Mr. Mulvihill performed the financial analysis for hotel acquisitions and new developments. He also has held internships with Intel Corporation and with the Office of the Corporation Counsel, a government law firm that represents the District of Columbia.

Mr. Mulvihill received a Bachelors of Business Administration from the University of Michigan Ross School of Business with an emphasis in finance and accounting.

### Project Experience

Please see Oxford's Project Overview on page 65.

### References

For a full list of references please see the Capital Partner/Lender/Intermediary list. on page 123.



## Lawrence (Larry) B. Cummings, Principal

### Education

Masters in Business Administration, Real Estate and Finance  
Harvard Graduate School of Business

Bachelors Degree, History  
Harvard College

**Larry Cummings** is a Chicago native with over 25 years' experience in commercial real estate. His track record encompasses the hospitality, office, retail and senior housing sectors and he has served as a principal in both privately held and publicly traded companies.

Larry joined Oxford and its affiliates in 2000 as a senior advisor for hospitality and senior housing transactions, and became a Managing Director at Oxford in 2005 and a Senior Managing Director in 2006. He co-founded Oxford Hospitality Investment Partners in 2005. Immediately prior to joining Oxford, Larry's principal activities included leading the leveraged buyout of SunRiver Living Centers, LLC, a Bend, Oregon portfolio of assisted living and skilled nursing assets. SunRiver was subsequently successfully sold.

His successful track record also includes leading the hospitality brokerage practice of Miami-based Aztec Leisure Corp. and its successor company, IAG Florida. Transactions included the \$59 million sale of the Hilton Old Town Alexandria, negotiating a \$57 million construction loan for the Regent Winter Park Hotel Condominiums and the sale of the Hilton Garden Inn, Fort Myers.



## Matthew Kalt, Senior Analyst

### Education

Bachelor of Business Administration, Real Estate and Finance  
University of Michigan Ross School of Business

### Years of Experience

5 years



**Matthew Kalt's** primary real estate investment responsibilities include underwriting new acquisitions, performing due diligence, market research and analysis, as well as assisting the firm's principals with project financing, strategic asset management, and deal origination. He is also responsible for select investment opportunities across the real estate spectrum and in the corporate private equity area.

Prior to joining Oxford Capital Group, LLC, Matthew worked as an acquisitions analyst at Lutz Real Estate Investments in Birmingham, Michigan. While at Lutz, he was responsible for underwriting new acquisitions, performing due diligence, conducting market research, as well as providing support with the asset management of a student housing portfolio valued at over \$100 million.

Matthew received a Bachelor's of Business Administration from the University Of Michigan Ross School Of Business with an emphasis in finance and real estate.

### Project Experience

Please see Oxford's Project Overview on page 65.

### References

For a full list of references please see the Capital Partner/Lender/Intermediary list. on page 123.



## Kerry O'Hare, Controller and Senior Vice President, Finance

### Education

Bachelors of Science, Accounting  
Marquette University

**Kerry O'Hare** is responsible for financial reporting and tax, treasury and finance, investor relations, risk management and Human Resources. Her finance career has encompassed financial accounting and reporting in the public and private sectors for both domestic and international entities.

Prior to joining Oxford, Ms. O'Hare was Manager of Finance and Controls at Strategic Hotel Capital, a \$2 billion company formed primarily by Goldman Sachs (through their Whitehall Funds), Security Capital and Prudential. Prior to joining Strategic, Ms. O'Hare worked at the international corporate offices of Borg Warner Automotive, Inc. Upon graduating from Marquette University with a bachelor's degree in accounting, Ms. O'Hare joined the Assurance Practice of KPMG Peat Marwick, LLP in Chicago.

Ms. O'Hare is a certified public accountant and is a member of Commercial Real Estate for Executive Women (CREW) - Chicago Chapter, serving on its scholarship committee. Kerry also serves on the Leader Council for the Mercy Home for Boys and Girls.

### Project Experience

Please see the Oxford's Project Overview on page 65.

### References

For a full list of references please see the Capital Partner/Lender/Intermediary list. on page 123.



Lobby and Guest Suites at the Langham Hotel  
Chicago, Illinois





**George Jordan, Senior Vice President of Operations**  
**Oxford Hotels & Resorts**



**Education**

Bachelors of Science, Finance  
Arizona State University

University of Southern California

**George Jordan** has worked in the hotel industry for 30 years including The Arizona Baltimore, The St. Paul, The Marquette, The Drake, The Raffaello Hotel, The Godfrey, and Felix where he worked with the development team to purchase and convert to an independent 4 star boutique condo hotel.

George rose through the ranks while attending college at University of Southern California and Arizona State University, where he obtained a B.S. in Finance. He has also served as Area Food and Beverage Director for Hilton International. Mr. Jordan oversees operations and management for Oxford Hotels & Resorts, LLC and is an integral part of the programming and strategic/operations efforts related to Oxford's new acquisitions and developments.

**Project Experience**

Please see Oxford's Project Overview on page 65.

**References**

For a full list of references please see the Capital Partner/Lender/Intermediary list. on page 123.



## Robert Swerdling, Managing Director

### Education

Masters of Economics  
University of Chicago School of Economics

### Years of Experience

25 years



**Bob Swerdling** has 25 plus years of experience in public finance and development services and has been providing services to municipal clients for over 15 years. During Bob's career, he has successfully financed over \$4.0 billion for state and local governments. He has worked from all corners of the public financing business; as a public finance client while working for the State of New Mexico, as an Investment banker while heading Piper Jaffray's Municipal Project Revenue/Hospitality Group, and as a Credit Analyst while serving as a Director of Municipal Finance at Standard and Poor's.

Over the past 10 years, Bob's career has focused on public-private partnerships with a specialization in hospitality financings. Mr. Swerdling served as managing director at Piper Jaffray and was responsible for running their Municipal Project Revenue/Hospitality Group. During his tenure at Piper Jaffray, Mr. Swerdling served as lead banker on transactions including: the Omaha Hilton Convention Center Hotel Refunding (2007), Hyatt Denver Convention Center Hotel Refunding (2006), the Baltimore Hilton Convention Center Hotel (2006), the Austin Hilton Convention Center Hotel (2001), the Hyatt Denver Convention Center Hotel (2003), the Austin-Bergstrom Airport Hotel (1999), and the Omaha Hilton Convention Center Hotel (2002).

Prior to his investment banking career, Bob was employed as a municipal analyst at Standard and Poor's. After nearly eight years at Standard and Poor's, Bob held positions of Director of Municipal Finance and Manager of the Municipal Short-Term Debt Group. After receiving a Master's Degree in Economics in 1983 from the University of Chicago, Bob was an economic and policy analyst for the Department of Finance and Administration for the State of New Mexico. Bob served as the liaison between the Governor and Secretary of finance and the Wall Street Firms. Bob also taught courses in micro and macroeconomic theory as an adjunct professor for the University of New Mexico.

### Project Experience

#### Hyatt Denver Convention Center Hotel

\$356 Million

The hotel offers 1,100 guestrooms, a 30,000 square foot grand ballroom, a 15,000 square foot junior ballroom and an additional 25,000 square feet of meeting space.

#### Baltimore Hilton Convention Center Hotel

\$317 Million

The hotel is a 756 guestrooms, full service, and convention center hotel with 62,000 net square feet of meeting space.

#### Austin Hilton Convention Center Hotel

\$276.2 Million

The hotel is a 800 guestrooms, full service, convention center hotel with 60,000 square feet of meeting space located adjacent to the Austin Convention Center.

#### Omaha Hilton Convention Center Hotel

\$112.3 Million

The hotel is a 450 guestrooms, full service, and convention center hotel with 30,000 net square feet of meeting space and is connected to the Qwest Center Omaha by a glass enclosed skywalk.

### References

**Paul D. Kratz**, The City of Omaha  
1819 Farnam Street  
Omaha, Nebraska 68183  
Office: 402-444-5115

**Wellington E. Web**, Webb International Group  
1660 Lincoln Street, Suite 2820  
Denver, Colorado 80264  
Office: 303-893-9322



## RUBEN RODRIGUEZ, Project Director

### Education

Bachelor of Science in Estate Management Surveying  
Polytechnic of the South Bank

Higher & Ordinary National Certificates in Construction  
Technology (4 year degree course)

### Years of Experience

35+ years



**Ruben Rodriguez** provides the partnership over 35 years of construction & business development experience. With extensive experience in mixed-use, commercial & hospitality projects & public private development Design Build projects, Mr. Rodriguez understands the market & local influencers and economic requirements to bring a successful project to fruition. By using his skills gleaned from years managing complex public and private projects he works to bring the right mix of local & national commercial partners together to maximize revenue potential.

Expertise & experience is focused on three key areas: Operations, Client Development & Management, & Project Management, he also takes the lead as corporate local/small/woman owned/disadvantaged and minority firm partnering & participation program manager.

### Project Experience

#### Austin Hilton Convention Center Hotel

\$276.2 Million

The hotel is a 800 guestrooms, full service, convention center hotel with 60,000 square feet of meeting space located adjacent to the Austin Convention Center.

#### Omaha Hilton Convention Center Hotel

\$112.3 Million

The hotel is a 450 guestrooms, full service, convention center hotel with 30,000 net square feet of meeting space and is connected to the Qwest Center Omaha by a glass enclosed skywalk.

#### Grosvenor House Hotel, A JW Marriott Hotel Renovation

\$20 Million

This project included the development of a five star hotel in Park Lane London.

- Miami Airport Hospitality and Mixed- Use Development, Miami, FL
- Hotel and Conference Center, Omaha, NE
- Convention Center Headquarters, Denver, CO
- Southside on Lamar Condominiums, Dallas, TX
- Waldorf Astoria Hotel and Residences, Cayman Islands
- Securities Commission Headquarters and Conference Center, Kuala Lumpur, Malaysia
- Convention Center Headquarters Hotel, Savannah, GA
- Convention Center Headquarters Hilton Hotel Development, Austin, TX
- Dorchester Hotel Renovation, Park Lane London, United Kingdom
- Hilton Hotel Renovation, Park Lane London, United Kingdom
- Meetings Hotel, Nashville, TN
- Hyatt Andaz Hotel, Belize

### References

**Doug Coors**, 9th Street Capital

Golden, Colorado

DCoors@Coorstek.com

**Michelle Jervey**, Satori Construction

Savannah, Georgia

MJervey@satoriconstruction.com



**Montie Garrison, Associate Principal  
Project Director**



**Education**

Bachelor of Arts, Degree in Journalism  
University of Iowa, Iowa City

**Years of Experience**

29 years

**Montie Garrison** is an Associate Principal with Rider Levett Bucknall. During his 24 years with RLB, Montie has delivered in excess of 400 successfully completed projects ranging in size from 3,000 to 1 million square feet. Prior to joining the firm, Montie served as a technical, economic and demographic research analyst and writer for Tracy Cross & Associates, a nationally recognized firm, and a Chicago leading real estate feasibility analyst.

Montie's years in the industry have allowed him to lead or participate in the research, planning, design, development and construction of a very broad spectrum of project types from high rise commercial and hospital, to hospitality, resort, residential and planned unit developments across a wide geographic area.

**Project Experience**

**One and Two Prudential Plaza; Chicago**

Performed as project manager for the planning, design and construction of roughly 2 million square feet of interior mixed use tenant development, renovation and construction including restaurant, retail and commercial projects.

- Hyatt Center, Chicago, IL
- Federal Reserve Bank of Chicago, Chicago, IL
- The Garlands of Barrington, Barrington, IL
- Northbrook's MeadowPark, Northbrook, IL
- Northwest Community Hospital Renovation, East Pavilion RELifing, Arlington Heights, IL
- Northwestern Memorial Healthcare Outpatient Care Pavilion and Prentice Women's Hospital, Chicago, IL
- Parkview Regional Medical Center, Fort Wayne, IN
- University of Iowa Children's Hospital Activation and Transition Planning, Iowa City, IA
- Comprehensive Outpatient Cancer Treatment and Imaging Center, Warrenville, IL
- Cadence Health, HealthQuest, Poughkeepsie NY
- Cadence Health Bed Pavilion, Engineering Commissioning, Diagnostic Imaging UPS System, Winfield, IL
- Cadence Capital Projects, Chiller Plant Expansion Project, Winfield, IL
- Arima Hospital, Point Fortin Hospital, Penal Hospital and Rehabilitation Centre, Trinidad and Tobago

**Professional Affiliations**

- American Society of Interior Designers, First Place, Design Excellence Award Winner
- Hospitality Design Magazine, Hospitality Design Award Winner in Senior Living/Healthcare Category
- American Society for Healthcare Engineering
- Construction Management Association of America
- Habitat for Humanity, Global Village Volunteer

**References**

**Steve Carter**, President- The Carter Group  
165 N. Canal Street, Apt. 706, Chicago, IL 60606  
Office: 312-422-5555

**Jack McKinney**, President- JF McKinney + Associates  
200 S. Wacker Drive, Suite 1325, Chicago, IL 60606  
Office: 312-819-4166



**Grant Owen FRICS, CCP, Executive Vice President  
Senior Cost Manager**



**Education**

Bachelor of Science, Degree in Quantity Surveying  
Glasgow Caledonian University, Glasgow, Scotland

**Years of Experience**

24 years

As a recognized expert in the field of construction cost management, **Grant Owens** assists owners, design professionals and lenders in the control of the cost and time aspects of their construction projects. His experience includes 24 years of providing professional services to clients located throughout the United States, Asia and Europe with various project types including airports, corporate offices, health care, educational facilities, industrial, retail, hospitality and recreational projects.

Grant Owen joined Rider Levett Bucknall in 1995 and is a Senior Vice President of the North American practice and Director of the firm's East coast locations. Grant Owen will serve as the lead for the cost estimating services on this project.

**Project Experience**

- Boston Sheraton Hotel, Boston, Massachusetts
- Brickell CityCentre, Miami, Florida
- Brickell CityCentre North, Miami, Florida
- CityCenter Las Vegas, Las Vegas, Nevada
- Hotel Plaza Athenee, New York, New York
- Hyatt Regency Cambridge, Cambridge, Massachusetts
- Intercontinental Miami, Miami, Florida
- Mall at Miami Worldcenter, Miami, Florida
- MGM National Harbor, National Harbor, Maryland
- MGM Springfield, Springfield, Massachusetts
- Miami Beach Convention Center, Miami, Florida
- One Brickell CityCentre, Miami, Florida
- Paramount at Miami Worldcenter, Miami, Florida
- The East Hotel, Miami, Florida
- The Langham Hotel, Boston, Massachusetts
- Westin Kierland Resort & Spa, Scottsdale, Arizona

**Professional Affiliations**

- Fellow (FRICS), Royal Institution of Chartered Surveyors
- Certified Cost Professional (CCP) and Member, Association for the Advancement of Cost Engineering International
- Certified Construction Auditor (CCA) National Association of Construction Auditors
- Professional Affiliate, American Institute of Architects (AIA)
- Member, Construction Specifications Institute
- Member, Society of College & University Planners (SCUP)

**References**

**Mr. Serge Denis**, Former Managing Director  
Langham Hotel  
250 Franklin Street, Boston, MA 21110  
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**Mr. Bob da Silva**, Construction Director  
Tavistock Development Company  
9801 Lake Nona Road, Orlando, FL 32827  
+ 1 407 851 9091  
bdasilva@tavistock.com



## Chad L. Oppenheim, AIA, NCARB, LEED AP Principal-in-Charge

OPPENHEIM

### Education

Bachelors of Architecture  
Cornell University, Ithaca, New York

Industrial, Product and Graphic Design Studies  
Harvard University, Boston, Massachusetts

### Years of Experience

17 years

**Chad Oppenheim** is a Miami-based international architect whose work encompasses all realms of design, ranging from large-scale urban architecture, hotels and resorts, luxury homes to interiors and furnishings. Founded in 1999, Oppenheim Architecture + Design has garnered global recognition for socially and environmentally conscious architecture, as well as setting trends in the sustainable and humanitarian sectors. An alchemist of atmosphere, Oppenheim transforms the prosaic into the poetic – eliciting a site's inherent power through passion and sensitivity towards man and nature.

Oppenheim's built large-scale works range from the elegant 50-story, 600,000 square feet (56,000m<sup>2</sup>) Ten Museum Park tower along the downtown Miami waterfront, to Oppenheim's design for the 1,600,000 square feet (145,000m<sup>2</sup>) multi-tower Net Metropolis commercial complex in Manila which has the distinction of being the pilot project for the Filipino government's first ever national sustainable design program, developed in concert with the US Green Building Council. Now Oppenheim is designing multiple hotel and residential towers in New York City. Having worked on projects in 23 countries, Oppenheim has experience in North America, Central America and the Caribbean, South America, Europe, Africa, the Middle East and Asia/Pacific regions. His firm's award-winning work has been published internationally in over 1,000 publications including multiple times in The New York Times and Architectural Record.

### Project Experience

#### Delano + Mondrian Hotels

A \$600 million project with 1430 keys, an underground parking structure for 900 vehicles, 70,000 SF of meeting space, 100,000 SF of pool areas, 50,000 SF spa and a Skybar located at the roof of the Mondrian. Designed sustainably.

#### Wadi Rum Resort, Jordan

Approximately 7500 SM (80,000 SF) minimalist hotel embedded in the desert rock of the Middle East. The program is masterfully carved into the rocks and sands – spas, lodges, villas, tents, and arrival spaces all spring from the natural surroundings. The hotel complex makes every effort to disappear, then re-appear in certain moments, punctuating the landscape and taking full advantage of the open spaces.

- Lavender Bay Resort, Lavender Bay, Greece
- Park Hyatt Bal Harbour, Bal Harbour, Florida
- Park Washington Hotel, Miami Beach, Florida
- San Silencio, Costa Rica
- Sanya Conference Center, Sanya, China:
- Savoy Hotel, Miami Beach, Florida
- Shanghai Hotel, Shanghai, People's Republic of China
- Sonesta Resort Condo Hotel, Key Biscayne, Florida
- W Hotel Competition, Republic of Maldives
- Wadi Rum Resort, Jordan
- Waterfront Hotel + Residences, United Arab Emirates
- Williamsburg Hotel, Williamsburg, New York
- Yankee Clipper Condo-Hotel, Ft. Lauderdale, Florida
- Hudson Yards, Manhattan, New York
- Corniche Tower, United Arab Emirates
- Hard Rock Condominium, Las Vegas, Nevada
- Lynx, Miami, Florida
- Wharf Road, Surfer's Paradise, Australia
- Emiliano Hotel, Rio de Janeiro, Brazil
- Norman's Cay Resort, Bahamas
- 1 Hotel Buckhead, Atlanta, Georgia
- 1 Hotel DC, Washington, DC
- Caya, Grace Bay, Turks & Caicos Islands
- Clinton Hotel, Miami Beach, Florida
- Crown Hotel, Miami Beach, Florida
- Delano + Mondrian Hotels, Las Vegas, Nevada
- Governor Hotel, Miami Beach, Florida
- Grace Bay Club, Turks & Caicos Islands
- Grace Bay Village, Providenciales, Turks & Caicos Islands
- Hyatt Regency Chicago, Chicago, Illinois
- Isla Moda, Dubai, United Arab Emirates
- The Madison, a Condominium Hotel, Miami Beach, Florida
- National Exhibition Center, Abu Dhabi, United Arab Emirates



## Carl Römer, RA, Vice President of Operations

OPPENHEIM

### Education

Bachelor of Architecture  
Universidad Piloto de Colombia, Bogota, Colombia

### Years of Experience

36 years

**Carl Römer** is Vice President of Operations at Oppenheim and has been with the firm since 2005. Having worked on more than 160 projects, Römer has 36 years of experience in the design and development of a broad range of complex and diverse building types. His project experience background includes project types such as hospitality, commercial office, retail/entertainment, high-rise luxury multifamily, affordable housing, aviation, industrial, health care, governmental, educational, and historic renovation, amongst others. Mr. Römer has extensive hands on experience managing large-scale, complex projects with tight schedules requiring significant planning and coordination from commencement through construction completion. He has successfully led numerous architectural/engineering/consulting teams to consistently perform in high-pressure situations in order to meet schedules and deadlines while ensuring the consultants deliver the highest level of performance with excellent quality-driven results. He speaks and writes English and Spanish fluently. Several million square feet of Mr. Römer's projects have been built. Within the United States, Römer has worked on projects in Florida, California, New York, Georgia, Nevada and Washington DC. He has also worked on projects in China, the Philippines, Brazil, Venezuela, Costa Rica, Puerto Rico, the Bahamas, West Indies, Canada, Switzerland, Greece, Saudi Arabia, Qatar, Jordan, Lebanon, the United Arab Emirates and Australia.

### Project Experience

#### **Marriott Marco Island Vacation Club**, Timeshare Mixed-Use Facility, Marco Island, Florida

A 600,000 square foot oceanfront residential campus of four high rise buildings with an amenities deck overlooking Gulf of Mexico, parking garage, fitness areas, restaurants, and lounges.

#### **San Silencio, Costa Rica**

A Master Planned luxury residential and resort development located in Esparza 110, Costa Rica.

- Delano + Mondrian Hotels, Las Vegas, Nevada
- Grace Bay Village, Providenciales, Turks & Caicos Islands
- Lavender Bay Resort, Lavender Bay, Greece
- Shanghai Hotel, Shanghai, People's Republic of China
- Wadi Rum Resort, Jordan
- 1 Hotel Buckhead - 1 Hotel and Residences, Atlanta, Georgia
- 1 Hotel DC, Washington, DC
- Marina + Beach Towers, United Arab Emirates
- Williamsburg Hotel, Williamsburg, New York
- Cartagena Hilton: schematic design
- Divi Village Resort Hotel, Aruba
- Divi Twin Pools Hotel, St. Maarten

### References

#### **Carlos Rufino, Bonifacio Global City**

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#### **Erick Collazo, Metropica Holdings, LLC**

1000 Sawgrass Corporate Parkway Suite 560  
Sunrise, FL 33323  
Office: (561) 241-1100  
ecollazo@metropicadev.com



## Juan A. Calvo, Vice President of Design

OPPENHEIM

### Education

Master of Architecture  
Cornell University, Ithaca, New York

Bachelors of Architecture  
University of Miami, Coral Gables, Florida

### Years of Experience

23 years

**Juan Calvo** is Vice President of Design at Oppenheim and has been with the firm since its conception. Having worked on more than 100 projects, Calvo has 23 years of experience in all major roles of the discipline of architecture including design, contract negotiations, client relations, project management, detailing, quality control and office management. Over the years he has designed, managed and supervised construction for numerous luxury home projects in South Florida, Los Angeles, Colorado, the Bahamas, West Indies, Venezuela and elsewhere; multi-family residential and hospitality projects including hotels, condominium and apartment towers as high as 60 stories; commercial projects including restaurants and retail stores; museums; a dance academy; art galleries; a recording studio; and many other building types including industrial, health care and entertainment.

Some of his notable project experience includes the 5-star San Silencio Resort in Costa Rica, a master planned luxury residential and resort development; Bandeirantes Mixed-Use in Sao Paulo, Brazil, with 2,500,000 SF (235,000m<sup>2</sup>) of residential, commercial and retail development; Cor in Miami, a 480,000 SF (45,000m<sup>2</sup>) mixed-use residential and commercial tower; the 600,000 SF (56,000m<sup>2</sup>) 50-story Ten Museum Park tower built on downtown Miami's waterfront; Three Midtown in Miami, a 30-story, 800,000 SF (75,000m<sup>2</sup>) mixed-use residential and commercial tower; and numerous residential and commercial projects that include both new construction and renovation throughout South Florida.

### Project Experience

#### Hard Rock Condominium, Las Vegas, Nevada

A 30-story, 3,000,000 square foot new construction mixed-use project comprising of 100,000 square feet of commercial space, 1,000 residential condominiums, and covered parking as part of the expansion of the existing Hard Rock Hotel and Casino.

#### Norman's Cay Resort, Bahamas

A 430,000 SF Master plan for a world-class destination resort. . Elegant structures of stone, wood, and glass are placed carefully within the site to optimize views and guarantee privacy, providing the ultimate setting for living in such an idyllic environment.

- Hard Rock Condominium, Las Vegas, Nevada
- Emiliano Hotel, Rio de Janeiro, Brazil
- 1 Hotel Buckhead, 1-Hotel and Residences, Atlanta, Georgia
- Clinton Hotel, Miami Beach, Florida
- Crown Hotel, Miami Beach, Florida
- Governor Hotel, Miami Beach, Florida
- Park Washington Hotel, Miami Beach, Florida
- San Silencio, Costa Rica
- The Madison, a Condominium Hotel, Miami Beach, Florida:
- The Perry South Beach Renovation and Interior Design, Miami Beach, Florida
- Wadi Rum Resort, Jordan
- Waterfront Hotel + Residences, United Arab Emirates
- Governors Island, NY, New York



## Kevin Heidorn, Project Manager

### Education

Bachelor of Architecture  
Auburn University, Auburn, Alabama

Berry College, Rome, Georgia

### Years of Experience

21 years

# OPPENHEIM

**Kevin Heidorn** is a skilled designer with a passion for creativity and a confidence gained from the successful completion of numerous high profile architectural projects. Heidorn has over twenty one years of experience in all phases of design, encompassing interiors, renovation projects, and ground-up construction, which has resulted in the knowledge necessary to proficiently engage projects from beginning to end. Heidorn's project experience includes an 800-room, 430,000 SF (40,000m<sup>2</sup>) resort hotel for Disney in Asia; 90,000 SF (8,360m<sup>2</sup>) Hotel and Residential Tower in Brooklyn, New York; the 1,430-key Delano and Mondrian Convention Resort Hotels in Las Vegas; the 300-acre (122-hectare) Kempinski Lavender Bay Golf Resort in Thessaly, Greece; the 1,300,000 SF (120,000m<sup>2</sup>) Isla Moda Mixed-Use Development in Dubai; Sonesta Resort Condo Hotel with 350 keys and 37 residential units on the beachfront in Key Biscayne, Florida; the Huxindao 88 Gardens luxury residential development comprised of 25 towers of varying heights and 60 three-story townhouses in Xiamen, China; the 2,875,000 SF (267,000m<sup>2</sup>) Marina + Beach Towers in Dubai; the 1,500,000 SF (140,000m<sup>2</sup>) Waterfront Hotel and Residences in Dubai; the 1,285,000 SF (120,000 m<sup>2</sup>) Al Najada Hotel and Bank in Doha, Qatar; and concepts for the major renovation of Hyatt Regency's flagship hotel in Chicago.

### Project Experience

#### **Sonesta Resort Condo Hotel, Key Biscayne, Florida**

A \$300 million project, 350 keys + 37 residents, underground parking structure for 850 cars.

#### **Hyatt Regency Chicago, Chicago, Illinois**

45,000 SF Renovation. The renovation of The Hyatt Regency Chicago hotel involved all public spaces including reception, lobby areas, multiple restaurants, bars, retail spaces, fitness center, Regency Club, and associated BOH areas. We proposed to re-conceptualize all the central public spaces as Chicago's urban "living room" optimizing the existing courtyard plan, with the hotel amenities positioned around the perimeter in an intuitive, logical arrangement.

- Delano + Mondrian Hotels, Las Vegas, Nevada
- Hyatt Regency Chicago, Chicago, Illinois
- Isla Moda, Dubai, United Arab Emirates
- Savoy Hotel, Miami Beach, Florida
- Shanghai Hotel, Shanghai, People's Republic of China
- Sonesta Resort Condo Hotel, Key Biscayne, Florida
- Waterfront Hotel + Residences, United Arab Emirates
- Williamsburg Hotel, Williamsburg, New York
- Victoria Falls Resort, Zimbabwe, Africa
- Al Najada Hotel and Bank, Qatar
- Msheireb Spa and Resort, Qatar

### References

#### **J. David Atwood Jr., Senior Project Manager**

Walt Disney Imagineering Shanghai

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david.atwood@disney.com

#### **Brian A. Cheripka, Senior Vice President, Land iStar Financial**

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## Juan E. Lopez, New York Studio Leader

### Education

Master of Science in International Real Estate.  
Master of Science in Advanced Architectural Design  
Graduate School of Architecture, Planning and Preservation  
Columbia University, New York, New York

Bachelor of Architecture  
Universidad de Los Andes, Bogotá, Colombia

International Design Studio, Cartagena, Colombia

### Years of Experience

13 years

OPPENHEIM

**Juan E. Lopez** is a professional with over 13 years of experience at renowned architecture and real estate development firms, whose work has included the project design and management of award-winning residential and commercial projects. Mr. Lopez has experience coordinating project consultants and design teams as well as with clients and municipalities. His education includes various degrees in architecture and real estate. He has also been awarded multiple design awards for his participation on different projects. Such distinctions include Mentions at the Biennale of Architecture in Colombia and exhibitions in Miami. Prior to working with Oppenheim Architecture + Design, Mr. Lopez also worked with the Office for Metropolitan Architecture (OMA) and Alloy Development in New York.

### Project Experience

#### Lynx, Miami, Florida

A 70-story, 2,600,000 SF new construction Mixed-use Project comprising ground floor commercial space, a 80,000 SF fitness club, live/work units, hotel, condo-hotel, residential condominiums, and covered parking for 1400 cars in Downtown Miami.

#### Waterfront Hotel + Residences, United Arab Emirates

The competition for Madinat Al Arab consists of the design for a mixed-use project within a larger Master Plan named Dubai Waterfront. The site is a parcel of land directly facing the Persian Gulf with a park on one side and the density of the development on the remaining two sides. The program area of 1.5 million SF consists of high-end residential units, serviced residential units, hotel units, retail, service areas, and parking. The concept for the design solution is to locate the mass of the building along two sides of the site perimeter, allowing a maximum open area of the site to be utilized for pools, gardens, and outdoor spaces. This configuration of the program also allows each unit to have a direct view of the ocean.

- Corniche Tower, United Arab Emirates:
- Cube, Miami, Florida
- Hard Rock Condominium, Las Vegas, Nevada
- Ice2, a Condominium, Miami, Florida
- Park Lane Tower, Miami, Florida
- Ten Museum Park, Miami, Florida
- Norman's Cay Resort, Bahamas
- Delano + Mondrian Hotels, Las Vegas, Nevada
- San Silencio, Costa Rica
- Sonesta Resort Condo Hotel, Key Biscayne, Florida
- W Hotel Competition, Republic of Maldives

### References

#### Jared Della Valle, President, Alloy Development

20 Jay Street #1003  
Brooklyn, NY. 11201  
Office: 718-222-8155

#### Shohei Shigematsu, Partner, OMA+AMO, LLC

180 Varick St. #1328  
New York, NY. 10014  
Office: 212-337-0770



**Percy E. "Rebel" Roberts, III, AIA, NCARB, FACHA, RIBA**  
Design Principal



**Education**

Harvard University Graduate School of Design  
Professional Practice and Management

Royal Academy of Art and Architecture  
Copenhagen, Denmark: 5th Year Study

Louisiana State University: Bachelor of Architecture

**Years of Experience**

30 years

**Rebel Roberts** is President and Chief Operating Officer of VOA Associates Incorporated, an international architecture, planning and interior design firm based in Chicago. During Mr. Roberts' tenure, VOA has grown to nine offices, including Chicago, Washington, DC, New York, Highland, Orlando, Bogota, Sao Paulo, Beijing and Shanghai and more than 260 employees serving international markets in education, healthcare, hospitality, commerce and housing with an annual revenue of over \$35 million.

A Registered Architect for 30 years, Mr. Roberts is certified by the National Council of Architectural Registration Boards, is a member of the American Institute of Architects and is accredited by the American College of Healthcare Architects. He is actively engaged in the Chicago AIA Board of Directors; Louisiana State University (LSU) Advisory Board for the College of Art and Design; the Economic Club of Chicago and the Board of Advisors for Design Workshop, Inc.

His projects have garnered more than 20 international, national and local awards for design excellence, including the FIABCI Prix d'Excellence, and have been widely published. He is a frequent guest speaker at national conferences. He has successfully directed teams in the planning, development and implementation of more than six million square feet and for more than 2.5 billion dollars.

**Project Experience**

**Rivers Casino Hotel, Pittsburgh, Pennsylvania**

Principal-in-Charge for hotel programming and architecture of a 230-key, 4 star hotel to be integrated into the existing Rivers Casino facing the Ohio River as part of the continued redevelopment of Pittsburgh.

**Marriott Santa Cruz, Santa Cruz de la Sierra, Bolivia**

Principal-in-Charge for the first branded 5-star, 183-key, full service hotel in Bolivia. The project consists of a ground-up tower on a site that is located at the base of the mountains where the city begins. The program consists of guest rooms, executive lounge, restaurants, lobby, public areas, ballrooms, conference rooms, fitness center, spa and pool.

- Lexington Park Condominiums, Chicago, Illinois
- Roosevelt University Student Life, Academic, and Residence Center, Chicago, Illinois
- Adventist Health System, multiple locations
- Advocate BroMenn Regional Medical Center, Normal, Illinois
- La Rabida Children's Hospital, Chicago, Illinois
- Little Company of Mary Hospital, Evergreen Park, Illinois
- Mary Bird Perkins/Our Lady of the Lake Cancer Center, Baton Rouge, Louisiana
- Northwestern Memorial Healthcare, Chicago, Illinois
- Our Lady of the Lake Regional Medical Center, Baton Rouge, Louisiana

**References**

**Mr. Dean Harrison, President & Chief Executive Officer**

Northwestern Memorial Hospital, Feinberg Pavilion  
251 East Huron, Room 3-710C  
Chicago, Illinois 60611  
312-926-3007  
dharriso@nmh.org

**Ms. Terrie P. Sterling, Chief Operating Officer**

Our Lady of the Lake Regional Medical Center  
5000 Hennessy Boulevard  
Baton Rouge, Louisiana 70808  
225-765-8902  
tsterling@ololrhc.com



## Mark Pratt, Principal and Global Market Leader for Hospitality

### Education

Bachelor of Science in Architectural Technology/Engineering  
Purdue University

Principles and Laws of Real Estate  
Bill Miller School of Real Estate

### Years of Experience

25 years



**Mark Pratt** is an experienced architect with a diversified portfolio of significant projects including hospitality, retail, restaurants, condominium development, and healthcare facilities. His projects are located throughout the U.S. and represent a range of scope, cost, and complexity from the nationally recognized Mall of America in Bloomington, Minnesota to the luxury condominium complex on Florida's Manasota Key. During his 25 year tenure in the profession of architecture, Mark has consistently demonstrated a superior level of client service from the inception of planning and design through construction and occupancy. His engaging leadership in managing multidisciplinary A/E teams in addition to focused client participation in the planning process, garners shared project authorship and importantly, a lasting legacy of on-time, on-budget project delivery.

### Project Experience

#### Virgin Hotel, New York, NY

Architectural and interior design services for a single 47-story tower, 4-star luxury hotel. Located in New York's trendy NOMAD district, this hotel will be Virgin's North American flagship containing 500 guest rooms, a spa, multiple restaurants, bars and clubs.

#### Hilton Cleveland Downtown, Cleveland, OH

Principal-in-Charge for the Hilton Cleveland Downtown, which will be a signature 32-story highrise hotel located adjacent and connected to the newly constructed Cleveland Convention Center within Daniel Burnham's Group Plan in central Cleveland. The 600,000 gross square foot hotel will accommodate 600 guestrooms and include approximately 50,000 net square feet of banquet and meeting space, bar and restaurant facilities, upscale Sky Bar, pool and fitness, and complete full-service back of house functions. The project is planned to be the headquarter hotel for the 2016 Republican National Convention and is projected to be Certified LEED Silver by the USGBC.

- Marriott Residence Inn (11 South LaSalle), Chicago, Illinois
- Westin Michigan Avenue, Chicago, Illinois
- Hilton Dolphin Mall, Miami, Florida
- Hyatt Place Prototype
- Westin Philadelphia, Philadelphia, Pennsylvania
- JW Marriott, Copacabana, Rio de Janeiro, Brazil
- Hilton Garden Inn S.A. Prototype Brazil, Multiple Locations, Brazil
- Marriott International, Multiple Locations, Brazil
- Fairfield S.A by Marriott Brazil, Multiple Locations, Brazil

### References

#### Mr. Phil Procacci, CEO, Procacci Development Corporation

95 South Federal Highway, Suite 100, Boca Raton, FL 33432  
561-416-1400

#### Mr. John Meister Vice President- Design & Planning

Hyatt Place and Hyatt House - Americas  
Hyatt Hotels Corporation  
71 S Wacker Dr, Chicago, IL 60606  
312-750-1234



## **Yvonne Bilshausen, Senior Vice President & Senior Project Manager - Hospitality, Commercial and Mixed Use, Aviation**



### **Education**

Master of Architecture, Project Management + Sustainability  
University Of Illinois Chicago

Bachelor of Architecture (Honors), Building Technology  
University Of Illinois Chicago

École Nationale Supérieure D'architecture  
Versailles, France

### **Years of Experience**

20 years

**Yvonne Bilshausen** is an experienced senior professional offering nearly 20 years of domestic and global success leading all phases of design and construction, from planning to operational handover, on internationally recognized, multifaceted projects ranging in value from \$1M to \$1.025B. She has a broad range of sector experience with expertise in hospitality, aviation, commercial, cultural, energy, retail and workplace projects. She also has extensive experience planning, designing, and delivering fully-integrated built solutions that meet cost and time goals and exceed quality, sustainability and safety targets.

Ms. Bilshausen concentrates on providing continuous improvement as well as advancing and promoting the corporate brand, increasing its visibility, impact and capacity. She excels in dynamic, demanding environments while remaining polished, pragmatic and focused with a visible sense of energy, pride, and ownership. Ms. Bilshausen has extensive design/build and construction knowledge with proven implementation success on numerous complex projects. She leverages business and financial acumen to lead multi-disciplinary design/build and construction teams and is highly skilled at clearly communicating information at all levels, including to project team members, key stakeholders, agencies, and governmental offices. Ms. Bilshausen ensures that the client's design/build vision is thoughtfully considered throughout its development, meets the goals and aspirations of the client, is technically sound, and fully realized during construction. She passionately believes in the benefits of quality design and construction and is persistent in the pursuit of excellence.

### **Previous Project Experience**

#### **Heathrow Airport Limited—Terminal 2B and 3, London, England**

Airport Senior Design + Delivery Manager providing executive design and construction management with overall responsibility for the production design and high-quality, sustainable delivery of Terminal 2B and the design/build refurbishment of Terminal 3. Drove technically robust and commercially astute performance to provide the best value throughout the functional life and eventual deconstruction of the projects; selected and directed global architecture firms, the UK's largest construction companies, specialty material and equipment suppliers, and subject matter experts with general oversight of 1,600 contractors.

#### **Aecom/Exelon Energy Delivery, Chicago, Illinois and Philadelphia, Pennsylvania**

Project Controls Program Manager responsible for a team of 30 professionals managing transmission, distribution, wind farm, nuclear maintenance, and summer critical programs with an annual capital expenditure in excess of \$750M.

#### **Aecom/Chicago O'Hare International Airport, Chicago, Illinois**

Senior Project Manager responsible for 8 critical-path airside projects valued at \$300M within the World Gateway Program; led project controls on the South Airfield Projects for the O'Hare Modernization Program. Developed, published and delivered training on the Project Manager's Handbook + Policies & Procedures Manual. Produced airline Reimbursement Agreements valued in excess of \$100M. Named Deputy Infrastructure Director, led Airside development.

### **References**

#### **Mr. Michael Landers, Director - Customer Experience**

United Airlines  
michael.j.landerson@united.com

#### **Mr. John Holland-Kaye, Chief Executive Officer**

Heathrow Airport Limited  
john\_holland-kaye@heathrow.com



**John Michael Day, AIA, LEED AP BD+C**  
Senior Vice President, Senior Project Designer



**Education**

Master of Architecture  
The Catholic University of America

Bachelor of Fine Arts with Minor in Industrial Design  
Appalachian State University

**Years of Experience**

15 years

**John Michael Day** is a senior project designer with over 15 years diverse design experience ranging from hospitality, mixed-use, corporate, healthcare, historic preservation, multi-family, and pro-bono work. His responsibilities include leading the design and programming process as well as supporting the technical documentation process and construction phases. As a senior project designer, Mr. Day takes pride in supporting the client's vision with innovative design solutions and placemaking strategies.

**Project Experience**

**Dual Branded Hilton Hotel at 108 Jefferson, Chicago, Illinois**

Senior Project Designer providing architectural services for the ground-up, dual-branded Hilton Tower consisting of a 230-key Hampton and a 138-key Homewood Suites.

**West Palm Beach Mixed-Use Redevelopment, West Palm Beach, Florida**

Master planning and architecture of a new waterfront mixed-use development consisting of a 4-star, 208-key hotel and retail and condominiums.

**Rivers Casino Hotel, Pittsburgh, Pennsylvania**

Hotel programming and architecture of a 230-key, 4 star hotel to be integrated into the existing Rivers Casino facing the Ohio River as part of the continued redevelopment of Pittsburgh.

**Bayview Mixed-Use Development, Fort Lauderdale, Florida**

Master planning, architecture and interior design of a dual tower, mixed-use 230-key 3.5 star hotel and 183 unit luxury apartment rental building with an attached parking structure including ground floor retail.

**Previous Project Experience**

- River's Edge Apartments at Hudson Harbor, National Resources, Sleepy Hollow, New York
- Capitol Square Office Building, The JBG Companies, Washington, D.C.
- Mixed-Use/Replacement Hospital Master Plan, Howard Hughes Corporation, Columbia, Maryland
- Foulger-Pratt Mixed-Use Development Study, Kensington, Maryland
- Franklin School, Costar, Washington, D.C.
- Hall of States Building, Lincoln Property Company, Washington, D.C.
- West Virginia University Ambulatory Care Center, Morgantown, West Virginia
- MedStar Southern Maryland Hospital Center Bed Tower Renovation/Expansion and Master Plan, Clinton, Maryland
- 10th & G Street Offices and the First Congregational United Church of Christ, Washington, D.C.
- Rugby Avenue Medical Office Building, Bethesda, Maryland

**References**

**Mr. Michael Abrams, Senior Vice President**

Foulger-Pratt  
9600 Blackwell Road, Suite 200, Rockville, Maryland 20850  
240-499-7635

**Mr. Mark Carrol, Vice President of Development**

Skanska Development USA  
703-351-2705



**David B. Stelter, AIA  
Senior Vice President**

**Education**

Bachelor of Architecture in Design with Honors and High Distinction  
University of Illinois at Chicago

**Years of Experience**

27 years

**David Stelter** has 27 years of professional experience in the field of architecture, including general design practice and consulting architectural services. As Project Manager, his responsibilities are to focus on the day-to-day project activities, ensure responsiveness and compliance with programmatic objectives, and to manage design and planning activities. Mr. Stelter is also the interface between the design team and project consultants and maintains consistency with the project schedule and budget. Responsibilities include formulation of work plans and project budgets at the pre-design phase, and full involvement in the project from commencement of programming and schematic design, through design development, construction documentation and bidding and negotiation to construction administration and project completion. Recent projects have included hospitality, assembly and residential design as well as office buildings.

**Previous Project Experience**

**Hilton Downtown Cleveland, Cleveland, Ohio**

The Hilton Cleveland Downtown will be a signature 32-story highrise hotel located adjacent and connected to the newly constructed Cleveland Convention Center within Daniel Burnham’s Group Plan in central Cleveland. The 600,000 gross square foot hotel will accommodate 600 guestrooms and include approximately 50,000 net square feet of banquet and meeting space, bar and restaurant facilities, upscale Sky Bar, pool and fitness, and complete full-service back of house functions.

**Intercontinental Chicago O’Hare Hotel, Rosemont, Illinois**

550-room hotel with approximately 28,000 net square feet of conference center and meeting space and a multi-level parking deck structure housing 782 vehicles. Total gross building area, including the parking deck structure, is approximately 736,265 square feet.

**The Westin Lombard Yorktown Center, Lombard, Illinois**

500-room hotel with 50,000 net square feet of conference center space plus support areas, brand restaurants and a multi-level parking garage structure housing 675 vehicles. The total gross building area is approximately 485,280 square feet and a garage structure at approximately 224,800 square feet.

**The Westin Chicago North Shore, Wheeling, Illinois**

A mixed-use development on a 20-acre site consisting of a 411-room hotel with 32,000 square feet of conference center space and multiple retail and restaurant outlets. The total gross building area is approximately 387,145 square feet. Construction was completed and facility opened in Fall of 2005.

- Anji 5-Star Boutique Resort Hotel, Anji, China
- Beidaihe New City Hotel, Beidaihe, China
- JiMen Hotel Redevelopment, Beijing, China
- Wuhan Mandarin Garden Hotel, Wuhan, China

**References**

**Mr. Martin Burgwinkle, Project Executive, Ohio Region**

Turner Construction Company  
216-377-4859

**Mr. Ellis Katz, Director at Project Management Consultants, LLC**

3900 Key Center, 127 Public Square, Cleveland, OH 44114-1291  
216-566-5853, Ellis.katz@aboutPMC.com



## Nicholas D. Juhasz, Senior Associate, Project Manager

### Education

Bachelor of Architecture, B.Arch, with Honors  
Suma cum Laude 1996 - 2001  
University of Detroit Mercy, Detroit, Michigan

1999 Semester exchange program  
Technical University of Warsaw, Warsaw, Poland

2001 Semester study program, Florence, Italy  
Recipient, AIA Student Gold Metal for Excellence in Architecture

### Years of Experience

15 years



**Nicholas Juhasz** has 15 years of project design and construction management leadership experience for private, municipal, educational, and federal projects ranging from boutique restaurant renovations to multi-million dollar high rise projects. He ensures that client objectives and quality standards are met and that projects are delivered on time and in accordance with cost targets.

### Project Experience

#### Virgin Hotel, New York, New York

Architectural and interior design services for a single, 47-story tower, 4-star luxury hotel. Located in New York's trendy NOMAD district, this hotel will be Virgin's North American flagship containing 500 guestrooms, a spa, multiple restaurants, bars and clubs.

#### Hyatt Place, 28 N. Franklin, Chicago, Illinois

Located on an extremely tight 90'x90' urban infill site, this Hyatt Place Hotel sits just 2 blocks from the Hyatt Corporation World Headquarters. Services include Architecture and Interior Design services. VOA worked closely with Hyatt to create what is considered the 'urban prototype' for Hyatt Place. The project consists of a 17-story hotel tower with 206 hotel rooms consisting of king rooms, double-queens, and suites, a ground floor lobby with 3-meal 103-seat Hyatt-Branded restaurant, 3,000sf of meeting space, a three-lane lap pool, 1,500sf fitness area, and staff offices and service areas.

#### Hyatt House, Naples, Florida

Programming, planning and architectural design of the Hyatt House, a 220-key hotel and marina in Naples, Florida.

#### Marriott Santa Cruz, Santa Cruz de la Sierra, Bolivia

Principal-in-Charge for the first branded 5-star, 183-key, full service hotel in Bolivia. The project consists of a ground-up tower on a site that is located at the base of the mountains where the city begins. The program consists of guest rooms, executive lounge, restaurants, lobby, public areas, ballrooms, conference rooms, fitness center, spa and pool.

- Magnolia Hotel Denver, Denver, Colorado
- Ft. Lauderdale Mixed-use

### Previous Project Experience

- Le Meridian Hotel, Oakbrook, Illinois
- The Godfrey Hotel, 127 W. Huron: Chicago, Illinois
- Radisson Blu, Mall of America, Minneapolis, Minnesota
- Naperville Holiday Inn, Naperville, Illinois
- 2520 N. Lakeview, Chicago, Illinois
- 10 E. Delaware Condominium, Chicago, Illinois
- Park Kingsbury Condominium, Chicago, Illinois
- 630 West Washington, Chicago, Illinois
- St. James Place, Chicago, Illinois

### References

#### Mr. Alan Draht, Development Manager

CA Ventures  
312-636-5450  
Adraht@ca-ventures.com

#### David Bartolai, Preconstruction Manager

Walsh Construction  
312-563-5400  
Dbartolai@walshgroup.com



**Michael Cipriani, AIA**  
Vice President

**Education**

Bachelor of Architecture  
Illinois Institute of Technology

**Years of Experience**

20 years



**Michael Cipriani** has 20 years of experience specializing in residential, government, hospitality and assembly space design. Mr. Cipriani has participated in every phase of a project from programming/conceptualizing through the construction documentation, consultant coordination, and the construction administration/field observation for projects.

**Previous Project Experience**

**Hilton Downtown Cleveland, Cleveland, Ohio**

The Hilton Cleveland Downtown will be a signature 32-story highrise hotel located adjacent and connected to the newly constructed Cleveland Convention Center within Daniel Burnham's Group Plan in central Cleveland. The 600,000 gross square foot hotel will accommodate 600 guestrooms and include approximately 50,000 net square feet of banquet and meeting space, bar and restaurant facilities, upscale Sky Bar, pool and fitness, and complete full-service back of house functions. The project is planned to be the headquarter hotel for the 2016 Republic National Convention and is projected to be Certified LEED Silver by the USGBC.

**Intercontinental Chicago O'Hare Hotel, Rosemont, Illinois**

New 550-room hotel with approximately 28,000 net square feet of conference center and meeting space and a multi-level parking deck structure housing 782 vehicles. Total gross building area, including the parking deck structure, is approximately 736,265 square feet.

**The Westin Lombard Yorktown Center, Lombard, Illinois**

New 500-room hotel with 50,000 net square feet of conference center space plus support areas, brand restaurants and a multi-level parking garage structure housing 675 vehicles. The total gross building area is approximately 422,200 square feet.

**The Westin Chicago North Shore, Wheeling, Illinois**

A mixed-use development on a 20-acre site consisting of a 400-room hotel with 40,000 square feet of conference center space and multiple retail and restaurant outlets.

**North Shore Hotel, Conference Center, and Resort, Gurnee, Illinois**

Full design services for design and construction of an approximate 300-key hotel with 38,000 square feet (net) of meeting and banquet space and a 40,000 square foot indoor water park on a 30.2 acre site, with a total complex gross area of 326,058 square feet.

- Aloft Lincoln Park, Chicago, IL
- Hyatt Loop (100 W. Monroe), Chicago, Illinois
- Anji Hello Kitty 5-Star Themed Hotel, Anji, China

**References**

**Mr. Ellis Katz, Director at Project Management Consultants, LLC**

3900 Key Center, 127 Public Square, Cleveland, OH 44114-1291  
216-566-5853, [Ellis.katz@aboutPMC.com](mailto:Ellis.katz@aboutPMC.com)

**Mr. Joshua Dudek, Project Engineer at Turner Construction Company**

1422 Euclid Avenue, Suite 1400 Cleveland, OH 44115  
216-812-0428, [jdudek@tcco.com](mailto:jdudek@tcco.com)



**Mark Makary**  
Senior Vice President, Chief Estimator



**Education**

Bachelor of Science, Business Administration and Computer Sciences - University of Pittsburgh

OHSA 30 Hour Certified  
First Aid and CPR Training

**Years of Experience**

38 years

As Senior VP/Chief Estimator, **Mark Makary** has overall responsibility for the estimating function and will work closely with the owner, owner representative, and architects and engineers on budgeting, estimating, constructability issues, value engineering suggestions, identifying any long lead items and solicitation of subcontractors. He has a proven ability to successfully plan, estimate and oversee the entire process and maintains the highest degree of quality and control over multiple projects. Mark also has a strong working knowledge of construction techniques and excellent computer skills including a thorough working knowledge of major construction estimating and software packages.

**Project Experience**

**Gaylord National Resort and Convention Center, Oxon Hill, MD**

2,000-room, 20-story hotel and 470,000 square feet of flexible meeting and convention center space, luxury spa and fitness center, sports bar, coffee shop, nightclub atop the hotel tower and parking for 2,600 cars.

**Panorama Tower, Miami, FL**

2.6 million sf, 83-story mixed-use tower that features 821 luxury rental apartments, a 250-room hotel, 80,000 square feet of retail space, 40,000 square feet of office space, and a 13-story 1,500-space parking garage. The tower also includes a recreation deck with several pools, a fully equipped fitness area, a pool deck restaurant, and two social rooms.

**Dual Branded Hilton Hotel Dolphin Mall, Miami, FL**

240-room Hilton Homewood Suites and Hilton Garden Inn dual branded hotel consisting of an 11-story building and containing approximately 181,946 sf of floor area.

**Seminole Tribe Hard Rock Hotel and Casino, Hollywood, FL**

12-story, 500 room hotel with 63 suites in a Mediterranean-style design, 130,000 sf casino, restaurants, a spa, exercise room, a six acre lagoon style pool surrounded by cabanas, and over 100,000 sf of meeting exhibition space.

**Hartford Marriott Downtown, Hartford, CT**

22-story, 409-room hotel features 13,500 sf of meeting space, several restaurants and bars, an indoor pool and a day spa.

**Seminole Tribe Hard Rock Hotel and Casino, Tampa, FL**

The complex includes a 12-story hotel tower housing 250 guest rooms and features several restaurants, gaming space, three lounges including a sports bar, a live entertainment venue and nightclub, a Hard Rock retail store, a spa, and pool complex.

**Resorts Expansion and Enhancement Project, Atlantic City, NJ**

New 28-story, 399-room hotel tower, addition of gaming space and retail promenade.

**Hudson Yards, New York, NY**

The mixed-use, 26-acre development in the heart of midtown Manhattan is comprised of 5.5 million sf of state-of-the-art office and 500,000 sf of retail space on top of a new subway station. Also included are a cultural center, hotel, 5,000 residences, a public school and 10 acres of parks, playgrounds and gardens. Project is intended for LEED Gold Certification.

**500 West 30th Street, New York, NY**

33-story, 386-unit residential apartment tower including 7,293 sf of retail space, a 78-car garage and bicycle parking.

**References**

**Don Banker**

Chief Executive Officer, Banker Steel  
1619 Wythe Road, Lynchburg, VA 24501  
(434) 546-1910

**Robert Spottswood**

Spottswood Companies, Inc.  
506 Fleming Street, Key West, FL 33040  
(305) 294-6100



## Toby Arnheim Project Executive



### Education

Liberal Arts, Williams College  
Construction Management, Iona College

### Years of Experience

43 years

**Toby Arnheim** has extensive experience in the Development, Design and Construction Industry with a 43 year record of successful project management. Toby has managed the design and the construction on numerous large hotel and convention center developments, including the largest on the east coast at 2.5 million square feet. Throughout his career Toby has acquired excellent planning, management and communications skills that promote a cohesive team and an efficient approach. Most of his projects require strict schedules and tight budgets in facilities that mandate operations to be ongoing during construction. He will be responsible for the overall project management and administration. His involvement will begin during the preconstruction phase and continue through construction. He will support the Project Manager and Project Superintendent in relation to staffing, budget, logistics, schedule, subcontract management, systems testing and owner/client relations.

### Project Experience

#### Mohegan Sun Hotel and Convention Center at Pocono Downs, Wilkes Barre, PA

As Senior VP of Project Management for Mohegan Tribal Gaming Authority, Toby managed the design, development and construction for this 238 room hotel and convention center including a casino and table game addition.

#### Mohegan Sun Capital Upgrades

Toby managed the design and construction of multi-million dollar projects for capital upgrades and additions to Mohegan Sun in Connecticut as well as major improvements to the Resorts Casino in Atlantic City.

#### Gaylord National Resort and Convention Center, Oxon Hill, MD

As Vice President of Design and Construction for Gaylord Entertainment, Toby directed design and construction of the \$1 billion, 2,000 room resort and convention center built by Tutor Perini Building Corp., which is the largest convention center resort on the Eastern Seaboard.

#### UCF Hotel Venture (Portofino Bay Hotel, Hard Rock Hotel, Royal Pacific Resort and Convention Center), Orlando, FL

As Vice President of Hotel Design & Construction for Universal Studios Recreation Group, Toby directed the development of the \$578.5 million UCF Hotel Venture projects at Universal Orlando. As part of this package, he finalized construction on the 750 room Portofino Bay Hotel, completed the 650 room Hard Rock Hotel and the 1,000 room Royal Pacific Resort with a 120,000 sf convention facility.

#### Caesars Palace, Las Vegas, NV

As Director of Design and Construction for ITT/Caesars World, Inc., Toby directed design and construction of the \$505 million Caesars Palace, a 1,200 room addition including a 130,000 sf convention facility and \$10 million in renovations to the existing building, parking garage, and casino. This project was constructed by Tutor Perini Building Corp. and was finished three months ahead of schedule and under budget.

- Warner Bros. Movie World Theme Park, Madrid, Spain
- Planet Hollywood Casino and Hotel, Las Vegas, NV

#### As former Director of Design & Construction for ITT Sheraton Corporation, Toby had direct responsibility for total project budgets, schedules and quality standards on worldwide hotel and casino projects values in excess of \$500 million including:

- Casino Center, Tunica, MS
- Sheraton Casino, Lima, Peru
- Sheraton Casino, Halifax, Nova Scotia, Canada
- Sheraton San Cristobal Hotel & Towers, Santiago, Chile
- Sheraton Casino, Sydney, Nova Scotia, Canada
- Sheraton Bal Harbour, Bal Harbour, FL
- Sheraton Hotel & Towers, Warsaw, Poland
- Sheraton Buenos Aires Hotel & Towers, Buenos Aires, Argentina

### References

**John Caparella** former President & COO  
of The Venetian/The Palazzo Hotels  
C: (407) 766-5353  
E: johncaparella@gmail.com

**LLoyd Sigal, Partner, KPF Architects**  
11 West 42nd Street, New York, NY 10036  
P: (212) 977-6500  
E: lsigal@kpf.com



## Richard Schmidt, Principal, Programmer

### Education

Bachelor of Design  
University of Florida, Gainesville, Florida

Master of Arts in Architecture  
University of Florida, Gainesville, Florida

Master of Science / Management  
Rollins College, Winter Park, Florida



**Richard Schmidt** has over 35 years of experience in the areas of land use planning, programming, conceptual design, feasibility studies, and budget and schedule analysis. He has served as project executive, program manager, project manager, planner and architect for convention centers, airports and large-scale planned communities.

His leadership on the technical aspects of convention center programming, design and development has led the industry in the establishment of specialized, performance-based criteria. He has been an outspoken proponent of modernization programs for public assembly buildings and for the integration of multiple building systems using cost effective technological solutions.

### Project Experience

- **New Cleveland Medical Mart & Convention Center, Cleveland, OH**  
Programming & Operations Consultant, \$480m
- **Moscone Center Expansion & Renovation, San Francisco, CA**  
Program & Operations Consultant, \$380m
- **Beach Convention Center Expansion, Miami Beach, FL**  
Master Planning & Program Consultant, \$800m
- **Spokane Convention Center, Spokane, WA**  
Master Planning & Program Consultant, \$65m
- **Bogota International Convention Center, Bogotá, Colombia**  
Program, Technical & Operations Consultant, \$140m
- **Shaw Convention Center Expansion, Edmonton, Alberta, Canada**  
Program Consultant, \$390m
- **Phoenix Convention Center Expansions, Phoenix, AZ**  
Planning & Program Consultant, \$700m
- **Virginia Beach Convention Center, Virginia Beach, VA**  
Program & Technical Consultant, \$106m
- **Henry B. Gonzalez Convention Center Expansion, San Antonio, TX**  
Master Planning & Program Consultant, \$500m
- **Dallas Convention Center Expansion, Dallas, TX**  
Master Planning & Program Consultant, \$500m
- **Music City Convention Center, Nashville, TN**  
Master Planning & Program Consultant, \$635m
- **George R. Brown Convention Center Expansion, Houston, TX**  
Master Planning
- **Qatar National Convention Center Expansion, Doha Education City, Qatar, United Arab Emirates**  
Programming & Technical Systems Consultant, \$250m
- **Songdo Conventia Convention Center, Incheon, Korea**  
Program & Technical Consultant, \$120m
- **Dubai Exhibition City Exhibition Center, Dubai, United Arab Emirates**  
Planning & Program Consultant, \$800m
- **Orange County Convention Center Expansions Program, Phases III and IV, Orlando, FL**  
Planning & Program Consultant, \$500m



## David O'Neal, Principal

### Education

B.S. Business Administration  
Grand Valley State University  
Allendale, Michigan



**David O'Neal** is Chairman and co-founder of Conventional Wisdom Corp. As an advisor to designers, builders, and governmental owners, he has helped develop strategic implementation plans, operational design criteria, review management practices, policies, and procedures; and analyze facility markets. He has served as a strategic planning and programming consultant to the major convention centers in Boston, Dallas, Orlando, Phoenix, San Diego, and Seoul. He previously served as the Executive Director of the Orange County Convention Center in Orlando, where he oversaw two expansion projects and developed the master plan for two additional expansion phases, bringing that facility to 1.1 million square feet of exhibition space.

### Project Experience

- **New Cleveland Medical Mart & Convention Center, Cleveland, OH**  
Programming & Operations Consultant, \$480m
- **Miami Beach Convention Center Expansion, Miami Beach, FL**  
Master Planning & Program Consultant, \$800m
- **Sydney International Convention & Exhibition Center, Sydney, Australia**  
Master Planning, \$600m
- **Henry B. Gonzalez Convention Center Expansion, San Antonio, TX**  
Master Planning & Program Consultant, \$500m
- **Qatar National Convention Center Expansion, Doha Education City, Qatar, United Arab Emirates**  
Programming & Operations Consultant, \$250m
- **Indiana Convention Center Expansion, Indianapolis, IN**  
Master Planning & Program Consultant, \$270m
- **Phoenix Convention Center Expansions, Phoenix, AZ**  
Project Executive, \$700m
- **George R. Brown Convention Center Expansion, Houston, TX**  
Project Executive, Master Planning
- **Adelaide Convention Center Expansion, Adelaide, Australia**  
Master Planning & Operations Consultant, \$200m
- **Music City Convention Center, Nashville, TN**  
Master Planning & Program Consultant, \$635m
- **Earls Court & Olympia, London, England**  
Operations & Redevelopment Consultant, \$200m
- **Songdo Conventia Convention Center, Incheon, Korea**  
Project Executive \$120m
- **Doha Convention Center, Doha, Qatar**  
Management & Operations Consultant
- **Dallas Convention Center Expansion, Dallas, TX**  
Master Planning & Program Consultant, \$500m
- **Orange County Convention Center Expansions Program, Phases III and IV, Orlando, FL**  
Executive Director, \$500m

## **Local Employment**

### **Local Presence with Nationwide Resources**

As part of the Tutor Perini Corporation, TPBC has been operating in South Florida for over 34 years. Their firm brings an established South Florida presence together with extensive corporate resources, effectively providing the City of Miami Beach with “the best of both worlds”. Tutor Perini’s Florida office is local, providing a team that understands the challenges of building in the Miami area and who brings close ties to the local subcontractor and supplier marketplace. Our locale provides the ability to be immediately responsive to the needs of the project throughout the design, construction, warranty period and beyond.

As a team we understand the City’s goal for engaging the local community in this very important project and will work with the City to determine ensure their goals of hiring City of Miami Beach and Miami-Dade County residents is achieved.

We understand the City’s desire to hire City of Miami Beach and Miami-Dade County residents for this very important project and will work with the City to determine a local employment goal for the project.

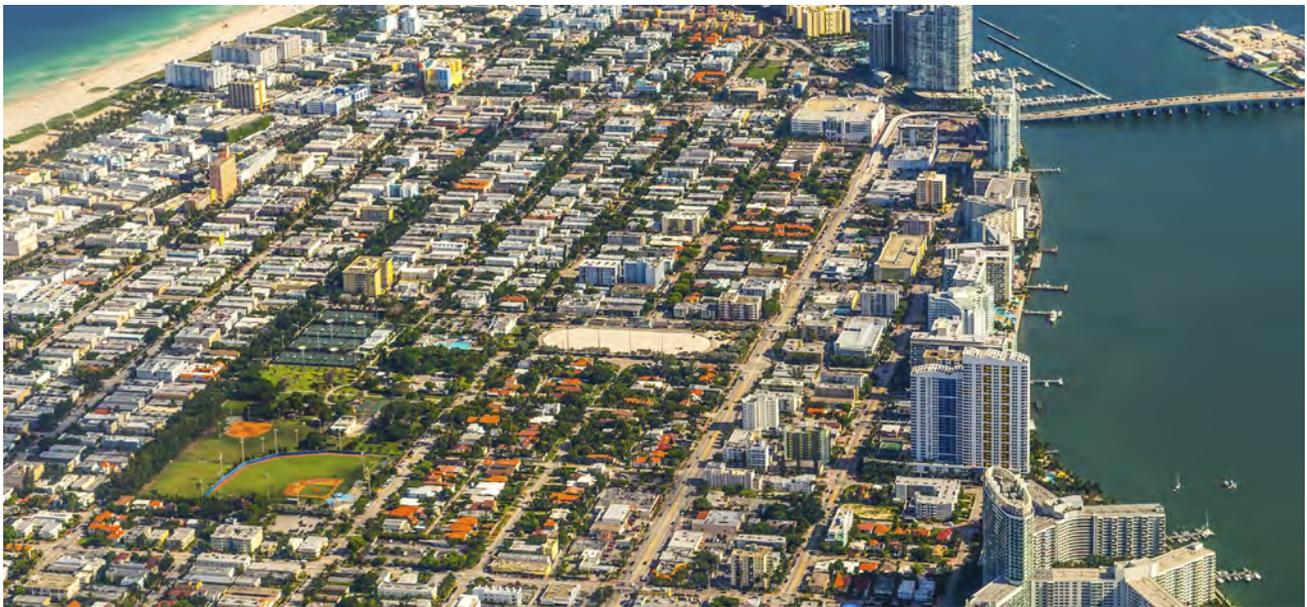
### **Cultivating the Miami Subcontractor Marketplace**

The Convention Headquarter Hotel Project is a significant opportunity to provide the area construction community with substantial opportunities to bid and perform work. Our team recognizes the importance of public outreach on this project, as the involvement of area companies, local small businesses and MBE/WBE firms is a crucial component to overall project success. This team offers a well-developed plan for outreach to the community to provide an introduction to the project and to identify opportunities for businesses to participate in a wide range of construction elements.

Our plan is not only structured to disseminate project-related information, but to also thoroughly engage the community in the project through involvement and two-way communications.

### **Community Outreach Goals**

The fundamental goal for our Community Outreach program is to ensure that the local business community is thoroughly aware of the project components, enabling organizations with ample opportunity to become engaged. The plan defines specific strategies to provide the public with detailed information regarding the facility program and design, bid packages, proposal timelines, project milestones and overall opportunities available to participate in the project. There are a number of initiatives that will be undertaken by our team in our Community Outreach Program.



# 3

## PROPOSER EXPERIENCE & QUALIFICATIONS

### **Oxford Capital Group, LLC**

Oxford Capital Group, LLC is a national real estate private equity investment, development, and management firm. Oxford Hotels and Resorts, LLC is its primary and wholly owned hotel operating affiliate. Oxford's institutional and private equity investors and partners include family offices, sovereign wealth funds, endowment funds, pension funds, foundations, publicly traded companies including REIT's and institutional fund managers. Lenders include investment banks, commercial banks (balance sheet and CMBS) and credit companies.

Oxford's investment activities have historically concentrated on complicated, large scale acquisitions, developments and redevelopments. The firm's primary areas of focus are hotels, resorts, conference centers, senior housing and other operationally intensive real estate. Other areas of interest include parking, retail, office, residential, light industrial, self-storage and land. Oxford's corporate private equity activities have focused primarily on the consumer sector including quick service restaurants and other food companies, consumer retail, healthcare, a mobile technology platform and financial services, including financial software and banking. In addition to its Chicago headquarters it has an office and/or property level presence in Boston, Charleston and New York City.

Oxford prides itself as being an agile and astute sponsor, a disciplined investor, a creative developer and savvy operator. It marries entrepreneurial creativity, dynamism and energy with rigorous analysis, thorough research and an institutional level of professionalism. The company and its affiliates have participated in the acquisition, development, investment, asset management, property management and ownership of approximately \$2.5 billion of assets, representing approximately \$650 million in annualized revenues across approximately 13,000 hotel rooms and approximately 5,000 employees.

As a highly disciplined investor, Oxford historically has employed conservative capital structures and longer term debt solutions for maximum flexibility and staying power.

Oxford's recent projects include: the approximately \$250 Million acquisition and conversion of a portion of the landmark, Mies Van der Rohe-designed IBM Building into the LEED certified luxury Langham Chicago Hotel; the approximately \$200 Million acquisition and redevelopment of the landmark London Guarantee & Accident Building at 360 North Michigan Avenue in Chicago along with an adjacent parcel of land at 77 East Wacker Drive for conversion into a new lifestyle hotel above two stories of upscale retail; the approximately \$125 Million development of The Godfrey Hotel Chicago; the approximately \$105 Million acquisition and conversion of two historic office buildings in downtown Boston into The Godfrey Hotel Boston; and the approximately \$75 million acquisition and renovation of the Hotel Felix, Chicago's first "green hotel" designed to meet Silver LEED Certification in Chicago's River North neighborhood; and the acquisition, redevelopment, operational repositioning and rebranding of the Hotel Cass Chicago, a high-design boutique hotel just west of Michigan Avenue.

**RLB | Swerdling**

RLB | Swerdling is a real estate financial consulting firm that specializes in the hospitality industry and public-private partnerships. The firm helps stakeholders determine and develop the most feasible and beneficial programming and financial structures for complex hotel developments.

The business is led by Bob Swerdling who has over 25 years of experience in the public and private sectors in structuring, negotiating and underwriting public-private partnerships. Ruben Rodriguez, Project Director for RLB and Bob Swerdling, both operate as a seamless practice, sharing expertise and manpower to provide clients with the highest level of service. RLB | Swerdling is committed to providing high quality work. Their extensive experience includes:

<p>2006 1,100 Room Denver Convention Center HQ Hotel Refi</p>  <p>Robert Swerdling Lead Investment Banker \$356,155,000</p>	<p>2003 1,100 Room Denver Convention Center HQ Hotel</p>  <p>Robert Swerdling Lead Investment Banker \$354,825,000</p>	<p>2003 756 Room Baltimore Convention Center HQ Hotel</p>  <p>Robert Swerdling Lead Investment Banker \$300,940,000</p>	<p>2001 800 Room Austin Convention Center HQ Hotel Refi</p>  <p>Robert Swerdling Lead Investment Banker \$260,170,000</p>
<p>2006 800 Room Austin Convention Center HQ Hotel Refi</p>  <p>Robert Swerdling Lead Investment Banker \$244,605,000</p>	<p>2007 450 Room Omaha Convention Center HQ Hotel Refi</p>  <p>Robert Swerdling Lead Investment Banker \$109,750,000</p>	<p>2002 450 Room Omaha Convention Center HQ Hotel</p>  <p>Robert Swerdling Lead Investment Banker \$102,970,000</p>	<p>1999 500 Room Sacramento Convention Center HQ Hotel</p>  <p>Robert Swerdling Lead Investment Banker \$92,800,000</p>
<p>2005 286 Room Coralville Convention Center HQ Hotel Refi</p>  <p>Robert Swerdling Lead Investment Banker \$86,900,000</p>	<p>2010 150 Room Sacramento State College of Denver Hotel Learning Center</p>  <p>Swerdling &amp; Associates Hotel Finance Advisor \$54,885,000</p>	<p>1999 265 Room Austin Airport Hotel</p>  <p>Robert Swerdling Lead Investment Banker \$42,500,000</p>	<p>2010 450 Room Omaha Convention Center HQ Hotel Expansion</p>  <p>Swerdling &amp; Associates Hotel Finance Advisor \$37,000,000</p>

## **Tutor Perini**

With over 900 employees nationwide, Tutor Perini Building Corp. is a wholly-owned subsidiary of Tutor Perini Corporation, who has been providing construction services since 1894 and is a publicly traded (NYSE:TPC), leading at-risk building construction company, offering diversified construction management, general contracting and design/build services for private clients and public agencies throughout the world. Tutor Perini has established an enduring reputation within our industry by constructing large, complex projects on time and within budget, while adhering to strict safety and quality control measures. We offer comprehensive preconstruction project management services, including the planning and scheduling of the manpower, equipment, materials and vendors required for a project.



### ***Strong Self-Perform Capability***

A major strength is our strong self-perform capability, which includes the following major trades: site work, concrete, structural steel, plumbing, HVAC and electrical work. Self-performing key trades significantly enhances our ability to expedite the project schedule through direct control, ensuring quality, and maximizing the value to the price.

### ***Our Proven Philosophy***

We believe our success results from our proven philosophy, "Building Relationships on Trust," and our ability to manage large, complex projects with aggressive fast-track schedules, elaborate designs and advanced systems while providing accurate budgeting and strict quality control. Although price is a key competitive factor, our strong reputation, long-standing customer relationships and significant level of repeat and referral business have enabled us to achieve our leading position.

### ***Relevant Experience***

We provide niche building expertise in a wide range of markets, including hospitality, government, high rise construction, adaptive reuse, education, healthcare, advanced science and technology, and transportation. As part of the Tutor Perini Corporation, we have a strong local presence and have been building in South Florida for over 34 years.

## **Conventional Wisdom Corporation**

Working as Owner and Project Manager, Conventional Wisdom's co-founders developed the roots of its convention center facility programming practice in 1990 for the Orange County Convention Center in Orlando, Florida. Starting with The 1990 Master Plan and during the ensuing 24 years, we have researched industry trends, collected and analyzed event data, interviewed event planners and building managers - all to build the database that supports our facility programming expertise.

***"We believe our responsibility is more demanding: to serve as the owner's trusted advisor, the voice of reason and truth throughout a complex process of defining goals and objectives, balancing the needs and desires of a diverse constituency within a set (and generally limited) amount of funds, with integrity, impartiality and clarity.***

***Conventional Wisdom's broad experience from an owner and operator's perspective allows us to excel at providing "common sense solutions for complex problems".***

As an international management consulting firm, Conventional Wisdom has provided its specialized services to over 240 public and private sector convention and exhibition centers, arenas, stadiums, theaters and conference facilities, worldwide. A table of our clients, projects and services provided follows the resumes of our key personnel.



Conventional Wisdom provides strategic planning, master planning and program management services for public assembly facilities and establishes project parameters for site, budget, schedule, design and delivery. Conventional Wisdom's management consulting practice covers governance, organization and operational issues related to public versus private management and contracted vendors. Our relationships with industry manufacturers, design professionals and specialty service providers give us an unparalleled knowledge of available technology, products and services.

Conventional Wisdom assists in identifying market potential and developing the right mix of facilities to meet that market demand. CW has assisted in developing and administering unique project delivery methods, from developer competitions to design/construction management with a guaranteed maximum price. Our staff also assists with identifying and procuring the furnishings, fixtures and equipment necessary to operate the facility.

**PROPOSER PORTFOLIO**





## **HYATT DENVER CONVENTION CENTER HOTEL DENVER, COLORADO**

**Room count:** 1,100

**Square feet of meeting and ballroom space:**

30,000 square foot grand ballroom, a 15,000 square junior ballroom and an additional 25,000 square feet of meeting space.

**Project Opening Date:** December 2005

**Summary of role:** The goal of the City and County of Denver in financing the hotel project was to implement a high grade financing structure. In order for the project to obtain bond insurance, the financing included an annual, subject to appropriation, payment from the City and County of Denver (City Payment) in an amount equal to less than 50% of the annual debt service. The annual City Payment was structured in such a manner that it would not have an impact on the City's general fund. They were projected to be less than the tax revenue that the City collected from hotel's operations (sales taxes, occupancy taxes and property taxes payment).

In 2006, Bob Swerdling led negotiations for the refunding of the original transaction and was able to provide substantial economic benefits to the City. As part of the restructuring, there was a reduction in reserve requirements (\$40.0 million to \$12.0 million), and an increase and acceleration of the return of the City Payment (a \$19.0 million benefit from 2006 to 2010). The Authority also realized a \$9.0 million present value debt service savings. The project successfully opened in December of 2005.

**Identification of individuals who worked on the project and will work on this project:**

Bob Swerdling, Lead Underwriter, Developer, Financial Consultant

**Development cost:**

\$354,825,000

**Contact:**

Cheryl Cohen-Vader  
Chief Deputy Director (2008-2004)  
Denver International Airport  
Revenue Department Manager City of Denver (prior to 2004)  
7350 East 29th Street, Suite 300  
Denver, CO 80238  
(303) 250-0628  
cheryl.cohen-vader@diadenver.net



**AUSTIN HILTON CONVENTION  
CENTER HOTEL  
AUSTIN, TEXAS**

**Room count:** 800

**Square feet of meeting and ballroom space:**  
60,000 square feet of meeting space located adjacent to the Austin Convention Center.

**Project Opening Date:** December 2003

**Summary of role:** The original capital structure for the financing contemplated the issuance of non-rated bonds and did not include any ongoing financial support from the City. Due to certain fundamental changes in the capital, the plan of finance was reengineered. As a result, Bob Swerdling worked closely with the City and its financial advisor to develop an alternative plan of finance for the construction of the City's convention center hotel which met the criteria of the evolving capital markets at the time.

The negotiations with bond insurers and the sale and marketing of the 2001 Austin bonds were extremely onerous due to minimal municipal financial participation and unstable capital markets. Despite the uncertain market conditions and lack of municipal support, Bob Swerdling, the City and its financial advisor were able to structure a financing that included a sizable subordinate bond that was insured by ZC Specialty, a "AA" rated multi-line non-municipal insurance provider. The final structure included the June 2001 sale of investment grade rated senior debt in the amount of \$109 million, AA-rated credit enhanced subordinate debt in the amount of \$135 million and the placement of deeply subordinated third tier debt in the amount of \$20 million. The City's financial participation was limited to a \$15 million upfront contribution and ongoing governmental financial support for the bonds was not required.

**Identification of individuals who worked on the project and will work on this project:**

Bob Swerdling, Lead Underwriter, Developer, Financial Consultant

**Development cost:**

\$260,170,000

**Contact:**

David Dawson, Counsel  
Austin Convention Center Enterprise  
401 Congress Avenue, Suite 2100  
Austin, TX 78701  
(512) 370-2847  
ddawson@winstead.com



**BALTIMORE HILTON CONVENTION  
CENTER HOTEL**  
**BALTIMORE, MARYLAND**

**Room count:** 756

**Square feet of meeting and ballroom space:**  
62,000 square feet of meeting space.

**Project Opening Date:** August 2008

**Summary of role:**

Led by Bob Swerdling, Piper Jaffray was the lead-senior managing underwriter on the Mayor and City Council of Baltimore Convention Center Hotel Revenue Bonds.

Bob Swerdling worked closely with the City, its financial advisor and the rating agencies to develop a capital structure which sought to balance the City's goals of attaining the lowest cost of capital by securing the ratings required for a "AAA" bond insurance policy while at the same time minimizing the impact of the City's financial participation on its general fund. The final structure included \$247.5 million in "AAA" insured senior lien bonds and \$53.44 million in subordinate lien bonds. The subordinate lien bonds were uninsured and rated "Ba1/BB" and were included in the capital structure to reduce the amount of senior debt per hotel room, one of the two major concerns of the ratings agencies. The project successfully opened in August of 2008.

**Identification of individuals who worked on the project and will work on this project:**

Bob Swerdling, Lead Underwriter, Developer, Financial Consultant

**Development cost:**

\$300,940,000

**Contact:**

Stan Milesky  
City Finance Director  
Mayor and City Council of Baltimore  
8930 Stanford Blvd.  
Colombia, MD 21045  
Phone: (410) 313-2195  
smilesky@howardcountymd.gov



**OMAHA HILTON  
CONVENTION CENTER HOTEL  
OMAHA, NEBRASKA**

**Room count:** 450

**Square feet of meeting and ballroom space:**

30,000 square feet of meeting space and is connected to the Qwest Center Omaha by a glass enclosed skywalk.

**Project Opening Date:** April 2004

**Summary of role:** The original financing structure included \$102.9 million in Ambac insured senior lien current interest bonds and \$6.0 million in subordinate bonds, purchased by the manager and developer. The senior bonds were in part supported by an Appropriation from the City to pay up to 40% of the total debt service on the bonds. The Omaha transaction was the first hotel financing 100% insured by one of the four primary, AAA rated mono-line insurers.

The 2007 restructuring provided the Corporation with significant debt service savings and allowed for projected revenues from Hotel operations to adequately pay future debt service payments and FF&E funding requirements. The City of Omaha has agreed to fund any deficiencies on the Series 2007 Bonds, subject to appropriation.

In 2010, S&A was hired to act as Hotel Financing Consultant on the City's expansion financing. The \$37.0 million bond issuance financed the 150-room guestroom expansion and renovation of the hotel's common areas.

This full-service, convention center hotel features 450 guest rooms, 30,000 net square feet of meeting space and is connected to the CenturyLink Center Omaha by a glass enclosed skywalk.

**Identification of individuals who worked on the project and will work on this project:**

Bob Swerdling, Lead Underwriter, Developer, Financial Consultant

**Development cost:**

\$102,970,000

**Contact:**

Paul Kratz  
City of Omaha Convention Hotel Corporation  
1819 Farnam Street, Suite 804  
Omaha, Nebraska 68183  
Phone: (402) 444-5118  
pkratz@ci.omaha.ne.us  
smilesky@howardcountymd.gov



### **THE LANGHAM CHICAGO HOTEL CHICAGO, ILLINOIS**

**Room count:** 316

**Square feet of meeting and ballroom space:**  
Approximately 25,000 square feet of banquet and meeting space.

**Project Opening Date:** July 2013

**Summary of role:** The Langham Chicago is a 5 star super luxury LEED certified hotel located on the first 13 floors (375,000 Sq. Ft.) of the historic IBM building in downtown Chicago. The hotel features 316 luxury guest rooms ranging in size from 525 square feet for a standard room (one of the largest in the city) with large 5-fixture bathrooms up to 2,350 square feet for a two bedroom suite. Additional features include over 15,000 sf of banquet and meeting space including the 4,840 sf luxury Devonshire Ballroom, the 16,000 sf Chuan Spa, a state of the art fitness center, a 67 foot indoor pool, and multiple food and beverage outlets. The upper floors of the building continue to house over 1,000,000 square feet of high quality office space.

Oxford led the acquisition and renovation of the hotel with a total project budget of approximately \$200 Million. The property was able to secure both federal and state historic tax credits by successfully seeking the Mies van der Rohe designed IBM building designation on the national register of historic places. The building is located next to prominent Trump International Hotel & Tower on Chicago's riverfront.



The hotel opened in July 2013 and has received numerous awards and accolades including being ranked the number one hotel in Chicago on Trip Advisor and the #1 Large City Hotel in the Continental United States and the #6 Hotel in the Top 50 Best Hotels Worldwide by Travel and Leisure.

#### **Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer  
-John Rutledge, Sar Peruri, Brad Mulvihill, Kerry O'Hare  
Rider Levett Bucknall- Financial Consultant

#### **Development cost:**

~\$200,000,000

#### **Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from a large Chinese Investment Company

#### **Summary of the role of the public sector, if any:**

Oxford worked with local landmarks and city to list building on national historic register to obtain historic tax credits and also to receive Class L tax designation



**NATIONAL CONFERENCE CENTER  
LANDSDOWNE, VIRGINIA**

**Room count:** 951

**Square feet of meeting and ballroom space:**  
over 250,000 sf of meeting space across 250 different rooms,  
917 guest rooms, an 800 seat dining room, Black Olive Sports Bar and Lounge, and comprehensive fitness center

**Summary of role:** The National Conference Center in Lansdowne, Virginia, outside of Washington D.C., is one of the largest and most comprehensive conference centers in the country. The property often features large corporate events, elegant weddings, and large meetings and conventions.

Oxford Capital led the acquisition of the 951-room 1.4 Million square foot former Xerox corporate training center on 115 acres in Northern Virginia (with partial leaseback from Xerox Corporation).

Oxford executed a comprehensive redevelopment including adding largest ballroom in Northern Virginia, upgrading public areas, privatizing formerly shared bathrooms and subdividing, re-entitling and ultimately sold 45 acres of excess land.



**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer  
-John Rutledge, Kerry O'Hare

**Development cost:**

~\$70,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford Principals, a large Global Institutional Investment Fund, and Global Money Center Banks



## **DOUBLETREE METROPOLITAN HOTEL NEW YORK CITY, NEW YORK**

**Room count:** 751

**Square feet of meeting and ballroom space:**

Over 12,000 sf of meeting space including the 7,000 sf Metro Ballroom, a business center, fitness room, and two large food and beverage venues.

**Project Opening Date:** 2000

**Summary of role:** The Doubletree Metropolitan Hotel New York City is a historic hotel located in downtown Midtown Manhattan. Oxford Capital co-led the acquisition of this 751 key Modernist landmark hotel, and former Loews Midtown, at 51st and Lexington in Midtown Manhattan for approximately \$150 Million. It executed a comprehensive redevelopment, operational repositioning and rebranding to the Doubletree Metropolitan Hotel – New York City.

Oxford Capital leased out all food and beverage outlets and successfully harvested and recapitalized at increasing valuations, culminating in a sale/recapitalization to a public REIT. The hotel was awarded "Best Renovation in U.S. – Midscale" by Lodging Hospitality Magazine.



### **Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer  
-John Rutledge, Kerry O'Hare

### **Development cost:**

~\$150,000,000

### **Summary of project capital funding and proposers role in raising capital:**

Oxford co-led the projects capitalization by securing funds from Oxford Principals, a large Global Institutional Investment Fund, and Global Money Center Banks



**THE LEXINGTON HOTEL NEW YORK CITY  
NEW YORK, NEW YORK**

**Room count:** 725

**Project Opening Date:** 2004

**Summary of role:** The Lexington Hotel New York City is an upscale Midtown Manhattan hotel featuring 725 high design guestrooms and suites, two upscale restaurants, first floor bar and lounge that provides a vibrant social scene, a lobby Starbucks, fitness center, business center, and meeting space.

Oxford Capital co-led the acquisition of this 725-room hotel. The team executed a comprehensive redevelopment, operational repositioning and rebranding.

The property was awarded the highly regarded "Best Renovation in the U.S." by Lodging Hospitality Magazine.

**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer

-John Rutledge, Sar Peruri, Brad Mulvihill, Larry Cummings, Kerry O'Hare



**Development cost:**  
~\$150,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford co-led the projects capitalization by securing funds from Oxford Principals, a large Global Institutional Investment Fund, and Global Money Center Banks

**Summary of the role of the public sector, if any:**  
none



**LONDONHOUSE AT  
360 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS**

**Room count:** 452

**Design Team:**  
Simeone Deary

**Project Opening Date:**  
Anticipated Spring 2016 Opening

**Summary of role:** In 2013 Oxford led the acquisition of the historic London Guarantee and

Accident Building at 360 North Michigan Avenue. One of the city's most recognizable and prominent landmarks, the property is located at the intersection of two of the heaviest pedestrian travelled streets in Chicago (North Michigan Ave & Wacker Dr.) and between the two most visited tourist destinations in the city (Navy Pier and Millennium Park). Oxford is currently underway with an extensive redevelopment plan with a total project budget of approximately \$200 Million.

Upon completion, the luxury lifestyle hotel will feature 452 large high design rooms and suites, two stories of upscale Michigan Avenue facing retail, approximately 25,000 SF of banquet and meeting space, and multiple food and beverage outlets, including a tri-level rooftop lounge that will feature fantastic views of the Chicago River, Michigan Avenue and Lake Michigan.

The hotel is expected to open in early 2016 upon completion of the redevelopment of the existing building and completion of an adjacent ground up tower.

**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer

-John Rutledge, Sar Peruri, Brad Mulvihill, George Jordan, Kerry O'Hare, Matthew Kalt

**Development cost:**

~\$200,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford Principals, a large Global Institutional Investment Fund, and a Large Prominent Commercial Bank

**Summary of the role of the public sector, if any:**

Oxford worked with local landmarks and city to obtain historic tax credits and Class L designation



**THE GODFREY HOTEL CHICAGO**  
**CHICAGO, ILLINOIS**

**Room count:** 221

**Square feet of meeting and ballroom space:**  
15,000 square feet of indoor and outdoor lounge and event space.

**Design Team:**  
Getty's Group

**Project Opening Date:** February 2014

**Summary of role:** The Godfrey Hotel Chicago is Chicago's newest luxury lifestyle hotel including 221 spacious rooms and suites, a relaxing boutique spa, 24 hour state-of-the-art fitness center, and IJO Urban Roofscape, the largest rooftop dining and event space in the city with sweeping views of the Chicago skyline. Godfrey Chicago was the first hotel in Oxford's "Godfrey" brand to open and has been met with tremendous success. The name Godfrey has a meaning of peace and welcome to travelers.



Oxford acquired the defaulted note and ultimately the fee interest in an unfinished high rise hotel development through a complicated deed in lieu of foreclosure. Upon acquiring the property, Oxford redesigned and re-programmed the hotel development and led the \$75 Million development of this luxury lifestyle Godfrey Hotel. The hotel was nominated for several awards including being named a finalist for Development of the Year at the 2014 Chicago Commercial Real Estate Awards.



The Godfrey is home to IJO Urban Roofscape, a stylish venue with 15,000 square feet of indoor and outdoor lounge and event space and a state-of-the-art retractable roof that covers nearly 5,000 square feet. IO has quickly become one of Chicago's most successful venues offering a restaurant,

bar, lounge and event space open to the public with unparalleled panoramic views of the Chicago skyline. The venue serves breakfast, lunch, brunch, and dinner with multiple full-service bars. IO features a customizable video wall, two-level fire pit, shimmering water wall, zero depth interactive water feature, and a superior sound and lighting system creating the perfect venue for DJs, live music performances, and private events. IJO Urban Roofscape has more space and unique amenities than any other similar venue in Chicago.

**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer  
-John Rutledge, Sar Peruri, Brad Mulvihill, George Jordan, Kerry O'Hare, Matthew Kalt

**Development cost:**  
~\$75,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford principals and a Large Global Institutional Investment Fund

**Summary of the role of the public sector, if any:**  
none



**THE GODFREY HOTEL BOSTON  
BOSTON, MASSACHUSETTS**

**Room count:** 238

**Design Team:**  
Getty's Group

**Project Opening Date:** Anticipated Fall 2015 Opening

**Summary of role:** Oxford is currently overseeing the comprehensive redevelopment of the historic Amory and Blake buildings (combined approximately 140,000 square feet) in Boston's Downtown Crossing District with a total project budget of approximately \$100 Million. Upon redevelopment, the buildings will reopen as a 238 room independent lifestyle hotel that will include high design guest rooms, an expansive lobby bar and lounge, multiple food and beverage venues, attractive meeting space, and a state of the art fitness center.

Oxford Capital led the acquisition of the two historic buildings in 2012 and successfully and sensitively navigated the terminations and relocations of multiple tenants to allow for a hotel redevelopment.

Oxford worked with the Boston Redevelopment Authority to complete the Large Project Review process, which included public commentary, and received Boston Redevelopment Authority's Board of Directors approval to execute the Godfrey Boston redevelopment. The redevelopment is generating both federal and state historic tax credits.



**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer

-John Rutledge, Sar Peruri, Brad Mulvihill, George Jordan, Kerry O'Hare, Matthew Kalt

**Development cost:**

~\$105,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford Principals, a large Global Institutional Investment Fund, and a Prominent Commercial Bank

**Summary of the role of the public sector, if any:**

Oxford worked with local landmarks and city to obtain historic tax credits for the renovation of the two buildings listed on the national historic register



## **HYATT MAGNIFICENT MILE CHICAGO, ILLINOIS**

**Room count:** 417

**Square feet of meeting and ballroom space:**

Over 18,000 sf of meeting space (including two elegant ballrooms).

**Project Opening Date:** 1998

**Summary of role:** Hyatt Magnificent Mile is located a block east of Chicago's famous Michigan Avenue. The hotel features 417 large guest rooms and suites, over 18,000 sf of meeting space (including two elegant ballrooms), health club, fitness room, indoor pool, popular restaurant and bar, and a lobby level Starbucks.

Oxford Capital negotiated a 99 year leasehold and proceeded to finance and develop the 4.5 star Wyndham Magnificent Mile (later rebranded as a Hyatt) in the first 16 floors of a 600,000 sf Class A office building. The project was a finalist for the Chicago Sun Times "Redevelopment of the Year" award.



**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer  
-John Rutledge, Kerry O'Hare

**Development cost:**

~\$53,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford Principals, a REIT, and a Prominent Commercial Bank.



**HOTEL FELIX  
CHICAGO, ILLINOIS**

**Room count:** 225

**Design Team:**  
Getty's Group

**Project Opening Date:** 2009

**Summary of role:** Hotel Felix is an upscale boutique hotel that blends a comfortable elegance with inspiring natural elements. It was downtown Chicago's first hotel designed to meet Silver LEED certification. The hotel features 225 high design guestrooms, a French themed 3-meal restaurant, lobby lounge and bar, relaxing boutique spa, and a state-of-the-art fitness center.

Oxford Capital acquired the former apartment hotel in 2007 and subsequently led the comprehensive redevelopment into an independent lifestyle hotel that opened in 2009. The hotel was the first LEED Silver hotel in Chicago. The development was nominated for several awards including "Redevelopment of the Year" at the Annual Chicago Commercial Real Estate Awards.



**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer  
-John Rutledge, Sar Peruri, Brad Mulvihill, George Jordan, Kerry O'Hare, Matthew Kalt

**Development cost:**

~\$60,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford Principals, a Domestic Real Estate Opportunity Fund, and a Prominent Debt Financing Company

**Summary of the role of the public sector, if any:**

Oxford worked with local, state and federal agencies to obtain historic tax credits for the renovation of the building



**THE HOTEL CASS CHICAGO MAGNIFICENT MILE  
CHICAGO, ILLINOIS**

**Room count:** 174

**Square feet of meeting and ballroom space:**

Over 18,000 sf of meeting space (including two elegant ballrooms).

**Design Team:**

The Getty's Group

**Project Opening Date:** 2007

**Summary of role:** The Hotel Cass Chicago Magnificent Mile features 174 guestrooms, state of the art fitness center, business center, and superb downtown location two blocks from Michigan Avenue. The hotel has an Intercontinental Hotels Group Holiday Inn Express affiliation.



Oxford Capital led the acquisition of the Hotel Cass, a 174-room hotel just west of Michigan Avenue from a longtime family owner in 2006. Oxford completed a comprehensive redevelopment, operational repositioning and cobranding in 2007 that included upgrading all guestrooms, HVAC upgrades, renovations of the building exterior, and all new FF&E throughout the hotel."

**Identification of individuals who worked on the project and will work on this project:**

Oxford Capital Group- Developer

-John Rutledge, Sar Peruri, Brad Mulvihill, George Jordan, Kerry O'Hare, Matthew Kalt

**Development cost:**

~\$30,000,000

**Summary of project capital funding and proposers role in raising capital:**

Oxford led the projects capitalization by securing funds from Oxford Principals, a Domestic Real Estate Opportunity Fund, and a Prominent Debt Financing Company

## Sample Oxford Capital, Oxford Affiliate and/or Oxford Principal Projects

### Hospitality

- Essex Inn- Chicago, Illinois
- LondonHouse Chicago - Chicago, Illinois
- The Godfrey Hotel Boston- Boston, Massachusetts
- The Godfrey Hotel Chicago- Chicago, Illinois
- Langham Chicago Hotel (at the former IBM Building)- Chicago, Illinois
- Hotel Felix Chicago- Chicago, Illinois
- Doubletree Metropolitan Hotel- New York City
- National Conference Center- Lansdowne, Virginia
- Lexington Hotel New York City- New York City
- Hyatt Chicago Hotel Magnificent Mile- Chicago, Illinois
- Doubletree Hotel & Conference Center Chicago North Shore- Chicago, Illinois (Skokie)
- Renaissance Chicago North Shore Hotel- Chicago, Illinois (Northbrook)
- Hotel Cass Magnificent Mile- Chicago, Illinois
- The Abbey Resort & Spa- Lake Geneva (Fontana), WI
- Hampton Inn & Suites Downtown- Milwaukee, Wisconsin
- Hyatt House Chicago Northwest- Chicago (Schaumburg) Illinois
- Doubletree Hotel Downtown (Former Wyndham)- Wilmington, Delaware
- Marriott Residence Inn- Charleston, South Carolina
- Marriott Spring Hill Suites- Charleston, South Carolina
- Marriott Residence Inn Columbia Northeast- Columbia, South Carolina
- Marriott Courtyard Columbia Northeast- Columbia, South Carolina
- Marriott Courtyard Charlotte-Matthews- Matthews, North Carolina
- Marriott Courtyard Rock Hill- Rock Hill, South Carolina
- Marriott Residence Inn Chantilly Dulles South- Chantilly, Virginia
- Wyndham Garden Hotel -Gwinnett- Atlanta, Georgia
- Wyndham Garden Hotel -Northlake- Atlanta, Georgia

### Oxford Capital Investee and/or Affiliate Projects

- Aspen Club & Spa- Aspen, Colorado
- Alivila Nikko Resort- Okinawa, Japan
- Doubletree Hotel Magnificent Mile- Chicago, Illinois
- Hotel Centraza- Fukuoka, Japan
- Hyatt Regency Jacksonville Riverfront- Jacksonville, Florida
- JW Marriott (Former Pan Pacific)- San Francisco, California
- Lakeshore Sport & Fitness Lincoln Park- Chicago, Illinois
- Lakeshore Sport & Fitness Downtown- Chicago, Illinois
- Namba Oriental Hotel- Osaka, Japan
- Oriental Meriken Park- Kobe, Japan
- Shin-Urayasu Oriental- Tokyo Disneyland, Japan
- Sir Francis Drake Hotel- San Francisco, California

### Senior Housing

- Colonial Care Nursing Centers - a portfolio of 5 skilled nursing facilities in Virginia
- Jamestowne Assisted Living - Kingston, Tennessee
- Madison Nursing Center - Madison, Florida
- Nursing Center at Mercy Hospital on the campus of Mercy Hospital in Miami
- Providence Health Care Inc. - a chain of senior housing properties in Ohio, Virginia, and Vermont
- Southtowne Living Center - Eugene, Oregon
- Sun River Living Centers, LLC - a portfolio of 7 senior housing properties in central Oregon
- Wakulla Health Care Center - Wakulla, Florida

### Miscellaneous Real Estate

- Plymouth Real Estate Investors
- Top Golf
- One N. Franklin St. - Chicago, Illinois
- Ten S. LaSalle St. - Chicago, Illinois
- Oprah Winfrey's Harpo Studios - Chicago, Illinois

## **Sample Awards & Honors of Oxford, It's Principals, Affiliates & Investees**

- #1 Large City Hotel: Continental US (Travel & Leisure) - Langham Chicago Hotel
- #6 Hotel in The World (Travel & Leisure) - Langham Chicago Hotel
- One of America's Coolest Rooftop Bars (Travel & Leisure) - IJO Urban Roofscape at The Godfrey Hotel Chicago
- Development of the Year Finalist (Americas Lodging Investment Summit) – Langham Chicago Hotel
- Developer of the Year Finalist (Chicago Commercial Real Estate Awards) – Oxford Capital Group, LLC
- Development of the Year Finalist (Chicago Commercial Real Estate Awards) – Godfrey Hotel Chicago
- Redevelopment of the Year Finalist (Chicago Commercial Real Estate Awards) - Langham Chicago Hotel
- Special Achievement Award Nominee (Chicago Commercial Real Estate Awards) – Oxford Capital Group, LLC's lodging strategy
- Transaction of the Year Nominee (Chicago Commercial Real Estate Awards) - LondonHouse Chicago
- Platinum and First Place at Green Business Challenge – National Conference Center
- Downtown Redevelopment of the Year Finalist (Chicago Commercial Real Estate Awards) - Hotel Felix Chicago
- Chicago Innovation Awards Nominee – Hotel Felix Chicago
- Ernst & Young Entrepreneur of the Year Awards Finalist – Oxford's Founder & CEO
- Nation's Top Businesses (DiversityBusiness.com) – National Conference Center
- Global Doubletree Conversion of the Year (Hilton Corporation) – The Doubletree Hotel Chicago Magnificent Mile
- Global Doubletree Conversion of the Year (Hilton Corporation) – The Doubletree Hotel and Conference Center, Skokie, IL
- Stuart Cornew Leadership Award (Young Presidents' Organization)
- Best Renovation in U.S. – Midscale (Lodging Hospitality Magazine) – The Doubletree Metropolitan Hotel, NYC
- 100 Largest Mergers and Acquisitions (Crain's) – The Doubletree Metropolitan Hotel, NYC
- Best Renovation in the U.S. (Lodging Hospitality Magazine) – The Radisson Lexington Hotel, NYC
- America's Fastest Growing Private Companies (Inc. 500) – Potbelly Sandwich Works
- Downtown Redevelopment of the Year Finalist (Chicago Commercial Real Estate Awards) – The Wyndham Chicago Hotel Magnificent Mile
- Redevelopment of the Year Nominee (Chicago Commercial Real Estate Awards) – Renaissance Chicago Northshore Hotel, Northbrook, IL
- Chicago Business' "40 under 40" (Crain's) – Oxford's Founder & CEO
- Chicago Real Estate Intermediary of the Year Finalist (Chicago Commercial Real Estate Awards) – Oxford's Founder & CEO (Twice)
- Downtown Office Development of the Year Finalist (Chicago Commercial Real Estate Awards) – One North Franklin, Chicago, IL
- Downtown Redevelopment of the Year (Chicago Commercial Real Estate Awards) – Oprah Winfrey's Harpo Studios, Chicago, IL
- Leasing Success Story of the Year (Realty & Building Magazine) – 10 South LaSalle, Chicago, IL

# 4

## DESIGN EXPERIENCE & QUALIFICATIONS

### **Oppenheim Architecture + Design, LLP**

OPPENHEIM Architecture + Design is an architecture, interior design, and planning firm based in Miami, with offices in Los Angeles and Basel, Switzerland. With over 60 firm awards, including several 2014 AIA Miami Awards, the work is based on both a physical and spiritual contextual sensitivity, supported by evocative and economic design solutions. The firm designs with a sensitivity towards man and nature, harmonizing with the surroundings of each context. Projects spanning 25 countries are crafted to establish the perfect balance between artistry and economics - a timeless architecture that is as beautiful as it is functional. The firm specializes in mixed-use hotels and resorts, retail, commercial offices, and residential buildings worldwide that all serve to ENHANCE LIFE.



Though Oppenheim specializes in the aforementioned building types and market sectors, the firm has special expertise in hotels and resorts. Oppenheim is engaged with some of the largest and most influential hospitality companies including Mandarin Oriental, Morgans Hotel Group, Starwood Capital, KOR and Marriott Vacation Club to create new hotel/residential projects around the globe. The firm is currently designing multiple hotel and residential towers in New York City; eco-resorts in the desert of Wadi Rum, Jordan and the jungles of Costa Rica and Sanya, Hainan Island, China; and an 800- room hotel in Asia.

Oppenheim's design strategy is to extract the contextual essence from the program – creating an experience that is dramatic and powerful, yet pragmatic and constructible. In the last fifteen years, Oppenheim has accumulated over \$350 billion in project work and has won over 60 design awards and honors for its unique design sensibility and ability to pioneer innovative concepts, innovative concepts, optimize challenging sites and revitalize urban areas.

Projects designed by the firm cover a broad spectrum of programmatic requirements, budgets and building types. This award-winning work is based on both a physical and spiritual contextual sensitivity, supported by evocative and economic design solutions. The firm's pragmatic yet poetic architectural solutions in unproven and undeveloped areas have served to revitalize many neighborhoods around the world. Oppenheim produces a design solution that is refreshingly new yet inherently connects within a local environment. The sustainable aspects of Oppenheim's architecture are celebrated and holistic to the building expression – establishing an equilibrium of design, sustainability and economic viability that emphasizes constructability over architectural bravado. The firm leverages its green design expertise to minimize the impact on the environment and maximize the end-user experience and overall project performance. It is Oppenheim's intent to create landmark architecture that is highly sensitive and responsive to its context and climate.

### ***Company History***

Founded in 1999, Oppenheim Architecture + Design has garnered global recognition for socially and environmentally conscious architecture, as well as setting trends in the sustainable and humanitarian sectors. An internationally renowned firm with projects in 23 countries, Oppenheim has experience designing architecture and master plans for projects in North America, Central America and the Caribbean, South America, Europe, Africa, the Middle East and Asia/Pacific regions. The firm's award- winning work has been published internationally in over 1,000 publications including multiple times in the New York Times and Architectural Record.

## VOA Associates Incorporated

VOA Associates Incorporated, founded in 1969, is an international design firm with offices located in Chicago, Illinois; Highland, Indiana; Orlando, Florida; São Paulo, Brazil; Shanghai, China; Beijing, China and Washington, D.C. We offer comprehensive services embracing the disciplines of facility programming, master planning, architecture, landscape, LEED consulting, and interior design. Our headquarters is located in the Chicago office.



The firm's diversified practice includes hotels and hospitality related projects, college and university facilities, institutional master plans, financial institutions, corporate headquarters and offices, law firms, housing, institutional and health care facilities, governmental and transportation-related structures. This broad selection of projects allows for a cross-fertilization of ideas and resources that reinforces our commitment to render a superior level of client service.

VOA's ranking as a leading design firm has been affirmed by over 250 local and national awards for design excellence.

VOA's portfolio of hospitality projects includes over 10,000 rooms and over a million square feet of conference space in more than 50 hotels, including convention center hotels, resorts, casinos, and themed entertainment venues. VOA is consistently ranked as one of the top 20 Design Firms by Hotel and Management Magazine and Hospitality Design and are active members of the International Association of Conference Centers (IACC).



# DESIGN PORTFOLIO

OPPENHEIM





# OPPENHEIM

## **MARRIOTT MARCO ISLAND** **MARCO ISLAND, FLORIDA**

**Room count:** 800

**Site area:**  
600,000 square feet

**Program:** Mixed-use /  
Hospitality

**Project Opening Date :** 2009

### **Summary of role:**

Architecture design of two existing towers and three buildings comprising 600,000 SF . Marco island, the largest land mass of the ten thousand islands archipelago, is a quaint village amidst a fantastic ecological sanctuary teeming with flora and fauna. Situated at the intersection of the largest national park in the country, the everglades; and one of the most beautiful beach fronts in north america, the island maintains a harmonious equilibrium of man-made and natural environments.

With its dramatic presence and classic lines, the architecture of the resort integrates and enhances the surrounding environment– setting up moments to appreciate and amplify nature's rhythms and wonders. Through a few powerful yet simple gestures; the architecture captures the essence and easiness of the gulf coast florida lifestyle.

Five rectilinear volumes of similar width and diverse proportion position themselves dynamically around the site to optimize vistas of the beach for every residence. Lush tropical landscaping and pools cascade towards the gulf as they weave through the architecture generating exterior rooms and gardens to absorb the delightful climate and setting.

The residences are configured for optimal openness to the environment by merging large interior and exterior rooms that blur the line between inside and out. Floor to ceiling glass walls inundate the residence with abundant vistas and fresh sea breezes– while providing ample space for relaxing and entertaining. The interior of the residences are sincere to a gulf coast beach lifestyle with comfortable furnishings, natural materials, and a fresh color palette.

**Budget:** \$150,000,000

**Team Credits:** Chad Oppenheim, Carl Römer, Germán Brun, Lizmarie Esparza, Santhosh Shanmugam, Helen Zhao, Hugo Mijares, Robert Gallagher, Constanza Collarte, Giancarlo Pietri, Giovanna Brin, and Laure Tirouflet.

### **Contact:**

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# OPPENHEIM

## **THEME PARK HOTEL PUDONG, SHANGHAI, CHINA**

**Room count:** 800

**Site area:** 8.1 Hectares  
Area: 430,000 square feet  
Height: 29 m

**Program:** Hotel, Retail,  
f+b, Back of House

**Project opening date:**  
Under construction

### **Summary of role:**

Hotel h2 is a 40,000 m<sup>2</sup>, 800-key hotel conveniently located adjacent to the Shanghai Disneyland Park. This 7-story hotel is uniquely configured into a three-dimensional "infinity" form, creating a powerful icon from the exterior, while offering guests multiple indoor and outdoor experiences from within. Clean, modern, geometric forms inspire the design of h2, initiating a dialogue with its neighbor, the Tomorrowland component of the theme park. Similarly, design theming based on the futuristic Pixar movies Wall-E and The Incredibles provides an additional level of visual and spatial intrigue, immersing guests into an alternate world shaped by elements from the two movies. The result is a vibrant, dynamic atmosphere where families can explore, discover, and be entertained by a sensory treat to the imagination.

H2's location at the center of a large, 80,000 m<sup>2</sup> site, allows a generous buffer from the adjacent properties, ensuring a level of privacy. A meandering driveway brings guests to the main entry, showcasing the building's form and offering glimpses of the outdoor amenities through the lush landscape along the way. The building's orientation on the site establishes an axis towards the park's central castle and evening fireworks display. Guest parking is located towards the rear of the site, intentionally hidden from the primary views.

The plan of the hotel, with its two distinct courtyards, is generated by the Chinese symbol for Yin Yang, which represents universal harmony and the unity between complimentary opposites. The plan also assumes the shape of the most auspicious Chinese number "8." Since the external views from the hotel to the theme park are limited by distance, the interior courtyard configuration allows a higher percentage of the guestrooms to have captivating views.

Beyond the building's unique form, the façade is also a critical component in capturing the spirit of a Disney resort. In contrast to the dreary Shanghai atmosphere, the building's skin is composed of repetitious elements in vivid colors within a constantly transitioning pattern. This abstract pattern reinforces the concept of the continuous infinity form, and the colors are selected to reference key moments from the Pixar movies. The overall variation of color introduces motion into the façade, adding to the dynamic effect of the building's form, and also works to reduce the perception of the building's size.

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# OPPENHEIM

## **DESTINATION RESORT & SPA RESORT BROOQ PENINSULA, QATAR**

**Room count:** 500

**Site area:** 650 acres

**Program:** Spa & resort /  
master planning / architecture /  
interior design

**Project opening date:**  
Design phase

### **Summary of role:**

In an ethereal landscape at the edge of desert and sea, this new resort and spa is framed within the founding principles of one of the most timeless and influential civilizations. A civilization defining architecture where simplicity and clarity is preferred over complexity and illusion. It is intensity without spectacle and singular not only in the clarity of the composition, but also in the quiet power of each component. The monumental architecture of the past celebrated the dead and the heavens above; this architecture celebrates the wonderful possibilities of life on this earth. Constructed with the land of the land, the symbiosis between building and terrain results in an embrace of natural resources and the universe at large.

Simultaneously establishing itself on the landscape, and receding into the landscape our proposal plays the counterpoints of presence and absence, the references of above, below and in-between: establishing balance. Formally, it is a reversion to geometric primitives that is resonant with the euclidean landscape of the desert and allows for a timeless monumentality. A composition that is redolent of the primary shapes of the ancients. Zalal merges silently with its wondrous setting, seamlessly integrated with the earth. Exploiting and enhancing the natural beauty of qatar to establish luxury spa accommodations – that are uniquely beautiful and powerful. Here the topographic transition from the desert dunescapes to the beach creates a welcomed transition from the sand to the sea. It stays true to the ancient vernacular traditions of in-earth building, having a reverence for the landscape, and the materials of the region. The nature of the discrete and selective carvings in the earth provides several opportunities for drama and surprise. Hence gardens, pools, meeting and meditative spaces area all found in the interstitial spaces at the gathering of program.

Our solution equalizes the power on site by establishing a balance of elemental mass, and a composition of bold and simple forms. There is an interplay of solid and void, with a reduction and clarification towards a silent monumentality, where the elements of land, water and sky converge. Designing with the most primitive as well as the latest construction techniques and materials from the most advanced scientific study we have pushed the illusion just within limits of reality. A vibrant dialogue between built form and landscape, inspired by, and in awe of the power of the desert.

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OPPENHEIM

**DELANO + MONDRIAN**  
**LAS VEGAS, NEVADA**

**Room count:** 1400  
**Site area:** 6 Acres  
**Area:** 1,750,000 square feet

**Program:** Hotel Guestrooms,  
Hotel Bungalows, Hotel Lobbies (2),  
Retail, Restaurants (4), Bars (6),  
Fitness, Center, Spa, Ballrooms,  
Meeting Rooms, Parking, Pools (5)

**Project opening date:**  
Design Phase

**Summary of role:**

The challenge set forth was to devise 2 distinct hotel experiences under single ownership, amplifying efficiency as well as the distinction of each. Innovative manipulations of program maximize pleasure and profitability. Both hotels capture the essence of the world renowned resorts of which they were spawn— yet create an entirely new hospitality experience that will distinguish this Vegas property from all others on The Strip. Function fuses with fantasy as an ethereal, white steel diamond structured Delano floats 400 feet above the ground supported by the tip of the Mondrian and a delicate core encased by large pixelated LED's. The Delano light and wispy—forms a platform in the clouds for dreaming and while the Mondrian is solid and impenetrable, inspired by the monolith in Kubrick's 2001 Space Odyssey. Cascading gardens and pools integrate visually and physically with the towers—a foil to the typical internalized experience of a Vegas hotel. Comprising, 1,400 rooms, suites, penthouses, bungalows, a 3-story rooftop spa (Delano), rooftop Skybar (Mondrian), activity deck and 400 foot rock climbing wall-- every surface of the architecture has been finely tuned to increase enjoyment in this adult playground.

**Team Credits:** Chad Oppenheim, Carl Römer, Robert Fornataro, Kevin Heidorn, Juan López, Sebastian Velez, Robert Moehring, Carolina Jaimes, Gregor Hoffelner, Piero Valtolina, Jessica Santaniello Barrera, Cyril Manyara, Jose Ortez, Joshua Sacks, and Gianpaolo Pietri.

**Budget:** \$1,000,000,000

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# OPPENHEIM

## **1 HOTEL WASHINGTON DC**

**Room count:** 172

**Site Area:** 200,000 square feet

**Constructed Area:**  
179,500 square feet

**Program:** Hotel, Retail,  
f+b, Back of House

### **Summary of role:**

The design for the 1 Hotel engages a dialog between architecture and sustainability in the attempt to establish a new hospitality concept that pushes the boundaries of eco-architecture in the context of an urban luxury hotel. Three 11-story volumes connected by glass enclosed vertical gardens are arranged on the corner site in the central business district of DC to optimize efficiency, light, and openness. Zones of varying degrees of privacy at the most public ground level are organized by the volumetric play established by the building massing and materiality.

Light and garden serve as organizational devices that direct circulation, define urban articulations, and maximize the sensations of pleasure and delight. A harmonious integration of architecture and engineering disciplines permits hyper-efficiency in both structural and mechanical systems, allowing for economies of time, building material, and energy. Inspired by Victorian-era Botanical gardens, the building employs a delicate and lacy double glazed fenestration system that evokes both emotional and physical comfort in all climatic conditions. Verdant rooftop gardens in conjunction with the internalized vertical gardens act as a "living machine" to purify air and water allowing the project to conserve natural resources. Capturing energy and balance from earth and sky, the project brings forth and new paradigm in green building.

Overall massing of the 1 hotel is arranged around an open courtyard. This space seeks to captures natural light to be diffused to the guest rooms, lobby and restaurant, while offering an open garden for the public use on the ground level. The courtyard, in conjunction with the hotel gardens on the second level, offers a green oasis with an urban experience. Ultimately, it will serve as a respite from the city, activating all the senses while heightening our awareness of place. The courtyard will serve as a seasonal register, as local foliage responds to the changing of seasons. The vertical gardens within the hotel will further heighten one's experience as they bring light and fresh, filtered air into the hotel.

### **Team Credits:**

had Oppenheim, Carl Römer, Jessica Santaniello Barrera, Carolina Jaimes, Santhosh Shanmugam, Robert Moehring, Germán Brun, Lizmarie Esparza, Jacobus Bruyning, Robert Gallagher, Constanza Collarte, Joshua Sacks, Melina Corzo, and Erik Sundquist.

**Budget:** \$50,000,000

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# OPPENHEIM

## **1 HOTEL BUCKHEAD, ATLANTA, GEORGIA**

**Site Area:** 500,000+ square feet

**Program:** mixed-use complex  
(retail, office space, hotel, support  
services, and residential condos)  
Architecture/Interior Design

### **Summary of role:**

The project engages a dialog between architecture and sustainability in the attempt to merge a new hospitality concept with a retail experience and push the boundaries of eco-architecture in this unique urban context. A vegetated hotel volume rests on top of a retail podium and acts as the "green" lung of the entire development, as well as providing a unique experience to visitors and residents. The building is aiming to achieve LEED SILVER accreditation and incorporate sustainable technologies such as vegetated roof, vegetated walls, reused and regional materials, extensive use of day lighting, gray water treatment and re-use, rain water harvesting, and solar hot water panels; all seamlessly incorporated into the design. The "Green" nature of this development and the holistic approach of the of the different design disciplines allowed for innovative strategies to be put into practice.

**Team Credits:** Chad Oppenheim, Carl Römer, Sebastian Velez, Santhosh Shanmugam, Jacobus Bruyning, Josh Sacks, Tiffany Beriro, Robert Gallagher, Laure Tirouflet, Giancarlo Pietri and Giovanna Brin.

**Budget:** \$60,000,000

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**CLEVELAND  
CONVENTION CENTER HOTEL  
CLEVELAND, OHIO**

**Room count:** 600

**Square feet of meeting and  
ballroom space:**

50,000 square feet of banquet and meeting space, bar, and restaurant facilities

**Design Team Name and Roles:**

VOA Associates Incorporated -  
Architecture

**Project Opening Date:** Spring 2016

**Summary of role:**

The Hilton Cleveland Downtown will be a signature 32-story high-rise hotel located adjacent and connected to the newly constructed Cleveland Convention Center within Daniel Burnham's Group Plan in central Cleveland. The 600,000 gross square foot hotel will accommodate 600 guest rooms and include approximately 50,000 net square feet of banquet and meeting space, bar and restaurant facilities, upscale Sky Bar, pool and fitness, and complete full-service back of house functions. The project is planned to be the headquarters hotel for the 2016 Republic National Convention. It is projected to be certified LEED Silver by the USGBC.

**Identification of architect who worked on the project & individuals who will work on this project:**

David B. Stelter, AIA  
Michael Cipriani, AIA

**Cost:** Confidential

**Contact:**

Ellis Katz, Director at Project Management Consultants, LLC  
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Joshua Dudek, Project Engineer at Turner Construction Company  
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## **INTERCONTINENTAL CHICAGO O'HARE HOTEL ROSEMONT, ILLINOIS**

**Room count:** 556

### **Square feet of meeting and ballroom space:**

30,000 square feet of flexible conference center and meeting space, including two ballrooms at approximately 7,500 square feet each, plus support and back-of-house facilities and a 15,500-square-foot signature restaurant

### **Design Team Name and Roles:**

VOA Associates Incorporated - Design Architect and Architect of Record

### **Summary of role:**

The project included development of an approximate 3.9-acre site located at the southwest quadrant of the intersection of River Road and Berwyn Avenue in Rosemont, Illinois directly to the south of the existing Rosemont Theatre.

Site development included a 12-story plus penthouse hotel-conference center facility, including a hotel tower with 10 guestroom levels housing a total of 556 keys. The hotel tower is situated atop a single-story base with approximately 30,000 square feet of flexible conference center and meeting space, including two ballrooms at approximately 7,500 square feet each, plus support and back-of-house facilities and a 15,500-square-foot signature restaurant. A 10-story parking deck structure also is included as part of the project layout with parking spaces for approximately 800 vehicles. Two separate 9,000-square-foot brand restaurant pads are included as part of the overall 3.9-acre site layout.

The Phase II development includes a 50,000-gross-square-foot conference center expansion, housing an additional 22,000 net square feet of additional flexible banquet and meeting space as well as back-of-house and support spaces.

InterContinental Hotel incorporates the use of local materials, particularly concrete and pre-cast concrete, in addition to low E glazing throughout the windows, light colored roof and 50% green roof on the hotel expansion.

### **Identification of architect who worked on the project & individuals who will work on this project:**

David B. Stelter, AIA  
Michael Cipriani, AIA

**Cost:** \$110,000,000

### **Contact:**

Eric Nolin, Principal, Cresa Chicago  
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## **THE WESTIN CHICAGO NORTH SHORE WHEELING, ILLINOIS**

**Room count:** 411

**Square feet of meeting and ballroom space:**

35,000 square feet of flexible meeting and event space in addition to the 14,825-square-foot Grand Ballroom, the largest on the North Shore

**Design Team Name and Roles:**

VOA Associates Incorporated - Master Planning, Architecture, Interior Design, and Landscape Architecture

**Project Opening Date:** October 2006

### **Summary of role:**

The four-star Westin Chicago North Shore is designed to set a new standard of excellence in the northern suburbs of Chicago. It is a state-of-the-art flagship hotel with fine dining, which caters to the small to mid-sized corporate meetings and banquets, many of which currently convene in downtown Chicago.

The 411-room hotel itself consists of an 18-story, 225-foot-high tower and is the anchor of the 410,000-square-foot complex that includes retail and restaurant space, a bank, and parking for approximately 900 vehicles on a 20-acre site. Guest enhancements include larger guest rooms and the latest in wireless technology.

There is a total of 35,000 square feet of flexible meeting and event space in addition to the 14,825-square-foot Grand Ballroom, the largest on the North Shore. The hotel has three junior ballrooms, each measuring approximately 5,000 square feet. A world-class restaurant serving breakfast, lunch, and dinner for up to 300 guests as well as a lively cocktail lounge are located in the hotel. The hotel's amenities also include retail shops, a bank, and restaurants Claim Jumper's and Eddie Merlot's as well as a fully equipped business center, club lounge, an expansive fitness center and indoor pool.

The Westin Chicago North Shore has a reflective roof and local pre-cast materials with recycled content. It also utilizes high efficiency low-e windows.

VOA provided the master planning, architecture, interior design, and landscape architecture for this project. It was completed in October 2006 and opened three months early.

### **Identification of architect who worked on the project & individuals who will work on this project:**

David B. Stelter, AIA  
Michael Cipriani, AIA

**Cost:** \$65,000,000

### **Contact:**

Mr. Matthew Walsh IV  
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929 West Adams Street, Chicago, Illinois, 60607  
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mmwalsh@walshgroup.com



## **THE WESTIN LOMBARD YORKTOWN CENTER LOMBARD, ILLINOIS**

**Room count:** 500

**Square feet of meeting and ballroom space:**  
Over 50,000 square feet of meeting space and  
15,000 square feet of pre-function space

**Design Team Name and Roles:**  
VOA Associates Incorporated - Architecture,  
Interior Design, Branding, Landscape  
Architecture

**Project Opening Date:** October 2007

### **Summary of role:**

The Westin Lombard Yorktown Center blends downtown style and sophistication with the convenience of a full-service hotel. Designed to be the premier hotel and conference center facility in Chicago's western suburbs, it caters to business and social clientele alike.

With 500 guest rooms and more than 50,000 square feet of meeting space and 15,000 square feet of pre-function space, this new facility is capable of accommodating large conventions, exhibitions, corporate retreats, association social gatherings, weddings, exclusive celebrations, and private dining events.

The L-shaped hotel tower soars to 18 stories in height and offers private terraces for several suites. The hotel offers a fully equipped business center, Club Lounge, and the new WestinWORKOUT® Powered by Reebok Gym as well as an indoor pool. The project also includes a multi-level parking garage structure, housing 675 vehicles and surface parking for 235 vehicles.

The Westin Lombard Yorktown Center has a reflective roof and local pre-cast materials with recycled content. It also utilizes high efficiency low-e windows.

VOA provided architecture, interior design, and branding as well as complete site improvements, including landscape architecture for this 6.69-acre development. The hotel has been open since October 2007.

### **Identification of architect who worked on the project & individuals who will work on this project:**

David B. Stelter, AIA  
Michael Cipriani, AIA

**Cost:** \$85,000,000

### **Contact:**

Mr. Mike Marsch  
The Walsh Group  
929 West Adams Street, Chicago, Illinois, 60607  
(312) 563-5400  
mmarsch@walshgroup.com



**VIRGIN HOTEL  
NEW YORK, NEW YORK**

**Room count:** 650

**Design Team Name and Roles:**

VOA Associates Incorporated - Architecture,  
Interior Design

**Project Opening Date:** Fall 2017

**Summary of role:**

VOA was commissioned for architectural and interior design services for Virgin's 650-key lifestyle hotel that will serve as the brand's flagship property. Rooms are to be new concept rooms and include large suites and two double height "rockstar" suites. The base of the building will be comprised of 80,000 square feet of retail space. A sky lobby club room with a private roof deck and pool will be included for the hotel.

**Identification of architect who worked on the project & individuals who will work on this project:**

Mark Pratt, Principal  
Nicholas D. Juhasz, Project Manager

**Cost:** \$65,000,000

**Contact:**

Hung Luk, Chief Operating Officer, LAM GROUP  
202 Centre Street, 6th Floor  
New York, NY 10013  
D: 1.212.274.3028  
hung.luk@lamgroupnyc.com

# 5

## HOTEL PROGRAM, CONCEPTUAL DESIGN AND PRELIMINARY DEVELOPMENT BUDGET



Proposed Hotel Building Perspective

**APPENDIX E**  
**Proposed Hotel Program**

	Units		Square Feet		Average Size
<b>Guest Rooms</b>					
Standard	733	#		SF	~350 SF
Suites	58	#		SF	~550 SF
Hospitality Suites	9	#		SF	~1000-1800 SF
Guest Support Areas				SF	
Subtotal	800	#		SF	SF

<b>Meeting Facilities</b>				
Ballroom			35,050	SF
Jr. Ballroom			17,830	SF
Breakout Meeting			10,520	SF
Total Leasable			63,400	SF
Support			34,320	SF
Subtotal			97,720	SF

<b>Food &amp; Beverage</b>				
Outlet 1	TBD	Seats	15,420	SF
Outlet 2	TBD	Seats	8,000	SF
Outlet 3	TBD	Seats	4,200	SF
Outlet 4	TBD	Seats	15,450	SF

<b>Parking</b>	493	Spaces	144,720	SF
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<b>Support</b>				
Lobby			7,645	SF
Office			31,055	SF
Pool			20,000	SF
Spa			5,000	SF
Fitness			~1,500	
*Other			117,285	SF
Subtotal			~182,485	SF

<b>TOTAL SF</b>			894,685	SF
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\*Other Includes:  
 Stairs  
 Bathrooms  
 Circulation  
 Retail  
 Bridge  
 Housekeeping  
 Laundry  
 Kitchen

## Brands

As part of our proposal, our base case development plan (Scenario A) includes an 800 key flagship convention hotel. We are in preliminary conversations with some of the major brand families who have all shown significant interest in this development as many are currently under represented in Miami Beach.

We are also strongly considering a second scenario (Scenario B) where we would carve out a portion of the rooms to create a separate smaller lifestyle hotel that could be branded or independent (e.g. one of Oxford's luxury lifestyle brands such as The Godfrey or LondonHouse). In the past, our team has been successful owning, developing, and/or operating hotel products ranging from national chain hotels (i.e. Hilton, Marriott, IHG, Starwood), to soft chains / collections (i.e. Marriott's Autograph Collection, Hilton's Curio Collection, Starwood's Luxury Collection), to independent hotels (e.g. Oxford's Godfrey, LondonHouse, and Felix brands).



Please see the following pages highlighting our:

- Design Approach
- View Study
- Site Analysis
- Site Plan
- Floor Plans
- Building Sections
- Infinity Pool Perspective
- Hotel Program
- Schedule
- Piazza Perspective



**Development Budget**

<b>Miami Convention Center Hotel Draft Development Budget</b>	
<b>800 Keys (Scenario A and B)</b>	
Purchase Price	0
Transfer Tax	0
Acquisition Fee	1,000,000
Due Diligence, Travel, Other	150,000
Legal	1,500,000
Development/Sponsorship Fee	11,568,871
Pre-Opening, Marketing, Working Capital	6,000,000
Interest Reserve During Planning	0
Interest Reserve During Redevelopment	20,896,856
Financing Fee (1.5%)	4,012,196
Real Estate Taxes / Insurance During Planning	0
Real Estate Taxes / Insurance During Redevelopment	0
Owner Contingency	13,772,466
Hard Costs	224,904,257
Soft Costs	19,395,057
FF&E / OS&E	31,150,000
<b>Total Use of Funds</b>	<b>334,349,704</b>



Miami Beach, Florida



Views of Art Basel Miami, Ocean Drive, and Enrique Gutierrez's landmark Baccardi Building

## Introduction

Miami vibrates with life and color, and the architecture—both old and new—proudly announces the city's decisive taste for bold, iconic forms and eye-catching glamour. From the Art Deco gems of Miami Beach, with their color-blocked pastels and glowing neon signs, to the expressive graffiti murals that saturate the Wynwood Art District, the city embodies confidence and flair. Buildings like the New World Symphony, which features an audio/visual "Wallcast," and Enrique Gutierrez's landmark Baccardi Building, are animated with striking visuals that engage and delight. Following in this tradition of bold, seductive architecture, our design for the Miami Beach Convention Headquarter Hotel makes an impressive statement and becomes a defining feature of the Miami Beach skyline.

## Design Approach

Central to our design approach is the exploration of a thoughtful design solution that meets the goals of the City of Miami Beach as well as providing an innovative design that enhances the surrounding public amenities and experiences. The proposed design will cater to the Miami Beach culture as well as be informed by careful analysis of the site and familiarity with the surrounding uses and public spaces. The iconic nature of our design will be a welcome addition to the rich Miami Beach skyline and an architectural legacy.

The new hotel will attract a continuous flow of Miami Beach residents, recreational visitors, convention guests, and business travelers who will have access to a variety of amenities that will include convention functions, hotel and retail establishments, cultural and educational venues, as well as ballroom and meeting spaces. The synergies created by this new development will provide the City of Miami Beach a sustainable and positive economic development that will encourage future development and support the ever-growing convention industry.

## Design

The proposed site for the Miami Beach Convention Headquarter Hotel offers visitors and guests some of the best views of the Miami skyline, Biscayne Bay, and the Atlantic Ocean. By creating a structure composed of a series of staggered cubic volumes, our team has developed a design that showcases and maximizes views of the city's impressive skyline and allows guests the luxury of seeing both the morning sunrise and famous Miami sunsets. The shifting of the building massing allows for terraced, landscaped corners and provides multiple amenity levels for stargazing, the enjoyment of a quick dip in the pool, and a welcome retreat from the summer sun. The building fenestration and façade is composed of balcony areas of varying patterns and textures. Alternating metal mesh panels, located on the lower area of the building, allow ample daylight into the building while maintaining a clean and modern aesthetic on the exterior.

# DESIGN APPROACH



Aerial view of Miami Beach

The use of glass and white stucco on the structure accentuates the geometry of the building and its clean corners. The shifting of the building volumes and minimal exterior materials respect the scale and proportion of the surrounding buildings and streetscape while creating a new, iconic building in the Miami Beach skyline.

The hotel is seamlessly connected to the Miami Beach Convention Center. A climate-controlled skywalk at the second level flows into a pedestrian spine that draws visitors from the Convention Center into the hotel. This spine terminates where the shifted volumes create an outdoor piazza at the corner of 17th Street and Convention Center Drive. The highlight of this new public corner will be an interactive marquee that welcomes guests and visitors with news of current hotel and Convention Center events and cultural activities in the cities of Miami and Miami Beach.

Lincoln Road Mall, Miami Beach's active, fashionable, and highly social shopping district is just a short walk from the hotel and surrounding cultural centers. The new development will seek to improve pedestrian connectivity and retail activity between the Convention Center and Lincoln Road Mall by providing a mix of hotel amenities and retail shopping along 17th Street. The new piazza will allow greater way-finding and ease of access from the hotel to Lincoln Road Mall.

Hotel and Conference Center guests will find a range of diversions at their fingertips—retail, dining, nightlife, and easy access to the city's finest cultural attractions and happenings, including performances at Jackie Gleason Theater, concerts at the New World Symphony, and visual art showcased annually at the internationally acclaimed Art Basel. Guests looking to relax and enjoy the warm climate and natural beauty of Miami Beach will enjoy the hotel's serene green terraces, pools, and generous vistas.



VOA Associates, Virgin Hotel: New York, New York

## Hotel Amenities

The hotel features a number of exciting dining and ballroom venues, all conveniently accessed from the hotel's service areas, allowing for the efficient movement of staff, food, and room service deliveries to all floors. Indoor and outdoor lounge spaces in which guests can casually enjoy food or socialize with friends are incorporated throughout the hotel. The hotel's restaurants and bars will provide a cool respite from Miami's warm climate. A fully-equipped kitchen will service the restaurants located on the Junior Ball Room floor and 14th floor amenity level. The hotel will have a pool that is part of the landscaped terrace located on the 3rd floor amenity level. A morning infinity pool with sweeping views of the surrounding area is located on the 14th floor amenity level.

The concierge stand is located conveniently within the ground floor lobby. It will be staffed by attendants with an expansive knowledge of Miami's restaurants, beaches, retailers, and vast cultural and recreational offerings. The concierge serves as a liaison between the hotel guest and the City of Miami, encouraging the holistic enjoyment of Miami and the surrounding beach communities. Other amenities found within the hotel are:

- Grand ballroom
- Junior ballroom
- Ballroom prefunction spaces and breakout meeting rooms
- Concierge lounge
- Spa and fitness center
- Valet parking
- Structured parking within the hotel

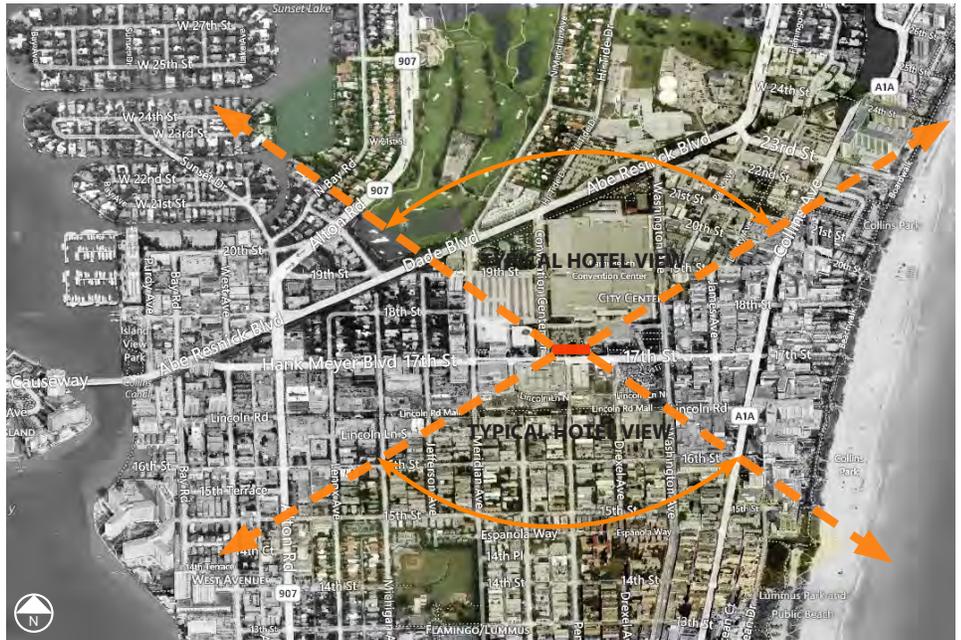
## Sustainability

There's a growing concern for the environment, health, and wellness among consumers. Many are exercising a preference for eco-friendly spaces; fresh, organic products; and opportunities to maintain their active lifestyle while traveling. Hotels are taking both sustainability and wellness seriously, and our design is no exception. Brands such as Marriott have developed LEED-certified room prototypes that can be replicated across the country, thus avoiding the need for multiple certifications, and Kimpton Hotels donates \$10 of every guest's daily room rate to the Nature Conservancy and the Trust for Public Land. Wellness-focused amenities and sustainable strategies align with the lifestyle of hotels' environmentally and health-conscious clientele and with the local culture in which they reside. Reductions in energy consumption and the use of other natural resources result in cost savings over time. We follow a robust sustainable design process that allows us to design buildings that respond to their place.

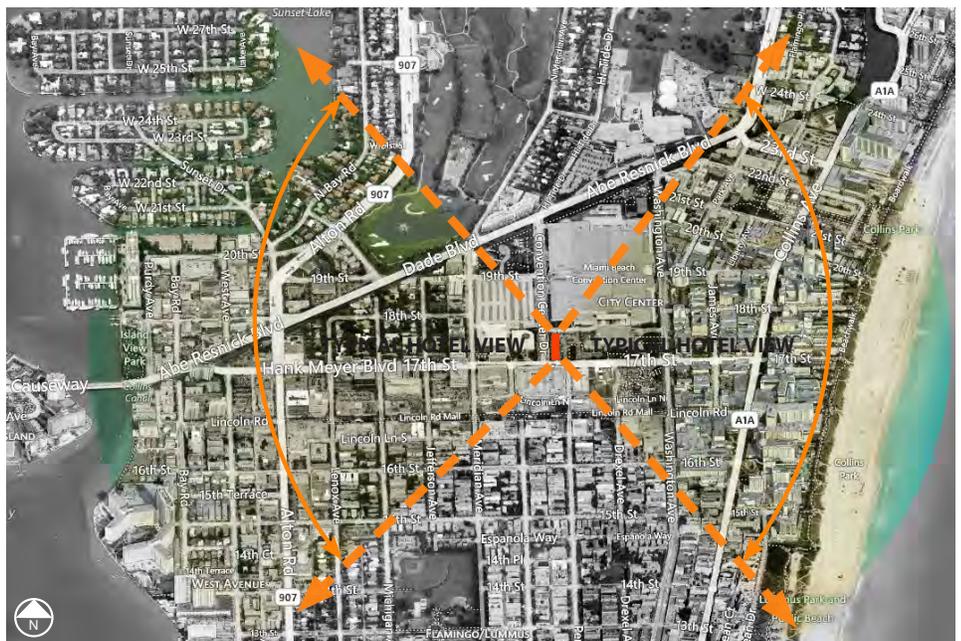
# VIEW STUDY

When planning the hotel orientation and layout, optimizing views of the city skyline and morning sunrise were key factors in developing the proposed building massing and fenestration. The structure is composed of a series of geometric volumes that offer sweeping views of the morning sunrise and western sunsets.

The expressive breaks in the massing create outdoor terraces that soften the scale of the large hotel and create dynamic spaces for rest and relaxation.



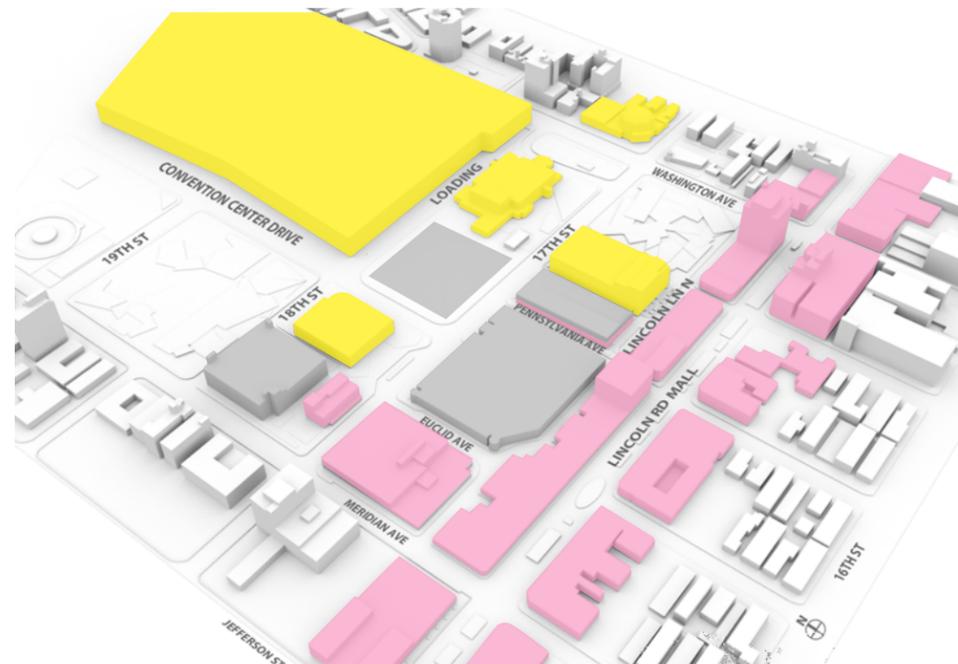
North/South Views



East / West Views

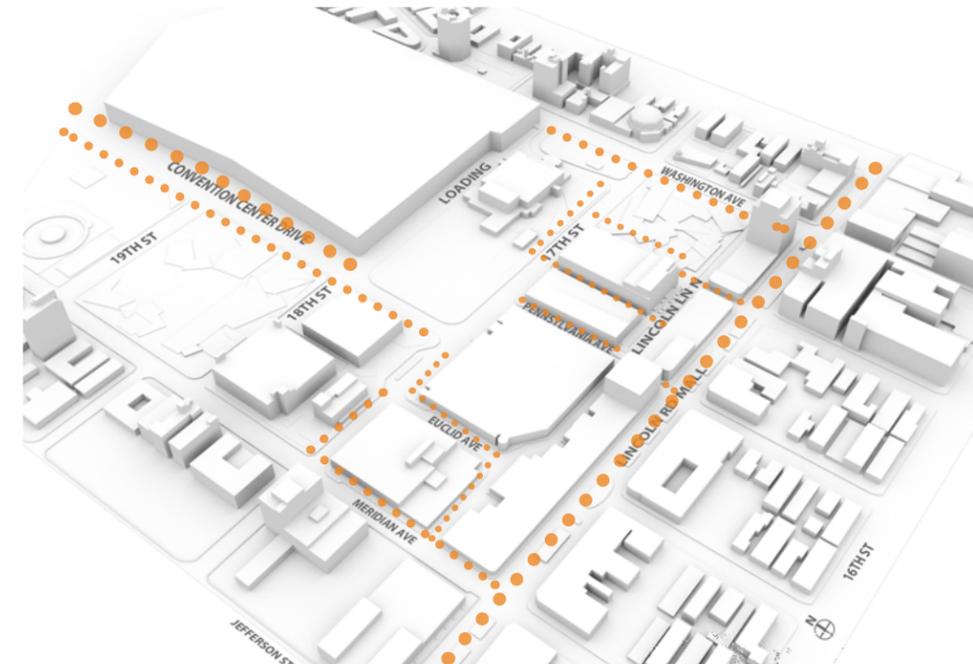
## SITE CHALLENGES

### USE DIAGRAM



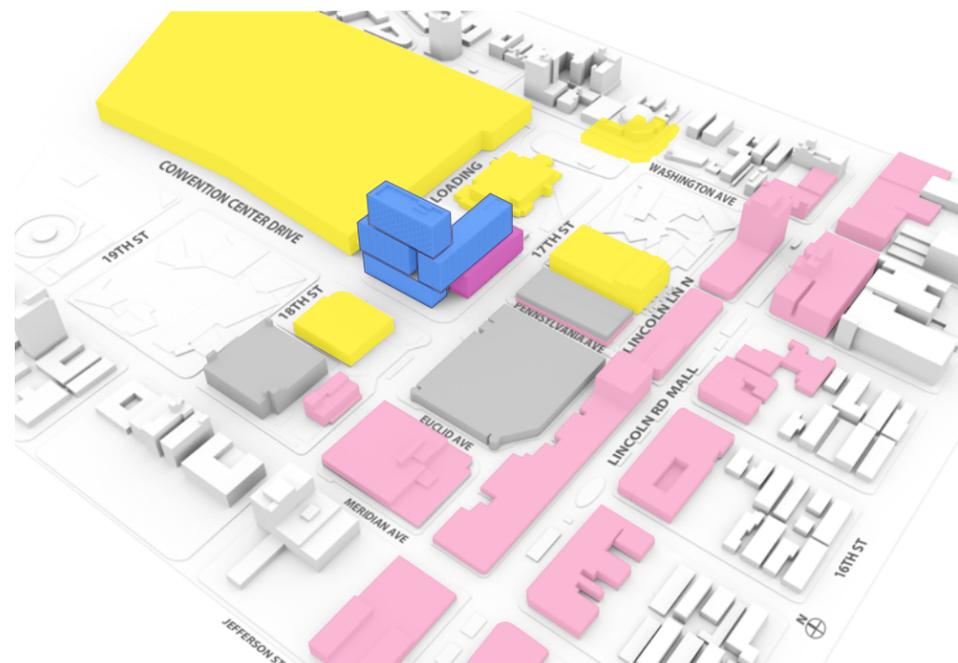
- RETAIL** The proposed under-utilized site disrupts pedestrian flow along 17th Street and encumbers access to nearby civic areas. The north side of 17th Street is void of any retail or rich landscaping, and the streetscape does not offer relief from vehicular traffic along 17th Street.
- PUBLIC**
- PARKING**
- RESIDENT**

### PEDESTRIAN DIAGRAM

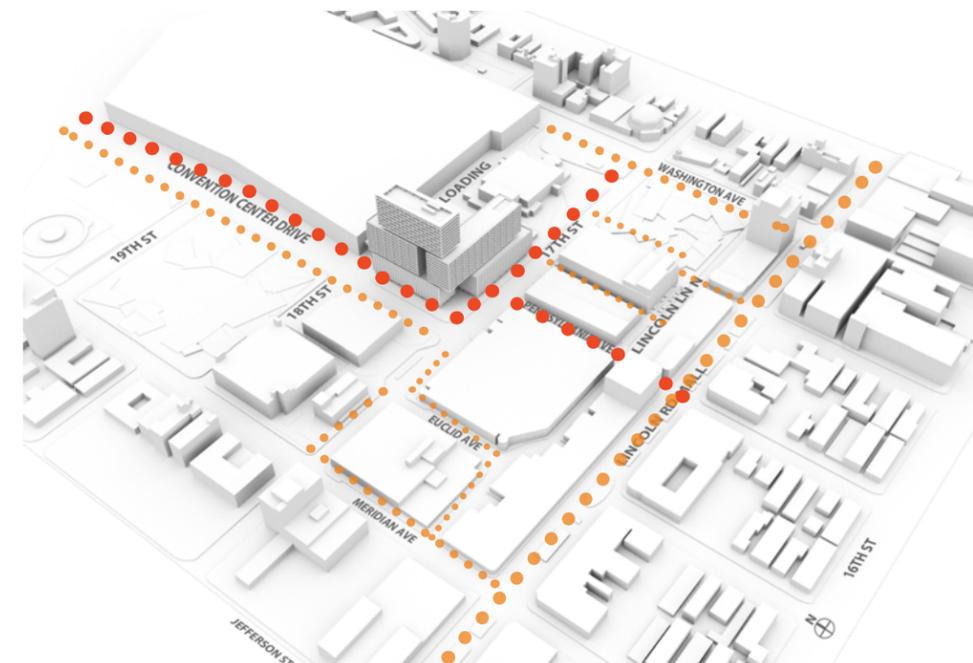


- PUBLIC CIRCULATION** Pedestrian circulation is limited to the south side of 17th Street. Convention Center pedestrian traffic is secondary to vehicle traffic and requires pedestrians to cross over the convention loading traffic.

## SITE OPPORTUNITIES



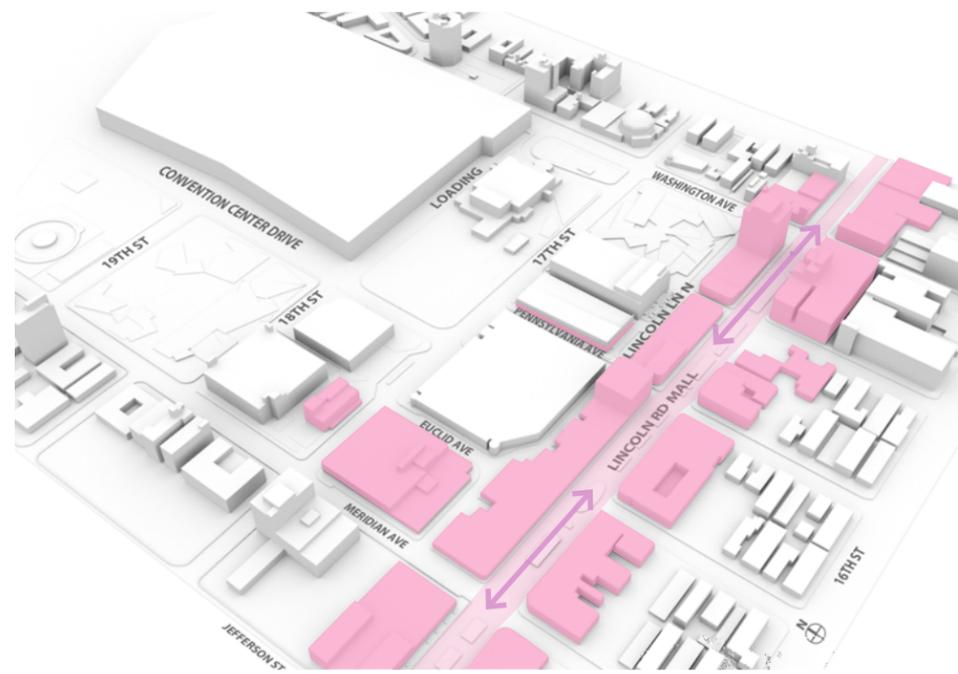
- PROPOSED** The hotel will serve as a link for pedestrians traveling from the Convention Center to the surrounding shopping venues, parks, and civic areas. The enhanced streetscape will be highlighted by a public piazza at the corner of Convention Road and 17th Street.
- HOTEL**



- PUBLIC CIRCULATION** The hotel skywalk and spine will activate the corner and provide easy access for pedestrian traffic to flow from the Convention Center to 17th Street.

## SITE CHALLENGES

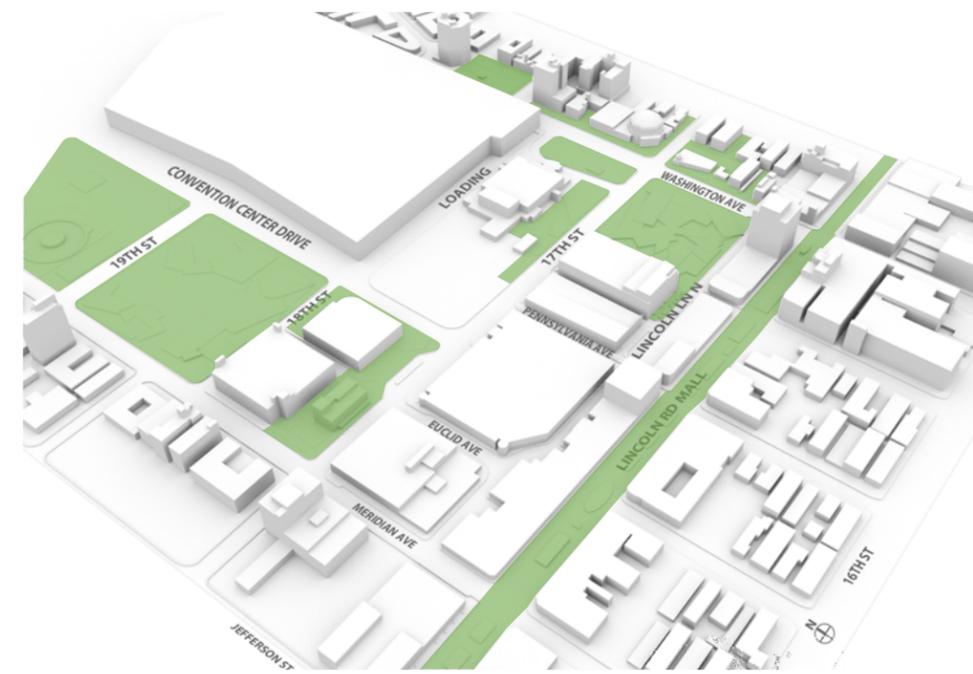
### RETAIL DIAGRAM



**RETAIL** The south side of 17th Street is void of any retail, dining, or shopping amenities. Convention guests have limited retail opportunities.

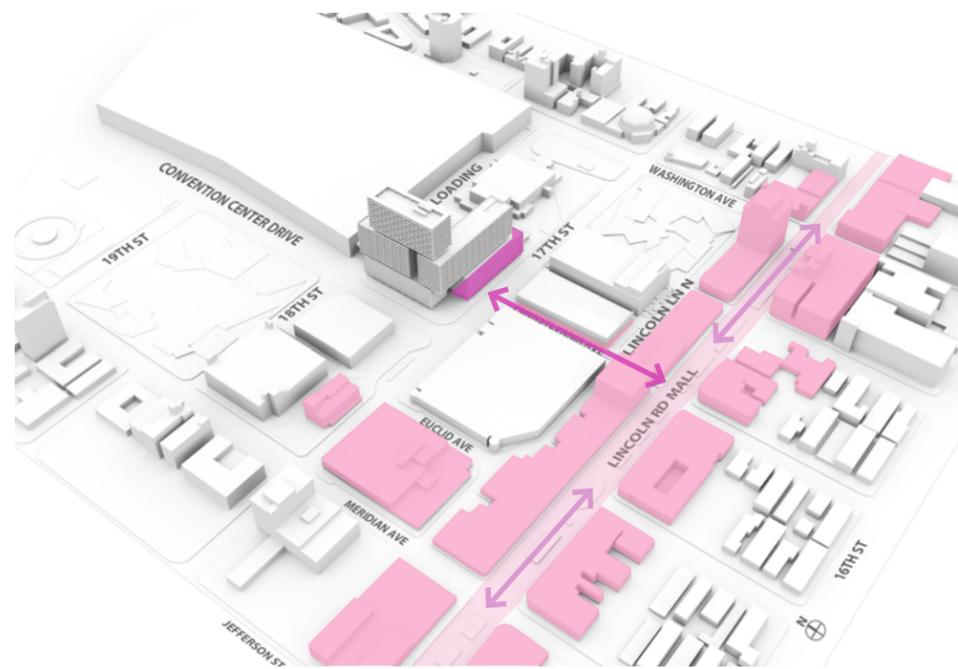
**LINCOLN RD MALL**

### LANDSCAPE DIAGRAM

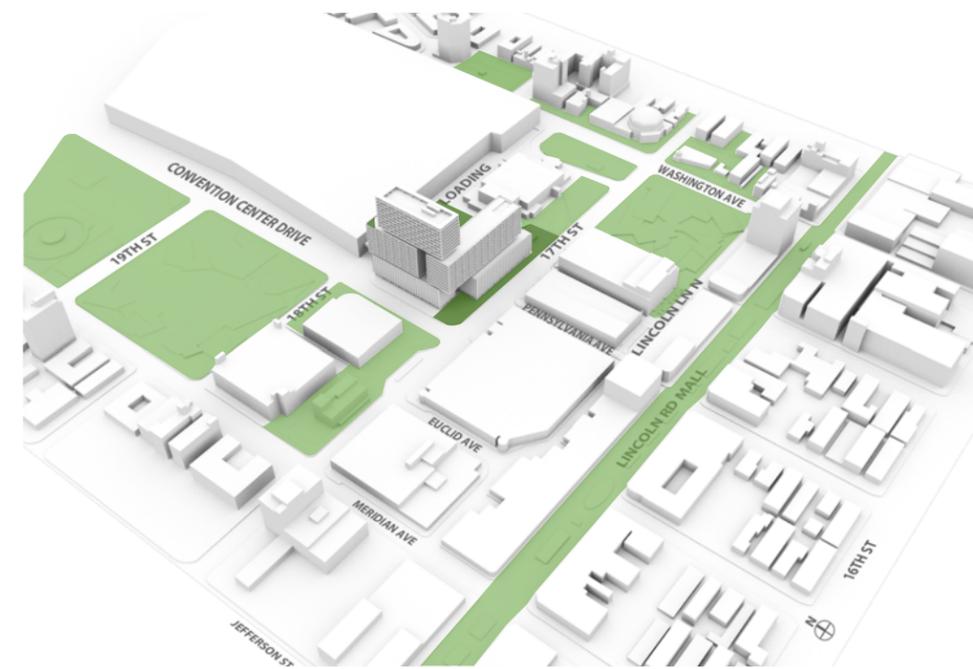


**PUBLIC SPACE** The south side of 17th Street and Convention Road is limited with respect to vegetation and shaded streetscape and public gardens.

## SITE OPPORTUNITIES



**RETAIL OPPORTUNITY** The introduction of hotel amenities, dining, and shopping along the south side of 17th street will activate the pedestrian streetscape and create a new retail connection to Lincoln Road Mall.

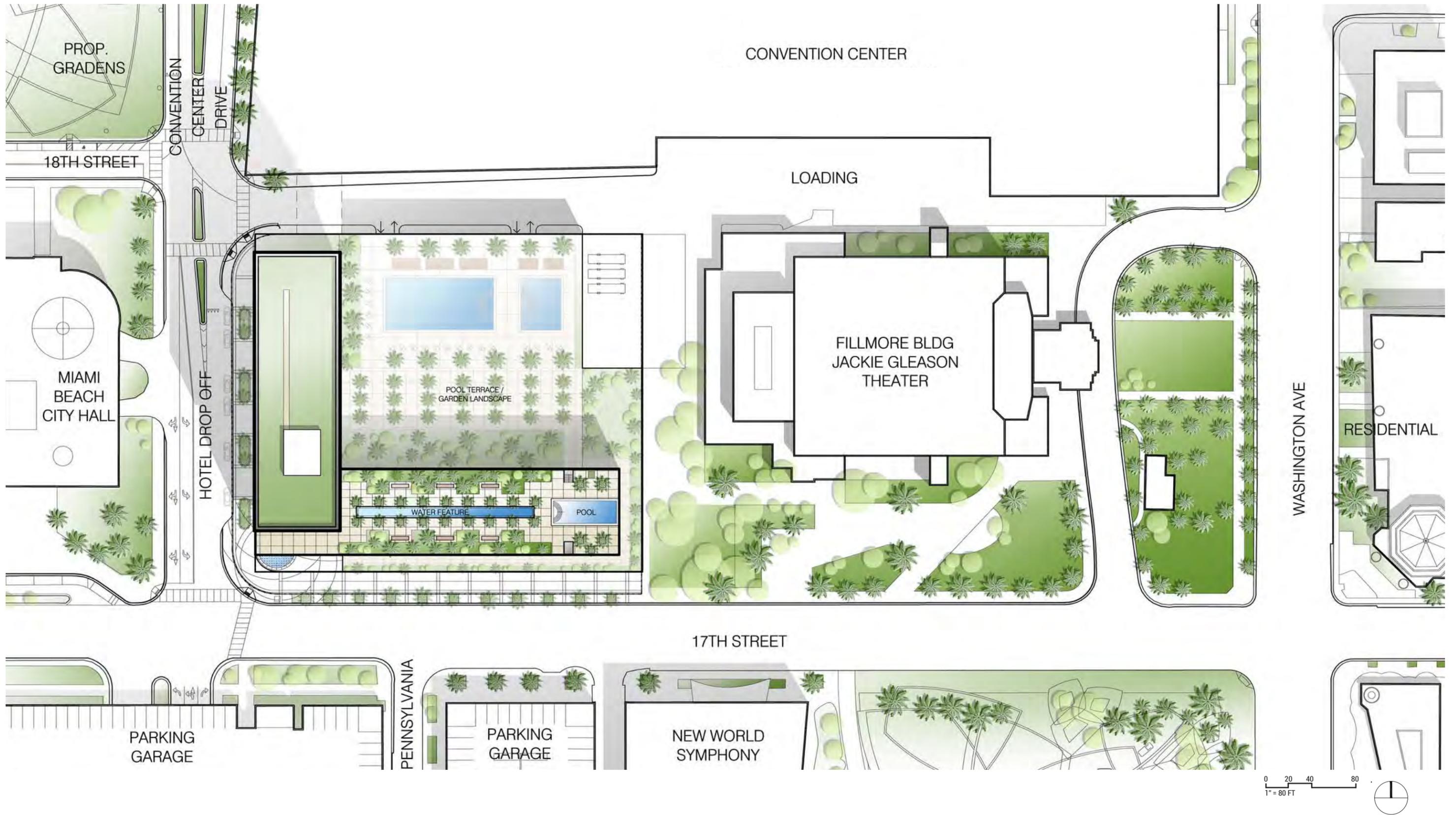


**PUBLIC SPACE OPPORTUNITY** The introduction of a new public piazza and streetscape landscaping will provide a dynamic and softer pedestrian experience along 17th Street and Convention Road.

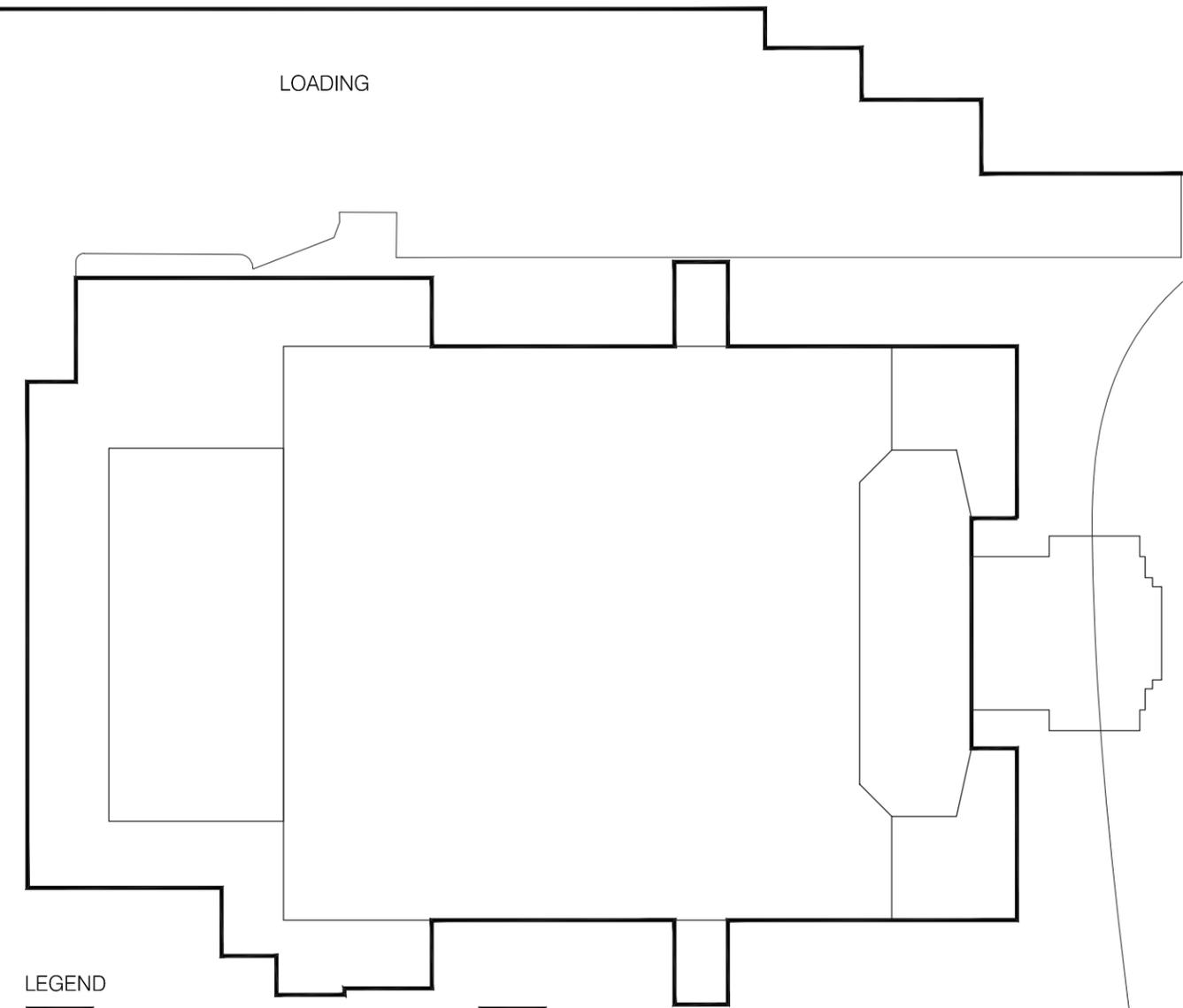
# LOBBY PERSPECTIVE



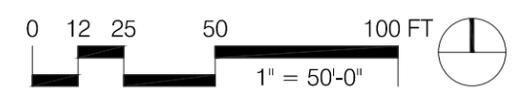
# SITE PLAN



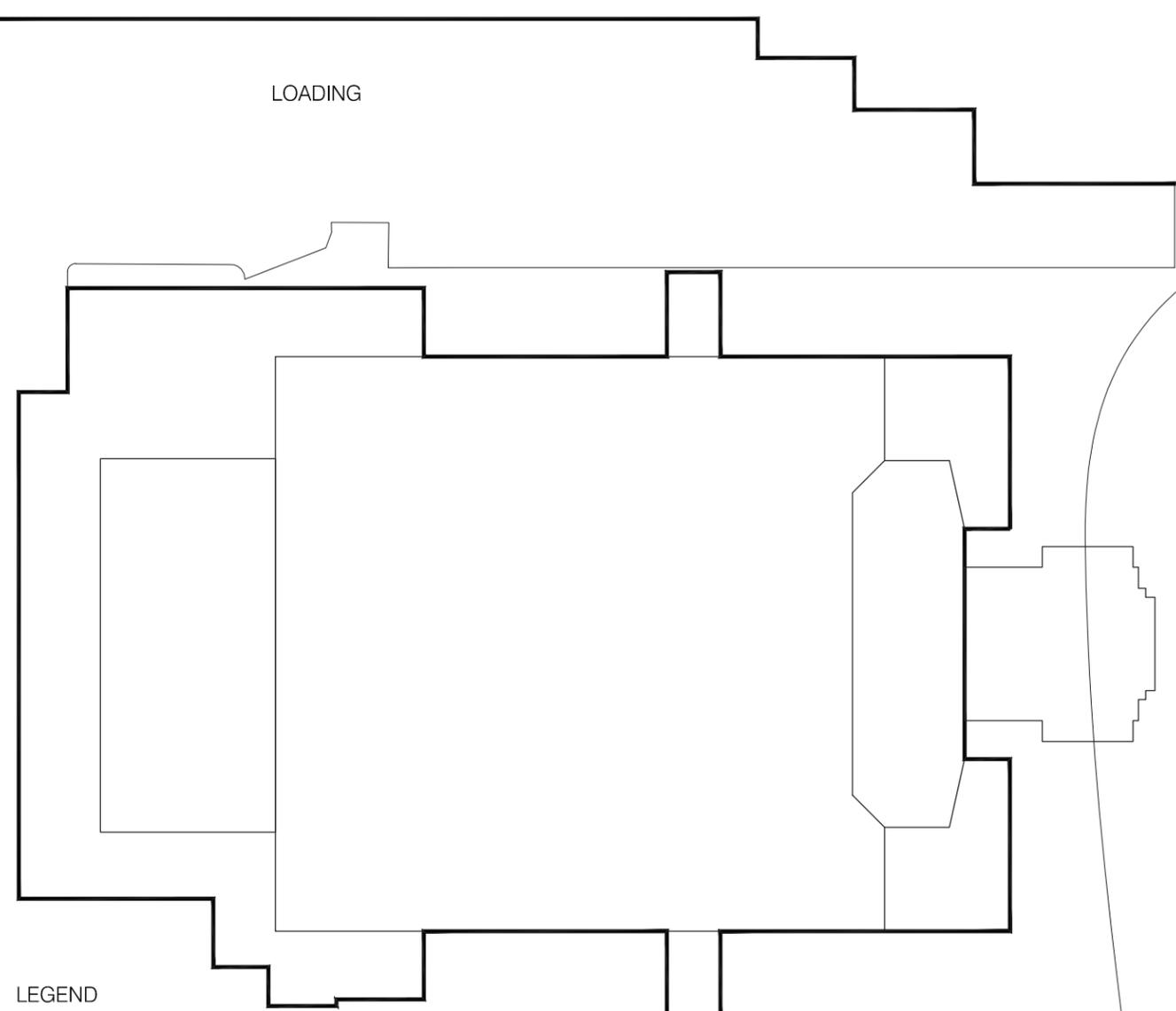
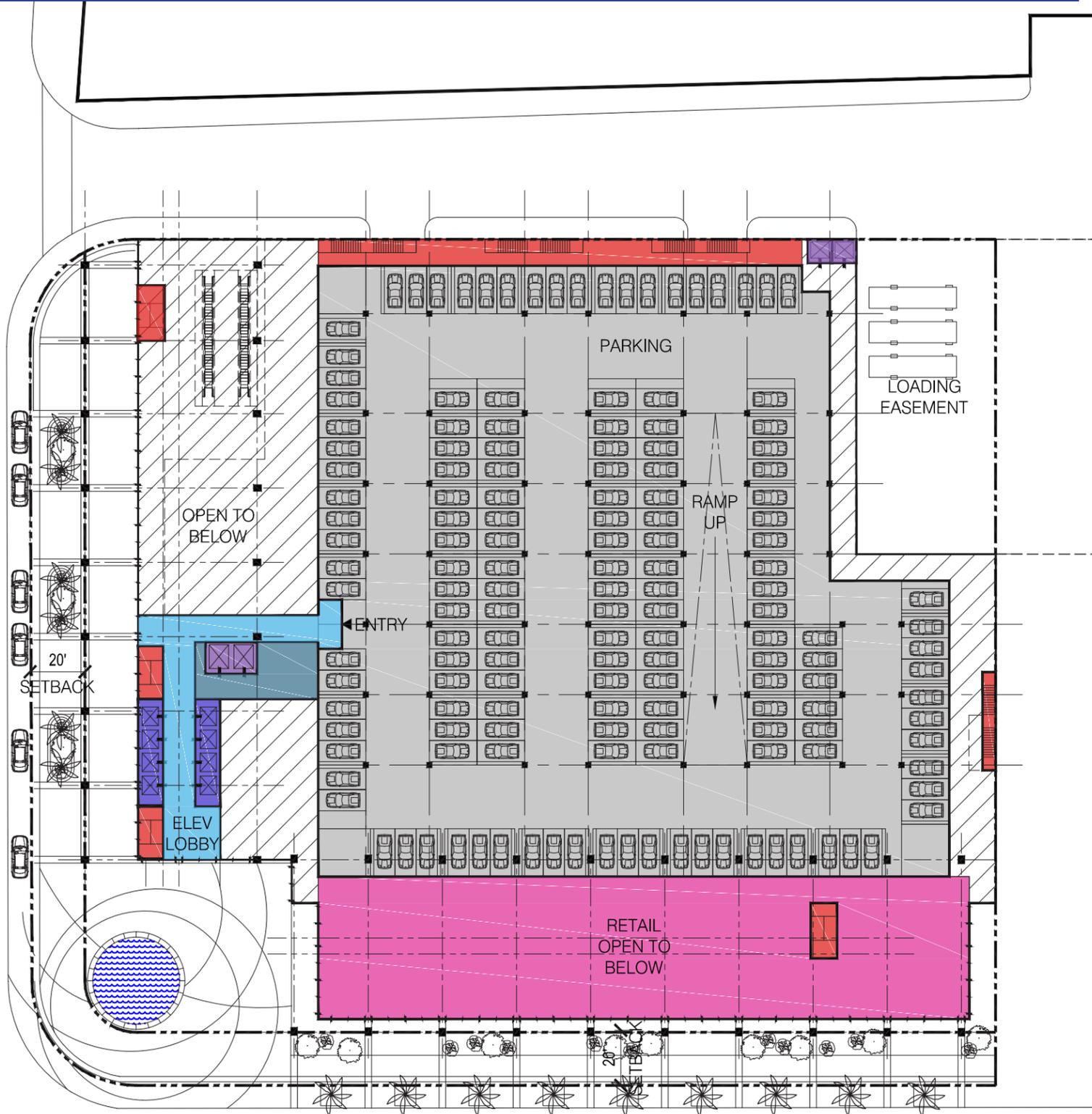
# FLOOR PLAN - LEVEL 1 (ELEVATION 0')



- LEGEND
- |  |                             |  |                             |
|--|-----------------------------|--|-----------------------------|
|  | HOTEL LOBBY AND CIRCULATION |  | HOTEL LOBBY AND CIRCULATION |
|  | HOTEL SERVICES / BOH        |  | HOTEL SERVICES / BOH        |
|  | HOTEL SERVICE CIRCULATION   |  | HOTEL SERVICE CIRCULATION   |
|  | RESTAURANT / RETAIL         |  | HOTEL PARKING               |

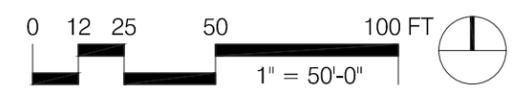


# FLOOR PLAN - LEVEL 1, MEZZANINE 1 (ELEVATION 10')

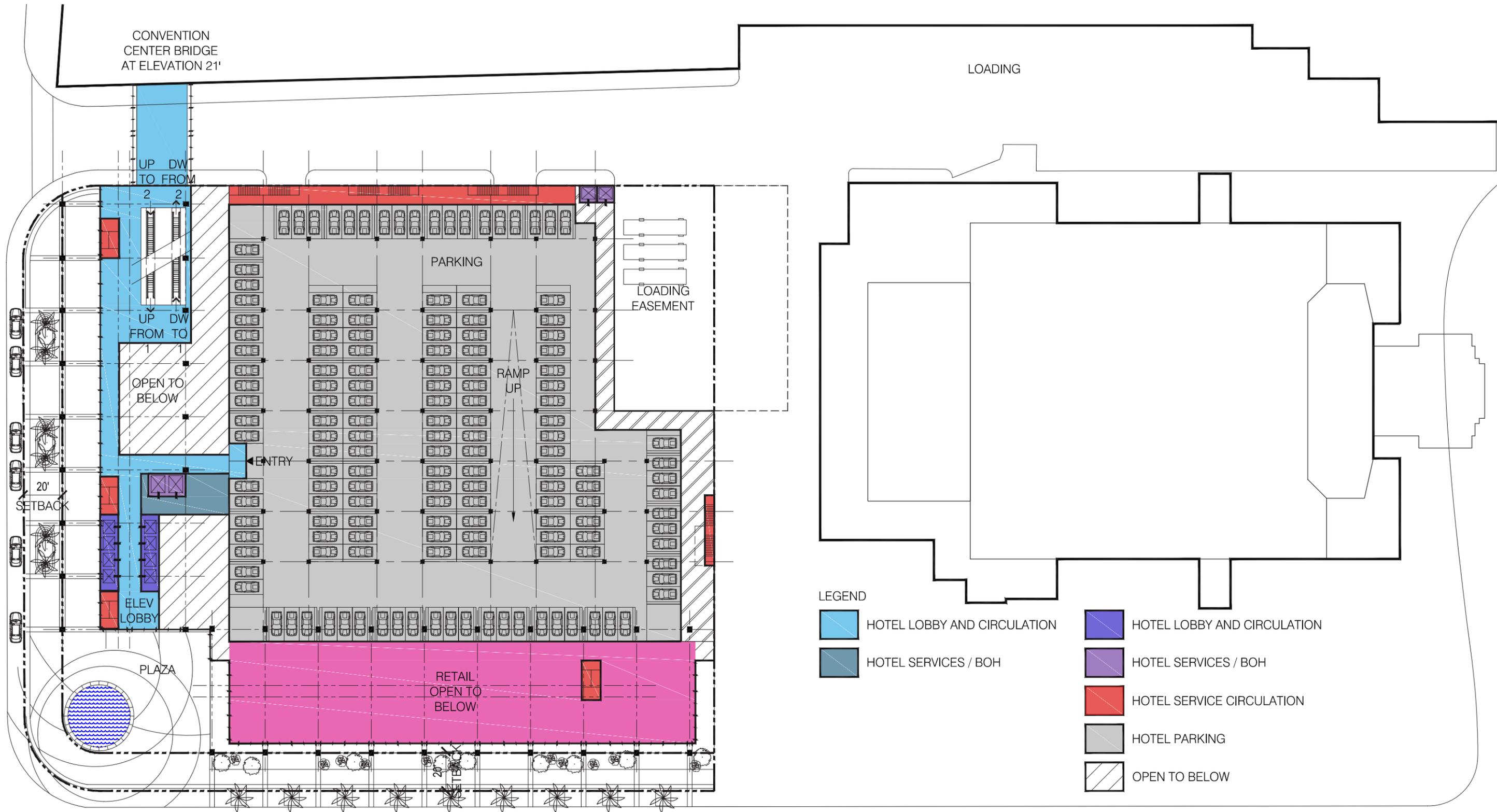


LEGEND

	HOTEL LOBBY AND CIRCULATION		HOTEL LOBBY AND CIRCULATION
	HOTEL SERVICES / BOH		HOTEL SERVICES / BOH
	HOTEL SERVICE CIRCULATION		HOTEL SERVICE CIRCULATION
	HOTEL PARKING		HOTEL PARKING
	OPEN TO BELOW		OPEN TO BELOW

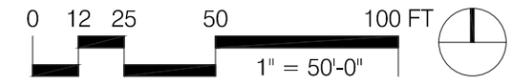


# FLOOR PLAN - LEVEL 1, MEZZANINE 2 (ELEVATION 20')

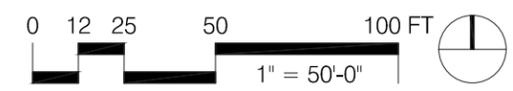
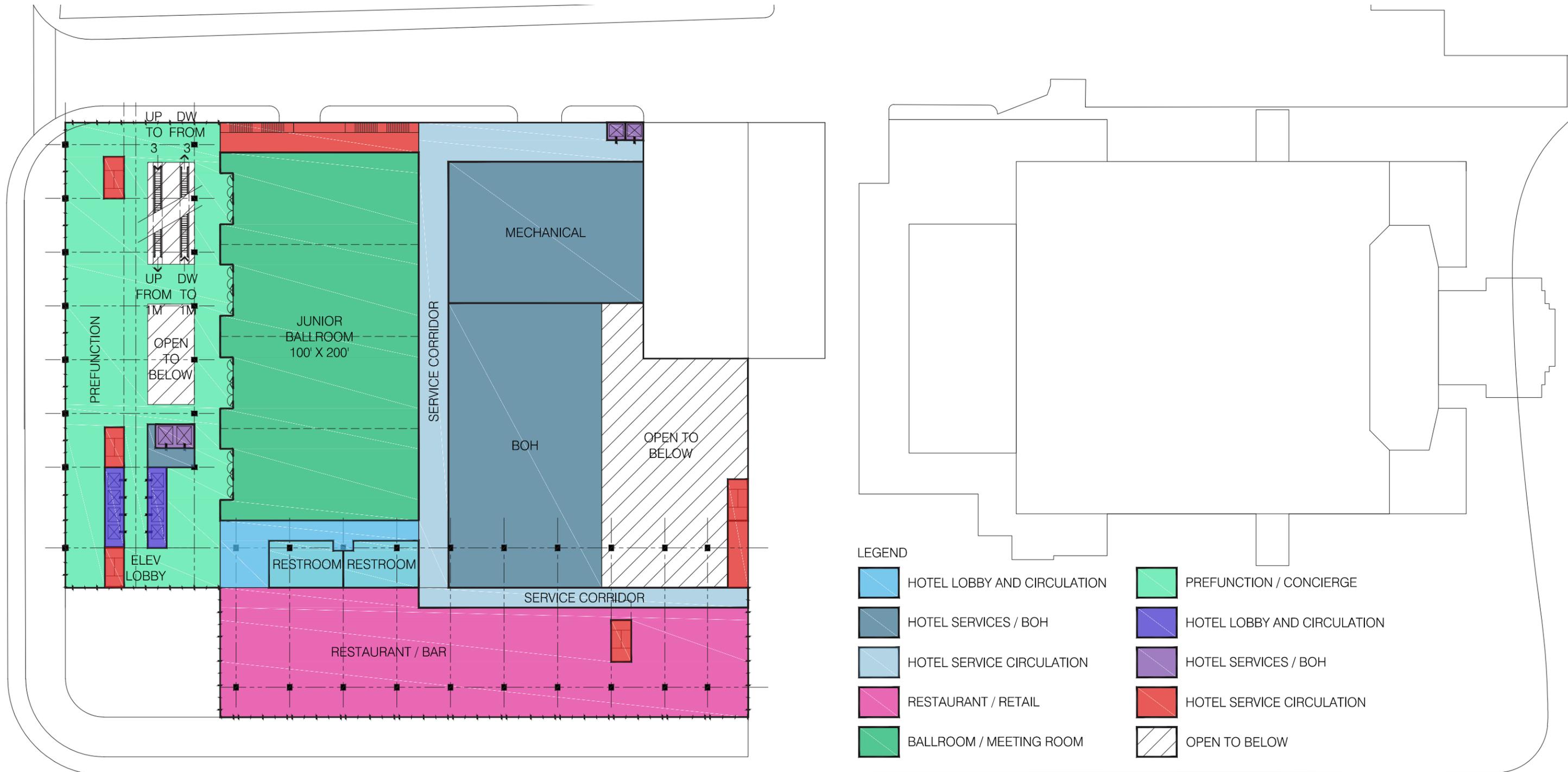


**LEGEND**

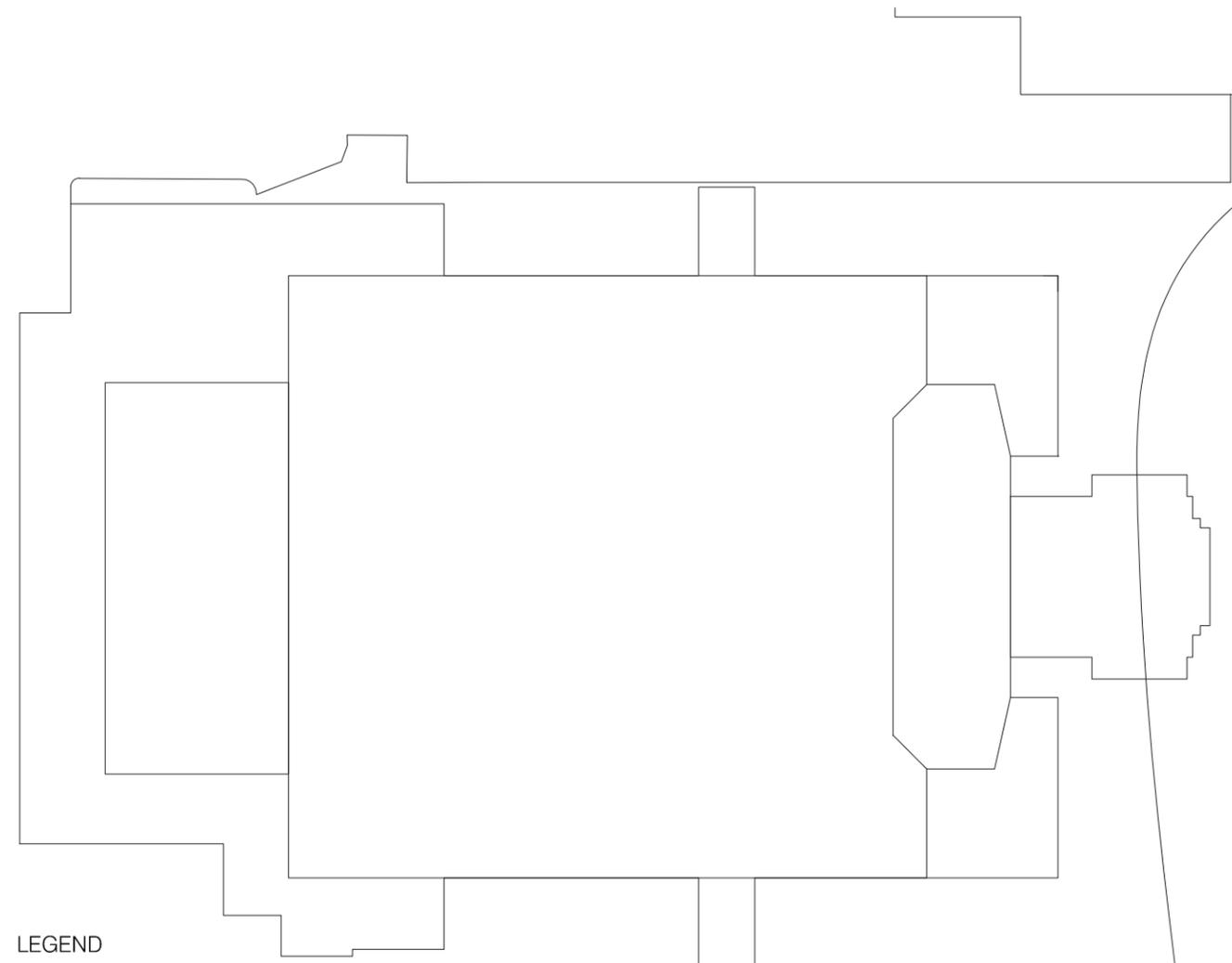
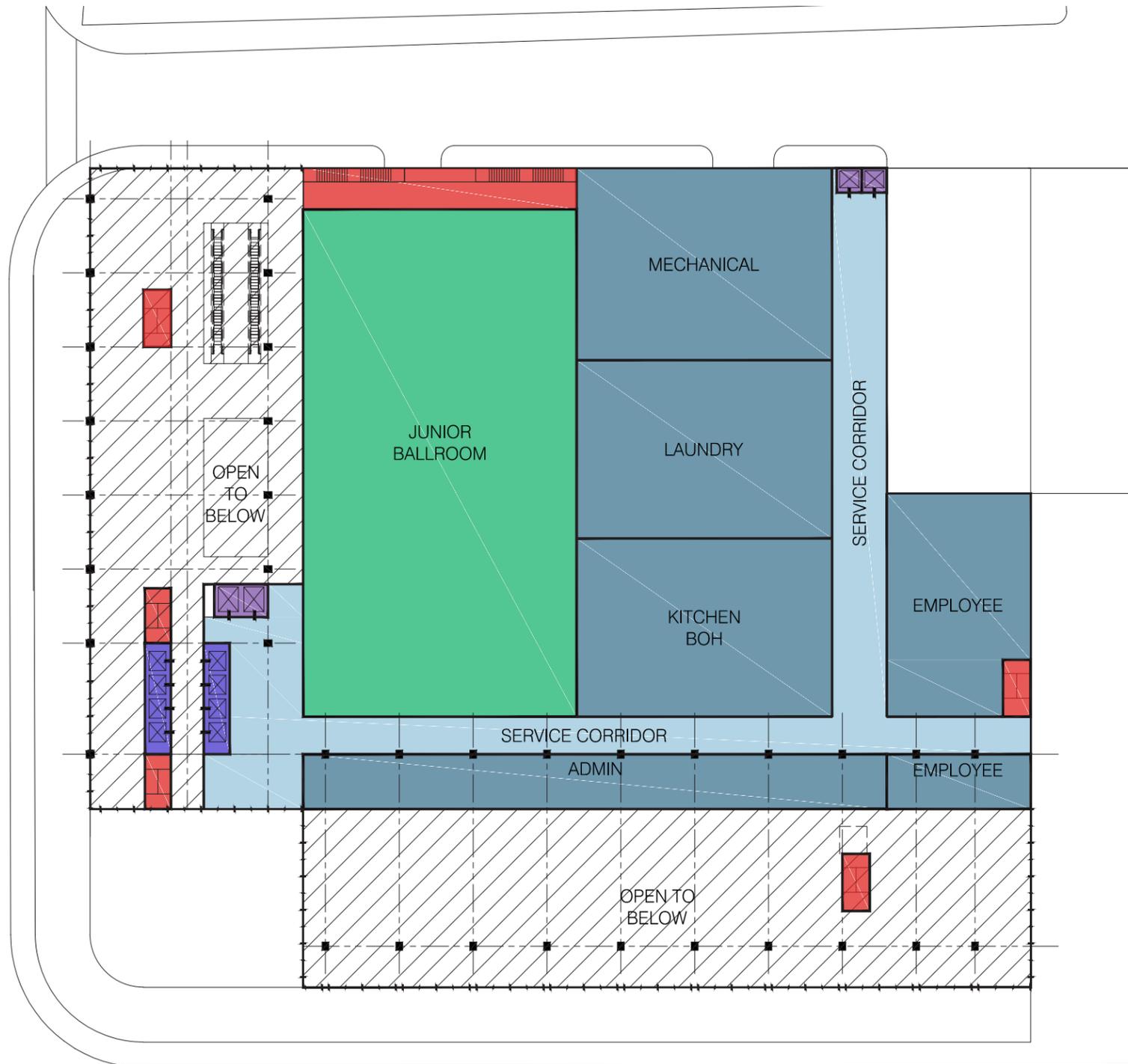
	HOTEL LOBBY AND CIRCULATION		HOTEL LOBBY AND CIRCULATION
	HOTEL SERVICES / BOH		HOTEL SERVICES / BOH
	HOTEL SERVICE CIRCULATION		HOTEL PARKING
	HOTEL PARKING		OPEN TO BELOW



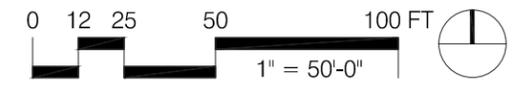
# FLOOR PLAN - LEVEL 2 JUNIOR BALLROOM & RESTAURANT / BAR (ELEVATION 30')



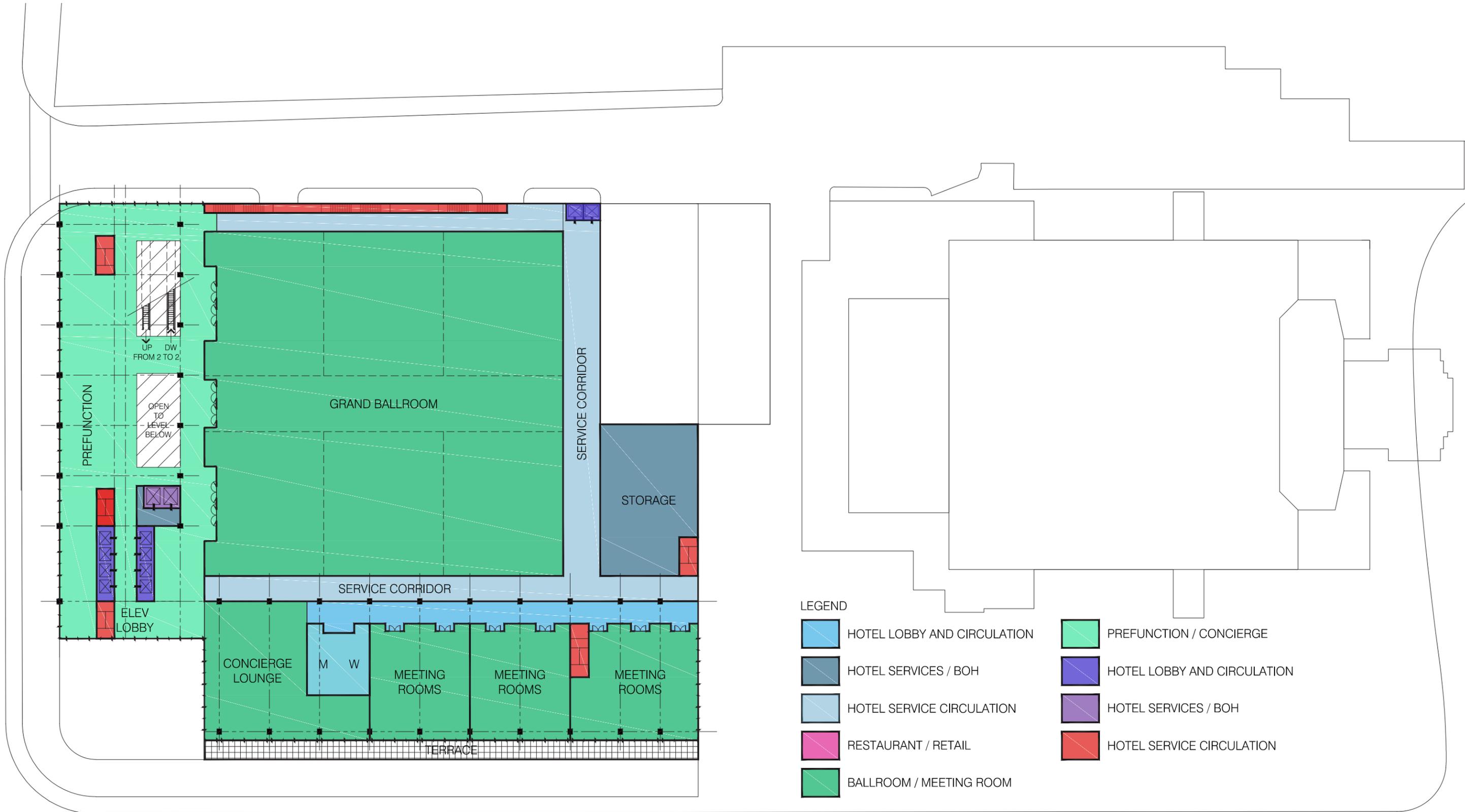
# FLOOR PLAN - LEVEL 2 MEZZANINE, SERVICE LEVEL ONLY (ELEVATION 40')



- LEGEND
-  HOTEL LOBBY AND CIRCULATION
  -  HOTEL SERVICES / BOH
  -  HOTEL SERVICES / BOH
  -  HOTEL SERVICE CIRCULATION
  -  HOTEL SERVICE CIRCULATION
  -  OPEN TO BELOW

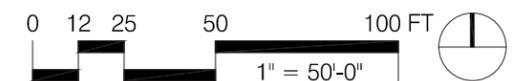


# FLOOR PLAN - LEVEL 3 GRAND BALLROOM (ELEVATION 50')

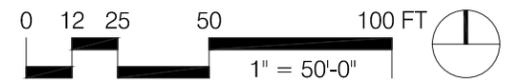
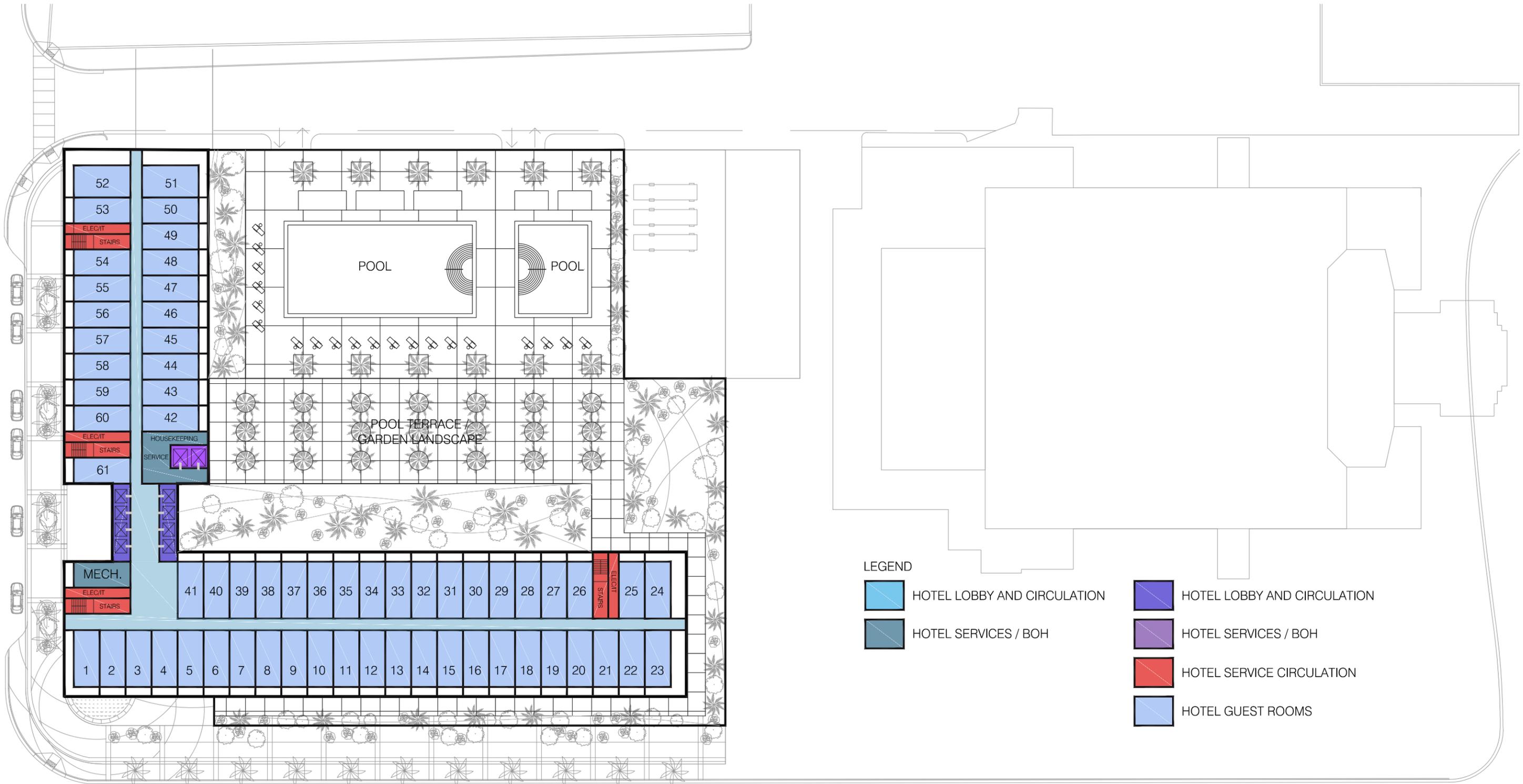


## LEGEND

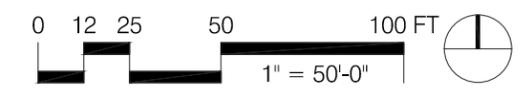
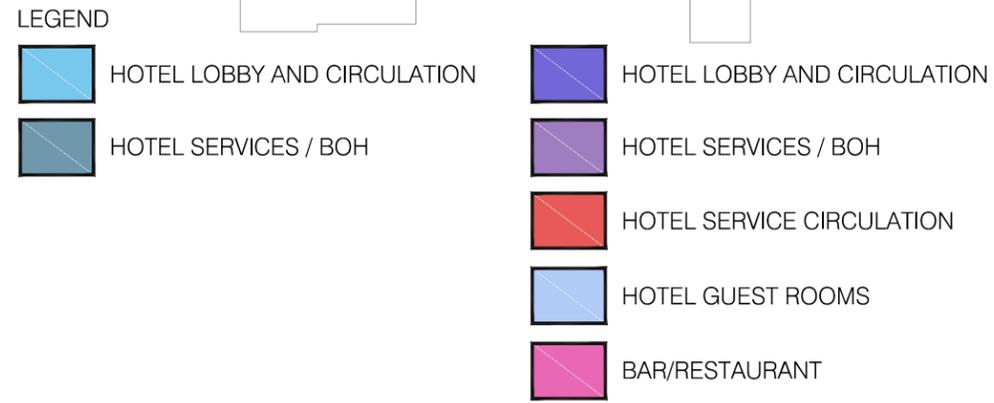
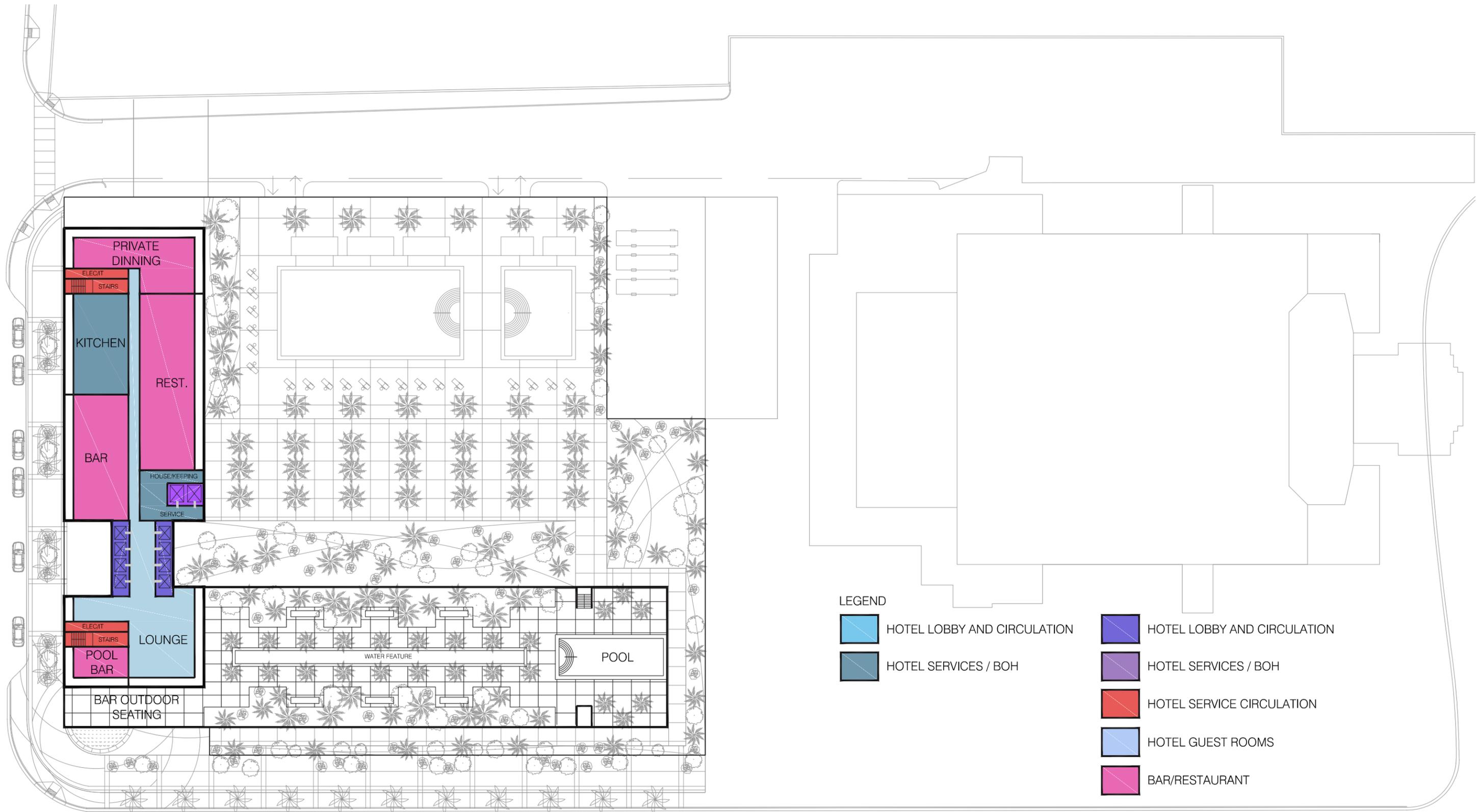
- HOTEL LOBBY AND CIRCULATION
- HOTEL SERVICES / BOH
- HOTEL SERVICE CIRCULATION
- RESTAURANT / RETAIL
- BALLROOM / MEETING ROOM
- PREFUNCTION / CONCIERGE
- HOTEL LOBBY AND CIRCULATION
- HOTEL SERVICES / BOH
- HOTEL SERVICE CIRCULATION



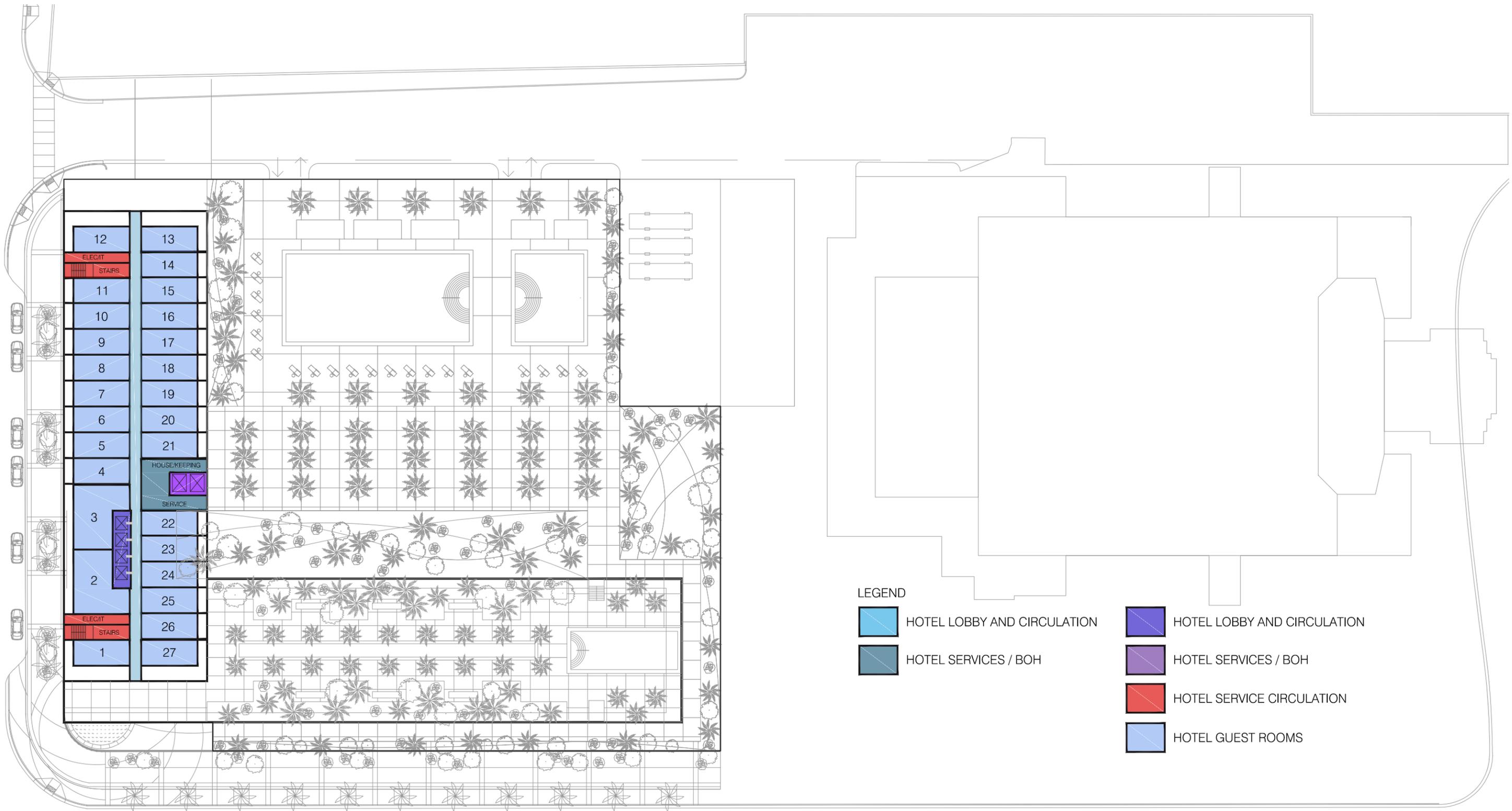
# FLOOR PLAN - LEVELS 4 THROUGH 13



# FLOOR PLAN - AMMENITY FLOOR

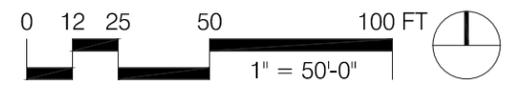


# FLOOR PLAN - LEVELS 14 THROUGH 23

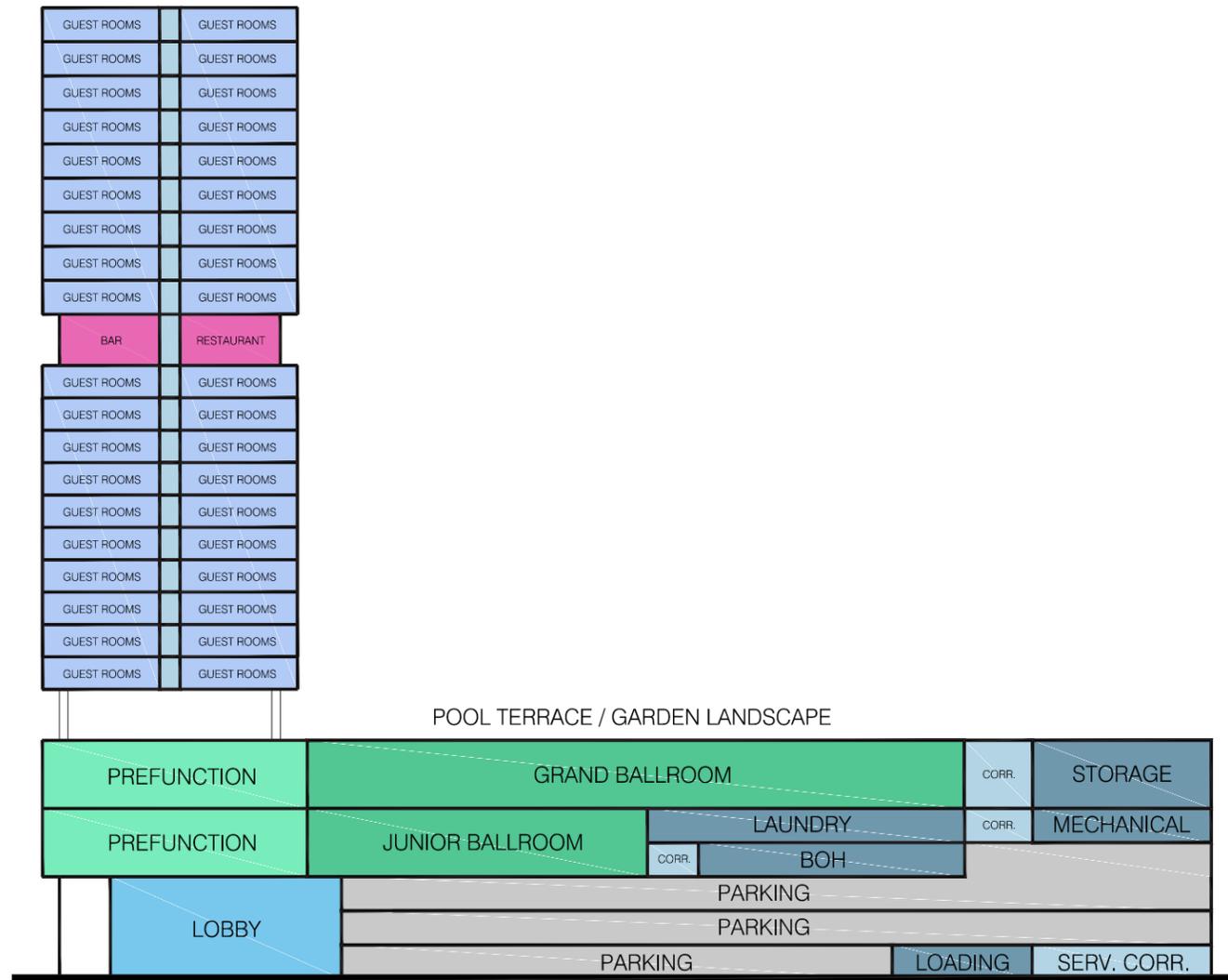


**LEGEND**

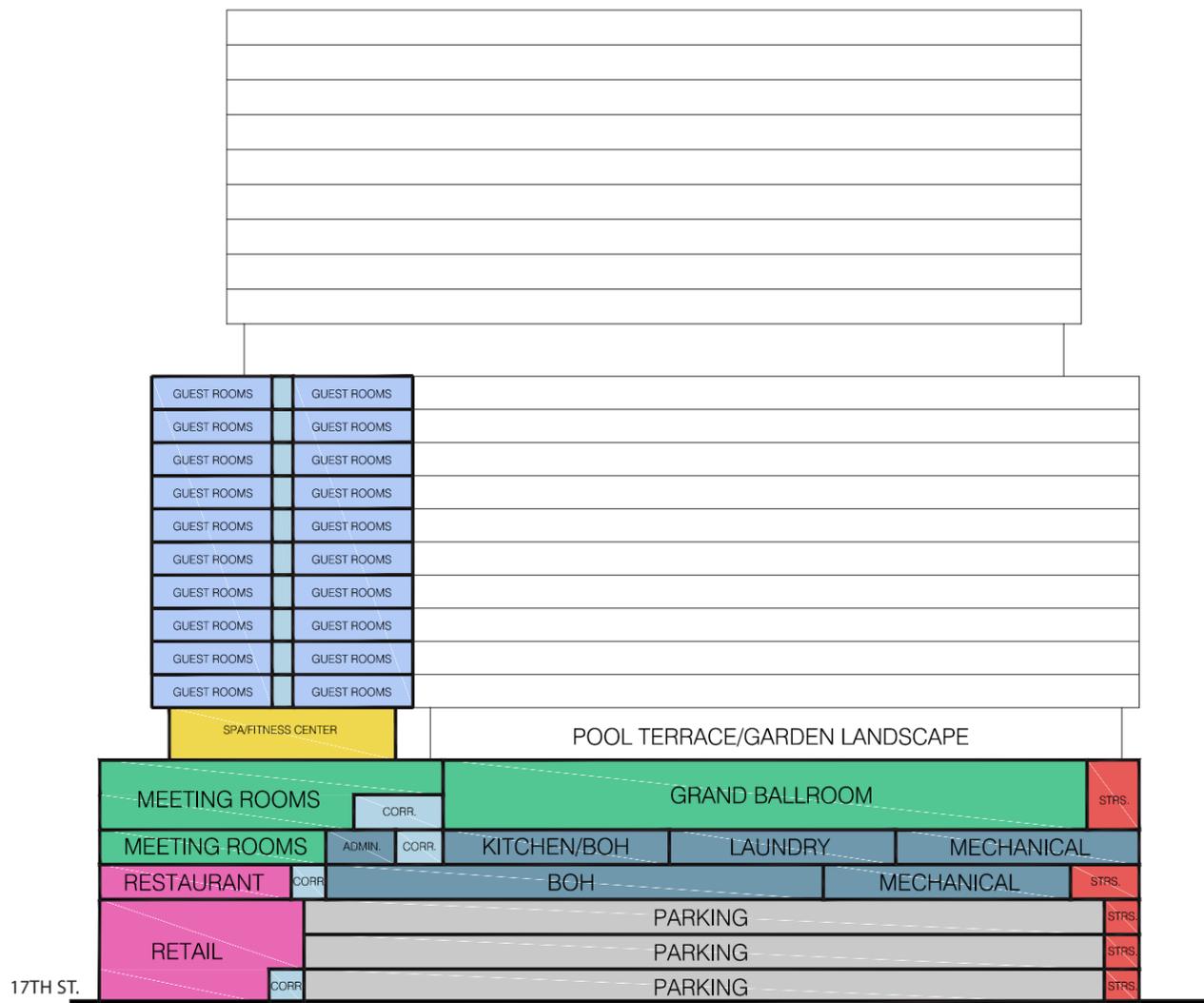
	HOTEL LOBBY AND CIRCULATION		HOTEL LOBBY AND CIRCULATION
	HOTEL SERVICES / BOH		HOTEL SERVICES / BOH
	HOTEL SERVICE CIRCULATION		HOTEL GUEST ROOMS



# BUILDING SECTIONS



SECTION A



SECTION B

ROOF	EL. ±285'-0"
LEVEL 23	EL. ±279'-0"
LEVEL 22	EL. ±269'-0"
LEVEL 21	EL. ±259'-0"
LEVEL 20	EL. ±249'-0"
LEVEL 19	EL. ±239'-0"
LEVEL 18	EL. ±228'-0"
LEVEL 17	EL. ±219'-0"
LEVEL 16	EL. ±209'-0"
LEVEL 15	EL. ±199'-0"
LEVEL 14 AMENITIES	EL. ±180'-0"
LEVEL 13	EL. ±170'-6"
LEVEL 12	EL. ±161'-0"
LEVEL 11	EL. ±151'-6"
LEVEL 10	EL. ±142'-0"
LEVEL 9	EL. ±132'-6"
LEVEL 8	EL. ±123'-0"
LEVEL 7	EL. ±113'-6"
LEVEL 6	EL. ±104'-0"
LEVEL 5	EL. ±94'-6"
LEVEL 4	EL. ±85'-0"
LEVEL 3 MEZZANINE	EL. ±70'-0"
LEVEL 3 GRAND BALLROOM	EL. ±50'-0"
LEVEL 2 MEZZANINE	EL. ±40'-0"
LEVEL 2 JUNIOR BALLROOM	EL. ±30'-0"
LEVEL 1 MEZZANINE 2	EL. ±20'-0"
LEVEL 1 MEZZANINE 1	EL. ±10'-0"
GROUND FLOOR	EL. ±0'-0"

LEGEND

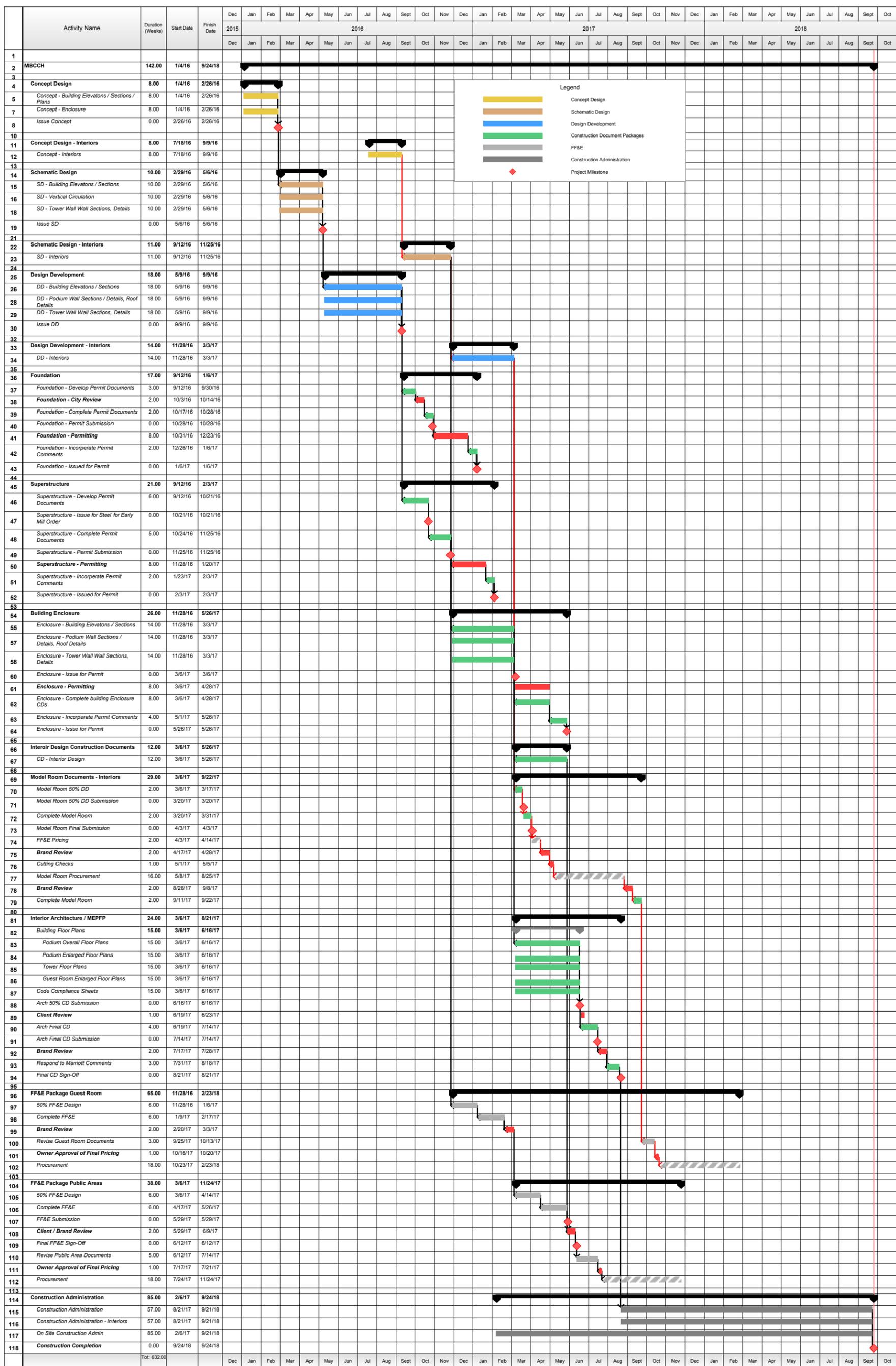
- HOTEL LOBBY AND CIRCULATION
- PREFUNCTION / CONCIERGE
- PREFUNCTION / CONCIERGE
- HOTEL SERVICES / BOH
- HOTEL LOBBY AND CIRCULATION
- BALLROOM / MEETING ROOM
- HOTEL SERVICE CIRCULATION
- HOTEL SERVICES / BOH
- SPA/FITNESS CENTER
- RESTAURANT / RETAIL
- HOTEL SERVICE STAIRS

CONVENTION DR.

# INFINITY POOL PERSPECTIVE



Description	Description	Floor No.	Keys By Type						Total Number of Keys	Total Number of Bays	No. Parking Stalls @ 360 SF Per Stall	Total SF No Balconies	Total SF with 100% Balconies
			QQ	K	1.5 Bay Hospitality	Three-Bay Hospitality	VP Suite (4)	P Suite (5)					
										360			
Boutique Hotel		23	2	4	6	1	1	1	15	27	14,918	18,412	
Boutique Hotel		22	8	10	6				24	27	14,918	18,412	
Boutique Hotel		21	8	10	6				24	27	14,918	18,412	
Boutique Hotel		20	8	13	4				25	27	14,918	18,412	
Boutique Hotel		19	8	19					27	27	14,918	18,412	
Boutique Hotel		18	8	19					27	27	14,918	18,412	
Boutique Hotel		17	8	19					27	27	14,918	18,412	
Boutique Hotel		16	8	19					27	27	14,918	18,412	
Boutique Hotel		15	8	19					27	27	14,918	18,412	
Amenities Level		14									14,918	14,918	
Conv. Hotel		13	8	23	10	2	1	1	45	61	32,666	38,327	
Conv. Hotel		12	12	31	10	1			54	61	32,666	38,327	
Conv. Hotel		11	12	31	10	1			54	61	32,666	38,327	
Conv. Hotel		10	16	36	6				58	61	32,666	38,327	
Conv. Hotel		9	18	43					61	61	32,666	38,327	
Conv. Hotel		8	18	43					61	61	32,666	38,327	
Conv. Hotel		7	18	43					61	61	32,666	38,327	
Conv. Hotel		6	18	43					61	61	32,666	38,327	
Conv. Hotel		5	18	43					61	61	32,666	38,327	
Conv. Hotel		4	18	43					61	61	32,666	38,327	
Amenities Level	Spa	3M									5,000		
Podium	Grand Ballroom	3									35,050		
Podium	Break Out Meeting Space	3									10,520		
Podium	Conceirge Lounge	3									4,950		
Podium	Grand Prefunction	3									14,730		
Podium	Hotel Circulation	3									2,890		
Podium	Hotel Restroom	3									1,210		
Podium	Service Circulation	3									9,470		
Podium	Storage	3									4,075		
Podium	Stairs	3									1,905		
Podium	BOH Support	2M									11,000		
Podium	Mechanical	2M									6,535		
Podium	Housekeeping Laundry	2M									6,070		
Podium	Food Services Kitchen	2M									6,070		
Podium	Administrative Offices	2M									4,270		
Podium	Employee Facilities	2M									5,130		
Podium	Service Circulation	2M									9,770		
Podium	Stairs	2M									2,510		
Podium	Junior Ballroom	2									17,830		
Podium	Junior Prefunction	2									14,640		
Podium	Hotel Circulation	2									1,630		
Podium	Hotel Restroom	2									1,735		
Podium	Hotel Restaurant / Bar	2									15,420		
Podium	Back of House	2									11,300		
Podium	Service Circulation	2									6,935		
Podium	Mechanical	2									6,970		
Podium	Stairs	2									2,855		
Podium	Parking	1MB								167	49,140		
Podium	Hotel Circulation	1MB									5,170		
Podium	Hotel Bridge	1MB									1,490		
Podium	Back of House	1MB									550		
Podium	Stairs	1MB									2,815		
Podium	Parking	1MA								167	49,140		
Podium	Hotel Circulation	1MA									2,035		
Podium	Back of House	1MA									550		
Podium	Stairs	1MA									2,815		
Podium	Convention Lobby	1									7,645		
Podium	Retail	1									11,015		
Podium	Loading Dock	1									5,130		
Podium	Parking	1								159	46,440		
Podium	Hotel Restroom	1									650		
Podium	Back of House	1									3,385		
Podium	Elevators	1									1,175		
Podium	Service Circulation	1									7,020		
Podium	Stairs	1									2,210		
<b>Totals - Tower Only</b>			<b>222</b>	<b>511</b>	<b>58</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>800</b>	<b>853</b>	<b>0</b>	<b>480,840</b>	<b>563,896</b>
<b>Totals</b>			<b>222</b>	<b>511</b>	<b>58</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>800</b>	<b>853</b>	<b>493</b>	<b>894,685</b>	<b>982,741</b>





# 6

## FINANCING PLAN AND FINANCIAL CAPABILITY

### Site Lease

Oxford has carefully examined the market dynamics for a hotel project adjacent to the Miami Beach Convention Center and has projected rate, occupancy, and margin levels that we feel are achievable based on the provisions presented in the RFP. Because of the expensive construction costs and off water location targeting convention demand, we would require some financial subsidy to generate a fair market return commensurate to the risks being taken. Based on our initial construction estimate and projected proformas, the extent of the subsidy is estimated to be approximately 5%-10% of the total development budget.

This subsidy could be achieved through subsidized debt, an upfront payment, tax abatement, or other means. However, our construction budget includes a sizeable contingency to account for the projected escalation of construction costs over the long proposal and design period based on the high inflation of these costs in Miami over the past 24 months. If at the time construction begins we find that the inflation of construction costs is much lower than we currently anticipate, we may not need any subsidy at all. We are open to having a collaborative discussion with the city to find the best mutual solution.

Depending on the final amount and format of subsidy, we would be happy to include a base + percentage rent payment as outlined in the draft lease agreement.

### Plan

The table below outlines the different capital sources that we plan to utilize for this development. As noted above, we are assuming a 5-10% subsidy will be needed to finance the project. The list on the following page details different equity, lender, and third party intermediary partners Oxford has worked with in the past. We plan to utilize our relationships with these partners, as well as those with our large network of additional capital partners to finance this development.

Estimated Development Sources of Funding	Total Capital	% of Total
Senior Debt	200,609,822	60.0%
City Subsidy	25,000,000	7.5%
Equity	108,739,881	32.5%
<b>Total Sources</b>	<b>334,349,704</b>	<b>100.00%</b>

**Financial Capabilities:** Oxford Capital Group and RLB | Swerdling are well financed and highly confident in its ability to capitalize this project. We are happy to discuss our financials with the City of Miami Beach.

## **Oxford Capital Group References**

### **Sample of Capital Partners, Lenders, Investors, and Intermediaries of Oxford and its Principals:**

- Angelo, Gordon & Co.
- Anglo Irish Bank
- Bank One Mortgage Capital Markets (now UBS)
- Bank Of America
- Barclays Capital
- Berkadia
- Blackstone Group
- Brown University Endowment Fund (through advisor, RFP)
- Citigroup
- Cole Taylor Bank
- Countrywide Financial
- Crow Family Trust (through Wyndham Hotel Corporation)
- Deutsche Bank
- Fresh Air Fund (through advisor RFP)
- GMAC
- Goldman Sachs
- Great Eagle Holdings
- Harvard's Endowment Fund
- J.P. Morgan Chase
- LaSalle Hotel Properties
- Lehman Brothers
- Lend Lease
- Merrill Lynch
- Morgan Stanley
- Nash Foundation (through advisor RFP)
- Northern Trust
- Notre Dame's Endowment Fund (through advisor RFP)
- Oberlin College Endowment Fund (through advisor RFP)
- Princeton's Endowment Fund (through advisor RFP)
- Quadrum Capital
- Realty Financial Partners
- RLJ Lodging Trust
- Rockwood Realty
- RBS - Royal Bank of Scotland/Greenwich Capital Markets
- Sagan Family Trust
- Starwood (now I-Star) Financial Trust
- Swarthmore College Endowment Fund (through advisor RFP)
- UBS
- UJA Federation (through advisor RFP)
- Wachovia
- Walton Street Capital
- Wellesley College Endowment Fund (through advisor RFP)

- Yale's Endowment Fund (through advisor RFP)
- Yeshiva University (through advisor RFP)
- Miscellaneous family offices and high net worth investors

### **Intermediaries:**

- CBRE
- Cohen Financial
- Colliers
- Cushman & Wakefield
- Douglas Elliman
- Eastdil
- Goldman Sachs
- Hodges Ward Elliot
- Hospitality Valuation Services
- Hunter Realty
- Jones Lang LaSalle
- Lazard
- Mission Capital
- Molinaro Koger
- Sonnenblick Goldman

### **Sample of Hotel Companies and/or brands JWR/Oxford Capital has worked with:**

- Aramark Corporation
- Fowler Hospitality
- Hampton Hotels
- Hilton Hotel Corporation
- Hilton Doubletree Hotels
- Hilton Hampton Inn & Suites
- Holiday Inn
- Hyatt Hotels
- InterContinental Hotels Group
- Kimpton Hotels
- Langham Hotels International
- LaSalle Hotel Properties
- Marriott International
- Marriott Courtyard
- Marriott Residence Inn
- Marriott Spring Hill Suites
- Oxford Hotels & Resorts, LLC\*
- Radisson Hotels & Resorts
- RLJ Lodging Trust
- Godfrey Hotel
- Felix Hotel
- LondonHouse Chicago

# 10 YEAR DRAFT PROFORMA & CAPITAL CASH FLOW



# 10 YEAR DRAFT OPERATING PROFORMA- 800 KEY HOTEL- SCENARIO A



	Year One 2018-2019				Year Two 2019-2020				Year Three 2020-2021				Year Four 2021-2022				Year Five 2022-2023			
Percentage of Occupancy	67.8%				72.4%				76.7%				76.7%				76.7%			
Average Daily Rate	\$215.75				\$232.47				\$250.01				\$257.51				\$265.24			
RevPAR	\$146.22				\$168.41				\$191.77				\$197.52				\$203.45			
Number of Rooms	800				800				800				800				800			
# of Rooms Sold	197,907				211,538				224,587				223,973				223,973			
# of Rooms Available	292,000				292,000				292,800				292,000				292,000			
	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$
	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR
<b>REVENUES</b>																				
Rooms	42,697,490	55.5%	\$53,372	\$215.75	49,177,028	58.2%	\$61,471	\$232.47	56,149,507	60.6%	\$70,187	\$250.01	57,675,976	60.5%	\$72,095	\$257.51	59,406,255	60.5%	\$74,258	\$265.24
F&B - Total	14,862,999	19.3%	\$18,579	\$75.10	15,308,889	18.1%	\$19,136	\$72.37	15,768,156	17.0%	\$19,710	\$70.21	16,241,201	17.0%	\$20,302	\$72.51	16,728,437	17.0%	\$20,911	\$74.69
Meeting Space/Banquet Income	15,773,381	20.5%	\$19,717	\$79.70	16,246,583	19.2%	\$20,308	\$76.80	16,733,980	18.1%	\$20,917	\$74.51	17,236,000	18.1%	\$21,545	\$76.96	17,753,080	18.1%	\$22,191	\$79.26
Telephone	19,791	0.0%	\$25	\$0.10	21,788	0.0%	\$27	\$0.10	23,826	0.0%	\$30	\$0.11	24,474	0.0%	\$31	\$0.11	25,208	0.0%	\$32	\$0.11
Retail	424,716	0.6%	\$531	\$2.15	437,457	0.5%	\$547	\$2.07	450,581	0.5%	\$563	\$2.01	464,098	0.5%	\$580	\$2.07	478,021	0.5%	\$598	\$2.13
Parking Income	2,270,709	3.0%	\$2,838	\$11.47	2,338,830	2.8%	\$2,924	\$11.06	2,408,995	2.6%	\$3,011	\$10.73	2,481,265	2.6%	\$3,102	\$11.08	2,555,703	2.6%	\$3,195	\$11.41
Other Income	919,096	1.2%	\$1,149	\$4.64	1,011,872	1.2%	\$1,265	\$4.78	1,106,521	1.2%	\$1,383	\$4.93	1,136,603	1.2%	\$1,421	\$5.07	1,170,701	1.2%	\$1,463	\$5.23
<b>TOTAL REVENUES</b>	<b>76,968,182</b>	<b>100.0%</b>	<b>\$96,210</b>	<b>\$388.91</b>	<b>84,542,447</b>	<b>100.0%</b>	<b>\$105,678</b>	<b>\$399.66</b>	<b>92,641,567</b>	<b>100.0%</b>	<b>\$115,802</b>	<b>\$412.50</b>	<b>95,259,616</b>	<b>100.0%</b>	<b>\$119,075</b>	<b>\$425.32</b>	<b>98,117,405</b>	<b>100.0%</b>	<b>\$122,647</b>	<b>\$438.08</b>
<b>DEPARTMENTAL EXPENSES</b>																				
Rooms	10,643,811	24.9%	\$13,305	\$53.78	11,650,182	23.7%	\$14,563	\$55.07	12,625,513	22.5%	\$15,782	\$56.22	13,018,106	22.6%	\$16,273	\$58.12	13,438,377	22.6%	\$16,798	\$60.00
F&B Total Expenses	10,555,934	71.0%	\$13,195	\$53.34	10,872,612	71.0%	\$13,591	\$51.40	11,198,790	71.0%	\$13,998	\$49.86	11,534,754	71.0%	\$14,418	\$51.50	11,880,797	71.0%	\$14,851	\$53.05
Meeting Space/Banquet Expense	7,800,889	49.5%	\$9,751	\$39.42	8,034,915	49.5%	\$10,044	\$37.98	8,275,963	49.5%	\$10,345	\$36.85	8,524,242	49.5%	\$10,655	\$38.06	8,779,969	49.5%	\$10,975	\$39.20
Telephone Expense	116,000	586.1%	\$145	\$0.59	119,480	548.4%	\$149	\$0.56	123,064	516.5%	\$154	\$0.55	126,756	517.9%	\$158	\$0.57	130,559	517.9%	\$163	\$0.58
Parking Expense	681,213	30.0%	\$852	\$3.44	701,649	30.0%	\$877	\$3.32	722,698	30.0%	\$903	\$3.22	744,379	30.0%	\$930	\$3.32	766,711	30.0%	\$958	\$3.42
Other Expenses	597,413	65.0%	\$747	\$3.02	657,717	65.0%	\$822	\$3.11	719,239	65.0%	\$899	\$3.20	738,792	65.0%	\$923	\$3.30	760,955	65.0%	\$951	\$3.40
<b>Total Departmental Expenses</b>	<b>30,395,259</b>	<b>39.5%</b>	<b>\$104</b>	<b>\$153.58</b>	<b>32,036,555</b>	<b>37.9%</b>	<b>\$110</b>	<b>\$151.45</b>	<b>33,665,268</b>	<b>36.3%</b>	<b>\$115</b>	<b>\$149.90</b>	<b>34,687,029</b>	<b>36.4%</b>	<b>\$119</b>	<b>\$154.87</b>	<b>35,757,368</b>	<b>36.4%</b>	<b>\$122</b>	<b>\$159.65</b>
<b>DEPARTMENTAL PROFIT</b>	<b>46,572,922</b>	<b>60.5%</b>	<b>\$159</b>	<b>\$235.33</b>	<b>52,505,892</b>	<b>62.1%</b>	<b>\$65,632</b>	<b>\$248.21</b>	<b>58,976,299</b>	<b>63.7%</b>	<b>\$73,720</b>	<b>\$262.60</b>	<b>60,572,587</b>	<b>63.6%</b>	<b>\$75,716</b>	<b>\$270.45</b>	<b>62,360,037</b>	<b>63.6%</b>	<b>\$77,950</b>	<b>\$278.43</b>
<b>UNDISTRIBUTED OPRTG EXP.</b>																				
Administrative & General	3,423,631	4.4%	\$4,280	\$17.30	3,640,097	4.3%	\$4,550	\$17.21	3,903,227	4.2%	\$4,879	\$17.38	4,016,888	4.2%	\$5,021	\$17.93	4,138,441	4.2%	\$5,173	\$18.48
Management Fees	3,078,727	4.0%	\$3,848	\$15.56	3,381,698	4.0%	\$4,227	\$15.99	3,705,663	4.0%	\$4,632	\$16.50	3,810,385	4.0%	\$4,763	\$17.01	3,924,696	4.0%	\$4,906	\$17.52
Franchise Fees	3,888,506	9.1%	\$4,861	\$19.65	4,954,410	10.1%	\$6,193	\$23.42	6,203,260	11.0%	\$7,754	\$27.62	6,372,292	11.0%	\$7,965	\$28.45	6,563,460	11.0%	\$8,204	\$29.30
Sales & Marketing	2,786,010	3.6%	\$3,483	\$14.08	2,870,381	3.4%	\$3,588	\$13.57	2,957,323	3.2%	\$3,697	\$13.17	3,046,915	3.2%	\$3,809	\$13.60	3,139,238	3.2%	\$3,924	\$14.02
Operations & Maintenance	1,513,818	2.0%	\$1,892	\$7.65	1,559,995	1.8%	\$1,950	\$7.37	1,607,594	1.7%	\$2,009	\$7.16	1,656,662	1.7%	\$2,071	\$7.40	1,707,244	1.7%	\$2,134	\$7.62
Utilities	1,838,193	2.4%	\$2,298	\$9.29	2,043,391	2.4%	\$2,554	\$9.66	2,256,222	2.4%	\$2,820	\$10.05	2,340,060	2.5%	\$2,925	\$10.45	2,433,663	2.5%	\$3,042	\$10.87
<b>Total Undistributed Oprtg Exp.</b>	<b>16,528,885</b>	<b>21.5%</b>	<b>\$57</b>	<b>\$83.52</b>	<b>18,449,972</b>	<b>21.8%</b>	<b>\$63</b>	<b>\$87.22</b>	<b>20,633,289</b>	<b>22.3%</b>	<b>\$70</b>	<b>\$91.87</b>	<b>21,243,201</b>	<b>22.3%</b>	<b>\$73</b>	<b>\$94.85</b>	<b>21,906,742</b>	<b>22.3%</b>	<b>\$75</b>	<b>\$97.81</b>
<b>GROSS OPERATING PROFIT</b>	<b>30,044,037</b>	<b>39.0%</b>	<b>\$103</b>	<b>\$151.81</b>	<b>34,055,921</b>	<b>40.3%</b>	<b>\$42,570</b>	<b>\$160.99</b>	<b>38,343,010</b>	<b>41.4%</b>	<b>\$47,929</b>	<b>\$170.73</b>	<b>39,329,386</b>	<b>41.3%</b>	<b>\$49,162</b>	<b>\$175.60</b>	<b>40,453,295</b>	<b>41.2%</b>	<b>\$50,567</b>	<b>\$180.62</b>
<b>FIXED EXPENSES</b>																				
FF&E Reserve	0	0.0%	\$0	\$0.00	1,337,895	1.6%	\$1,672	\$6.32	2,978,577	3.2%	\$3,723	\$13.26	3,061,486	3.2%	\$3,827	\$13.67	3,153,331	3.2%	\$3,942	\$14.08
Ground Lease	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
RE Taxes	4,092,440	5.3%	\$5,116	\$20.68	4,215,214	5.3%	\$5,269	\$19.93	4,341,670	5.3%	\$5,427	\$19.33	4,471,920	5.3%	\$5,590	\$19.97	4,606,078	5.3%	\$5,758	\$20.57
Property Insurance	2,403,999	3.1%	\$3,005	\$12.15	2,476,119	2.9%	\$3,095	\$11.71	2,550,403	2.8%	\$3,188	\$11.36	2,626,915	2.8%	\$3,284	\$11.73	2,705,723	2.8%	\$3,382	\$12.08
CAM Reimbursements	(60,119)	-0.1%	(\$75)	(\$0.30)	(61,923)	-0.1%	(\$77)	(\$0.29)	(63,780)	-0.1%	(\$80)	(\$0.28)	(65,694)	-0.1%	(\$82)	(\$0.29)	(67,665)	-0.1%	(\$85)	(\$0.30)
<b>Total Fixed Expenses</b>	<b>6,436,321</b>	<b>8.4%</b>	<b>\$8,045</b>	<b>\$32.52</b>	<b>7,967,305</b>	<b>9.4%</b>	<b>\$9,959</b>	<b>\$37.66</b>	<b>9,806,869</b>	<b>10.6%</b>	<b>\$12,259</b>	<b>\$43.67</b>	<b>10,094,627</b>	<b>10.6%</b>	<b>\$12,618</b>	<b>\$45.07</b>	<b>10,397,466</b>	<b>10.6%</b>	<b>\$12,997</b>	<b>\$46.42</b>
<b>HOTEL NET OPERATING INCOME</b>	<b>23,607,717</b>	<b>30.7%</b>	<b>\$29,510</b>	<b>\$119.29</b>	<b>26,088,616</b>	<b>30.9%</b>	<b>\$32,611</b>	<b>\$123.33</b>	<b>28,536,140</b>	<b>30.8%</b>	<b>\$35,670</b>	<b>\$127.06</b>	<b>29,234,758</b>	<b>30.7%</b>	<b>\$36,543</b>	<b>\$130.53</b>	<b>30,055,829</b>	<b>30.6%</b>	<b>\$37,570</b>	<b>\$134.19</b>

# 10 YEAR DRAFT OPERATING PROFORMA- 800 KEY HOTEL- SCENARIO A

	Year Six 2023-2024				Year Seven 2024-2025				Year Eight 2025-2026				Year Nine 2026-2027				Year Ten 2027-2028			
Percentage of Occupancy	76.7%				76.7%				76.7%				76.7%				76.7%			
Average Daily Rate	\$273.20				\$281.39				\$289.83				\$298.53				\$307.48			
RevPAR	\$209.55				\$215.84				\$222.31				\$228.98				\$235.85			
Number of Rooms	800				800				800				800				800			
# of Rooms Sold	223,973				223,973				223,973				223,973				223,973			
# of Rooms Available	292,000				292,000				292,000				292,000				292,000			
	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$
	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR
<b>REVENUES</b>																				
Rooms	61,188,443	60.5%	\$76,486	\$273.20	63,024,096	60.5%	\$78,780	\$281.39	64,914,819	60.5%	\$81,144	\$289.83	66,862,264	60.5%	\$83,578	\$298.53	68,868,132	60.5%	\$86,085	\$307.48
F&B - Total	17,230,290	17.0%	\$21,538	\$76.93	17,747,199	17.0%	\$22,184	\$79.24	18,279,615	17.0%	\$22,850	\$81.62	18,828,003	17.0%	\$23,535	\$84.06	19,392,843	17.0%	\$24,241	\$86.59
Meeting Space/Banquet Income	18,285,672	18.1%	\$22,857	\$81.64	18,834,242	18.1%	\$23,543	\$84.09	19,399,269	18.1%	\$24,249	\$86.61	19,981,247	18.1%	\$24,977	\$89.21	20,580,685	18.1%	\$25,726	\$91.89
Telephone	25,965	0.0%	\$32	\$0.12	26,744	0.0%	\$33	\$0.12	27,546	0.0%	\$34	\$0.12	28,372	0.0%	\$35	\$0.13	29,223	0.0%	\$37	\$0.13
Retail	492,362	0.5%	\$615	\$2.20	507,133	0.5%	\$634	\$2.26	522,347	0.5%	\$653	\$2.33	538,017	0.5%	\$673	\$2.40	554,158	0.5%	\$693	\$2.47
Parking Income	2,632,374	2.6%	\$3,290	\$11.75	2,711,345	2.6%	\$3,389	\$12.11	2,792,685	2.6%	\$3,491	\$12.47	2,876,466	2.6%	\$3,596	\$12.84	2,962,760	2.6%	\$3,703	\$13.23
Other Income	1,205,822	1.2%	\$1,507	\$5.38	1,241,996	1.2%	\$1,552	\$5.55	1,279,256	1.2%	\$1,599	\$5.71	1,317,634	1.2%	\$1,647	\$5.88	1,357,163	1.2%	\$1,696	\$6.06
<b>TOTAL REVENUES</b>	<b>101,060,927</b>	<b>100.0%</b>	<b>\$126,326</b>	<b>\$451.22</b>	<b>104,092,755</b>	<b>100.0%</b>	<b>\$130,116</b>	<b>\$464.76</b>	<b>107,215,537</b>	<b>100.0%</b>	<b>\$134,019</b>	<b>\$478.70</b>	<b>110,432,003</b>	<b>100.0%</b>	<b>\$138,040</b>	<b>\$493.06</b>	<b>113,744,964</b>	<b>100.0%</b>	<b>\$142,181.20</b>	<b>\$507.85</b>
<b>DEPARTMENTAL EXPENSES</b>																				
Rooms	13,841,528	22.6%	\$17,302	\$61.80	14,256,774	22.6%	\$17,821	\$63.65	14,684,477	22.6%	\$18,356	\$65.56	15,125,012	22.6%	\$18,906	\$67.53	15,578,762	22.6%	\$19,473	\$69.56
F&B Total Expenses	12,237,221	71.0%	\$15,297	\$54.64	12,604,337	71.0%	\$15,755	\$56.28	12,982,467	71.0%	\$16,228	\$57.96	13,371,941	71.0%	\$16,715	\$59.70	13,773,100	71.0%	\$17,216	\$61.49
Meeting Space/Banquet Expense	9,043,368	49.5%	\$11,304	\$40.38	9,314,669	49.5%	\$11,643	\$41.59	9,594,109	49.5%	\$11,993	\$42.84	9,881,932	49.5%	\$12,352	\$44.12	10,178,390	49.5%	\$12,723	\$45.44
Telephone Expense	134,476	517.9%	\$168	\$0.60	138,510	517.9%	\$173	\$0.62	142,665	517.9%	\$178	\$0.64	146,945	517.9%	\$184	\$0.66	151,354	517.9%	\$189	\$0.68
Parking Expense	789,712	30.0%	\$987	\$3.53	813,403	30.0%	\$1,017	\$3.63	837,806	30.0%	\$1,047	\$3.74	862,940	30.0%	\$1,079	\$3.85	888,828	30.0%	\$1,111	\$3.97
Other Expenses	783,784	65.0%	\$980	\$3.50	807,298	65.0%	\$1,009	\$3.60	831,517	65.0%	\$1,039	\$3.71	856,462	65.0%	\$1,071	\$3.82	882,156	65.0%	\$1,103	\$3.94
<b>Total Departmental Expenses</b>	<b>36,830,089</b>	<b>36.4%</b>	<b>\$126</b>	<b>\$164.44</b>	<b>37,934,992</b>	<b>36.4%</b>	<b>\$130</b>	<b>\$169.37</b>	<b>39,073,042</b>	<b>36.4%</b>	<b>\$134</b>	<b>\$174.45</b>	<b>40,245,233</b>	<b>36.4%</b>	<b>\$138</b>	<b>\$179.69</b>	<b>41,452,590</b>	<b>36.4%</b>	<b>\$142</b>	<b>\$185.08</b>
<b>DEPARTMENTAL PROFIT</b>	<b>64,230,838</b>	<b>63.6%</b>	<b>\$80,289</b>	<b>\$286.78</b>	<b>66,157,763</b>	<b>63.6%</b>	<b>\$82,697</b>	<b>\$295.38</b>	<b>68,142,496</b>	<b>63.6%</b>	<b>\$85,178</b>	<b>\$304.24</b>	<b>70,186,771</b>	<b>63.6%</b>	<b>\$87,733</b>	<b>\$313.37</b>	<b>72,292,374</b>	<b>63.6%</b>	<b>\$90,365</b>	<b>\$322.77</b>
<b>UNDISTRIBUTED OPRTG EXP.</b>																				
Administrative & General	4,262,594	4.2%	\$5,328	\$19.03	4,390,472	4.2%	\$5,488	\$19.60	4,522,186	4.2%	\$5,653	\$20.19	4,657,851	4.2%	\$5,822	\$20.80	4,797,587	4.2%	\$5,997	\$21.42
Management Fees	4,042,437	4.0%	\$5,053	\$18.05	4,163,710	4.0%	\$5,205	\$18.59	4,288,621	4.0%	\$5,361	\$19.15	4,417,280	4.0%	\$5,522	\$19.72	4,549,799	4.0%	\$5,687	\$20.31
Franchise Fees	6,760,364	11.0%	\$8,450	\$30.18	6,963,175	11.0%	\$8,704	\$31.09	7,172,070	11.0%	\$8,965	\$32.02	7,387,233	11.0%	\$9,234	\$32.98	7,608,850	11.0%	\$9,511	\$33.97
Sales & Marketing	3,233,415	3.2%	\$4,042	\$14.44	3,330,418	3.2%	\$4,163	\$14.87	3,430,330	3.2%	\$4,288	\$15.32	3,533,240	3.2%	\$4,417	\$15.78	3,639,237	3.2%	\$4,549	\$16.25
Operations & Maintenance	1,758,461	1.7%	\$2,198	\$7.85	1,811,215	1.7%	\$2,264	\$8.09	1,865,552	1.7%	\$2,332	\$8.33	1,921,518	1.7%	\$2,402	\$8.58	1,979,164	1.7%	\$2,474	\$8.84
Utilities	2,506,672	2.5%	\$3,133	\$11.19	2,581,873	2.5%	\$3,227	\$11.53	2,659,329	2.5%	\$3,324	\$11.87	2,739,109	2.5%	\$3,424	\$12.23	2,821,282	2.5%	\$3,527	\$12.60
<b>Total Undistributed Oprtg Exp.</b>	<b>22,563,944</b>	<b>22.3%</b>	<b>\$77</b>	<b>\$100.74</b>	<b>23,240,862</b>	<b>22.3%</b>	<b>\$80</b>	<b>\$103.77</b>	<b>23,938,088</b>	<b>22.3%</b>	<b>\$82</b>	<b>\$106.88</b>	<b>24,656,231</b>	<b>22.3%</b>	<b>\$84</b>	<b>\$110.09</b>	<b>25,395,918</b>	<b>22.3%</b>	<b>\$87</b>	<b>\$113.39</b>
<b>GROSS OPERATING PROFIT</b>	<b>41,666,894</b>	<b>41.2%</b>	<b>\$52,084</b>	<b>\$186.04</b>	<b>42,916,901</b>	<b>41.2%</b>	<b>\$53,646</b>	<b>\$191.62</b>	<b>44,204,408</b>	<b>41.2%</b>	<b>\$55,256</b>	<b>\$197.36</b>	<b>45,530,540</b>	<b>41.2%</b>	<b>\$56,913</b>	<b>\$203.29</b>	<b>46,896,456</b>	<b>41.2%</b>	<b>\$58,621</b>	<b>\$209.38</b>
<b>FIXED EXPENSES</b>																				
FF&E Reserve	3,247,931	3.2%	\$4,060	\$14.50	3,345,368	3.2%	\$4,182	\$14.94	3,445,729	3.2%	\$4,307	\$15.38	3,549,101	3.2%	\$4,436	\$15.85	3,655,574	3.2%	\$4,569	\$16.32
Ground Lease	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
RE Taxes	4,744,260	5.3%	\$5,930	\$21.18	4,886,588	5.3%	\$6,108	\$21.82	5,033,185	5.3%	\$6,291	\$22.47	5,184,181	5.3%	\$6,480	\$23.15	5,339,706	5.3%	\$6,675	\$23.84
Property Insurance	2,786,894	2.8%	\$3,484	\$12.44	2,870,501	2.8%	\$3,588	\$12.82	2,956,616	2.8%	\$3,696	\$13.20	3,045,315	2.8%	\$3,807	\$13.60	3,136,674	2.8%	\$3,921	\$14.00
CAM Reimbursements	(69,695)	-0.1%	(\$87)	(\$0.31)	(71,785)	-0.1%	(\$90)	(\$0.32)	(73,939)	-0.1%	(\$92)	(\$0.33)	(76,157)	-0.1%	(\$95)	(\$0.34)	(78,442)	-0.1%	(\$98)	(\$0.35)
<b>Total Fixed Expenses</b>	<b>10,709,390</b>	<b>10.6%</b>	<b>\$13,387</b>	<b>\$47.82</b>	<b>11,030,672</b>	<b>10.6%</b>	<b>\$13,788</b>	<b>\$49.25</b>	<b>11,361,592</b>	<b>10.6%</b>	<b>\$14,202</b>	<b>\$50.73</b>	<b>11,702,440</b>	<b>10.6%</b>	<b>\$14,628</b>	<b>\$52.25</b>	<b>12,053,513</b>	<b>10.6%</b>	<b>\$15,067</b>	<b>\$53.82</b>
<b>HOTEL NET OPERATING INCOME</b>	<b>30,957,504</b>	<b>30.6%</b>	<b>\$38,697</b>	<b>\$138.22</b>	<b>31,886,229</b>	<b>30.6%</b>	<b>\$39,858</b>	<b>\$142.37</b>	<b>32,842,816</b>	<b>30.6%</b>	<b>\$41,054</b>	<b>\$146.64</b>	<b>33,828,100</b>	<b>30.6%</b>	<b>\$42,285</b>	<b>\$151.04</b>	<b>34,842,943</b>	<b>30.6%</b>	<b>\$43,554</b>	<b>\$155.57</b>

# 10 YEAR DRAFT OPERATING PROFORMA- 800 KEY HOTEL- SCENARIO B-1



	Year One 2018-2019				Year Two 2019-2020				Year Three 2020-2021				Year Four 2021-2022				Year Five 2022-2023			
Percentage of Occupancy	67.8%				72.4%				76.7%				76.7%				76.7%			
Average Daily Rate	\$195.83				\$211.96				\$228.88				\$235.75				\$242.82			
RevPAR	\$132.73				\$153.55				\$175.56				\$180.83				\$186.25			
Number of Rooms	577				577				577				577				577			
# of Rooms Sold	142,740				152,572				161,983				161,541				161,541			
# of Rooms Available	210,605				210,605				211,182				210,605				210,605			
	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$
	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR
<b>REVENUES</b>																				
Rooms	27,952,897	50.9%	\$48,445	\$195.83	32,339,320	53.8%	\$56,047	\$211.96	37,075,480	56.4%	\$64,256	\$228.88	38,083,406	56.3%	\$66,002	\$235.75	39,225,909	56.3%	\$67,983	\$242.82
F&B - Total	9,359,529	17.1%	\$16,221	\$65.57	9,640,315	16.0%	\$16,708	\$63.19	9,933,346	15.1%	\$17,216	\$61.32	10,227,411	15.1%	\$17,725	\$63.31	10,534,233	15.1%	\$18,257	\$65.21
Meeting Space/Banquet Income	14,943,203	27.2%	\$25,898	\$104.69	15,391,499	25.6%	\$26,675	\$100.88	15,853,244	24.1%	\$27,475	\$97.87	16,328,842	24.2%	\$28,300	\$101.08	16,818,707	24.2%	\$29,149	\$104.11
Telephone	14,274	0.0%	\$25	\$0.10	15,715	0.0%	\$27	\$0.10	17,185	0.0%	\$30	\$0.11	17,652	0.0%	\$31	\$0.11	18,182	0.0%	\$32	\$0.11
Retail	306,326	0.6%	\$531	\$2.15	315,516	0.5%	\$547	\$2.07	324,981	0.5%	\$563	\$2.01	334,731	0.5%	\$580	\$2.07	344,773	0.5%	\$598	\$2.13
Parking Income	1,637,749	3.0%	\$2,838	\$11.47	1,686,881	2.8%	\$2,924	\$11.06	1,737,488	2.6%	\$3,011	\$10.73	1,789,612	2.6%	\$3,102	\$11.08	1,843,301	2.6%	\$3,195	\$11.41
Other Income	662,898	1.2%	\$1,149	\$4.64	729,812	1.2%	\$1,265	\$4.78	798,078	1.2%	\$1,383	\$4.93	819,775	1.2%	\$1,421	\$5.07	844,368	1.2%	\$1,463	\$5.23
<b>TOTAL REVENUES</b>	<b>54,876,877</b>	<b>100.0%</b>	<b>\$95,107</b>	<b>\$384.45</b>	<b>60,119,059</b>	<b>100.0%</b>	<b>\$104,192</b>	<b>\$394.04</b>	<b>65,739,803</b>	<b>100.0%</b>	<b>\$113,934</b>	<b>\$405.84</b>	<b>67,601,428</b>	<b>100.0%</b>	<b>\$117,160</b>	<b>\$418.48</b>	<b>69,629,471</b>	<b>100.0%</b>	<b>\$120,675</b>	<b>\$431.03</b>
<b>DEPARTMENTAL EXPENSES</b>																				
Rooms	7,486,406	26.8%	\$12,975	\$52.45	8,186,185	25.3%	\$14,187	\$53.65	8,907,625	24.0%	\$15,438	\$54.99	9,185,183	24.1%	\$15,919	\$56.86	9,482,002	24.2%	\$16,433	\$58.70
F&B Total Expenses	6,697,302	71.6%	\$11,607	\$46.92	6,898,221	71.6%	\$11,955	\$45.21	7,107,399	71.6%	\$12,318	\$43.88	7,318,323	71.6%	\$12,683	\$45.30	7,537,873	71.6%	\$13,064	\$46.66
Meeting Space/Banquet Expense	7,390,316	49.5%	\$12,808	\$51.77	7,612,025	49.5%	\$13,192	\$49.89	7,840,386	49.5%	\$13,588	\$48.40	8,075,597	49.5%	\$13,996	\$49.99	8,317,865	49.5%	\$14,416	\$51.49
Telephone Expense	83,665	586.1%	\$145	\$0.59	86,175	548.4%	\$149	\$0.56	88,760	516.5%	\$154	\$0.55	91,423	517.9%	\$158	\$0.57	94,166	517.9%	\$163	\$0.58
Parking Expense	491,325	30.0%	\$852	\$3.44	506,064	30.0%	\$877	\$3.32	521,246	30.0%	\$903	\$3.22	536,884	30.0%	\$930	\$3.32	552,990	30.0%	\$958	\$3.42
Other Expenses	430,884	65.0%	\$747	\$3.02	474,378	65.0%	\$822	\$3.11	518,751	65.0%	\$899	\$3.20	532,854	65.0%	\$923	\$3.30	548,839	65.0%	\$951	\$3.40
<b>Total Departmental Expenses</b>	<b>22,579,898</b>	<b>41.1%</b>	<b>\$107</b>	<b>\$158.19</b>	<b>23,763,049</b>	<b>39.5%</b>	<b>\$113</b>	<b>\$155.75</b>	<b>24,984,166</b>	<b>38.0%</b>	<b>\$118</b>	<b>\$154.24</b>	<b>25,740,263</b>	<b>38.1%</b>	<b>\$122</b>	<b>\$159.34</b>	<b>26,533,735</b>	<b>38.1%</b>	<b>\$126</b>	<b>\$164.25</b>
<b>DEPARTMENTAL PROFIT</b>	<b>32,296,979</b>	<b>58.9%</b>	<b>\$153</b>	<b>\$226.26</b>	<b>36,356,010</b>	<b>60.5%</b>	<b>\$63,009</b>	<b>\$238.29</b>	<b>40,755,636</b>	<b>62.0%</b>	<b>\$70,634</b>	<b>\$251.60</b>	<b>41,861,165</b>	<b>61.9%</b>	<b>\$72,550</b>	<b>\$259.14</b>	<b>43,095,736</b>	<b>61.9%</b>	<b>\$74,689</b>	<b>\$266.78</b>
<b>UNDISTRIBUTED OPRTG EXP.</b>																				
Administrative & General	2,566,873	4.7%	\$4,449	\$17.98	2,720,846	4.5%	\$4,716	\$17.83	2,908,051	4.4%	\$5,040	\$17.95	2,993,107	4.4%	\$5,187	\$18.53	3,083,685	4.4%	\$5,344	\$19.09
Management Fees	2,195,075	4.0%	\$3,804	\$15.38	2,404,762	4.0%	\$4,168	\$15.76	2,629,592	4.0%	\$4,557	\$16.23	2,704,057	4.0%	\$4,686	\$16.74	2,785,179	4.0%	\$4,827	\$17.24
Franchise Fees	2,554,430	9.1%	\$4,427	\$17.90	3,266,666	10.1%	\$5,661	\$21.41	4,104,487	11.1%	\$7,113	\$25.34	4,216,353	11.1%	\$7,307	\$26.10	4,342,844	11.1%	\$7,527	\$26.88
Sales & Marketing	2,014,097	3.7%	\$3,491	\$14.11	2,075,085	3.5%	\$3,596	\$13.60	2,137,930	3.3%	\$3,705	\$13.20	2,202,691	3.3%	\$3,817	\$13.64	2,269,426	3.3%	\$3,933	\$14.05
Operations & Maintenance	1,038,825	1.9%	\$1,800	\$7.28	1,070,545	1.8%	\$1,855	\$7.02	1,103,245	1.7%	\$1,912	\$6.81	1,136,955	1.7%	\$1,970	\$7.04	1,171,706	1.7%	\$2,031	\$7.25
Utilities	1,325,797	2.4%	\$2,298	\$9.29	1,473,796	2.5%	\$2,554	\$9.66	1,627,300	2.5%	\$2,820	\$10.05	1,687,768	2.5%	\$2,925	\$10.45	1,755,279	2.5%	\$3,042	\$10.87
<b>Total Undistributed Oprtg Exp.</b>	<b>11,695,097</b>	<b>21.3%</b>	<b>\$56</b>	<b>\$81.93</b>	<b>13,011,700</b>	<b>21.6%</b>	<b>\$62</b>	<b>\$85.28</b>	<b>14,510,605</b>	<b>22.1%</b>	<b>\$69</b>	<b>\$89.58</b>	<b>14,940,931</b>	<b>22.1%</b>	<b>\$71</b>	<b>\$92.49</b>	<b>15,408,119</b>	<b>22.1%</b>	<b>\$73</b>	<b>\$95.38</b>
<b>GROSS OPERATING PROFIT</b>	<b>20,601,882</b>	<b>37.5%</b>	<b>\$98</b>	<b>\$144.33</b>	<b>23,344,309</b>	<b>38.8%</b>	<b>\$40,458</b>	<b>\$153.01</b>	<b>26,245,031</b>	<b>39.9%</b>	<b>\$45,485</b>	<b>\$162.02</b>	<b>26,920,234</b>	<b>39.8%</b>	<b>\$46,656</b>	<b>\$166.65</b>	<b>27,687,617</b>	<b>39.8%</b>	<b>\$47,985</b>	<b>\$171.40</b>
<b>FIXED EXPENSES</b>																				
FF&E Reserve	0	0.0%	\$0	\$0.00	975,837	1.6%	\$1,691	\$6.40	2,162,759	3.3%	\$3,748	\$13.35	2,223,376	3.3%	\$3,853	\$13.76	2,290,078	3.3%	\$3,969	\$14.18
Ground Lease		0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
RE Taxes	2,951,673	5.4%	\$5,116	\$20.68	3,040,223	5.4%	\$5,269	\$19.93	3,131,429	5.4%	\$5,427	\$19.33	3,225,372	5.4%	\$5,590	\$19.97	3,322,134	5.4%	\$5,758	\$20.57
Property Insurance	1,733,885	3.2%	\$3,005	\$12.15	1,785,901	3.0%	\$3,095	\$11.71	1,839,478	2.8%	\$3,188	\$11.36	1,894,662	2.8%	\$3,284	\$11.73	1,951,502	2.8%	\$3,382	\$12.08
CAM Reimbursements	(43,361)	-0.1%	(\$75)	(\$0.30)	(44,662)	-0.1%	(\$77)	(\$0.29)	(46,002)	-0.1%	(\$80)	(\$0.28)	(47,382)	-0.1%	(\$82)	(\$0.29)	(48,803)	-0.1%	(\$85)	(\$0.30)
<b>Total Fixed Expenses</b>	<b>4,642,196</b>	<b>8.5%</b>	<b>\$8,045</b>	<b>\$32.52</b>	<b>5,757,299</b>	<b>9.6%</b>	<b>\$9,978</b>	<b>\$37.74</b>	<b>7,087,665</b>	<b>10.8%</b>	<b>\$12,284</b>	<b>\$43.76</b>	<b>7,296,029</b>	<b>10.8%</b>	<b>\$12,645</b>	<b>\$45.17</b>	<b>7,514,910</b>	<b>10.8%</b>	<b>\$13,024</b>	<b>\$46.52</b>
<b>HOTEL NET OPERATING INCOME</b>	<b>15,959,686</b>	<b>29.1%</b>	<b>\$27,660</b>	<b>\$111.81</b>	<b>17,587,010</b>	<b>29.3%</b>	<b>\$30,480</b>	<b>\$115.27</b>	<b>19,157,366</b>	<b>29.1%</b>	<b>\$33,202</b>	<b>\$118.27</b>	<b>19,624,204</b>	<b>29.0%</b>	<b>\$34,011</b>	<b>\$121.48</b>	<b>20,172,706</b>	<b>29.0%</b>	<b>\$34,961</b>	<b>\$124.88</b>

# 10 YEAR DRAFT OPERATING PROFORMA- 800 KEY HOTEL- SCENARIO B-1

	Year Six 2023-2024				Year Seven 2024-2025				Year Eight 2025-2026				Year Nine 2026-2027				Year Ten 2027-2028			
Percentage of Occupancy	76.7%				76.7%				76.7%				76.7%				76.7%			
Average Daily Rate	\$250.11				\$257.61				\$265.34				\$273.30				\$281.50			
RevPAR	\$191.84				\$197.60				\$203.52				\$209.63				\$215.92			
Number of Rooms	577				577				577				577				577			
# of Rooms Sold	161,541				161,541				161,541				161,541				161,541			
# of Rooms Available	210,605				210,605				210,605				210,605				210,605			
	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$
	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR
<b>REVENUES</b>																				
Rooms	40,402,686	56.3%	\$70,022	\$250.11	41,614,766	56.3%	\$72,123	\$257.61	42,863,209	56.3%	\$74,286	\$265.34	44,149,106	56.3%	\$76,515	\$273.30	45,473,579	56.3%	\$78,810	\$281.50
F&B - Total	10,850,260	15.1%	\$18,805	\$67.17	11,175,768	15.1%	\$19,369	\$69.18	11,511,041	15.1%	\$19,950	\$71.26	11,856,372	15.1%	\$20,548	\$73.40	12,212,063	15.1%	\$21,165	\$75.60
Meeting Space/Banquet Income	17,323,268	24.2%	\$30,023	\$107.24	17,842,966	24.2%	\$30,924	\$110.45	18,378,255	24.2%	\$31,851	\$113.77	18,929,603	24.2%	\$32,807	\$117.18	19,497,491	24.2%	\$33,791	\$120.70
Telephone	18,727	0.0%	\$32	\$0.12	19,289	0.0%	\$33	\$0.12	19,867	0.0%	\$34	\$0.12	20,464	0.0%	\$35	\$0.13	21,077	0.0%	\$37	\$0.13
Retail	355,116	0.5%	\$615	\$2.20	365,769	0.5%	\$634	\$2.26	376,743	0.5%	\$653	\$2.33	388,045	0.5%	\$673	\$2.40	399,686	0.5%	\$693	\$2.47
Parking Income	1,898,600	2.6%	\$3,290	\$11.75	1,955,558	2.6%	\$3,389	\$12.11	2,014,224	2.6%	\$3,491	\$12.47	2,074,651	2.6%	\$3,596	\$12.84	2,136,891	2.6%	\$3,703	\$13.23
Other Income	869,699	1.2%	\$1,507	\$5.38	895,790	1.2%	\$1,552	\$5.55	922,664	1.2%	\$1,599	\$5.71	950,344	1.2%	\$1,647	\$5.88	978,854	1.2%	\$1,696	\$6.06
<b>TOTAL REVENUES</b>	<b>71,718,355</b>	<b>100.0%</b>	<b>\$124,295</b>	<b>\$443.96</b>	<b>73,869,906</b>	<b>100.0%</b>	<b>\$128,024</b>	<b>\$457.28</b>	<b>76,086,003</b>	<b>100.0%</b>	<b>\$131,865</b>	<b>\$471.00</b>	<b>78,368,583</b>	<b>100.0%</b>	<b>\$135,821</b>	<b>\$485.13</b>	<b>80,719,641</b>	<b>100.0%</b>	<b>#####</b>	<b>\$499.69</b>
<b>DEPARTMENTAL EXPENSES</b>																				
Rooms	9,766,462	24.2%	\$16,926	\$60.46	10,059,456	24.2%	\$17,434	\$62.27	10,361,240	24.2%	\$17,957	\$64.14	10,672,077	24.2%	\$18,496	\$66.06	10,992,239	24.2%	\$19,051	\$68.05
F&B Total Expenses	7,764,009	71.6%	\$13,456	\$48.06	7,996,929	71.6%	\$13,859	\$49.50	8,236,837	71.6%	\$14,275	\$50.99	8,483,942	71.6%	\$14,704	\$52.52	8,738,460	71.6%	\$15,145	\$54.09
Meeting Space/Banquet Expense	8,567,401	49.5%	\$14,848	\$53.04	8,824,423	49.5%	\$15,294	\$54.63	9,089,156	49.5%	\$15,752	\$56.27	9,361,831	49.5%	\$16,225	\$57.95	9,642,686	49.5%	\$16,712	\$59.69
Telephone Expense	96,991	517.9%	\$168	\$0.60	99,900	517.9%	\$173	\$0.62	102,897	517.9%	\$178	\$0.64	105,984	517.9%	\$184	\$0.66	109,164	517.9%	\$189	\$0.68
Parking Expense	569,580	30.0%	\$987	\$3.53	586,667	30.0%	\$1,017	\$3.63	604,267	30.0%	\$1,047	\$3.74	622,395	30.0%	\$1,079	\$3.85	641,067	30.0%	\$1,111	\$3.97
Other Expenses	565,304	65.0%	\$980	\$3.50	582,263	65.0%	\$1,009	\$3.60	599,731	65.0%	\$1,039	\$3.71	617,723	65.0%	\$1,071	\$3.82	636,255	65.0%	\$1,103	\$3.94
<b>Total Departmental Expenses</b>	<b>27,329,747</b>	<b>38.1%</b>	<b>\$130</b>	<b>\$169.18</b>	<b>28,149,640</b>	<b>38.1%</b>	<b>\$134</b>	<b>\$174.26</b>	<b>28,994,129</b>	<b>38.1%</b>	<b>\$138</b>	<b>\$179.48</b>	<b>29,863,953</b>	<b>38.1%</b>	<b>\$142</b>	<b>\$184.87</b>	<b>30,759,872</b>	<b>38.1%</b>	<b>\$146</b>	<b>\$190.42</b>
<b>DEPARTMENTAL PROFIT</b>	<b>44,388,608</b>	<b>61.9%</b>	<b>\$76,930</b>	<b>\$274.78</b>	<b>45,720,266</b>	<b>61.9%</b>	<b>\$79,238</b>	<b>\$283.03</b>	<b>47,091,874</b>	<b>61.9%</b>	<b>\$81,615</b>	<b>\$291.52</b>	<b>48,504,630</b>	<b>61.9%</b>	<b>\$84,063</b>	<b>\$300.26</b>	<b>49,959,769</b>	<b>61.9%</b>	<b>\$86,585</b>	<b>\$309.27</b>
<b>UNDISTRIBUTED OPRTG EXP.</b>																				
Administrative & General	3,176,196	4.4%	\$5,505	\$19.66	3,271,482	4.4%	\$5,670	\$20.25	3,369,626	4.4%	\$5,840	\$20.86	3,470,715	4.4%	\$6,015	\$21.49	3,574,836	4.4%	\$6,196	\$22.13
Management Fees	2,868,734	4.0%	\$4,972	\$17.76	2,954,796	4.0%	\$5,121	\$18.29	3,043,440	4.0%	\$5,275	\$18.84	3,134,743	4.0%	\$5,433	\$19.41	3,228,786	4.0%	\$5,596	\$19.99
Franchise Fees	4,473,129	11.1%	\$7,752	\$27.69	4,607,323	11.1%	\$7,985	\$28.52	4,745,543	11.1%	\$8,225	\$29.38	4,887,909	11.1%	\$8,471	\$30.26	5,034,546	11.1%	\$8,725	\$31.17
Sales & Marketing	2,337,509	3.3%	\$4,051	\$14.47	2,407,634	3.3%	\$4,173	\$14.90	2,479,863	3.3%	\$4,298	\$15.35	2,554,259	3.3%	\$4,427	\$15.81	2,630,887	3.3%	\$4,560	\$16.29
Operations & Maintenance	1,206,857	1.7%	\$2,092	\$7.47	1,243,063	1.7%	\$2,154	\$7.70	1,280,355	1.7%	\$2,219	\$7.93	1,318,766	1.7%	\$2,286	\$8.16	1,358,329	1.7%	\$2,354	\$8.41
Utilities	1,807,937	2.5%	\$3,133	\$11.19	1,862,176	2.5%	\$3,227	\$11.53	1,918,041	2.5%	\$3,324	\$11.87	1,975,582	2.5%	\$3,424	\$12.23	2,034,850	2.5%	\$3,527	\$12.60
<b>Total Undistributed Oprtg Exp.</b>	<b>15,870,363</b>	<b>22.1%</b>	<b>\$75</b>	<b>\$98.24</b>	<b>16,346,473</b>	<b>22.1%</b>	<b>\$78</b>	<b>\$101.19</b>	<b>16,836,868</b>	<b>22.1%</b>	<b>\$80</b>	<b>\$104.23</b>	<b>17,341,974</b>	<b>22.1%</b>	<b>\$82</b>	<b>\$107.35</b>	<b>17,862,233</b>	<b>22.1%</b>	<b>\$85</b>	<b>\$110.57</b>
<b>GROSS OPERATING PROFIT</b>	<b>28,518,245</b>	<b>39.8%</b>	<b>\$49,425</b>	<b>\$176.54</b>	<b>29,373,793</b>	<b>39.8%</b>	<b>\$50,908</b>	<b>\$181.84</b>	<b>30,255,006</b>	<b>39.8%</b>	<b>\$52,435</b>	<b>\$187.29</b>	<b>31,162,657</b>	<b>39.8%</b>	<b>\$54,008</b>	<b>\$192.91</b>	<b>32,097,536</b>	<b>39.8%</b>	<b>\$55,628</b>	<b>\$198.70</b>
<b>FIXED EXPENSES</b>																				
FF&E Reserve	2,358,780	3.3%	\$4,088	\$14.60	2,429,543	3.3%	\$4,211	\$15.04	2,502,430	3.3%	\$4,337	\$15.49	2,577,502	3.3%	\$4,467	\$15.96	2,654,827	3.3%	\$4,601	\$16.43
Ground Lease	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
RE Taxes	3,421,798	5.4%	\$5,930	\$21.18	3,524,451	5.4%	\$6,108	\$21.82	3,630,185	5.4%	\$6,291	\$22.47	3,739,091	5.4%	\$6,480	\$23.15	3,851,263	5.4%	\$6,675	\$23.84
Property Insurance	2,010,047	2.8%	\$3,484	\$12.44	2,070,349	2.8%	\$3,588	\$12.82	2,132,459	2.8%	\$3,696	\$13.20	2,196,433	2.8%	\$3,807	\$13.60	2,262,326	2.8%	\$3,921	\$14.00
CAM Reimbursements	(50,267)	-0.1%	(\$87)	(\$0.31)	(51,775)	-0.1%	(\$90)	(\$0.32)	(53,328)	-0.1%	(\$92)	(\$0.33)	(54,928)	-0.1%	(\$95)	(\$0.34)	(56,576)	-0.1%	(\$98)	(\$0.35)
<b>Total Fixed Expenses</b>	<b>7,740,358</b>	<b>10.8%</b>	<b>\$13,415</b>	<b>\$47.92</b>	<b>7,972,568</b>	<b>10.8%</b>	<b>\$13,817</b>	<b>\$49.35</b>	<b>8,211,745</b>	<b>10.8%</b>	<b>\$14,232</b>	<b>\$50.83</b>	<b>8,458,098</b>	<b>10.8%</b>	<b>\$14,659</b>	<b>\$52.36</b>	<b>8,711,841</b>	<b>10.8%</b>	<b>\$15,099</b>	<b>\$53.93</b>
<b>HOTEL NET OPERATING INCOME</b>	<b>20,777,888</b>	<b>29.0%</b>	<b>\$36,010</b>	<b>\$128.62</b>	<b>21,401,224</b>	<b>29.0%</b>	<b>\$37,091</b>	<b>\$132.48</b>	<b>22,043,261</b>	<b>29.0%</b>	<b>\$38,203</b>	<b>\$136.46</b>	<b>22,704,559</b>	<b>29.0%</b>	<b>\$39,349</b>	<b>\$140.55</b>	<b>23,385,696</b>	<b>29.0%</b>	<b>\$40,530</b>	<b>\$144.77</b>

# 10 YEAR DRAFT OPERATING PROFORMA- 800 KEY HOTEL- SCENARIO B-2



	Year One 2018-2019				Year Two 2019-2020				Year Three 2020-2021				Year Four 2021-2022				Year Five 2022-2023			
Percentage of Occupancy	67.8%				72.4%				76.7%				76.7%				76.7%			
Average Daily Rate	\$245.62				\$270.08				\$295.79				\$304.66				\$313.80			
RevPAR	\$166.47				\$195.66				\$226.88				\$233.69				\$240.70			
Number of Rooms	223				223				223				223				223			
# of Rooms Sold	55,166				58,966				62,433				62,433				62,433			
# of Rooms Available	81,395				81,395				81,395				81,395				81,395			
	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$
	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR
<b>REVENUES</b>																				
Rooms	13,549,884	62.4%	\$60,762	\$245.62	15,925,583	65.4%	\$71,415	\$270.08	18,466,881	68.0%	\$82,811	\$295.79	19,020,887	67.9%	\$85,295	\$304.66	19,591,514	67.9%	\$87,854	\$313.80
F&B - Total	5,503,470	25.3%	\$24,679	\$99.76	5,668,574	23.3%	\$25,420	\$96.13	5,834,810	21.5%	\$26,165	\$93.46	6,013,790	21.5%	\$26,968	\$96.32	6,194,204	21.5%	\$27,777	\$99.21
Meeting Space Income	1,660,356	7.6%	\$7,446	\$30.10	1,710,167	7.0%	\$7,669	\$29.00	1,761,472	6.5%	\$7,899	\$28.21	1,814,316	6.5%	\$8,136	\$29.06	1,868,745	6.5%	\$8,380	\$29.93
Telephone	5,517	0.0%	\$25	\$0.10	6,074	0.0%	\$27	\$0.10	6,623	0.0%	\$30	\$0.11	6,822	0.0%	\$31	\$0.11	7,027	0.0%	\$32	\$0.11
Retail	118,389	0.5%	\$531	\$2.15	121,941	0.5%	\$547	\$2.07	125,599	0.5%	\$563	\$2.01	129,367	0.5%	\$580	\$2.07	133,248	0.5%	\$598	\$2.13
Parking Income	632,960	2.9%	\$2,838	\$11.47	651,949	2.7%	\$2,924	\$11.06	671,507	2.5%	\$3,011	\$10.76	691,653	2.5%	\$3,102	\$11.08	712,402	2.5%	\$3,195	\$11.41
Other Income	256,198	1.2%	\$1,149	\$4.64	282,059	1.2%	\$1,265	\$4.78	307,600	1.1%	\$1,379	\$4.93	316,828	1.1%	\$1,421	\$5.07	326,333	1.1%	\$1,463	\$5.23
<b>Total Revenues</b>	<b>21,726,774</b>	<b>100.0%</b>	<b>\$97,429</b>	<b>\$393.84</b>	<b>24,366,346</b>	<b>100.0%</b>	<b>\$109,266</b>	<b>\$413.23</b>	<b>27,174,492</b>	<b>100.0%</b>	<b>\$121,859</b>	<b>\$435.26</b>	<b>27,993,663</b>	<b>100.0%</b>	<b>\$125,532</b>	<b>\$448.38</b>	<b>28,833,473</b>	<b>100.0%</b>	<b>\$129,298</b>	<b>\$461.83</b>
<b>DEPARTMENTAL EXPENSES</b>																				
Rooms	4,685,174	34.6%	\$21,010	\$84.93	5,168,273	32.5%	\$23,176	\$87.65	5,661,446	30.7%	\$25,388	\$90.68	5,853,945	30.8%	\$26,251	\$93.76	6,049,981	30.9%	\$27,130	\$96.90
F&B Total Expenses	3,858,632	70.1%	\$17,303	\$69.95	3,974,391	70.1%	\$17,822	\$67.40	4,091,392	70.1%	\$18,347	\$65.53	4,216,431	70.1%	\$18,908	\$67.54	4,342,924	70.1%	\$19,475	\$69.56
Meeting Space Expense	821,146	49.5%	\$3,682	\$14.88	845,781	49.5%	\$3,793	\$14.34	871,154	49.5%	\$3,907	\$13.95	897,289	49.5%	\$4,024	\$14.37	924,207	49.5%	\$4,144	\$14.80
Telephone Expense	32,335	586.1%	\$145	\$0.59	33,305	548.4%	\$149	\$0.56	34,304	517.9%	\$154	\$0.55	35,333	517.9%	\$158	\$0.57	36,393	517.9%	\$163	\$0.58
Parking Expense	189,888	30.0%	\$852	\$3.44	195,585	30.0%	\$877	\$3.32	201,452	30.0%	\$903	\$3.23	207,496	30.0%	\$930	\$3.32	213,721	30.0%	\$958	\$3.42
Other Expenses	166,529	65.0%	\$747	\$3.02	183,338	65.0%	\$822	\$3.11	199,940	65.0%	\$897	\$3.20	205,938	65.0%	\$923	\$3.30	212,116	65.0%	\$951	\$3.40
<b>Total Departmental Expenses</b>	<b>9,753,703</b>	<b>44.9%</b>	<b>\$120</b>	<b>\$176.80</b>	<b>10,400,672</b>	<b>42.7%</b>	<b>\$128</b>	<b>\$176.38</b>	<b>11,059,688</b>	<b>40.7%</b>	<b>\$136</b>	<b>\$177.15</b>	<b>11,416,432</b>	<b>40.8%</b>	<b>\$140</b>	<b>\$182.86</b>	<b>11,779,343</b>	<b>40.9%</b>	<b>\$145</b>	<b>\$188.67</b>
<b>DEPARTMENTAL PROFIT</b>	<b>11,973,071</b>	<b>55.1%</b>	<b>\$147</b>	<b>\$217.04</b>	<b>13,965,674</b>	<b>57.3%</b>	<b>\$62,626</b>	<b>\$236.84</b>	<b>16,114,804</b>	<b>59.3%</b>	<b>\$72,264</b>	<b>\$258.12</b>	<b>16,577,231</b>	<b>59.2%</b>	<b>\$74,337</b>	<b>\$265.52</b>	<b>17,054,130</b>	<b>59.1%</b>	<b>\$76,476</b>	<b>\$273.16</b>
<b>UNDISTRIBUTED OPRTG EXP.</b>																				
Administrative & General	1,074,761	4.9%	\$4,820	\$19.48	1,153,978	4.7%	\$5,175	\$19.57	1,246,180	4.6%	\$5,588	\$19.96	1,283,939	4.6%	\$5,758	\$20.57	1,322,850	4.6%	\$5,932	\$21.19
Management Fees	869,071	4.0%	\$3,897	\$15.75	974,654	4.0%	\$4,371	\$16.53	1,086,980	4.0%	\$4,874	\$17.41	1,119,747	4.0%	\$5,021	\$17.94	1,153,339	4.0%	\$5,172	\$18.47
Franchise Fees	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
Sales & Marketing	906,814	4.2%	\$4,066	\$16.44	934,245	3.8%	\$4,189	\$15.84	962,509	3.5%	\$4,316	\$15.42	991,634	3.5%	\$4,447	\$15.88	1,021,644	3.5%	\$4,581	\$16.36
Operations & Maintenance	478,314	2.2%	\$2,145	\$8.67	492,936	2.0%	\$2,210	\$8.36	508,011	1.9%	\$2,278	\$8.14	523,552	1.9%	\$2,348	\$8.39	539,574	1.9%	\$2,420	\$8.64
Utilities	512,396	2.4%	\$2,298	\$9.29	569,595	2.3%	\$2,554	\$9.66	627,204	2.3%	\$2,813	\$10.05	652,292	2.3%	\$2,925	\$10.45	678,383	2.4%	\$3,042	\$10.87
<b>Total Undistributed Oprtg Exp.</b>	<b>3,841,357</b>	<b>17.7%</b>	<b>\$47</b>	<b>\$69.63</b>	<b>4,125,408</b>	<b>16.9%</b>	<b>\$51</b>	<b>\$69.96</b>	<b>4,430,884</b>	<b>16.3%</b>	<b>\$54</b>	<b>\$70.97</b>	<b>4,571,163</b>	<b>16.3%</b>	<b>\$56</b>	<b>\$73.22</b>	<b>4,715,791</b>	<b>16.4%</b>	<b>\$58</b>	<b>\$75.53</b>
<b>GROSS OPERATING PROFIT</b>	<b>8,131,714</b>	<b>37.4%</b>	<b>\$100</b>	<b>\$147.40</b>	<b>9,840,265</b>	<b>40.4%</b>	<b>\$44,127</b>	<b>\$166.88</b>	<b>11,683,920</b>	<b>43.0%</b>	<b>\$52,394</b>	<b>\$187.14</b>	<b>12,006,067</b>	<b>42.9%</b>	<b>\$53,839</b>	<b>\$192.30</b>	<b>12,338,339</b>	<b>42.8%</b>	<b>\$55,329</b>	<b>\$197.63</b>
<b>FIXED EXPENSES</b>																				
FF&E Reserve	0	0.0%	\$0	\$0.00	360,916	1.5%	\$1,618	\$6.12	826,727	3.0%	\$3,707	\$13.24	851,529	3.0%	\$3,819	\$13.64	877,075	3.0%	\$3,933	\$14.05
Ground Lease	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
RE Taxes	1,140,768	5.3%	\$5,116	\$20.68	1,174,991	5.3%	\$5,269	\$19.93	1,210,241	5.3%	\$5,427	\$19.38	1,246,548	5.3%	\$5,590	\$19.97	1,283,944	5.3%	\$5,758	\$20.57
Property Insurance	670,115	3.1%	\$3,005	\$12.15	690,218	2.8%	\$3,095	\$11.71	710,925	2.6%	\$3,188	\$11.39	732,253	2.6%	\$3,284	\$11.73	754,220	2.6%	\$3,382	\$12.08
CAM Reimbursements	(5,586)	0.0%	(\$25)	(\$0.10)	(5,754)	0.0%	(\$26)	(\$0.10)	(5,926)	0.0%	(\$27)	(\$0.09)	(6,104)	0.0%	(\$27)	(\$0.10)	(6,287)	0.0%	(\$28)	(\$0.10)
<b>Total Fixed Expenses</b>	<b>1,805,297</b>	<b>8.3%</b>	<b>\$8,096</b>	<b>\$32.72</b>	<b>2,220,372</b>	<b>9.1%</b>	<b>\$9,957</b>	<b>\$37.66</b>	<b>2,741,966</b>	<b>10.1%</b>	<b>\$12,296</b>	<b>\$43.92</b>	<b>2,824,225</b>	<b>10.1%</b>	<b>\$12,665</b>	<b>\$45.24</b>	<b>2,908,952</b>	<b>10.1%</b>	<b>\$13,045</b>	<b>\$46.59</b>
<b>HOTEL NET OPERATING INCOME</b>	<b>6,326,417</b>	<b>29.1%</b>	<b>\$28,370</b>	<b>\$114.68</b>	<b>7,619,894</b>	<b>31.3%</b>	<b>\$34,170</b>	<b>\$129.22</b>	<b>8,941,954</b>	<b>32.9%</b>	<b>\$40,098</b>	<b>\$143.23</b>	<b>9,181,842</b>	<b>32.8%</b>	<b>\$41,174</b>	<b>\$147.07</b>	<b>9,429,387</b>	<b>32.7%</b>	<b>\$42,284</b>	<b>\$151.03</b>

# 10 YEAR DRAFT OPERATING PROFORMA- 800 KEY HOTEL- SCENARIO B-2



	Year Six 2023-2024				Year Seven 2024-2025				Year Eight 2025-2026				Year Nine 2026-2027				Year Ten 2027-2028			
Percentage of Occupancy	76.7%				76.7%				76.7%				76.7%				76.7%			
Average Daily Rate	\$323.22				\$332.91				\$342.90				\$353.19				\$363.78			
RevPAR	\$247.92				\$255.36				\$263.02				\$270.91				\$279.03			
Number of Rooms	223				223				223				223				223			
# of Rooms Sold	62,433				62,433				62,433				62,433				62,433			
# of Rooms Available	81,395				81,395				81,395				81,395				81,395			
	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$	\$	% of	\$	\$
	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR	Amount	Revenue	PAR	POR
<b>REVENUES</b>																				
Rooms	20,179,259	67.9%	\$90,490	\$323.22	20,784,637	67.9%	\$93,205	\$332.91	21,408,176	67.9%	\$96,001	\$342.90	22,050,421	67.9%	\$98,881	\$353.19	22,711,934	67.9%	\$101,847	\$363.78
F&B - Total	6,380,030	21.5%	\$28,610	\$102.19	6,571,431	21.5%	\$29,468	\$105.26	6,768,574	21.5%	\$30,352	\$108.41	6,971,631	21.5%	\$31,263	\$111.67	7,180,780	21.5%	\$32,201	\$115.02
Meeting Space Income	1,924,808	6.5%	\$8,631	\$30.83	1,982,552	6.5%	\$8,890	\$31.76	2,042,028	6.5%	\$9,157	\$32.71	2,103,289	6.5%	\$9,432	\$33.69	2,166,388	6.5%	\$9,715	\$34.70
Telephone	7,238	0.0%	\$32	\$0.12	7,455	0.0%	\$33	\$0.12	7,678	0.0%	\$34	\$0.12	7,909	0.0%	\$35	\$0.13	8,146	0.0%	\$37	\$0.13
Retail	137,246	0.5%	\$615	\$2.20	141,363	0.5%	\$634	\$2.26	145,604	0.5%	\$653	\$2.33	149,972	0.5%	\$673	\$2.40	154,471	0.5%	\$693	\$2.47
Parking Income	733,774	2.5%	\$3,290	\$11.75	755,787	2.5%	\$3,389	\$12.11	778,461	2.5%	\$3,491	\$12.47	801,815	2.5%	\$3,596	\$12.84	825,869	2.5%	\$3,703	\$13.23
Other Income	336,123	1.1%	\$1,507	\$5.38	346,207	1.1%	\$1,552	\$5.55	356,593	1.1%	\$1,599	\$5.71	367,290	1.1%	\$1,647	\$5.88	378,309	1.1%	\$1,696	\$6.06
<b>Total Revenues</b>	<b>29,698,477</b>	<b>100.0%</b>	<b>\$133,177</b>	<b>\$475.69</b>	<b>30,589,432</b>	<b>100.0%</b>	<b>\$137,172</b>	<b>\$489.96</b>	<b>31,507,115</b>	<b>100.0%</b>	<b>\$141,288</b>	<b>\$504.66</b>	<b>32,452,328</b>	<b>100.0%</b>	<b>\$145,526</b>	<b>\$519.80</b>	<b>33,425,898</b>	<b>100.0%</b>	<b>#####</b>	<b>\$535.39</b>
<b>DEPARTMENTAL EXPENSES</b>																				
Rooms	6,231,481	30.9%	\$27,944	\$99.81	6,418,425	30.9%	\$28,782	\$102.81	6,610,978	30.9%	\$29,646	\$105.89	6,809,307	30.9%	\$30,535	\$109.07	7,013,587	30.9%	\$31,451	\$112.34
F&B Total Expenses	4,473,212	70.1%	\$20,059	\$71.65	4,607,408	70.1%	\$20,661	\$73.80	4,745,630	70.1%	\$21,281	\$76.01	4,887,999	70.1%	\$21,919	\$78.29	5,034,639	70.1%	\$22,577	\$80.64
Meeting Space Expense	951,933	49.5%	\$4,269	\$15.25	980,491	49.5%	\$4,397	\$15.70	1,009,906	49.5%	\$4,529	\$16.18	1,040,203	49.5%	\$4,665	\$16.66	1,071,410	49.5%	\$4,805	\$17.16
Telephone Expense	37,485	517.9%	\$168	\$0.60	38,610	517.9%	\$173	\$0.62	39,768	517.9%	\$178	\$0.64	40,961	517.9%	\$184	\$0.66	42,190	517.9%	\$189	\$0.68
Parking Expense	220,132	30.0%	\$987	\$3.53	226,736	30.0%	\$1,017	\$3.63	233,538	30.0%	\$1,047	\$3.74	240,544	30.0%	\$1,079	\$3.85	247,761	30.0%	\$1,111	\$3.97
Other Expenses	218,480	65.0%	\$980	\$3.50	225,034	65.0%	\$1,009	\$3.60	231,785	65.0%	\$1,039	\$3.71	238,739	65.0%	\$1,071	\$3.82	245,901	65.0%	\$1,103	\$3.94
<b>Total Departmental Expns</b>	<b>12,132,723</b>	<b>40.9%</b>	<b>\$149</b>	<b>\$194.33</b>	<b>12,496,705</b>	<b>40.9%</b>	<b>\$154</b>	<b>\$200.16</b>	<b>12,871,606</b>	<b>40.9%</b>	<b>\$158</b>	<b>\$206.17</b>	<b>13,257,754</b>	<b>40.9%</b>	<b>\$163</b>	<b>\$212.35</b>	<b>13,655,487</b>	<b>40.9%</b>	<b>\$168</b>	<b>\$218.72</b>
<b>DEPARTMENTAL PROFIT</b>	<b>17,565,754</b>	<b>59.1%</b>	<b>\$78,770</b>	<b>\$281.36</b>	<b>18,092,727</b>	<b>59.1%</b>	<b>\$81,133</b>	<b>\$289.80</b>	<b>18,635,508</b>	<b>59.1%</b>	<b>\$83,567</b>	<b>\$298.49</b>	<b>19,194,574</b>	<b>59.1%</b>	<b>\$86,074</b>	<b>\$307.44</b>	<b>19,770,411</b>	<b>59.1%</b>	<b>\$88,657</b>	<b>\$316.67</b>
<b>UNDISTRIBUTED OPRTG EXP.</b>																				
Administrative & General	1,362,535	4.6%	\$6,110	\$21.82	1,403,411	4.6%	\$6,293	\$22.48	1,445,514	4.6%	\$6,482	\$23.15	1,488,879	4.6%	\$6,677	\$23.85	1,533,546	4.6%	\$6,877	\$24.56
Management Fees	1,187,939	4.0%	\$5,327	\$19.03	1,223,577	4.0%	\$5,487	\$19.60	1,260,285	4.0%	\$5,652	\$20.19	1,298,093	4.0%	\$5,821	\$20.79	1,337,036	4.0%	\$5,996	\$21.42
Franchise Fees	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
Sales & Marketing	1,052,294	3.5%	\$4,719	\$16.85	1,083,863	3.5%	\$4,860	\$17.36	1,116,378	3.5%	\$5,006	\$17.88	1,149,870	3.5%	\$5,156	\$18.42	1,184,366	3.5%	\$5,311	\$18.97
Operations & Maintenance	555,762	1.9%	\$2,492	\$8.90	572,434	1.9%	\$2,567	\$9.17	589,607	1.9%	\$2,644	\$9.44	607,296	1.9%	\$2,723	\$9.73	625,515	1.9%	\$2,805	\$10.02
Utilities	698,735	2.4%	\$3,133	\$11.19	719,697	2.4%	\$3,227	\$11.53	741,288	2.4%	\$3,324	\$11.87	763,527	2.4%	\$3,424	\$12.23	786,432	2.4%	\$3,527	\$12.60
<b>Total Undistributed Oprtg Exp</b>	<b>4,857,265</b>	<b>16.4%</b>	<b>\$60</b>	<b>\$77.80</b>	<b>5,002,983</b>	<b>16.4%</b>	<b>\$61</b>	<b>\$80.13</b>	<b>5,153,072</b>	<b>16.4%</b>	<b>\$63</b>	<b>\$82.54</b>	<b>5,307,664</b>	<b>16.4%</b>	<b>\$65</b>	<b>\$85.01</b>	<b>5,466,894</b>	<b>16.4%</b>	<b>\$67</b>	<b>\$87.56</b>
<b>GROSS OPERATING PROFIT</b>	<b>12,708,489</b>	<b>42.8%</b>	<b>\$56,989</b>	<b>\$203.56</b>	<b>13,089,744</b>	<b>42.8%</b>	<b>\$58,698</b>	<b>\$209.66</b>	<b>13,482,436</b>	<b>42.8%</b>	<b>\$60,459</b>	<b>\$215.95</b>	<b>13,886,909</b>	<b>42.8%</b>	<b>\$62,273</b>	<b>\$222.43</b>	<b>14,303,517</b>	<b>42.8%</b>	<b>\$64,141</b>	<b>\$229.10</b>
<b>FIXED EXPENSES</b>																				
FF&E Reserve	903,387	3.0%	\$4,051	\$14.47	930,489	3.0%	\$4,173	\$14.90	958,403	3.0%	\$4,298	\$15.35	987,155	3.0%	\$4,427	\$15.81	1,016,770	3.0%	\$4,560	\$16.29
Ground Lease	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00	0	0.0%	\$0	\$0.00
RE Taxes	1,322,462	5.3%	\$5,930	\$21.18	1,362,136	5.3%	\$6,108	\$21.82	1,403,000	5.3%	\$6,291	\$22.47	1,445,090	5.3%	\$6,480	\$23.15	1,488,443	5.3%	\$6,675	\$23.84
Property Insurance	776,847	2.6%	\$3,484	\$12.44	800,152	2.6%	\$3,588	\$12.82	824,157	2.6%	\$3,696	\$13.20	848,881	2.6%	\$3,807	\$13.60	874,348	2.6%	\$3,921	\$14.00
CAM Reimbursements	(6,476)	0.0%	(\$29)	(\$0.10)	(6,670)	0.0%	(\$30)	(\$0.11)	(6,870)	0.0%	(\$31)	(\$0.11)	(7,076)	0.0%	(\$32)	(\$0.11)	(7,289)	0.0%	(\$33)	(\$0.12)
<b>Total Fixed Expenses</b>	<b>2,996,220</b>	<b>10.1%</b>	<b>\$13,436</b>	<b>\$47.99</b>	<b>3,086,107</b>	<b>10.1%</b>	<b>\$13,839</b>	<b>\$49.43</b>	<b>3,178,690</b>	<b>10.1%</b>	<b>\$14,254</b>	<b>\$50.91</b>	<b>3,274,051</b>	<b>10.1%</b>	<b>\$14,682</b>	<b>\$52.44</b>	<b>3,372,272</b>	<b>10.1%</b>	<b>\$15,122</b>	<b>\$54.01</b>
<b>HOTEL NET OPERATING IN</b>	<b>9,712,269</b>	<b>32.7%</b>	<b>\$43,553</b>	<b>\$155.56</b>	<b>10,003,637</b>	<b>32.7%</b>	<b>\$44,859</b>	<b>\$160.23</b>	<b>10,303,746</b>	<b>32.7%</b>	<b>\$46,205</b>	<b>\$165.04</b>	<b>10,612,858</b>	<b>32.7%</b>	<b>\$47,591</b>	<b>\$169.99</b>	<b>10,931,244</b>	<b>32.7%</b>	<b>\$49,019</b>	<b>\$175.09</b>

# CAPITAL CASH FLOWS



Miami Beach Convention Center Hotel Draft Cash Flow Summary - 800 Key Single Brand - Scenario A										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Hotel Revenue	76,968,182	84,542,447	92,641,567	95,259,616	98,117,405	101,060,927	104,092,755	107,215,537	110,432,003	113,744,964
Hotel Expenses	53,360,465	58,453,831	64,105,426	66,024,858	68,061,576	70,103,423	72,206,526	74,372,722	76,603,903	78,902,021
Total NOI	<b>23,607,717</b>	<b>26,088,616</b>	<b>28,536,140</b>	<b>29,234,758</b>	<b>30,055,829</b>	<b>30,957,504</b>	<b>31,886,229</b>	<b>32,842,816</b>	<b>33,828,100</b>	<b>34,842,943</b>
Ground Lease	-	-	-	-	-	-	-	-	-	-
Percentage Rent	-	-	-	-	-	-	-	-	-	-
<b>Net NOI</b>	<b>\$23,607,717</b>	<b>\$26,088,616</b>	<b>\$28,536,140</b>	<b>\$29,234,758</b>	<b>\$30,055,829</b>	<b>\$30,957,504</b>	<b>\$31,886,229</b>	<b>\$32,842,816</b>	<b>\$33,828,100</b>	<b>\$34,842,943</b>
Debt Service Payment	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)
<b>Cash Flow After Debt Service</b>	<b>\$3,546,735</b>	<b>\$6,027,634</b>	<b>\$8,475,158</b>	<b>\$9,173,776</b>	<b>\$9,994,846</b>	<b>\$10,896,521</b>	<b>\$11,825,246</b>	<b>\$12,781,833</b>	<b>\$13,767,118</b>	<b>\$14,781,961</b>
Return On Investment - Unleveraged	8.0%	8.9%	9.7%	9.9%	10.2%	10.5%	10.8%	11.2%	11.5%	11.8%
Debt Service Coverage Ratio	117.7%	130.0%	142.2%	145.7%	149.8%	154.3%	158.9%	163.7%	168.6%	173.7%

Miami Beach Convention Center Hotel Draft Cash Flow Summary - Dual Brand - Scenario B										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Hotel Revenue	76,603,651	84,485,405	92,914,295	95,595,092	98,462,944	101,416,833	104,459,338	107,593,118	110,820,911	114,145,539
Hotel Expenses	54,317,548	59,278,501	64,814,975	66,789,045	68,860,851	70,926,676	73,054,476	75,246,111	77,503,494	79,828,599
Total NOI	<b>22,286,103</b>	<b>25,206,903</b>	<b>28,099,321</b>	<b>28,806,047</b>	<b>29,602,094</b>	<b>30,490,156</b>	<b>31,404,861</b>	<b>32,347,007</b>	<b>33,317,417</b>	<b>34,316,940</b>
Ground Lease	-	-	-	-	-	-	-	-	-	-
Percentage Rent	-	-	-	-	-	-	-	-	-	-
<b>Net NOI</b>	<b>\$22,286,103</b>	<b>\$25,206,903</b>	<b>\$28,099,321</b>	<b>\$28,806,047</b>	<b>\$29,602,094</b>	<b>\$30,490,156</b>	<b>\$31,404,861</b>	<b>\$32,347,007</b>	<b>\$33,317,417</b>	<b>\$34,316,940</b>
Debt Service Payment	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)	(20,060,982)
<b>Cash Flow After Debt Service</b>	<b>\$2,225,121</b>	<b>\$5,145,921</b>	<b>\$8,038,338</b>	<b>\$8,745,064</b>	<b>\$9,541,111</b>	<b>\$10,429,174</b>	<b>\$11,343,879</b>	<b>\$12,286,025</b>	<b>\$13,256,435</b>	<b>\$14,255,958</b>
Return On Investment - Unleveraged	7.5%	8.4%	9.4%	9.6%	9.9%	10.2%	10.5%	10.8%	11.2%	11.5%
Debt Service Coverage Ratio	111.1%	125.7%	140.1%	143.6%	147.6%	152.0%	156.5%	161.2%	166.1%	171.1%

# 7

## DEVELOPMENT AND GROUND LEASE AGREEMENT

Please see yellow highlighted notes in revised Development and Ground Lease Agreement in Section 9- Exhibit 1.

# 8

## FORMS

Please see the following pages for Appendix A.

Solicitation No: <b>RFP No. 2015-103-ME</b>	Solicitation Title: Development of a Convention Headquarter Hotel Adjacent to the Miami Beach Convention Center	
Procurement Contact: <b>Maria Estevez</b>	Tel: <b>305-673-7490</b>	Email: <b>mestevez@miamibeachfl.gov</b>

**PROPOSAL CERTIFICATION, QUESTIONNAIRE & REQUIREMENTS AFFIDAVIT**

**Purpose:** The purpose of this Proposal Certification, Questionnaire and Requirements Affidavit Form is to inform prospective Proposers of certain solicitation and contractual requirements, and to collect necessary information from Proposers in order that certain portions of responsiveness, responsibility and other determining factors and compliance with requirements may be evaluated. **This Proposal Certification, Questionnaire and Requirements Affidavit Form is a REQUIRED FORM that must be submitted fully completed and executed.**

1. General Proposer Information.

FIRM NAME: Oxford Capital Group		
No of Years in Business: ~30	No of Years in Business Locally:	No. of Employees: 200+
OTHER NAME(S) BIDDER HAS OPERATED UNDER IN THE LAST 10 YEARS:		
FIRM PRIMARY ADDRESS (HEADQUARTERS): 350 West Hubbard		
CITY: Chicago		
STATE: Illinois		
TELEPHONE NO.: 312-755-9527		
TOLL FREE NO.:		
FAX NO.:		
FIRM LOCAL ADDRESS:		
CITY:		
STATE:		
PRIMARY ACCOUNT REPRESENTATIVE FOR THIS ENGAGEMENT: Sar Peruri		
ACCOUNT REP TELEPHONE NO.: 312-506-4112		
ACCOUNT REP TOLL FREE NO.:		
ACCOUNT REP EMAIL: SPeruri@oxford-capital.com		
FEDERAL TAX IDENTIFICATION NO.:		

The City reserves the right to seek additional information from Proposer or other source(s), including but not limited to: any firm or principal information, applicable licensure, resumes of relevant individuals, client information, financial information, or any information the City deems necessary to evaluate the capacity of the Proposer to perform in accordance with contract requirements.

1. **Veteran Owned Business.** Is Proposer claiming a veteran owned business status?  
 YES  NO

**SUBMITTAL REQUIREMENT:** Proposers claiming veteran owned business status shall submit a documentation proving that firm is certified as a veteran-owned business or a service-disabled veteran owned business by the State of Florida or United States federal government, as required pursuant to ordinance 2011-3748.

2. **Conflict Of Interest.** All Proposers must disclose, in their proposal, the name(s) of any officer, director, agent, or immediate family member (spouse, parent, sibling, and child) who is also an employee of the City of Miami Beach. Further, all proposers must disclose the name of any City employee who owns, either directly or indirectly, an interest of ten (10%) percent or more in the proposer entity or any of its affiliates.

**SUBMITTAL REQUIREMENT:** Proposers must disclose the name(s) of any officer, director, agent, or immediate family member (spouse, parent, sibling, and child) who is also an employee of the City of Miami Beach. Proposers must also disclose the name of any City employee who owns, either directly or indirectly, an interest of ten (10%) percent or more in the proposer entity or any of its affiliates

3. **References & Past Performance.** Proposer shall submit at least three (3) references for whom the proposer has completed work similar in size and nature as the work referenced in solicitation.

**SUBMITTAL REQUIREMENT:** For each reference submitted, the following information is required: 1) Firm Name, 2) Contact Individual Name & Title, 3) Address, 4) Telephone, 5) Contact's Email and 6) Narrative on Scope of Services Provided.

4. **Suspension, Debarment or Contract Cancellation.** Has proposer ever been debarred, suspended or other legal violation, or had a contract cancelled due to non-performance by any public sector agency?  
 YES  NO

**SUBMITTAL REQUIREMENT:** If answer to above is "YES," proposer shall submit a statement detailing the reasons that led to action(s).

5. **Vendor Campaign Contributions.** Proposers are expected to be or become familiar with, the City's Campaign Finance Reform laws, as codified in Sections 2-487 through 2-490 of the City Code. Proposers shall be solely responsible for ensuring that all applicable provisions of the City's Campaign Finance Reform laws are complied with, and shall be subject to any and all sanctions, as prescribed therein, including disqualification of their proposals, in the event of such non-compliance.

**SUBMITTAL REQUIREMENT:** Submit the names of all individuals or entities (including your sub-consultants) with a controlling financial interest as defined in solicitation. For each individual or entity with a controlling financial interest indicate whether or not each individual or entity has contributed to the campaign either directly or indirectly, of a candidate who has been elected to the office of Mayor or City Commissioner for the City of Miami Beach.

6. **Code of Business Ethics.** Pursuant to City Resolution No.2000-23879, each person or entity that seeks to do business with the City shall adopt a Code of Business Ethics ("Code") and submit that Code to the Procurement Management Department with its response or within five (5) days upon receipt of request. The Code shall, at a minimum, require the proposer, to comply with all applicable governmental rules and regulations including, among others, the conflict of interest, lobbying and ethics provision of the City of Miami Beach and Miami Dade County.

**SUBMITTAL REQUIREMENT:** Proposer shall submit firm's Code of Business Ethics. In lieu of submitting Code of Business Ethics, Proposer may submit a statement indicating that it will adopt, as required in the ordinance, the City of Miami Beach Code of Ethics, available at [www.miamibeachfl.gov/procurement/](http://www.miamibeachfl.gov/procurement/).

7. **Prevailing Wage:** Intentionally omitted.

8. **Equal Benefits for Employees with Spouses and Employees with Domestic Partners.** Intentionally omitted.

9. **Public Entity Crimes.** Section 287.133.(2)(a), Florida Statutes, as currently enacted or as amended from time to time, states that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal, Proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a proposal, Proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit proposals, Proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section. 287.017. for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

**SUBMITTAL REQUIREMENT:** No additional submittal is required. By virtue of executing this affidavit document, Proposer agrees with the requirements of Section 287.133, Florida Statutes, and certifies it has not been placed on convicted vendor list.

10. Have you ever failed to complete any work awarded to you? If so, where and why?

YES  NO

**SUBMITTAL REQUIREMENT:** If yes, submit information on project, agency, agency contact and reason why contractor failed to complete work.

11. Has a surety company ever intervened to assist a governmental agency or other client of the Proposer in completing work that the Proposer failed to complete?

YES  NO

**SUBMITTAL REQUIREMENT:** If yes, submit owner names, addresses and telephone numbers, and surety and project names, for all projects for which you have performed work, where your surety has intervened to assist in completion of the project, whether or not a claim was made.

12. **Bankruptcy.** Has the Proposer filed any bankruptcy petitions (voluntary or involuntary) which have been filed by or against the Proposer, its parent or subsidiaries or predecessor organizations during the past five (5) years. Include in the description the disposition of each such petition.

YES  NO

**SUBMITTAL REQUIREMENT:** If yes, list and describe all bankruptcy petitions (voluntary or involuntary) which have been filed by or against the Proposer, its parent or subsidiaries or predecessor organizations during the past five (5) years. Include in the description the disposition of each such petition.

13. **Litigation History.** Has Proposer or any principal or employee of the Proposer (relating to professional endeavors only) been the subject of any claims, arbitrations, administrative hearings and lawsuits brought by or against the Proposer or its predecessor organization(s) during the last five (5) years, including any disputes with hotel brands or hotel operators within the last ten (10) years.

YES  NO

**SUBMITTAL REQUIREMENT:** If yes, list all case names; case, arbitration or hearing identification numbers; the name of the project over which the dispute arose; a description of the subject matter of the dispute; and the final outcome of the claim.

14. Has the Corporation, Officers of the Corporation, Principal Stockholders, Principals of the Partnership or Owner of Sole Proprietorship ever been indicted, debarred, disqualified or suspended from performing work for the Federal Government or any State or Local Government or subdivision or agency thereof?  
 YES  NO  
**SUBMITTAL REQUIREMENT:** If yes, list the specific cases and the charging agency.

15. **Principals.** Provide the names of all individuals or entities (including your sub-consultants) with a controlling financial interest. The term "controlling financial interest" shall mean the ownership, directly or indirectly, of 10% or more of the outstanding capital stock in any corporation or a direct or indirect interest of 10% or more in a firm. The term "firm" shall mean any corporation, partnership, business trust or any legal entity other than a natural person.
16. **Acknowledgement of Addendum.** After issuance of solicitation, the City may release one or more addendum to the solicitation which may provide additional information to proposers or alter solicitation requirements. The City will strive to reach every proposer having received solicitation through the City's e-procurement system, PublicPurchase.com. However, proposers are solely responsible for assuring they have received any and all addendum issued pursuant to solicitation. This Acknowledgement of Addendum section certifies that the proposer has received all addendum released by the City pursuant to this solicitation. Failure to obtain and acknowledge receipt of all addendum may result in proposal disqualification.

Initial to Confirm Receipt		Initial to Confirm Receipt		Initial to Confirm Receipt	
MK MK	_Addendum 1		_Addendum 6		_Addendum 11
MK MK	_Addendum 2		_Addendum 7		_Addendum 12
MK MB	_Addendum 3		_Addendum 8		_Addendum 13
MK MK	_Addendum 4		_Addendum 9		_Addendum 14
	_Addendum 5		_Addendum 10		_Addendum 15

If additional confirmation of addendum is required, submit under separate cover.

17. **Art in Public Places (AIPP):** By virtue of submitting a proposal to this RFP, Proposer certifies that is will comply with the Art in Public Places (AIPP) requirements of the City pursuant to Sections 82-536 to 82-612 of the City Code without limitation and that any resulting project plans, designs and guaranteed maximum price (GMP) shall be fully compliant with the AIPP requirements.
18. **Minimum Hotel Project and Room Block Requirements.** By signing the Proposer Certification required as part of this RFP, Proposer hereby certifies that its proposal submission adheres to and satisfies the minimum Hotel Project requirements set forth in Sections 4 and the Room Block requirements set forth in Section 5 of Division 00100 of this RFP, and that, if selected, all such terms shall be included in the Lease.

Proposer specifically acknowledges and agrees that the failure to comply with and/or agree to the foregoing requirements referenced in Sections 4 and 5 of Division 00100 of this RFP shall render Proposer non-responsive.

**PROPOSER CERTIFICATION**

I hereby certify that: I, as an authorized agent of the Proposer, am submitting the following information as my firm's Proposal; Proposer agrees to complete and unconditional acceptance of the terms and conditions of this document, inclusive of this solicitation, all attachments, exhibits and appendices and the contents of any Addenda released hereto, and the Disclosure and Disclaimer Statement; Proposer agrees to be bound to any and all specifications, terms and conditions contained in the solicitation, and any released Addenda and understand that the following are requirements of this solicitation and failure to comply will result in disqualification of Proposal submitted; Proposer has not divulged, discussed, or compared the Proposal with other Proposers and has not colluded with any other Proposer or party to any other Proposal; Proposer acknowledges that all information contained herein is part of the public domain as defined by the State of Florida Sunshine and Public Records Laws; all responses, data and information contained in this Proposal, inclusive of the Proposal Certification, Questionnaire and Requirements Affidavit are true and accurate.

Name of Proposer's Authorized Representative: Matthew Kalt	Title of Proposer's Authorized Representative: Senior Analyst
Signature of Proposer's Authorized Representative: <i>Matthew Kalt</i>	Date: 4/7/2015

Illinois  
State of FLORIDA )  
County of Cook )

On this 8<sup>th</sup> day of April, 2015 personally  
appeared before me Matthew Kalt who  
stated that (s)he is the Sr. Analyst

of Oxford Capital, a corporation, and that the instrument was  
signed in behalf of the said corporation by authority of its board of  
directors and acknowledged said instrument to be its voluntary act  
and deed. Before me:



Please see the following pages for our draft of the Development and Ground Lease Agreement.

**DEVELOPMENT AND GROUND LEASE AGREEMENT**

**between**

\_\_\_\_\_, **a**

\_\_\_\_\_

**and**

**CITY OF MIAMI BEACH, a**

**Florida municipal corporation**

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**List of Exhibits**

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**EXHIBIT "R"** Minimum Fixed Rent .....

**EXHIBIT "S"** Mandatory Hotel Project Design Elements .....

**EXHIBIT "T"** Lessee's [Corporate, Partnership, LLC Documents] .....

## DEVELOPMENT AND GROUND LEASE AGREEMENT

THIS DEVELOPMENT AND GROUND LEASE AGREEMENT ("Lease") is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the CITY OF MIAMI BEACH, FLORIDA, a municipal corporation (the "City") and \_\_\_\_\_, a \_\_\_\_\_ (the "Lessee").

### RECITALS:

A. The City has a material interest in maximizing the performance of the Miami Beach Convention Center (as hereinafter defined in Section 1.3) and encouraging convention and tourism business in the City. To further those goals, the City desires to facilitate development of an adjacent full service convention center headquarter hotel on real property owned by the City and described more fully in **Exhibit "D"** hereto, to be connected to the Convention Center by an enclosed overhead pedestrian Skybridge (as hereinafter defined in Section 1.3).

B. The City is a Florida municipal corporation with powers and authority conferred under the Florida Constitution, the Municipal Home Rule Powers Act set forth in Chapter 166 of the Florida Statutes, and the Miami Beach City Charter and Code of Ordinances (the "City Code"). The City has all governmental, corporate and proprietary powers to enable it to conduct municipal government, perform municipal and governmental functions, and render municipal services, including the authority to adopt, implement and enforce (together with any other required Governmental Approvals) comprehensive plans, zoning ordinances, redevelopment plans, and other police power and legislative measures necessary to assure the health, safety and general welfare of the City and its inhabitants.

C. This Lease, among other things, is intended to and shall constitute a development agreement between the parties pursuant to Sections 163.3220-163.3243, Florida Statutes, the "Florida Local Government Development Agreement Act" and Section 118-4 of the City's Code.

D. On or about January 29, 2015, the City issued Request for Proposal No. 2015-103-ME, for the Development of a Convention Hotel Adjacent to the Miami Beach Convention Center ("RFP"). After a competitive RFP process, and the City having fully considered this Lease at two duly noticed public hearings in compliance with Section 163.3225 of the Act; having determined that the Hotel Project (as hereinafter defined in Section 1.3) and this Lease are in compliance with the City's Comprehensive Plan and Land Development Regulations (as each are hereinafter defined in Section 1.3) as of \_\_\_\_\_, 2015; and having further determined that it is in the City's best interest to address the issues covered by this Lease in a comprehensive manner, in compliance with all applicable laws, ordinances, plans, rules and regulations of the City, the City has agreed to enter into this Lease with the Lessee, subject to the terms and conditions herein.

E. On \_\_\_\_\_, the City Commission, by Resolution Number R-\_\_\_\_\_, approved the execution of this Lease.

**NOW THEREFORE**, for and in consideration of the foregoing, and of the mutual covenants and agreements contained herein, the parties agree as follows:

**ARTICLE I**  
**VOTER REFERENDUM, EFFECTIVE DATE AND DEFINITIONS**

**Section 1.1. Voter Referendum Requirement.** The parties acknowledge and agree that, pursuant to Section 1.03(b)(3) of the City Code, this Lease and the obligations herein are subject to and contingent upon the approval of this Lease by vote of at least sixty percent (60%) of the voters voting thereon in a City-wide a referendum ("Referendum"). In the event the Referendum is not successful, or if the ballot question is removed or election results are invalidated by a court of competent jurisdiction, this Lease shall be deemed null and void and the parties shall have no obligations or liabilities of any kind or nature whatsoever hereunder.

**[NOTE: DISCUSS PROCESS]**

**Section 1.2. Effective Date.** If the Referendum is successful and all requirements of the City Code and applicable law are satisfied with respect to entering into this Lease (if any), this Lease shall be effective upon the City Commission's adoption of a resolution accepting the certification of the official results of the November 3, 2015 election with respect to the Referendum ("Effective Date").

**Section 1.3. Defined Terms.** As used herein the term:

"Acceptable Owner" has the meaning ascribed to it in **Exhibit "A"**.

"Additional Rent" means any and all payments required of Lessee to the City by the terms of this Lease other than Base Rent.

"Affiliate" means, regarding any Person:

(a) any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person;

(b) any officer, director, general partner, member, manager or trustee of such Person; or

(c) any other Person who is an officer, director, general partner, member, manager or trustee of such Person described in clauses (a) or (b) of this sentence.

When used in reference to Lessee, for so long as \_\_\_\_\_ (or any of its Affiliates) holds an interest, directly or indirectly, in Lessee, "Affiliate" shall include any Person Controlling, Controlled by, or under common Control with \_\_\_\_\_.

"Approval, Approve or Approved" means the approval or consent of a Party, which unless otherwise specified herein by reference to "sole discretion" or words of similar effect, shall be commercially reasonable and made in good faith and with due diligence.

"Approved Brand" means (a) each of the following national hotel operators but only if its reputation for quality and quality of operation, at the time Lessee engages such operator, is generally known and recognized by the hotel industry as not having substantially declined, as of the time in question, in comparison to their reputation for quality and quality of operation as of the Effective Date: Marriott (i.e., the Marriott, Marriott Marquis or JW Marriott brands), Westin, Omni, Hyatt Regency, Sheraton, La Meridien, or Hilton, or (b) any other hotel operator Approved by City in its sole discretion.

"Approved Plans" means the renderings and diagrams attached hereto as **Exhibit "Q"** depicting the Mandatory Hotel Project Design Elements, which renderings and diagrams the City has Approved as of the Effective Date.

"Assignment of Plans and Approvals" means an assignment from Lessee, as assignor, to the City, as assignee, assigning in favor of the City all of Lessee's right, title and interest in and to all Approved Plans, designs, Governmental Approvals and other work product produced by Lessee and any other Person for use in the development, construction and operation of the Work, which assignment shall include a duly executed consent by each Person other than the Lessee having an interest in such Approved Plans, designs, Governmental Approvals and other work product and shall otherwise be in form and substance reasonably satisfactory to the City (together with any necessary consents required in connection with such assignment), which assignment shall be ~~an absolute~~ subject to the rights of any First Leasehold Mortgagee and a collateral assignment from Lessee to the City, ~~provided that and~~ for so long as no Event of Default has occurred hereunder, ~~the City shall give Lessee a license of~~ Lessee shall have the right to use and enjoy all such Approved Plans, designs, Governmental Approvals and other work product assigned to the City for the duration of the Term. [FINANCING CONSIDERATION]

"Audited Financial Statement" means a Financial Statement certified by the CPA to have been prepared in accordance with GAAP and GAAS.

"Audited Gross Operating Revenues Schedule" means a Gross Operating Revenues schedule prepared in accordance with GAAP and GAAS, and including, as additional information or as supplemental schedule to the Audited Financial Statement, revenue derived from Subleases with third-party sublessee(s). Such Audited Gross Operating Revenues shall be based on relevant Audited Financial Statements prorated as necessary for any partial Rental Year.

"Base Rent" shall have the meaning ascribed to it in Section 4.4(a).

"Brand Approvals" means the written confirmation from the Initial Hotel Operator approving the design of the Hotel Project, and, prior to Opening, approving the FF&E to be installed in the Hotel Project.

"Budgeted Improvement Costs" means the estimated Improvement Costs as of the date hereof, as set forth in **Exhibit "C"**.

"Certificate of Occupancy" means a certificate of occupancy or certificate of completion, as applicable, for the buildings and structures on the Leased Property, and shall include any such certificate designated as "Temporary" in nature, provided it allows for occupancy of the Hotel.

"City" shall mean the City of Miami Beach, a Florida municipal corporation, having its principal offices at 1700 Convention Center Drive, Miami Beach, Florida 33139. In all respects hereunder, City's obligations and performance is pursuant to City's position as the owner of the Hotel Site acting in its proprietary capacity. In the event City exercises its regulatory authority as a governmental body, the exercise of such regulatory authority and the enforcement of any rules, regulations, laws and ordinances (including through the exercise of the City's building, fire, code enforcement, police department or otherwise) shall be deemed to have occurred pursuant to City's regulatory authority as a governmental body and shall not be attributable in any manner to City as a party to this Lease or in any way be deemed in conflict with, or a default under, the City's obligations hereunder.

"City Code" has the meaning ascribed to it in the recitals hereto.

"City Commission" shall mean the governing and legislative body of the City.

"City Manager" shall mean the Chief Administrative Officer of the City. The City Manager shall be construed to include any duly authorized representatives designated in writing with respect to any specific matter(s) concerning this Lease (exclusive of those authorizations reserved to the City Commission or regulatory or administrative bodies having jurisdiction over any matter(s) related to this Lease).

"City's Representative" has the meaning ascribed to it in Section 2.9(b).

"Commence Construction" or "Commencement of Construction" means, with respect to the Hotel Project, the commencement of bona-fide pouring of the concrete foundation for the Hotel Project, provided that the pour is completed in the ordinary course.

"Complete Construction" or "Completion of Construction" means the date: (i) Lessee has substantially completed the Hotel Project in accordance with the requirements of the Approved Plans ~~and;~~ (ii) (x) all conditions of permits and regulatory agencies have been satisfied, (y) all applicable Governmental Authorities have issued a Certificate of Occupancy, and (z) the Hotel has been accepted by the Hotel Operator, ~~and;~~ such that the Hotel Project is ready for occupancy, utilization and continuous commercial operation for the uses and purposes intended by this Lease, without material interference from incomplete or improperly completed Work, and (iii) substantially all of the FF&E required for the Opening Date has been purchased, delivered to and installed in the Hotel Project.

"Comprehensive Plan" means the comprehensive plan which the City Commission has adopted and implemented for the redevelopment and continuing development of the City pursuant to Chapter 163 Part II, of the Florida Statutes.

"Concurrency Requirements" shall have the meaning ascribed to it in Section 3.3.

"Construction Lender" means the Institutional Lender selected by Lessee to provide the Construction Loan.

"Construction Loan" means the loan to be provided by the Construction Lender to the Lessee for development and construction of the Hotel Project in an amount not more than ~~---~~[65%] of the Budgeted Improvement Costs.

"Construction Loan Commitment" means a customary financing commitment by the Construction Lender that has been executed and delivered by and between Lessee and the Construction Lender(s) that confirms availability of the Construction Loan to fund the construction of the Hotel Project in accordance with the requirements of this Lease.

"Control," "Controlling" or "Controlled" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, by Governmental Requirements or otherwise, or the power to elect at least fifty percent (50%) of the directors, managers, general partners or other Persons exercising similar authority with respect to such Person (it being acknowledged that a Person shall not be deemed to ~~lack~~have Control of another Person ~~even though~~because certain decisions may be subject to "major decision" consent or approval rights of limited partners, shareholders or members, as applicable).

"Convention Center" means the Miami Beach Convention Center located at 1901 Convention Center Drive, Miami Beach, Florida, 33139.

"Corrective Action Work" has the meaning ascribed to it in Section 8.4(a)(vii).

"CPA" means a firm of certified public accountants Approved by the City, used by Lessee for the purpose of certifying the annual reports, its financial condition or for any other purpose specified herein.

"Debt Service Coverage Ratio" means the ratio of: (i) Gross Operating Profit for the previous twelve (12) months; to (ii) the amount of Debt Service Payments actually required to be paid in such twelve (12) months, as reflected in Section 6.1(a)(ii). For example, if Gross Operating Revenues for a particular twelve (12) months equal \$3,700,000, Project Expenses equal \$1,000,000 and Debt Service Payments actually required to be paid equal \$1,800,000, the Debt Service Coverage Ratio for that twelve (12) months would be approximately 1.50.

"Debt Service Payments" means all principal, interest and other sums and amounts paid or payable by Lessee for or during the applicable or pertinent period, in connection with any debt secured by a Leasehold Mortgage.

"Default Rate" means an interest rate equal to five percent (5%) per annum above the highest annual prime rate (or base rate) published from time-to-time in The Wall Street Journal under the heading "Money Rates" or any successor heading as being the rate in effect for corporate loans at large U.S. money center commercial banks (whether or not such

rate has actually been charged by any such bank) or if such rate is no longer published, then the highest annual rate charged from time-to-time at a large U.S. money center commercial bank, selected by the City, on short term, unsecured loans to its most creditworthy large corporate borrowers.

"Deficiency" has the meaning ascribed to it in Section 7.2(b)(ii).

"Development Order" means any order granting, denying, or granting with conditions an application for a Development Permit.

"Development Permit" shall have the meaning set forth in Section 163.3221(5), Florida Statutes (2014).

"Economic Force Majeure" means severe and systemic economic or political conditions or events that materially impair access to or the reasonable availability of debt or equity markets by developers for development of projects in the United States similar to the Hotel Project or allow a committed debt or equity participant to terminate its debt or equity commitment, such as a temporary or long term liquidity crisis or major recession.

"Effective Date" has the meaning ascribed to in Section 1.2.

"Environmental Condition" has the meaning ascribed to it in Section 8.4.

"Environmental Claim" has the meaning ascribed to it in Section 8.4.

"Environmental Laws" has the meaning ascribed to it in Section 8.4.

"Environmental Permit" has the meaning ascribed to it in Section 8.4.

"Environmental Requirements" has the meaning ascribed to it in Section 8.4.

"Event of Default" has the meaning ascribed to it in Article VII.

"Equity Commitment" means the commitment of Lessee to contribute not less than \$\_\_\_\_\_ in cash to pay Improvement Costs, or such other, greater amount as may be necessary, at the time of determination, when combined with the Initial Hotel Operator Financial Commitment and the proceeds available under the Construction Loan, to maintain the Hotel Project In Balance. As of the date of execution of this Lease, the Parties anticipate that the Equity Commitment will be not less than \$\_\_\_\_\_. [REFER TO RFP RESPONSE FOR DETAILS]

"Exterior Elements Features" means the design features and treatments described in **Exhibit "P"** attached hereto.

"FF&E" means the furniture, fixtures and equipment for the Hotel Project to be procured and maintained by the Lessee.

"First Class Quality" means the highest level of quality of appearance, maintenance, conduct of operation, personnel, services and use, from time to time, as that maintained among the hotel(s) operated from time to time by the Approved Brands.

"First Leasehold Mortgage" means a Leasehold Mortgage which is a first lien on Lessee's interest in this Lease and the leasehold interest created hereby.

"First Leasehold Mortgagee" means the Institutional Lender that is a holder of a First Leasehold Mortgage, which shall be evidenced by, ~~and the City shall be able to rely absolutely on,~~ a title report current as of the time of any determination and prepared by a generally recognized title insurance company doing business in Miami-Dade County, Florida, or upon a certificate of Lessee, signed and verified by a Responsible Officer of Lessee.

"Force Majeure Event" means the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies, whether actual or threatened; orders of any civil or military authority; insurrections; riots; epidemics; landslides, earthquakes, lightning, fires, hurricanes, storms, floods, washouts and other natural disasters; inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, or failure or unavailability of transportation generally; or other similar extraordinary causes beyond the commercially reasonable control of the Party claiming such inability. In no event shall "Force Majeure Event" include economic hardship or financial inability to perform specific to the Party nor shall it include Economic Force Majeure.

"GAAP" means generally accepted accounting principles (including tax basis accounting), as in effect from time to time, as may be promulgated by the Financial Accounting Standards Board, consistently applied or a system generally recognized in the United States as having replaced GAAP.

"GAAS" means generally accepted auditing standards, as in effect from time to time, as developed by the American Institute of Certified Public Accountants, consistently applied, or a system generally recognized in the United States as having replaced GAAS.

"Gaming Establishment" means any establishment offering or otherwise engaged in gambling or wagering of any nature or kind as its primary source of revenue.

"Governmental Approvals" means all permits, approvals, certificates of occupancy, notifications, certifications, registrations, authorizations and other rights and privileges that are required by any Governmental Authority. Notwithstanding anything to the contrary in this Lease, the Lessee retains its rights in accordance with applicable Governmental Requirements to challenge or appeal any denial of Governmental Approvals.

"Governmental Authority" means any federal, state, county, municipal or other governmental department, entity, authority, commission, board, bureau, court, agency, or any instrumentality of any of them, with jurisdiction over the Leased Property, the Lessee Improvements, the Work or the Off-Site Improvements.

"Governmental Requirements" means any law, enactment, statute, code, order, ordinance, rule, regulation, judgment, decree, writ, injunction, franchise, permit, certificate, license, or other similar requirement of any Governmental Authority, now existing or hereafter enacted, adopted, promulgated, entered, or issued, affecting the Leased Property or the construction and operation of the Lessee Improvements. Notwithstanding anything to the contrary in this Lease, the Lessee retains its right to challenge Governmental Requirements in accordance with all other applicable Governmental Requirements, including based on a constitutional

objection that a Governmental Requirement violates Lessee's constitutional rights regarding contracts.

"Gross Operating Profit" means the amount calculated by subtracting Project Expenses from Gross Operating Revenues.

"Gross Operating Revenues" means all revenues and income of any nature derived directly ~~or indirectly~~ from the Hotel or from the use or operation of the Leased Property, including gross rooms sales, gross food and beverage sales (~~whether any food and beverage establishment is~~ operated by Lessee ~~or a Subtenant~~), catering receipts, telephone, facsimile and/or internet services, in-room video and parking and valet service receipts (~~whether the parking or valet services are~~ operated by Lessee ~~or a Subtenant~~), vending machines, gross receipts, rents or license fees from the operation of newsstand, gift shop, business center or other stores, ~~or from any other sub-lessees,~~ concessionaires, third-parties conducting operations on the Leased Property or other sources, the ~~fair~~ rental value of space within the Hotel Project occupied by Lessee or any entity affiliated with or employed by Lessee for purposes other than managing the Hotel Project (~~to the extent the occupants of such space are paying less than the fair market value of such space~~) and the proceeds of business interruption, other loss of income, use, occupancy or similar insurance, as determined in accordance with GAAP (to the extent not inconsistent with the Uniform Systems of Accounts), and the Uniform System of Accounts, and without any reduction or allowance for uncollectable charges or bad debts. Notwithstanding the foregoing, the following shall not constitute Gross Operating Revenues: (i) any gratuities or service charges added to a customer's bill and distributed as compensation to the Hotel's employees; (ii) any credits or refunds made to customers, guests or patrons; (iii) any sums and credits received for lost or damaged merchandise; (iv) any sales taxes, excise taxes, or other similar taxes or charges collected by the Hotel and remitted to tax authorities; (v) any proceeds from the sale or other disposition of FF&E or capital equipment; (vi) any interest earned with respect to the deposit or investment of proceeds from operation of the Hotel; (vii) any fire and extended coverage insurance proceeds (except that proceeds of business interruption or other loss of income insurance shall be included in Gross Operating Revenues); (viii) any condemnation awards; ~~and~~ (ix) any proceeds of financing or refinancing of the Hotel; (x) any proceeds from a sale of the Hotel; (xi) proceeds or receipts from subtenants, licensees and concessionaires as reimbursement of costs incurred for capital improvements financed by Lessee separately from the construction financing for the Hotel Project; (xii) sublessee(s) security and other deposits; and (xiii) management or development fees paid to any Affiliate of Lessee as permitted herein.

"Hazardous Substance" has the meaning ascribed to it in Section 8.4.

"Hotel" means the hotel complex to be developed and constructed on the Hotel Site in accordance with the Approved Plans, which will contain approximately (but not more than) 800, separately keyed sleeping rooms capable of individual rental on a day-to-day overnight basis to hotel patrons and guests. For the purpose of determining the maximum number of separately keyed sleeping rooms contained within the Hotel at any time during the Term, each such room which is capable of being separately keyed will be deemed to be separately keyed, without regard to the actual use thereof. [REFER TO RFP RESPONSE FOR DETAILS]

"Hotel Operator" means and includes the Initial Hotel Operator and upon the expiration or sooner termination of the Management Agreement between the Initial Hotel Operator and the

Lessee, any Approved Brand engaged by the Lessee to be responsible for overseeing the day- to-day management of the Hotel Project (or, if at any time there is no such operator, Lessee as operator of the Hotel Project).

“Hotel Project” means Lessee's leasehold created by this Lease and the development, design, construction and purchase of the Lessee Improvements and their subsequent use; the completion of the Work in accordance with the Approved Plans, including (1) the Hotel and all associated infrastructure (including on-site parking and all supporting Hotel facilities and amenities), (2) the Skybridge and all associated infrastructure, (3) the installation of FF&E and other improvements and appurtenances of every kind and description (including all landscaping, planting and other improvements of any type) now located or hereafter erected, constructed or placed upon the Leased Property; and (4) any and all alterations, renewals and replacements thereof, additions thereto and substitutions therefor.

“Hotel Project General Construction Contract” means the construction contract between Lessee and the Hotel Project General Contractor for the construction of the Hotel Project and completion of the Work, in accordance with the Approved Plans, within the contract time specified for completion of the Work, for a guaranteed maximum price that will not exceed the sum allocated for construction of the Work in the Budgeted Improvement Costs, and that includes provisions requiring a Performance and Payment Bond and all other terms or conditions required under this Lease.

“Hotel Project General Contractor” means the duly licensed general contractor(s) engaged by Lessee for the construction of the Hotel Project and completion of the Work.

“Hotel Site” means the parcel of real property described in **Exhibit "D"**.

“Hotel Standards” means the standards set forth in **Exhibit "B"**.

“Improvement Costs” means the actual, verifiable costs and expenses paid to third parties, not Affiliates of Lessee (unless such costs paid to Affiliates of Lessee are at fair market value ~~and with notice to and Approval by the City~~), in the design, permitting, development, construction and equipping of the Hotel Project.

“In Balance” means, at any time in question, that the sum of (a) the then unfunded amount of the Construction Loan available to Lessee for payment of costs of labor and materials to achieve Completion of Construction of the Hotel Project, plus (b) the then remaining balance to be funded under the Equity Commitments and the Initial Hotel Operator Financial Commitment, if any, plus (c) any additional cash amounts deposited with the City by Lessee in order to fund the difference, if any, between the sum of (a) and (b) above and the then remaining Improvement Costs, is adequate to pay all of the then remaining Improvements Costs that are reflected on the most recent AIA payment application (excluding retainage) from the Hotel Project General Contractor and are reasonably likely to be incurred through Complete Construction of the Hotel Project.

“Initial Hotel Operator” means \_\_\_\_\_.

“Initial Hotel Operator Financial Commitment” means the commitment of the Initial Hotel Operator to fund, in the aggregate, cash, to be used to pay Budgeted Improvement Costs, in

such amount as may be necessary when combined with the Equity Commitment and the proceeds available under the Construction Loan, to maintain the Hotel Project In Balance.

"Institutional Lender" means, ~~subject to the City's approval within twenty (20) days from receipt by the City of commercially reasonable information properly identifying the proposed Institutional Lender, including its financial qualifications,~~ any of the following entities that have a net worth in excess of Fifty Million Dollars (\$50,000,000) ~~(as adjusted by inflation over the Term pursuant to Section 14.20 hereof):~~

(a) any federal or state chartered commercial bank or national bank or any of its subsidiaries;

(b) any federal or state chartered savings and loan association, savings bank or trust company;

(c) any pension, retirement or welfare trust or fund, whose loans on real estate are regulated by state or federal laws;

(d) any ~~public~~-limited partnerships, ~~public~~-real estate investment trust, investment bank or other ~~public~~-entity investing in commercial mortgage loans ~~whose loans on real estate are regulated by state or federal laws;~~

(e) any state licensed life insurance company in the business of making commercial mortgage loans or a subsidiary or affiliate of any such institution whose loans on real estate are regulated by state or federal laws; ~~and~~

(f) any agent, designee, or nominee of an Institutional Lender that is an Affiliate (solely as described in clause (a) of the definition thereof) of any Institutional Lender or any other Person that is a subsidiary or an Affiliate (solely as described in clause (a) of the definition thereof) of an Institutional Lender;

(g) any foreign commercial bank, savings and loan association, trust company or insurance company and any foreign nationally respected lender-mortgagee (such as a foundation, publicly held corporation, real estate investment trust, pension fund or the like); and

(h) any other entity generally recognized to be of institutional quality and customarily involved in the business of the lending of money.

In the event of a syndicated loan, if fifty-one percent (51%) or more of the syndicate of lenders are Institutional Lenders, then the syndicated loan shall be deemed to be made by an Institutional Lender.

"Insurance Trustee" has the meaning ascribed to it in Section 9.9(a).

"Land Development Regulations" shall have the meaning set forth in Section 163.3221(8), Florida Statutes and shall also include the definition of "land development regulations" in Section 114-1 of the City Code.

"Lease" means this Development and Ground Lease Agreement, and all exhibits annexed hereto and made a part hereof, as the same may be modified or amended from time to time.

"Leased Property" means the Hotel Site.

"Leasehold Mortgage" means a mortgage, including an assignment of the rents, issues and profits from the Hotel Project or other security instrument in favor of a Leasehold Mortgagee, which constitutes a lien on Lessee's leasehold interest created by this Lease during the Term.

"Leasehold Mortgagee" means an Institutional Lender that is the owner and holder of a Leasehold Mortgage.

"LEED Status" means a certification by the U.S. Green Building Counsel's ("USGBC") Leadership in Energy and Environmental Design ("LEED") that the Hotel Project has satisfied all of the requirements associated with the then current USGBC Silver LEED certification.

"Lessee" means \_\_\_\_\_, and the successors, assigns or transferees thereof expressly Approved or permitted by the terms and provisions of this Lease. An executed copy of Lessee's [corp., partnership, limited liability company documents] is on file with the City as set forth on **Exhibit "T"**.

"Lessee Improvements" means any and all ~~permanent~~ buildings, structures and ~~machinery, equipment and~~ real property fixtures, which are existing and may from time to time and at any time during the Term be erected or located on the Leased Property, including the Hotel and associated infrastructure and the Skybridge and associated infrastructure.

"Liquid Assets" means (a) cash on hand or on deposit in any federal or state chartered commercial bank or national bank or any of its subsidiaries, (b) readily marketable securities, (c) readily marketable commercial paper rated A-1 by Standard & Poor's Corporation (or a similar rating by any similar organization that rates commercial paper), (d) certificates of deposit issued by commercial banks operating in the United States with maturities of one year or less, (e) money market mutual funds, (f) the uncommitted amount of any available line(s) of credit and (g) the unfunded amount of any Equity Commitments.

"Management Agreement" means the hotel operating or management agreement, as it may be extended, supplemented, amended or replaced from time to time, between Lessee and the Hotel Operator and which provides Lessee with the right to use the name or flag of the Hotel (if Lessee does not otherwise have such rights), and specifies the terms and conditions applicable to the day-to-day management of the Hotel, including the obligation of the Hotel Operator to comply with the Room Block Agreement.

"Mandatory Hotel Project Design Elements" means the design features, components or other elements of the Hotel Project to be developed by the Lessee as further described on **Exhibit "S"**.

"MBCC Project" means the Miami Beach Convention Center Renovation and Expansion Project, consisting of the renovation of the Convention Center, expansion of ballroom and auxiliary spaces, parking levels above portions of the Convention Center, exterior landscaping

and a 6.5 acre public park, the renovation of Convention Center Drive, including relocation of utilities, and other improvements to the Convention Center and surrounding areas.

"Minimum Fixed Rent" has the meaning ascribed to it in Section 4.4(a)(i).

"Minimum Fixed Rent Commencement Date" means the earlier of the date a Certificate of Occupancy is issued for the Hotel or, [twenty-four (24) months] after the commencement of construction, subject to a reasonable extension for any Force Majeure Event in accordance with this Lease. [SEE DETAILS IN RFP RESPONSE - CONSTRUCTION SCHEDULE / DEADLINES TBD]

"Off-Site Improvements" means any and all improvements not located on the Leased Property shown on the Approved Plans and in accordance with the Governmental Approvals, including demolition of any portion of the Fillmore Theater located on the Leased Property and enclosure of the any remaining portion of the Fillmore Theater located outside the Leased Property.

"Opening Date" means the date on which the Hotel first opens for business to the general public.

"Original Lessee Investors" means the owners of Lessee on the date hereof, as identified on **Exhibit "M"**.

"Outside Construction Commencement Date" means August 15, 2017, by which date Commencement of Construction must take place.

"Outside Construction Loan Closing Date" means June 15, 2017, as the same may be extended in accordance with this Lease for a period not exceeding ~~six~~twelve (~~6~~12) months for actual delays suffered by Lessee in achieving closing of the Construction Loan caused by Economic Force Majeure.

"Outside Completion Date" means June 30, 2019, by which date Completion of Construction shall have occurred, as such date may be reasonably extended for a Force Majeure Event in accordance with this Lease.

"Outside Opening Date" means \_\_\_\_\_, the date by which the Opening Date must have occurred.

"Outside Possession Date" means \_\_\_\_\_, by which date the plat for the Hotel Site must be recorded and all Possession Conditions must be satisfied.

"Parties" means City and Lessee, and "Party" is a reference to either City or Lessee, as the context may indicate or require.

"Performance and Payment Bond" means a performance and payment bond with regard to the Hotel Project General Construction Contract in the full amount of the guaranteed maximum price thereof, with a good and sufficient surety, in compliance with all applicable Governmental Requirements and in form and content Approved by the City.

"Permitted Transfers" has the meaning ascribed to it in Section 5.3.

"Person" means any corporation, unincorporated association or business, limited liability company; business trust, real estate investment trust, common law trust, or other trust, general partnership, limited partnership, limited liability limited partnership, limited liability partnership, joint venture, or two or more persons having a joint or common economic interest, nominee, or other entity, or any individual (or estate of such individual); and shall include any Governmental Authority.

"Possession Conditions" has the meaning ascribed to it in Section 4.1(b).

"Possession Date" has the meaning ascribed to it in Section 4.1(b).

"Prohibited Hotel Project Changes" means

(a) after the Effective Date and prior to the Possession Date, any changes to the Approved Plans that result in any of the following except to the extent previously Approved in a writing executed by City and expressly providing that it is thereby Approving a Prohibited Hotel Project Change (which Approval may be granted or withheld by City in its sole and absolute discretion): (i) a failure of the Hotel Project to contain any of the Mandatory Hotel Project Design Elements, ~~or a change to the design thereof~~; (ii) failure to obtain any Brand Approval; (iii) a material change in the massing of the development, ~~including the orientation and general configuration~~ of the tower structure or the size and configuration of the tower structure and podium design reflected in the Approved Plans or (iv) any change that affects the façade of the Hotel Project Approved by the City, or otherwise materially affects the exterior appearance of the Hotel Project or materially impairs the ability of the Hotel Project to function as a convention center hotel, or

(b) after the Possession Date and prior to the Opening Date, any changes to the Approved Plans or any actual construction that results in any of the following, except to the extent previously Approved in a writing executed by City and expressly providing that it is thereby Approving a Prohibited Hotel Project Change (which Approval may be granted or withheld by City in its sole and absolute discretion): (i) a failure of the Hotel Project to contain any of the Mandatory Hotel Project Design Elements, ~~or a change to the design thereof~~; (ii) failure to obtain any Brand Approval; (iii) ~~a material change in the design or actual scope, appearance or quality of any of the Mandatory Hotel Project Design Elements~~[reserved]; (iv) a material change in the massing of the development, ~~including the orientation and general configuration~~ of the tower structure or the size and configuration of the tower structure and podium design reflected in the Interim Hotel Project Plans and Specifications or (v) any change that affects the façade of the Hotel Project Approved by the City, or otherwise materially affects the exterior appearance of the Hotel Project or materially impairs the ability of the Hotel Project to function as a convention center hotel.

"Project Expenses" means:

(a) ordinary, commercially reasonable and necessary operating expenses of the Hotel Project incurred to Persons other than Affiliates of the Lessee (unless such expenses paid to Affiliates of Lessee are at a fair market rate ~~and with notice to and Approval by the City~~);

(b) ordinary, commercially reasonable and necessary wages and benefits paid and payable to the Hotel Operator's full time or part-time on-site or off-site management employees and full or part-time non-management employees; and

(c) commercially reasonable management fees, at prevailing market rates.

"Public Charges" has the meaning ascribed to it in Section 4.5(a).

"Reconstruction Work" has the meaning ascribed to it in Section 9.9(b).

"Rent" means all payments required pursuant to Section 4.4 and any other payments characterized as rent hereunder, including Base Rent and Additional Rent.

"Rental Year" means a year consisting of twelve (12) consecutive calendar months. The first Rental Year during the term of this Lease shall commence on the Possession Date and end on December 31<sup>st</sup> of the year in which the Possession Date occurs. The second and following Rental Years shall commence on the 1<sup>st</sup> day of January each calendar year, whether or not a partial calendar year.

"Responsible Officer" means any executive officer or manager of Lessee responsible for the administration of the obligations of Lessee in respect of this Lease.

"Room Block Agreement" means the room block agreement, in the form of **Exhibit "L"** attached hereto, to be executed by and between the City and the Lessee, and pursuant to which Lessee agrees to provide the services therein described to City in exchange for the agreements of City hereunder.

"Schedule of Performance" has the meaning ascribed to it in Section 2.7.

"Section," "Subsection," "Paragraph," "Subparagraph," "Clause," or "Subclause" followed by a number or letter means the section, subsection, paragraph, subparagraph, clause or subclause of this Lease so designated.

"Single Purpose Entity" means:

(a) an entity or organization that does not and cannot by virtue of its organizational documents:

(i) engage in any business other than owning, developing, leasing and operating the Hotel Project; or

(ii) acquire or own material assets other than the Hotel Project and incidental personal property; and that

(b) does not hold itself out to the public as anything but a legal entity or organization separate from any other Person; and

(c) conducts business solely in its name or under a duly registered fictitious name.

"Skybridge" means the overhead, enclosed, climate-controlled pedestrian walkway to be constructed, operated and maintained by Lessee in accordance herewith connecting the Hotel Project to the Convention Center and included in the Hotel Site described on **Exhibit "D"**.

"Sublease" means any lease, sublease, license or other agreement by which Lessee demises, leases, or licenses the use and occupancy by another Person of one or more specific retail, parking/valet, spa or restaurant spaces, or other defined portion of the Hotel Project.

"Subtenant" means any Person using and occupying or intending to use and occupy one or more specific spaces or other defined portion of the Hotel Project pursuant to a Sublease.

"Target Dates" means the following dates that have been targeted by Lessee to achieve the following activities or events:

(a) The "Target Possession Date": the date targeted for satisfaction of the Possession Conditions, which date is \_\_\_\_\_, 20\_\_.

(b) The "Target Construction Loan Closing Date": the date targeted for Lessee's closing of the Construction Loan for the Hotel Project, which date is December 15, 2016.

(c) The "Target Completion Date": the date targeted for completion of construction of the Hotel Project, which date is \_\_\_\_\_, 20\_\_.

"Term" has the meaning ascribed to it in Section 4.1(a).

"Total Required Equity" means, as of the Possession Date, a sum equal to the difference between (a) the total Budgeted Improvement Costs and (b) the original principal amount of the Construction Loan.

"Transfer" means any sale, assignment or conveyance or any other transaction or series of transactions in the nature of a sale, assignment or conveyance of:

(a) the Hotel Project or any substantial part thereof;

(b) any legal or beneficial interest in the Hotel Project, or any substantial part thereof;

(c) any direct ~~or indirect~~ legal or beneficial interest in Lessee (including the syndication of tax benefits); provided however, any indirect transfer(s) in Lessee shall not constitute a Transfer hereunder; or

any series of such Transfers that have the cumulative effect of a sale, transfer or conveyance of any of the foregoing (a), (b), or (c).

"Uniform System" means the Uniform System of Accounts for the Lodging Industry, 10<sup>th</sup> Revised Edition, as may be modified from time-to-time by the International Association of Hospitality Accountants, consistently applied.

"Work" means the design, permitting, development and construction of the Lessee Improvements in accordance with the Approved Plans, including all design, architectural, engineering and other professional services, demolition and construction services, supervision, administration and coordination services and the provision of all drawings, specifications, labor, materials, equipment, supplies, tools, machinery, utilities, fabrication, transportation, storage, insurance, bonds, permits and conditions thereof, zoning approvals, building code changes and government approvals, licenses, tests, inspections, surveys, studies, and other items, work and services that are necessary or appropriate for the demolition of existing structures and other preparatory or remediation work on the Hotel Site; utility relocations, installations, hook-ups or other infrastructure as may be required to make the Leased Property suitable for the use of the Hotel Project; total design, construction, installation, furnishing, equipping, and functioning of the Lessee Improvements, together with all additional, collateral and incidental items, work and services required for completion of the Lessee Improvements (including all such items, work and services as are necessary to provide fully functional and functioning Lessee Improvements). The Work also includes completion of all Off-site Improvements.

**Section 1.4. Exhibits.** If any exhibit to this Lease conflicts with the body of this Lease, the body of this Lease shall govern.

**Section 1.5. Interpretation.** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as appropriate. The words "herein," "hereof," "hereunder," "hereinafter," and words of similar import refer to this Lease as a whole and not to any particular Article, Section or Subsection hereof. The terms "include" and "including" and words of similar import shall each be construed as if followed by the phrase "without limitation". This Lease will be interpreted without interpreting any provision in favor of or against either party by reason of the drafting of such provision.

## **ARTICLE II** **THE HOTEL PROJECT IMPROVEMENTS**

### **Section 2.1. Development and Conformity of Plans.**

(a) Lessee shall be responsible for preparing all plans and specifications for constructing the Hotel Project. Such plans and specifications shall conform to the Approved Plans; and

(b) Notwithstanding any other provision or term of this Lease or any Exhibit hereto, the Approved Plans and all work by Lessee regarding the Hotel Project shall conform to the City Code, the Florida Building Code and all other Governmental Requirements and, to the extent consistent with the above, the provisions of this Lease.

**Section 2.2. Approved Plans.** The City shall have the right to Approve, in its ~~sole~~reasonable discretion, (x) any substantial deviation of the Hotel Project from the Approved Plans and (y) any Prohibited Hotel Project Changes. Notwithstanding any Approval provided pursuant to this Section 2.2, Lessee shall be solely responsible for obtaining all required final, non-appealable Governmental Approvals as more fully set forth in Article IV of this Lease. Any Approval of the Approved Plans or any component thereof by the City shall be for its own benefit in its proprietary capacity as the owner of the Leased Property and shall not be deemed to mean, and the City, in such proprietary capacity, makes no representation, that such Approved Plans comply with all applicable Governmental Approvals and Governmental Requirements.

**Section 2.3. Lessee's Hotel Project Obligations.** Subject to the terms hereof, Lessee is obligated to and shall (i) design, permit, and construct, in a good and workmanlike manner, and at its sole cost and expense, the Hotel Project in accordance with and subject to all of the terms and provisions of this Lease and to Complete Construction thereof by the Outside Completion Date, (ii) obtain a certificate of the LEED Status in accordance with Section 100-6 of the City Code and provide reasonable evidence of such certification to City within a reasonable period following the Opening Date, and (iii) operate, maintain, repair and replace, at its sole cost and expense, the Hotel Project in accordance with and subject to all of the terms and provisions of this Lease.

**Section 2.4. Payment of Hotel Project Costs.**

(a) As between Lessee and the City, the Lessee shall bear and be solely responsible for all costs and expenses related to the design, permitting and construction of the Work, the Hotel Project and its subsequent use, including the following:

(i) Lessee's land use approvals, development fees, and permit fees for the design, construction, and subsequent use of the Hotel Project;

(ii) Lessee's design and construction of the Hotel Project;

(iii) Lessee's financing, construction bonding and insurance, building permits, utility installations and/or hook-ups or other infrastructure, as may be required to make the Leased Property suitable for the use of the Hotel Project;

(iv) Lessee's consultants, accountants, financing charges, legal fees, furnishings, equipment, and other personal property of the Lessee; and

(v) all other Lessee direct or indirect costs associated with the approvals, design, construction, and financing of the Lessee Improvements, and their subsequent use.

(b) Lessee acknowledges that, during the Term of this Lease, the City shall have no maintenance responsibility for any of the Leased Property and Lessee Improvements, and utilities and infrastructure to be constructed by Lessee.

(c) Lessee shall be exclusively responsible for locating and thereafter dealing with the presence of underground utility lines and facilities. Under no circumstances shall City be responsible for paying the cost of, or otherwise reimbursing Lessee for, relocation, removal, or payment of charges to utility companies for, any utility lines or facilities lying on, under, or around the Leased Property. City shall provide reasonable cooperation and assistance to

Lessee in the resolution of issues associated with existing underground utilities. Lessee shall not remove, disturb, or relocate any existing utilities on the Leased Property without City's prior written Approval.

**Section 2.5. Financing Matters.**

(a) Lessee shall pay for all Improvement Costs from funds required to be provided under the Equity Commitment, the Initial Hotel Operator Financial Commitment, and the Construction Loan; provided that if the proceeds of the Construction Loan are not available or are inadequate for any reason, Lessee shall be responsible to provide funds from such other sources as Lessee may identify to pay all costs and expenses necessary to Complete Construction of the Hotel Project and cause the Opening Date to occur in accordance herewith.

(b) Lessee shall be solely responsible for obtaining the Construction Loan, for all Construction Loan completion guaranties, and for providing all collateral and other security, and otherwise satisfying all conditions thereof and covenants, agreements and obligations of the borrower thereunder. In no event shall City have any responsibility, obligation or liability with respect to the Construction Loan, and Lessee shall reimburse City for all of City's costs and expenses (including attorneys' fees) reasonably incurred in connection with any requirements or requests of the Construction Lender in connection with the Construction Loan.

**Section 2.6. No Claim for Value of Lessee Improvements.** Lessee shall have no claim against the City for the value of the Lessee Improvements following any termination of this Lease as permitted herein, whether at the natural expiration of the Term or otherwise.

**Section 2.7. Schedule of Performance.** The schedule attached hereto as **Exhibit "F"** (the "Schedule of Performance") sets forth the dates and times of delivery of the Hotel Project, including the Target Dates, and other milestones for development and approval of the plans and specifications listed in Section 2.2, preparation and filing of applications for and obtaining all applicable Governmental Approvals for the Hotel Project and schedule for the completion of the Work. Lessee shall prosecute completion of the Work in accordance with the Approved Plans (with only such changes hereto that do not constitute Prohibited Hotel Project Changes), with all diligence, in good and workmanlike manner, and in accordance with the Schedule of Performance, time being of the essence. The dates in **Exhibit "F"** shall not be extended except for a Force Majeure Event or in the case of an Economic Force Majeure in accordance with this Lease.

(a) Lessee shall endeavor, through the use of diligent, good-faith efforts, to cause the prosecution of the Work in accordance with the Target Dates and other dates set forth in the Schedule of Performance.

(b) As further delineated in the Schedule of Performance, Lessee shall Complete Construction by the Outside Completion Date.

(c) The failure of Lessee to (i) satisfy all of the Possession Conditions by the Outside Possession Date, (ii) commence construction by Outside Construction Loan Closing Date, (iii) Complete Construction by the Outside Completion Date or (iv) achieve the Opening Date by the Outside Opening Date shall each be deemed ~~an Event of Default~~ a default under

this Lease [subject to any applicable notice and cure periods as further described in Section 7.1 below](#).

**Section 2.8. Construction Obligations.**

(a) **Bonds.** By no later than Commencement of Construction, Lessee shall provide a Performance and Payment Bond, with all premiums paid and in favor of Lessee with an obligee rider in favor of the City and the First Leasehold Mortgagee. Lessee shall also provide City with a demolition bond or other form of financial instrument reasonably acceptable to City to assure the availability of funds for demolition or removal of any uncompleted facility in the event Lessee, after receipt of a written demand from City, fails to demolish and remove the uncompleted facility following either (1) Lessee's failure to substantially complete such facility as required herein or (2) termination of this Agreement in accordance with its terms.

(b) **Construction Obligations.** Prior to the Outside Completion Date, Lessee shall, or shall cause its Hotel Project General Contractor to:

(i) Perform and complete the Work;

(ii) Select the means and methods of construction—~~Only;~~ [only](#) adequate and safe procedures, methods, structures and equipment shall be used;

(iii) Furnish, erect, maintain and remove such construction plant and such temporary work as may be required; and be responsible for the safety, efficiency and adequacy of the plant, appliance and methods used and any damage which may result from failure, improper construction, maintenance or operation of such plant, appliances and methods;

(iv) Provide all architectural and engineering services, scaffolding, hoists, or any temporary structures, light, heat, power, toilets and temporary connections, as well as all equipment, tools and materials and whatever else may be required for the proper performance of the Work;

(v) Order and have delivered all materials required for the Work and shall be responsible for all materials so delivered to remain in good condition;

(vi) Maintain the Hotel Project site in a clean and orderly manner at all times, and remove all paper, cartons and other debris from the Hotel Project site;

(vii) Erect, furnish and maintain a field office with a telephone at the Hotel Site during the period of construction in which a supervisor-level employee shall be on site during the performance of any Work in connection with the Hotel Project; and cause the Hotel Project General Contractor to require in each subcontract (and to require each subcontractor to require in each sub-subcontract) that each subcontractor (and sub-subcontractor) have on-site a supervisor-level employee at all times during the performance of any Work under such subcontract (and sub-subcontract);

(viii) Protect all Work prior to its completion and acceptance;

(ix) Preserve all properties adjacent and leading to the Hotel Site and restore and repair any such properties damaged as a result of construction of the buildings and structures, whether such properties are publicly or privately owned;

(x) Implement, and maintain in place at all times, a comprehensive hurricane and flood plan for the Hotel Site and the Work, and provide a copy of same to the City;

(xi) Upon Completion of Construction, deliver to the City an as built drawings and plans and specifications of the Hotel Project; and

(xii) Upon Completion of Construction, deliver to the City, a copy of the ~~final certificate of occupancy~~Certificate of Occupancy or certificate of completion, as applicable, for the Hotel Project.

Notwithstanding any provision hereof to the contrary, at no time during construction of the Hotel Project may Lessee make any Prohibited Hotel Project Changes without the express, prior written Approval of City (which Approval may be granted or withheld by City in City's sole and absolute discretion).

(c) Lessee shall carry on any construction, maintenance or repair activity with diligence and dispatch and shall use diligent, good-faith efforts to complete the same in the shortest commercially reasonable time under the circumstances. Lessee shall not, except if an emergency exists (then only to the extent that the City can grant such an exception), carry on any construction, maintenance or repair activity in any easement area that unreasonably interferes with using and enjoying the property encumbered by such easement.

### **Section 2.9. Progress of Construction/City's Representative.**

(a) Lessee shall keep the City apprised of Lessee's progress regarding the Work. Lessee shall deliver written reports of same not ~~less~~more frequently than monthly; and

(b) The City may, from time-to-time, designate one or more employees or agents to be the City's representative ("City's Representative"), who may, during normal business hours and upon prior notice to Lessee, in a commercially reasonable manner, visit, inspect and monitor the Hotel Project, the materials to be used thereon or therein, contracts, records, plans, specifications and shop drawings relating thereto, whether kept at Lessee's offices or at the Hotel Project construction site or elsewhere, and the books, records, accounts and other financial and accounting records of Lessee wherever kept, and to make copies thereof as often as may be requested. Further, City's Representative shall be advised of, and entitled to attend, meetings among Lessee, Lessee's representative and the Hotel Project General Contractor or any subset of this group. Lessee will cooperate with the City to enable City's Representative to conduct such visits, inspections and appraisals. Lessee shall make available to City's Representative, with commercially reasonable notice, daily log sheets covering the period since the immediately preceding inspection showing the date, weather, subcontractors on the job, number of workers and status of construction. All costs and expenses related to the City Representative shall be the responsibility of the City.

### **Section 2.10. Delivery of Plans.**

Promptly after completing the Work and Lessee's receipt of a Certificate of Occupancy, as applicable, for the Work, Lessee will deliver to the City a copy of the plans and specifications, including shop drawings, for the Lessee Improvements.

**Section 2.11. Connection of Buildings to Utilities.**

(a) Lessee, at its sole cost and expense for the Leased Property and in compliance with all Governmental Approvals and Governmental Requirements, shall install or cause to be installed all necessary connections between the buildings and structures, and the water, sanitary and storm drain mains and mechanical and electrical conduits whether or not owned by the City.

(b) Lessee shall pay for the cost, for the Leased Property, if any, of locating, grounding and installing within the Leased Property, as applicable, new facilities for sewer, water, electrical, and other utilities as needed to service the Hotel Project, and, at its sole cost and expense for the Leased Property, will install or cause to be installed inside the property line of the Leased Property, all necessary utility lines, with adequate capacity and the sizing of utility lines for the Hotel Project, as contemplated on the Approved Plans.

(c) Lessee shall perform, or cause to be performed, all Work on the Leased Property so as not to interfere with or adversely affect the City's geothermal system located adjacent to the Leased Property. In the event that Lessee, Hotel Project General Contractor or their respective agents, representatives, employees or invitees causes any damage to such system, Lessee shall promptly repair and restore same to its condition existing immediately prior to such damage. This paragraph shall expressly survive termination of this Lease.

**Section 2.12. Permits and Approvals.** Lessee shall secure and pay for all Governmental Approvals for the Work, including any alterations and renovations made pursuant to Section 2.15, and shall pay any and all fees and charges due to and collected by the City or any other Governmental Authority connected with issuing such Governmental Approvals, if any.

**Section 2.13. City and Lessee to Join in Certain Actions.** ~~Within thirty (30) days~~ Promptly after receiving a written request from Lessee but in no event more than 30 days after such request, the City shall join Lessee when required by law in any and all applications for Governmental Approvals as may be commercially reasonably necessary for constructing of the buildings and structures. Lessee shall pay all fees and charges for all such applications.

**Section 2.14. Compliance with Laws.** Lessee will comply in every respect with any Governmental Requirements in constructing and operating the Hotel Project.

**Section 2.15. Alterations and Renovations.** After completing the Work, if Lessee wishes to make alterations or renovations thereof:

(a) no renovation or alteration shall be made until Lessee obtains all required Governmental Approvals, at Lessee's sole cost and expense;

(b) except for FF&E, any renovation or alteration of Lessee Improvements that involves a [substantial] deviation from the Approved Plans or otherwise [substantially affects]

the overall character or appearance of the exterior of the Hotel Project, shall require the City's approval in its proprietary capacity in its ~~sole~~reasonable discretion; [SPECIFICS TBD] and

(c) all such alterations and renovations shall be performed by duly licensed and insured contractors in a good and workmanlike manner, and in any event, shall be consistent with the Hotel Standards and in a First Class Quality condition.

**Section 2.16. Art in Public Places.** Lessee shall comply with the City's Art In Public Places (AIPP) program requirements under Section 82-536 through 82-612 of the City Code, as applicable, and shall contribute to the City's Art in Public Places fund the total of 1.5% of the "construction cost" of the Hotel Project no later than date of execution of the Hotel Project General Contract by Lessee and the Hotel Project General Contractor, as required by the City Code. [DISCUSS REQUIREMENT]

### **ARTICLE III LAND USES AND DEVELOPMENT OBLIGATIONS**

**Section 3.1. Covenant Regarding Land Uses.** Lessee agrees and covenants to devote, during the term of this Lease, the Hotel Project only to the uses specified in this Lease and to be bound by and comply with all of the provisions and conditions of this Lease. In addition, and except as hereinafter set forth, Lessee shall not have the right to seek or obtain different uses or a change in such uses either by requesting a zoning change or by court or administrative action without first obtaining the City's Approval, which Approval may be granted or denied in the City's sole discretion.

**Section 3.2. Applications for Development Approvals and Development Permits.** Promptly following the Effective Date of this Lease, the Lessee will initiate and diligently pursue all applications for Development Orders and Development Permits that may be required in connection with the Hotel Project. Lessee shall be solely responsible for obtaining all final, non-appealable Development Orders and Development Permits for the Hotel Project. No extension of any time period herein shall be deemed to be an extension of any time periods contained within the Development Permits or Development Orders.

**Section 3.3. Concurrency.** Lessee shall be solely responsible for obtaining all land use permits, including all permits and approvals required pursuant to Section 163.3180, Florida Statutes, with respect to concurrency requirements for roads, sanitary sewer, solid waste, drainage, potable water, parks and recreation, and schools (the "Concurrency Requirements"). Prior to applying for its building permit for the Hotel Project, Lessee shall apply to the appropriate Governmental Authorities and obtain letters or other evidence that Lessee has obtained all applicable Concurrency Requirements, and shall diligently and in good faith obtain such letters or other evidence that the Hotel Project meets all applicable Concurrency Requirements and shall pay such impact fees as may then be due or applicable to meet Concurrency Requirements.

**Section 3.4. Compliance with Local Regulations Regarding Development Permits.** This Lease is not and shall not be construed as a Development Permit, approval or authorization to commence any development, fill, or other land modification. The Lessee and the City agree that the failure of this Lease to address a particular permit, approval, procedure, condition, fee, term or restriction in effect on the Effective Date of this Lease shall not relieve

Lessee of the necessity of complying with the regulation governing said permitting requirements, conditions, fees, terms or restrictions, subject to the terms of this Lease.

**Section 3.5. Consistency with the City's Comprehensive Plan.** The City has adopted and implemented the Comprehensive Plan. The City hereby finds and declares that the provisions of this Lease dealing with the Hotel Site and the Hotel Project are consistent with the City's Comprehensive Plan and Land Development Regulations (subject to all applicable requirements, permits and approvals).

**Section 3.6. Presently Permitted Development.** The development that is ~~presently~~ permitted on the Leased Property, including population densities, and building intensities and height, which are subject to this Lease, are more specifically set forth in **Exhibit "H"** hereto.

**Section 3.7. Public Facilities to Serve the Leased Property.** A description of the public facilities that will service the Hotel Project of the properties subject to this Lease, including who shall provide such facilities; the date any new facilities, if needed, will be constructed; and a schedule to assure public facilities are available concurrent with the impacts of the development is included as **Exhibit "I"** hereto.

**Section 3.8. Public Reservations, Dedications.** A description of the reservations and/or dedications of land for public purposes that are proposed under the terms of this Lease is included as **Exhibit "J"** hereto.

**Section 3.9. Required Development Permits.** Attached and made a part hereof as **Exhibit "K"** is a listing and description of certain local development permits approved or needed to be approved for the development of the Hotel Project, provided that City makes no representation or warranty that the information set forth on **Exhibit "K"** is correct or complete, Lessee releases City from any liability with respect to such information and Lessee acknowledges and Lessee agrees that Lessee is solely responsible for confirming the correctness and completeness of such information and obtaining all applicable Governmental Approvals whether or not set forth on **Exhibit "K"**.

**Section 3.10. Responsible Wages and Local Employment.** The City supports and encourages the application of responsible wages and City of Miami Beach and Miami-Dade County workforce hiring with respect to the Hotel Project.

[Section 3.11. City Cooperation.](#) [The City shall reasonably cooperate with Lessee to facilitate Lessee's permitting, construction, maintenance and operation of the Hotel Project throughout the Term, including without limitation the City's executing as owner of the Hotel Project documents related to the granting of entitlements, easements, zoning changes, or similar matters affecting the Hotel Project, all of which must be reasonably satisfactory in form and content to the City.](#)

#### **ARTICLE IV GENERAL TERMS OF LEASE**

**Section 4.1. Lease of Leased Property to Lessee.** Subject to the conditions set forth in this Lease, including the occurrence of the Possession Date, the payment of all Rent and all other payments by Lessee provided herein, and the City's and Lessee's performance of their duties and obligations required by this Lease:

(a) **Demise.** The City, as of the Possession Date, demises and leases to Lessee, and Lessee takes and hires from the City, the Leased Property for a term of ninety-nine (99) years (the "Term"). Within thirty (30) days after the Possession Date, the City and Lessee, upon request of either Party, shall execute a commencement date agreement and/or one or more written memoranda in such form as will enable them to be recorded among the Public Records of Miami-Dade County, in each case, setting forth the beginning and termination dates of the Term, determined according to this Lease, and recording any such other documents as may be required under this Lease.

(b) **Possession Date; Conditions Precedent to Possession.** The Parties recognize that as of the Effective Date there remain various items and matters to be satisfied, obtained and Approved in order that the Hotel Project may proceed as intended by the Parties. The date that the City delivers possession of the Leased Property to Lessee according to this Section 4.1(b), as designated by the City to Lessee in writing, is referred to herein as, the "**Possession Date**." The City shall not be obligated to deliver possession of the Leased Property ~~and Lessee's rights as tenant hereunder shall not become effective~~ until each of the events described in this Section 4.1(b) ~~irrevocably~~ shall have occurred, at which time, the City shall deliver possession of the Leased Property to Lessee, Lessee shall take possession thereof and the lease provisions of this Lease related to possession and use shall become effective. ~~Until that time, this Lease shall be construed to be in the nature of a development agreement, and not a lease.~~ The conditions precedent to delivery of possession (collectively, the "**Possession Conditions**") are as follows:

(i) There exists no uncured Event of Default;

(ii) The City shall have Approved the Approved Plans in its capacity as landlord under this Lease, in accordance with Article III hereof;

(iii) Lessee shall have entered into, and delivered to the City a duly executed copy of, the Hotel Project General Construction Contract (and all then existing change orders thereto), in form and substance and with a Hotel Project General Contractor Approved by the City reflecting the guaranteed maximum price for completion of the Lessee Improvements;

(iv) Lessee shall have ~~delivered~~certified to City ~~written evidence~~the availability of the Equity Commitment, Initial Hotel Operator Financial Commitment and Construction Loan Commitments which together demonstrate that the Hotel Project is In Balance;

(v) Lessee shall have provided to City, and City shall have Approved in its sole discretion, any changes to the Budgeted Improvement Costs, provided that City shall not withhold its Approval so long as Lessee has obtained and delivered to the City written evidence of the Equity Commitment, the Initial Hotel Operator Financial Commitment and Construction Loan Commitments that demonstrate that the Hotel Project is In Balance;

(vi) Lessee shall have reimbursed the City for the costs associated with the City's voter referendum in connection with this Lease, not to exceed \$[25,000]; DISCUSS PROCESS / USE OF FUNDS

(vii) Lessee shall have obtained, and shall have delivered to City a copy of, all Governmental Approvals necessary for the Commencement of Construction and necessary for construction of the foundation and (if available) all vertical elements of the Hotel Project;

(viii) Lessee and the Initial Hotel Operator shall have delivered to the City an instrument or instruments reasonably acceptable to the City (A) certifying that Lessee and the Initial Hotel Operator have duly executed and entered into the Management Agreement and any related franchise, technical services and/or centralized services agreements, that the Management Agreement and any other such agreements are in full force and effect and there are no defaults (or any events that could ripen into defaults) and attaching a true and correct copy of the Management Agreement and any such other agreements thereto, (B) acknowledging that for so long as the Initial Hotel Operator is managing and operating the Hotel Project it shall observe and comply with the Room Block Agreement and (C) in the form of an agreement among Lessee, the Initial Hotel Operator and the City, to the effect that if this Lease is terminated as a result of any Event of Default, the Hotel Operator shall continue to perform under the Management Agreement in accordance with the terms thereof ~~so long as the City is receiving [all Rent due hereunder], the,~~ provided the Hotel Operator is being paid compensation thereafter accruing under the Management Agreement and the City shall perform, and the Hotel Operator shall accept the City's performance of, the duties and obligations under the Management Agreement to be performed by the Lessee, as "owner," thereunder, but only to the extent accruing from and after the date of termination of this Lease;

(ix) Lessee shall have delivered to City, ~~and City shall have Approved,~~ the Schedule of Performance for the Hotel Project ~~(City agrees that it shall not withhold Approval thereof so long as the same~~ that reflects Completion of Construction by no later than the Outside Completion Date ~~and Lessee has provided reasonable evidence that such schedule is reasonable);~~

(x) Lessee shall have presented the evidence ~~reasonably acceptable~~ required herein to the City that all required insurance coverages are in place;

(xi) Lessee shall have delivered to the City reasonable evidence that the Approved Plans have been approved by the First Leasehold Mortgagee (if identified) and the Initial Hotel Operator;

(xii) Lessee shall have delivered to the City, a duly executed Assignment of Plans and Approvals;

(xiii) Lessee shall have ~~delivered~~ certified to the City ~~reasonable evidence of the~~ (including a statement of sources) the availability of Liquid Assets to fund the remaining balances of (which balances shall be identified by Lessee) the Total Required Equity and that Lessee remains committed to fund the same on the Possession Date and that the aggregate amount thereof is equal to the Total Required Equity;

(xiv) Lessee has provided to the City reasonable evidence that all conditions to funding the Construction Loan (if any) that can be satisfied as of such date have been satisfied and the Lessee has paid all commitment or loan fees then due and payable under the Construction Loan documents; and

(xv) the representations and warranties made by the Lessee in this Lease remain true and correct in all material respects on and as of the Possession Date.

(c) **Pre-Possession Period.** From and after the Effective Date, the Parties shall each use their respective diligent and commercially reasonable efforts to achieve the Possession Date timely and Lessee shall have access to the Hotel Project as provided below.

(d) **Hotel Site Inspections.** Commencing on the Effective Date and thereafter until this Lease is terminated or the Possession Date occurs, the City shall permit Lessee commercially reasonable access to the Hotel Site to conduct at Lessee's sole cost and expense, physical inspections, tests and studies of the Hotel Site and to the extent necessary to carry out the provisions of this Lease; provided, however, that such access shall not materially interfere with any ongoing operations at the Convention Center or the Fillmore Theater or the City's construction activity relating to the MBCC Project. Lessee, at all times and at its sole cost and expense, shall maintain or shall cause its Hotel Project General Contractor or other contractors in privity with Lessee to maintain, comprehensive general liability insurance as required in Article IX. Lessee shall restore any damage to the Hotel Site caused by any such inspections, tests or studies; provided that in no event shall Lessee be responsible for the discovery, exposure or release of hazardous substances or materials in, on or about the Hotel Site that are not introduced to the Hotel Site by Lessee, its agents, representatives, contractors, invitees or employees.

(e) **Indemnification.** Whether or not the Possession Date occurs, Lessee shall indemnify, defend and hold City and its respective officers, employees, agents, representatives, consultants, counsel and contractors (of any tier) harmless from and against all actual claims, actions, suits, charges, complaints, orders, liability, damages, loss, costs and expenses (including any attorneys' fees and costs of litigation) related to, arising from or in connection with the acts or omissions of Lessee, its agents, representatives, contractors or employees, including injury or death to persons or damage to their property, while exercising Lessee's right to access the Hotel Site and performance of such inspections, tests or studies pursuant hereto. The indemnification obligations of Lessee set forth in this paragraph shall expressly survive the expiration or termination of this Lease and notwithstanding any provision of this Lease to the contrary, City shall have all rights and remedies available at law or in equity in the enforcement of such indemnification obligations of Lessee or arising from Lessee's failure to perform such indemnification obligations.

(f) **Failure to Satisfy Conditions.** Notwithstanding anything contained in this Lease to the contrary, if: (i) any of the Possession Conditions have not occurred by the Outside Possession Date; (ii) Lessee does not close the Construction Loan by the Outside Construction Loan Closing Date; or (iii) the Opening Date does not occur by the Outside Opening Date, ~~then notwithstanding anything to the contrary~~ subject to any notice and cure rights set forth in Section 7.1 below, Lessee hereby waives any further right to cure, and such failure shall be considered an Event of Default after the expiration of any such notice and cure period under this Lease and the City shall be entitled to immediately ~~revoke the license granted to Lessee pursuant to the Assignment of Plans and Approvals and to immediately terminate this Lease upon written notice to the Lessee and~~ to exercise its remedies following such Event of Default as permitted herein and the Parties shall thereafter be released from all obligations set forth herein except any such obligations that expressly survive termination. The City shall also be entitled to its remedies other as set forth in Section 7.2 of this Lease.

(g) **Easements.** Lessee agrees that this Lease shall be subject to and contingent upon the execution of certain easements, including any applicable access easements. On the Possession Date, the easements in substantially the forms attached hereto as **Exhibit "G"** (the "Easements") shall be executed by all necessary parties. The Parties shall thereafter cooperate and cause the Easements to be promptly recorded among the public records of Miami-Dade County, Florida. The Easements shall be held in escrow by the City and released therefrom and recorded among the public records of Miami-Dade County, Florida prior to the Commencement of Construction.

#### **Section 4.2. Restrictive Covenants.**

(a) **Permitted Use.** Lessee shall operate the Hotel Project throughout the Term as a convention headquarter hotel for the accommodation of hotel guests, and for related banquet, meeting and similar purposes, with related retail shops, restaurants and such other amenities as are consistent with the Hotel Standards.

(b) **Use Restrictions.** The Hotel Project shall not be used by Lessee, nor shall Lessee permit the use thereof by any other Person for the following: any unlawful or illegal business, use or purpose, or for any business, use or purpose which is immoral, disreputable (including "adult entertainment establishments" and "adult" bookstores) or extra-hazardous, for any Gaming Establishment (whether or not such use is permitted by applicable law), or in such manner as to constitute a public nuisance of any kind. Lessee shall have no right to convert the use of the Hotel Project or any portion thereof to any time sharing, time interval or cooperative form of ownership, or to subject the same to any condominium regime.

(c) **Nuisances Disallowed.** Lessee shall not make any use of the Leased Property, nor shall it allow any of its sub-lessees or invitees to make use of the Leased Property, in a manner that creates or reasonably will lead to a public or private nuisance under state or local law. Upon notification by City that such a public nuisance is then being allowed on the Leased Property, Lessee shall promptly take steps necessary to abate such public nuisance to the City's reasonable satisfaction. Upon the failure of Lessee to abate such nuisance with a reasonable time after Lessee has notice of such nuisance, the City shall retain all of its contract rights to abate a nuisance under the terms of this Lease, as well as its regulatory rights to abate such nuisance in accordance with then-current law.

(d) **No Discrimination.** Lessee shall comply with, and shall cause others to comply with, Governmental Requirements prohibiting discrimination by reason of race, color, national origin, religion, sex, intersexuality, gender identity, sexual orientation, marital and familial status, and age or disability in the sale, lease, use or occupancy of the Hotel Project or any portion thereof. Lessee's compliance with the City's Human Rights Ordinance, codified in Chapter 62 of the City Code, as may be amended from time to time, shall be a material term of this Lease. Lessee shall cause for this provision to be incorporated in the Management Agreement with the Hotel Operator.

(e) **Lessee's Rights To Operate a Convention Hotel Not Exclusive.** Notwithstanding anything herein, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive as to other City-owned or leased property and City reserves the right to grant similar privileges and similar leases to other lessees on other City-owned or leased property, and to take any and all actions (including the leasing of City property other than the Leased Property for any lawful purpose) that City is permitted to take

under federal, state, and local law; provided the City shall not grant rights to develop the Hotel Site to any other party during the Term. [DISCUSS OTHER HOTEL DEVELOPMENTS (IF ANY) RELATED TO CONVENTION CENTER]

(f) **Room Block Agreement.** Lessee shall have duly executed and delivered to the City its counterpart signature to the [Room Block Agreement] and shall operate, and cause the Hotel Operator to operate, the Leased Property in strict compliance with the terms thereof throughout the Term. [SUBJECT TO TERMS OF RB AGREEMENT]

(g) **[No Ownership Interests in Gaming Establishments in Miami-Dade County.** Lessee, and any Persons with an ownership interest in Lessee, shall not, directly or indirectly, own, operate or manage a Gaming Establishment in Miami-Dade County, Florida; provided, however, that the foregoing restriction shall not prevent Persons having an ownership interest in Lessee, from owning or Controlling in the aggregate five percent (5%) or less of the voting securities of any owner, operator or manager of a Gaming Establishment in Miami-Dade County, Florida. [DISCUSS]

(h) **Enforceability.** The restrictive covenants contained in this Section 4.2 shall be binding upon the Lessee and shall be for the benefit and in favor of, and enforceable by, the City, its successors and assigns, as the case may be. It is further understood that such covenants shall not benefit or be enforceable by any other Person. Notwithstanding the foregoing, should a non-governmental entity or agency become the landlord under this Lease, then the covenants set forth in subsection (f) and (g) (and any related provisions of this Lease) shall no longer apply and Lessee shall not be obligated to comply therewith.

#### **Section 4.3. Representations.**

(a) **Lessee's Representation.** Lessee represents to the City that it is experienced in the development, construction, leasing and operation (including engaging third-party consultants to perform such activities) of hotel properties generally, and that Lessee has independently determined the merits and risks of electing to proceed with the development of the Hotel Project, and that Lessee is not and, will not be relying upon any information that may have been or hereafter be provided to Lessee with respect to or relating to the financial results derived from, financial merits of investing in, or other economic or other benefits that may be realized from the development, construction, leasing and operation of the Hotel Project or sale of Lessee's interests in this Lease.

(b) **No Representation or Warranties By City.** Lessee acknowledges and agrees that it has been given the opportunity to perform all inspections and investigations concerning the Leased Property to its satisfaction, and, except as expressly set forth herein, the City (i) is not making and has not made any representations or warranties, express or implied, of any kind whatsoever with respect to the Leased Property, including any representation or warranty of any kind with respect to title, survey, physical condition, suitability or fitness for any particular purpose, the financial performance or financial prospects of the Hotel Project, its value, or any other economic benefit that can be realized or expected therefrom, the presence or absence of hazardous substances, the tenants and occupants thereof, the zoning or other Governmental Requirements applicable thereto, taxes, the use that may be made of the Leased Property, or any other matters with respect to this transaction or Lease); (ii) Lessee has relied on no such representations, statements or warranties, and (iii) City will in no event whatsoever be liable for any latent or patent defects in the Leased Property (including any subsurface conditions).

(c) **“AS IS” Condition of Leased Property.** Lessee acknowledges it has relied solely on Lessee's own inspections, tests, evaluations and investigations of and related to this Lease and the Leased Property in its determination of whether to proceed with this Lease and the Hotel Project. As a material part of the consideration of this Lease, Lessee agrees to accept the Leased Property on the Possession Date in its "AS IS" and "WHERE IS" condition "WITH ALL FAULTS" and latent or patent defects, and without representations and warranties of any kind, express or implied, or arising by operation of law.

(d) **City's Representations.** The City represents, warrants and covenants that: (i) the fee simple title to the Hotel Site is vested in the City, subject to no defects or encumbrances except as set forth on the title policy dated \_\_\_\_\_ (approved by Lessee and the City) and incorporated herein by this reference and (ii) the City has provided to Lessee copies of all environmental and soils reports in the possession of the City related to the Leased Property.

(e) ~~(d)~~—The provisions of this Section 4.3 shall survive the termination of this Lease.

**Section 4.4. Rent and Other Payments.** Lessee covenants and agrees to pay the City, from and after the date hereof and during the Term the following Rent, as applicable:

(a) **Base Rent.** [Commencing as of the Opening Date, monthly rent in the amount of the greater of (x) \_\_ percent (\_\_%) of the Gross Operating Revenues or (y) one-twelfth (1/12<sup>th</sup>) of the Minimum Fixed Rent set forth in Section 4.4(a)(i) of this Lease ("Base Rent"). The Base Rent shall be due and payable on or before the twenty-fifth (25<sup>th</sup>) day of each month following the month for which the Base Rent is applicable.] **[REFER TO RFP FOR DETAILS]**

(i) **Minimum Fixed Rent.** "Minimum Fixed Rent" shall be an annual fixed rent payable in twelve (12) equal monthly installments, prorated as to any partial month, commencing on the Minimum Fixed Rent Commencement Date and continuing on the first day of each month thereafter. A schedule setting forth the Minimum Fixed Rent for the Term is set forth on **Exhibit "R"** attached hereto.

(ii) Each Base Rent payment shall be accompanied with documentation sufficient for City to verify the accuracy of the Base Rent payment, and in a format and of a detail reasonably required by City.

(iii) By April 1 of each year following the Opening Date, Lessee shall provide City with a certified report, prepared and attested to by an independent CPA, as to the correct Gross Operating Revenues for the previous calendar year. The report shall be prepared in accordance with the American Institute of Certified Public Accountants' requirements for special reports. All Base Rent payments and annual reports are subject to audit under Section 4.4(j).

(iv) Lessee shall be responsible for any applicable sales tax payable in connection with the Rent.

(b) **Non-subordination of Rent.** The Rent payable to City hereunder shall never be subordinated, including to any sums due under the Construction Loan or any other financing by Lessee, and City shall at all times have a first priority right to payment of the Rent from Gross Operating Revenues. **[FINANCING CONSIDERATION]**

(c) **Payment of Rent and Other Payments.** All Rent and other payments hereunder required to be made to the City shall be paid to the City at the Office of the Director of Finance, Miami Beach City Hall, 1700 Convention Center Drive, 3<sup>rd</sup> Floor, Miami Beach, Florida 33139 or at such other place as the City shall designate from time-to-time in a notice given pursuant to the provisions of Section 14.5.

(d) **Late Payment Charge.** In the event the Lessee fails to make any payments, as required to be paid under the provisions of this Lease, within fifteen (15) days after same shall become due, interest at the Default Rate shall accrue against the delinquent payment(s) from the original due date until the City actually receives payment. The right of the City to require payment of such interest and the obligation of the Lessee to pay same shall be in addition to and not in lieu of the rights of the City to enforce other provisions herein, including termination of this Lease, and to pursue other remedies provided by law. All payments of money required to be paid to the City by Lessee under this Lease other than Base Rent, including interest, late fees, penalties and contributions, shall be treated as Additional Rent.

(e) **Dishonored Check or Draft.** In the event that the Lessee delivers a dishonored check, draft or wire transfer to the City in payment of any obligation arising under this Lease, the Lessee shall incur and pay City an amount that is three (3) times the service fee incurred by City for such dishonored check or draft. Further, in such event, the City may require that future payments required pursuant to this Lease be made by cashier's check or other means acceptable to the City.

(f) **Holdover Rental.** In the event that the Lessee remains in possession of the Leased Property beyond the Term or termination of this Lease, the Lessee shall be bound by all of the terms and conditions of this Lease to the same extent as if this Lease were in full force and effect during the time beyond the expiration date of this Lease. However, during any such possession of the Leased Property, as a holdover tenant after the City has demanded the return of the Leased Property, the Lessee shall be liable for double the Base Rent being paid at that time, or, if Section 83.06, Florida Statutes, as amended provides a greater amount, then whatever greater amount is specified in the Florida Statutes.

(g) **No Abatement of Rent.** Except as may be otherwise expressly provided herein, there will be no abatement, diminution or reduction of Rent payable by Lessee hereunder or of the other obligations of Lessee hereunder under any circumstances.

(h) **Lessee Improvements Not Deemed Rent.** The cost or value of the Lessee Improvements is intended by the parties to inure solely to the benefit of the Lessee and no portion of such cost or value is intended to inure to the benefit of the City or constitute rent, license fee or other consideration for the right to occupy the Leased Property or the Lessee Improvements until the surrender of the Leased Property from Lessee to the City at the expiration or earlier termination of this Lease.

(i) **Records and Reporting.**

(i) For the purpose of permitting verification by the City of any amounts due to it, including an account of Gross Operating Revenues, Base Rent, Lessee shall keep and preserve for at least ~~threetwo~~ (32) years in Miami-Dade County, Florida, at the address specified in Section 14.5, auditable original or duplicate books and records for the Hotel Project, which shall disclose all information regarding the Hotel Project, including information required to determine Base Rent. All such records shall be maintained in every material respect according to GAAP and the Uniform System. The City shall, on commercially reasonable notice, have the right during normal business hours to inspect such books and records and make any examination or audit or copy thereof which the City may desire. If such audit shall disclose a liability for Rent in excess of the Rent theretofore paid by Lessee for the period in question, Lessee shall pay such excess amounts, together with interest at the Default Rate, as Additional Rent within thirty (30) days after receipt of written demand therefor, and if such audit shall disclose an overpayment of the Rent theretofore paid, the City shall return the excess to Lessee within thirty (30) days after receipt of written demand therefore.

(ii) Lessee shall provide the City with an annual Audited Financial Statement for each Rental Year during the Term, certified by the CPA, within one hundred twenty (120) days after the close of each Rental Year (including the Rental Year in which this Lease terminates or is terminated) including, as additional information or as a supplemental schedule, Gross Operating Revenues, Base Rent.

(iii) If Lessee shall fail to deliver the foregoing statements and information to the City within said one hundred twenty (120) day period, the City, upon thirty (30) days' notice to Lessee, shall have the right to either conduct an audit itself or to employ an independent certified public accountant to examine such books and records as may be necessary to certify the amount of Rents due with respect to such Rental Year and to obtain the information described above. Lessee shall pay to the City, within thirty (30) days after receipt of written demand thereof, as Additional Rent, the reasonable cost of any audit performed by or for the City.

(iv) If the City disagrees with the annual Audited Gross Operating Revenues Schedule and/or the annual Audited Financial Statement provided by Lessee, it may conduct its own audit, which Lessee shall pay for if said audit demonstrates a discrepancy of more than ~~threeseven~~ (37%), in the amount of Base Rent due to the City. Any dispute between the two audits which cannot be resolved by the Parties shall be resolved in accordance with Section 7.8 of this Lease. The cost of any audit by the City which Lessee is required to pay the cost of pursuant to this Section shall be the cost charged to the City by its independent auditors, ~~or if done by City personnel, the direct employee salary cost to the City for the time spent by said employees in performing such audit, but not in excess of what would have been charged to the City for the same service by the City's outside auditors-if any.~~ if any.

(v) Quarterly, commencing on the Possession Date and continuing until the Completion Date, and not less often than annually thereafter, Lessee shall deliver to the City a written report detailing the employment by Lessee of City of Miami Beach and Miami-Dade County residents in the construction, operation and maintenance of the Hotel Project.

**Section 4.5. Covenants for Payment of Public Charges by Lessee.**

(a) **Payment of Public Charges.** Payment of Public Charges includes:

(i) Lessee, in addition to the Rent and all other payments due to City hereunder, covenants and agrees timely to pay and discharge, before any fine, penalty, interest or cost may be added, all real and personal property taxes, all ad valorem real property taxes, all taxes on Rents payable hereunder and under Subleases, tourist, room and restaurant taxes, public assessments and other public charges; and

(ii) Special Assessments pursuant to Section 4.5(e), electric, water and sewer rents, rates and charges levied, assessed or imposed by any Governmental Authority against the Leased Property, including all Lessee Improvements thereon, in the same manner and to the same extent as if the same, together with all Lessee Improvements thereon were owned in fee simple by Lessee.

(collectively, "Public Charges");

(b) Lessee's obligation to pay and discharge Public Charges levied, assessed or imposed against or with respect to Leased Property shall not commence until the Possession Date. But, should the Miami-Dade County Property Appraiser make a determination that the Leased Property is taxable prior to the Possession Date, the City shall first be obligated to challenge such determination and, in the event the City's challenge is unsuccessful, it shall be the Lessee's obligation to pay the appropriate ad valorem real property taxes) from and after the Possession Date. All such charges shall be prorated if the Possession Date is not at the beginning of the calendar year. Lessee, upon written request, shall furnish or cause to be furnished to the City, official receipts of the appropriate taxing authority, or other proof satisfactory to the City evidencing the payment of any Public Charges.

(c) **Contesting Impositions.**

(i) Lessee shall have the right to contest the amount or validity, in whole or in part, of any Public Charges, for which Lessee is, or is claimed to be, liable, by appropriate proceedings diligently conducted but only after payment of such Public Charges, unless such payment would operate as a bar to such contest or materially interfere with the prosecution thereof, in which event, payment of such Public Charges may be postponed if, and only if, Lessee has deposited with the First Leasehold Mortgagee or the City (as applicable), in its capacity as landlord under this Lease, cash or other security Approved by the First Leasehold Mortgagee or the City (as applicable), in its capacity as landlord under this Lease, in the amount so contested and unpaid, together with interest and penalties in connection therewith and any other charges that may be assessed against or become a charge on the Leased Property or any part thereof in such proceedings. Upon the termination of any such proceedings, Lessee shall pay the amount of such Public Charges or part thereof, if any, as finally determined in such proceedings, together with any costs, fees, including counsel fees, interest, penalties and any other liability in connection therewith.

(ii) City shall not be required to join in any proceedings referred to in this Section 4.5(c) unless:

(1) Governmental Requirements shall require that such proceedings be brought by or in the name of City; or

(2) the proceeding involves the assessment or attempted assessment of a real estate or ad valorem tax on the Leased Property,

in which event the City shall join in such proceedings or permit the same to be brought in the City's name.

(iii) Except for any counsel it retains separately, the City shall not be subjected to any liability to pay any fees, including counsel fees, costs and expenses regarding such proceedings. Lessee agrees to pay such fees, including commercially reasonable counsel fees, costs and expenses or, on demand, to make reimbursement to the City for such payment.

(d) **Special Assessments.** The City retains all its rights to impose nondiscriminatory special assessments or other public charges; provided, however, if at any time the City, in its municipal capacity, subjects non-governmental users to an exclusive franchise for trash removal or other public services, Lessee will be treated the same as similarly sized and situated properties (such as the Loews Hotel).

## **ARTICLE V ASSIGNMENT**

**Section 5.1. Purpose of Restrictions on Transfer.** This Lease is granted to Lessee solely to develop the Hotel Project and its subsequent use according to the terms hereof, and not for speculation in landholding. Lessee recognizes that, in view of the importance of developing the Hotel Project to the general welfare of the City and the general community, the Lessee's qualifications and identity are of particular concern to the community and the City. Accordingly, Lessee acknowledges that it is because of such qualifications and identity that the City is entering into this Lease with Lessee, and, in so doing, the City is further willing to accept and rely on the Lessee's obligations for faithfully performing all its undertakings and covenants.

**Section 5.2. Transfers.** Lessee represents and warrants that Lessee has not made, created or suffered any Transfers as of the date of this Lease and that the Persons that have an ownership interest in Lessee on the date of this Lease are listed, together with their percentage and character of ownership, on **Exhibit "M"**. No Transfer may or shall be made, suffered or created by Lessee, its successors, assigns or transferees without complying with the terms of this Article V. Any Transfer that violates this Lease shall be null and void and of no force and effect.

**Section 5.3. Permitted Transfers.**

(a) Prior to the Opening Date, other than Permitted Transfers, no Transfer will be permitted without the written Approval of the City (excluding the conveyance of the Easements).

(b) Each of the following Transfers, shall be permitted hereunder without the City's consent ("Permitted Transfers"):

(i) a Transfer after the Opening Date of the entire Hotel Project of any direct or indirect interest in Lessee provided that (i) the transferee is an Acceptable Owner (or the Lessee remains an Acceptable Owner following such Transfer in the case of a Transfer of a direct or indirect interest in Lessee); (ii) the City is given written notice thereof together with true and correct copies of the proposed Transfer documents and other agreements between the parties and current certified financial statements (to the extent applicable) and other relevant information of the proposed transferee in accordance with the time frames set forth on **Exhibit "A"** attached hereto ~~in order for City to confirm that the transferee (or the Lessee) is an Acceptable Owner~~; and (iii) all of the conditions precedent to the effectiveness of such Transfer as set forth in Section 5.5 hereof are satisfied;

(ii) Any Transfer, if in accordance with the terms and conditions of Article VI, by the First Leasehold Mortgagee to an agent, designee or nominee of the First Leasehold Mortgagee that is wholly owned or Controlled by such First Leasehold Mortgagee;

(iii) Any Transfer directly resulting from the foreclosure of a First Leasehold Mortgage or the granting of a deed in lieu of foreclosure of a First Leasehold Mortgage or any Transfer made to the purchaser at foreclosure of a First Leasehold Mortgage or to the grantee of a deed in lieu of foreclosure of a First Leasehold Mortgage (if such purchaser or grantee is a nominee in interest of the First Leasehold Mortgagee), ~~and provided further that such Transfer, purchase or grant is in accordance with the terms and conditions of Article VI~~;

(iv) Any Transfer directly resulting from a conveyance to a First Leasehold Mortgagee of Lessee's interest provided it is in accordance with the terms and conditions of Article VI;

(v) Any Transfer, or series of Transfers, of not more than an aggregate of ~~ten~~<sup>fifty</sup> percent (~~10~~<sup>50</sup>%) of the direct ~~or indirect~~ ownership interests in Lessee, provided that at all times after such Transfer, \_\_\_\_\_, or other successor Person Approved by the City has the power to direct the day-to-day management and policies of Lessee; and

(vi) Any Transfer or series of Transfers to any (A) Affiliate of Lessee or (B) any partnership or limited liability company in which Lessee is a general partner (if a partnership) or a member and manager (if a limited liability company) in which the Controlling partners or members are either (i) principals and/or employees of Lessee or its Affiliates; and/or (ii) equity investors in the Hotel Project as of the Effective Date.

provided, however, in the case of any Transfer hereunder, the proposed transferee shall not, directly or indirectly, own, operate or manage any Gaming Establishment in Miami-Dade County, Florida and any purported Transfer in violation hereof shall be null and void and of no force and effect.

**Section 5.4. Transfer Requiring City's Consent.** Regarding any Permitted Transfer pursuant to Section 5.3(b) or any other Transfer that is not a Permitted Transfer, Lessee shall give or cause to be given to the City written notice of a Transfer (in the case of a Permitted Transfer), or written notice requesting approval of any other Transfer that is not a Permitted Transfer, and submitting all information necessary for the City to evaluate the proposed

transferees and the Transfer and to obtain the City's Approval of same. Said information shall demonstrate that the transferee is an Acceptable Owner as set forth on **Exhibit "A"** attached hereto. The City's Approval process shall proceed as set forth on **Exhibit "A"** attached hereto. Any Approval of a Transfer shall not waive any of the City's rights to Approve or disapprove of any subsequent Transfer. Lessee shall from time to time throughout the Term, as the City shall reasonably request, furnish the City with a complete statement, subscribed and sworn to by a Responsible Officer of Lessee, setting forth the full names and address of holders of the ownership interests in Lessee who hold, directly or indirectly, at least a ten percent (10%) interest in Lessee as well as to confirm the percentage ownership interest of such Responsible Officer.

**Section 5.5. Effectiveness of Transfers.** No Transfer shall be ~~effective~~permitted or Approved (as applicable) unless and until all of the following conditions precedent are satisfied ~~within thirty (30) days of~~with respect to such Transfer:

(a) executed copies of the Transfer documents and other agreements between the parties to the Transfer are delivered to the City; and

(b) where the Transfer is pursuant to Section 5.3(b)(i), and if it is of the entire Hotel Project, the Person to which any such Transfer is made, by a commercially reasonable, written instrument and in form recordable among the public records, shall, for itself and its successors and assigns, and especially for the benefit of the City, expressly assume all of the obligations of Lessee under this Lease and agree to be liable and subject to all conditions and restrictions to which Lessee is subject.

**Section 5.6. Subletting.**

(a) Subject to the other terms and conditions of this Lease, Lessee shall have the right to enter into Subleases of portions of the Leased Property at any time and from time to time during the term of this Lease with such Subtenants and upon such commercially reasonable terms and conditions as Lessee shall deem fit and proper, provided the Sublease is consistent with this Lease and consistent with the Hotel Standards; provided, however, Lessee shall not, without the City's prior Approval, which may be withheld in the City's sole discretion, enter into any Sublease ~~the income for which is included in Gross Operating Revenues, or for which the Subtenant thereunder requires from the City a non-disturbance agreement, or with an Affiliate of Lessee~~ which the City shall reasonably negotiate if requested by such sublessee(s). At the City's request, Lessee shall allow the City to review and inspect any and all Subleases for the Hotel Project.

(b) Lessee covenants that it will perform and observe all the terms, covenants, conditions and agreements required to be performed and observed by it under each Sublease. Lessee agrees that each Sublease shall:

(i) require the Subtenant to maintain adequate books and records including reasonably detailed information on Gross Operating Revenues of the applicable subleased portion of the Leased Premises and to submit the same for inspection and audit by the City and require the Subtenant to comply with Governmental Requirements;

(ii) provide that, if this Lease terminates, the Subtenant shall, if required by the City, pay all rents and all other charges required by such Sublease directly to the City; and

(iii) obligate the Subtenant not to violate any term, covenant or restriction applicable to Lessee that is contained in this Lease. In addition, Lessee shall in all events require and cause Subtenants to perform obligations imposed by the Sublease (specifically including the obligations set forth in this Section 5.6).

~~(e) Notwithstanding anything to the contrary contained herein, at all times the Base Rent payable to the City with respect to all portions of the Leased Property, whether or not subleased to a Subtenant, shall be based on the Gross Operating Revenues of the Leased Property, including ~~any subleased portion of the Leased Property, and shall not be based on~~ only the Sublease rent paid by any Subtenant thereunder, ~~except solely with respect to a portion of the Leased Property leased to a Subtenant for purposes of operating a gift shop.~~~~

**Section 5.7. Restriction on the City's Transfers of the Property.** The City shall not, after the Effective Date, agree to or create any liens or encumbrances on the Hotel Site which are not specifically stated in writing to be subordinate to this Lease and to any amendments or modifications hereto, any subleases hereunder, and any and all rights and claims of Lessee arising hereunder, including without limitation any rights or options to purchase or otherwise acquire the interest of the City in the Hotel Site, and any mortgage or lien on the fee simple interest in all or any portion of the Hotel Site. [DISCUSS – PURCHASE OPTION / ROFR-ROFO FROM THE CITY / RESTRICTION ON SALE TO COMPETITOR]

## **ARTICLE VI MORTGAGE FINANCING; RIGHTS OF MORTGAGEE AND LESSEE**

### **Section 6.1. Conditions of Financing and Leasehold Mortgage.**

(a) Lessee shall have the right to secure one or more financings or re-financings and, in conjunction with and to secure that financing or re-financing, may enter into a First Leasehold Mortgage in favor of a First Leasehold Mortgagee, provided that:

(i) any such secured financing of the Hotel Project exclusively secures debt of the Lessee directly related to the Hotel Project;

(ii) Lessee certifies to the City that the Hotel Project, after taking into account all existing debt of the Lessee is projected to have and be able to sustain a Debt Service Coverage Ratio of not less than 1.25 (based on obtaining non-recourse debt and the reasonably projected first stabilized year for any financing that closes prior to the reasonably projected first stabilized year, and any twelve (12) consecutive months out of the previous eighteen (18) months of operations for subsequent financings);

(iii) at the time of the closing of the financing or re-financing, the aggregate amount of the principal indebtedness secured by mortgages encumbering Lessee's interest in the Leased Property does not exceed an amount equal to seventy percent (70%) of the sum of (1) the then value of Lessee's interest in the Leased Property and any improvements previously constructed on the Leased Property, as reasonably determined by a third-party appraiser ~~selected by the City and~~ engaged at Lessee's sole expense, (2) the value of any improvements to be constructed on the Leased Property with the proceeds of such financing

or re-financing, and (3) all costs incurred, and all reserves required, in connection with such financing or re-financing;

(iv) no First Leasehold Mortgage or other encumbrance executed by the Lessee in connection with such First Leasehold Mortgage or otherwise will extend to or be a lien or encumbrance upon City's interest in any part of the Leased Property or in any right appurtenant to ~~that~~the City's interest;

(v) the First Leasehold Mortgage and any other encumbrance executed by the Lessee in connection with such First Leasehold Mortgage or otherwise shall at all times, without the necessity for the execution of any further documents, be subject and subordinate to the interest of the City in the Leased Property; ~~provided that the First Leasehold Mortgagee agrees from time to time upon request and without charge to execute, acknowledge and deliver any instruments reasonably requested by the City under this Lease to evidence the foregoing subordination;~~DISCUSS – LIMITS FINANCING ABILITY

(vi) the First Leasehold Mortgagee ~~waives~~subordinates all right and option to retain and apply the proceeds of any insurance or the proceeds of any condemnation award toward payment of the sum secured by the First Leasehold Mortgage to the extent such proceeds are required to be applied for the demolition, repair or restoration of the Leased Property in accordance with the provisions of this Lease;

(vii) the rights of the City in the Leased Property and arising out of this Lease shall not be materially affected by the First Leasehold Mortgage or First Leasehold Mortgagee, nor shall the City be deprived in any other way of its rights in the Leased Property or under this Lease;

(viii) Lessee shall at all times remain liable hereunder for the payment of Rent and the performance of all covenants and conditions of this Lease; and

(ix) no purchaser at any foreclosure sale or deed in lieu sale will acquire any right, title or interest in or to this Lease, unless such purchaser, in a written instrument ~~reasonably satisfactory to the City,~~ assumes and agrees to perform all of the terms, covenants and conditions of Lessee hereunder, that no additional mortgage or assignment of this Lease will be made except in accordance with the provisions contained in this Article VI, and that a duplicate original of such written instrument, duly executed and acknowledged by such purchaser and in recordable form, is delivered to the City ~~immediately~~ after the consummation of such sale, ~~or, in any event, prior to taking possession of the Leased Property.~~

(b) Prior to the date a First Leasehold Mortgage is recorded, the First Leasehold Mortgagee, Lessee and the City shall enter into a non-disturbance and attornment agreement containing the provisions set forth in Section 6.1(d) below and such other terms and conditions as are reasonably acceptable to the City ~~and, First Leasehold Mortgagee and Lessee (provided no Event of Default then exists).~~ The City agrees to consider any modifications and amendments to this Lease as may be requested from time to time by First Leasehold Mortgagee.

(c) Lessee shall deliver to the City, promptly after execution by Lessee, a true and verified recorded copy of any First Leasehold Mortgage and any amendment, modification or extension thereof, together with the name and address of the First Leasehold Mortgagee.

(d) For so long as any First Leasehold Mortgage encumbers the Leased Property and provided the conditions of Section 6.1(a) through (c) above have been satisfied:

(i) in any event where the City gives Lessee notice of an Event of Default, the City shall deliver a copy of such notice to the First Leasehold Mortgagee, at the name and address designated in writing by the First Leasehold Mortgagee to the City from time to time (the City shall be deemed to have fulfilled its notice obligation by providing the required notice to the address delivered to the City in accordance with Section 6.1(c) or such other address so designated by the First Leasehold Mortgagee to the City in writing and shall not be responsible for any liability in the event such address is not current); and the First Leasehold Mortgagee shall have the same cure period after the giving of such notice upon it for remedying any default or causing the same to be remedied as is given Lessee; the City shall accept such performance by such First Leasehold Mortgagee as if the same had been done by Lessee;

(ii) notwithstanding the time allowed for Lessee to cure an Event of Default, the First Leasehold Mortgagee shall have the right, but not the obligation, up to ~~fifteen~~thirty (~~15~~30) days following the City's notice thereof to cure a monetary default and thereafter keep all Rent and other amounts due hereunder current, and up to ~~thirty~~sixty (~~30~~60) days following the City's notice thereof to cure a non-monetary Event of Default (except an Event of Default under Sections 7.1(c), (d) or (e) hereof, for which the First Leasehold Mortgagee will not be given any additional time to remedy), but if such non-monetary Event of Default cannot be cured within such thirty (30) day period, then the First Leasehold Mortgagee shall have up to ~~ninety~~one hundred eighty (~~90~~180) days to cure, provided that it has started to do so within the initial thirty (30) day period and thereafter continues to diligently pursue the cure. The City will accept performance by the First Leasehold Mortgagee of any covenant, condition or agreement on Lessee's part to be performed hereunder with the same force and effect as though performed by Lessee; and

(iii) notwithstanding the provisions of Article VII hereof, no Event of Default by Lessee will be deemed to exist as long as the First Leasehold Mortgagee, in good faith, either promptly (A) commences to cure such Event of Default and prosecute the same to completion in accordance with clause (ii) above, or (B) if the nature of any non-monetary Event of Default (except an Event of Default under Sections 7.1(c), (d), (e) or (f) hereof, for which the First Leasehold Mortgagee will not be given any additional time to remedy) is such that possession of the Hotel Project is reasonably necessary to cure the Event of Default or if the Event of Default is of the type that cannot commercially reasonably be cured by the First Leasehold Mortgagee (e.g., Lessee bankruptcy), files a complaint for foreclosure and thereafter prosecutes the foreclosure action and obtains possession directly or through a receiver and prosecutes such proceedings in good faith and with diligence and continuity and as promptly as practicable after obtaining such possession, commences promptly to cure such Event of Default and to prosecute the same to completion in good faith and with diligence and continuity; provided, however, that the First Leasehold Mortgagee has delivered to the City, in writing, its agreement to take the action described in clause (A) or (B) of this clause (iii), and that during the period in which such action is being taken (and any foreclosure proceedings are pending), all of the other obligations of Lessee under this Lease, to the extent they are susceptible of being performed by the First Leasehold Mortgagee, are being duly performed. However, at any time after the delivery of the aforementioned agreement, the First Leasehold Mortgagee may notify the City, in writing, that it has relinquished possession of the Leased Property or that it will not institute foreclosure

proceedings or, if such proceedings have been commenced, that it has discontinued them, and in such event, the First Leasehold Mortgagee will have no further liability under such agreement from and after the date which is 30 days after it delivers such notice to the City (except for any obligations accruing prior to 30 days after the date it delivers such notice), and, thereupon, the City will have the unrestricted right to terminate this Lease and to take any other action it deems appropriate by reason of any Event of Default, and upon any such termination, the provisions of Section 6.1(h) hereof will apply.

(e) From and after the date upon which the City receives the notice described in Section 6.1(c) hereof, the City will not consent to any amendment or modification **materially** increasing the Lessee's obligations hereunder or terminate this Lease other than as provided in this Article VI (except upon the expiration of the Term) without the prior written consent of the First Leasehold Mortgagee, which consent shall not be unreasonably delayed, conditioned or withheld. In the event that a First Leasehold Mortgagee shall become the owner of such leasehold estate, such First Leasehold Mortgagee shall not be bound by any modification or amendment of this Lease made subsequent to the date of the First Leasehold Mortgage and prior to its acquisition of such interest unless the First Leasehold Mortgagee shall have consented to such modification or amendment at the time it was made or at the time of such acquisition. No First Leasehold Mortgagee shall become liable under the provisions of this Lease or any new lease entered into as provided herein unless and until such time as it becomes, and then only for as long as it remains, the owner of the leasehold estate created hereby or thereby.

(f) Foreclosure of a First Leasehold Mortgage or any sale thereunder, whether by judicial proceedings or by any power of sale contained in the First Leasehold Mortgage or applicable law, or any conveyance of the Hotel Project from Lessee to the First Leasehold Mortgagee in lieu of the foreclosure or other appropriate proceedings in the nature thereof, shall not:

(i) require the City's consent; or

(ii) provided the First Leasehold Mortgagee has complied with the provisions of this Article VI, constitute a breach of any provision of or a default under this Lease.

(g) If the First Leasehold Mortgagee or any other foreclosure sale purchaser subsequently assigns or transfers its interest under this Lease after acquiring the same by foreclosure or by an acceptance of a deed in lieu of foreclosure or subsequently assigns or transfers its interest under any such new lease entered into pursuant to Section 6.1(h) below, and in connection with any such assignment or transfer, the First Leasehold Mortgagee or any other foreclosure sale purchaser takes back a First Leasehold Mortgage to secure a portion of the purchase price, the holder of such First Leasehold Mortgage shall be a First Leasehold Mortgagee entitled to receive the benefit of this Article VI and all other provisions of this Lease intended for the benefit of a First Leasehold Mortgagee.

(h) Should the Lessee or any First Leasehold Mortgagee not cure the alleged Event of Default as provided in this Section 6.1, the City has the right to terminate this Lease by reason of any uncured Event of Default. If this Lease is terminated by the City in accordance with the foregoing or is terminated as a result of the bankruptcy of the Lessee, the City shall give written notification of such termination to the First Leasehold Mortgagee, and the City shall, upon written request of the First Leasehold Mortgagee to the City received

within ~~thirty~~forty-five (3045) days after such notice of termination, enter into a new lease of the Leased Property with such First Leasehold Mortgagee, as lessee, for the remainder of the Term with the same covenants, conditions and agreements (except for any requirements, which have been fully satisfied by Lessee or City prior to termination) as are contained herein. For so long as the First Leasehold Mortgagee shall have the right to enter into a new ground lease with the City pursuant to this subsection (h), the City shall not enter into any lease of the Leased Property with any person or entity other than the First Leasehold Mortgagee, without the prior written consent of the First Leasehold Mortgagee.

(i) The City's delivery of the Leased Property to the First Leasehold Mortgagee, as lessee, pursuant to a new lease shall be subject to the following conditions:

(i) made without representation or warranty of any kind or nature whatsoever either express or implied;

(ii) First Leasehold Mortgagee, as lessee, shall take such Leased Property "as-is" in its then current condition; and

(iii) upon execution and delivery of such new lease, First Leasehold Mortgagee, as lessee, at its sole cost and expense shall be responsible for taking such action as shall be necessary to cancel and discharge this Lease and to remove Lessee named herein and any other occupant (other than as allowed by the First Leasehold Mortgagee, as lessee, or the City) from the Hotel Project.

(j) The City's obligation to enter into such new lease of the Leased Property with the First Leasehold Mortgagee shall be conditioned upon, on the date the new lease is executed:

(i) the City receiving payment all Rent due hereunder through the date of such new lease;

(ii) all monetary defaults hereunder having been cured, except for monetary obligations solely created as a result of the default or Event of Default of the Lessee;

(iii) all non-monetary defaults susceptible to cure having been remedied and cured (or First Leasehold Mortgagee, as tenant, having commenced such cure and continuing to diligently complete the cure); and

(iv) the City receiving payment of all expenses, including reasonable attorneys' fees and disbursements and court costs, incurred by the City in connection with ~~such Event of Default, the termination of this Lease and~~ the preparation of the new lease, together with interest thereon at the lesser of the Default Rate or the highest rate permitted by law, from the due date or the date expended by the City, as the case may be, to the date of actual payment.

(k) With respect to the payment of Rent by the First Leasehold Mortgagee pursuant to this Article VI, if the Rent currently due cannot be determined by the First Leasehold Mortgagee without possession of the Hotel Project, then the First Leasehold Mortgagee may pay the amount of Base Rent which was paid for the immediately previous

period, with the adjustment, upward or downward, to be made ninety (90) days after the First Leasehold Mortgagee obtains possession of the Hotel Project.

**Section 6.2. No Waiver of Lessee's Obligations or City's Rights.** Nothing contained herein or in any Leasehold Mortgage shall be deemed or construed to relieve Lessee from the full and faithful observance and performance of its covenants, conditions and agreements contained herein, or from any liability for the non-observance or non-performance thereof, or to require, allow or provide for the subordination to the lien of such Leasehold Mortgage or to any Leasehold Mortgagee of any estate, right, title or interest of the City in or to the Leased Property, buildings and structures or this Lease (including the right to Rent, Public Charges, and other monetary obligations of Lessee to the City under this Lease), nor shall the City be required to join in such mortgage financing or be liable for same in any way. City's interest in the Leased Property and this Lease, as the same may be modified, amended or renewed, will not at any time be subject or subordinate to (a) any mortgage now or hereafter placed upon Lessee's interest in this Lease, or (b) any other liens or encumbrances hereafter affecting Lessee's interest in this Lease. Notwithstanding any provisions of the Lease to the contrary, so long as a First Leasehold Mortgage is in effect, Lessee shall have no right to terminate this Lease with respect to any event unless the written approval of the First Leasehold Mortgagee is obtained, including, without limitation, the right to terminate in the event of any casualty or condemnation.

**Section 6.3. Survival.** The provisions of this Article VI shall survive the termination, rejection or disaffirmance of this Lease and shall continue in full force and effect thereafter to the same extent as if this Article VI were a separate and independent contract made by the City, Lessee and the First Leasehold Mortgagee.

## **ARTICLE VII REMEDIES; EVENTS OF DEFAULT**

**Section 7.1. Default by Lessee.** Each of the following occurrences shall constitute an "Event of Default" of Lessee that shall entitle City to terminate this Lease and seek any other remedies as set forth in Section 7.2:

(a) if Lessee fails to pay any installment of Rent, including Base Rent, or any part thereof, when the same becomes due and payable and such failure continues for a period of 15 days after written notice thereof by City to Lessee specifying such failure;

(b) if Lessee fails to make any payment of Additional Rent, Public Charges or any other payment required to be paid by Lessee hereunder for a period of ~~40~~30 days after notice thereof from City to Lessee;

(c) if Lessee fails to satisfy all of the Possession Conditions by the Outside Possession Date and such failure continues for a period of 30 days after written notice thereof by City to Lessee specifying such failure;

(d) if Lessee fails to Commence Construction no later than the Outside Construction Loan Closing Date and such failure continues for a period of 30 days after written notice thereof by City to Lessee specifying such failure;

(e) if Lessee fails to satisfy the conditions as more fully set forth in Section 4.1(f) or fails to Complete Construction by the Outside Completion Date and such failure

continues for a period of 30 days after written notice thereof by City to Lessee specifying such failure;

(f) if Lessee fails to cause the Opening Date to occur by the Outside Opening Date and such failure continues for a period of 30 days after written notice thereof by City to Lessee specifying such failure;

(g) if Lessee conducts on the Leased Property any business, the performance of any service, or the sale or marketing of any product or service by Lessee which is prohibited by the terms of this Lease and such failure continues for a period of 45 days after written notice thereof by City to Lessee specifying such failure;

(h) if Lessee fails to maintain or provide evidence of all insurance in strict compliance with Article IX hereof and such failure continues for a period of ~~ten~~twenty (4020) Business Days from the date of written notice thereof from City;

(i) if Lessee fails to operate the Hotel in ~~strict~~material compliance with the Hotel Standards, regardless of the Hotel's AAA rating, and such failure continues for a period of ninety (90) days from the date of written notice thereof from City, ~~subject to the rights of any First Leasehold Mortgagees and sub-lessees hereunder;~~

(j) if there is a default by Lessee under the Management Agreement and as a result of such default the Management Agreement is terminated and a replacement Management Agreement is not entered into within ninety (90) days thereafter, provided that if Lessee shall have commenced and thereafter shall have continued diligently to replace the Management Agreement within such ninety (90) day period and the Hotel Project continues to operate in the ordinary course of business, then Lessee shall have an additional commercially reasonable period of time not to exceed one hundred eighty (180) days within which to enter into a replacement Management Agreement;

(k) if prior to the Opening Date, any lawsuit is filed against the Lessee, which is not dismissed within sixty (60) days and the amount in controversy of which is not covered by insurance and which, if adversely determined, would substantially and materially impair the ability of Lessee to perform each and every one of its obligations under and by virtue of this Lease, unless Lessee is contesting such lawsuit in good faith and through appropriate action.

(l) if Lessee fails to observe or perform one or more of the other terms, conditions, covenants or agreements of this Lease not otherwise addressed in this Section 7.1 and such failure continues for a period of ~~45~~60 days after written notice thereof by City to Lessee specifying such failure, unless such failure requires work to be performed, acts to be done, or conditions to be removed which cannot by their nature reasonably be performed, done or removed, as the case may be, within such ~~45~~60 day period, in which case no Default will be deemed to exist as long as (i) Lessee commences curing the same within such ~~45~~60 day period and diligently and continuously prosecutes the same to completion and (ii) the Hotel Project continues to operate in the ordinary course of business, to the extent commercially reasonable taking into account the nature of the alleged failure to perform according to the covenant, condition or agreement in question;

(m) if Lessee ~~is generally not paying its debts as such debts become due or~~ admits, in writing, that it is unable to pay its debts as such debts become due;

(n) if Lessee makes an assignment for the benefit of creditors;

(o) if Lessee files a voluntary petition under Title 11 of the United States Code or if such petition is filed against Lessee and an order for relief is entered without Lessee contesting such order for relief, or if Lessee files any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the Bankruptcy Code or any other present or future applicable federal, state or other statute or law, or seeks or consent to or acquiesces in or suffers the appointment of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of Lessee, or of all or any substantial part of its properties or of the Leased Property or any interest of Lessee therein or if Lessee takes any corporate action in furtherance of any action described in Section 7.1(o), (p) or (q) hereof;

(p) if within ~~60~~90 days after the commencement of any proceeding against Lessee seeking to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent, or seeking any reorganization, arrangement, composition, readjustment or adjustment, winding-up, liquidation, dissolution or similar relief under the Bankruptcy Code or any other present or future applicable federal, state or other statute or law of any jurisdiction, domestic or foreign, such proceeding has not been dismissed, or if, within ~~60~~90 days after the appointment, without the consent or acquiescence of Lessee, of any trustee, receiver, custodian, assignee, sequestrator or liquidator of Lessee, or of all or any substantial part of its properties or of the Leased Property or any interest of Lessee therein, such appointment has not been vacated or stayed on appeal or otherwise, or if, within ~~30~~60 days after the expiration of any such stay, such appointment has not been vacated;

(q) if any case, proceeding or other action is commenced or instituted against Lessee seeking the issuance of a warrant of attachment, execution or similar process against all or any substantial part of its property, which case, proceeding or other action results in the entry of an order for any such relief which has not been vacated, discharged, stayed or bonded pending Lessee's appeal therefrom within ~~30~~60 days from the entry thereof;

(r) if Lessee fails, or fails to cause the Hotel Operator, to continuously operate the Leased Property in accordance with Section 13.2 hereof;

(s) if Lessee ~~vacates or~~ abandons the Leased Property or ~~any portion thereof, or~~ voluntarily abandons construction of any portion of the Hotel Project, which abandonment is not cured within a reasonable time (not to be less than 60 days) following written notice from City;

(t) if this Lease or the leasehold estate of Lessee hereunder is assigned, subleased, transferred, mortgaged, pledged or encumbered in any manner without compliance with the provisions of this Lease, ~~or if Lessee attempts to consummate any Transfer (by entering into an agreement to sell or assign its interest in this Lease or the Hotel Project or to sublet any portion of the Leased Property or by agreeing to a Transfer without complying with the provisions governing same in this Lease),~~ except as expressly permitted

herein, and Lessee fails to correct such unpermitted Transfer within thirty (30) days after receiving notice from City;

(u) if a levy under execution or attachment is made against Lessee or its property and such execution or attachment has not been vacated or removed by court order, bonding or otherwise within a period of 30 days after such execution of attachment;

(v) if Lessee uses the Leased Property in violation of any of the use restrictions set forth in Section 4.2(b) or violates the ownership restrictions set forth in Section 4.2(g); and such failure continues for a period of 45 days after written notice thereof by City to Lessee specifying such failure; and

~~and~~

~~(w) if Lessee or Hotel Operator fails to comply with the Room Block Agreement and such failure continues for a period of 45 days after written notice thereof by City to Lessee specifying such failure.~~

## **Section 7.2. Remedies for Lessee's Default.**

(a) If an Event of Default occurs hereunder, the City may elect any one or more of the following remedies, without limitation, subject to the rights of any First Leasehold Mortgagee or sublessee(s) of the Hotel Project:

(i) enforce strict performance by Lessee;

(ii) terminate this Lease immediately upon the occurrence of any Event of Default;

(iii) enter upon and take possession of the Leased Property without terminating this Lease and without relieving the Lessee of its obligation to pay Rent herein reserved, and as provided by applicable law, expel, remove or dispossess the Lessee and any other Person who may be occupying the Leased Property or any part thereof, any Lessee Improvements, FF&E, personal property or trade fixtures located therein by summary proceedings or otherwise and relet the Leased Property in the name of the City, as landlord, at any rent readily obtainable, and receive the rent thereof; in such event, the City shall have the right to keep in place and use, or remove and store, all of the FF&E, personal property and trade fixtures located therein and Lessee shall pay to the City, upon demand, any deficiency that may arise by reason of such reletting and any and all expenses, costs and brokerage commissions of such reletting, for the remaining term of this Lease;

~~(iv) immediately revoke the license granted to Lessee pursuant to the Assignment of Plans and Approvals~~[reserved];

(v) with respect to any Event of Default under ~~Sections~~Section 7.1(v), the City shall be entitled, ~~for each month so long as such Event of Default has not been cured, to liquidated damages in an amount equal to three times the Base Rent being paid at the time of such Event of Default for each month until such Event of Default has been cured; it being acknowledged by the Parties that because of the difficulty and uncertainty of ascertaining actual damages, the liquidated damages provided for herein do not constitute a penalty but represent fair, adequate and reasonable compensation to the City as a result of such Event~~

~~of Default by Lessee; and~~ in the event that Lessee does not cure such Event of Default within ninety (90) days after the occurrence of such Event of Default, the City shall have the right to terminate this Lease or exercise any other remedy set forth in this Section 7.2(a); and

(vi) pursue any other remedy available to the City at law or in equity.

The City's election of a remedy hereunder with respect to any one or more Events of Default shall not limit or otherwise affect the City's right to elect any of the remedies available to it hereunder with respect to that or any other Event of Default.

(b) If this Lease is terminated as provided in Section 7.2(a)(ii) hereof or Tenant is dispossessed by summary proceedings or otherwise pursuant to Section 7.2(a)(iii) hereof:

(i) Lessee will pay to the City all Rent payable by Lessee hereunder through the earlier of the date of such termination or date of reentry upon the Leased Property by the City, as the case may be;

(ii) Lessee will be liable for and will pay to the City, as damages, any deficiency (a "Deficiency") between the Rent reserved in this Lease for the period which otherwise would have constituted the unexpired portion of the Term and (A) in the event the Leased Property are not relet by the City, the City's net income (which Lessee acknowledges may be a negative number) during such period from the operation of the Leased Property, determined on a cash basis but otherwise in accordance with GAAP, or (B) if the Leased Property is relet by the City, the net amount, if any, of rents collected under any reletting pursuant to Section 7.2(a)(iii) hereof for any part of such period provided that the Base Rent which will be deemed to have been due for such period will be in an amount equal to the largest amount of Base Rent which was due in each of the three (3) full Rental Years preceding the Event of Default during which the Hotel was in full operation, with all rooms and suites available for rental. Any such Deficiency shall be paid in installments by Tenant on the days specified in this Lease for the payment of installments of Rent, and the City will be entitled to recover from Lessee each Deficiency installment as the same arise, and no suit to collect the amount of such Deficiency for any installment period will prejudice the City's right to collect the Deficiency for any subsequent installment period by a similar proceeding; and

(iii) whether or not the City has collected any Deficiency installments pursuant to Section 7.2(b)(ii) hereof, the City will be entitled to recover from Lessee, and Lessee will pay to the City, on demand, in lieu of any further Deficiencies, as and for liquidated and agreed final damages with respect to Deficiencies (it being agreed that it would be impracticable or extremely difficult to fix the actual damage), a sum equal to the amount by which the Rent reserved in this Lease for the period which otherwise would have constituted the unexpired portion of the Term (with the amount constituting Base Rent to be deemed to be in an annual amount equal to the largest amount of Base Rent which was due in each of the three (3) full Rental Years preceding the Event of Default during which the Hotel was in full operation) exceeds the then fair and reasonable rental value of the Leased Property for the same period, both discounted to their present value at the rate of percent (\_\_\_%) per annum, less the aggregate amount of Deficiencies theretofore collected by ~~Landlord~~the City pursuant to the provisions of Section 7.2(b)(ii) hereof for the same period; it being agreed that before presentation of proof of such liquidated damages to any court, commission or tribunal, if the Leased Property, or any part thereof, have been relet by the City for the period which otherwise would have constituted the unexpired portion of the Term,

or any part thereof, the amount of rent reserved upon such reletting will be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Premises so relet during the term of the reletting.

(c) If an Event of Default occurs, until such time that the occurrence which caused such Event of Default is remedied or until City elects to terminate this Lease (or Lessee's right to possession) in accordance with the provisions of this Lease, Lessee will indemnify City against and compensate City from and for any and all damages incurred by City as a result of such Event of Default. Subsequent to such Event of Default, Lessee will nevertheless be obligated to continue to pay all Rent.

(d) Upon the termination of this Lease, Lessee shall quit and peaceably surrender the Hotel Project (which includes the Leased Property and the Lessee Improvements), and all property in its possession to the City in accordance with Sections 7.9 and 11.5.

(e) Upon the termination of this Lease, as provided in this Section 7.2, all rights and interest of Lessee in and to the Hotel Project (which includes the Leased Property and the Lessee Improvements), and every part thereof shall cease and terminate, and the City may, in addition to any other rights and remedies it may have, retain all sums paid to it by Lessee under this Lease.

(f) If this Lease is terminated prior to the Outside Completion Date, subject to the rights of any First Leasehold Mortgagee, City shall have the right to cause Lessee to assign to the City (or another Person as "Assignee") all or a portion of its rights under the Hotel Project General Construction Contract, all contracts and agreements with the design professionals, and the Management Agreement, on a non-recourse basis, and to entitle City or Assignee to all of the rights and benefits of Lessee thereunder, ~~and to provide that City or Assignee, upon the assignment of such agreement(s) pursuant to this section, shall only be responsible for amounts due thereunder for work performed or services rendered with City's or Assignee's consent after such assignment.~~

(g) In the event the City elects to terminate this Lease after an Event of Default and such termination is stayed by order of any court having jurisdiction of any matter relating to this Lease, or by any federal or state statute, then following the expiration of any such stay, the City shall have the right, at its election, to terminate this Lease with five (5) days' written notice to Lessee, Lessee as debtor in possession or if a trustee has been appointed, to such trustee.

**Section 7.3. Default by the City.** An event of default by the City shall be deemed to have occurred under this Lease if the City fails to perform any obligation or fulfill any covenant or agreement of the City set forth in this Lease and such failure shall continue for sixty (60) days following the City's receipt of written notice of the non-performance; provided, however, the City shall not be in default of this Lease:

(a) if the City provides Lessee with a written response within said sixty (60) day period indicating the status of the City's resolution of the breach and providing for a mutually agreeable schedule to correct same; or

(b) with respect to any breach that is capable of being cured but that cannot reasonably be cured within said sixty (60) day period, if the City commences to cure such

breach within such sixty (60) day period (or as soon thereafter as is reasonably possible) and diligently continues to cure the breach until completion.

**Section 7.4. Force Majeure and Economic Force Majeure.**

(a) Neither the City nor Lessee, as the case may be, shall be considered in breach of or in default of any of its non-monetary obligations, including suspension of construction activities, hereunder by reason of unavoidable delay due to any Force Majeure Event; provided that the Party claiming such Force Majeure Event delivers written notice to the other Party of such Force Majeure Event within ~~fifteenth~~<sup>thirty</sup> (~~15~~<sup>30</sup>) days after the first occurrence or notice thereof, which notice shall describe in reasonable detail the events giving rise to the Force Majeure Event; and such Party shall diligently attempt to remove, resolve or otherwise seek to mitigate such delay and keep the other Party advised with respect thereto. ~~Time is of the essence with respect to this provision, and any failure by a Party to timely deliver such notice of a Force Majeure Event shall be deemed a waiver of such Party's right to delay performance as a result of such Force Majeure Event.~~

(b) Economic Force Majeure. If, prior to Possession, Lessee is delayed, hindered or prevented from being able to obtain a Construction Loan Commitment or satisfy the Possession Conditions due to Economic Force Majeure, the Outside Date for Possession, Outside Construction Loan Closing Date and the Outside Completion Date shall each be extended for the period of such delay (but not to exceed ~~eighteen~~<sup>twenty-four</sup> (~~18~~<sup>24</sup>) months); provided, that, with respect to any such delay by Economic Force Majeure, the Lessee shall give written notice of such occurrence to City within ~~ten~~<sup>thirty</sup> (~~10~~<sup>30</sup>) days after such occurrence, which notice shall describe in reasonable detail the events giving rise to the Economic Force Majeure and Lessee shall diligently attempt to remove, resolve, or otherwise seek to mitigate such delay, and keep City advised with respect thereto. ~~Time is of the essence with respect to this provision, and any failure by Lessee to timely deliver such notice of Economic Force Majeure shall be deemed a waiver of Lessee's right to extend the Outside Date for Possession, Outside Construction Loan Closing Date and Outside Completion Date, as applicable, as a result of such Economic Force Majeure.~~

**Section 7.5. Remedies Cumulative; Waiver.** The rights and remedies of the parties to this Lease, whether provided by law or by this Lease, shall be cumulative and concurrent, and the exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, or of any of its remedies for any other default or breach by the other Party. No waiver of any default or Event of Default hereunder shall extend to or affect any subsequent or other default or Event of Default then existing, or impair any rights, powers or remedies consequent thereon, and no delay or omission of any Party to exercise any right, power or remedy shall be construed to waive any such default or Event of Default or to constitute acquiescence thereof.

**Section 7.6. Right to Cure.** If Lessee shall default in the performance of any term, covenant or condition to be performed on its part hereunder, the City may, in its sole discretion, after notice to Lessee and beyond applicable cure periods (or without such notice and cure in the event of an emergency where damage to persons or property is imminent), perform the same for the account and at the expense of Lessee. If, at any time and by reason of such default, the City is compelled to pay, or elects to pay, any sum or money or do any act which will require the payment of any sum of money, or is compelled to incur any

expense in the enforcement of its rights hereunder or otherwise, such sum or sums shall be deemed Additional Rent hereunder and, together with interest thereon at the Default Rate, shall be repaid to the City by Lessee ~~upon~~ within five (5) business days of demand.

**Section 7.7. Room Block Agreement.** No termination or expiration of this Lease shall affect or impair the Room Block Agreement, or the obligations imposed upon the Lessee, its successors and assigns, City and the Hotel Site thereunder. [DISCUSS – HOW CAN LESSEE COMPLY WITH RATE BLOCK AGREEMENT IF THE LEASE IS TERMINATED? ALSO DISCUSS IMPACT OF CITY’S FAILURE TO COMPLY WITH ROOM BLOCK AGREEMENT]

**Section 7.8. Dispute Resolution.**

(a) City and Lessee agree that any dispute, claim or controversy between them relating to or arising under this Lease (“Dispute”) will first be submitted, by written notice, to a designated representative of both City and Lessee who will meet at City’s place of business or other mutually agreeable location, or by teleconference, and confer in an effort to resolve such dispute. Any decision of the representatives will be final and binding on the parties. In the event the representatives are unable to resolve any dispute within ten (10) days after submission to them, either Party may refer the dispute to mediation. The exclusive venue for any Dispute not resolved by mediation shall be any state or federal court of competent jurisdiction sitting in or for Miami-Dade County, Florida.

(b) TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE CITY AND LESSEE HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER OF THEM OR THEIR HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS OR ASSIGNS MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE OR ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT TO THE PARTIES ENTERING INTO THIS LEASE.

**Section 7.9. Plans and Data.** In the event of a termination of this Lease, Lessee shall deliver to City, copies of any and all Subleases and service and maintenance agreements then affecting the Leased Property, all maintenance records, all warranties or guaranties then in effect which Lessee received in connection with any work or services performed or FF&E installed on the Leased Property, the plans and specifications, surveys, studies, reports, cost estimates, designs, Governmental Approvals, keys, combinations to locks, access codes, records, correspondence and any and all other records, files, documents and other items and materials of every kind and nature whatsoever relating to the development, operation, maintenance or ownership of the Hotel Project, all of which shall be delivered by Lessee to the City within thirty (30) days after such termination. Such materials will be provided to City without any representation or warranty of any kind, express or implied (including regarding the truth, accuracy or completeness thereof and fitness for a particular purpose). Notwithstanding the foregoing, Lessee shall be permitted to redact and remove any proprietary or confidential information set forth in any such materials prior to delivery to the City. The obligations of Lessee under this Section 7.9 survive the termination of this Lease.

**ARTICLE VIII**  
**PROTECTION AGAINST MECHANICS' LIENS**  
**AND OTHER CLAIMS; INDEMNIFICATION**

**Section 8.1. Lessee's Duty to Keep Project Free of Liens.**

(a) Pursuant to Section 713.10, Florida Statutes, any and all liens or lien rights shall extend to, and only to, the right, title and interest of Lessee in the Hotel Project and shall not encumber or affect the City's fee simple title to the Leased Property.

(b) The right, title and interest of the City in the Leased Property shall not be subject to liens or claims of liens for improvements made by Lessee. Nothing contained in this Lease shall be deemed or construed to constitute the consent or request of the City, express or by implication or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement of, alteration to, or repair of the Hotel Project, or any part thereof, nor as giving Lessee, any Leasehold Mortgagee, Subtenant, lessee, or sub-lessee any right, power or authority to contract for, or permit the rendering of, any services or the furnishing of materials that would give rise to the filing of any lien, mortgage or other encumbrance against City's interest in the Leased Property, or any part thereof, or against assets of the City, or City's interest in any Rent and other monetary obligations of Lessee as defined in this Lease.

(c) Notice is hereby given, and Lessee shall cause all construction agreements entered into between Lessee and the Hotel Project General Contractor or other contractor in privity with Lessee or subcontractor in privity with the Hotel Project General Contractor or any other subcontractor to provide that:

(i) City shall not be liable for any work performed or to be performed at the Hotel Project or any part thereof for or on behalf of the Lessee, any Leasehold Mortgagee, Subtenant, lessee, or sub-lessee or for any materials furnished or to be furnished to the Hotel Project, or any part thereof, for any of the foregoing; and

(ii) no mechanic's, laborer's, vendor's, materialman's or other similar statutory lien for such work or materials shall be attached to or affect City's interest in the Leased Property, or any part thereof, or any assets of the City, or the City's interest in any Rent or other monetary obligations of Lessee arising under this Lease.

(d) Lessee acknowledges and agrees that the City shall be entitled to record in the public records of Miami-Dade County, Florida a notice of no lien in accordance with Chapter 713.10, Florida Statutes, and that if requested by the City, Lessee will execute and deliver a countersignature to such notice within ten (10) days of the City's request.

**Section 8.2. Contesting Liens.** If Lessee desires to contest any such lien as described in Section 8.1, it shall notify the City of its intention to do so within thirty (30) days after the filing of or Lessee's notice of such lien. In such case, Lessee, at Lessee's sole cost and expense, shall furnish a cash deposit or surety bond in an amount sufficient to pay such lien and any cost (including interest and penalties), liability or damage arising out of such contest. The lien, if Lessee timely provides the bond described above, shall not be an Event of Default hereunder until ~~thirty~~ it remains unpaid sixty (60) days after the final determination of the validity thereof provided that, within that time, Lessee shall satisfy and discharge such lien to

the extent held valid; provided, however, that the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had on any judgment rendered thereon, or else such delay shall be considered to be a monetary Event of Default hereunder. In the event of any such contest, Lessee shall protect and indemnify the City against all loss, expense and damage resulting therefrom as provided in Section 8.3.

**Section 8.3. Indemnification.**

(a) Lessee acknowledges and agrees that this Lease is not an agreement between City and any architect, engineer, general contractor, subcontractor, sub-subcontractor, or materialman or any combination thereof for the construction, alteration, repair, or demolition of a building, structure, appurtenance, or appliance on the Leased Property, and therefore that the limitations on indemnity provisions in Section 725.06, Florida Statutes, as such statute may be amended from time to time, do not apply to this Lease. Accordingly, to the fullest extent permitted by law, the Lessee shall defend, indemnify and hold harmless the City and its officers, employees, agents and instrumentalities from any and all actual liability, losses or damages, including reasonable attorneys' fees and costs of defense, which the City or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature first arising following the Effective Date, and arising out of, relating to or resulting from any of the following occurrences or events, whether by the Lessee or its employees, agents, servants, partners, principals, sub-lessees, invitees, trespassers, or contractors: (i) any default, breach or violation or non-performance of this Lease or any provision thereof; (ii) the use and operation of the Hotel Project or any part thereof; (iii) the negligent acts or omissions of Lessee or its employees, agents, servants, partners, principals, sub-lessees, invitees, ~~trespassers,~~ or contractors; (iv) ~~any challenge to the validity of this Lease or any Transfer by a third party through legal proceedings or otherwise~~[reserved]; or (v) occurrences or events caused by Lessee and otherwise arising in connection with the ~~subject matter of this Lease~~Hotel Project, except to the extent any liability, losses or damages is caused by the gross negligence or willful misconduct of the City or its officers, employees, agents, or contractors.

(b) Lessee shall investigate and defend all claims, suits, or actions of any kind or nature in the name of the City which are covered by this indemnity obligation, where applicable, including appellate proceedings, and shall pay reasonable costs, judgments, and reasonable attorney's fees which may issue thereon.

(c) Lessee expressly understands and agrees that any insurance protection required by this Lease or otherwise provided by Lessee shall in no way limit the responsibility to indemnify, keep and save harmless and defend the City or its officers, employees, agents and instrumentalities as herein provided. The City shall give to the Lessee reasonable notice of any such claims or actions. The provisions of this section shall survive the expiration or early termination of this Lease.

(d) Lessee covenants and agrees that any contracts entered into by Lessee and the Hotel Project General Contractor or other contractors in privity with Lessee for the Work shall include ~~the~~similar indemnities required by this Section 8.3 from the Hotel Project General Contractor or other contractors in privity with Lessee in favor of Lessee and the City.

**Section 8.4. Environmental Matters.**

(a) **Defined Terms.**

(i) "Environmental Condition" means any set of physical circumstances in, on, under, or affecting the Hotel Project that may constitute a threat to or endangerment of health, safety, property, or the environment, including:

(1) The presence, except in such quantities and concentrations as are routinely found in nature or in products used in ordinary business or commercial activities, of any Hazardous Substance;

(2) any underground storage tanks, as defined in Subtitle I of the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. 6991 et. seq., or the regulations thereunder, for the storage of hazardous wastes, oil, petroleum products, or their byproducts;

(3) any PCB, asbestos or any other substances specifically regulated under the Toxic Substances Control Act, 15 U.S.C. 2601 or regulations issued thereunder; and any open dump or system of refuse disposal for public use without a permit, as prohibited by 42 U.S.C. 6945 and/or Florida law equivalent, or the regulations issued thereunder.

(ii) "Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq.; the Toxic Substances Control Act, 15 U.S.C. 2601 et. seq.; the Clean Water Act, 33 U.S.C. 1251 et seq.; the Clean Air Act, 42 U.S.C. 7401 et. seq.; the Oil Pollution Act, 33 U.S.C. 2701 et. seq., the Hazardous Materials Transportation Act, 49 U.S.C. 1801 et. seq.; the Refuse Act of 1989, 33 U.S.C. 407; the Occupational Safety and Health Act, 29 U.S.C. 651 et. seq., as such laws have been amended or supplemented from time-to-time, and the regulations promulgated thereunder; and any analogous Governmental Requirements.

(iii) "Environmental Requirements" means all present and future Governmental Requirements, including the Environmental Laws, authorizations, judgments, decrees, concessions, grants, orders, agreements or other restrictions and requirements relating to any Environmental Conditions or any Hazardous Substances on the Leased Property.

(iv) "Hazardous Substance" means any substances or materials presently or hereinafter identified to be toxic or hazardous according to any of the Environmental Laws, including any asbestos, PCB, radioactive substances, methane, volatile hydrocarbons, acids, pesticides, paints, petroleum based products, lead, cyanide, DDT, printing inks, industrial solvents or any other material or substance that has in the past or could presently or at any time in the future cause or constitute a health, safety or other environmental hazard to any person or property. The term Hazardous Substances includes hazardous wastes, hazardous substances, extremely hazardous substances, hazardous materials, toxic substances, toxic chemicals, oil, petroleum products and their by-products, and pollutants or contaminants as those terms are defined in the Environmental Laws.

(v) "Environmental Permit" means any Governmental Approval required under any Environmental Law in connection with the ownership, use or operation of the Hotel Project for the storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances, or the sale, transfer or conveyance of the Hotel Project, and all supporting documentation thereof.

(vi) "Environmental Claim" means any accusation, allegation, notice of violation, claim, demand, abatement or other order or direction (conditional or otherwise) by any Governmental Authority or any person for personal injury (including sickness, disease, or death), tangible or intangible property damage, damage to the environment, nuisance, pollution, contamination or other adverse effects on the environment, or for fines, penalties, or restrictions, resulting from or based upon:

(1) the existence or release, or continuation of any existence of a release (including sudden or non-sudden, accidental or non-accidental leaks or spills) of, or exposure to, any substance, chemical, material, pollutant, contaminant, or audible noise or other release or emission in, into or onto the environment (including the air, ground, water or any surface) at, in, by, from or related to the Leased Property;

(2) the environmental aspects of the transportation, storage, treatment or disposal of materials in connection with the activities on the Leased Property; or

(3) the violation, or alleged violation, of any Governmental Requirements relating to Environmental Requirements on the Leased Property; but excluding any of the foregoing arising solely from the intentional actions of the City and its agents; provided, however, Environmental Claims shall not include any claim related to the possible existence of a 1,000 gallon storage tank buried in the ground near the existing parking garage elevator shaft on the Leased Property placed on the Leased Property prior to the Effective Date.

(vii) "Corrective Action Work" means any and all activities of removal, response, investigation, testing, analysis, remediation taken to:

(1) prevent, abate or correct an existing or threatened Environmental Condition at, about, affecting, or affected by the Leased Property; or

(2) comply with all applicable Environmental Requirements.

(b) **Environmental Indemnification.**

(i) Lessee covenants and agrees, at its sole cost and expense, to defend (with counsel selected by Lessee, after consulting with the City), indemnify and hold harmless the City, its successors, and assigns from and against, and shall reimburse the City, its successors and assigns, for any and all Environmental Claims against the Leased Property, whether meritorious or not, brought against the City by any Governmental Authority;

(ii) the foregoing indemnity includes indemnification against all costs of removal, response, investigation, or remediation of any kind, and disposal of such Hazardous Substances as necessary to comply with Environmental Laws, all costs associated with any Corrective Action Work, all costs associated with claims for damages to persons, property, or

natural resources, any loss from diminution in the value of the Hotel Project and the City's commercially reasonable attorneys' fees and consultants' fees, court costs and expenses incurred in connection therewith;

(iii) this indemnification shall be interpreted as broadly as possible and is in addition to all other rights of the City under this Lease; and

(iv) payments by Lessee under this Section shall not reduce Lessee's obligations and liabilities under any other provision of this Lease.

Notwithstanding anything to the contrary contained in this Section 8.4, neither the Lessee nor Hotel Project General Contractor, or other contractor in privity with Lessee, has a duty to indemnify the City in connection with any Environmental Claims that are due to the ~~grossly negligent conduct of the City or its agents, which grossly negligent conduct occurs following the date the Lessee completed his environmental testing.~~

**Section 8.5. Limitation of City's Liability.**

(a) Any tort liability to which the City is exposed under this Lease shall be limited to the extent permitted by applicable law and subject to the provisions and monetary limitations of Section 768.28, Florida Statutes, as may be amended, which statutory limitations shall be applied as if the parties had not entered into this Lease, and City expressly does not waive any of its rights and immunities thereunder.

(b) City will not in any event whatsoever be liable for any injury or damage to Lessee (unless caused by the gross negligence of City, its agents, servants or employees) or to any other Person happening on, in or about the Leased Property and its appurtenances, nor for any injury or damage to the Leased Property or to any property belonging to Lessee (unless caused by the gross negligence of City, its agents, servants or employees) or to any other Person which may be caused by any fire or breakage, or by the use, misuse or abuse of any of the Lessee Improvements (including any of the common areas within the buildings, equipment, elevators, hatches, openings, installations, stairways, hallways or other common facilities or the improvements to the land described in this Lease), or which may arise from any other cause whatsoever.

(c) City will not be liable to Lessee or to any other Person for any failure of telephone, computer system, cable TV, water supply, sewage disposal, gas or electric current, nor for any injury or damage to any property of Lessee or to any Person or to the Leased Property caused by or resulting from gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storms or disturbances, or water, rain or snow which may leak or flow from the street, sewer, gas mains or subsurface area or from any part of the Leased Property, or leakage of gasoline or oil from pipes, appliances, sewer or plumbing works therein, or from any other place, nor for interference with light or other incorporeal hereditaments by any Person.

**ARTICLE IX  
INSURANCE AND RECONSTRUCTION**

**Section 9.1. General Insurance Provisions.** Prior to any activity on the Leased Property, and at all times during the Term, Lessee at its sole cost and expense shall procure the insurance specified below. In addition, Lessee shall ensure its Hotel Project General Contractor and tenants maintain the insurance coverages set forth below. All ~~policies must be executable in the State of Florida. All~~ insurers must maintain an AM Best rating of A- or better. The terms and conditions of all policies may not be less restrictive than those contained in the most recent edition of the policy forms issued by the Insurance Services Office (ISO) or the National Council on Compensation Insurance (~~NCCI~~NCCI). If ISO or NCCI issues new policy forms during the policy term of the required insurance, complying with the new policy forms will be deferred until the expiration date of the subject policy. Said insurance policies shall be primary over any and all insurance available to the City whether purchased or not and shall be non-contributory. The Lessee, its Hotel Project General Contractor or tenants shall be solely responsible for all deductibles contained in their respective policies. All policies procured pursuant to this Article IX shall be subject to the following maximum deductibles ~~acceptable to the City.~~ **[COMMERCIALY REASONABLE AMOUNTS / PERCENTAGES FOR DEDUCTIBLES TBD]**. The City of Miami Beach will be included as an "additional insured" on the commercial general liability, automobile liability, property insurance, and pollution liability ~~policies~~policies. The City will also be named as an insured as its interests may appear with respect to the builder's risk policy, and as "loss payee" on Lessee's property insurance and business interruption policies.

**Section 9.2. Evidence of Insurance.** Prior to Lessee taking possession of the Leased Property, and annually thereafter, Lessee shall deliver satisfactory evidence of the required insurance to the City. Satisfactory evidence shall be: (a) a certificate of insurance for all required coverage; and (b) a copy of the actual (redacted) insurance policy for builder's risk coverage. The City, at its sole option, may request a certified copy of any or all insurance policies required by this Lease. All insurance policies must specify they are not subject to cancellation or non-renewal without a minimum of 30 days notification by the insurer to the City, the City's Risk Management Division and the First Leasehold Mortgagee, with a minimum of 10 days notification by the insurer to the City, the City's Risk Management Division and the First Leasehold Mortgagee prior to cancellation or non-renewal for non-payment of premium. The Lessee will deliver to the City, at least 30 days prior to the date of expiration of any insurance policy, a renewal policy replacing any policies expiring during the term of this Lease, or a certificate thereof, together with evidence that the full premiums have been paid. Premiums on policies will not be financed in any manner whereby any Leasehold Mortgagee, on default or otherwise, will have the right or privilege of surrendering or cancelling the policies; provided, however, that premiums may be paid in annual installments. All certificates of insurance shall (i) be in a form acceptable to the City, (ii) name the types of policies provided, (iii) refer specifically to this Lease; (iv) evidence the waiver of subrogation in favor of the City as required by Section 9.11 below; and (v) evidence that coverage shall be primary and noncontributory, and that each policy includes a Cross Liability or Severability of Interests provision, with no requirement of premium payment by the City. ~~Lessee shall deliver, together with each certificate of insurance, a letter from the agent or broker placing such insurance, certifying to the City that the coverage provided meets the coverage required under this Lease.~~ The official title of the certificate holder is "City of Miami Beach, Florida." Additional insured certificates for the City shall read "City of Miami Beach, Florida", and shall

be addressed to 1700 Convention Center Drive, Miami Beach, FL, 33139, Attn: Risk Management, 3rd Floor.

**Section 9.3. Required Coverages.** In addition to such insurance as may be required by law, the Lessee shall procure and maintain, or cause others to procure and maintain, without lapse or material change, for so long as it occupies the Leased Property, the following insurance:

(a) **Commercial General Liability Insurance** on a comprehensive basis, including contractual liability, to cover the Leased Property and Lessee's operations and indemnity obligations, in an amount not less than \$5,000,000 combined single limit per occurrence for bodily injury and property damage.

(b) **Automobile Liability Insurance** covering all owned, non-owned and hired vehicles used by the Lessee in connection with its operations under this Lease in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage. Coverage must be afforded on a form no more restrictive than the latest edition of the Business Automobile Liability policy, ~~without~~with only those restrictive endorsements as required by the insurer's underwriting guidelines, as filed by the Insurance Services Office (ISO).

(c) **Pollution Liability Insurance** in an amount not less than \$10,000,000 per claim, covering third party claims, remediation expenses, and legal defense expenses arising from on-site and off-site loss, or expense or claim related to the release or threatened release of Hazardous Materials at the Leased Property. Such policy shall include an annual policy aggregate in the amount of \$20,000,000. [DISCUSS – SHOULD REALLY ONLY BE OBTAINED IF REQUIRED BY ENVIRONMENTAL DUE DILIGENCE]

(d) **Builders Risk Insurance** during the course of construction, issued in the name of the Lessee, the Hotel Project General Contractor and the City as their interests may appear (but solely to the extent the City has an insurable interest), in amount(s) not less than 100% of the insurable value of the Hotel Project completed structure(s), covering perils on an "All Risk" basis, including flood, earthquake, and windstorm (with reasonable sublimits being maintained for such additional coverages). Policy(s) must clearly indicate that underground structures (if applicable) and materials being installed are covered. Any deductibles are the sole responsibility of the Lessee.

(e) **Commercial Property Insurance** in an amount of 100% of the insurable value of all Lessee Improvements under an "all risk" form, including damage by water, [flood], subsistence, [hurricane] and earthquake.

(f) **Business Interruption Insurance** coverage utilizing a gross earnings value form with limits equal to twelve (12) months of Lessee's projected Gross Operating Revenues associated with the Leased Property. The City and Lessee shall jointly review Lessee's projected Gross Operating Revenues periodically and the limits of this policy shall be adjusted based on this review.

(g) **Workers' Compensation and Employers Liability Insurance** with limits sufficient to respond to Florida Statute §440. In addition, the Lessee shall obtain Employers' Liability Insurance with limits of not less than: (i) \$500,000 Bodily Injury by Accident, (ii)

\$500,000 Bodily Injury by Disease and (iii) \$500,000 Bodily Injury by Disease, each employee.

(h) **Professional Liability.** Lessee shall cause any architects or engineers to maintain architects and engineers errors and omissions liability insurance specific to the activities or scope of work such consultants will perform. If coverage is provided on a "claims made" basis, Lessee shall request that the policy shall provide for the reporting of claims for a period of ~~five~~three (~~5~~3) years following the completion of all construction activities. The minimum limits acceptable shall be \$1,000,000 per occurrence and \$3,000,000 in the annual aggregate.

(i) **Terrorism Insurance.** So long as the Terrorism Risk Insurance Program Reauthorization Act of 2015 ("TRIPRA") or a similar or subsequent statute is in effect, terrorism insurance for "certified" and "non-certified" acts (as such terms are used in TRIPRA or a similar or subsequent statute) in an amount equal to the full replacement cost of the Leased Property plus 12 months of business interruption coverage. If TRIPRA or a similar or subsequent statute is not in effect, then the "all risk" property insurance required pursuant to Section 9.3(e) of this Lease shall not exclude coverage for acts of terror or similar acts of sabotage unless terrorism insurance is not commercially available, in which case, Lessee shall obtain stand-alone coverage in commercially reasonable amounts (for purposes of this clause (i), commercially reasonable amounts shall mean amounts that would be (A) obtained by property owners or lessees of properties located in markets similar to that of the Hotel Project and similar in size and type to the Hotel Project and (B) required by prudent Institutional Lenders or landlords in such similar markets with similar properties).

**Section 9.4. Premiums and renewals.** Lessee shall pay as the same become due all premiums for the insurance required by this Article IX, shall renew or replace each such policy and deliver to the City evidence of the payment of the full premium thereof prior to the expiration date of such policy and shall promptly deliver to the City all original Certificates of Insurance and copies of all such renewal or replacement policies.

**Section 9.5. Adequacy Of Insurance Coverage.**

(a) The adequacy of the insurance coverage required by this Article IX may be reviewed periodically by the City in its ~~sole~~reasonable discretion. The City reserves the right, but not the obligation, to review and reasonably revise the insurance requirements every three (3) years, (including but not limited to deductibles, limits, coverages and endorsements) provided such revisions are commercially reasonable, customary and commonly available regarding properties similar in type, size, use and location to the Leased Property and Lessee Improvements and further provided that such coverage is available at commercially reasonable rates (including fiduciary liability and directors and officers liability insurance);

(b) Lessee agrees that City may, if it so elects, have the Lessee Improvements appraised (at the sole cost and expense of the City) for purposes of obtaining the proper amount of insurance hereunder. Any review by the City shall not constitute an approval or acceptance of the amount of insurance coverage.

**Section 9.6. City May Procure Insurance if Lessee Fails To Do So.** If Lessee refuses, neglects or fails to secure and maintain in full force and effect any or all of the insurance required pursuant to this Lease, the City, at its option and after twenty (20) days' notice to Lessee, may procure or renew such insurance. In that event, all commercially reasonable

amounts of money paid therefor by the City shall be treated as Additional Rent payable by Lessee to the City together with interest thereon at the Default Rate from the date the same were paid by the City to the date of payment thereof by Lessee. Such amounts, together with all interest accrued thereon, shall be paid by Lessee to the City within ten (10) days of written notice thereof.

**Section 9.7. Effect of Loss or Damage.** Any loss or damage by fire or other casualty of or to any of Lessee Improvements on the Leased Property at any time shall not operate to terminate this Lease or to relieve or discharge Lessee from the payment of Rent, or from the payment of any money to be treated as Additional Rent in respect thereto, pursuant to this Lease, as the same may become due and payable, as provided in this Lease, or from the performance and fulfillment of any of Lessee's obligations pursuant to this Lease. No acceptance or approval of any insurance agreement or agreements by the City shall relieve or release or be construed to relieve or release Lessee from any liability, duty or obligation assumed by, or imposed upon it by the provisions of this Lease.

**Section 9.8. Proof of Loss.** Whenever any Lessee Improvements, or any part thereof, constructed on the Leased Property (including any personal property furnished or installed in the premises) shall have been damaged or destroyed, Lessee shall promptly make proof of loss in accordance with the terms of the insurance policies and shall proceed promptly to collect or cause to be collected all valid claims which may have arisen against insurers or others based upon any such damage or destruction. Lessee shall give City written notice within forty-eight (48) hours of any material damage or destruction. For purposes of this Section 9.8, "material damage or destruction" shall mean any casualty or other loss the commercially reasonable cost of which to repair is in excess of \$50,000 or, notwithstanding the cost of repair, will have a material adverse effect on the day to day operations of the Hotel Project.

**Section 9.9. Insurance Proceeds.**

(a) Authorized Payment. ~~All~~ Notwithstanding that any claim checks might be made jointly to all parties designated as "named insureds" or "loss payees", as applicable, all sums payable for loss and damage arising out of the casualties covered by the property insurance policies shall be payable:

(i) directly to Lessee, if the total recovery is equal to or less than [\$1,000,000] (as adjusted for inflation over the Term pursuant to Section 14.20 hereof), except that if an Event of Default has occurred and is continuing hereunder, such proceeds, shall be paid over to the Insurance Trustee and disbursed in accordance with Section 9.9(a)(ii). After the completion of all Restoration Work in accordance herewith, any remaining proceeds shall be paid over to Lessee subject to its obligations to the First Leasehold Mortgage; and AMOUNT SHOULD RELATE TO FINAL PROJECT COSTS

(ii) to a commercial bank or trust company designated by Lessee and Approved by the City (the "Insurance Trustee"), if the total recovery is in excess of \$1,000,000 (as adjusted for inflation over the Term pursuant to Section 14.20 hereof) or is less than \$1,000,000 but an Event of Default has occurred and is continuing hereunder, to be held by the Insurance Trustee pending establishment of reconstruction, repair or replacement costs and shall be disbursed to Lessee pursuant to the provisions of subparagraph (b) of this Section 9.9.

(b) Disposition of Insurance Proceeds for Reconstruction.

(i) All insurance proceeds shall be applied for the reconstruction, repair or replacement of Lessee Improvements and the FF&E and other personal property of Lessee located on the Leased Property, so that Lessee Improvements, FF&E and such other personal property shall be restored to a condition comparable to the condition prior to the loss or damage but in all cases consistent with the Hotel Standards and in a First Class Quality condition (hereinafter referred to as "Reconstruction Work");

(ii) From the insurance proceeds received by the Insurance Trustee, there shall be disbursed to Lessee such amounts as are required for the Reconstruction Work. Lessee shall submit invoices or proof of payment to the Insurance Trustee for payment or reimbursement according to an agreed schedule of values approved in advance by the City and Lessee;

(iii) If the City and Lessee do not agree on the schedule or values, they shall resolve the matter in accordance with Section 7.8; and

(iv) After the completion of the Reconstruction Work, any unused insurance proceeds shall be paid to Lessee.

**Section 9.10. Reconstruction.**

(a) In the event of any loss or damage by fire or other casualty of or to any of Lessee Improvements, FF&E and other personal property of Lessee located on the Leased Property, Lessee shall give the City immediate notice thereof and Lessee, at its sole cost and expense, whether or not such loss or damage has been insured, and whether or not the covenants and agrees to commence the Reconstruction Work as soon as practicable, but in any event within three (3) months after the insurance proceeds in respect of the destroyed or damaged improvements or personally have been received, and to fully complete such Reconstruction Work as expeditiously as possible consistent with the nature and extent of the damage. Lessee shall comply in all respects with the provisions of Section 2.15 with respect to any Reconstruction Work.

(b) In the event that Lessee fails to perform the Reconstruction Work in accordance herewith and within a reasonable time after such loss or damage, the City shall have the right to terminate this Lease in which case, upon the City's request, the Lessee shall surrender and return the Leased Property to the City in the same condition existing on the Possession Date, including demolition of all Lessee Improvements and repair and restoration of any property, including the Convention Center, affected by the demolition of the Lessee Improvements, and free and clear of all debts, mortgages, encumbrances and liens.

(c) Notwithstanding the foregoing, if, during the last forty-nine (49) years of the Term, the Lessee Improvements are ~~totally~~substantially destroyed or so damaged as to render them unusable, then ~~(i) Lessee or the City~~ may terminate this Lease by delivery of written notice of such termination to the other Party not later than sixty (60) days after the occurrence of such casualty, whereupon this Lease will terminate as of the date of such casualty. Upon such termination, the insurance proceeds shall be payable as follows: (i) first, to demolish the Lessee Improvements and clear the site of all Lessee Improvements and

debris to the City's reasonable satisfaction, (ii) second to reimburse Lessee for the fair market value of the Lessee Improvements as of the date of such loss or destruction and (iii) third, the balance, if any, to be split by the City and Lessee. If ~~neither the Lessee nor the City does~~ not timely elect to terminate this Lease in accordance with this Section 9.10(c), Lessee shall restore the Lessee Improvements in accordance with Section 9.10(a) hereof.

**Section 9.11. Waiver of Subrogation.** Where permitted by law, the City and Lessee each hereby ~~waives~~waive all rights of recovery by subrogation or otherwise (including, without limitation, claims related to deductible or self-insured retention clauses, inadequacy of limits of any insurance policy, insolvency of any insurer, limitations or exclusions of coverage), against City, Lessee and ~~its~~each party's respective officers, agents, or employees.

**Section 9.12. Inadequacy of Insurance Proceeds.** Lessee's liability hereunder to timely commence and complete restoration of the damaged or destroyed Lessee Improvements shall be absolute, irrespective of whether the insurance proceeds received, if any, are adequate to pay for said restoration.

**Section 9.13. No City Obligation to Provide Property Insurance.** Lessee acknowledges and agrees that City shall have no obligation to provide any property insurance on any Lessee Improvements or property of Lessee located on the Leased Property. If City does provide any property insurance coverage, Lessee acknowledges that such insurance shall be for the sole benefit of the City and Lessee shall have no right or claim to any such proceeds.

**Section 9.14. Compliance.** Lessee's compliance with the requirements of this Article IX shall not relieve the Lessee of its liability, or be construed to relieve or limit, Lessee of any responsibility, liability, or obligation imposed under any other portion of this Lease, or by law, including, without limitation, any indemnification obligations which Lessee owes to City.

**Section 9.15. Right to Examine.** The City reserves the right, upon reasonable notice, to examine the ~~original or~~(redacted) true copies of policies of insurance (including binders, amendments, exclusions, riders and applications) to determine the true extent of coverage. The Lessee agrees to permit such inspection and make available such policies at the offices of the ~~City~~Hotel Site.

**Section 9.16. Personal Property.** Any personal property of the Lessee or of others placed in the Leased Property shall be at the sole risk of the Lessee or the owners thereof, and the City shall not be liable for any loss or damage thereto for any cause.

**ARTICLE X**  
**CONDEMNATION**

**Section 10.1. Complete Condemnation.**

(a) If the entire Hotel Project shall be taken or condemned for any public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu thereof (in each case, a "Taking"), or if such Taking shall be for a portion of the Hotel Project such that the portion remaining is not sufficient and suitable, on a commercially reasonable basis, for the operation of the Hotel, then this Lease shall cease and terminate as of the date on which the condemning authority takes possession; and

(b) If this Lease is so terminated, the entire award for the Hotel Project or the portion thereof so taken shall be apportioned among the City and the Lessee as of the day immediately prior to the vesting of title in the condemning authority, as follows:

(i) First, but only if the City is not the authority condemning the Hotel Project, the City shall receive the then fair market value of the Leased Property so taken or condemned considered as vacant, unimproved, and unencumbered, ~~together with the value of the City's remainder interest in the Lessee Improvements which have been taken;~~

(ii) Second, Lessee shall be entitled to the then fair market value of its interest under this Lease and in the Lessee Improvements, ~~less the discounted value of such Lessee Improvements as allocated to the City,~~ together with any and all business damages suffered by Lessee (subject, however, to the rights of the First Leasehold Mortgagee thereto); and

(iii) the City and Lessee shall each receive one-half (1/2) of any remaining balance of the award, except that the Lessee shall receive the entire remaining balance of the award if the City is the authority condemning the Hotel Project.

**Section 10.2. Partial Condemnation.**

(a) If there is a Taking of a portion of the Hotel Project, and the remaining portion can, on a commercially reasonable basis be adapted and used to operate the Hotel in the same manner it was previously operated, then this Lease shall continue in full force and effect; and

(b) In such event, the award shall be apportioned as follows:

(i) First, to the Lessee to the extent required, pursuant to the terms of this Lease, for the restoration of the Hotel Project;

(ii) Second, but only if the City is not the authority condemning the Hotel Project, to the City the portion of the award allocated to the fair market value of the Leased Property which is so taken, considered as vacant and unimproved;

(iii) Third, to the Lessee the amount by which the value of Lessee's interest in the Lessee Improvements and the Leased Property were diminished by the taking or condemnation; and

(iv) the City and Lessee shall each receive one-half (1/2) of any remaining balance of the award, except that the Lessee shall receive the entire remaining balance of the award if the City is the authority condemning the Hotel Project.

**Section 10.3. Restoration After Condemnation.** If this Lease does not terminate due to a Taking, then:

(a) Lessee shall, with due diligence, restore the remaining portion of the Hotel Project in accordance with the provisions of Sections 9.10(a) hereof;

(b) the entire proceeds of the award shall be deposited and treated in the same manner as insurance proceeds are to be treated under Article IX until the restoration has been completed and Lessee and the City have received their respective shares thereof pursuant to this Article X; and

(c) if the award is insufficient to pay for the restoration, Lessee shall be responsible for the remaining cost and expense.

**Section 10.4. Temporary Taking.** If there is a Taking of the temporary use (but not title) of the Hotel Project, or any part thereof, this Lease shall, but only to the extent it is commercially reasonable, remain in full force and effect and there shall be no abatement of any amount or sum payable by or other obligation of Lessee hereunder. Lessee shall receive the entire award for any such temporary Taking to the extent it applies to the period prior to the end of the Term and the City shall receive the balance of the award.

**Section 10.5. Determinations.** If ~~Landlord~~the City and the Lessee cannot agree in respect of any matters to be determined under this Article, a determination shall be requested of the court having jurisdiction over the taking. For purposes of this Article, any personal property taken or condemned shall be deemed to be a part of the Lessee Improvements, and the provisions hereof shall be applicable thereto.

**Section 10.6. Payment of Fees and Costs.** All fees and costs incurred in connection with any condemnation proceeding described in Article X shall be paid in accordance with the law governing same, as determined by the court, if appropriate.

## **ARTICLE XI** **QUIET ENJOYMENT AND OWNERSHIP OF IMPROVEMENTS**

**Section 11.1. Quiet Enjoyment.**

(a) The City represents and warrants that Lessee, upon paying the Rent, Additional Rent and other monetary obligations pursuant to this Lease and observing and keeping the material covenants and agreements of this Lease on its part to be kept and performed, shall lawfully and quietly hold, occupy and enjoy the Leased Property during the Term without hindrance or molestation by the City, acting in its proprietary capacity, or by any

Person claiming under the City, acting in its proprietary capacity. The City shall, at its own cost and expense, through the City Attorney's office or other counsel selected by the City in its sole discretion, defend any suits or actions which may be brought upon any such claims; and except for negligent acts or omissions by the City, in no event shall the City be liable for, and Lessee hereby expressly waives, any claim for damages of any kind whatsoever, including damages for loss of income, revenue, profit or value, and whether such damages are compensatory, consequential, punitive or exemplary. Lessee shall have the right to retain its own counsel connected with such proceedings, at Lessee's sole cost and expense.

(b) However, if the City is acting in its governmental capacity, any liability under this Section shall only be to the extent permitted by applicable law and subject to the provisions and monetary limitations of Section 768.28, Florida Statutes, as may be amended, which statutory limitations shall be applied as if the parties had not entered into this Lease.

(c) The City agrees that, during the Term, it shall operate the MBCC Project or cause the MBCC Project to be operated in a first class manner and substantially similar to the operation of the convention centers in major metropolitan areas such as Washington, DC, Orlando, Florida, San Francisco, California and Houston, Texas. [DISCUSS - CONSEQUENCES OF CITY'S FAILURE TO COMPLY]

**Section 11.2. Waste.** Lessee shall not permit, commit or suffer waste or impairment of the Hotel Project, or any part thereof; provided, however, demolition of existing improvements on the Leased Property existing on the date hereof shall not constitute waste.

**Section 11.3. Maintenance and Operation of Improvements.** Without limiting the provisions of Article XII, Lessee shall at all times keep the Hotel Project in good and safe condition and repair in accordance with the Hotel Standards, commercially reasonable wear and tear excepted, and in a First Class Quality condition. Regarding the occupancy, maintenance and operation of the Hotel Project, the Lessee shall comply with all applicable Governmental Requirements.

**Section 11.4. Ownership of Improvements During Lease.**

(a) Prior to the expiration or termination of this Lease, title to the Lessee Improvements shall not vest in the City by reason of its ownership of fee simple title to the Leased Property, but title to the Lessee Improvements shall remain in Lessee. Notwithstanding anything to the contrary contained herein, for purposes of federal income tax reporting and to enable Lessee to report depreciation thereon, Lessee shall be the owner of all Lessee Improvements located in, on or about the Hotel Project and Lessee shall be entitled to claim depreciation deductions for the Lessee Improvements and for any other alterations paid for or financed by Lessee as permitted under applicable law.

(b) If this Lease shall terminate, based on a mutual agreement between the parties or an final order from a court with jurisdiction from which the time for appeal has expired, prior to the expiration of the Term and if, at that time, the First Leasehold Mortgagee shall exercise its option to obtain a new lease for the remainder of the Term pursuant to Article VI, then title to the Lessee Improvements shall automatically pass to, vest in and belong to such First Leasehold Mortgagee or any designee or nominee of such First Leasehold Mortgagee permitted hereunder, until the expiration or sooner termination of the term of such new lease.

(c) The City and Lessee covenant that, to confirm the automatic vesting of title as provided in this paragraph, each will execute and deliver such further assurances and instruments of assignment and conveyance as may be commercially reasonably required by the other for that purpose.

**Section 11.5. Surrender of Leased Property.**

(a) Upon the expiration of the Term or earlier termination (provided that no First Leasehold Mortgagee has exercised its option to obtain a new lease for the remainder of the Term pursuant to Article VI), but only if mutually agreed upon or determined by a final order from a court with jurisdiction from which the time for appeal has expired, of this Lease, title to Lessee Improvements, free and clear of all debts, mortgages, encumbrances, and liens (which for this purpose shall include all personal property or equipment furnished or installed on the Hotel Project and owned or leased by Lessee), shall automatically pass to, vest in and belong to the City or its successor in ownership and it shall be lawful for the City or its successor in ownership to re-enter and repossess the Leased Property and Lessee Improvements thereon without process of law; and

(b) The City and Lessee covenant that, to confirm the automatic vesting of title as provided in this Section, each will execute and deliver such further assurances and instruments of assignment and conveyance as may be reasonably required by the other for that purpose.

**ARTICLE XII  
MAINTENANCE AND REPAIRS**

**Section 12.1. Standards Generally.** The City and Lessee agree that the manner in which the Hotel Project is developed, operated and maintained is important to the City by reason of its interest in having a convention hotel facility for use by its residents and visitors to the City. Therefore, Lessee hereby agrees to develop, operate and maintain the Hotel Project and the Lessee Improvements thereon (including all FF&E) consistent with the Hotel Standards and in a First Class Quality condition and in good order and repair, and will replace the same when necessary with items of similar utility and value in order to maintain such First Class Quality condition throughout the Term.

**Section 12.2. Utilities.** City will not be required to furnish any services, utilities or facilities whatsoever to the Leased Property pursuant to this Lease. Any services provided to the Leased Property shall be pursuant to the terms of a separate agreement. Any such agreement shall provide, among other things, that any default thereunder by Lessee will also constitute an Event of Default under this Lease, and will further provide that upon the occurrence of any Event of Default under this Lease City may terminate such agreement at its option.

**Section 12.3. Cleaning.** Lessee shall, at its sole cost and expense, perform or cause to be performed, services which will at all times keep the Leased Property and the Lessee Improvements thereon, whether partially or fully constructed, in a clean, neat, orderly, sanitary and presentable condition.

**Section 12.4. Removal of Trash.** Lessee shall, at its sole cost and expense, store, dispose of, and remove or cause to be removed from the Leased Property all trash and refuse which might accumulate and arise from its use of the Leased Property.

**Section 12.5. Maintenance and Repairs.**

(a) Lessee shall be exclusively responsible for maintenance and repair of the Leased Property and the Lessee Improvements, (except for the Off-site Improvements or to the extent infrastructure maintenance has been transferred by Lessee to a utility company by means of a written contract), to the extent and at the times that are consistent with standard industry practice for each applicable Lessee Improvement. Maintenance and repairs by Lessee, including landscape maintenance, shall be in quality and class equal to or better than the original Work to preserve the Leased Property and Hotel Project in good condition and working order. The Lessee shall repair all damage caused by the Lessee and its employees, agents, independent contractors, patrons, servants, invitees, and trespassers.

(b) In no event shall City be responsible or liable for any maintenance or repair of any Lessee Improvement, fixture, equipment, structure, facility, alteration, or addition thereto on the portion of the Leased Property.

(c) Lessee shall be responsible for complying at its cost with any Governmental Requirements, including construction re-certification of any Lessee Improvement on the Leased Property (other than the Off-site Improvements), including the “40-year recertification” requirement under the current building code.

(d) Maintenance and repair of the Hotel Project must be at a level that is in compliance with the Hotel Standards and that will cause the Hotel Project to be in a usable condition at the expiration or termination of this Lease, and with Lessee having expended sufficient funds during the last ten (10) years of this Lease that will cause each Lessee Improvement to be useful and functional and code compliant. During this Lease, Lessee shall (1) adequately and reasonably fund maintenance reserve accounts for each Lessee Improvement on the Leased Property in amounts that are consistent with standard industry practice applicable to each particular Lessee Improvement, (2) periodically expend funds from such accounts for maintenance purposes in an amount and at a time or times that are customary and ordinary for a sound maintenance program for the Leased Property and consistent with commercial development practices prevailing in South Florida and (3) comply at all times with the terms set forth in the Management Agreement from time to time regarding accrual, maintenance and expenditure of reserves, including FF&E reserves.

**Section 12.6. Excavation of Land.** Except in connection with the construction of the Hotel Project, no excavation of any of the land shall be made, no soil or earth shall be removed from the Leased Property, and no well of any nature shall be dug, constructed or drilled on the Leased Property, except as may be required for environmental monitoring purposes, without the prior written Approval by City.

**Section 12.7. Water and Sewerage System.** The Lessee shall operate and maintain, at its sole cost and expense, all the components of the water, sanitary sewerage and storm drainage facilities constructed by Lessee as part of the Hotel Project within the boundaries of the Leased Property. Once constructed, Lessee shall not make any alterations or

modifications to these facilities without the advance written Approval of the City, which approval shall not be unreasonably withheld.

**Section 12.8. Industrial Waste Facilities.** The Lessee shall be fully responsible for all industrial wastes on the Leased Property caused or produced by Lessee, its Subtenants or third-parties operating on the Leased Property and the proper disposal thereof, in accordance with applicable Governmental Requirements.

**Section 12.9. Inspections.** City and/or its designated representatives shall have the right, during normal working hours, after prior reasonable notice to inspect the Leased Property and the Lessee Improvements to identify those items of maintenance, repair, replacement, modification and refurbishment reasonably required of Lessee to keep the Leased Property and the Lessee Improvements in good order and condition. If Lessee has failed to fulfill its maintenance and repair obligations under this Lease, City shall provide written notice and the Lessee shall perform all corrective work identified in such notice within thirty (30) days of receipt of the notice from City; provided, however that if such corrective work cannot be reasonably accomplished within a thirty (30) day period, then the Lessee shall commence the corrective work within that thirty (30) day period and diligently prosecute same to completion. Trash and debris maintenance shall be corrected within two (2) business days following receipt of written notice from City. Failure of City to inspect as aforementioned shall not impose any liability on the City. Nothing in this contractual provision relating to City's inspections shall preclude City from making inspections of the Leased Property in accordance with City's regulatory authority.

**Section 12.10. Failure of Lessee to Maintain.** If Lessee has failed to properly clean, remove trash and debris, maintain, repair, replace and refurbish the Leased Property as required by this Article XII, the City shall provide to the Lessee a written list of deficiencies, reflecting the amount of time to be reasonably allowed for the Lessee to correct same. If the Lessee fails to correct such deficiencies within the time allowed and has not registered an objection as to its obligation to do so, the City, following ~~fifteen~~thirty (~~15~~30) days further written notice to the Lessee, may enter upon the Leased Property and perform all work, which, in the reasonable judgment of the City, is necessary and the City shall add the cost of such work, plus ~~twenty-five~~five percent (~~25~~5%) for administrative costs, to the Rent due hereunder on the first day of the month following the date of such work, and such cost shall be and constitute a part of the Rent. Subsequent to receipt of the further written notice of intent to perform repairs or cleanup from the City, the Lessee shall not undertake performance of such repairs or cleanup without specific prior written authorization from the City.

### **ARTICLE XIII MANAGEMENT OF HOTEL**

**Section 13.1. Hotel Standards.**

(a) Lessee covenants and agrees that it will utilize the Hotel Standards, as delineated in **Exhibit "B"**, to maintain and operate the Hotel, and operate or cause for the Hotel to be operated in compliance with this Lease, Management Agreement and Governmental Requirements;

(b) Any commercial operations on the Hotel Project, whether conducted by Lessee, an Affiliate of Lessee or any concessionaire, involving any unreasonably noisy, dangerous or obnoxious activities or the leasing or rental of unreasonably noisy, dangerous or obnoxious equipment, shall require the prior written approval of the City and City may withhold such approval or require the termination of any such commercial operations then in existence on the Hotel Project in its commercially reasonable judgment; and

(c) Lessee shall use commercially reasonable efforts to ensure that any concession, commercial activity, or other Hotel activity shall be generally consistent with the Hotel Standards.

**Section 13.2. Covenant to Continuously Operate Hotel.**

(a) Subject to the need to make repairs and perform maintenance and following any casualty, condemnation or Force Majeure Event in accordance herewith, Lessee shall diligently and continuously operate (or cause to be operated) the Hotel for 365 days each year consistent with the Hotel Standards;

~~(b) Subject to the need to make repairs and perform maintenance and subject to any Force Majeure Events in accordance herewith, for each day the Hotel is not operated continuously, the City, in addition to any other remedies available to it under this Lease, shall be entitled to receive a rental which shall be no less per day than the average of the Base Rent payable during the preceding three (3) full Rental Years; and~~[reserved]; and

(c) Notwithstanding the foregoing, Lessee shall have the right from time-to-time to close the Hotel or parts thereof for such commercially reasonable periods of time to make repairs, alterations, remodeling or for any reconstruction after casualty or condemnation or any Force Majeure Event; provided that the Lessee is using commercially reasonable diligent efforts to repair and restore the Hotel or, as applicable, to mitigate the impact of such Force Majeure Events on its operations.

**Section 13.3. Hotel Name.** Lessee may enter into new Management Agreements or change the name of "flag" of the Hotel so long as such brand or flag is an Approved Brand. In determining whether or not to give any Approval of a brand that is not an Approved Brand, the City may consider, by way of example and not of limitation, the public image of the proposed name or flag, its AAA or other quality classification and whether such image is commensurate with the public image the City desires to project. Provided that no Event of Default is then continuing, Lessee's request for approval shall be deemed approved if (i) the first correspondence from Lessee to City requesting such approval or consent is in an envelope marked "PRIORITY" and contains a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "FIRST NOTICE: THIS IS A REQUEST FOR CONSENT UNDER SECTION 13.3 OF THE DEVELOPMENT AND GROUND LEASE AGREEMENT, DATED AS OF \_\_\_\_\_, 2015, AND FAILURE TO RESPOND TO THIS REQUEST WITHIN TWENTY (20) DAYS MAY RESULT IN THE REQUEST BEING DEEMED GRANTED", and is accompanied by the information and documents required above, and any other information reasonably requested by City in writing prior to the expiration of such twenty (20) day period in order to adequately review the same has been delivered; and (ii) if City fails to respond or to deny such request for approval in writing within the first fifteen (15) days of such twenty (20) day period, a second notice requesting approval is delivered to City from Lessee in an envelope marked "PRIORITY"

containing a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "SECOND AND FINAL NOTICE: THIS IS A REQUEST FOR CONSENT ORDER SECTION 13.3 OF THE DEVELOPMENT AND GROUND LEASE AGREEMENT, DATED AS OF \_\_\_\_\_, 2015. IF YOU FAIL TO PROVIDE A SUBSTANTIVE RESPONSE (E.G., APPROVAL, DENIAL OR REQUEST FOR CLARIFICATION OR MORE INFORMATION) TO THIS REQUEST FOR APPROVAL IN WRITING WITHIN FIVE (5) DAYS, YOUR APPROVAL SHALL BE DEEMED GIVEN" and City fails to provide a substantive response to such request for approval within such final five (5) day period.

#### **ARTICLE XIV MISCELLANEOUS PROVISIONS**

**Section 14.1. No Partnership or Joint Venture.** It is mutually understood and agreed that nothing contained in this Lease is intended or shall be construed in any manner or under any circumstances whatsoever as creating or establishing the relationship of co-partners, or creating or establishing the relationship of a joint venture between the City and Lessee, or as constituting Lessee as the agent or representative of the City for any purpose or in any manner whatsoever.

**Section 14.2. Recording, Documentary Stamps.** A memorandum of this Lease, in form mutually satisfactory to the parties, may be recorded by either Party among the Public Records of Miami-Dade County, Florida and the cost of any such recordation, the cost of any documentary stamps which legally must be attached to any or all of said documents shall be paid in full by Lessee. The parties shall cooperate in structuring the transactions contemplated hereby in such a manner as to reduce such costs, provided such structure shall not have any adverse consequence for the City.

**Section 14.3. Florida and Local Laws Prevail.** This Lease shall be governed by the laws of the State of Florida. This Lease is subject to and shall comply with the City Code as the same is in existence as of the execution of this Lease and the ordinances of the City of Miami Beach. Any conflicts between this Lease and the City Code shall be resolved in favor of the latter. If any term, covenant, or condition of this Lease or the application thereof to any Person or circumstances shall to any extent, be illegal, invalid, or unenforceable because of present or future laws or any rule or regulation of any governmental body or entity or becomes unenforceable because of judicial construction, the remaining terms, covenants and conditions of this Lease, or application of such term, covenant or condition to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

**Section 14.4. No Conflicts of Interest/City Representatives not Individually Liable.** No member, official, representative, or employee of the City shall have any personal interest, direct or indirect, in this Lease, nor shall any such member, official, representative or employee participate in any decision relating to this Lease which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested. No member, official, elected representative or employee of the City shall be personally liable to Lessee or any successor in interest in the event of any

default or breach by the City or for any amount which may become due to Lessee or successor or on any obligations under the terms of this Lease.

**Section 14.5. Notice.** A notice or communication, under this Lease by the City, on the one hand, to Lessee, or, on the other, by Lessee to the City shall be sufficiently given or delivered if dispatched by hand delivery, or by nationally recognized overnight courier providing receipts, or by registered or certified mail, postage prepaid, return receipt requested to:

(a) Lessee. In the case of a notice or communication to Lessee if addressed as follows:

To:

With Copies To:

(b) City. In the case of a notice or communication to the City, if addressed as follows:

To:

With Copies To:

or if such notice is addressed in such other way in respect to any of the foregoing Parties as that Party may, from time-to-time, designate in writing, dispatched as provided in this Section 14.5.

[Notices to the City shall be delivered as provided in Section 14.14 below.](#)

**Section 14.6. Estoppel Certificates.** The City and Lessee shall, within thirty (30) days after written request by the other, execute, acknowledge and deliver to the party which has requested the same or to any actual or prospective First Leasehold Mortgagee, a certificate stating that:

(a) this Lease is in full force and effect and has not been modified, supplemented or amended in any way, or, if there have been modifications, this Lease is in full force and effect as modified, identifying such modification agreement, and if this Lease is not in force and effect, the certificate shall so state;

(b) this Lease as modified represents the entire agreement between the parties as to this subject matter, or, if it does not, the certificate shall so state;

(c) the dates on which the Term of this Lease commenced and will terminate;

(d) to the knowledge of the certifying Party all conditions under this Lease to be performed up to that date by the City or Lessee, as the case may be, have been performed or satisfied and, as of the date of such certificate, there are no existing defaults, defenses or offsets which the City or Lessee, as the case may be, has against the enforcement of this Lease by the other Party, or, if such conditions have not been satisfied or if there are any defaults, defenses or offsets, the certificate shall so state; and

(e) the Rent due and payable for the year in which such certificate is delivered has been paid in full, or, if it has not been paid, the certificate shall so state.

The party to whom any such certificate shall be issued may rely on the matters therein set forth; however, in delivering such certificate neither Lessee nor the City (nor any individual signing such certificate on such party's behalf) shall be liable for the accuracy of the statements made therein, but rather shall be estopped from denying the veracity or accuracy of the same. Any certificate required to be made by the City or Lessee pursuant to this paragraph shall be deemed to have been made by the City or Lessee (as the case may be) and not by the person signing same.

**Section 14.7. Provisions not Merged with Deed.** Unless otherwise expressed in the instrument of conveyance or transfer, none of the provisions of this Lease are intended to or shall be merged by reason of any deed:

(a) transferring the Hotel Project or any part thereof from Lessee (or its successors or assigns) to the City (or its successors or assigns); or

(b) transferring title to the Leased Property or any part thereof from the City to Lessee, its successors or assigns. Any such deed shall not be deemed to affect or impair the provisions and covenants of this Lease.

Notwithstanding anything to the contrary contained herein, so long as there is a First Leasehold Mortgagee, the City and Lessee agree that the City shall not transfer any fee interest in the Leased Property to Lessee without such First Leasehold Mortgagee's prior written consent.

**Section 14.8. Titles of Articles and Sections.** Any titles of the several parts, Articles and Sections of this Lease are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

**Section 14.9. Counterparts.** This Lease may be executed in counterparts, each of which shall be deemed an original. Any such counterparts shall constitute one and the same instrument. This Lease shall become effective only upon execution and delivery of this Lease by the parties hereto.

**Section 14.10. Successors and Assigns; No Third Party Beneficiaries.** Except to the extent limited elsewhere in this Lease, all of the covenants conditions and obligations contained in this Lease shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Lessee. Lessee and the City acknowledge and agree that no third party shall have any rights or claims arising hereunder, nor is it intended that any third party shall be a third party beneficiary of any provisions hereof.

**Section 14.11. Entire Agreement.** This Lease and its Exhibits constitute the sole and only agreement of the parties hereto with respect to the subject matter hereof and correctly set forth the rights, duties, and obligations of each to the other as of its date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Lease are of no force or effect and are merged into this Lease.

**Section 14.12. Amendments.** No amendments to this Lease shall be binding on either Party unless in writing and signed by both Parties. The restrictions in Sections \_\_, \_\_ and \_\_ may not be modified except by a 6/7<sup>th</sup> vote of the City Commission and approval of such modifications by at least sixty percent (60%) of the voters voting thereon in a City-wide referendum, in the same manner as required for approval of the initial Lease pursuant to Section 1.03(b)(3) of the City Charter. The City shall not be obligated to expend any money or undertake any obligation connected with any such amendment proposed by Lessee, or otherwise connected with any action requested by or for the benefit of Lessee under this Lease, and shall be reimbursed by Lessee for all out of pocket expenses (including third party consultants and attorneys) incurred by the City. Prior to the City taking action regarding any such request, Lessee shall deposit with the City the estimated amount of such costs, as reasonably determined by the City.

**Section 14.13. Non-Subordination of City's Interest.** The City's fee interest in and ownership of the Leased Property and the City's rights and interest in this Lease (including the rights to Rent, Public Charges and other monetary obligations of Lessee to the City under this Lease) shall not be subject or subordinate to or encumbered by any financing for the Hotel Project or lien or encumbrances affecting Lessee's interest in this Lease or Lessee Improvements or by any acts or omissions of Lessee or any Subtenant hereunder. In this regard, the Rent, Additional Rent, Public Charges and other monetary obligations of Lessee to the City under this Lease then payable at any point in time during the Term shall be paid by Lessee to the City and shall be superior in right to all claims or rights hereunder or described above in this Section, including all Hotel Project operating expenses, the payment of debt service, and any distributions of profits to Lessee or any of its Affiliates or owners.

**Section 14.14. Authorization and Approvals by the City.** All requests for action or approvals by the City shall be sent to the City Attorney for decision as to who within the City, including the City Commission, must act or approve the matter on behalf of the City.

**Section 14.15. Holidays.** It is hereby agreed that whenever a notice or performance under the terms of this Lease is to be made or given on a Saturday or Sunday or on a legal holiday recognized by the City, it shall be postponed to the next following business day, not a Saturday, Sunday or legal holiday.

**Section 14.16. No Brokers.** Lessee shall be responsible for, and shall hold the City harmless with respect to, the payment of any commission claimed by or owed to any real estate broker or other Person retained by Lessee and which is entitled to a commission as a result of the execution and delivery of this Lease. The City similarly shall be responsible for, and shall hold Lessee harmless with respect to, the payment of any commission claimed by or owed to any real estate broker or other Person retained by the City and which is entitled to a commission as a result of the execution and delivery of this Lease.

**Section 14.17. No Liability for Approvals and Inspections.** Except as may be otherwise expressly provided herein, no approval to be made by the City in its capacity as landlord under this Lease or any inspection of the Work or the Hotel Project by the City under this Lease, shall render the City liable for its failure to discover any defects or nonconformance with any Governmental Requirement.

**Section 14.18. Radon.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are

exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the county public health unit for Miami-Dade County.

**Section 14.19. Lessee Entity.** On the date of execution hereof, Lessee is a \_\_\_\_\_ [type of entity]. In the event that at any time during the term of this Lease and any extensions and renewals thereof, Lessee is a corporation or an entity other than a \_\_\_\_\_ [type of entity], then any references herein to member, membership interest, manager and the like which are applicable to a \_\_\_\_\_ [type of entity] shall mean and be changed to the equivalent designation of such term which is appropriate to the nature of the new Lessee entity.

**Section 14.20. Inflation Adjustments.** All adjustments for inflation required under this Lease shall be calculated utilizing the United States Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers; U.S. City average (1982-84=100). If the United States Department of Labor should no longer compile and publish this index, the most similar index compiled and published by said Department or any other branch or department of the federal government shall be used for the purpose of computing the inflation adjustments provided for in this Lease. If no such index is compiled or published by any branch or department of the federal government, the statistics reflecting cost of living increases as compiled by any institution or organization or individual designated by the City and generally recognized as an authority by financial or insurance institutions shall be used as a basis for such adjustments. [FORMULA TO BE SPECIFIED]

**Section 14.21. Standard of Conduct.** The implied covenant of good faith and fair dealing under Florida law is expressly adopted.

**Section 14.22. Waiver of Consequential Damages.** Notwithstanding anything contained in this Lease to the contrary, in no event shall either Party be liable to the other for any consequential or punitive damages. No general or limited partner, member, manager, officer, director, principal, employee, agent, affiliate or shareholder of Lessee shall be personally liable for the performance of Lessee's obligations under this Lease.

**Section 14.23. Reservation of Rights.** This Lease shall not affect any rights that may have accrued to any Party to this Lease under applicable laws and each Party hereto reserves any and all of such rights.

**Section 14.24. Confidentiality.** Subject to the obligations of the City to preserve for the public record and make available to the public certain information (as required by applicable law), the City and Lessee shall each maintain as confidential any and all information, data and documents obtained about the Hotel Project or the other party ("Information") obtained prior to and following the execution of this Lease (including without limitation, any financial or operating information of, or related to, Lessee or information related to the construction and development costs of the Hotel Project). Notwithstanding anything to the contrary contained herein, each party shall be permitted to disclose any or all of the Information: (i) to those principals, employees, representatives, lenders, consultants, counsel, accountants and other professional advisors of such party who have a legitimate need to review or know such Information and who have, prior to disclosure, agreed to be bound by the terms of commercially reasonable confidentiality obligations and (ii) any government or self-regulatory

agency whose supervision or oversight such party or any of its affiliates may be subject to the extent required by applicable law, any governmental authority or a court of competent jurisdiction, in each case to the extent reasonably necessary to comply with any legal or regulatory requirements to which such party or its affiliates may be subject. This provision shall survive the expiration or termination of this Lease.

[signature page to follow]

**IN WITNESS WHEREOF**, Lessee has caused this Lease to be signed in its name by its \_\_\_\_\_, and the City of Miami Beach has caused this Lease to be signed in its name by the Mayor, and duly attested to by the City Clerk, and approved as to form and sufficiency by the City Attorney, on the day and year first above written.

WITNESSED BY:

CITY OF MIAMI BEACH, FLORIDA

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

By: \_\_\_\_\_  
Philip Levine  
Mayor

ATTEST

Approved for form and legal sufficiency

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
City Attorney

**LESSEE**

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

By: \_\_\_\_\_  
Name:  
Title:

STATE OF FLORIDA )  
COUNTY OF MIAMI-DADE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_ Who is personally known to me or who produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public  
Commission Number: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

STATE OF FLORIDA )

COUNTY OF MIAMI-DADE )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_  
, 2015, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_  
Who is personally known to me or who produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public  
Commission Number: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

**EXHIBIT "A"**  
**ACCEPTABLE OWNER DEFINITION**

A. "Acceptable Owner" means any individual, corporation or other entity which has, at a minimum, the following qualifications:

1. Neither the proposed owner nor any Persons with an ownership interest in the proposed owner shall, directly or indirectly, own, operate or manage a Gaming Establishment in Miami-Dade County, Florida; provided, however, that the foregoing restriction shall not prevent a proposed owner who otherwise qualifies as an Acceptable Owner from so qualifying if all Persons owning or Controlling such proposed owner, own or control in the aggregate five percent (5%) or less of the voting securities of any owner, operator or manager of a Gaming Establishment in Miami-Dade County, Florida.

2. The proposed owner must possess the qualifications, good reputation and financial resources necessary for an interest in the Hotel Project in accordance with this Lease, in a manner consistent with the quality, reputation and economic viability of the Hotel Project.

3. The proposed owner shall have no outstanding material violations of any Governmental Requirement against the proposed owner, or any hotel or other property owned or managed by such proposed owner, or an Affiliate of such proposed owner, within Florida, which have remained uncured for more than ninety (90) days.

4. The proposed owner must not be owned, controlled or run by entities or individuals who have been convicted, or are presently under indictment, for felonies under the laws of any foreign or United States of America jurisdiction. But, the foregoing shall not apply to individuals or entities owning less than a ten (10%) percent equity interest in the proposed owner, other than officers, directors, managers or others who have the power to direct and control the business and affairs of the proposed owner.

5. The proposed owner must not (nor any of the individuals or entities who own at least a ten (10%) percent equity interest in the proposed owner or are officers, directors, managers or otherwise have the power to direct and control the business and affairs of the proposed owner) have filed or been discharged from bankruptcy, or have been the subject of an involuntary bankruptcy, reorganization or insolvency proceedings within the past five (5) years (bankruptcy filings by affiliates shall not disqualify a proposed owner, unless such affiliates are any of the individuals or entities described in the parenthetical immediately above).

6. The proposed owner must not in its charter or organizations documents (defined as the articles of incorporation and bylaws for any corporation, the partnership agreement and partnership certificate for any partnership, the trust agreement for any trust and the constitution of the relevant government for any governmental entity, but expressly excluding any statements, positions, actions or allegations not contained in such charter organizational documents) expressly advocate or have as its stated purpose: (a) the violent overthrow of or armed resistance against, the U.S. government; or (b) genocide or violence against any persons; or (c) discrimination, hatred or animosity toward persons based solely on their race, creed, color, sex or national origin.

B. "Acceptable Owner Criteria": The foregoing six (6) categories of requirements set forth in paragraph A above are collectively defined as the "Acceptable Owner Criteria."

C. Evaluation of the "Acceptable Owner Criteria": Solely for the purpose of evaluating whether the proposed owner has met the six (6) criteria set forth above, it, he or she shall provide the following information to the Lessee, which shall provide a copy to be reviewed by the City:

1. Information sufficient for the Miami Beach Police Department to perform a background check in accordance with the City of Miami Beach Code;
2. Financial statements reflecting the proposed owner's financial ability to meet the obligations and requirements for purchasing the Hotel Project;
3. A list of all bankruptcies filed by or which the proposed Acceptable Owner was a party-bankrupt, if any;
4. A list of all pending litigation, liens or claims in which the proposed owner is currently involved; and
5. A list of four (4) persons or firms with whom proposed owner has conducted business transactions during the past three (3) years. At least two (2) of those references must have knowledge of the proposed owner's debt payment history.

D. Approval Process: Regarding the issue of approving a proposed owner as an Acceptable Owner, the parties hereby agree that:

1. It is understood and agreed that the City will not unreasonably withhold its consent if the proposed Acceptable Owner complies with the Acceptable Owner Criteria;
2. If a proposed Transfer requires the City's consent, Lessee shall deliver written notice to the City, which shall confirm the identity of the proposed owner, and shall include with such notice:
  - (i) copies of any applicable operating licenses;
  - (ii) identification of the hotels owned or managed by the proposed owner;
  - (iii) the resume of the proposed owner, senior executives, and other key employees thereof, including identification of and duration, of hotel ownership experience; and
  - (iv) such other evidence as is commercially reasonably necessary to establish that the new entity proposed to be the Acceptable Owner, meets the Acceptable Owner Criteria.
3. The City shall have forty-five (45) days after the delivery of such written notice and the information required under subparagraphs D(1) and (2) immediately above, to

determine whether, on a commercially reasonable basis, the proposed owner meets the Acceptable Owner Criteria.

4. Provided that no Event of Default is then continuing, Lessee's request for approval shall be deemed approved if (i) the first correspondence from Lessee to City requesting such approval or consent is in an envelope marked "PRIORITY" and contains a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "FIRST NOTICE: THIS IS A REQUEST FOR CONSENT UNDER SECTION 13.3. OF THE DEVELOPMENT AND GROUND LEASE AGREEMENT, DATED AS OF \_\_\_\_\_, 2015, AND FAILURE TO RESPOND TO THIS REQUEST WITHIN FORTY-FIVE (45) DAYS MAY RESULT IN THE REQUEST BEING DEEMED GRANTED", and is accompanied by the information and documents required above, and any other information reasonably requested by City in writing prior to the expiration of such forty-five (45) day period in order to adequately review the same has been delivered; and (ii) if City fails to respond or to deny such request for approval in writing within the first thirty (30) days of such forty-five (45) day period, a second notice requesting approval is delivered to City from Lessee in an envelope marked "PRIORITY" containing a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "SECOND AND FINAL NOTICE: THIS IS A REQUEST FOR CONSENT UNDER SECTION 13.3 OF THE DEVELOPMENT AND GROUND LEASE AGREEMENT, DATED AS OF \_\_\_\_\_, 2015. IF YOU FAIL TO PROVIDE A SUBSTANTIVE RESPONSE (E.G., APPROVAL, DENIAL OR REQUEST FOR CLARIFICATION OR MORE INFORMATION) TO THIS REQUEST FOR APPROVAL IN WRITING WITHIN FIFTEEN (15) DAYS, YOUR APPROVAL SHALL BE DEEMED GIVEN" and City fails to provide a substantive response to such request for approval within such final fifteen (15) day period.

5. If the City notifies Lessee, in writing, within such forty-five (45)-day period, that the information submitted is, on a commercially reasonable basis, incomplete or insufficient (and specifies in what ways it is incomplete or insufficient), then Lessee shall supplement such information, on a commercially reasonable basis, and the City shall have thirty (30) days after such supplemental information is provided to make its determination whether the proposed owner meets the Acceptable Owner Criteria.

6. If the City disapproves the proposed owner, the City shall provide to Lessee specific written, commercially reasonable reasons for such disapproval. The failure to object to the proposed owner within either of the two time periods set forth above shall be deemed to be the approval by the City of the proposed owner as an Acceptable Owner.

7. Any entity approved as an Acceptable Owner must meet the Acceptable Owner Criteria throughout its service as an Acceptable Owner hereunder unless certain of said qualifications were waived by the City, in writing, at the time of original approval.

8. No approval by the City of a proposed owner as an Acceptable Owner or its meeting of the Acceptable Owner Criteria shall have the effect of waiving or estopping the City from later claiming that said Acceptable Owner is no longer operating or maintaining the Hotel Project according to the terms of this Lease, thereby creating an Event of Default. But, the time periods, such as "within the five (5) years", set forth in the Acceptable Owner Criteria are measured from the date each proposed Acceptable Owner submits its application for approval by the City.

E. Interpretation:

1. All acts and omissions as well as rights and duties shall be done in a commercially reasonable manner, unless the standard of "sole discretion" is used.

2. The implied covenant of good faith and fair dealing under Florida law is expressly adopted.

**EXHIBIT "B"**  
**HOTEL STANDARDS DEFINITION**

The Lessee shall operate the Hotel, or cause for the Hotel to be operated, so that:

A. it meets a sufficient number of the standards then required to be able to obtain a four-diamond rating from the American Automobile Association ("AAA") or three-star rating by Forbes Travel Guide; or

B. if at any time during the Term of this Agreement either such rating systems are discontinued or the standards for rating systems are materially changed, the Parties shall mutually and reasonably agree to substitute an alternate rating system that is most nearly equivalent to the discontinued or changed rating system.

Notwithstanding the foregoing, Lessee shall be deemed to have satisfied the Hotel Standards as long as it is operating the Hotel Project (or causing the Hotel Project to be operated) in a manner substantially similar to the operation of the following convention center hotels as of the Effective Date: Hilton Americas-Houston, Hilton Orlando, Marriott Marquis Washington DC, San Francisco Marriott Marquis, Hyatt Regency Orlando, Hyatt Regency Denver at the Colorado Convention Center, The Westin Charlotte, and the Sheraton Chicago Hotel and Towers and the Loews Miami Beach.

The Lessee does not have to actually obtain the AAA four-diamond or equivalent rating. But, it must be able to meet the standards for obtaining it.

If the Lessee elects, in its sole discretion, not to obtain that rating, the City shall have the right once every thirty-six (36) months to require the Lessee to retain a hotel consultant proficient in the AAA Diamond ratings and with at least ten (10) years' experience in the hotel industry to produce a report within sixty (60) days of the City's request that states the Hotel does or does not meet the standards for a four-diamond rating or the equivalent.

The City has the right to accept or reject the report. If it rejects the report, the City shall retain its own hotel consultant proficient in the AAA Diamond ratings and, who shall also have at least ten (10) years' experience in the hotel industry. That consultant shall produce a report at any time explaining in commercially reasonable detail why the report by the Lessee's hotel consultant is not correct.

After the City's hotel consultant's report is delivered to the Lessee, the City and Lessee shall not take any formal action for thirty (30) days. They may elect to discuss or mediate the matter during that period of thirty (30) days.

At the end of that period of time, if the City does not agree that the Hotel is being operated at the standards required to obtain a four-diamond rating or the equivalent, then the matter may be resolved in accordance with Section 7.8, using a mediator with substantial experience in the hotel industry.

In the event of a determination that the Hotel Standards are not being met, Lessee shall have six (6) months within which to take the necessary action to meet a sufficient

number of the standards as required to be able to obtain a four-diamond rating or the equivalent.

EXHIBIT "C"

**BUDGETED IMPROVEMENT COSTS**  
**Hotel Project Costs**

**Soft Costs**

Design Architect	\$
Landscape Architect	\$
Other Architectural	\$
Traffic Engineer	\$
Civil Engineer	\$
Misc. Consultants	\$
Legal and Administrative	\$
Real Estate Taxes	\$
Developers Fee	\$
Building Permits	\$
Insurance - Builders Risk	\$
Pre- Opening Expense	\$
Working capital	\$
Sewer/Water Hook Up	\$
Art in Public Places	\$
Other	\$
Soft Cost Contingency	\$
Total Soft Cost	\$ _____

Financing	
Loan fees	\$
Construction period interest	\$

**Construction Costs**

Construction Cost Hotel	\$
Skybridge	\$
Construction Contingency	\$
Payment & Performance Bonds	\$
FF&E	\$
OS&E	\$ _____
Total Construction Cost	\$
Total Project Costs	\$

**EXHIBIT "D"**  
**LEGAL DESCRIPTION OF HOTEL SITE**

**EXHIBIT "E"**  
**APPROVED PLANS**

**EXHIBIT "F"**  
**SCHEDULE OF PERFORMANCE**

**EXHIBIT "G"**  
**FORM OF EASEMENTS**



**EXHIBIT "H"**  
**PRESENTLY PERMITTED DEVELOPMENT**

**EXHIBIT "I"**

**PUBLIC FACILITIES**

The proposed development will be serviced by those roadway transportation facilities currently in existence as provided by state, county, and local roadways. The proposed development will also be serviced by public transportation facilities currently in existence, as provided by Miami-Dade County, the City of Miami Beach, and such other governmental entities as may presently operate public transportation services within the City of Miami Beach. Sanitary sewer, solid waste, drainage, and potable water services for the proposed development shall be those services currently in existence and owned or operated by Miami-Dade County, the Miami-Dade County Water and Sewer Department, and the City of Miami Beach. The proposed development shall be serviced by those existing educational facilities owned or operated by the Miami-Dade Public Schools District, if applicable. The proposed development shall be serviced by those existing parks and recreational facilities owned or operated by the United States Government within Miami- Dade County, by the State of Florida, by Miami-Dade County, and by the City of Miami Beach. The proposed development shall be serviced by those existing health systems and facilities operated by the United States Government within Miami-Dade County, by the State of Florida, by Miami-Dade County, and by the City of Miami Beach.

The proposed development will also be serviced by any and all public facilities, as such are defined in Section 163.3221(12) of the Act, that are described in the Comprehensive Plan, specifically including those facilities described in the Infrastructure Element and the Capital Improvements Element therein, a copy of which is available for public inspection in the offices of the City Clerk of the City of Miami Beach.

**EXHIBIT "J"**  
**PUBLIC RESERVATIONS AND DEDICATIONS**

**EXHIBIT "K"**

**REQUIRED DEVELOPMENT PERMITS AND VARIANCES**

The following constitutes a generalized list of local permits anticipated as necessary to be approved by the terms of this Agreement:

1. Design Review Board, Planning Board, and/or Board of Adjustment approvals, pursuant to Chapter 118 of the City of Miami Beach Code.
2. Utility Permits
3. Demolition Permits
4. Building Permits
5. Environmental Permits
6. Hazardous Materials Removal Permit, if removal of hazardous materials is found necessary.
7. Public Works Permit, Paving and Drainage
8. Public Works Permit, Water and Sewer
9. Certificates of Use and/or Occupancy
10. Any variances that may be required pursuant to Chapter 118 of the City of Miami Beach Code
11. All other local governmental approvals as may be applicable to the subject property from time to time pursuant to the terms of this Development Agreement.

**EXHIBIT "L"**  
**ROOM BLOCK AGREEMENT**



**EXHIBIT "M"**  
**OWNERSHIP INTERESTS IN LESSEE**

**EXHIBIT "N"**

**UNIFORM SYSTEM SUMMARY OF OPERATING STATEMENT**

EXHIBIT "O"  
[RESERVED]

**EXHIBIT "P"**  
**EXTERIOR ELEMENTS FEATURES**

**EXHIBIT "Q"**  
**RESERVED**

**EXHIBIT "R"**  
**SCHEDULE OF MINIMUM FIXED RENT**

## EXHIBIT "S"

### MANDATORY HOTEL PROJECT DESIGN ELEMENTS

A full-service convention hotel of not-to-exceed 800 rooms, including:

1. at least \_\_\_ standard rooms (with a breakdown between kings and double/double or double/queen rooms necessary to obtain the Brand Approval by the Initial Hotel Operator);
2. not less than \_\_\_ suites and, if required by the Initial Hotel Operator, a club lounge;
3. a minimum of approximately 1\_\_\_,000 gross square feet (+/- 5%) of hotel conference space for meetings or other events, including a minimum of \_\_\_,000 gross square feet (+/- 5%) grand ballroom, \_\_\_,000 gross square feet (+/- 5%) junior ballroom, and \_\_\_,000 gross square feet (+/- 5%) of breakout meeting space;
4. approximately \_\_\_\_\_ square feet of space for kitchen facilities, used for room service and serving conference and meeting rooms;
5. food and beverage locations of a total square footage size that is not greater than the square footage size of food and beverage locations that are consistent with the size and number of rooms in the 4 Diamond hotel, including (i) a maximum of \_\_\_\_\_ square feet (\_\_\_\_\_ sq. ft.) for bar and restaurant facilities, not less than \_00 seats, in the aggregate, contained within a three-meal restaurant, specialty restaurant, pool bar and grill, lounge and lobby bar (such restaurants and bars are to be developed primarily along the perimeter of the ground floor of the Hotel Project)
6. a maximum of \_\_\_\_\_ square feet (\_\_\_\_\_ sq. ft.) for a non-specialty retail facility which may consist of a sundry and/or coffee shop(s) selling products such as news, coffee, overnight supplies, and travel necessities;
7. a pool, fitness center and spa;
8. the Exterior Elements Features, subject to a height restriction of a maximum three hundred (300) feet, in accordance with the provisions of the City's Land Development Regulations;
9. a minimum of .40 parking spaces per room on-site, in accordance with the provisions of the City's Land Development Regulations;
10. the Skybridge; and
11. [other TBD].

For the avoidance of doubt, the Lessee may elect to include in the Hotel Project ballroom and meeting space of a size that is greater than the 5% variances provided for above without City's Approval (and Lessee shall not be deemed to have made a Prohibited Hotel Project Change or to have failed to include the Mandatory Hotel Project Design Elements as a result of the inclusion of such excess ballroom and meeting space).

**EXHIBIT "T"**  
**LESSEE'S [CORPORATE, PARTNERSHIP, LLC DOCUMENTS]**

[see attached]

<b>Summary report:</b>	
<b>Litéra® Change-Pro TDC 7.5.0.135 Document comparison done on 4/8/2015 4:14:22 PM</b>	
<b>Style name:</b> SMRH Standard	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://DMS_PHX/EAST/204136224/1	
<b>Modified DMS:</b> iw://DMS_PHX/EAST/204136224/3	
<b>Changes:</b>	
<a href="#">Add</a>	266
<del>Delete</del>	178
<del>Move From</del>	3
<del>Move To</del>	3
<del>Table Insert</del>	0
<del>Table Delete</del>	0
<del>Table moves to</del>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>450</b>